CITY of CLOVIS

AGENDA • CITY COUNCIL MEETING

Council Chamber, 1033 Fifth Street, Clovis, CA 93612 (559) 324-2060
www.cityofclovis.com

August 21, 2023 | 6:00 PM | Council Chamber

In compliance with the Americans with Disabilities Act, if you need special assistance to access the City Council Chamber to participate at this meeting, please contact the City Clerk or General Services Director at (559) 324-2060 (TTY – 711). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the Council Chamber.

The Clovis City Council meetings are open to the public at the physical address listed above. There are numerous ways to participate in the City Council meetings: you are able to attend in person; you may submit written comments as described below; you may participate by calling in by phone (see "Verbal Comments" below); and you may view the meeting which is webcast and accessed at www.cityofclovis.com/agendas.

Written Comments

- Members of the public are encouraged to submit written comments at: www.cityofclovis.com/agendas at least two (2) hours before the meeting (4:00 p.m.). You will be prompted to provide:
    - Council Meeting Date
    - Item Number
    - Name
    - Email
    - Comment

SCAN ME

- Please submit a separate form for each item you are commenting on.
- A copy of your written comment will be provided to the City Council noting the item number. If you wish to make a verbal comment, please see instructions below.
- Please be aware that any written comments received that do not specify a particular agenda item will be marked for the general public comment portion of the agenda.
- If a written comment is received after 4:00 p.m. on the day of the meeting, efforts will be made to provide the comment to the City Council during the meeting. However, staff cannot guarantee that written comments received after 4:00 p.m. will be provided to City Council during the meeting. All written comments received prior to the end of the meeting will be made part of the record of proceedings.

Verbal Comments

- If you wish to speak to the Council on an item by telephone, you should contact the City Clerk at (559) 324-2060 no later than 4:00 p.m. the day of the meeting.

- You will be asked to provide your name, phone number, and your email. You will be emailed instructions to log into Webex to participate in the meeting. Staff recommends participants log into the Webex at 5:30 p.m. the day of the meeting to perform an audio and mic check.

- All callers will be placed on mute, and at the appropriate time for your comment your microphone will be unmuted.

- In order for everyone to be heard, please limit your comments to 5 minutes or less, or 10 minutes per topic

Webex Participation

- Reasonable efforts will be made to allow written and verbal comment from a participant communicating with the host of the virtual meeting. To do so, a participant will need to chat with the host and request to make a written or verbal comment. The host will make reasonable efforts to make written and verbal comments available to the City Council. Due to the new untested format of these meetings, the City cannot guarantee that these written and verbal comments initiated via chat will occur. Participants wanting to make a verbal comment via call will need to ensure that they accessed the WebEx meeting with audio and microphone transmission capabilities.

CALL TO ORDER

FLAG SALUTE - Councilmember Mouanoutoua

ROLL CALL

PUBLIC COMMENTS - This is an opportunity for the members of the public to address the City Council on any matter within the City Council's jurisdiction that is not listed on the Agenda. In order for everyone to be heard, please limit your comments to 5 minutes or less, or 10 minutes per topic. Anyone wishing to be placed on the Agenda for a specific topic should contact the City Manager's office and submit correspondence at least 10 days before the desired date of appearance.

ORDINANCES AND RESOLUTIONS - With respect to the approval of resolutions and ordinances, the reading of the title shall be deemed a motion to waive a reading of the complete resolution or ordinance and unless there is a request by a Councilmember that the resolution or ordinance be read in full, further reading of the resolution or ordinance shall be deemed waived by unanimous consent of the Council.

CONSENT CALENDAR - Items considered routine in nature are to be placed upon the Consent Calendar. They will all be considered and voted upon in one vote as one item unless a Councilmember requests individual consideration. A Councilmember's vote in favor of the Consent Calendar is considered and recorded as a separate affirmative vote in favor of each action listed. Motions in favor of adoption of the Consent Calendar are deemed to include a motion to waive the reading of any ordinance or resolution on the Consent Calendar. For adoption of ordinances, only those that have received a unanimous vote upon introduction are considered Consent items.

1. Administration - Approval - Minutes from the August 7, 2023, Council Meeting.
2. Administration - Approval – Amending the Community Development Block Grant – Coronavirus (CDBG-CV) funded Utilities Assistance Program, for low-income residents, to allow for up to an additional five months of assistance subsequent to any initial assistance provided, as allowed by federal regulations.
3. Finance- Approval – Res. 23-___, Approving the submittal of the 2023-2024 Transportation Funding Claim to the Fresno Council of Governments.
4. General Services - Approval - Selection of Janitorial Supplies Vendor Imperial Bag & Paper Co. Doing Business As Imperial Dade, and Authorize the City Manager to Execute the Agreement.
5. General Services – Approval - Claim Rejection of the General Liability Claim for Sammy Olague.
6. General Services – Approval – Res. 23___, Approving a Side Letter Agreement with Clovis Public Works Employees Association to Clarify Paid Holidays Eligible for Cash Out within the CPWEA MOU; and Authorizing the City Manager to Execute the Agreement.
7. General Services – Approval – Res. 23-___, Authorizing the Execution of the Certifications and Assurances for the FY 2023-24 California State Transit Assistance State of Good Repair Program.
8. Planning and Development Services – Approval – Res. 23-___, A resolution supporting and implementing the "Timely Use of Funding" as required by Assembly Bill 1012 for Candidates 2023-24 Federal Transportation Act, FAST Act Projects.
9. Planning and Development Services – Approval – Final Acceptance for CIP 23-01 Rubberized Cape Seal 2023.
10. Planning and Development Services – Approval – Final Acceptance for CIP 21-13 Alley Improvements.
11. Planning and Development Services – Approval – Final Acceptance for Final Map for Tract 6377, located at the southeast area of Leonard Avenue and Shaw Avenue (DYP 6377, LP (De Young Properties)).
12. Planning and Development Services – Approval – Res. 23-___, a request authorizing the City Manager to execute an amendment to a previously executed consultant agreement between the City of Clovis and Ascent Environmental, Inc. for the preparation of the Housing Element update and related services.
13. Police - Approval - Res. 23-___, Authorizing the Police Chief and the Police Department to execute the 2023-2024 Department of Alcoholic Beverage Control Alcohol Policing Partnership grant agreement and amend the Police Department budget to reflect the award of $60,000.00.

PUBLIC HEARINGS - A public hearing is an open consideration within a regular or special meeting of the City Council, for which special notice has been given and may be required. When a public hearing is continued, noticing of the adjourned item is required as per Government Code 54955.1.

14. Consider various amendments to the City of Clovis Municipal Code related to Code Enforcement, and Receive update on City of Clovis Code Enforcement Team:

    a. Consider Introduction - Ord. 23-___, Amending section 5.22.07 of the City of Clovis municipal code relating to the marijuana penalties and enforcement.

    b. Consider Introduction - Ord. 23-___, Amending section 6.3.13, of chapter 6.3, of title 6, of the City of Clovis municipal code relating to the unlawful dumping of garbage.

    c. Consider Introduction - Ord. 23-___, Adding section 5.27.512 to title 5 of the City of Clovis municipal code relating to the storing, maintaining, or placing of personal property in the public right-of-way.

    d. Consider Introduction - Ord. 23-___, Amending section 5.10.06 of the City of Clovis municipal code relating to the application for a massage establishment permit or out-call massage business permit.

    e. Consider Introduction - Ord. 23-___, Amending section 6.5.102, of chapter 6.5, of title 6, of the City of Clovis municipal code relating to the applications for water service.

    Staff: Dave Roseno, Corporal / Andrew Haussler, Assistant City Manager
    Recommendation: Approve

ADMINISTRATIVE ITEMS - Administrative Items are matters on the regular City Council Agenda other than Public Hearings.

15. Consider Approval - Res. 23-___, A Resolution of the City Council of the City of Clovis authorizing the issuance and sale of Water Revenue Refunding Bonds and approving documents and official actions relating to the refinancing of the 2013 Water Revenue Bonds.

    Staff: Jay Schengel, Finance Director
    Recommendation: Approve

16. Consider Approval – Consider an Assessment Increase Election in Landscape Maintenance District No. 1, Benefit Zones 2 and 5.

    Staff: Paul Armendariz, Assistant Public Utilities Director
    Recommendation: Approve

17. Consider Approval - Present and discuss the General Plan Update Strategy Report and authorize staff to initiate a comprehensive General Plan update.

    Staff: Renee Mathis, Director / Dave Merchen, City Planner / Ben Ritchie, DeNovo Consultant
    Recommendation: Discuss and Authorize

CITY MANAGER COMMENTS

COUNCIL COMMENTS

ADJOURNMENT

FUTURE MEETINGS

Regular City Council Meetings are held at 6:00 P.M. in the Council Chamber. The following are future meeting dates:

September 5, 2023 (Tue.)
September 11, 2023 (Mon.)
September 18, 2023 (Mon.)
October 2, 2023 (Mon.)
October 9, 2023 (Mon.)
October 16, 2023 (Mon.)

CLOVIS CITY COUNCIL MEETING

August 7, 2023 **6:00 P.M.** **Council Chamber**

Meeting called to order by Mayor Ashbeck
Flag Salute led by Councilmember Basgall

Roll Call: Present: Councilmembers Basgall, Bessinger, Mouanoutoua, Pearce
Mayor Ashbeck

PRESENTATION – 6:05

6:05 – ITEM 1 - PRESENTATION BY MARJAREE MASON CENTER – 10-YEAR ANNIVERSARY OF THE CLOVIS SAFE HOUSE.

PUBLIC COMMENTS – 6:15

Malcom Gibson, resident, commented on the outcome of the Desiree Martinez v. City of Clovis litigation.

Eric Rollins, resident commented on the Flag policy and Fresno County Library.

Jenny Crem, resident, commented on the outcome of the Desiree Martinez v. City of Clovis litigation and encourage Council to focus on issue within the City's jurisdiction.

Michelle Lung, county resident, commented on a development adjacent to her property.

David Flem, resident, made comments on term limits for elected federal officials.

Kim Rall, resident, made comments about a code enforcement issue.

Jason Scott, resident, requested to meet with Councilmembers on various issues.

Tracy Bohren, resident, requested City Council place on the agenda a social media policy for consideration.

CONSENT CALENDAR – 6:46

Motion by Councilmember Basgall, seconded by Councilmember Bessinger, that the items 2-21 with the exception of item 7 on the Consent Calendar be approved. Motion carried by unanimous vote.

2. Administration - Approved - Minutes from the July 10, 2023, Council Meeting.
3. Administration - Received and Filed – Economic Development Corporation Serving Fresno County Quarterly Report, April – June 2023.

4. Administration – Approved - Authorize the renewal of Geographic Information System software maintenance and support from ESRI, Inc in the amount of $104,000 per year for three years.
5. Administration - Approved – Waive Normal Purchasing Process and approve the purchase of a next generation antivirus system from the Center for Internet Security using the California Multiple Award Schedule (CMAS) purchasing program; a competitively bid contract with purchasing provisions for California State and Local government agencies in the amount of $75,048.19.
6. Administration - Approved – Waive Normal Purchasing Process and approve the purchase of replacement desktop computers and servers using competitively bid contracts with purchasing provisions for California State and Local government agencies.
8. General Services – Approved – **Res. 23-63**, Approving a Side Letter Agreement with Clovis Police Officers Association to Identify Specific Paid Holidays within the CPOA MOU; and Authorizing the City Manager to Execute the Agreement.
9. General Services – Approved – **Res. 23-64**, Approving a Side Letter Agreement with Clovis Firefighters Association Providing Dedicated Clinical Director Incentive Pay; and Approved – Res. **23-65**, Approving a Side Letter Agreement with Clovis Firefighters Association to Identify Specific Paid Holidays within the CFFA MOU; and Authorizing the City Manager to Execute the Agreements.
10. General Services – Approval – **Res. 23-66**, Authorizing an Increased Loan Amount through the California Energy Commission for Solar Project Funding; and Finding that the Project is Exempt from CEQA Pursuant to Class 1 and Class 2 Categorical Exemptions.
11. General Services – Approved - Claim Rejection of the General Liability Claim on behalf of Mark Stevenson.
12. General Services – Approved - Claim Rejection of the General Liability Claim on behalf of David Ortega, Annette Ortega, Alondra Ortega-Duenas, and Adrian Ortega.
13. General Services – Approved – **Res. 23-67,** Renewing Medical Plan Options for Eligible Retirees and Restating the Eligibility Requirements for Participation in the Plan.
14. General Services - Approved – **Res. 23-68**, Authorizing Amendments to the City's Classification and Compensation Plans to Adopt the Engineering Program Manager Classification with a Salary Range of $9,286 to $11,288 per month, and Approval – **Res. 23-69,** Amending the City's FY 23-24 Position Allocation Plan.
15. Planning and Development Services – Approved – Rejection of all bids for CIP 22-05 Trail Pavement Maintenance 2022.
16. Planning and Development Services – Approved – Final Acceptance for Final Map for Tract 6254, located at the northeast corner of Leonard and Barstow Avenues (BN 6120 LP (Bonadelle Homes, Inc.)).
17. Planning and Development Services - Approved – **Res. 23-70**, Annexation of Miscellaneous Properties to the Landscape Maintenance District No. 1.
18. Planning and Development Services – Received and Filed – Annual Department Newsletter.
19. Planning and Development Services – Approved – Partial Acceptance for Final Map for Tract 6154, located at the northwest corner of Teague and Fowler Avenue (Woodside 06N, LP, a California Limited Partnership).
20. Planning and Development Services – Approved – Bid Award for CIP 21-11 Fowler Avenue Street Improvements, and; Authorize the City Manager to execute the contract on behalf of the City.

21. Police – Approved - Authorize the renewal of the New World Computer Aided Dispatch System 5-year subscription, maintenance and support agreement from Tyler Technologies, Inc. in the amount of $1,047,299.12.

6:47 ITEM 7 - Finance – Received and Filed – Findings & Recommendations from Community Facilities District Citizens Oversight Committee.

Motion by Councilmember Mouanoutoua, seconded by Councilmember Basgall, that the item 7 on the Consent Calendar be approved. Motion carried by unanimous vote.

COUNCIL ITEMS – 6:57

6:57 ITEM 22 - APPROVED – DESIGNATION OF VOTING DELEGATE AND ALTERNATE FOR THE LEAGUE OF CALIFORNIA CITIES' ANNUAL CONFERENCE AND BUSINESS MEETING ON SEPTEMBER 20-22, 2023.

Motion for Mayor Pro Tem Mouanoutoua to be designated as the voting delegate with Councilmember Basgall as the alternate by Councilmember Pearce, seconded by Councilmember Bessinger. Motion carried by unanimous vote.

7:00 ITEM 23 - APPROVED – TO PROVIDE LETTERS OF OPPOSITION FOR SENATE BILL 423 (WIENER) AND ASSEMBLY BILL 309 (LEE) – GREATLY EXPANDING STATE AUTHORITY TO APPROVE HOUSING ON STATE-OWNED OR -LEASED LANDS.

Resident, supported opposition to SB 423 and AB 309.

Brett Berdine, resident, supported opposition to SB 423 and AB 309.

Resident, supported opposition to SB 423 and AB 309.

David Rall, resident, expressed concern statements made about intent of state and federal officials.

Tracy Bohren, resident, stated the State of California is allocating additional funding for affordable housing.

Motion for approval by Councilmember Bessinger, seconded by Councilmember Basgall. Motion carried by unanimous vote.

7:12 ITEM 24 - APPROVED – CHANGE OF COUNCIL MEETING SCHEDULE.

Motion for approval by Councilmember Bessinger, seconded by Councilmember Basgall. Motion carried by unanimous vote.

CITY MANAGER COMMENTS – 7:13

COUNCIL COMMENTS – 7:13

CLOSED SESSION – 7:34

ITEM 25 - GOVERNMENT CODE SECTION 54956.9(D)(1) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION CASE NAME: DESIREE MARTINEZ V. CITY OF CLOVIS, ET AL., CASE NO. F082914

ITEM 26 - GOVERNMENT CODE SECTION 54956.9(D)(2) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION

No action was taken by the City Council during the closed session.

Mayor Ashbeck adjourned the meeting of the Council to August 21, 2023

Meeting adjourned: 8:58 p.m.

__________________________	__________________________
Mayor	City Clerk

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Administration
DATE:	August 21, 2023
SUBJECT:	Administration - Approval – Amending the Community Development Block Grant – Coronavirus (CDBG-CV) funded Utilities Assistance Program, for low-income residents, to allow for up to an additional five months of assistance subsequent to any initial assistance provided, as allowed by federal regulations.
ATTACHMENTS:	None

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to approve an amendment to the CDBG-CV funded Utilities Assistance Program for low-income residents, to allow for an additional five months of assistance, subsequent to any initial assistance provided, as allowed by federal regulations.

EXECUTIVE SUMMARY
City staff is currently administering the CDBG-CV funded Utilities Assistance program to provide utilities relief to Clovis residents as approved by City Council on July 5, 2022. The program was authorized to provide one-time assistance to low-income residents. Over the last several months, staff has received applications from previously assisted residents, requesting additional assistance. The amendment, if approved, would allow staff to provide CDBG-CV assistance for an additional 5 months, as needed.

BACKGROUND
In 2022, the U.S. Department of Housing and Urban Development, provided the City of Clovis a $201,848 allocation of Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding through the CDBG-CV Program to provide relief to COVID- impacted residents. On July 5, 2022, City Council approved the use of the funds to assist residents facing difficulties paying City utilities such as water, sewer, and refuse.

Initially, Council approved the program as a one-time assistance type of program. Over the last several months, staff has received applications requesting second-time assistance, from residents who has previously received assistance through the program.

Therefore, staff is requesting City Council approval to amend the administrative direction to allow for multiple rounds of assistance for applicants needing relief, as permitted by the United States Department of Housing and Urban Development (HUD). The CDBG-CV program allows for up to six months of assistance. An applicant's first round of assistance can be followed by an additional maximum five months of assistance. Therefore, staff is requesting the amendment to allow for the additional five months of assistance if residents request the relief with additional applications.

FISCAL IMPACT

To date, $26,324.37 has been paid on behalf of twenty-seven (27) Clovis residents. A total of $135,155 remains to be spent on this program (in addition to approximately $32,000 in administrative funds). There is no impact to the General Funds Budget.

REASON FOR RECOMMENDATION

The amendment is recommended in order to meet the needs of low-income City residents through the HUD funded Emergency Utilities Payment Program.

ACTIONS FOLLOWING APPROVAL

Staff will implement the program as amended.

Prepared by: Claudia Cazares, Management Analyst

Reviewed by: City Manager AH

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Finance Department
DATE:	August 21, 2023
SUBJECT:	Finance- Approval – Res. 23-___, Approving the submittal of the 2023-2024 Transportation Funding Claim to the Fresno Council of Governments.
ATTACHMENTS:	1. Res. 23-___, Submission of Transportation Funding Claim Form 2. Transportation Funding Claim for Fiscal Year 2023-2024

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
That the Council approve Resolution 23-___, approving the submittal of the 2023-2024 Transportation Funding Claim to the Fresno Council of Governments.

EXECUTIVE SUMMARY
Each year the City of Clovis is required to submit an annual transportation claim for the Local Transportation Fund of Fresno County to the Fresno Council of Governments (COG) to receive funds provided through the Transportation Development Act (TDA) of 1971. The claim is prepared in accordance with the City's annual budget. After the TDA claim is adopted by the Resolution of the City Council, the claim is submitted to COG for adoption by Resolution of the COG board. After approval, the City will begin to receive the funds apportioned by COG for the 2023-2024 fiscal year.

BACKGROUND
Each year the City files a claim with the Fresno Council of Governments (COG) to receive funds provided through the Transportation Development Act (TDA) of 1971. The claim provides information on the various sources that are used to fund the transit operation and to fund bicycle/pedestrian projects.

The claim is normally based on the current year budget. If circumstances have changed since the budget was prepared, the claim will be based on the best available information.

In order for COG to allocate the TDA funds, the claim needs to be submitted to COG for approval. The claim allocates the available funds based on the final estimated allocation received from COG in May 2023.

FISCAL IMPACT
The TDA funds are budgeted in 2023-2024 based upon the final estimated allocation received from COG in May 2023. Approval of the claim by the Council will allow the City to receive the funds

REASON FOR RECOMMENDATION
To allocate the funds in accordance with the 2023-2024 estimates, it is necessary to submit the TDA claim to COG for approval. Approval of the claim by the Council for submittal is required.

ACTIONS FOLLOWING APPROVAL
After Council approval, the claim will be filed with COG.

Prepared by: Jose Cortez, Accountant

Reviewed by: City Manager AH

RESOLUTION 23-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS APPROVING SUBMISSION OF THE 2023-2024 TRANSPORTATION FUNDING CLAIM TO THE FRESNO COUNCIL OF GOVERNMENTS

WHEREAS, the City of Clovis is required to submit an annual transportation claim for the Transportation Funding through the Fresno Council of Governments for the fiscal year 2023-2024; and

WHEREAS, the Fresno Council of Governments has the authority to review claims and allocate such funds in accordance with the Transportation Development Act of 1971 and Chapter 3 of Title 30 of the California Administrative Code; and

WHEREAS, the City of Clovis has approved the 2023-2024 Budget for expenditures for 2023-2024; and

WHEREAS, the Transportation Act of 1971 requires certain findings and declarations regarding transit needs and conformance with Article 8, Chapter 1400, Statutes 1971 and applicable rules and regulations.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis hereby authorizes submittal of its Claim for Local Transportation Funds, as Attachment 2, in the amount of $13,624,767 for purposes allowed under Articles 3, 4, 4.5, and 8 of the Transportation Development Act of 1971.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: August 21, 2023

Mayor	City Clerk

ATTACHMENT 1

Enter Date: 7/20/2023 Claimant Name: City of Clovis

AGENDA ITEM NO. 3.

TRANSPORTATION FUNDING CLAIM FOR FISCAL YEAR: 2023/24

Instructions: Please note that each page of this claim is a separate worksheet, please click through all tabs and complete. Also note that light yellow fields require an entry if applicable, light grey fields contain formulas that will automatically calculate based on corresponding entries. A date and claimant name field is at the top of the first page, and automatically repeats on following pages, (date should be formatted 00/00/0000)

When completed, please print, sign and send signed original via mail to:
Les Beshears, Director of Finance, Fresno Council of Governments, 2035 Tulare Street, Suite 201, Fresno, CA 93721

From: Applicant:	City of Clovis
Address:	1033 Fifth Street
City/State/Zip:	Clovis, CA 93612
Contact Phone/email:	Jay Schengel / 559-324-2113

This applicant is an eligible claimant pursuant to Section 99203 of the Public Utilities Code and certifies that the following transportation funds are available to be claimed:

Local Transportation Fund

Apportionment:	$ 6,998,603
Unexpended, Held by Claimant:	$ 4,901,547
County 4.5 Contribution	$ 17,111
County Contract for Tarpey Roundup:	$ 76,703

State Transit Assistance Fund

Estimate:	$ 1,630,803
Other Agency:	

Other

Audit Exception/Impairment (required General Fund Payback):	
Other:	

	TOTAL
Thirteen Million, Six Hundred Twenty-Four Thousand, Seven Hundred Sixty-Seven	$ 13,624,767

spell out total amount in above cell

for the purposes and respective amounts specified in the attached claim be drawn from the Local Transportation Fund and State Transit Assistance Fund.

Please print and sign after completing form

Authorized Signature:	John Holt
Name/Title:	John Holt, City Manager
Date:	8/21/2023

Fresno Council of Governments
2035 Tulare St., Ste. 201 tel 559-233-4148
Fresno, California 93721 fax 559-233-9645
www.fresnocog.org

ATTACHMENT 2

Enter Date: 7/20/2023 Claimant Name: City of Clovis

AGENDA ITEM NO. 3.

TRANSPORTATION FUNDING CLAIM DETAIL FOR FISCAL YEAR: 2023/24

PURPOSE	AMOUNT	SUBTOTAL
1. Bicycle & Pedestrian Facilities:		
Article 3:	$ 140,018	
Article 8a:		
Audit Exceptions (General Fund Payback);		
Unexpended Funds, Held by Claimant:		
		$ 140,018
2. Regional Transportation Planning:	$ 195,535	$ 195,535
3. Public Transportation Article 4:	$5,988,823	
Article 8c:		
Tarpey Roundup County Contract:	$ 76,703	
Other Agency:		
State Transit Assistance Funds (STA):	$ 1,630,803	
Audit Exceptions (General Fund Payback):		
Unexpended Funds, Held by Claimant:	$ 4,901,547	
		$12,597,876
4. Community Transit Service CTSA, Article 4.5:	$ 357,867	$ 357,867
5. To Be Claimed By:		
Thirteen Million, Six Hund FAX Contract:	$ 333,471	
		$ 333,471
GRAND TOTAL		$ 13,624,767
Claim Total Must Agree With Total on First Page		$ 13,624,767
Minus All Unexpended Funds not used for Transit Claims		$ 4,901,547
GRAND TOTAL PAYABLE TO CLAIMANT		$ 8,723,220

Allocation instructions and payment by the Fresno County Auditor-Controller to the applicant is subject to such monies being available for distribution, and to the provisions that such monies will be used only in accordance with the rules and regulations of the Transportation Development Act.

Enter Date: 7/20/2023 Claimant Name: City of Clovis

BICYCLE AND PEDESTRIAN FACILITIES FOR FISCAL YEAR: 2023/24

Two percent (2%) of the claimant's Local Transportation Fund apportionment must be spent on bicycle and pedestrian facilities (PUC 99233.3 and 99234); such claims are to be filed as Article 3. Claims for projects in excess of 2% may be filed as Article 8a (PUC 99400(a)). If other funding is to be used with Local Transportation Funds to implement projects, such funding should be shown on the claim form.

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
Various Bicycle & Pedestrian Facilities throughout the claimant's jurisdiction:	$ 140,018.00
AND/OR:	
Other - describe briefly if applicable:	$ -
Other - describe briefly if applicable:	$ -
Other - describe briefly if applicable:	$ -
TOTAL PROJECT COSTS	$ 140,018.00

Enter Date: 7/20/2023

Claimant Name: City

AGENDA ITEM NO. 3.

PUBLIC AND SPECIALIZED TRANSPORTATION SERVICE CLAIM FOR OPERATING AND CAPITAL EXPENSES FY: 2023/24

GENERAL TRANSPORTATION SERVICE PROPOSED 2023/24 — PROJECT COSTS — TOTALS

(Information needed per PUC 99266, which states no moneys may be allocated in excess of 15% above preceding year unless claim is accompanied by supporting documentation)

TOTAL PROJECT COSTS: $ 5,471,168.00
Prior Year: $ 4,401,003.00
Percentage Change: 24%
more than prior year

Revenue Source & Amount	Operating	Capital	Total
LTF Article 4:	$ 2,196,604.00		$ 2,196,604.00
LTF Article 4.5 or 8c:			$ -
STA:		$ 408,949.00	$ 408,949.00
Fares:	$ 31,000.00	N/A	$ 31,000.00
Local Support:	$ 701,364.00	N/A	$ 701,364.00
Fed/State Grants:		$ 1,155,400.00	$ 1,155,400.00
Measure C:	$ 732,851.00	$ 245,000.00	$ 977,851.00
Interest:			$ -
Unexpended Funds Held By Claimant:			$ -
Audit Exception - General Payback Fund:			$ -
SUB-TOTALS	$ 3,661,819.00	$ 1,809,349.00	$ 5,471,168.00

ELDERLY/HANDICAPPED SERVICE PROPOSED 2023/24 — PROJECT COSTS — TOTALS

(Information needed per PUC 99266, which states no moneys may be allocated in excess of 15% above preceding year unless claim is accompanied by supporting documentation)

TOTAL PROJECT COSTS: $ 6,025,881.00
Prior Year: $ 3,643,067.00
Percentage Change: 65%
more than prior year

Revenue Source & Amount	Operating	Capital	Total
LTF Article 4:	$ 3,606,823.00		$ 3,606,823.00
Tarpey Roundup:	$ 76,703.00		$ 76,703.00
STA:		$ 1,921,963.00	$ 1,921,963.00
Fares:		N/A	$ -
Local Support:	$ 420,392.00	N/A	$ 420,392.00
Fed/State Grants:			$ -
Measure C:			$ -
Interest:			$ -
Unexpended Funds Held By Claimant:			$ -
Audit Exception - General Payback Fund:			$ -
SUB-TOTALS	$ 4,103,918.00	$ 1,921,963.00	$ 6,025,881.00

CONSOLIDATED TRANSIT SERVICE AGENCY PROPOSED 2023/24 — PROJECT COSTS — TOTALS

(Information needed per PUC 99266, which states no moneys may be allocated in excess of 15% above preceding year unless claim is accompanied by supporting documentation)

TOTAL PROJECT COSTS: $ 795,260.00
Prior Year: $ 706,949.00
Percentage Change: 12%
more than prior year

Revenue Source & Amount	Operating	Capital	Total
LTF Article 4.5:	$ 357,867.00		$ 357,867.00
LTF Article 8c:			$ -
STA:			$ -
Fares:	$ 10,000.00	N/A	$ 10,000.00
Local Support:	$ 427,393.00	N/A	$ 427,393.00
Fed/State Grants:			$ -
Other - describe briefly if applicable:			$ -
Other - describe briefly if applicable:			$ -
Unexpended Funds Held By Claimant:			$ -
Audit Exception - General Payback Fund:			$ -
SUB-TOTALS	$ 795,260.00	$ -	$ 795,260.00

GRAND TOTALS:	OPERATING	CAPITAL	TOTAL
	$ 8,560,997.00	$ 3,731,312.00	$ 12,292,309.00

Enter Date: 7/20/2023 Claimant Name: City of Clovis

PUBLIC AND SPECIALIZED TRANSPORTATION SERVICE FAREBOX CALCULATION FOR FISCAL YEAR: 2023/24

REQUIRED OPERATING/FAREBOX CALCULATIONS

General Transportation Service:

	Operating Expenses:	$ 3,661,819.00
1. Total Operating Expenses Minus Exclusions	Amount Excluded	$ 3,661,819.00
2. Farebox Revenues		$ 31,000.00
3. Other Local Support		$ 701,364.00
4. Total Local Support (Adds Lines 2 + 3)		$ 732,364.00
5. Farebox Revenue/Operating Expense Ratio (Line 2 Divided By Line 1)		1%
6. Required Minimum Ratio Verification: **Enter 1 for Urban, 2 for Rural**	1	20%
7. Total Local Support/Operating Expense Ratio (Line 4 Divided By Line 1)		20%
8. Required Minimum Ratio Criteria:	***Meets Minimum Requirements***	20%
URBAN 20%		
RURAL 10%		

Elderly/Handicapped Service:

	Operating Expenses:	$ 4,103,918.00
1. Total Operating Expenses Minus Exclusions	Amount Excluded	$ 4,103,918.00
2. Farebox Revenues		$ -
3. Other Local Support		$ 420,392.00
4. Total Local Support (Adds Lines 2 + 3)		$ 420,392.00
5. Farebox Revenue/Operating Expense Ratio (Line 2 Divided By Line 1)		0%
6. Required Minimum Ratio Verification:		10%
7. Total Local Support/Operating Expense Ratio (Line 4 Divided By Line 1)	***Meets Minimum Requirements***	10%
8. Required Minimum Ratio Criteria:		10%
10%		

Consolidated Transportation Service Agency:

	Operating Expenses:	$ 795,260.00
1. Total Operating Expenses Minus Exclusions	Amount Excluded	$ 795,260.00
2. Farebox Revenues		$ 10,000.00
3. Other Local Support		$ 427,393.00
4. Total Local Support (Adds Lines 2 + 3)		$ 437,393.00
5. Farebox Revenue/Operating Expense Ratio (Line 2 Divided By Line 1)		1%
6. Required Minimum Ratio Verification:		54%
7. Total Local Support/Operating Expense Ratio (Line 4 Divided By Line 1)		55%
8. Required Minimum Ratio Criteria:	***Meets Minimum Requirements***	55%
Fares 10%		
)ther Local Support 45%		

SUMMARY TOTALS:

		$ 8,560,997.00
	Total Operating Expenses:	$ 8,560,997.00
1. Total *OF ALL* Operating Expenses *PLUS* Exclusions	**Total Amount Excluded:** $ -	$ 8,560,997.00
	Must Agree With TOTAL, Project Detail Operator Tab:	$ 3,731,312.00
	2. Total of All Capital Projects:	$ 3,731,312.00
	Must Agree With CAPITAL PROJECTS, Project Detail Operator Tab:	$ 12,292,309.00
	3. GRAND TOTAL:	$ 12,292,309.00

Enter Date: 7/20/2023 Claimant Name: City of Clovis

AGENDA ITEM NO. 3.

CONTINGENCY PROJECT LISTING FOR FISCAL YEAR: 2023/24

Should additional Local Transportation Fund or State Transit Assistance Fund monies be made available during the current fiscal year, they are hereby also claimed for the following purposes:

CHECK ALL THAT APPLY (Enter "X" in yellow box)

BICYCLE AND PEDESTRIAN FACILITIES
X ***Article 3***

PUBLIC TRANSPORTATION
X ***Article 4***

SUPPLEMENTAL INFORMATION REQUIRED OF TRANSIT CLAIMANTS (CCR 6632)

ATTACHED TO THIS CLAIM ARE SUBMITTED THE FOLLOWING DOCUMENTS:
(initial yellow box all that apply)

JH **Budget or proposed budget for the 2023/24 fiscal year.**

JH **Statement for prior year revenues and expenditures (projections acceptable).**

JH **California Highway Patrol Certification pursuant to PUC 99251 (no claim may be approved unless accompanied by this certification). Date on this certification must be within 13 months of the proposed claim approval date.**

STANDARD ASSURANCES FOR TRANSIT CLAIMANTS

CLAIMANT ASSURANCES: (initial yellow box all that apply)

JH **A.** Claimant certifies that it has submitted a satisfactory, independent fiscal audit, with required certification statement, to the RTPA and to the State Controller, pursuant to PUC 99245 and 21 Cal. Code of Regulations Section 6664 for the prior fiscal year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one).

JH **B.** Claimant certifies that it has submitted a State Controller Report, in conformance with the uniform system of accounts and records, to the RTPA, and to the State Controller, pursuant to PUC 99243, for the prior year (project year minus two). Beginning with the 1979–80 fiscal year, claimant assures that this report will be audited by an independent CPA. Claimant assures that this report will be completed for the current fiscal year (project year minus one)

JH **C.** Claimant certifies in accordance with PUC Section 99314.5(b) that it is not precluded by any contract entered into on or after June 28, 1979, from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license. Claimant further certifies that no person who was a full-time employee on June 28, 1979, shall have his or her employment terminated or his or her regular hours of employment, excluding overtime, reduced by the operator as a result of it employing part-time drivers or contracting with such common carriers.

D. Claimant filing claim pursuant to PUC Section 99260 certifies that:
(check one by entering "X" in yellow cell):

X **1.** the current cost of its retirement system is fully funded with respect to the officers and employees of its public transportation system (PUC Section 99271a); or

2. the operator is implementing a plan approved by the transportation planning agency which will fully fund the retirement system for such officers and employees within 40 years (PUC Section 99271a); or

3. the operator has a private pension plan which sets aside and invests on a current basis funds sufficient to provide for the payment of future pension benefits and which is fully compliant with the requirements stated in PUC Sections 99272 and 99273.

JH **E.** Claimant certifies that it is in compliance with PUC Section 99264 that it does not routinely staff, with two or more persons, a vehicle for public transportation purposes designed to be operated by one person.

JH **F.** Claimant certifies that it is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended in accordance with Section 6754(a)(3).

JH **G.** Claimant certifies that this is in compliance with PUC Section 99155 that if it offers reduced fares to seniors, the same reduced rate is offered to disabled persons, handicapped persons, and disabled veterans and it honors the federal Medicare card for identification to receive reduced fares.

JH **H.** Claimant certifies that it is in compliance with PUC Section 99155.5 regarding dial-a-ride and paratransit services being accessible to handicapped persons and that the service is provided to persons without regard to vehicle ownership and place of residence.

The undersigned hereby certifies that the above statements are true and correct.
Please print and sign after completing form

Authorized Signature: John Holt

Name/Title: John Holt, City Manager
Date: 8/21/2023

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	General Services Department
DATE:	August 21, 2023
SUBJECT:	General Services - Approval - Selection of Janitorial Supplies Vendor Imperial Bag & Paper Co. Doing Business As Imperial Dade, and Authorize the City Manager to Execute the Agreement.
ATTACHMENTS:	1. Agreement

CONFLICT OF INTEREST

Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION

For City Council to approve the proposal submitted by Imperial Bag & Paper Co. dba Imperial Dade for provision of janitorial supplies from September 22, 2023, through September 21, 2026; and authorize the City Manager to execute an agreement with Imperial Dade for the services.

EXECUTIVE SUMMARY

Staff recently conducted a request for proposal (RFP) process for janitorial supply services. Staff recommends the City Council award a three (3) year contract to the lowest priced company, Imperial Dade, for janitorial supply services. The RFP clearly stated that the quality of service would weigh heavily in the selection process of the successful vendor. It is the City's intent to obtain the highest quality of products and services at the lowest cost. In February of this year, Imperial Dade was sold and bought out by Imperial Bag & Paper Co. LLC dba Imperial Dade.

BACKGROUND

Staff developed a Request for Proposals (RFP) for janitorial supplies and posted the RFP to the City's web-based bid management system which distributed the invitation to registered vendors interested in janitorial supply services. A public notice for the RFP was also published in the *Fresno Business Journal.* The City's web-based bid management system electronically distributed the RFP invitation to eighty-six (86) vendors, of which twelve (12) vendors downloaded RFP documents for review. Four (4) vendors submitted proposals to the City. Only two (2) of the four (4) proposals submitted met all of the City's proposal criteria. The RFP instructed potential vendors to provide pricing for a hypothetical predetermined amount of specific janitorial supplies. Vendors were also instructed to provide their maximum projected price increase for the 2nd and 3rd year of the contract.

The RFP requires the vendor, at a minimum, to provide onsite inventory services and stock all janitorial supply rooms on a bi-monthly basis at all noted City facilities. The RFP noted that quality customer service was paramount.

The totals shown below do not necessarily reflect the actual total costs the City will incur during the term of the proposed agreement. The product quantities listed in the RFP were within approximately 10% of the quantities used during FY22/23, but not exact, therefore, the product quantities listed in the RFP were hypothetical in nature and designed to establish guaranteed unit pricing on twenty-four (24) core janitorial products the City utilizes on a daily basis. A summary of vendor's final aggregated costs is listed below:

JANITORIAL SUPPLIES PRICING MATRIX					
	VENDOR	**1st YEAR**	**2nd YEAR**	**3rd YEAR**	**3-Year Contract Total**
1.	Imperial Bag & Paper Co. dba Imperial Dade	$57,305.41	$60,170.68	$63,179.21	$180,655.30
2.	Brady IFS	$72,969.15	$76,617.61	$80,448.49	$230,035.24

The vendor submitting the lowest cost for products is Imperial Dade. Imperial Dade formally knowns as Focus Packaging is our current janitorial supply vendor and has provided excellent service during their tenure. They conducted extra product inventory visits to City facilities on a regular basis that exceeded the bi-monthly minimum required, allowing the City to rarely experience a product shortage. Therefore, Staff recommends the City Council award a three (3) year contract to Imperial Dade for janitorial supply services based on the quality of their past performance in tandem with the lowest pricing proposal submitted. The RFP clearly stated that the quality of service would weigh heavily in the selection process of the successful vendor and was clear that it is the City's intent to obtain the highest quality of products and services at the lowest cost.

Imperial Dade, a corporation, is located in Fresno, California, and has been in business over 20 years as a supplies distributor to local, state and federal government agencies. Imperial Dade currently employs 20 staff members, accruing a turnover rate of less than 1% over three years. They are currently servicing other government accounts such as Fresno County Superior Courts and Tulare County Sheriff's Department.

FISCAL IMPACT

The City's projected needs for janitorial supplies are within the proposed FY2023/24 budget allocation for these products.

REASON FOR RECOMMENDATION

The proposal submitted by Imperial Dade met all of the City's criteria for the provision of janitorial supplies. In addition, the proposal submitted by Imperial Dade will provide the best value to the City in terms of excellent service/lowest pricing proposal submitted. Imperial Dade is an established firm with an excellent professional reputation.

Pursuant to the City's *Purchasing Procedures,* purchases of items/services exceeding $60,000.00 require City Council approval.

ACTIONS FOLLOWING APPROVAL

Staff will prepare a three-year agreement for the City Manager's approval with Imperial Dade for janitorial supply services. The contract will begin on September 22, 2023, and will expire on September 21, 2026.

Prepared by: Stephen Frankian, Facilities Maintenance & Purchasing Manager

Reviewed by: City Manager AH

CITY OF CLOVIS
CONTRACT SERVICE AGREEMENT

This Contract Services Agreement ("Agreement") is entered into between the City of Clovis, a California general law city ("City") and Imperial Bag & Paper Co dba Imperial Dade ("Contractor ") with respect to the following recitals, which are a substantive part of this Agreement. This Agreement shall be effective on September 22, 2023 ("Effective Date").

RECITALS

A. City desires to obtain Janitorial Supply Services ("Services") more fully described in **Exhibit A**, and, if applicable, as further set forth in the proposal from Contractor attached as **Exhibit B**, which are incorporated herein by reference.

B. Contractor is engaged in the business of furnishing the Services and hereby warrants and represents that Contractor is qualified, experienced, and capable of performing the Services, and possesses any required licenses, certifications, security/bonding, and/or training necessary to perform the Services.

C. City desires to retain Contractor, and Contractor desires to provide the City with the Services, on the terms and conditions as set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual agreements herein, City and Contractor agree as follows:

AGREEMENT

1. Scope of Services. Contractor shall perform the Services described in the Recitals and detailed in **Exhibits A & B**. Changes in the scope of Services, including the work performed and/or deliverables produced, shall be made in writing and particularly describe the changes in Services, including payment/costs and schedule/term, as applicable.

2. Priority and Conflicts; Exclusions. If the terms and requirements of this Agreement and/or **Exhibit A** conflict with **Exhibit B**, this Agreement and **Exhibit A** shall control. No contractual terms and/or conditions found in **Exhibit B** shall purport to waive, disclaim, or limit Contractor's liability, indemnification obligations, warranties, damages for breach or delay, or any security, bonding, or insurance requirements, and any such provisions shall have no force or effect with respect to this Agreement and the Services performed by Contractor.

3. Term of Agreement; Commencement of Services; Schedule. The term of this Agreement shall commence on September 22, 2023, and Contractor shall begin performing the Services on that date, unless otherwise instructed by City. This Agreement shall terminate on September 21, 2026, unless extended beyond that date by mutual consent of the Parties, for a period not exceeding 1 years. This Agreement may be terminated prior to the end of the term pursuant to Section 17 herein.

4. Payment for Services. In consideration of services rendered hereunder, CITY shall pay to SUPPLIER all sums due and owing as determined by the per item rates as set forth in attached "Exhibit B" (the quantities noted on this matrix are hypothetical in nature and should be disregarded as quotas). CITY shall make payment to SUPPLIER on a monthly basis following receipt of an invoice. Payment shall be made within fifteen (15) days after receipt of an invoice.

5. Independent Contractor Status. Contractor and its subcontractors shall perform the Services as

independent contractors and not as officers, employees, agents or volunteers of City. Contractor is engaged in an independently established trade, occupation, or business to perform the Services required by this Agreement and is hereby retained to perform work that is outside the usual course of City's business. Contractor is free from the control and direction of City in connection with the manner of performance of the work. Nothing contained in this Agreement shall be deemed to create any contractual relationship between City and Contractor's employees or subcontractors, nor shall anything contained in this Agreement be deemed to give any third party, including but not limited to Contractor's employees or subcontractors, any claim or right of action against City.

6. Contractor Representations; Standard of Care; Compliance with Law. Contractor represents that Contractor and any subcontractors utilized by Contractor are and will be qualified in the field for which Services are being provided under this Agreement and Contractor and any subcontractors are now, and will be throughout their performance of the Services under this Agreement, properly licensed, certified, secured/bonded, trained, and/or otherwise qualified and authorized to perform the Services required and contemplated by this Agreement, as may be required by law. Contractor and its subcontractors shall utilize the standard of care and skill customarily exercised by members of their profession, shall use reasonable diligence and best judgment while performing the Services, and shall comply with all applicable laws, regulations, and industry standards. Contractor shall comply with all Labor Code requirements for public works projects if applicable to Contractor's work under this Agreement.

7. Identity of Subcontractors. Contractor shall, before commencing any work under this Agreement, provide to City in writing: (a) the identity of all subcontractors, if any, Contractor intends to utilize in Contractor's performance of this Agreement; and (b) a detailed description of the full scope of work to be provided by such subcontractors. Contractor shall only employ subcontractors pre-approved by City and in no event shall Contractor replace an approved subcontractor without the advance written permission of City, with the understanding that City's permission will not be unreasonably withheld. Notwithstanding any other provisions in this Agreement, Contractor shall be liable to City for the performance of Contractor's subcontractors.

8. Subcontractor Provisions. Contractor shall include in its written agreements with its subcontractors, if any, provisions which: (a) impose upon the subcontractors the obligation to provide to City the same insurance and indemnity obligations that Contractor owes to City; (b) make clear that City intends to rely upon the reports, opinions, conclusions and other work product prepared and performed by subcontractors for Contractor; and (c) entitle City to impose upon subcontractors the assignment rights found elsewhere in this Agreement.

9. Power to Act on Behalf of City. Contractor is not acting as an agent of City and shall not have any right, power, or authority to create any obligation, express or implied, or make representations on behalf of City except as may be expressly authorized in advance in writing from time to time by City and then only to the extent of such authorization.

10. Record Keeping; Reports. Contractor shall keep complete records showing the type of Services performed. Contractor shall be responsible and shall require its subcontractors to keep similar records. City shall be given reasonable access to the records of Contractor and its subcontractors for inspection and audit purposes. Contractor shall provide City with a working draft of all reports upon reasonable request by City and of all final reports prepared by Contractor under this Agreement.

11. Ownership and Inspection of Documents. All data, tests, reports, analyses, documents, records, conclusions, opinions, recommendations and other work product generated by or produced for Contractor or its subcontractors in connection with the Services, regardless of the medium, including physical drawings and materials recorded on computer discs or other electronic devices ("Work Product"), shall be and remain

the property of City. City shall have the right to use, copy, modify, and reuse the Work Product as it sees fit. Upon City's request, Contractor shall make available for inspection and copying all such Work Product and all Work product shall be turned over to City promptly at City's request or upon termination of this Agreement, whichever occurs first. Contractor shall not release any Work Product to third parties without prior written approval of City. This obligation shall survive termination of this Agreement and shall survive for four (4) years from the date of expiration or termination of this Agreement.

12. Confidentiality. All Work Product prepared and performed by and on behalf of Contractor in connection with the Services performed pursuant to this Agreement shall be kept confidential and shall be disclosed only to City, unless otherwise provided by law or expressly authorized by City. Contractor shall not disclose or permit the disclosure of any confidential information acquired during performance of the Services, except to its agents, employees and subcontractors who need such confidential information in order to properly perform their duties relative to this Agreement. Contractor shall also require its subcontractors to be bound to these confidentiality provisions.

13. City Name and Logo. Contractor shall not use City's name or insignia, photographs relating to the City projects or work for which Contractor’s services are rendered, or any publicity pertaining to the Contractor’s Services under this Agreement in any magazine, trade paper, newspaper, television or radio production, internet website, social media, or other similar medium without the prior written consent of City.

14. Conflicts of Interest. Contractor warrants that neither Contractor nor any of its employees have an improper interest, present or contemplated, in the Services which would affect Contractor’s or its employees’ performance of the Services and the Work Product produced. Contractor further warrants that neither Contractor nor any of its employees have real property, business interests or income that will be affected by the Services. Contractor covenants that no person having any such interest, whether an employee or subcontractor shall perform the Services under this Agreement. During the performance of the Services, Contractor shall not employ or retain the services of any person who is employed by the City or a member of any City Board or Commission.

15. Non-liability of Officers and Employees. No officer or employee of City shall be personally liable to Contractor, or any successors in interest, in the event of a default or breach by City for any amount which may become due Contractor or its successor, or for any breach of any obligation under the terms of this Agreement.

16. City Right to Employ Other Contractors. Unless **Exhibit A** specifically provides that the Services City seeks pursuant to this Agreement are exclusive to Contractor, this Agreement and performance of the Services are non-exclusive and City reserves the right to employ other contractors in connection with the Services while this Agreement is in effect.

17. Termination of Agreement. This Agreement shall terminate as provided in Section 3, unless terminated earlier pursuant to the following:

a. Termination by City: For Convenience. City may at its discretion terminate this Agreement for convenience and without cause upon fourteen (14) days prior written notice to Contractor. Upon receipt of a termination notice pursuant to this subsection, Contractor shall promptly discontinue all Services affected, unless the notice directs otherwise.

b. Termination by City or Contractor: For Cause. Either party may terminate this Agreement upon ten (10) days prior written notice to the other party of a material breach, and a failure within that time period to cure or commence reasonable steps to cure the breach.

c. Compensation to Contractor Upon Termination. Contractor shall be paid compensation for Services satisfactorily performed prior to notice of termination. As to any phase partially performed but for which the applicable portion of Contractor's compensation has not become due, Contractor shall be paid the reasonable value of its Services provided. However, in no event shall such payment when added to any other payment due under the applicable part of the work exceed the total compensation of such part as specified Section 4. In the event of termination due to Contractor's failure to perform in accordance with the terms of this Agreement through no fault of City, City may withhold an amount that would otherwise be payable as an offset to City's damages caused by such failure.

d. Effect of Termination. Upon termination of this Agreement, Contractor shall: (i) promptly discontinue all Services affected, unless the notice of termination directs otherwise; and (ii) deliver or otherwise make available to the City, without additional compensation, all Work Product and/or deliverables accumulated by the Contractor in performing this Agreement, whether completed or in process. Contractor may not refuse to provide such Work Product for any reason whatsoever.

18. Insurance. Contractor shall satisfy the insurance requirements set forth in **Exhibit C**.

19. Indemnity and Defense. Contractor hereby agrees to indemnify, defend and hold the City, its officials, officers, employees, agents, and volunteers harmless from and against all claims, demands, causes of action, actions, damages, losses, expenses, and other liabilities, (including without limitation reasonable attorney fees and costs of litigation) of every nature arising out of or in connection with the alleged or actual acts, errors, omissions or negligence of Contractor or its subcontractors relating to the performance of Services described herein to the fullest extent permitted by law, unless the injuries or damages are the result of City's sole negligence or willful misconduct, subject to any limitations imposed by law. Contractor and City agree that said indemnity and defense obligations shall survive the expiration or termination of this Agreement for any items specified herein that arose or occurred during the term of this Agreement.

20. Taxes. Contractor agrees to pay all taxes, licenses, and fees levied or assessed by any governmental agency on Contractor incident to the performance of Services under this Agreement, and unemployment and workers' compensation insurance, social security, or any other taxes upon the wages of Contractor, its employees, agents, and representatives. Contractor agrees to obtain and renew an annual business tax certificate from City and pay the applicable annual business registration tax to City during the term of this Agreement.

21. Assignment. Neither this Agreement nor any duties or obligations hereunder shall be assignable by Contractor without the prior written consent of City. In the event of an assignment to which City has consented, the assignee shall agree in writing to personally assume and perform the covenants, obligations, and agreements herein contained. In addition, Contractor shall not assign the payment of any monies due Contractor from City under the terms of this Agreement to any other individual, corporation or entity. City retains the right to pay any and all monies due Contractor directly to Contractor.

22. Form and Service of Notices. Any and all notices or other communications required or permitted by this Agreement or by law to be delivered to, served upon, or given to either party to this Agreement by the other party shall be in writing and shall be deemed properly delivered, served or given by one of the following methods:

a. Personally delivered to the party to whom it is directed. Service shall be deemed the date of delivery.

b. Delivered by e-mail to a known address of the party to whom it is directed provided the e-mail is accompanied by an acknowledgment of receipt by the other party. Service shall be deemed the date of acknowledgement.

c. Delivery by a reliable overnight delivery service, ex., Federal Express, receipted, addressed to the addressees set forth below the signatories to this Agreement. Service shall be deemed the date of delivery.

d. Delivery by deposit in the United States mail, first class, postage prepaid. Service shall be deemed delivered ninety-six (96) hours after deposit.

23. Entire Agreement. This Agreement, including the Exhibits and any other attachments, represents the entire Agreement between City and Contractor and supersedes all prior negotiations, representations or agreements, either written or oral with respect to the subject matter herein. This Agreement may be amended only by written instrument signed by both City and Contractor.

24. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

25. Authority. The signatories to this Agreement warrant and represent that they have the legal right, power, and authority to execute this Agreement and bind their respective entities. Evidence of Consultant's authority is attached as **Exhibit D**.

26. Severability. In the event any term or provision of this Agreement is declared to be invalid or illegal for any reason, this Agreement will remain in full force and effect and will be interpreted as though such invalid or illegal provision were not a part of this Agreement. The remaining provisions will be construed to preserve the intent and purpose of this Agreement and the parties will negotiate in good faith to modify any invalidated provisions to preserve each party's anticipated benefits.

27. Applicable Law and Interpretation and Venue. This Agreement shall be interpreted in accordance with the laws of the State of California. The language of all parts of this Agreement shall, in all cases, be construed as a whole, according to its fair meaning, and not strictly for or against either party. This Agreement is entered into by City and Contractor in the County of Fresno, California. Contractor shall perform the Services required under this Agreement in the County of Fresno, California. Thus, in the event of litigation, venue shall only lie with the appropriate state or federal court in Fresno County.

28. Amendments and Waiver. This Agreement shall not be modified or amended in any way, and no provision shall be waived, except in writing signed by the parties hereto. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

29. Third Party Beneficiaries. Nothing in this Agreement shall be construed to confer any rights upon any party not a signatory to this Agreement.

30. Execution in Counterparts. This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy or an original, with all signatures appended together, shall be deemed a fully executed Agreement.

31. Alternative Dispute Resolution. If a dispute arises out of or relating to this Agreement, or the alleged breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties, otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within thirty (30) days, either party may pursue litigation to resolve the dispute.

Demand for mediation shall be in writing and delivered to the other party to this Agreement. A demand for mediation shall be made within reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based on such a claim, dispute or other matter in question would be barred by California statues of limitations.

32. Non-Discrimination. Contractor shall not discriminate on the basis of any protected class under federal or State law in the provision of the Services or with respect to any Contractor employees or applicants for employment. Contractor shall ensure that any subcontractors are bound to this provision. A protected class, includes, but is not necessarily limited to race, color, national origin, ancestry, religion, age, sex, sexual orientation, marital status, and disability.

33. Performance Requirements. Notwithstanding, and in addition to the provisions of, Section 17 of this Agreement, if the Services performed hereunder are not in conformity with the requirements of this Agreement and other pertinent documents, City shall have the right to require Contractor to correct the work in conformity with the requirements of this Agreement at no additional increase in the payment to Contractor. Contractor shall promptly correct the work rejected by City for failing to conform to the requirements of the Agreement. Remedy for non-compliance or non-performance shall commence within 24 hours of notice. City shall also have the right to require Contractor to take all necessary steps to ensure future performance of the Services in conformity with the requirements of this Agreement. In the event Contractor fails to correct the work or fails to take necessary steps to ensure future performance of the Services in conformity with the requirements of this Agreement, City shall have the right to immediately terminate this Agreement for default.

34. Licensing. Contractor shall maintain the following license throughout the performance of this Agreement: Class NA. Contractor shall also obtain and maintain a City of Clovis Business Tax Certificate prior to commencing performance of the Services.

35. Payment Bond. When required by applicable law, including Civil Code section 9550, prior to commencing any portion of the Services, the Contractor shall apply for and furnish City a payment bond for its portion of the Services which shall cover 100% payment for all obligations arising under the Agreement and guaranteeing the payment in full of all claims for labor performed and materials supplied for the Services. Only bonds executed by admitted Surety insurers as defined in Code of Civil Procedure section 995.120 shall be accepted. The surety insurers must, unless otherwise agreed to by City in writing, at the time of issuance of the bonds, have a rating not lower than “A-” as rated by A.M. Best Company, Inc. or other independent rating companies. City reserves the right to approve or reject the surety insurers selected by Contractor and to require Contractor to obtain bonds from surety insurers satisfactory to City.

36. Performance Bond. Prior to commencing any portion of the Services, the Contractor shall apply for and furnish City a performance bond for its portion of the Services which shall cover 100% faithful performance of all obligations arising under the Agreement. Only bonds executed by admitted Surety insurers as defined in Code of Civil Procedure section 995.120 shall be accepted. The surety insurers must, unless otherwise agreed to by City in writing, at the time of issuance of the bonds, have a rating not lower

than "A-" as rated by A.M. Best Company, Inc. or other independent rating companies. City reserves the right to approve or reject the surety insurers selected by Contractor and to require Contractor to obtain bonds from surety insurers satisfactory to City.

37. Delay Damages. Time is of the essence with respect to this Agreement and the Services performed by Contractor. Contractor's failure to timely complete the Services under this Agreement shall result in the assessment of delay damages at the rate of $50.00 **per day** for each calendar day the Services remain unfinished beyond the Completion Date or Services remains incomplete beyond any phase or milestone identified in the schedule as being subject to Delay Damages. The actual occurrence of damages and the actual amount of the damages which City would suffer for such delayed completion of the Services are impracticable and extremely difficult to calculate. Damages which City would suffer in the event of such delay include, but are not limited to, loss of the use of the other contractor's work and the project, disruption of activities, costs of administration and supervision, and the incalculable inconvenience and loss suffered by the public. Accordingly, the parties agree that the amount set forth herein shall be presumed to be the amount of damages which City shall directly incur for each calendar day that completion of the Services are delayed.

38. Prevailing Wages; Apprenticeship. When the Services constitute a public work under the Labor Code, the Services shall be performed in accordance with the provisions of Section 1770 et seq. of the Labor Code of the State of California, and all other applicable provisions concerning public works projects, which are hereby incorporated by reference and made a part hereof. Contractor shall be responsible for the payment of prevailing wages in accordance with State and Federal law. Contractor shall further be responsible for ensuring any subcontractors comply with any requirements for the payment of prevailing wages in accordance with State and Federal law, if applicable. The Contractor and any subcontractor under the Contractor as a penalty to the Owner shall forfeit not more than Two Hundred Dollars ($200.00) for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed. The difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor. Contractor shall comply with all requirements and obligations relating to apprentices, apprenticeships, and/or apprenticeable crafts or trades, as applicable, including but not limited to Labor Code section 1775.5. Contractor shall register with the Department of Industrial Relations, if required.

[Signature Page Follows]

Now, therefore, the City and Contractor have executed this Agreement on the date(s) set forth below.

CONTRACTOR	CITY OF CLOVIS
By: ___________________________	By: _______________________________ John Holt, City Manager
Date: __________________	Date: _______________________

Party Identification and Contact Information:

Contractor
Imperial Bag & Paper Co. dba Imperial Dade
Attn: Mike Liang
Title: Branch Manager
2879 N Argyle Ave
Fresno, CA 93727
Focuspackaging@yahoo.com
559-485-1261

City of Clovis
General Services
Attn: Stephen Frankian
Facilities Maintenance & Purchasing Manager
1033 Fifth Street
Clovis, CA 93612
Stephenf@cityofclovis.com
559-324-2705

ATTEST

____
Karey Cha, City Clerk

APPROVED AS TO FORM

____
Scott G. Cross, City Attorney

file:///J:\WDOCS\00601\037\AGT\00774831.DOC

EXHIBIT A

DESCRIPTION OF SERVICES

SCOPE OF SERVICES
Vendor to conduct bi-monthly (minimum frequency) inventories of all City of Clovis janitorial supply rooms/closets at all City facilities. Frequencies of inventory surveys may be increased as needed. Additional locations may/shall occur as the City adds facilities or occupies those which are currently vacant.
• All supply deliveries and stocking shall occur during regular working hours of Monday through Friday 8am – 3pm or as otherwise agreed upon.
• Vendor acknowledges that this is not a drop shipment contract. This is considered a full-service contract; Vendor to conduct a minimum bi-monthly stock inventory of all specified janitorial supply room/closets and physically stock all janitorial supply rooms/closets with adequate supplies to last for a period not to exceed one (1) month, unless previously authorized by the City. Over stocking will not be allowed; if overstocking is perceived, product shall be retrieved by the vendor, at vendor's cost, with a refund for those products submitted to the City. Rooms shall be stocked the day product is delivered to the sites. Those supply closets with shelving shall be stocked appropriately. It will be the vendor's responsibility to project product use at each facility to provide proper quantities to avoid a shortage.
• Vendor shall not stock any unauthorized items. Authorization shall be by the Department Support Division only.
• Vendor shall provide a 24-hour maximum delivery response time once a request has been made to the Vendor for supplies unless arrangements for deferred delivery have been made with the City.
• At times throughout the contract, the City may request the Vendor to provide additional non-listed items to be added to our supply stock or we may request a substitute product. In this case, Vendor shall submit a price to the City for all non-listed items not shown on Exhibit B. Prices for non-listed items shall be approved by the City, prior to placing supplies in City facilities. The City reserves the right to solicit other vendors for non-listed items if the City feels that the non-listed supplies are not competitively priced.

COMPENSATION AND RATES
Contractor shall be compensated according to the following rates/fees:

In consideration of services rendered hereunder, CITY shall pay to SUPPLIER all sums due and owing as determined by the per item rates as set forth in attached "Exhibit B" (the quantities noted on this matrix are hypothetical in nature and should be disregarded as quotas). CITY shall make payment to SUPPLIER on a monthly basis following receipt of an invoice. Payment shall be made within fifteen (15) days after receipt of an invoice.

DELAY DAMAGES
Time is of the essence with respect to this Agreement and the Services to be performed by Contractor. Contractor's failure to timely perform the Services under this Agreement or failure to meet the benchmarks and delivery dates set forth in the schedule shall result in the assessment of delay damages at the rate of $50.00 **per day** for each calendar day beyond the respective benchmark and delivery dates that the Services remain incomplete or not fully performed. The actual occurrence of damages and the actual amount of the damages which City would suffer for such delayed completion of the Services are impracticable and extremely difficult to calculate. Damages which City would suffer in the event of such delay include, but are not limited to, loss of the use of other contractor's work, disruption of activities, costs of administration and supervision, and the incalculable inconvenience and loss suffered by the public. Accordingly, the parties agree that the amount set forth herein shall be presumed to be the amount of damages which City shall directly incur for each calendar day that completion of the Services is delayed.

EXHIBIT B
CONTRACTOR'S PROPOSAL

EXHIBIT "B" - PRICING SHEET

All quantities shown are hypothetical in nature and are noted for pricing purposes only. Vendors shall list unit prices and the 1st year grand total for the quantities listed in the appropriate boxes.. Vendors shall also list their maximum product price increase, if any, for all products as shown in Exhibit "B" - PRICING SHEET for the 2nd and 3rd year of the contract (in %) and shall list a hypothetical 3-year grand total for pricing and quantities noted incorporating all price increases for 2nd and 3rd years of contract.
NOTE: This spreadsheet was was made self calculating for your convenience and may not work with all computer formats/versions, therefore, DOUBLECHECK all figures manually. Vendor is responsible for all calculations noted on this sheet. Miscalculations could disqualify the submitted proposal.

	DESCRIPTION	UNIT	Unit Pricing	Hypothetical Quantity	Total Pricing
1	TRASH LINER BLK 24x32 .8 Std. Strength w/ good puncture/tear resistance 16 gal. - 500/CS	CS	$ 28.50	60	$ 1,710.00
2	TRASH LINER BRN 40x46 1.6 Heavy Duty 45 gal. - 200/CS (1.5/MIL 100/cs)	CS	$ 22.25	153	$ 3,404.25
3	TOILET PAPER 2/PL 4.5"X3" 96 RL/CS	CS	$ 52.00	323	$ 16,796.00
4	TOWEL ROLL WHITE 7.8X600 12/CS	CS	$ 50.00	117	$ 5,850.00
5	DISPENSER SOAP 1 LITER BLACK	CS	$ 2.00	6	$ 12.00
6	HAND SOAP ANTIBACTERIAL FOAM REFRESH 6/1 LITER/CS	CS	$ 64.00	97	$ 6,208.00
7	GLOVES NITRILE BLUE LARGE EXAM P/F 4/MIL 100/BX	BX	$ 3.00	130	$ 390.00
8	GLOVES NITRILE BLUE MEDIUM EXAM P/F 4/MIL 100/BX	BX	$ 3.00	230	$ 690.00
9	GLOVES NITRILE BLUE SMALL EXAM P/F 4/MIL 100/BX	BX	$ 3.00	20	$ 60.00
10	ROLL TOWEL DISPENSER LEVER (VISTA)	EA	$ 28.00	14	$ 392.00
11	TOWEL MULTI-FOLD WHITE 12/334/CS	CS	$ 30.50	290	$ 8,845.00
12	FACIAL TISSUE 2/PLY 30/100/CS	CS	$ 26.50	24	$ 636.00
13	AJAX OXY BLEACH PWDR CLEANER 24/21 OZ/CS	CS	$ 38.00	6	$ 228.00
14	TOILET SEAT COVER 1/2 FOLD 20/250/CS	CS	$ 33.50	30	$ 1,005.00
15	TOILET TISSUE DISPENSER TWIN BLACK	EA	$ 32.25	6	$ 193.50
16	TOWEL ROLL WHITE TORK 700' 6RL/CS	CS	$ 58.50	52	$ 3,042.00
17	TOWEL ROLL KITCHEN 2/PLY 12/210/CS	CS	$ 40.00	45	$ 1,800.00
18	CUP FOAM 8 OZ 1000/CS	CS	$ 38.00	9	$ 342.00
19	CUP PET CLEAR 12 OZ 1000/CS	CS	$ 63.00	14	$ 882.00
20	PLATE FOAM WHITE 6" 8/125/CS	CS	$ 38.00	5	$ 190.00
22	CHASE CINNAMON AEROSOL REFILL 12/6.17 OZ/CS	CS	$ 49.00	5	$ 245.00
23	BLEACH CLASSIC MULTI-PURPOSE 6/1GAL/CS	CS	$ 18.70	3	$ 56.10
24	PUMICE SCOURING STICK 12/BX	BX	$ 24.00	4	$ 96.00
		Sub-Total			$ 53,072.85
		Total Sales Tax (.07975)			$ 57,305.41

1st year GRAND TOTAL		$ 57,305.41
2nd Year of Contract: Maximum Projected % Product Price Increase (enter 1%, 2%, 3%, etc) →	5.0000%	$ 60,170.68
3rd Year of Contract: Maximum Projected % Product Price Increase (enter 1%, 2%, 3%, , etc) →	5.0000%	$ 63,179.21
Hypothetical 3-year Contract Grand Total (1st yr. grand total + 2nd yr. grand total w/ % increase + 3rd yr. grand total w/ % increase)		$ 180,655.30

Mike H. Liang / Focus Packaging & Supply Company
Submitter's name/Company (Please Print)

Mike H Liang
Submitter's Signature

EXHIBIT C
INSURANCE REQUIREMENTS

Prior to commencement of the Services, Contractor shall take out and maintain at its own expense the insurance coverage required by this **Exhibit C**. Contractor shall cause any subcontractor with whom Contractor contracts for the performance of Services pursuant to this Agreement to take out and maintain equivalent insurance coverage. Said insurance shall be maintained at all times during Contractor's performance of Services under this Agreement, and for any additional period specified herein. All insurance shall be placed with insurance companies that are licensed and admitted to conduct business in the State of California and are rated at a minimum with an "A:VII" by A.M. Best Company, unless otherwise acceptable to the City.

a. Minimum Limits of Insurance. Contractor shall maintain the following types of insurance with limits no less than specified:

(i) General Liability Insurance (including operations, products and completed operations coverages) in an amount not less than $2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

(ii) Worker's Compensation Insurance as required by the State of California.

(iii) Automobile Liability Insurance in an amount not less than $1,000,000 per accident for bodily injury and property damage.

(iv) Umbrella or Excess Liability. In the event Contractor purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the City, its officers, officials, employees, agents and volunteers.

If Contractor maintains higher limits than the minimums shown above, the City shall be entitled to coverage at the higher limits maintained.

b. Other Insurance Provisions. The general liability policy is to contain, or be endorsed to contain, the following provisions:

(i) The City, its officers, officials, employees, agents, and volunteers are to be covered as insured's with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33 or CG 20 38; and CG 20 37 forms if later revisions used).

(ii) For any claims related to the Services performed pursuant to this Agreement, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

(iii) Each insurance policy required by this section shall be endorsed to state that the City shall receive written notice at least thirty (30) days prior to the cancellation, non-renewal, or material modification of the coverages required herein.

(iv) Contractor grants to the City a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

(v) Any deductibles or self-insured retentions must be declared to and approved by the City of Clovis Risk Services. The City may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

c. Evidence of Coverage. Contractor shall deliver to City written evidence of the above insurance coverages, including the required endorsements prior to commencing Services under this Agreement; and the production of such written evidence shall be an express condition precedent, notwithstanding anything to the contrary in this Agreement, to Contractor's right to be paid any compensation under this Agreement. City's failure, at any time, to object to Contractor's failure to provide the specified insurance or written evidence thereof (either as to the type or amount of such insurance), shall not be deemed a waiver of City's right to insist upon such insurance later.

d. Maintenance of Insurance. If Contractor fails to furnish and maintain the insurance required by this section, City may (but is not required to) purchase such insurance on behalf of Contractor, and the Contractor shall pay the cost thereof to City upon demand, and City shall furnish Contractor with any information needed to obtain such insurance. Moreover, at its discretion, City may pay for such insurance with funds otherwise due Contractor under this Agreement.

e. Subcontractors. If the Contractor should subcontract all or any portion of the work to be performed in this Agreement, the Contractor shall cover the subcontractor, and/or require each subcontractor to adhere to all the requirements contained herein. Similarly, any cancellation, lapse, reduction or change of subcontractor's insurance shall have the same impact as described above.

f. Special Risks or Circumstances. The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

g. Indemnity and Defense. Except as otherwise expressly provided, the insurance requirements in this section shall not in any way limit, in either scope or amount, the indemnity and defense obligations separately owed by Contractor to City under this Agreement.

EXHIBIT D
SIGNING AUTHORITY

Paul Cervino
Chief Adinistrative Officer
Imperial Dade
255 Route 1 & 9
Jersey City, NJ 07306
201.437.7440 Ext. 2302
pcervino@imperialdade.com

July 31, 2023

To Whom It May Concern:

Dear Sir / Madam:

I am the Chief Administrative Officer of Imperial Bag & Paper Co. LLC dba Imperial Dade, and I am authorized to commit to contractual obligations on behalf of the company.

If you have any questions, please let me know.

Sincerely,

Paul M Cervino

Paul M Cervino

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	General Services Department
DATE:	August 21, 2023
SUBJECT:	General Services – Approval - Claim Rejection of the General Liability Claim for Sammy Olague.
ATTACHMENTS:	None.

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
Reject the General Liability Claim filed by Sammy Olague.

EXECUTIVE SUMMARY
Sammy Olague submitted a revised Claim Form on August 1, 2023, alleging the City of Clovis damaged his vehicle while officers were involved in a high-speed vehicle pursuit. It is recommended that the City reject the claim, send notice of rejection, and refer the matter to the City's third-party administrator for liability claims for further investigation and handling.

BACKGROUND
On August 1, 2023, a revised General Liability Claim was received by the City of Clovis from Sammy Olague. The claim was considered legally sufficient and timely. The claim alleges the City of Clovis damaged a parked vehicle belonging to Mr. Olague while officers were involved in a high-speed vehicle pursuit near the intersection of Barstow Avenue and Agua Dulce Avenue.

The claimant seeks damages for repair. The claim has been filed as a "civil unlimited case" in excess of $60,000.00.

FISCAL IMPACT
Rejection of the claim does not result in any fiscal impact.

REASON FOR RECOMMENDATION
It is recommended that the claim be rejected. The City is disputing this claim. By rejecting this claim, the time in which a lawsuit for various claims may be filed against the City will begin to run.

ACTIONS FOLLOWING APPROVAL
A rejection notice letter will be sent to the claimant informing him that the claim has been rejected.

Prepared by: Charles W. Johnson, Management Analyst

Reviewed by: City Manager AH

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	General Services
DATE:	August 21, 2023
SUBJECT:	General Services – Approval – Res. 23___, Approving a Side Letter Agreement with Clovis Public Works Employees Association to Clarify Paid Holidays Eligible for Cash Out within the CPWEA MOU; and Authorizing the City Manager to Execute the Agreement.
ATTACHMENTS:	1. Resolution with Side Letter

CONFLICT OF INTEREST

Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION

For the City Council to approve a resolution approving a side letter agreement with Clovis Public Works Employees Association (CPWEA) to clarify paid holidays eligible for cash out within the CPWEA MOU and authorize the City Manager to execute the agreement.

EXECUTIVE SUMMARY

Approval of a side letter is requested to correct an error where a handful of employees assigned to the Surface Water Treatment Plant were receiving an extra floating holiday. The issue only related to a small number of employees who received a holiday pay cash out. The total hours of holiday time remain unchanged.

BACKGROUND

The current CPWEA MOU allows for certain employees assigned to the Surface Water Treatment Plant to cash out holiday hours once a year for 10.5 holidays, plus a floating holiday for a total of 92 hours. However, it was discovered that the payroll system was automatically allocating a floating holiday to every employee within CPWEA which means the employees who received a cash out received the floating holiday twice: once in the cash out and once as an extra day. Basically, this handful of employees were incorrectly receiving 100 hours of holiday pay instead of 92 hours the rest of the bargaining unit received.

Since the payroll system automatically provides the floating holiday to every CPWEA member, the number of holiday hours that can be cashed out are reduced to 84. The 8-hour floating holiday is still provided to the employee but is not eligible for cash out per PERS regulations. The total number of holiday hours for all members in this unit remains at ten 8-hour holidays, one 4-hour holiday, and one 8-hour floating holiday for a total of 92 hours. The specific dates for the holidays are already listed in Article 22 of the CPWEA MOU.

FISCAL IMPACT
None.

REASON FOR RECOMMENDATION
Approval of the side letter will better clarify eligible holidays available for cash out by certain members of CPWEA and will correct the error that provided one extra day to a small number of employees within CPWEA.

ACTIONS FOLLOWING APPROVAL
Articles 22 and 23 of the CPWEA MOU will be updated to include the side letter information.

Prepared by: Shonna Halterman, General Services Director

Reviewed by: City Manager AH

RESOLUTION 23-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS APPROVING A SIDE LETTER AGREEMENT WITH CLOVIS PUBLIC WORKS EMPLOYEE'S ASSOCIATION (CPWEA)

WHEREAS, there is a need to better clarify the number of holiday hours eligible for cash out to certain CPWEA members who work at the Surface Water Treatment Plant; and

WHEREAS, the side letter will correct a payroll error that was providing a small number of employees with an additional floating holiday; and

WHEREAS, the total correct number of holiday hours for CPWEA members remains unchanged from the current MOU; and

WHEREAS, CPWEA and City representatives met and conferred on the side letter and are in agreement.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis approves the Side Letter Agreement with CPWEA (Attachment A) and authorizes the City Manager to sign the agreement.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023, by the following vote, to wit.

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED:

Mayor	City Clerk

ATTACHMENT 1

Side Letter Agreement between the City of Clovis and the Clovis Public Works Employee's Association Amending the current 2022-2025 MOU

This Side Letter of Agreement, entered into on __________, 2023, is made by and between the City of Clovis (the "City") and the Clovis Public Works Employee's Association (CPWEA).

Whereas, the City and CPWEA wish to identify the designated holidays for paid holiday time. By executing this side letter agreement, the City and CPWEA agree that Article 22 and 23 of the Memorandum of Understanding (MOU) between the City and CPWEA is hereby amended as follows:

22. Holidays

A. The holidays listed below will be recognized as eight (8) hour holidays during the term of this Agreement:

1. New Year's Day (January 1)
2. Martin Luther King Jr. Day (3rd Monday in January)
3. All Presidents Day (3rd Monday in February)
4. Memorial Day (last Monday in May)
5. Independence Day (July 4)
6. Labor Day (first Monday in September)
7. Veteran's Day (November 11)
8. Thanksgiving Day (as declared in November)
9. Friday after Thanksgiving Day
10. Christmas Day (December 25)
11. Employee's Birthday or a substitute day to be selected by mutual agreement of the employee and the employer.
12. The latter four hours of the last workday before Christmas Day or New Year's Day. In order to maintain operations, department heads shall have discretion over scheduling which day employees select, i.e., Christmas Day or New Year's Day.

B. If during the term of this agreement the City Council determines to add any additional City-wide paid holidays, the holiday will be added to the list above and an additional 8 hours holiday pay allocated.

C. Whenever any such above described recognized holiday falls on a Saturday, the preceding Friday shall be considered a holiday. Whenever any such above-described recognized holiday falls on a Sunday, the following Monday shall be considered a holiday.

D. Whenever an employee is required to work on a recognized holiday, he shall be paid for the holiday and an additional payment at time and one-half of the straight time rates (i.e. 2-1/2 times the usual straight time rate), except for employees who receive a Holiday Time Bank.

E. Employees may request and may receive Good Friday off provided they have either adequate CTO or accrued vacation time or are granted leave without pay.

F. An employee shall be paid for each of the above holidays only when the employee is on a paid status the workday immediately prior to and the workday immediately after the holiday.

23. Holiday Time Bank

A. Employees assigned to the Surface Water Treatment Plant whose regularly assigned shift exceeds eight (8) hours per day shall be provided with a Holiday Time Bank in lieu of Section 22 above.

B. Employees shall receive 84 hours of paid compensation in lieu of holidays annually for twelve months of service. Holiday Time shall be credited in advance to all personnel on each subsequent July 1 during the term of this contract, and shall not be credited on a monthly basis. In addition to the 84 holidays hours, employees will receive a Birthday Day or substitute day to be selected by mutual agreement of the employee and the employer as stated in #11 of Article 22.A above. The Birthday Day is not subject to the annual cash out.

C. No later than June 30 each year, employee shall sign a statement of intent indicating the number of holiday time hours that they intend to use during the year, and the number of hours that they intend to cash out to a maximum of 84 hours. The prorated value of holiday hours to be cashed will be reported to PERS each pay period as required by CalPERS and will be cashed out on June 30 at the end of the fiscal year.

D. If an employee terminates employment with the City prior to June 30, any pro-rata holiday time cashed-out or used in excess of 7 hours per month will be deducted from the employee’s final paycheck. If an employee terminates employment prior to June 30, all unused holiday time earned that does not exceed 7 hours per month on a pro-rata basis will be cashed-out to the employee.

E. If during the term of this agreement the City Council determines to add any additional City-wide paid holidays, the holiday will be added to the list in Article 22.A above and an additional 8 hours holiday pay allocated.

Except as amended herein, each and every term and condition of the MOU shall remain in full force and effect, and this Side Letter of Agreement shall be incorporated into the MOU as adopted.

Authorized representatives of the City and CPWEA have met and conferred in good faith, and the parties agree to adopt this side letter agreement as of the date above.

For the CITY:	For the ASSOCIATION
______________________________	______________________________
John Holt, City Manager	Steven Mejia, CPWEA President
______________________________	______________________________
Shonna Halterman, General Services Director	Allen Dunbar, Labor Rep for CPWEA

ATTEST: _____________________________

Karey Cha, City Clerk

DATE: ________________

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	General Services Department
DATE:	August 21, 2023
SUBJECT:	General Services – Approval – Res. 23-___, Authorizing the Execution of the Certifications and Assurances for the FY 2023-24 California State Transit Assistance State of Good Repair Program.
ATTACHMENTS:	1. Res. 23-___

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to approve a resolution authorizing the execution of the Certifications and Assurances for the FY 2023-24 California State of Good Repair Program.

EXECUTIVE SUMMARY
The City of Clovis is eligible for $223,812 in FY 2023-24 Senate Bill 1 State of Good Repair (SGR) grant funding for capital assistance to rehabilitate and modernize local transit systems. Council approval and a resolution are required by the California Department of Transportation to secure the grant funding. The grant also requires the recipients to submit a list of projects to secure quarterly allocations of funds. A list of projects has been created which includes the replacement of transit vehicles that have exceeded their useful life and are long overdue for replacement. Allocation of these funds will be processed through the Fresno Council of Governments utilizing the regular transit project planning process.

BACKGROUND
In 2017, Governor Brown signed Senate Bill 1 (SB1), known as the Road Repair and Accountability Act of 2017. A portion of SB 1 provides funds to approved transit operators in California for eligible transit maintenance, rehabilitation, and capital projects. This portion is referred to as the State of Good Repair (SGR) Program. SGR funds will be made available for capital projects that maintain the public transit system in a state of good repair.

The SGR Program is funded from a portion of the Transportation Improvement Fee on vehicle registration. These funds will be allocated under the State Transit Assistance (STA) program formula to eligible agencies. As an STA eligible agency, Clovis Transit has been deemed eligible for SGR funding and has been listed on the State Controller's Office SGR Allocation Letter.

The SGR grant is for eligible projects that fall under the following categories:

1. Transit Capital projects or services to maintain or repair transit operator's existing transit vehicle fleet or transit facilities, including the rehabilitation or modernization of the existing vehicles or facilities.

2. The design, acquisition, and construction of new vehicles or facilities that improve existing transit services.

3. Transit services that complement local efforts for repair and improvement of local transportation infrastructure.

Examples of qualifying projects include:

1. Replacement or rehabilitation of:
    a. Rolling Stock
    b. Passenger stations and terminals
    c. Security equipment and systems
    d. Maintenance facilities and equipment
    e. Ferry vessels
    f. Rail

2. Preventative Maintenance.

3. New maintenance facilities or maintenance equipment if needed to maintain the existing transit service.

The project list that Clovis Transit will be submitting is eligible because it includes replacement of outdated rolling stock. The California Department of Transportation requires a resolution from the Clovis City Council for the FY 2023-24 funding year approving the application. The City of Clovis resolution will be forwarded upon approval.

Future allocations of SB 1 funding will be processed through the Fresno Council of Governments in accordance with grant requirements and regular transit planning processes.

FISCAL IMPACT
Funding in the amount of $223,812 for FY 2023-24 will be allocated to the City of Clovis in quarterly disbursements. SB 1 SGR funds can be rolled over for a maximum of four (4) years in order to accumulate the dollar amount needed to complete the approved projects. FY2023-24 will provide additional funds needed to purchase a few vehicles. We will continue to gather future funds to continue replacing transit vehicles.

REASON FOR RECOMMENDATION

The funds are available for transit agencies only and for the purpose of providing capital assistance to rehabilitate and modernize local systems. Clovis Transit is an eligible recipient for the funding and expects a benefit to the transit fleet, transit staff, and other city staff.

ACTIONS FOLLOWING APPROVAL

A copy of the resolution will be submitted to Fresno Council of Governments. Once funds are received and have accumulated to the necessary level, vendors will be selected using the City's regular procurement process.

Prepared by: Susanna Herrera, Management Analyst

Reviewed by: City Manager AH

RESOLUTION 23-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS AUTHORIZING THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM FY 2023/24

WHEREAS, the City of Clovis is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors (local agencies); and

WHEREAS, the City of Clovis wishes to delegate authorization to execute these documents and any amendments thereto to the Deputy General Services Director.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Clovis agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations, and guidelines for all SGR funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that the City of Clovis authorizes the Deputy General Services Director to execute all required documents of the SGR program and any Amendments thereto with the California Department of Transportation.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023, by the following vote, to wit.

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: August 21, 2023

______________________ Mayor	______________________ City Clerk

ATTACHMENT 1

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Planning and Development Services
DATE:	August 21, 2023
SUBJECT:	Planning and Development Services – Approval – Res. 23-___, A resolution supporting and implementing the “Timely Use of Funding” as required by Assembly Bill 1012 for Candidates 2023-24 Federal Transportation Act, FAST Act Projects.
ATTACHMENTS:	1. Resolution 23- ___ 2. Vicinity Map of Selected Projects

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to approve Resolution 23-___, supporting and implementing the “Timely Use of Funding,” as required by Assembly Bill (AB) 1012, for the 2021-22 Federal Transportation Act, Fixing America's Surface Transportation (FAST) Act projects.

EXECUTIVE SUMMARY
On June 29, 2023, the Fresno Council of Governments (FCOG) Policy Board approved the initiation of the 2023-24 Surface Transportation Block Grant (STBG), Congestion Mitigation and Air Quality (CMAQ) and, new this year, the Carbon Reduction Program (CRP) call for projects. The FCOG requires all entities requesting federal funding consideration to submit an approved resolution stating each project will meet its proposed delivery schedule **(Attachment 1)**.

The FCOG expects to award a total of $58,872,093 ($27,815,400 – STBG, $27,572,693 – CMAQ and $3,484,000 – CRP) in competitive funding under this call for projects. This will be the first call for projects that the entirety of the available funds will be distributed through the competitive process. All funds will be programmed in the Federal Transportation Improvement Program in federal fiscal years 2024-25, 2025-26, 2026-27 and / or 2027-28 depending on available financial capacity.

The applications are due to FCOG on September 15, 2023, for the CMAQ and CRP funding opportunities and October 6, 2023, for STBG. Staff plans to submit a total of 12 competitive funding applications (six STBG, five CMAQ, and one CRP). Once submitted and previewed by the FCOG staff, a scoring committee will review all applications in early December 2023 and decided on which projects to fund. Staff anticipates hearing decisions on all three program applications by mid to late December or, possibly, early January 2024.

BACKGROUND

Fresno COG, acting in its role as a Metropolitan Planning Organization, is in the process of programing federal transportation revenues that will come to the Fresno region under the Infrastructure Investment and Jobs Act (IIJA). The IIJA was signed into law by the President on November 15, 2021. The IIJA will provide funding for surface transportation programs during fiscal years 2022 through 2026. This call will fund approved surface transportation programs through fiscal year 2028.

Under the current call for projects, competitive funds are being awarded in three federal-aid programs: STBG, CMAQ and CRP. In general, the STBG program is aimed at funding projects that emphasize system preservation through new construction, reconstruction, rehabilitation, resurfacing, restoration, preservation, or operational improvements of streets. The CMAQ program funds projects that will contribute to the attainment or maintenance of the national ambient air quality standards including those that reduce ozone precursor emissions, volatile organic compounds, carbon monoxide, and particulate matter. The CRP program is new to the region and very similar to the CMAQ program. Under this program funds are to be used for improvements related to transit, ZEV technology, and CO2 reduction. The maximum reimbursement ratio for all three programs is 88.53%, and the minimum local match is 11.47%.

The total amount of competitive funding available under all three programs (STBG, CMAQ and CRP) is $58,872,093 ($27,815,400 – STBG, $27,572,693 – CMAQ and $3,484,000 – CRP).

City staff evaluated several eligible projects for the three programs for consideration under this current call for projects and narrowed down the list to a total of six application for the STBG program, five applications for the CMAQ program and one application for the CRP program.

2023-24 Federal Transportation Act (FACT ACT)
Summary of Competitive STBG Funding Request

The six STBG applications focus on street rehabilitations all throughout the city limits. The first two projects listed in the table below are requesting for “construction only” funds and are being prioritized to the first two projects the City would like to be funded. The remaining four projects being submitted are requesting funding for both design and construction.

STBG Project Application	Improvement Type	Total Project Cost	Federal Funds Requested (88.53%)	Local Match (11.47%)
Barstow - Villa to Minnewawa	Rehabilitation	$622,000	$550,657	$71,343
Herndon - Fowler to Armstrong	Rehabilitation	$1,758,160	$1,556,499	$201,661
Ashlan - Winery to Peach	Reconstruction	$1,959,900	$1,735,099	$224,801
Sunnyside - Nees to Alluvial	Rehabilitation	$1,222,900	$1,082,633	$140,267
Barstow - Willow to Villa	Rehabilitation	$1,299,000	$1,150,005	$148,995
Alluvial - Sunnyside to Fowler	Rehabilitation	$959,000	$849,003	$109,997
	TOTAL	**$7,820,960**	**$6,923,896**	**$897,064**

The total of STBG funds being requested is approximately 24.89% of the total competitive funds available for the entire region. The local required match the City is committing to in its applications is $897,064. This will be funded by either gas tax revenue or Measure “C” Local Pass-Through funds.

2023-24 Federal Transportation Act (FACT ACT)
Summary of Competitive CMAQ Funding Request

The five CMAQ applications focus on a variety of improvements throughout the City that would help with relieving traffic congestion and improving pedestrian and bicyclist safety the community.

CMAQ Project Application	Improvement Type	Total Project Cost	Federal Funds Requested (88.53%)	Local Match (11.47%)
Nees & Sunnyside	Traffic Signal	$1,606,030	$1,421,818	$184,212
Clovis Avenue Adaptive	Intelligent Transportation Systems Upgrades	$553,282	$489,821	$63,461
Dry Creek Business Park Pedestrian Bridge	Pedestrian Bridge	$452,250	$400,377	$51,873
Enterprise Canal Trail Connection Improvements	Pedestrian Bridge & Sidewalk	$980,100	$867,683	$112,417
Gettysburg and Leonard	Sidewalk & Class II Bike Lane	$539,000	$477,177	$61,823
	Total	**$ 4,130,662**	**$3,656,875**	**$473,787**

The total of CMAQ funds being requested is approximately 13.26% of the total competitive funds available for the entire region. The local required match the City is committing to in its applications is $473,787. This will be funded by either gas tax revenue or Measure “C” Local Pass-Through funds.

2023-24 Federal Transportation Act (FACT ACT)
Summary of Competitive CRP Funding Request

The City will be submitting one application under the CRP program. This is a new program being brought to the region and the availability of funds is relatively small compared to the other two programs.

CRP Project Application	Improvement Type	Total Project Cost	Federal Funds Requested (88.53%)	Local Match (11.47%)
Gettysburg and Leonard	Sidewalk & Class II Bike Lane	$539,000	$477,177	$61,823

The total funds being requested with this application is 13.7% of the total competitive funds available. The local required match is $61,823 and will also be funded through either gas tax revenue or Measure "C" Local Pass-Through funds.

Approval of AB 1012 requires that both State and Federal funds be used in a "timely" manner. That is, they meet project delivery schedules as proposed and programmed within the FTIP. In order to avoid losing any federal or state funds to our region, the "use it or lose it" requirements of AB 1012 place local governmental agencies in a position that they must be able to deliver their projects on time. Given AB 1012 requirements, FCOG is requiring all agencies that submit federal funding applications to also submit an approved resolution, stating each project will meet its proposed delivery schedule. Approved resolutions must be submitted with the applications. Staff has requested all our competitive funds be programmed in the FTIP within the four-year triennial element (2024-25 to 2027-28) as financial capacity allows.

FISCAL IMPACT
If projects are selected, the City will be required to match at a minimum 11.47% of all the federally funded awarded projects. Those local match dollars for the selected projects typically are sources from Measure "C" Local Pass-Through Funds or the City's allocation of the gas tax (SB1) or a combination of both. If all projects are selected that would be an estimated total of $1,432,674.00.

REASON FOR RECOMMENDATION
To complete the grant applications, Council must approve a resolution certifying approval of the City's applications for Surface Transportation Block Grant (STBG), Congestion Mitigation and Air Quality Improvement (CMAQ), and Carbon Reduction Program (CRP) Program Funds.

ACTIONS FOLLOWING APPROVAL
Staff will submit to COG the approved resolution certifying the "Timely Use of Funding" as required by AB 1012.

Prepared by: Tatiana Partain, Management Analyst

Reviewed by: City Manager *AH*

RESOLUTION 23-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS SUPPORTING AND IMPLEMENTING THE "TIMELY USE OF FUNDING" AS REQUIRED BY AB1012 FOR CANDIDATE TRANSPORTATION PROJECTS FEDERAL TRANSPORTATION ACT, FAST ACT

WHEREAS, AB 1012 has been enacted into State Law in part to provide for the "timely use" of State and Federal funding; and

WHEREAS, the City of Clovis is able to apply for and receive Federal and State funding under the Federal Transportation Act; and

WHEREAS, the City of Clovis desires to ensure that its project are delivered in a timely manner to preclude the Fresno Region form losing those funds for non-delivery; and

WHEREAS, it is understood by the City of Clovis that failure to meet project delivery dates for any phase of a project may jeopardize federal or state funding to the Region; and

WHEREAS, the City of Clovis must demonstrate dedicated and available local matching funds.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis hereby agrees to ensure that all project delivery deadlines for all project phases will be met or exceeded; and

BE IT FURTHER RESOLVED, that failure to meet project delivery deadlines may be deemed as sufficient cause for the Fresno Council of Governments Policy Board to terminate an agency's project and reprogram Federal/State funds as deemed necessary; and

BE IT FURTHER RESOLVED, that the City of Clovis City Council does direct its management and engineering staffs to ensure all projects are carried out in a timely manner as per the requirements of AB 1012 and the directive of the City of Clovis City Council.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023, by the following vote, to wit.

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED:

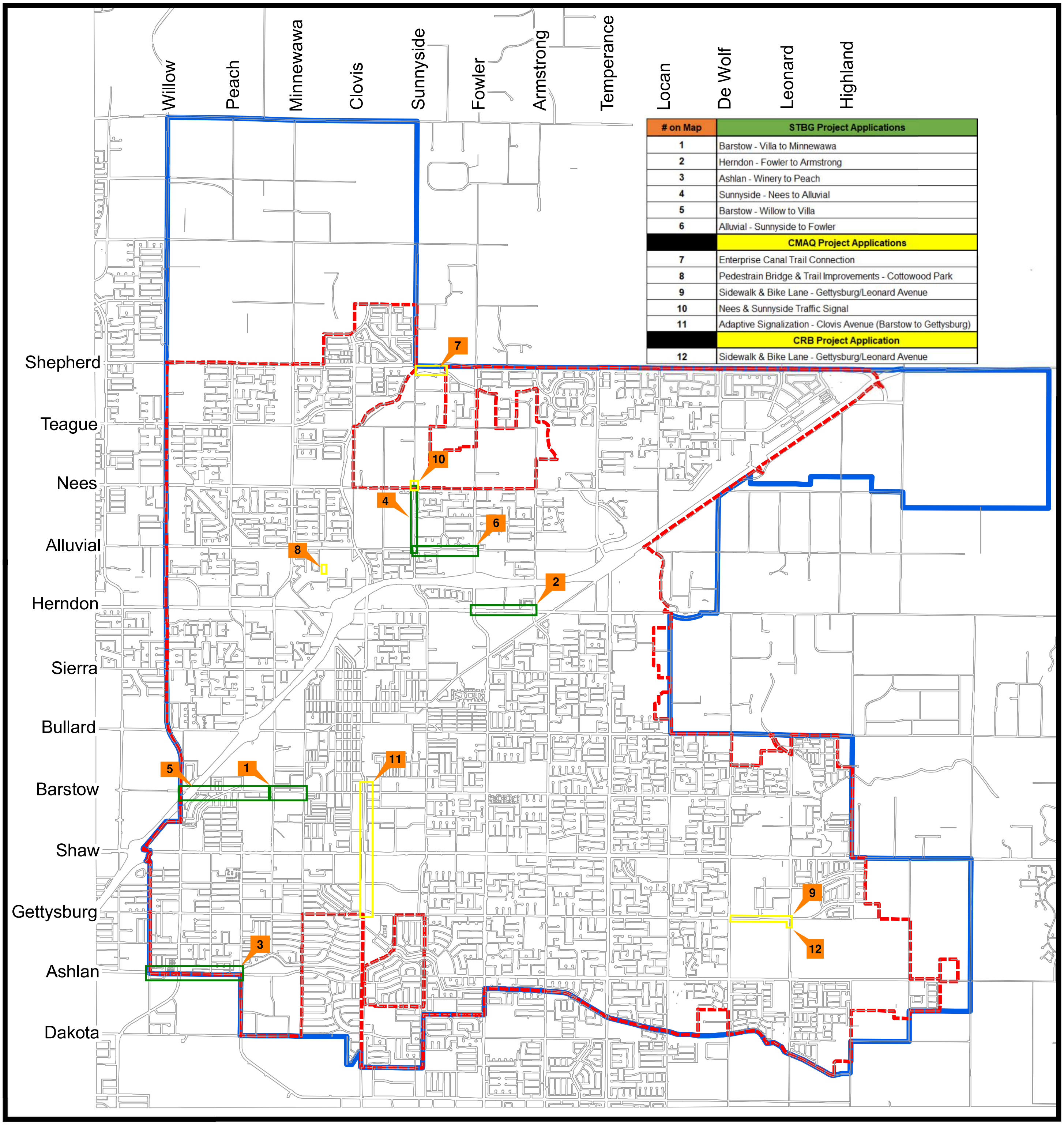
______________________________	______________________________
Mayor	City Clerk

Attachment 1

AGENDA ITEM NO. 8.

VICINITY MAP

2023 Federal Transportation Act Project Candidates



# on Map	STBG Project Applications
1	Barstow - Villa to Minnewawa
2	Herndon - Fowler to Armstrong
3	Ashlan - Winery to Peach
4	Sunnyside - Nees to Alluvial
5	Barstow - Willow to Villa
6	Alluvial - Sunnyside to Fowler
	CMAQ Project Applications
7	Enterprise Canal Trail Connection
8	Pedestrain Bridge & Trail Improvements - Cottowood Park
9	Sidewalk & Bike Lane - Gettysburg/Leonard Avenue
10	Nees & Sunnyside Traffic Signal
11	Adaptive Signalization - Clovis Avenue (Barstow to Gettysburg)
	CRB Project Application
12	Sidewalk & Bike Lane - Gettysburg/Leonard Avenue

Attachment 2

N W E S

CITY LIMITS SPHERE OF INFLUENCE

Prepared By: **Tatiana Par**

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Planning and Development Services Department
DATE:	August 21, 2023
SUBJECT:	Planning and Development Services – Approval – Final Acceptance for CIP 23-01 Rubberized Cape Seal 2023.
ATTACHMENTS:	1. Vicinity Map

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to accept the contracted work performed as complete and authorize recording of the notice of completion.

EXECUTIVE SUMMARY
The construction consisted of the installation of approximately 224,240 square yards of rubberized cape seal, approximately 225,517 square yards of Type II slurry seal in various local streets in the City of Clovis. The work included removal of all existing traffic striping, markings, and markers, furnishing and installation/application of asphalt rubber chip seal, Type II slurry seal, traffic control, street sweeping, cleanup, reinstallation of traffic striping and all other items or details required as described in the Contract Documents.

BACKGROUND
The bid opening was on March 7, 2023, and the project was awarded by City Council on March 20, 2023, to the lowest responsible bidder, which was determined to be VSS International, Inc. The project was completed in accordance with the construction documents and within the total contract time allowed.

FISCAL IMPACT

1.	Contract Award Amount	$2,242,120.00
2.	Cost Increases/Decreases - resulting from differences between estimated quantities used for award and actual quantities installed	$0.00
3.	Contract Change Orders	($45,480.36)
4.	Liquidated Damages Assessed	$0.00
	Final Contract Cost	**$2,196,639.64**

The Project was supported by Measure C pass through funding through the City Community Investment Program.

The project originally included 2,148 square yards of parking area seal for the parking lot of the Police and Fire Headquarters. After award of the project, it was realized that the estimated quantity for the parking lot was significantly underestimated. Since the parking lot was funded separately by General Government Facilities there was not enough funding available to seal the parking lot as planned. The Contract Change Order amount indicates the deduction in contract price for the parking lot work.

REASON FOR RECOMMENDATION

The Public Utilities Department, City Engineer, Engineering Inspector, and Project Engineer agree that the work performed by the Contractor is in accordance with the project plans and specifications and has been deemed acceptable. The Contractor, VSS International, Inc., has requested final acceptance.

ACTIONS FOLLOWING APPROVAL

1. The notice of completion will be recorded; and
2. All remaining retention funds will be released no later than 35 calendar days following recordation of the notice of completion, provided no liens have been filed. Retention funds may be released within 60 days after the date of completion, provided no liens have been filed, with "completion" defined as the earlier of either (a) beneficial use and occupancy and cessation of labor, or (b) acceptance by the City Council per Public Contract Code Section 7107(c)(2).

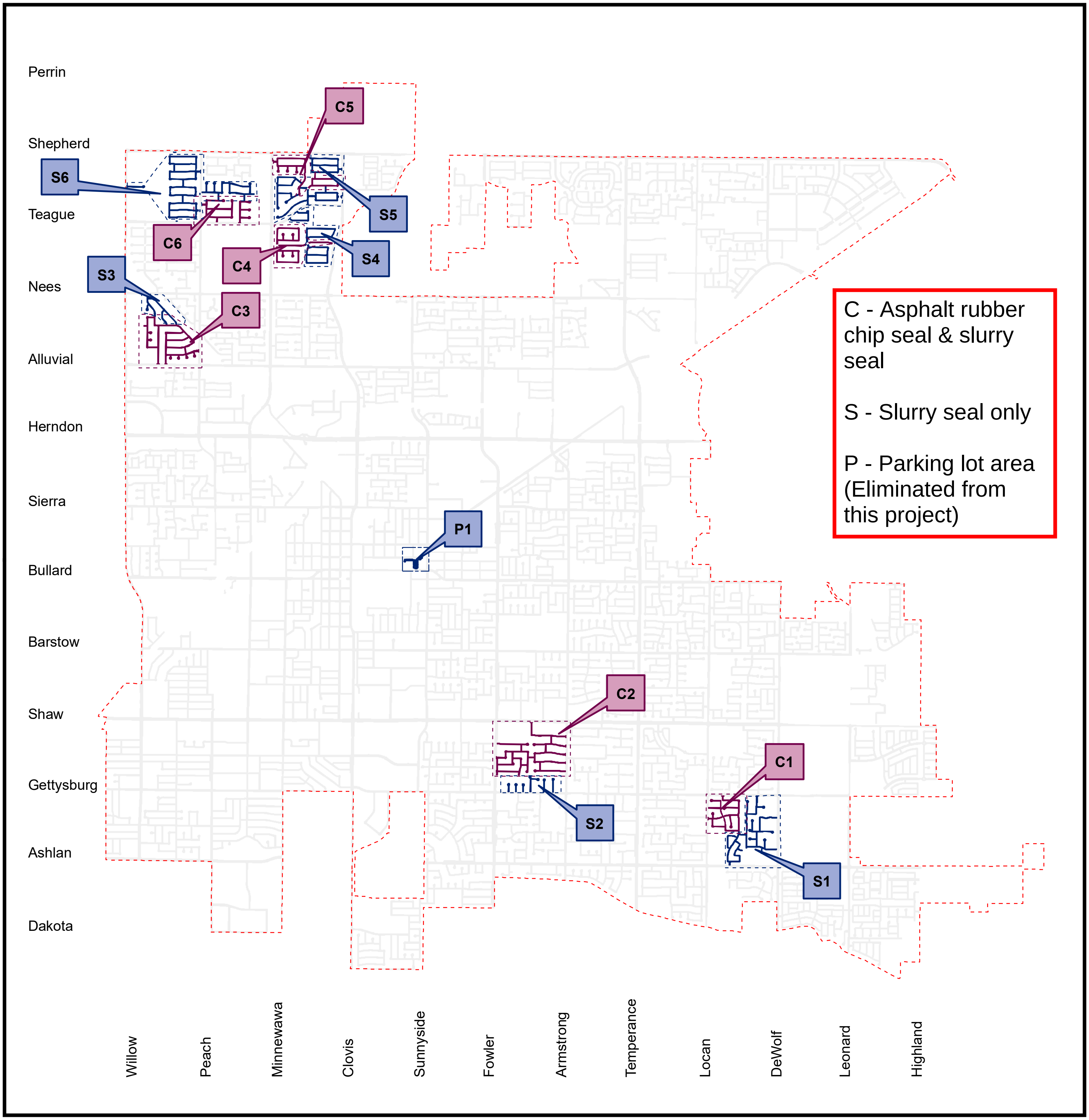
Prepared by: Shawn Scott, Engineering Inspector

Reviewed by: City Manager AH

AGENDA ITEM NO. 9.

VICINITY MAP

CIP 23-01 RUBBERIZED CAPE SEAL 2023



Attachment 1

August 21, 2023

CLOVIS CITY LIMITS

Shawn Scott

CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Planning and Development Services Department
DATE:	August 21, 2023
SUBJECT:	Planning and Development Services – Approval – Final Acceptance for CIP 21-13 Alley Improvements.
ATTACHMENTS:	1. Vicinity Map

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to accept the work performed as complete and authorize the recording of the notice of completion for this project.

EXECUTIVE SUMMARY
The project reconstructed six alleys located in the southwest area of Barstow and Clovis Avenues. The project consisted of removal of the existing concrete and pavement materials and the installation of new paving, aggregate base, concrete valley gutter, concrete drive approaches, and adjusting manholes and valve boxes to grade.

BACKGROUND
Bids were received on December 20, 2022, and the project was awarded by the City Council to the low bidder, Asphalt Design by Juan Gomez, on January 9, 2023. The project was completed in accordance with the construction documents and the contractor has submitted a request for acceptance of the project.

FISCAL IMPACT

1.	Award	$644,000.00
2.	Cost increases/decreases resulting from differences between estimated quantities used for award and actual quantities installed.	$32,500.96
3.	Contract Change Orders	$3,138.00
	Final Contract Cost	**$679,638.96**

This project was approved in the Community Investment Program 2022-2023 fiscal year budget and was funded by Community Development Block Grant (CBDG) program.

REASON FOR RECOMMENDATION
The Public Utilities Department, the City Engineer, the Engineering Inspector, and the Project Engineer agree that the work performed by the contractor is in accordance with the project plans and specifications and has been deemed acceptable. The contractor, Asphalt Design by Juan Gomez, has requested final acceptance from the City Council.

ACTIONS FOLLOWING APPROVAL
1. The Notice of Completion will be recorded; and

2. All remaining retention funds will be released no later than 35 calendar days following recordation of the notice of completion, provided no liens have been filed. Retention funds may be released within 60 days after the date of completion, provided no liens have been filed, with "completion" defined as the earlier of either (a) beneficial use and occupancy and cessation of labor, or (b) acceptance by the City Council per Public Contract Code Section 7107(c)(2).

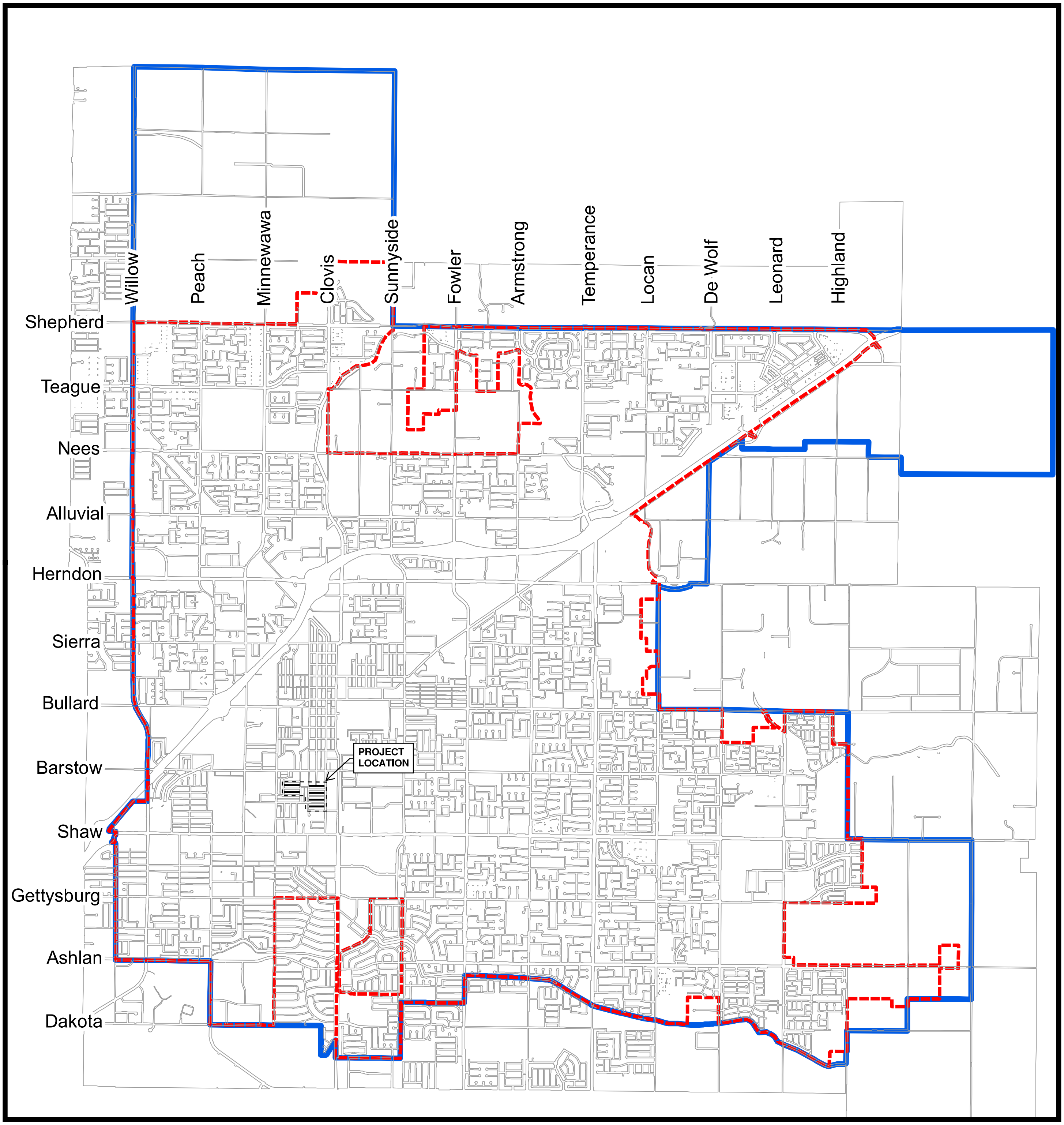
Prepared by: Rami Abunamous, Engineering Inspector

Reviewed by: City Manager AH

AGENDA ITEM NO. 10.

VICINITY MAP

CIP 21-13 Alley Improvements



Attachment 1

N W E S

CITY LIMITS SPHERE OF INFLUENCE

Print Date: December 21, 2022

Prepared By: Nathaniel Sta

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Planning and Development Services
DATE:	August 21, 2023
SUBJECT:	Planning and Development Services – Approval – Final Acceptance for Final Map for Tract 6377, located at the southeast area of Leonard Avenue and Shaw Avenue (DYP 6377, LP (De Young Properties)).
ATTACHMENTS:	1. Vicinity Map

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to:

1. Accept the public improvements for Tract 6377, and authorize recording the Notice of Completion; and

2. Authorize the release of the Performance Surety immediately and then release of the Labor and Materials Surety ninety (90) days after the recordation of the Notice of Completion, (provided no lien have been filed) and release of Public Improvements Maintenance Surety upon the expiration of the one-year warranty period and provided any defective work has been repaired to the City's satisfaction.

EXECUTIVE SUMMARY
The owner, DYP 6377, LP (De Young Properties), has requested final acceptance of the public improvements constructed or installed in conjunction with this tract. The public improvements include all those shown on the subdivision improvement plans approved by the City Engineer. The construction or installation of the public improvements is complete. The owner has requested final acceptance. Staff is recommending approval of their request.

All landscaping, including sidewalks along the side yards of lots have been constructed. The construction or installation of the public improvements is complete. The owner has requested final acceptance. Staff is recommending approval of their request.

FISCAL IMPACT
The cost for periodic routine maintenance, as well as repairs needed as the improvements deteriorate with age and usage, will be incorporated to the annual maintenance budget of the Public Utilities Department as these costs are identified.

REASON FOR RECOMMENDATION
The Subdivision Map Act requires that once construction of the required improvements has been completed in compliance with all codes, plans and specifications, and all other required documents have been completed and submitted, final acceptance is required, and the appropriate sureties are released.

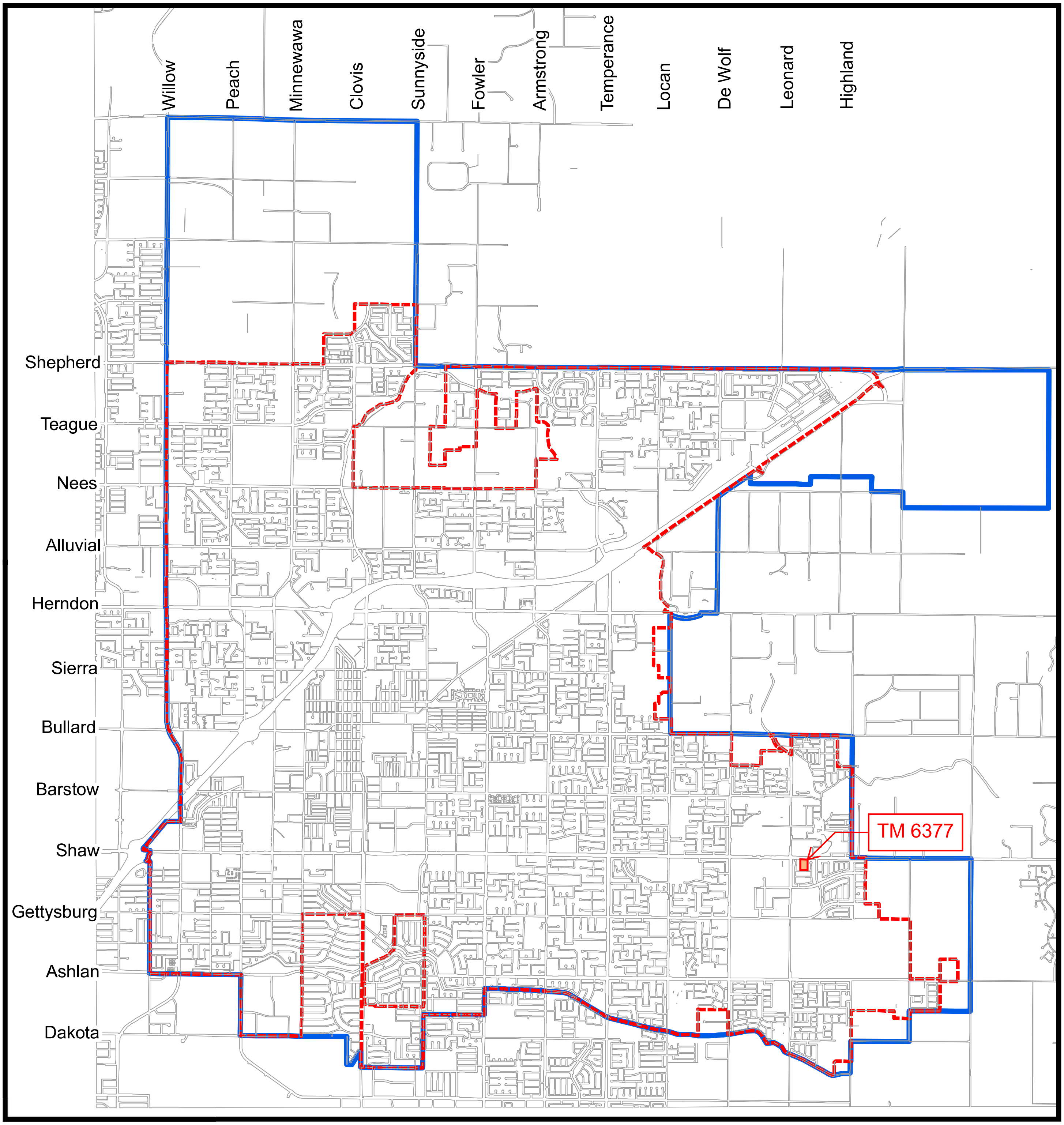
ACTIONS FOLLOWING APPROVAL
Record the Notice of Completion and release the Performance, Labor and Materials, and Maintenance Sureties as appropriate.

Prepared by: Jeff Brown, Engineer II

Reviewed by: City Manager AH

VICINITY MAP

TM 6377 (DYP 6377, LP (De Young Properties)



Attachment 1

CITY LIMITS SPHERE OF INFLUENCE

August 21, 2023

Prepared By: Jeff Brown

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Planning and Development Services
DATE:	August 21, 2023
SUBJECT:	Planning and Development Services – Approval – Res. 23-___, a request authorizing the City Manager to execute an amendment to a previously executed consultant agreement between the City of Clovis and Ascent Environmental, Inc. for the preparation of the Housing Element update and related services.
ATTACHMENTS:	1. Res. 23 – ___, Modified Consultant Agreement

CONFLICT OF INTEREST

Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION

Staff recommends that Council adopt a resolution authorizing the City Manager to execute a modified consultant agreement between the City of Clovis and Ascent Environmental, Inc. (Ascent) for the preparation of the Housing Element Update and related services.

EXECUTIVE SUMMARY

On January 19, 2021, the City Council authorized the City Manager to proceed with a contract agreement with Ascent for the preparation of the Housing Element Update and related services. Due to new statutory requirements, a substantial amount of additional work was necessitated, resulting in additional costs beyond the original scope of the contract. The amendment encompasses a new associated task to update the City's current Multifamily Objective Standards. The amendment is requesting an additional $197,140.67 towards the budget, with $80,690.67 towards the Housing Element effort and $116,450.00 towards the Multifamily Objective Standards update. If approved, staff would initiate the process of amending the consultant agreement with Ascent to facilitate the continuation of the Housing Element preparation and associated services.

BACKGROUND
The Housing Element is an integral component of the General Plan, requiring updates on an eight-year cycle. The current Housing Element was adopted in 2016 as a collaborative endeavor involving the City and eleven other municipalities, including the County of Fresno. In early 2021, the City took proactive measures to independently initiate the updating process for the Housing Element. As mentioned, the Council authorized the execution of a contract agreement with Ascent to perform this work.

Ascent and staff presented the initial draft of the Housing Element on March 20, 2023, during a joint meeting involving both the Council and Planning Commission. Following the presentation, a 30-day public review period was commenced. On May 16, 2023, the draft Housing Element was formally submitted to the California Housing and Community Development Department (HCD) for the customary 90-day initial review period. Official comments from HCD are expected to be received on August 14, 2023. A comprehensive report to the Council regarding the HCD comments and significant changes that need to be made to the document will follow. Subsequently, the revised document will be resubmitted to HCD for further review. This iterative process will persist until HCD grants their approval to the finalized document.

PROPOSAL AND ANALYSIS
This section provides a breakdown of the original scope of work and the changes requiring an update to the scope of work and budget for the Housing Element Update process and associated services.

Housing Element Budget Amendment
On January 19, 2021, Council authorized an initial budget of $249,795 for the preparation of the Housing Element and associated services. However, as work on the Housing Element draft commenced, unforeseen challenges led to additional incurred costs, necessitating an amendment to the budget.

A contributing factor to the increased workload has been the incorporation of new statutory requirements, particularly Assembly Bill 686 (AB 686), which mandated a comprehensive assessment of fair housing within all housing elements. Consequently, this aspect required more time and effort than anticipated when the scope of work was initially developed in December of 2020. To mitigate some of the incurred costs, remaining funds from other tasks were reallocated towards tasks requiring additional work. Nevertheless, there remains a projected need for additional budget allocation to accommodate the subsequent review and updates in response to HCD comments. Additional budget allocation is also necessary for affordable housing strategy and compliance support, as well as replenishing the contingency funds. Budget details can be found in **Attachment 1A**.

Additional Task - Multifamily Objective Standards Update
In addition to the budget request mentioned earlier, this amendment incorporates a new task aimed at updating the City’s current Multifamily Objective Standards (MOS). The analysis conducted in conjunction with the draft Housing Element identified the City’s development standards, inclusive of the current MOS, as potential hindrances to housing development. Specific examples include current parking requirements and height limitations applicable to

multi-family development. This endeavor relates to Program H8 of the City's Draft Housing Element.

The addition of the MOS update represents a proactive effort to assess and refine the City's development standards to better facilitate housing development, aligning with the objectives outlined in the draft Housing Element. The team at Ascent includes staff that focuses on urban design projects that has considerable experience working with local agencies to prepare and update objective standards. An additional $116,450 is proposed with the amendment for the inclusion of this effort. The proposed work includes detailed analysis related to parking standards, a comprehensive update to the MOS, feasibility testing of the new standards, and up to two study sessions with the Council and/or Planning Commission. The proposed budget and scope of work for this initiative can be found in **Attachment 1A.**

FISCAL IMPACT

The amendment is requesting an additional $197,140.67 towards the budget, with $80,690.67 towards the Housing Element effort and $116,450.00 towards the MOS update. The complete contract expense, encompassing the comprehensive amendment request, amounts to $446,935.67. Notably, the City has successfully secured grant funding totaling $235,000 through the Local Early Action Planning (LEAP) grant program, specifically designated for the Housing Element update effort. Anticipated supplementary funding is expected through the allocation of remaining San Joaquin Valley COG Regional Early Action Planning (REAP) funds to different jurisdictions, with approximately, $70,000 designated specifically for the MOS initiative. The remaining balance required for the project will be covered by the City's general plan consultation funding.

REASON FOR RECOMMENDATION

The City seeks ongoing support from Ascent to aid in the preparation of the Housing Element and to update the City's Multifamily Objective Standards.

ACTIONS FOLLOWING APPROVAL

Staff will prepare the necessary documentation needed for the City Manager to execute the contract amendment. The Housing Element work will continue as planned, and concurrently, the update of the Multifamily Objective Standard process will be initiated.

Prepared by: Lily Cha, Senior Planner

Reviewed by: City Manager AH

RESOLUTION 23-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS AUTHORIZING THE CITY MANAGER TO EXECUTE A MODIFIED CONSULTANT AGREEMENT WITH ASCENT ENVIRONMENTAL FOR THE PREPARATION OF THE GENERAL PLAN HOUSING ELEMENT AND RELATED SERVICES

WHEREAS, On January 19, 2021, Ascent Environmental, Inc. was selected to perform these services based on their substantial experience with the preparation of Housing Elements and their familiarity with the City of Clovis; and

WHEREAS, due to new statutory requirements, a substantial amount of additional work was necessitated, resulting in additional costs beyond the original scope of the contract and requiring the need for additional funding; and

WHEREAS, the City is partaking in the initiative to update the current Multifamily Objective Standards to be incorporated into this contract amendment; and

WHEREAS, the City requires continued assistance from Ascent Environmental Inc. with the preparation of the Sixth Cycle Housing Element and related services.

NOW, THEREFORE, BE IT RESOLVED, that the City of Clovis approves the modified consultant agreement with Ascent Environmental Inc. provided hereto as **Attachment A,** addressing the preparation of the General Plan Housing Element and related services, and authorizes the City Manager to Execute a modified consultant agreement with Ascent Environmental, Inc.

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023, by the following vote, to wit.

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: August 21, 2023

____________________________ ____________________________
Mayor City Clerk

Attachment 1

June 30, 2023

Lily Cha-Haydostian
Senior Planner
1033 Fifth Street
Clovis, CA 93615

Subject: **Request for Amendment for Additional Budget, City of Clovis Sixth Cycle Housing Element**

Dear Lily:

This letter is to request up to $197,140.67 in additional budget, including an additional $80,690.67 in budget for the City of Clovis Sixth Cycle Housing Element and an additional $116,450.00 for optional tasks to develop Objective Design Standards.

Additional Budget for Sixth Cycle Housing Element

This request for additional budget is to cover cost overruns incurred as part of Task 4, as well as anticipated future work necessary to complete the project. This request was previously discussed, during our meeting on April 20, 2023; in a letter submitted on May 18, 2023; discussed during our meeting on June 15, 2023; and identified in a separate request for administrative authorization for budget reallocation submitted on June 30, 2023. This request for additional budget includes the following parts:

1) $28,190.67 in additional budget to cover a portion of additional costs incurred as part of Task 4 – Housing Element Preparation;

2) $30,000 in additional budget for Task 6 – HCD Review of Housing Element;

3) $7,500 in additional budget for a new task, Task 9 – Affordable Housing Strategy and Compliance Support; and,

4) $15,000 in additional budget to replenish the contingency.

Additional description of each component is provided below, and a summary of the proposed budget amendment is included as Attachment A.

<u>Description of Additional Costs and Need for Amendment</u>

Ascent is requesting $28,190.67 to cover a portion of the $86,904.27 in additional costs incurred as part of Task 4 that are a result of significantly more work than anticipated being required to complete the Public Review Draft Housing Element, make revisions to address public comments, and submit a draft for HCD review. Substantial additional work was required due to new statutory requirements, namely Assembly Bill 686, and to complete the sites inventory. Ascent submitted a separate request on April 30, 2023, for administrative authorization to reallocate existing budget to cover a portion of the costs incurred for work that has already been performed in order to complete Task 4. Ascent has incurred an additional $27,597.50 in additional costs that is not a part of the request for additional budget.

Additional Budget for Task 6 – HCD Review of Housing Element

Ascent is requesting $30,000 in additional budget for Task 6 – HCD Review of Housing Element. This project was scoped and budgeted before it was understood how different this sixth cycle update would be from previous cycles. There has been a significant amount of new statutory requirements in this new cycle making it much harder to get through the review process with the California Department of Housing and Community Development (HCD) to reach compliance and certification. Multiple rounds of revisions with HCD are now required and project timelines are being extended, which is a reality that all jurisdictions in California are dealing with. In addition, we also anticipate additional revisions to respond to public comment letters received during public review.

Additional Budget for Affordable Housing Strategy and Compliance Support

Ascent is requesting $7,500 to provide support for the City's affordable housing strategy and compliance support, separate from the housing element preparation. This work could include meetings, correspondence, presentations, and other methods of communicating best-practices and recommendations for the City to address a variety of topics related to affordable housing.

Additional Budget for Contingencies

Ascent is requesting $15,000 in additional budget to replenish the contingency. Although we have done our best to anticipate the additional challenges related to HCD review and provide additional support for the City related to affordable housing strategy and compliance support, we also expect additional unknown work to be required to complete the Sixth Cycle Housing Element. For example, if substantial revisions were to be required to the sites inventory, this would require additional mapping and subsequent revisions to the assessment of fair housing.

Optional Tasks for Objective Design Standards

A proposed scope of work and associated budget for optional tasks to develop Objective Design Standards is included as Attachment B, and has been updated to reflect the City's comments provided on June 19, 2023. If authorized, it would include an additional $116,450 for optional tasks to develop Objective Design Standards.

We look forward to continuing to work with the City of Clovis and appreciate your attention to this proposed request. Please do not hesitate to contact us if you have any questions, would like to discuss further or require further information.

Sincerely,

Chelsey M Payne

Chelsey Payne, AICP
Project Director
p: 916.306.2621
e: Chelsey.Payne@AscentEnvironmental.com

Christine P Babla

Christine Babla, AIA, AICP, LEED AP
Principal
p: 619.366.3468
e: Christine.Babla@AscentEnvironmental.com

Attachment A – Summary of Requested Budget Amendment for City of Clovis Sixth Cycle Housing Element

Attachment B – Proposed Scope of Work and Budget for Objective Design Standards

ASCENT

Attachment A – Summary of Proposed Budget Amendment for City of Clovis Sixth Cycle Housing Element

		Budget w/ Reallocation	Remaining Budget w/ Reallocation	Proposed Amendment	Budget w/ Amendment	Remaining Budget w/ Amendment
Task 1	Project Administration	$35,600.00	$13,630.00	$0.00	$35,600.00	$13,630.00
Task 2	Annual HE Progress Reports	$8,925.00	$0.00	$0.00	$8,925.00	$-
Task 3	RHNA Support	$11,050.00	$0.00	$0.00	$11,050.00	$-
Task 4	Housing Element Preparation	$124,496.40	$(28,190.67)	$28,190.67	$152,480.00	$-
Task 5	Community Engagement and Public Hearings	$20,218.72	$0.00	$0.00	$20,343.72	$-
Task 6	HCD Review of Housing Element	$7,200.00	$7,200.00	$30,000.00	$37,200.00	$37,200.00
Task 7	Environmental Compliance	$24,840.00	$24,840.00	$0.00	$24,840.00	$24,840.00
Task 8	Final Documents and Adoption	$15,080.00	$15,080.00	$0.00	$15,080.00	$15,080.00
Task 9	AH Strategy and Compliance Support	$0.00	$0.00	$7,500.00	$7,500.00	$7,500.00
	LABOR SUBTOTAL	$247,328.05	$32,559.33	$65,690.67	$313,018.72	$98,250.00
	Reimbursable Expenses	$2,384.88	$1,500.00	$0.00	$2,466.95	$1,500
	Contingency	$0.00	$0.00	$15,000	$15,000.00	$15,000.00
	TOTAL	$249,795.00	$34,059.33	$80,690.67	$330,485.67	$114,750.00

ASCENT

ATTACHMENT B – PROPOSED SCOPE OF WORK AND BUDGET FOR CITY OF CLOVIS OBJECTIVE DESIGN STANDARDS

01

SCOPE OF SERVICES

Based on our understanding of the City's goals, it is anticipated that the Objective Design Standards (Standards) will incorporate the 2019 Multiple Family Residential Design Standards, and tailor the criteria to address the design of "missing middle" housing types and site design, such as multi-plex, courtyard apartments, and townhomes style typologies. The Standards will be organized with a graphic- and user-friendly format with concise text, photos, graphics, clear headers, and document wayfinding. The following scope and budget organize the project into three tasks, including Project Management and Check-In Meetings; Assessment; and development of the Standards. Additional tasks have been identified as options for discussion, including more detailed analysis, feasibility testing, and public engagement. No support for CEQA is included.

TASK 1 PROJECT MANAGEMENT AND CHECK-IN MEETINGS

Ascent will coordinate all aspects of the project to ensure that the schedule is achieved, and high-quality products are delivered. Ascent will prepare and submit monthly invoices and progress reports. Ascent will facilitate regular project coordination meetings, which will be conducted via Microsoft Teams conference calls. For the purposes of this assignment, we will assume up to 10 staff meetings/calls over a project duration of approximately 9 months. Ascent will provide summary notes with action items following each meeting.

In our first meeting, Ascent's project manager, Matt Gelbman; project principal, Christine Babla; and housing lead, Chelsey Payne, will meet with the City to discuss the following:

- City goals and objectives, including addressing SB35, SB 330, and Housing Element implementation requirements, as well as any other recent relevant legislation, if applicable.
- Other City regulating documents (see task 2.1), and where the Standards are expected to apply.
- Current issue areas related to project permitting and approvals, as well as recent project applications.

TASK 2 ASSESSMENT

2.1 Material Review and Preliminary Approach Memo

Ascent will conduct a detailed review of planning documents and zoning code regulations as they pertain to multi-family development, with a focus on projects covered by SB 35 and SB 330 and other City objectives. Ascent will prepare a memo highlighting critical issues, key findings, and recommendations for developing Objective Design Standards. The memo will serve as a basis for discussion with City staff and help shape the initial steps toward developing the Standards. As part of this task, Ascent will review relevant plans and documents to inform the approach, including:

- General Plan and Housing Element
- 2019 Multiple Family Residential Design Standards
- Zoning Ordinance
- City of Clovis Specific Plans and Master Plans

It is anticipated that the Memo will address the following:

- Generalized map of areas of the City where the Standards map apply, including existing neighborhood boundaries, applicable zoning, and boundaries of existing historic districts, as well as planned areas of change, and/or upzoning.
- References or summary table(s) of existing development standards, including density, FAR, setbacks, heights, and any other associated development standards, including recommendations on any updates that should be considered for criteria such as density, FAR, setbacks, heights, and parking. (Note: updates to zoning and development standards will not be conducted as part of this task.)
- Approach to incorporating the existing 2019 Multiple Family Residential Design Standards, if appropriate.
- Brief summary of key takeaways and recommendations.

2.2 Parking Memo: Precedent Review of City Standards

Ascent will review and summarize the City's current parking standards regulating multi-family residential and mixed-use, and provide a benchmark comparison of up to three comparable cities. Ascent will meet with the City to discuss findings, and determine whether the City would like to apply best practice recommendations to update parking standards, or engage with a parking consultant to undertake further study (as part of a separate contract).

Task 2 Deliverables:

- ✓ Material Review and Preliminary Approach Memo (1 Draft for Review)
- ✓ Parking Memo (1 Draft for Review)

TASK 3 OBJECTIVE DESIGN STANDARDS

3.1 Administrative Draft Objective Design Standards

Ascent will prepare an annotated outline to confirm the structure and components of the Objective Design Standards document with City staff.

Ascent will create a single document that packages the Objective Design Standards for multi-family and mixed-use residential development, that can serve as a stand-alone document or can be incorporated into the City's zoning code. We will build on the annotated outline, annotate and integrate photos, write text, and develop other graphics to create the Objective Design Standards document. It is anticipated that the document will be a concise, graphically formatted document that focuses on design of "missing middle" housing types and site design, such as multi-plex, courtyard apartments, and townhomes style typologies.

3.2 Draft Objective Design Standards

Based on City review and consolidated comments, Ascent will refine the Administrative Draft to create the Draft Design Standards.

3.3 Final Draft Objective Design Standards

Based on City review and consolidated comments, Ascent will refine the Draft Standards to create the Final Draft Design Standards.

Task 3 Deliverables:

- ✓ Administrative Draft Objective Design Standards (1 Draft for Review)
- ✓ Draft Objective Design Standards (1 Draft for Review)
- ✓ Final Draft Objective Design Standards (1 Draft for Review)

Note: Budget for this item does not include community engagement, or coordination with parking or economic consultants. Recommendations for standards will be based on best-practices.

TASK 4 FEASIBILITY TESTING

Ascent will evaluate up to 3 sites from a design, programming, and yield standpoint, to test existing and proposed development and design standards, such as development intensities, setbacks, stepbacks, open space requirements, and parking requirements.

TASK 5 STUDY SESSIONS OR HEARINGS

Ascent will provide support for up two (2) Planning Commission and/or City Council study sessions or adoption hearings. Ascent's Principal and Project Manager will prepare for attend a virtual meeting to be available to address questions from the Planning Commission or City Council. We assume city staff will prepare the staff reports, PowerPoint presentation, and noticing for the meetings.

TASK 6 OPTIONAL TASKS

6.1 Parking Study

Ascent will coordinate with the City to engage a subconsultant in a parking study, based on the findings of task 4.

6.2 Community Meetings and/or Surveys

Ascent will coordinate with City staff in the preparation for and execution of up to two Community Workshops to provide the community with opportunities to provide feedback on the Objective Design Standards. The team will be prepared to implement digital virtual meeting formats to share information about the project, answer questions and gather feedback to address community concerns. It is anticipated that live polling and other interactive tools will be used to complement virtual meeting platforms to share and gather input during the meeting. Community workshops will be advertised digitally on social media platforms and the City's website along with physical mailers (by City) that can be mailed directly to residents.

Potential topics could include:

- Community Meeting: An in-person or virtual event or open house will be conducted to provide the public with the opportunity to provide feedback on the Draft Standards.
- On-line Survey: An online community survey, polling, or other activity will be conducted on the project website, in place of a real-time event, or to expand the reach of the effort and extend the feedback period for those who were not able to participate real-time in live events.

(Cost for task 6.2 to be determined pending discussion regarding level of effort.)

Cost Assumptions

The proposed cost for the Objective Design Standards is presented on the next page. To promote clarity, the following assumptions explain the basis of the proposed budget. The budget is estimated based on a good-faith, current understanding of the project's needs. We recommend including a **$20,000 contingency** to allow for additional analysis, outreach, or unforeseen issues. Ascent is happy to discuss the City's needs and revise the scope of work and budget, as warranted, to meet expectations.

1. **Price and Staff Allocation to Tasks.** The proposed price has been allocated to tasks. Work has been assigned to the identified staff or labor category. Ascent may reallocate budget or staff among tasks, as needed, as long as the total contract budget is not exceeded.
2. **Schedule.** The price is based on the proposed schedule, with an anticipated start date of August 2023, concluding in April 2024. If the schedule is protracted significantly (more than 60 days) for reasons beyond Ascent's control, a budget amendment may apply to the remaining work. Ascent will consult with the City about a course of action.
3. **Meetings and Conference Calls.** The number and duration of proposed meetings and conference calls are specified. If they are exceeded, a budget augmentation would be warranted.
4. **Billing Rates.** The proposed billing rates apply to the 2023 calendar year, and are updated yearly in the Spring. For work performed after the proposed schedule completion date, budget augmentations and contract amendments will be calculated using updated billing rates, unless precluded by contract terms.
5. **Coordination Meetings, Conference Calls, Public Meetings.** A total number of proposed meetings and conference calls is specified. All meetings are assumed to be virtual, unless otherwise specified. If the number of meetings or conference calls or the required level of effort exceeds this total, a budget augment would be warranted. Ascent will advise the project manager, if this circumstance arises.
6. **Consolidated Comments.** The City will provide Ascent with one consolidated set of reconciled, nonconflicting comments on preliminary drafts.
7. **Deliverable format.** All deliverables are assumed to be submitted electronically (PDF) unless hard copies are specifically requested. Reprographics costs related to the production of specific plan documents will be treated as reimbursable expenses to the project.
8. **Illustrations.** 3D renderings are not included in Ascent's base fee, but can be provided for additional cost.
9. **Printing Costs.** The printing cost of documents is included in the price, based on assumptions regarding the number of copies. If the number of copies exceeds assumptions, a budget augmentation would be warranted.
10. **Changes to the Project.** If the description of the project is changed after it has been approved for use by the City, a budget amendment will be warranted to the extent completed work needs to be revised or redone.
11. **CEQA and Technical Studies.** The scope of work assumes that no technical studies or CEQA analysis is to be conducted. If those work efforts are later requested, Ascent will coordinate with the City regarding a budget amendment.
12. **Response to Public Comments.** The scope of work assumes that no public engagement or response to public comments. If those work efforts are later requested, Ascent will coordinate with the City regarding a budget amendment.
13. **Scope of Analysis.** The budget is based on the proposed scope of analysis. If new technical issues, alternatives, field surveys, modeling, or analysis is identified after contract execution, a budget amendment would be warranted.

AGENDA ITEM NO. 12.

02

COST ESTIMATE

28-Jun-23

Task	Price	Hours	BABLA Principal $280	GELBMAN Project Manager $220	THAI Senior Urban Designer $185	KHERMOUCH/ KRONSER Urban Designer/ Planner $160	PAYNE Housing Specialist $265	GIS $140
		hourly rate:	$280	$220	$185	$160	$265	$140
Task 1 Project Management and Check-In Meetings	**$ 7,790**	**34**	**10**	**14**	**4**	**4**	**2**	**0**
Task 2 Assessment	**$ 19,870**	**104**	**18**	**6**	**8**	**60**	**6**	**6**
2.1 Material Review and Preliminary Approach Memo	*$ 8,780*	*44*	*10*	*4*	*0*	*20*	*4*	*6*
2.2 Parking Memo	*$ 11,090*	*60*	*8*	*2*	*8*	*40*	*2*	*0*
Task 3 Objective Design Standards	**$ 61,840**	**310**	**72**	**26**	**68**	**136**	**4**	**4**
3.1 Admin. Draft Objective Design Standards	*$ 40,120*	*198*	*48*	*20*	*44*	*80*	*4*	*2*
3.2 Draft Objective Design Standards	*$ 16,120*	*82*	*20*	*4*	*16*	*40*	*0*	*2*
3.3 Final Draft Objective Design Standards	*$ 5,600*	*30*	*4*	*2*	*8*	*16*	*0*	*0*
Task 4 Feasibility Testing	**$ 20,070**	**106**	**13**	**7**	**20**	**60**	**6**	**0**
Task 5 Study Sessions or Hearings	**$ 6,880**	**28**	**12**	**16**				
LABOR SUBTOTAL	**$ 116,450**	**582**	**125**	**69**	**100**	**260**	**18**	**10**
			$ 35,000	**$ 15,180**	**$ 18,500**	**$ 41,600**	**$ 4,770**	**$ 1,400**

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Police Department

DATE: August 21, 2023

SUBJECT: Police - Approval - Res. 23-___, Authorizing the Police Chief and the Police Department to execute the 2023-2024 Department of Alcoholic Beverage Control Alcohol Policing Partnership grant agreement and amend the Police Department budget to reflect the award of $60,000.00.

ATTACHMENTS:
1. Res 23-_______
2. Copy of Grant Agreement

CONFLICT OF INTEREST

Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION

For the City Council to authorize the Police Chief to execute the grant agreement with the Department of Alcoholic Beverage Control; and for the City Council to approve a resolution amending the 2023-2024 Budget for the Police Department to reflect the grant award in the amount of $60,000.00.

EXECUTIVE SUMMARY

The Clovis Police Department has been awarded a grant through the Department of Alcoholic Beverage Control in the amount of $60,000.00 to reduce the number of violations at ABC-licensed establishments and reduce minors' access to alcohol through a combination of enforcement and education. Grant funds will primarily offset personnel costs, allowing the Police Department to staff focused enforcement details utilizing minor decoy operations, shoulder tap operations, licensee inspections, and community education.

BACKGROUND

The Police Department applied for the Department of Alcoholic Beverage Control Police Partnership Grant. Through a competitive application process, the Police Department has been awarded funds to be used for enforcement activities resulting in greater compliance by local businesses and a reduction in alcohol-related crime at ABC-licensed establishments.

FISCAL IMPACT

Acceptance of this grant is not expected to have any impact on the allocation of funds in the police department's 2023-2024 budget. The Police Department will utilize grant funds to pay for all overtime costs for officers to work enforcement and education details. All details will be staffed with overtime and will not pull resources from other patrol responsibilities. Some administrative activities associated with the grant will be conducted during the regular duty hours of the program manager.

REASON FOR RECOMMENDATION

The Department of Alcoholic Beverage Control requires the Clovis City Council approval to execute the grant agreement; and to amend the Police Department's 2023-2024 budget to reflect the award.

ACTIONS FOLLOWING APPROVAL

Staff will submit the approved resolution and execute the agreement. After the Council's approval, the 2023-2024 police department budget will be amended as described.

Prepared by: Sandi Macy, Management Analyst

Reviewed by: City Manager AH

RESOLUTION 23-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS AUTHORIZING THE CHIEF OF POLICE TO EXECUTE THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL GRANT AGREEMENT AND AMEND THE 2023-2024 POLICE DEPARTMENT BUDGET

WHEREAS, the City Council of the City of Clovis approved the 2023-2024 Budget on May 15, 2023; and

WHEREAS, the Police Department has been awarded $60,000 from the Department of Alcoholic Beverage Control for the Grant Assistance Program; and

WHEREAS, the City Council determines that these expenditures are necessary; and

WHEREAS IT IS AGREED, any liability arising out of the performance of the contract, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and ABC disclaims responsibility for any such liability.

NOW, THEREFORE, BE IT RESOLVED that the City of Clovis hereby authorizes the Chief of Police to execute the Alcoholic Beverage Control Alcohol Policing Partnership grant agreement.

NOW THEREFORE, BE IT RESOLVED by the City of Clovis that the 2023-2024 Budget be amended as provided in Attachment A, “Summary of Expenditures.”

* * * * *

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023, by the following vote, to wit.

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED:

____________________ Mayor

____________________ City Clerk

Attachment 1

SUMMARY OF EXPENDITURES BY DEPARTMENT

DEPARTMENT

POLICE	$60,000
TOTAL DEPARTMENT	$60,000

SUMMARY OF EXPENDITURES BY FUND

GENERAL FUND	$60,000
TOTAL FUND	$60,000

All expenditures will be out of the grant budget 56300.

ALCOHOL POLICING PARTNERSHIP (APP) PROGRAM

GRANT PROPOSAL FORMS

Due by: April 3, 2023

Includes:

PROPOSAL COVER SHEET

SCOPE OF WORK

BUDGET DETAIL WORKSHEET

OTHER FUNDING SOURCES

For further instructions and detailed information, please refer to the RFP Guidelines.

STATE OF CALIFORNIA

Department of Alcoholic Beverage Control

Alcohol Policing Partnership Program

PROPOSAL COVER SHEET

(TO BE COMPLETED BY APPLICANT AGENCY)

1. Name of Applicant Agency: City of Clovis

2. Description of Applicant Agency: Provide your city or county jurisdiction, and include population data, and relevant demographic and socio-economic characteristics of the community.

The City of Clovis is located in the central San Joaquin Valley with a population of approximately 120,000 citizens. The City of Clovis borders the largest City in the Central Valley, Fresno. Clovis is approximately 24.36 square miles and plans to increase its sphere of influence by about five square miles within the next five years. The City is primarily a suburban, single-family residence bedroom community with medium and medium-high density living. Citizens of Clovis earn a median income of $ 84,000 annually. There are currently 208 licensed ABC outlets within our City.

3. Number of licenses in Project Area:

4. Tax ID: 94-6000311

5. Funds Requested: 60000

6. Project Period: July 1, 2023–June 30, 2024

7. Acceptance of Conditions: By submitting this proposal, the applicant signifies acceptance of the responsibility to comply with all requirements stated in the Request for Proposals. The applicant understands that ABC is not obligated to fund the project until the applicant submits correctly completed documents required for the contract.

A. Project Director Person with Day-To-Day Responsibility for the Project	**B. Sheriff or Chief of Police** Authorizing Official
Name: Sean O'Brien Address: 1233 Fifth Street Clovis, CA 93612 Phone: 324-3468 Email Address: seano@cityofclovis.com Title: Police Corporal	Name: Curt Fleming Address: 1233 Fifth Street Clovis, CA 93612 Phone: 324-2400 Email Address: curtf@cityofclovis.com Title: Chief of Police
Signature:	Signature:
C. Fiscal or Accounting Official	**D. ABC USE ONLY**
Name: Sandi Macy Address: 1233 Fifth Street Clovis, CA 93612 Phone: 324-3405 Email Address: sandram@cityofclovis.com Title: Grant Manager	
Signature:	

SCOPE OF WORK

Summary

Clovis is located in the northeast quadrant of the Fresno-Clovis Metropolitan Area, Clovis is situated in the midst of the agriculturally rich San Joaquin Valley, and borders the largest city in the valley, Fresno. Since its incorporation in 1912, Clovis has been the “Gateway to the Sierra.” Dedicated to promoting planned growth while retaining its unique family communities. The City’s population has more than doubled since 2005 reaching the current level of just over 120,000 citizens. Clovis encompasses over 25 square miles in area, with a planned growth of 10 square miles in the next five years. Clovis has maintained a small town community spirit as envisioned by its early founders, which is exemplified by our annual community events like Clovis Rodeo Days, Big Hat Days, Clovisfest, and Clovis Night Out. Our community prides itself on providing unique growth and continuing to attract new residents and businesses.

Within the City of Clovis we have 166 On-Site retail licenses, and 78 Off-Site businesses. Management of those establishments is an ancillary duty of the department's Community and Neighborhood Services Division. ABC Licenses oversight is an important component of our continuing commitment to eliminating the crime and public nuisance that can be a result of problematic licensees. Working with the Alcohol Policing Partnership will provide funding to conduct strategic approaches to address alcohol-related problems at the point of sale. Clovis Police Department is requesting $98,000 in funding to address five areas of concern. The goals and objectives of our grant will be detailed in the project description sections.
FUNDING REQUESTED $98,00.00 -

Project Personnel

The Clovis Police Department has 108 sworn officers with a structure of 1 police chief, 3 captains, 4 lieutenants, 9 sergeants, 18 corporals, 73 officers and 14 community service officers. Our agency is comprised of four divisions; Patrol, Investigations, Administration and Support Services, and Police Services which incorporates our Youth Services and Animal Services.

The Alcohol Policing Partnership (APP) Program will be overseen by our Community and Neighborhood Service Division. One police corporal will be responsible for enforcement and operations, statistical data reporting, and conducting the education and community events. Enforcement details will be staffed by at least one supervisor, sworn officers, and community service officers.

All program activity and fiscal reporting will be overseen by the grant manager and division captain.

SCOPE OF WORK

Problem Statement

Two specific problem areas are in need of direct attention, which will be addressed by this grant;
2. OVERSIGHT OF ABC LICENSED ESTABLISHMENTS: There are 244 ABC licensed establishments within the City of Clovis. Management of those establishments is assigned to one corporal in our Community and Neighborhood Services Division. ABC license management duties take approximately 50% of the time of one of the Corporals assigned to the unit. Budgetary constraints do not currently allow for consistent proactive inspections or investigation of establishments after licenses are issued. Of the licenses in the city, 8 are type 48 nightclubs or bars, 6 of which are located within an approximate half mile radius in an area commonly referred to as Old Town. This area has seen an increase in alcohol license applications, as well, restaurants which are setting up business at the newly constructed Centennial Plaza. Local craft breweries are eagerly applying for ABC licenses as construction and refurbishment of building continues in this "Old Town" area. These businesses have begun offering live music, dancing, or a nightclub/bar type atmosphere in order to draw more business. In 2022, patrol officers responded to just over 400 calls for service related to licensed outlet in the "Old Town" district. The majority of the calls for service have been contributed to two specific bars downtown, which are next door to each other. Between these two bars there have been 151 calls for service at their specific locations within the last year. In 2021 one of these bars had a double homicide inside when a fight between patrons escalated. Additionally, the Clovis Police Department has investigated several major disturbances that have occurred. In 2022, 18 investigations were conducted regarding significant fights at ABC licensed establishments in Clovis. Efforts have been made to decrease the calls for service, which include gang crimes, assaults, drug sales and alcohol related incidents that led to large physical disturbances, by conducting enforcements. However, these efforts have been met with funding restrictions as the department's annual budget remain obligated to other projects. Overtime is required to address these growing issues and concerns. Funding through the Alcohol Policing Partnership will allow more proactive attention and enforcements to be conducted.
1. EDUCATION AND PREVENTION: As the city sees an increase in crime-statistic related to retail outlets the need for licensee education becomes a central focus. Sharing information to the merchant, employees, and our community and youths about alcohol safety is a commitment we have in this agency. With limited financial resources, the APP grant can assist staff s ability to manage the retailers and their employees, and provide outreach to the community. The city hosts large community events such as Clovis Rodeo, Big Hat Days, Clovis Fest, and Clovis Night Out,which draw up to 100,000 people. These events can provide a great opportunity for our agency to present alcohol education.

The Clovis Police Department was awarded grant funding for grant year 2019-2020, 2020-2021, and 2021-2022. The funds were used to address the problems described above. Grant funding and several operations were set aside and utilized to help address enforcements at the Clovis Big Hat Days and the Clovis Rodeo the last weekend of April. Past funding also provided LEADS trainings, General Enforcement, department-wide training, and a ROSTIF. The Clovis Police Department knows that continual comprehensive inspections, point of sale license management, and administrative tasks aligns with ABC's Alcohol Policing Partnership. And, as part of the grant, our agency will work alongside APP to develop more effective, comprehensive and strategic approaches to eliminating crime associated with problematic licensed outlets. Funding support can guarantee that our agency has the community engagement and retailer involvement resources.

SCOPE OF WORK

Project Description section 1 of 2

The Clovis Police Department will re-implement the strategies and proactive details that were used in the past to successfully solve and be proactive in reducing alcohol related crime. Funding would be used to continue licensee education through hosting L.E.A.D. trainings and distributing educational brochures, officer education in ABC laws, and details such as minor decoy operations, trap door operations, IMPACT inspections, ROSTF, and juvenile party patrols.

AWARENESS AND EDUCATION: On-sight sales inspections. Focusing on problematic locations, police officers will inspect businesses for violations in their permit guidelines. If violations are observed, education of ABC laws will be given to the business and the employees through LEADS (Licensee Education on Alcohol and Drugs) trainings. The Clovis Police Department will develop and provide updated and relevant training and education to officers. Officers will receive department-wide and role-call briefing trainings. Media outlets will be utilized to generate community awareness. They will be invited to ride along during the operations and the Police Department will issue media releases at the conclusion of the operations emphasizing the ABC grant assisted program and statistics generated during the operations. Dynamic social media posts will be created to provide community engagement.

MINOR DECOY OPERATIONS / SHOULDER TAP OPERATIONS: The Clovis Police Department will utilize subjects less than 20 years of age as decoys for purchasing alcoholic beverages from ABC licensed establishments and soliciting those frequenting ABC establishments to purchase alcohol for them. During at least three Minor Decoy operations three teams consisting of at least one sworn Clovis Police officers and one decoy will check whether licensees are selling alcohol to minors. During at least three Shoulder Tap operations two teams consisting of at least two sworn Clovis Police Officers and one decoy will solicit patrons outside of ABC licensed establishments to purchase alcohol for them. Based upon availability, at least one ABC representative will be included in each operation.

TRAP DOOR OPERATIONS: At least three such operations will be conducted to target minors attempting to enter type 48 ABC licensed establishments. In each operation, at least two sworn Clovis Police Officers and one ABC investigator will work directly with employees of the ABC licensed establishments to detect, arrest, and prosecute minors attempting to enter the establishment.

IMPACT OPERATIONS: IMPACT operations throughout the city will target violations by ABC establishments such as proper signage and licensing, litter and graffiti removal, displaying of pornographic material, or proper exterior illumination and visibility into the store. IMPACT’s will be used to educate the businesses on their responsibilities as licensees to reduce alcohol related crime.

OUTREACH: The Clovis Police Department will provide outreach education at community events including the annual Big Hat Days. In addition to community outreach the Clovis Police Department will develop comprehensive social media campaigns focusing on the numerous negative effects and consequences of underage drinking and providing access to alcohol to minors. This outreach will have a positive effect in deterring juveniles from seeking access to alcohol and involve a vast network of stakeholders.

SCOPE OF WORK

Project Description section 2 of 2

GOALS AND OBJECTIVES: The goal of the project is to address alcohol violations at Clovis ABC licensed outlets through enforcement and education, to reduce calls for service to problematic establishments, provide a combination of education and deterrence and enforcement. This grant will target problem outlets for investigation.
This will be accomplished by the following methods;

Objectives

1. Provide three (3) news releases on grant enforcement activities.
2. Coordinate and conduct at least three (3) Minor Decoy Operations.
3. Coordinate and conduct at least three (3) Trap Door Operations.
4. Coordinate and conduct at least three (3) Shoulder Tap Operations.
5. Coordinate and conduct at least two (2) IMPACT Operations.
6. Coordinate and conduct, at least two (2) General Enforcement Operations designed to identify and target problematic ABC licensed establishments.
7. Schedule and coordinate two (1) L.E.A.D. classes with ABC, hosted at Clovis PD.
8. Develop and provide three (3) roll call trainings on alcohol related violations to Department personnel.
9. Participate in the statewide shoulder tap operation.

Goals

Our agency's overreaching goals are to develop an effective, comprehensive strategic approach to eliminating the crime and public nuisance associated with problematic licensed outlets. Through the objectives we strive for the following goals:

1. Reduce alcohol-related criminal activity associated with licensed establishments within the City through enforcement operations.
2. Provide education and training to businesses, minors, and other stakeholders by conducting LEAD training, community outreach events, and department-wide training.
3. Continue to build and support our relationship with licensed outlets, regional law enforcement, and the Department of Alcohol, Beverage Control.

SCOPE OF WORK

Additional Information

Operating Expenses:

BUDGET NARRATIVE

The Clovis Police Department is requesting the following operating expenses/equipment. This equipment will be beneficial to the enforcement operations and will allow officers to have discrete communications. In addition, buy money is being requested.

Equipment -

3pairs of Bluetooth earbuds for plain clothes operation for officers and UC decoys
1 sets N-Ear 360 original wireless PTT Microphones

Operating Costs -

Buy money for enforcement operations

BUDGET DETAIL WORKSHEET

A. Personnel Services

Salaries

	Classification/Positions	Computation	Total Cost
1			
2			
3			
		SUBTOTAL	

Overtime

	Classification/Positions	Computation	Total Cost
1	Officer	#ofc x #hrs x #details	32500
2	Supervisor/Cpl	#cpl x #hrs x #details	17600
3			
4			
5			
6			
		SUBTOTAL	50100

Benefits

	Classification/Positions	Computation	Total Cost
1	Officer	Salary x 12.45%	4000
2	Supervisor/Cpl	Salary x 12.45%	2200.
3			
4			
5			
		SUBTOTAL	6200

B. Operating Expenses and Equipment

Operating Expenses*

	Description	Computation	Total Cost
1	Microphone/w earpiece	1@$1250	1250
2	Bluetooth earbuds	1@1250	880.
		SUBTOTAL	2130

*maximum of $2,500.00

Operating Expenses*

	Description	Computation	Total Cost
1	Decoy Buy		250
2			
3			
		SUBTOTAL	250

*maximum of $2,500.00

C. Travel Expenses *

	Description	Computation	Total Cost
1	Registration	1@ $320	320
2	Lodging/Per Diem	@ $500 for 2 days	1000
3			
4			
		SUBTOTAL	1320

*APP Conference only. All travel cannot exceed current state rates.

GRANT TOTAL **60000**

OTHER FUNDING SOURCES

Complete the following to report the total funds available to support the activities related to accomplishing the goals and objectives of the contract. In the "Grant Funds" column, report the ABC funds requested by category. In the "Other Funds" column, report all other funds available to support the project by category (if none, leave blank). Then calculate the totals by category in the "Program Total" column. Total each column down to arrive at the total program funds available.

Note: Round all budget amounts to the nearest dollar—no cents.

Budget Category	Grant Funds	Other Funds	Program Total
A. Personnel Services	56300.	0	56300
B. Operating Expense	250	0	250
C. Travel/Registration Fees	1320	0	1320
D. Equipment	2130	0	2130
TOTALS	**60000**		**60000**

This form does not become part of the contract but is **required** in the Request for Proposal package.

*Disclaimer—Please complete only if your department will contribute funds.

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Administration
DATE:	August 21, 2023
SUBJECT:	Consider various amendments to the City of Clovis Municipal Code related to Code Enforcement, and Receive update on City of Clovis Code Enforcement Team:

a. Consider Introduction - Ord. 23-___, Amending section 5.22.07 of the City of Clovis municipal code relating to the marijuana penalties and enforcement.

b. Consider Introduction - Ord. 23-___, Amending section 6.3.13, of chapter 6.3, of title 6, of the City of Clovis municipal code relating to the unlawful dumping of garbage.

c. Consider Introduction - Ord. 23-___, Adding section 5.27.512 to title 5 of the City of Clovis municipal code relating to the storing, maintaining, or placing of personal property in the public right-of-way.

d. Consider Introduction - Ord. 23-___, Amending section 5.10.06 of the City of Clovis municipal code relating to the application for a massage establishment permit or out-call massage business permit.

e. Consider Introduction - Ord. 23-___, Amending section 6.5.102, of chapter 6.5, of title 6, of the City of Clovis municipal code relating to the applications for water service.

Staff: Dave Roseno, Corporal / Andrew Haussler, Assistant City Manager
Recommendation: Approve

ATTACHMENTS:

1. Ord. 23-___ Amending Section 5.22.07 (marijuana penalties)
2. Ord. 23-___ Amending Section 6.3.13 (illegal dumping)
3. Ord. 23-___ Adding Section 5.27.512 (public right-of-way)
4. Ord. 23-___ Amending Section 5.10.06 (massage businesses)
5. Ord. 23-___ Amending Section 6.5.102 (water service applications)

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to approve the introduction of the following ordinances to make the following amendments to the City of Clovis municipal code:

1. Ord. 23-___, Amending section 5.22.07 of the City of Clovis municipal code relating to the marijuana penalties and enforcement.
2. Ord. 23-___, Amending section 6.3.13, of chapter 6.3, of title 6, of the City of Clovis municipal code relating to the unlawful dumping of garbage.
3. Ord. 23-___, Adding section 5.27.512 to title 5 of the City of Clovis municipal code relating to the storing, maintaining, or placing of personal property in the public right-of-way.
4. Ord. 23-___, Amending section 5.10.06 of the City of Clovis municipal code relating to the application for a massage establishment permit or out-call massage business permit.
5. Ord. 23-___, Amending section 6.5.102, of chapter 6.5, of title 6, of the City of Clovis municipal code relating to the applications for water service.

EXECUTIVE SUMMARY
The City of Clovis Code Enforcement Team has identified 5 changes to the municipal code for consideration of City Council. The changes all would enhance the City's ability of maintaining Clovis at a high level, mitigate issues that have been experienced, and ensure the City is in compliance with State law.

The proposed changes in brief include:

<u>1) Marijuana Cultivation:</u>
Amend the code to increase the fines from the amounts of "$100, $500, and $1,000 per subsequent occurrence" to "$250 per cannabis plant in excess of the plants allowed on the property."

<u>2) Illegal Dumping:</u>
Amend the code to allow the owner of the vehicle dumping the material be held accountable.

<u>3) Storing of Personal Property in Public:</u>
Would allow the Police Department to remove personal property from public right-of-way with a 72-hour noticing timeframe to the owner of the property.

<u>4) Massage Licensing:</u>
Adds an exemption in the Municipal Code for collecting fingerprints of certified massage therapists to be consistent with California Government Code section 51034(c)(8).

5) Utility Account Identification:
In order to combat fraud, it is proposed that the Municipal Code be amended to permit the City to require applicants for City Utilities to provide a government issued identification in order to receive utility services from the City of Clovis and make the owner responsible for any unpaid charges.

BACKGROUND
The City of Clovis Code Enforcement Team has identified 5 changes to the municipal code for consideration of City Council. The changes all would enhance the City's ability to maintain Clovis at a high level, mitigate issues that have been experienced, and ensure the City follows State law.

The proposed changes include:

1) Marijuana Cultivation:
Amend the code to increase the fines from the amounts of "$100, $500, and $1,000 per subsequent occurrence" to "$250 per cannabis plant in excess of the plants allowed on the property."

Details:
Since 2018, Police Department personnel have conducted several search warrants related to the conversion of an entire residential dwelling into a commercial marijuana cultivation site. Typically, neighbors notice suspicious activity and alert Police Department narcotics detectives due to obvious odors. These investigations have often revealed unlawful tampering with utility service to bypass usage detection and unpermitted building adaptations that do not comply with current building code standards. Chemicals used during the cultivation process are stored inside the home and the watering system frequently causes unavoidable mold issues. High wattage lighting equipment is used to simulate sunlight and is often wired without proper connections. In addition to the many health, safety, and fire hazards found, illegal grows pose a genuine threat to the surrounding neighbors as criminals discover their location and are enticed to commit theft or related crimes.

CMC 5.22.03 and 5.22.04 outline City regulations related to the cultivation of marijuana. The regulatory intent is to prevent citizens from growing more than what would be deemed personal use and the code complies with California law. However, except for related serious crimes, violations of this ordinance are at the misdemeanor level. The current administrative process would require staff to follow the normative procedure of issuing a warning notice followed by administrative citations and fines in the amounts of $100, $500, and $1,000 per subsequent occurrence.

Staff proposes that the City Council amend section 5.22.07 to include a $250 civil penalty per cannabis plant more than the plants allowed per law. This will allow the City to recoup costs associated with the abatement of the nuisance and is in line with ordinances in similar cities. Additionally, administrative fees assessed will deter future "whole house grows" as cultivators would likely choose a city without such an ordinance and less risk of loss.

2) Illegal Dumping:
Amend the code to allow the owner of the vehicle dumping the material be held accountable.

Details:
In recent years, staff has seen an increase of illegal dumping in the City. Despite our best efforts to keep the City clean and free of blight, we have received several complaints related to dumping of items in city streets and public right of ways, as well as increased unauthorized dumping in community clean up piles or scheduled special pick-ups. This causes a heavy burden on the solid waste division staff.

Currently, CMC 6.3.13 there is no provision for citing the owner of the vehicle used for dumping if the subject cannot be identified by witnesses or surveillance camera footage.

Staff recommends the adding the ability to issue administrative citations to the registered owner of the vehicle used during the crime committed.

3) Storing of Personal Property in Public:
Would allow the Police Department to remove personal property from public right-of-way with a 72-hour noticing timeframe to the owner of the property.

Details:
In the past several years, a major complaint from citizens has been the accumulation of trash and personal property in public right of ways, along trails, in our parks, and along our canals. The clean-up of these locations requires several hours of City staff time and personal protective equipment due to hazardous human waste and often drug paraphernalia.

Staff requests the City Council review and approve an ordinance that holds persons accountable for storing property in public view in public places similar to what we expect of citizens in their personal residence. Staff has consulted with the City Attorney's office and reviewed similar ordinances in major cities for precedence. The ordinance does allow for due process and a 72-hour time frame before property would be considered abandoned and could be discarded.

4) Massage Licensing:
Adds an exemption in the Municipal Code for collecting fingerprints of certified massage therapists to be consistent with California Government Code section 51034(c)(8).

Details:
Our current Clovis Municipal Code Section 5.10.06 (f) requires the submission of fingerprints for the applicant prior to a massage business permit being issued in the City. Staff has been made aware of a direct conflict with California Government Code section 51034(c)(8) which states in part:

"Nothing contained in this chapter shall authorize a city, county, or city and county to do any of the following: (8) Impose a requirement that a person certified pursuant to Chapter 10.5 (commencing with Section 4600) of Division 2 of the Business and Professions Code take any test, medical examination, or background check, including a criminal background check or requiring submission of fingerprints for a federal or state criminal background check, or comply with education requirements beyond what is required by Chapter 10.5 (commencing with Section 4600) of Division 2 of the Business and Professions Code."

This section applies to all certificate holders, whether they are owners/operators or are just providing massage services. Therefore, it is necessary to add an exemption to the fingerprint requirement for certified massage therapists under CMC 5.10.06(f).

5) Utility Account Identification:
In order to combat fraud, it is proposed that the Municipal Code be amended to permit the City to require applicants for City Utilities to provide a government issued identification in order to receive utility services from the City of Clovis.

Details:
In response to increased utility account delinquencies and instances of renter/occupant fraud, staff is requesting an ordinance amendment that would permit the City to require a utility account applicant to provide a valid government issued identification, and/or other means of preventing fraud in municipal utility services. In consultation with the City Attorney's Office, research shows that local agencies (i.e., municipalities) have the authority to ask for ID information and to make property owners guarantee that they will pay for utility service charges if their tenant(s) fail to pay the utility charges. This is most commonly done by the "customer/applicant" (i.e., owner and/or tenant) filling out an application prior to service(s) being turned on, where the customer/applicant must provide identifying information (e.g., driver's license, social security number, tax ID, etc.).

FISCAL IMPACT
None.

REASON FOR RECOMMENDATION
The changes all would enhance the City's ability to maintain Clovis at a high level, mitigate issues that have been experienced, and ensure the City follows State law.

ACTIONS FOLLOWING APPROVAL
Staff will implement the code amendments and enforce the code.

Prepared by: Dave Roseno, Corporal
Andrew Haussler, Assistant City Manager

Reviewed by: City Manager JH

ORDINANCE 23-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS AMENDING SECTION 5.22.07 OF THE CLOVIS MUNICIPAL CODE RELATING TO THE MARIJUANA PENALTIES AND ENFORECMENT

The City Council of the City of Clovis does ordain as follows:

Section 1 Section 5.22.07, of Chapter 5.22, of Title 5 of the Clovis Municipal Code is hereby amended to read as follows:

5.22.07 – Penalties and Enforcement.

(a) Violations of this chapter for conduct that is not otherwise considered lawful under State law shall be considered misdemeanors and are punishable in accordance with Chapter 2 of Title 1. Each and every day, or portion thereof, a violation exists is a separate offense. The City may also pursue all applicable civil and administrative remedies, including but not limited to injunctive relief and administrative citations.

(b) Should a court of competent jurisdiction subsequently determine that the criminal penalty provision renders this chapter unlawful, the City intends that the misdemeanor provision be severable from the remaining penalty provisions and the City will only pursue noncriminal remedies for violations of this chapter. (§ 2, Ord. -5-40, eff. January 5, 2006; § 2, Ord. 16-23, eff. November 2, 2016. Formerly 5.22.06)

(c) Civil penalties for violations of this chapter.

(1) Any person who violates a provision of this chapter is liable for civil penalties of not less than $250 or more than $25,000 for each day the violation continues, except as provided in subsection C.2.

(2) Any person who violates sections 5.22.03 or 5.22.04 is liable for civil penalties of an aggregate amount calculated at $250 per cannabis plant in excess of the number of plants allowed on the property.

(d) All remedies prescribed under this chapter are cumulative and the election of one or more remedies does not bar the City from the pursuit of any other remedy to enforce this chapter.

Section 2 EFFECTIVE DATE.

This Ordinance shall go into effect and be in full force from and after thirty (30) days after its final passage and adoption.

APPROVED: August 21, 2023

Mayor	City Clerk

Attachment 1

*   *   *   *   *   *   *   *   *   *

The foregoing Ordinance was introduced and read at a regular meeting of the City Council held on August 21, 2023, and was adopted at a regular meeting of said Council held on September 5, 2023, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: September 5, 2023

____
City Clerk

ORDINANCE 23-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS AMENDING SECTION 6.3.13, OF CHAPTER 6.3, OF TITLE 6, OF THE CLOVIS MUNICIPAL CODE RELATING TO THE UNLAWFUL DUMPING OF GARBAGE IN THE CITY OF CLOVIS

The City Council of the City of Clovis does ordain as follows:

Section 1 Section 6.3.13, of Chapter 6.3, of Title 6 of the Clovis Municipal Code is hereby amended to read as follows:

6.3.13 Depositing garbage in unlawful places.

(a) It shall be unlawful for any person to throw or deposit, or cause to be thrown or deposited, any waste matter, other than building materials for which a permit has been granted, in or upon any vacant lot, street, alley, gutter, highway, park, or other public place or to keep any garbage, rubbish, or waste matter except in the manner provided in this chapter.

(b) It shall be unlawful for any person to deposit garbage or rubbish into any container belonging to or being paid for by another person.

(c) To the extent permitted by law, a vehicle owner and trailer owner is liable and responsible for illegal dumping of garbage in violation of this section when the owner's vehicle or trailer is used for illegal dumping, irrespective of whether the owner knew or should have known of the intended use of the vehicle or trailer.

(d) Penalties for violation. In addition to any other remedy or enforcement mechanism, any person who violates this section shall be guilty of a misdemeanor and may be assessed an administrative citation in an amount not to exceed $1,000.00 for the first violation and any violations thereafter.

Section 2 The City Clerk is hereby directed to cause a summary of this Ordinance to be published by one insertion in a newspaper of general circulation in the community at least five (5) days prior to adoption, and again fifteen (15) days after its adoption. If a summary of the ordinance is published, then the City Clerk shall cause a certified copy of the full text of the proposed ordinance to be posted in the office of the City Clerk at least five days prior to the Council meeting at which the ordinance is adopted ad again after the meeting at which the ordinance at which adopted and again after the meeting at which the ordinance is adopted. The summary shall be approved by the City Attorney.

Section 3 EFFECTIVE DATE.

This Ordinance shall go into effect and be in full force from and after thirty (30) days after its final passage and adoption.

Attachment 2

APPROVED: August 21, 2023

Mayor | City Clerk

* * * * * * * * * *

The foregoing Ordinance was introduced and read at a regular meeting of the City Council held on August 21, 2023, and was adopted at a regular meeting of said Council held on September 5, 2023, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: September 5, 2023

City Clerk

ORDINANCE 23-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS ADDING SECTION 5.27.512 TO TITLE 5 OF THE CLOVIS MUNICIPAL CODE RELATING TO THE STORING, MAINTAINING, OR PLACING OF PERSONAL PROPERTY IN THE PUBLIC RIGHT-OF-WAY

WHEREAS, the accumulation and storage of personal property in the public right-of-way has become a critical problem in many areas of the City; and

WHEREAS, it is the obligation of the City to keep its public rights-of-way clean and available for public use, and to protect the public health, safety and access by City constituents; and

WHEREAS, the City seeks to accomplish the aforementioned objectives in a manner that preserves the dignity and safety of all residents; and

WHEREAS, the Clovis Police Department, through the patrol activities of its officers, is best suited to identify and designate the most problematic locations in the City for the accumulation and storage of private property in the public rights-of-way, and therefore the City Council finds it appropriate to delegate to the Chief of Police the authority to make such designations, as set forth herein.

NOW THEREFORE, the City of Clovis does ordain as follows:

Section 1 Section 5.27.512 is hereby added to Chapter 5.27, of Title 5 of the Clovis Municipal Code to read as follows:

5.27.512 – Storing, Maintaining, or Placing Personal Property in The Public Right of Way.

(a) No person shall obstruct a street, sidewalk, or other public right-of-way by storing, maintaining, or placing personal property as follows:

1. in a manner that impedes passage, as provided by the Americans with Disabilities Act of 1990, Pub. L, No. 101-336, 104 Stat. 328 (1990), as amended from time to time;

2. within ten (10) feet of any operational or utilizable driveway or loading dock;

3. within five (5) feet of any operational or utilizable building entrance or exit;

4. within two (2) feet of any fire hydrant, fire plug, or other fire department connection; or

5. within the public right-of-way in a manner that obstructs or unreasonably interferes with the use of the right-of-way for any activity for which the City has issued a permit.

(b) No person shall obstruct any portion of any street or other public right-of-way open to use by motor vehicles, or any portion of a bike lane, bike path, trail, or other public right-of-way open to use by bicycles, by storing, maintaining, or placing personal property anywhere within the street, bike lane, bike path, trail or other public right-of-way, as specified.

(c) Except as limited by subsection (d), no person shall store, maintain, or place personal property upon any street, sidewalk, or other public right-of-way as follows:

1. within the distance stated on the posted signage (up to a maximum of 500 feet) of a public park, or public library;

2. within the distance stated on the posted signage (up to a maximum of 500 feet) of a designated overpass, underpass, freeway ramp, tunnel, bridge, pedestrian bridge, subway, wash, spreading ground, or active railway, where the Chief of Police determines that the public health, safety, or welfare is served by the prohibition, including, without limitation, by finding that storing, using, maintaining, or placing personal property within the stated proximity to the designated area is unhealthy, unsafe, or incompatible with safe passage;

3. within the distance stated on the posted signage (up to a maximum of 1,000 feet) of a designated facility that provides shelter, safe sleeping, or safe parking to homeless persons, or that serves as a homeless services navigation center; or

4. within the distance stated on posted signage prohibiting storing, using, maintaining, or placing personal property. In order to designate all or any portion of any street, sidewalk, or other public right-of-way as prohibited under this subdivision, the Chief of Police shall determine, based on specific documentation, that the circumstances of continued storing of personal property, or otherwise obstructing the public right-of-way at that location poses a particular and ongoing threat to public health or safety. Such circumstances may include, but are not limited to: (i) the death or serious bodily injury of any person at the location due to a hazardous condition; (ii) repeated serious or violent crimes, including human trafficking, at the location; (iii) the occurrence of fires that resulted in a fire department response to the location; (iv) imposition on, or prevention of, access or use of the public right-of-way by members of the public.

(d) No person shall be found to be in violation of any prohibition set forth in Subsection (c), unless and until: (i) the Chief of Police has taken action to designate a specified area or areas for enforcement against storing, using, maintaining, or placing personal property, or otherwise obstructing the public right-of-way; and (ii) the City has posted signage at the designated area or areas.

(e) No person shall store, use, maintain, or place personal property in or upon any street, sidewalk, or other public property within 500 feet of a school or day care center.

(f) Violations of this section involving a person who willfully resists, delays, or obstructs a City employee from enforcing this section or who fails to comply after being requested to do so by an authorized City employee shall be subject to the penalties set forth in Chapter 1.7 of this Code. Violations of this section shall also be enforceable as infractions pursuant to Chapter 1.2 of this Code.

Section 2. The City Clerk is hereby directed to cause a summary of this Ordinance to be published by one insertion in a newspaper of general circulation in the community at least five (5) days prior to adoption, and again fifteen (15) days after its adoption. If a summary of the ordinance is published, then the City Clerk shall cause a certified copy of the full text of the proposed ordinance to be posted in the office of the City Clerk at least five days prior to the Council meeting at which the ordinance is adopted ad again after the meeting at which the ordinance at which adopted and again after the meeting at which the ordinance is adopted. The summary shall be approved by the City Attorney.

Section 3. This ordinance shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

APPROVED: August 21, 2023

Mayor	City Clerk

* * * * * * * * * *

The foregoing Ordinance was introduced and read at a regular meeting of the City Council held on August 21, 2023, and was adopted at a regular meeting of said Council held on September 5, 2023, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: September 5, 2023

City Clerk

ORDINANCE 23-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS AMENDING SECTION 5.10.06 OF THE CLOVIS MUNICIPAL CODE RELATING TO THE APPLICATION FOR A MASSAGE ESTABLISHMENT PERMIT OR OUT-CALL MASSAGE BUSINESS PERMIT

WHEREAS, in 2016, the California Legislature amended Government Code section 51034 to preclude local governments for requiring the submission of fingerprints as part of a background check for a massage permit for persons already certified as a Massage Therapist with the California Massage Therapy Council ("CAMTC"); and

WHEREAS, this now requires the City to amend its massage business permit ordinance in order to comply with the change in state law.

NOW THEREFORE, the City of Clovis does ordain as follows:

Section 1 Section 5.10.06, of Chapter 5.10, of Title 5 of the Clovis Municipal Code is hereby amended to read as follows:

5.10.06 – Application for an establishment permit or out call massage business permit.

Written application for an establishment permit or out call massage business permit required by this chapter shall be filed with the Chief of Police. Such application shall be accompanied by a fee as approved by the City Council. Upon approval of the permit by the Chief of Police, the applicant must also apply for a business tax certificate through the City Clerk's office and pay applicable fees.

The following information shall be provided in the application concerning the applicant, if an individual; concerning each stockholder, each officer and each director, if the applicant is a closely held corporation; concerning each partner, including limited partners, if the applicant is a partnership; concerning the operator of the establishment; and concerning principals of the business that exercise control over operation of the business not identified above, including each managing employee.

(a) Identifying information. Name, present residential and business addresses, telephone numbers, birth date and California driver's license or identification card number of the applicant.

(b) Prior residential addresses. All residential addresses and dates of residence for five (5) years preceding the date of the application.

(c) Prior business and employment history. Business, occupation or employment history of the applicant for the five (5) years immediately preceding the date of the application.

(d) Evidence that applicant is over eighteen (18). Satisfactory proof that the applicant is over the age of eighteen (18) years. Satisfactory proof may consist of a California driver's license, California identification card, or a United States passport.

(e) Arrests and convictions. A listing and explanation of any arrests or convictions for any felonies or non-traffic-related misdemeanors.

(f) Fingerprints. Fingerprints of the applicant. Submission of fingerprints shall not be required for applicants holding valid certification as a Certified Massage Therapist or Practitioner pursuant to Chapter 10.5 (commencing with Section 4600) of Division 2 of the Business and Professions Code.

(g) Photograph. Submit to a photograph taken by the Police Department.

(h) Prior abatement of a business. Statement indicating whether the applicant has ever had an ownership interest in, operated or been employed by any business which has been the subject of an abatement proceeding under the California Red Light Abatement Act (California Penal Code Sections 11225 through 11235) or any similar abatement laws, whether in California or other jurisdictions.

(i) Other information. Any other information as required by the Chief of Police. In addition to the information required above, an applicant for an establishment permit must also provide:

(j) Premises ownership and lease information. A statement on whether the applicant owns, leases, or rents the premises where the massage establishment will be located. If the applicant leases or rents the premises, the applicant shall provide the name, address, and telephone number of the owner of the premises and the term of any lease.

(k) Address and name of business. The address where the applicant proposes to operate a massage establishment and the name under which the business will be operated.

(l) Prior massage businesses. The business name, street address, and city of any and all businesses where the applicant conducted any business providing massage, relaxation, hot tub, towel wraps, baths, health treatments, or tanning services within twenty-four (24) months preceding the date of the application.

(m) Evidence of other permits. Evidence of applicable land use and/or building permits as required by the City of Clovis.

<u>Section 2</u> EFFECTIVE DATE.

This Ordinance shall go into effect and be in full force from and after thirty (30) days after its final passage and adoption.

APPROVED: August 21, 2023

Mayor	City Clerk

* * * * * * * * * *

The foregoing Ordinance was introduced and read at a regular meeting of the City Council held on August 21, 2023, and was adopted at a regular meeting of said Council held on September 5, 2023, by the following vote, to wit:

AYES:
NOES:
ABSENT
ABSTAIN:

DATED: September 5, 2023

City Clerk

ORDINANCE 23-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS AMENDING SECTION 6.5.102, OF CHAPTER 6.5, OF TITLE 6, OF THE CLOVIS MUNICIPAL CODE RELATING TO THE APPLICATIONS FOR WATER SERVICE IN THE CITY OF CLOVIS

The City Council of the City of Clovis does ordain as follows:

Section 1 AMENDMENT OF SECTION 6.5.102

Section 6.5.102, of Chapter 6.5, of Title 6 of the Clovis Municipal Code is hereby amended to read as follows:

6.5.102 Applications for water service

Before water shall be supplied to any premises, the owner or occupant of the property shall make a written application to the City for water service on a form provided by and containing such information as may be required by the City, including but not limited to presentation of a form of government-issued identification. Thereupon, a service connection shall be made at the nearest distribution main after the charges provided for in this section have been paid. Industrial developments for nonfood processing functions shall, as a first choice, use nonpotable water from the City's infrastructure, subject to availability to the site and as approved by the City Engineer.

The applicant, on making such application, shall pay a fee of ten and no/100ths dollars ($10.00) for opening a water service account, which fee shall not be refunded.

(a) Deposits. The City shall require an applicant for water service to guarantee the payment of water and other utility user charges with a cash deposit in the sum of one hundred fifty and no/100ths dollars ($150.00) or, for commercial customers and multifamily customers, a deposit of an amount equal to the sum of the minimum water, sewer, street sweeping, recycling, greenwaste and refuse service as requested by the customer for one billing period. If such customer has previously been a water service customer of the City (within the corporate limits of the City) for at least two (2) years and does not currently carry a delinquent balance, they will not be required to pay the deposit.

(b) Return of deposits. Deposits shall be held by the City for a minimum period of two (2) years. The deposit shall be returned to the customer after two (2) years, but not sooner than six (6) months after any one delinquency, if more than one.

(c) Purchaser's Responsibility. An owner or purchaser of a premises maintaining water or sewer connections, shall assume responsibility for financial obligations of such service effective the date possession of the property is taken.

Section 2. The City Clerk is hereby directed to cause a summary of this Ordinance to be published by one insertion in a newspaper of general circulation in the community at least five (5) days prior to adoption, and again fifteen (15) days after its adoption. If a summary of the ordinance is published, then the City Clerk shall cause a certified copy of the full text of the proposed ordinance to be posted in the office of the City Clerk at least five days prior to the Council meeting at which the ordinance is adopted and again after the meeting at which the ordinance at which adopted. The summary shall be approved by the City Attorney.

<u>Section 3</u> EFFECTIVE DATE.

This Ordinance shall go into effect and be in full force from and after thirty (30) days after its final passage and adoption.

APPROVED: August 21, 2023

Mayor	City Clerk

* * * * * * * * * *

The foregoing Ordinance was introduced and read at a regular meeting of the City Council held on August 21, 2023, and was adopted at a regular meeting of said Council held on September 5, 2023, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: September 5, 2023

City Clerk

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Finance Department
DATE:	August 21, 2023
SUBJECT:	Consider Approval - Res. 23-___, A Resolution of the City Council of the City of Clovis authorizing the issuance and sale of Water Revenue Refunding Bonds and approving documents and official actions relating to the refinancing of the 2013 Water Revenue Bonds. **Staff:** Jay Schengel, Finance Director **Recommendation:** Approve
ATTACHMENTS:	1. Resolution 2. Preliminary Official Statement

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
That the City Council approve Resolution 23-___ Authorizing issuance of water revenue bonds in the maximum amount of $13,400,000 for the purpose of refunding the 2013 Water Revenue Bonds and approving related agreements and actions.

EXECUTIVE SUMMARY
In 2013, the City of Clovis issued Water Revenue Bonds in the aggregate principal amount of $31,810,000 for the purpose of refinancing bonds previously issued to finance the acquisition and construction of various improvements to the City Water System. Based on a current financial analysis, there is an opportunity to refinance the 2013 Water Revenue Bonds and realize debt service savings over the remaining life of the outstanding bonds.

BACKGROUND
The City is proposing to sell revenue refunding bonds for the purpose of refunding the 2013 Water Revenue Bonds. Based on analysis of the current debt interest rate environment, it is feasible to refinance the 2013 Water Revenue Bonds and reduce the annual payment, lower the

interest rate, and yield cash savings. The result of the analysis indicates annual cash flow savings of approximately $70,000. The fully discounted net present value cash flow savings is expected to be approximately $350,000. The new revenue bonds will maintain the existing bond amortization period to maximize the interest rate savings.

To facilitate the sale of the bonds, the City has submitted the proposed issue to S&P Global Ratings (previously Standard & Poor's) for a bond rating on the issuance. A bond rating on this issue should be available at any time but was not available for inclusion in this report.

Included for Council's information is the Preliminary Official Statement (POS). The POS contains substantial information about the bond issue, and it's recommended that Council review the POS and forward any comments or corrections to staff. The approval by the Council of the resolution authorizes the issuance and sale of the refund bonds pursuant to an Indenture of Trust, approves the purchase agreement with the underwriter, and authorizes the City Manager and Finance Director to execute all documents relating to the refunding on behalf of the City. The sale of the bonds is being handled through the underwriting firm Ramirez & Co., Inc. The law firm of Jones Hall is the City's Bond Counsel and Disclosure Counsel.

FISCAL IMPACT

The Water Revenue Bonds will continue to be secured by a pledge of revenue generated by the Water Enterprise Fund. There will be cash flow savings of approximately $70,000 annually in debt service, for a total savings of approximately $350,000 over the remaining 5 years the bonds are outstanding.

REASON FOR RECOMMENDATION

The current interest rate environment remains favorable; however, the Federal Reserve Bank continues to communicate potential rate increases to stem inflation in the future. Moreover, there are only 5 years remaining until maturity, the opportunity to realize is limited. Refunding the 2013 Water Bonds would reduce the annual debt service payments for the water system, while maintaining the existing bond amortization period. The annual savings will consequently improve the debt service coverage.

ACTIONS FOLLOWING APPROVAL

After Council approval, the bonds will be sold to the underwriter and appropriate financing documents will be executed on behalf of the City.

Prepared by: Jay Schengel, Finance Director

Reviewed by: John Holt, City Manager JH

RESOLUTION 23-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVIS AUTHORIZING THE ISSUANCE AND SALE OF WATER REVENUE REFUNDING BONDS TO REFINANCE OUTSTANDING 2013 WATER REVENUE REFUNDING BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF A RELATED INDENTURE OF TRUST, ESCROW AGREEMENT, OFFICIAL STATEMENT AND BOND PURCHASE AGREEMENT, AND APPROVING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the City of Clovis (the "City") owns and operates a public enterprise for the supply, treatment and distribution of water within the service area of the City (the "Water System"), and in order to refund bonds previously issued to finance improvements to the Water System the City has issued its City of Clovis 2013 Water Revenue Refunding Bonds in the aggregate original principal amount of $31,810,000 (the "2013 Bonds") which are secured by a pledge of and lien on the net revenues of the Water System; and

WHEREAS, the 2013 Bonds are currently subject to redemption on any business day at a redemption price equal to 100% of the principal amount thereof, without premium; and

WHEREAS, in order to provide funds to refinance the 2013 Bonds and thereby realize debt service savings, the City wishes to authorize the issuance of its City of Clovis 2023 Water Revenue Refunding Bonds (the "Refunding Bonds") under the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Sections 53570 and 53580 of said Code (the "Refunding Bond Law"); and

WHEREAS, as required by Government Code Section 5852.1, attached hereto as **Attachment A** is certain financial information relating to the Refunding Bonds that has been obtained by the City and is hereby disclosed and made public; and

WHEREAS, the City Council has previously approved a Debt Management Policy which complies with Government Code Section 8855, and the delivery of the Refunding Bonds will be in compliance with said policy; and

WHEREAS, the City Council of the City has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Clovis as follows:

Section 1. Authorization of Refunding Bonds. The City Council hereby authorizes the issuance of the Refunding Bonds for the purpose of providing funds to redeem the outstanding 2013 Bonds. The Refunding Bonds shall be revenue bonds which are payable from and secured by a pledge of and lien on the net revenues of the Water System. The Refunding

Bonds shall be issued under and in accordance with the provisions of the Refunding Bond Law, and shall be issued in a principal amount which is sufficient to provide the funds required to redeem the outstanding 2013 Bonds in full.

Section 2. Approval of Indenture of Trust. The Refunding Bonds shall be issued upon the terms and conditions set forth in the Indenture of Trust between the City and U.S. Bank Trust Company, National Association, as trustee, which is hereby approved in substantially the form on file with the City Clerk together with any changes therein or additions thereto deemed advisable by the Finance Director or the City Manager (each, an "Authorized Officer"), and the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions. An Authorized Officer is hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest to, the final form of the Indenture of Trust on behalf of the City.

Section 3. Approval of Escrow Agreement. The 2013 Bonds shall be refunded under and in accordance with the provisions of the Escrow Agreement between the City and U.S. Bank Trust Company, National Association, as escrow bank, which is hereby approved in substantially the form on file with the City Clerk together with any changes therein or additions thereto deemed advisable by an Authorized Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. An Authorized Officer is hereby authorized and directed to execute the final form of the Escrow Agreement on behalf of the City.

Section 4. Sale of the Refunding Bonds. In accordance with Section 53583 of the Refunding Bond Law, the City Council hereby authorizes and directs that the Refunding Bonds shall be sold on a negotiated basis to Samuel A. Ramirez & Co., Inc., as underwriter (the "Underwriter"). The Refunding Bonds shall be sold pursuant to the terms and provisions of the Bond Purchase Agreement between the City and the Underwriter, in substantially the form on file with the City Clerk together with any changes therein or additions thereto deemed advisable by an Authorized Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions. An Authorized Officer is hereby authorized and directed to execute the final form of the Bond Purchase Agreement on behalf of the City. The Underwriter's discount on the Refunding Bonds shall not exceed 0.70% of the par amount thereof, and the true interest cost on the Refunding Bonds shall not exceed 4.00%. The City Council hereby approves the refunding of the 2013 Bonds for the purpose of achieving any amount of net present value savings is approved by an Authorized Officer, and hereby waives any requirement in the Debt Management Policy or elsewhere for a certain minimum amount of net present value savings to be realized.

Section 5. Official Statement. The City Council hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Refunding Bonds in the form on file with the City Clerk. An Authorized Officer is individually authorized, at the request of the Underwriter, to execute an appropriate certificate affirming the City Council's determination that the Preliminary Official Statement has been deemed final within the meaning of such Rule. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. An Authorized Officer is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by an Authorized Officer shall be conclusive evidence of approval of any such changes and additions. The City Council hereby authorizes the distribution of the Final Official Statement by the Underwriter. The Final Official Statement shall be executed in the name and on behalf of the City by an Authorized Officer.

Section 6. Continuing Disclosure Certificate. The City Council hereby approves the Continuing Disclosure Certificate in substantially the form attached as an exhibit to the Preliminary Official Statement, together with any changes therein or additions thereto deemed advisable by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. An Authorized Officer is hereby authorized and directed to execute the final form of the Continuing Disclosure Certificate on behalf of the City.

Section 7. Engagement of Professional Services. In connection with the issuance and sale of the Refunding Bonds, the City Council hereby authorizes the engagement of the services of Jones Hall, A Professional Law Corporation, to act as bond counsel and disclosure counsel to the City. The Finance Director is hereby authorized and directed to execute an agreement with such firm, in the form on file with the City Clerk.

Section 8. Official Actions. The Mayor, the City Manager, the Assistant City Manager, the Finance Director, the Public Utilities Director, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the transactions described herein. Any such actions previously taken by such officers are hereby ratified and confirmed. Whenever in this Resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.

Section 9. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

*　　*　　*　　*　　*

The foregoing resolution was introduced and adopted at a regular meeting of the City Council of the City of Clovis held on August 21, 2023, by the following vote, to wit.

AYES:
NOES:
ABSENT:
ABSTAIN:

DATED: August 21, 2023

Mayor　　City Clerk

ATTACHMENT A

REQUIRED DISCLOSURES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

1. True Interest Cost of the Refunding Bonds (Estimated): 3.224%

2. Finance charge of the Refunding Bonds in the estimated amount of $228,712, being the sum of all fees and charges paid to third parties.

3. Proceeds of the Refunding Bonds expected to be received by the City, net of proceeds for Costs of Issuance in (2) above (Estimated): $13,146,462.

4. Total Payment Amount for the Refunding Bonds, being the sum of all debt service to be paid on the Refunding Bonds to final maturity (Estimated): $14,388,301.

**All amounts and percentages are estimates, and are made in good faith by the City based on information available as of the date of adoption of this Resolution. Estimates include certain assumptions regarding tax-exempt rates available in the bond market at the time of pricing the Refunding Bonds. Assumes the issuance of Refunding Bonds in the aggregate principal amount of $12,770,000.*

PRELIMINARY OFFICIAL STATEMENT DATED __________, 2023

NEW ISSUE – BOOK ENTRY ONLY

RATING: S&P "__"
See "RATINGS."

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the 2023 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

$12,690,000*
CITY OF CLOVIS
2023 WATER REVENUE REFUNDING BONDS

Dated: Date of Delivery **Due: March 1, as shown below**

Bonds; Purpose. The City of Clovis (the "City") is issuing the captioned bonds (the "2023 Bonds") to (I) defease and redeem in full the City's 2013 Water Revenue Refunding Bonds (the "2013 Bonds") and (ii) pay costs of issuing the 2023 Bonds.

Authority for the 2023 Bonds. The City is issuing the 2023 Bonds pursuant to (i) an Indenture of Trust, dated as of September 1, 2023 (the "Indenture"), by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee") and (ii) Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570.

Payment Terms. The City will issue the 2023 Bonds in book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers of the 2023 Bonds will not receive certificates representing their interests in the 2023 Bonds. Payments of the principal of and interest on the 2023 Bonds will be made to DTC, which is obligated in turn to remit such principal and interest to its DTC Participants for subsequent disbursement to the beneficial owners of the 2023 Bonds. See "THE 2023 BONDS – General Provisions."

Interest on the 2023 Bonds is payable on March 1 and September 1, commencing March 1, 2024 (each, an "Interest Payment Date").

Redemption Prior to Maturity*. **The 2023 Bonds are subject to mandatory sinking fund redemption as more fully described in this Official Statement.** See "THE 2023 BONDS – Redemption."

Security for the 2023 Bonds. The 2023 Bonds are payable from "Net Revenues" derived from the City's ownership and operation of a water supply, storage, treatment and distribution system (as defined more completely in this Official Statement, the "Water System"), and amounts on deposit in certain funds and accounts established by the Indenture. The obligation of the City to pay debt service on the 2023 Bonds is a special obligation of the City payable solely from Net Revenues of the Water System. See "SECURITY FOR THE 2023 BONDS."

The City is not funding a debt service reserve fund for the 2023 Bonds.

No Existing Parity Debt; Future Parity Debt. Following the defeasance of the 2013 Bonds in accordance with the 2013 Indenture (as defined herein) and the Escrow Agreement (as defined herein), there will be no other obligations of the City secured by a pledge of the Net Revenues of the Water System other than the 2023 Bonds. The Indenture permits the City to incur additional obligations payable from Net Revenues on a parity basis with the 2023 Bonds. See "SECURITY FOR THE 2023 BONDS."

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

MATURITY SCHEDULE
(See inside cover page)

The 2023 Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and subject to certain other conditions. Jones Hall is also acting as Disclosure Counsel. The City Attorney will render an opinion on behalf of the City. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is acting as Underwriter's Counsel. It is anticipated that the 2023 Bonds, in book entry form, will be available for delivery in New York, New York, on or about September [20], 2023.

Ramirez & Co., Inc.

Dated: _____________, 2023

Attachment 2

* Preliminary; subject to change.

MATURITY SCHEDULE*

Base CUSIP†: _______

Maturity (March 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP† Number
2024	$2,345,000				
2025	2,405,000				
2026	2,520,000				
2027	2,650,000				
2028	2,770,000				

* Preliminary; subject to change.

CITY OF CLOVIS

CITY COUNCIL

Lynne Ashbeck, *Mayor*
Vong Mouanoutoua, *Mayor Pro Tem*
Matt Basgall, *Council Member*
Drew Bessinger, *Council Member*
Diane Pearce, *Council Member*

CITY STAFF

John Holt, *City Manager*
Andrew Haussler, *Assistant City Manager*
Jay Schengel, *Finance Director*
Scott Redelfs*, Public Utilities Director*

MUNICIPAL ADVISOR

Kosmont Financial Services
El Segundo, California

BOND COUNSEL AND DISCLOSURE COUNSEL

Jones Hall,
A Professional Law Corporation
San Francisco, California

CITY ATTORNEY

Lozano Smith,
a Professional Law Corporation
Fresno, California

TRUSTEE & ESCROW AGENT

U.S. Bank Trust Company, National Association
Los Angeles, California

VERIFICATION AGENT

Robert Thomas CPA, LLC
Overland Park, Kansas

[Insert location map]

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the 2023 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the 2023 Bonds.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the City or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the 2023 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the City, in any press release and in any oral statement made with the approval of an authorized officer of the City, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the City since the date hereof.

Limited Scope of Information. The City has obtained certain information set forth herein from sources which are believed to be reliable, but such information is neither guaranteed as to accuracy or completeness, nor to be construed as a representation of such by the City.

Preparation of Official Statement. The information set forth in this Official Statement has been furnished by the City and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

Involvement of Underwriter. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Stabilization of Prices. In connection with this offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market price of the 2023 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the 2023 Bonds to certain dealers and others at prices lower than the public offering prices set forth on the cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

Document Summaries. All summaries of the Indenture or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

No Securities Laws Registration. The 2023 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The 2023 Bonds have not been registered or qualified under the securities laws of any state.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the 2023 Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the City or the other parties described in this Official Statement.

Website. The City maintains a website. However, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2023 Bonds.

TABLE OF CONTENTS

$12,690,000*
CITY OF CLOVIS
2023 WATER REVENUE REFUNDING BONDS

INTRODUCTION

General. This Official Statement, including the cover page and all appendices, provides certain information concerning the sale and delivery of the captioned bonds (the "**2023 Bonds**"). All descriptions and summaries of various documents set forth in this Official Statement do not purport to be comprehensive or definitive, and reference is made to each document for complete details of all terms and conditions. All statements in this Official Statement are qualified in their entirety by reference to each document. Certain capitalized terms used in this Official Statement and not defined in this Official Statement shall have the meaning given such terms in Appendix C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Purpose of the 2023 Bonds. The City of Clovis (the "**City**") is issuing the 2023 Bonds for the following purposes:

(i) to defease and redeem in full the City's 2013 Water Revenue Refunding Bonds (the "**2013 Bonds**"), which were issued by the City pursuant to an Indenture of Trust, dated as of July 1, 2013 (the "**2013 Indenture**"); and

(ii) to pay costs of issuing the 2023 Bonds.

Authority for the 2023 Bonds. The City is issuing the 2023 Bonds pursuant to (i) an Indenture of Trust, dated as of September 1, 2023 (the "**Indenture**"), by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"), and (ii) Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 (the "**Bond Law**").

Security for the 2023 Bonds. The 2023 Bonds are payable from "**Net Revenues**" related to the City's "**Water System**" (as those terms are described in this Official Statement), which consist of, for any period, an amount equal to all "**Gross Revenues**" received during such period minus the amount required to pay all "**Operation and Maintenance Costs**" becoming payable during such period.

See "SECURITY FOR THE 2023 BONDS" for the definitions of Net Revenues, Gross Revenues, Operation and Maintenance Costs and Water System.

The City will not establish a debt service reserve fund for the 2023 Bonds. The City may but is not obligated to establish a debt service reserve account in connection with the issuance of obligations payable from Net Revenues on a parity basis with the 2023 Bonds. See "SECURITY FOR THE 2023 BONDS – Limitations on Superior and Parity Debt."

No Existing Parity Debt. After defeasance of the 2013 Bonds pursuant to the 2013 Indenture and the Escrow Agreement, there will be no outstanding obligations secured by a pledge of and payable from Net Revenues other than the 2023 Bonds.

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* Preliminary; subject to change.

Future Parity Debt. The Indenture authorizes additional bonds, notes, loan agreements, installment sale agreements, leases or other obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues on a parity basis with the 2023 Bonds ("**Parity Debt**"), subject to certain conditions. See "SECURITY FOR THE 2023 BONDS – Limitations on Superior and Parity Debt."

Limited Obligation. The City is not required to advance any moneys derived from any source of income other than the Net Revenues for the payment of the principal of or interest on the 2023 Bonds. See "SECURITY FOR THE 2023 BONDS – Limited Liability."

THE REFUNDING PLAN

Refunding of the 2013 Bonds

Pursuant to an Escrow Agreement dated as of the date of issuance of the 2023 Bonds (the "**Escrow Agreement**"), by and between the City and U.S. Bank Trust Company, National Association, as escrow agent (the "**Escrow Agent**"), the City will deliver a portion of the proceeds of the 2023 Bonds to the Escrow Agent for deposit in the escrow fund established under the Escrow Agreement (the "**Escrow Fund**").

The Escrow Agent will invest certain amounts deposited in the Escrow Fund in United States Treasury Securities, State and Local Government Series of the type indicated in the Escrow Agreement, and hold the remainder in cash and will apply such funds, together with interest earnings thereon, on December [19], 2023 (the "**Redemption Date**"), to pay the principal of and accrued interest on the 2013 Bonds to the Redemption Date (without premium).

Sufficiency of the deposits in the Escrow Fund for those purposes will be verified by Robert Thomas CPA, LLC, certified public accountants (the **"Verification Agent"**). See "VERIFICATION OF MATHEMATICAL COMPUTATIONS." As a result of the deposit of funds with the Escrow Agent on the date of issuance of the 2023 Bonds, the 2013 Bonds will be legally defeased and will be payable solely from amounts held for that purpose under the Escrow Agreement, and will cease to be secured by Net Revenues.

The amounts held by the Escrow Agent in the Escrow Fund are pledged solely to the payment and redemption of the 2013 Bonds. The funds deposited in the Escrow Fund will not be available for the payment of debt service with respect to the 2023 Bonds.

Estimated Sources and Uses of the 2023 Bonds

The following table sets forth the estimated sources and uses of funds with respect to the Project.

Sources:	
2023 Bond Proceeds	$
Plus Net Original Issue Premium/*Less* Original Issue Discount	
Plus Funds Relating to the 2013 Bonds	
Total Sources	$
Uses:	
Deposit to Escrow Fund	$
Underwriter's Discount	
Costs of Issuance(1)	
Total Uses	$

(1) Estimate includes legal and financing costs, printing costs, initial fees of the Trustee, advertising costs, Bond Counsel and Disclosure Counsel fees, Verification Agent fees, and certain other costs.

Debt Service Schedule

The following table presents the scheduled debt service on the 2023 Bonds.

Fiscal Year Ending June 30	2023 Bonds Principal	2023 Bonds Interest	2023 Bonds Total Debt Service
2024	$	$	$
2025			
2026			
2027			
2028			

THE 2023 BONDS

General Provisions

The 2023 Bonds will be dated their initial date of delivery, and interest will be payable from such date at the rates set forth on the inside cover page of this Official Statement, on March 1 and September 1 of each year (the "**Interest Payment Dates**"), commencing March 1, 2024. Interest on the 2023 Bonds will be calculated on the basis of a 360-day year consisting of 12 30-day months.

The 2023 Bonds will mature in the amounts and on the dates set forth on the inside cover page of this Official Statement.

The 2023 Bonds will be issued in fully registered form, individual purchases being made in book-entry form only, in denominations of $5,000 or any integral multiple thereof.

Principal of and interest on the 2023 Bonds are payable by the Trustee to The Depository Trust Company, New York, New York ("**DTC**"), as the registered Owner of the 2023 Bonds, which will in turn remit such principal and interest to the DTC Participants for subsequent disbursement to the Beneficial Owners of the 2023 Bonds. See Appendix F — "INFORMATION CONCERNING DTC."

Redemption*

No Optional Redemption. The 2023 Bonds are not subject to redemption prior to their respective stated maturities.

Mandatory Sinking Fund Redemption of Term Bonds. The 2023 Bonds maturing on March 1, 20___ (the "**Term Bonds**") are subject to mandatory redemption in whole, or in part by lot, from sinking fund payments made under the Indenture, at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest to the date of redemption, in the aggregate respective principal amounts and on March 1 in the years as set forth in the following table:

Payment Date (March 1)	Sinking Fund Payment
	$

Notice of Redemption. The Trustee on behalf and at the expense of the City will give notice of any redemption to the respective Owners of any 2023 Bonds designated for redemption at their respective addresses appearing on the Registration Books, to the Municipal Securities Rulemaking Board and to the Securities Depositories, at least 20 but not more than 60 days prior to the date fixed for redemption; provided, however, that neither failure to receive any such notice so given nor any defect in the notice will affect the validity of the proceedings for the redemption of such 2023 Bonds or the cessation of the accrual of interest on the redeemed 2023 Bonds. The redemption notice will state the date of the notice, the redemption date, the redemption place and the redemption price and shall designate the CUSIP numbers,

* Preliminary; subject to change.

the bond numbers and the maturity or maturities (in the event of redemption of all of the 2023 Bonds of such maturity or maturities in whole) of the 2023 Bonds to be redeemed, and will require that the 2023 Bonds be then surrendered at the Office of the Trustee identified in such notice for redemption at the redemption price, giving notice also that further interest on such 2023 Bonds will not accrue from and after the redemption date.

Selection of 2023 Bonds of the Same Maturity for Redemption. Whenever less than all of the 2023 Bonds of a single maturity will be redeemed, the Trustee will select the 2023 Bonds of such maturity to be redeemed by lot in any manner which the Trustee in its sole discretion deems appropriate. For purposes of such selection, all 2023 Bonds will be deemed to be comprised of separate $5,000 denominations and such separate denominations will be treated as separate 2023 Bonds which may be separately redeemed.

Effect of Redemption. From and after the date fixed for redemption, if notice of redemption has been duly mailed and funds available for the payment of the principal of and interest on the 2023 Bonds so called for redemption have been duly provided, the called 2023 Bonds will cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price, and no interest will accrue thereon from and after the redemption date specified in the redemption notice.

SECURITY FOR THE 2023 BONDS

General

The 2023 Bonds shall be secured by a first pledge of all of the Net Revenues, on a parity with the pledge which secures any future Parity Debt.

In addition, the 2023 Bonds and any future Parity Debt shall be secured by a pledge of all of the moneys in the Bond Fund, including all amounts derived from the investment of such moneys. The 2023 Bonds and all future Parity Debt shall be equally secured by a pledge, charge and lien upon the Net Revenues and such moneys without priority for series, issue, number or date and the payment of the interest on and principal of the 2023 Bonds will be secured by an exclusive pledge, charge and lien upon the Net Revenues and such moneys. So long as any of the 2023 Bonds are Outstanding, the Net Revenues and such moneys may not be used for any other purpose; except that out of the Net Revenues there may be apportioned such sums, for such purposes, as are expressly permitted by the Indenture (see "- Flow of Funds" below).

Applicable Definitions

"**Net Revenues**" is defined in the Indenture as, for any period, an amount equal to all of the Gross Revenues received during such period minus all Operation and Maintenance Costs coming due and payable during such period.

"**Gross Revenues**" is defined in the Indenture as all gross charges (including surcharges, if any) received for, and all other gross income and receipts derived by the City from, the ownership and operation of the Water System or otherwise arising from the Water System, including but not limited to:

(a) connection charges or developer impact fees, and

(b) investment earnings on amounts held in the Water Fund or in any other fund established with respect to the Water System.

Gross Revenues do <u>not</u> include:

(i) refundable deposits made to establish credit,

(ii) the proceeds of any ad valorem property taxes, and

(iii) the proceeds of any special assessments or special taxes levied upon real property within any improvement district served by the City for the purpose of paying special assessment bonds or special tax obligations of the City relating to the Water System

"**Operation and Maintenance Costs**" is defined in the Indenture as the reasonable and necessary costs and expenses paid by the City to maintain and operate the Water System, including but not limited to:

(a) costs of acquisition of water to be supplied by the Water System,

(b) costs of electricity and other forms of energy supplied to the Water System,

(c) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Water System in good repair and working order, and

(d) the reasonable administrative costs of the City attributable to the operation and maintenance of the Water System.

The Indenture provides that Operation and Maintenance Costs do <u>not</u> include:

(i) debt service payable on obligations incurred by the City with respect to the Water System, including but not limited to debt service payments on the 2023 Bonds and any Parity Debt,

(ii) depreciation, replacement and obsolescence charges or reserves therefor, and

(iii) amortization of intangibles or other bookkeeping entries of a similar nature.

"**Water System**" is defined in the Indenture to mean the entire system of the City for the supply, storage, treatment and distribution of water within the service area of the City, including but not limited to all facilities, properties, lands, rights, entitlements and other property useful in connection therewith, together with all extensions thereof and improvements thereto at any time acquired, constructed or installed by the City.

Flow of Funds

The City previously established a Water Fund, which the City will continue to hold and maintain for the purposes and uses described below. The City will deposit all of the Gross Revenues in the Water Fund immediately upon receipt, and will apply amounts in the Water Fund as set forth in the Indenture and in the legal documents related to Parity Debt ("**Parity Debt Documents**").

Amounts on deposit in the Water Fund will be applied by the City to pay when due the following amounts in the following order of priority:

(a) all Operation and Maintenance Costs;

(b) principal and interest coming due on the 2023 Bonds and any Parity Debt, including the principal of the Term Bonds and any Parity Debt upon the mandatory sinking fund redemption thereof; and

(c) any other payments required to comply with the provisions of the Indenture and any Parity Documents.

Payment of principal and interest coming due on the 2023 Bonds and any Parity Debt will be made without preference or priority. If the amount of Net Revenues on deposit in the

Water Fund is at any time insufficient to enable the City to pay in full the amounts due as set forth above, such payments shall be made on a pro rata basis.

The City covenants in the Indenture to manage, conserve and apply the amounts on deposit in the Water Fund in such a manner that all deposits required to be made under the Indenture will be made at the times and in the amounts so required. Subject to the foregoing sentence, so long as no Event of Default has occurred and is continuing, the City may use and apply moneys in the Water Fund for: (i) the payment of any subordinate obligations or any unsecured obligations, (ii) the acquisition and construction of improvements to the Water System, (iii) the prepayment or redemption of any obligations of the City relating to the Water System, or (iv) any other lawful purposes of the City relating to the Water System.

Bond Fund

At least three Business Days prior to each Interest Payment Date, the City will withdraw from the Water Fund and transfer to the Trustee an amount which, together with other available amounts then on deposit in the Bond Fund, is at least equal to the aggregate amount of principal and interest coming due on the 2023 Bonds on such Interest Payment Date, including the principal amount of any Term Bonds which are subject to mandatory sinking fund redemption on such Interest Payment Date under the Indenture. The Trustee will deposit such amounts upon receipt thereof in a special fund designated as the "**Bond Fund**" which the Trustee will establish, maintain and hold in trust, to be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture. On or before each Interest Payment Date, the Trustee will transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee will establish and maintain within the Bond Fund), the following amounts in the following order of priority:

(a) Deposit to Interest Account. The Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such Interest Payment Date on all 2023 Bonds then Outstanding. All amounts in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying interest on the 2023 Bonds as it comes due and payable (including accrued interest on any 2023 Bonds purchased or redeemed prior to maturity).

(b) Deposit to Principal Account. The Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the 2023 Bonds coming due and payable on such Interest Payment Date, including the principal amount of any Term Bonds which are subject to mandatory sinking fund redemption on such Interest Payment Date under the Indenture. All amounts in the Principal Account will be used and withdrawn by the Trustee solely to pay the principal amount of the 2023 Bonds at their respective maturity dates and to pay the principal amount of the Term Bonds upon the mandatory sinking fund redemption thereof.

No Reserve Fund

In connection with the issuance of the 2023 Bonds, the City will not establish a debt service reserve fund for the 2023 Bonds.

Limited Liability

The City is not required to advance any moneys derived from any source of income other than the Net Revenues for the payment of the principal of or interest on the 2023 Bonds, or for the performance of any covenants contained in the Indenture (except to the extent any such covenants are expressly payable from the Gross Revenues). The City may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the City for such purpose without incurring indebtedness.

The 2023 Bonds are revenue bonds, payable exclusively from the Net Revenues and other funds as provided in the Indenture. The General Fund of the City is not liable, and the credit of the City is not pledged, for the payment of the interest on or principal of the 2023 Bonds. The owners of the 2023 Bonds have no right to compel the forfeiture of any property of the City. The principal of and interest on the 2023 Bonds are not a debt of the City, or a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or upon any of its income, receipts or revenues except the Net Revenues and other funds pledged to the payment thereof as provided in the Indenture.

Rate Covenant

In the Indenture, the City adopts two rate covenants:

<u>Covenant Regarding Gross Revenues</u>. To the fullest extent permitted by law, the City will fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water System during each Fiscal Year, which are at least sufficient, after making allowances for contingencies and error in the estimates, to yield Gross Revenues sufficient to pay the following amounts in the following order of priority:

(i) all Operation and Maintenance Costs estimated by the City to become due and payable in such Fiscal Year;

(ii) the principal of and interest on all outstanding Bonds and Parity Debt as they become due and payable during the Fiscal Year, without preference or priority, except to the extent any of such payments are payable from bond proceeds or from any other source of legally available funds of the City which have been deposited with the Trustee (or another trustee, fiscal agent or escrow agent with respect to the related issue of Parity Debt) for such purpose prior to the commencement of the related Fiscal Year;

(iii) all other payments coming due and payable during such Fiscal Year and required for compliance with the Indenture and any Parity Debt Documents; and

(iv) all payments required to meet any other obligations of the City which are charges, liens, encumbrances upon or payable from the Gross Revenues or the Net Revenues during such Fiscal Year.

<u>Covenant Regarding Net Revenues</u>. The City shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water System during each Fiscal Year which are reasonably expected, at the commencement of each such Fiscal Year, to be sufficient to yield Net Revenues which are at least equal to 120% of the amount of principal of and interest on all outstanding 2023 Bonds and Parity Debt as they become due and

payable during such Fiscal Year, including the principal amount of the Term Bonds and any Parity Debt upon the mandatory sinking fund redemption thereof. The City may make adjustments from time to time in such rates and charges and may make such classification thereof as it deems necessary, but covenants in the Indenture not to reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges are calculated to be sufficient to meet the requirements of this covenant.

In the event that the actual collection of Net Revenues based on such rates, fees and charges is insufficient to yield Net Revenues which meet the requirements of this covenant, such event shall not constitute an Event of Default unless it has continued uncured for a period of at least 12 months. For purposes of this covenant, the 20% coverage factor may be maintained in whole or in part from amounts transferred from a Rate Stabilization Fund. See "–Rate Stabilization Fund."

Limitations on Superior and Parity Debt

Set forth below is a summary of the provisions of the Indenture with respect to incurrence of superior obligations and issuance of any obligations payable from and secured by a pledge of Net Revenues on a parity basis with the 2023 Bonds.

Obligations Superior to the 2023 Bonds*.* The City has covenanted in the Indenture that it will not incur obligations payable from Net Revenues on a superior basis to the 2023 Bonds.

Issuance of Parity Debt. The City covenants in the Indenture that it will not incur any obligations on a parity basis with the 2023 Bonds ("**Parity Debt**"), except in compliance with the following conditions:

(a) No Event of Default under the Indenture has occurred and is continuing.

(b) The Net Revenues, calculated in accordance with sound accounting principles, as shown by the books of the City for the most recent completed Fiscal Year for which audited financial statements of the City are available, or for any more recent consecutive 12 month period selected by the City, in either case verified by an Independent Accountant or a Fiscal Consultant or shown in the audited financial statements of the City, plus (at the option of the City) any Additional Revenues, are at least equal to 120% of Maximum Annual Debt Service (taking into account the Parity Debt then proposed to be issued).

Notwithstanding the foregoing conditions, the City will not be required to meet the foregoing conditions with respect to the issuance of any Parity Debt the proceeds of which are applied to redeem or discharge the 2023 Bonds or any issue of Parity Debt, provided that as a result of such redemption or discharge the aggregate amount of debt service on the 2023 Bonds and all Parity Debt which will be outstanding following the issuance of such Parity Debt will be reduced in every Fiscal Year.

The Indenture defines the term "**Additional Revenues**" to mean, with respect to any Parity Debt:

(i) An allowance for Net Revenues from any additions or improvements to or extensions of the Water System to be financed from the proceeds of such Parity Debt or from any other source but in any case which, during all or any part of the most recent completed Fiscal Year for which audited financial statements are available or for any other 12-month period selected by the City, were not in service, all in an amount equal to 80% of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions for the first 36-month period in which each addition, improvement or extension is to be in operation, all as shown by the certificate or opinion of a qualified independent engineer employed by the City.

(ii) An allowance for Net Revenues arising from any increase in the charges made for service from the Water System which has become effective prior to the incurring of such Parity Debt but which, during all or any part of such Fiscal Year or such 12-month period, was not in effect, in an amount equal to the total amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or such 12-month period, all as shown by the certificate or opinion of an Independent Accountant.

Rate Stabilization Fund

The City may at any time establish a "**Rate Stabilization Fund**" to be held by it and administered in accordance with the Indenture, for the purpose of stabilizing the rates and charges imposed by the City with respect to the Water System and for purposes of meeting the 20% coverage factor set forth in the Covenant Regarding Net Revenues described above under " – Rate Covenant." From time to time the City may deposit amounts in the Rate Stabilization Fund, from any source of legally available funds, including but not limited to Net Revenues which are released from the pledge and lien which secures the 2023 Bonds, as the City may determine. The Rate Stabilization Fund will be accounted for as a separate fund, although amounts credited to it may be commingled with other funds of the City.

The City may, but is not required to, withdraw amounts on deposit in the Rate Stabilization Fund and deposit such amounts in the Water Fund in any Fiscal Year for the purpose of paying the 2023 Bonds and the principal of and interest on any outstanding Parity Debt coming due and payable in such Fiscal Year. Except as provided in the succeeding paragraph, amounts transferred from the Rate Stabilization Fund to the Water Fund in any Fiscal Year shall be treated as additional Net Revenues for purposes of meeting the 20% coverage factor set forth in the Covenant Regarding Net Revenues described above. Amounts transferred from the Rate Stabilization Fund to the Water Fund will not be treated as additional Net Revenues for purposes of the section of the Indenture relating to the issuance of Parity Debt. The City has the right at any time to withdraw any or all amounts on deposit in the Rate Stabilization Fund and apply such amounts for any other lawful purposes of the City.

All interest or other earnings on deposits in the Rate Stabilization Fund will be retained therein or, at the option of the City, be applied for any other lawful purposes. The City has the right at any time to withdraw any or all amounts on deposit in the Rate Stabilization Fund and apply such amounts for any other lawful purposes of the City. Amounts on deposit in the Rate Stabilization Fund are not pledged to and do not otherwise secure the 2023 Bonds or any Parity Debt.

Outstanding Obligations

Following issuance of the 2023 Bonds and the defeasance of the 2013 Bonds pursuant to the 2013 Indenture and the Escrow Agreement, the only outstanding obligation of the City that is payable from Net Revenues of the Water System will be the 2023 Bonds.

THE CITY

General

The City is located in northeastern Fresno County, adjacent to the City of Fresno, approximately 180 miles southeast of the City of San Francisco and 210 miles northeast of the City of Los Angeles. The City was first settled in the 1800's and was incorporated in 1912. The City contains approximately 26 square miles in total area. The City population was estimated to be 124,523 as of January 1, 2023.

The City is a general law city. The City is governed by 5 members of the City Council elected at large to serve 4-year overlapping terms at elections held every two years. The mayor and the mayor pro tem are selected by the City Council from its members to serve 2-year terms.

As of June 30, 2023, the City provided water service for approximately 35,140 residential accounts and 3,454 commercial/multifamily accounts. Within the City's boundaries, the Water System is the sole enterprise that provides water services.

Land and Land Use

The City is located in the northeast portion of Fresno County. The sphere of influence of the City (the "**Sphere of Influence**") is a projection determined in accordance with state law, of what the ultimate boundaries of the City will be, and provides an estimate of future City growth. The City boundaries and current Sphere of Influence include approximately 35.5 square miles. Buildout of the entire General Plan area is not expected to occur for at least 60 years.

Set forth below is a summary of assessed valuation of property in the City. The increases reflect factors including increasing property values, subject to the state law limit of 2% annual increase in parcel-level assessed value; transfers of property at market prices higher than previously assessed values; development of land within the City; and annexations of additional property into the City. **Property tax revenue allocated to the City is not pledged as security for the 2023 Bonds.**

Table 1
City of Clovis
Assessed Valuation
(Dollars in millions)

Fiscal Year	Total Assessed Valuation	Increase
2013-14	$7,603,318,287	--
2014-15	8,261,235,938	9%
2015-16	8,809,036,757	7
2016-17	9,295,190,273	6
2017-18	10,157,970,403	9
2018-19	10,709,969,739	5
2019-20	11,518,988,941	8
2020-21	12,360,811,493	7
2021-22	13,205,085,283	7
2022-23	14,347,247,474	9

Source: City of Clovis.

Employees

The City currently employs approximately 570 full-time and 161 part-time and seasonal persons, of whom 41 full-time persons work in the Water Division of the Public Utilities Department. Certain employees of the City belong to several different labor unions. The City currently is subject to multi-year contracts with its labor unions. City has not experienced any strike or other work stoppage actions since 1979. The City adopted its current memoranda of understanding with its bargaining groups in 2022.

Budget Process

Prior to June 1 of each year, the City Manager submits a proposed budget for the City for the fiscal year commencing the following July 1 to the City Council. The City Council conducts public hearings to obtain comments from residents and ratepayers. Subsequent to the public hearings, the City Council approves the budget prior to July 1.

The City's budget is prepared on a modified accrual basis and includes the City's Water Fund. The City Council approved the operating budget for fiscal year 2023-24 on June 19, 2023.

Employee Retirement System

*This caption contains certain information relating to California Public Employees' Retirement System ("**PERS**"). The information is primarily derived from information produced by PERS, its independent accountants and actuaries. The City has not independently verified the information provided by PERS and makes no representations and expresses no opinion as to the accuracy of the information provided by PERS.*

The annual comprehensive financial reports of PERS are available on its Internet website at www.calpers.ca.gov. The PERS website also contains PERS' most recent actuarial valuation reports and other information concerning benefits and other matters. Such information is not incorporated by reference in this Official Statement. None of the Authority, City or Underwriter can guarantee the accuracy of such information. Actuarial assessments are "forward-looking" statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or may be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

***Plan Description**.* The City's defined benefit pension plans (the "**Miscellaneous Plan**" and "**Safety Plan**") provide retirement and disability benefits that include annual cost-of-living adjustments and death benefits to plan members and beneficiaries through PERS. State statutes within the Public Employees' Retirement Law establish a menu of benefit provisions as well as other requirements. The City selects optional benefit provisions from the benefit menu by contract with PERS and adopts those benefits through local ordinance. Copies of PERS' annual financial report are available from their Executive Office, 400 P Street, Sacramento, California 95814.

City employees assigned to the Water System participate in the Miscellaneous Plan. Accordingly, the remainder of this section discusses the Miscellaneous Plan and not the Safety Plan.

Employees Covered. At the June 30, 2021 valuation date, the following employees were covered by the benefit terms for the Miscellaneous Plan:

	Miscellaneous Plan
Active employees	472
Transferred and terminated employees	709
Retired employees and beneficiaries	336
Total	1,517

Source: Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2022.

PERS Contributions and Funding Policy. The City now has two tiers of retirement for Miscellaneous employees. The second tier resulted from the Public Employees' Pension Reform Act (PEPRA) effective January 1, 2013. The retirement received by employees is dependent on their date of hire and previous employment with PERS' reciprocal agencies, as shown in the table below.

Miscellaneous Plan

	Classic	PEPRA
Benefit Formula:	2.7% at 55	2% at 62
Final Average Compensation:	12 months	36 months
Applies to Employees:	Hired before Jan. 1, 2013	Hired on or after Jan. 1, 2013
Employee Contribution:	8%	6.75%

The City is required to contribute at an actuarially determined rate of annual covered payroll for normal cost and an actuarially determined dollar amount to amortize the unfunded liability. The Water System is allocated its portion of the required contributions. Approximately 9.55% of the City's Miscellaneous Plan obligations are allocated to the Water System. The actuarially determined rates and contribution amounts for the Miscellaneous Plan for the fiscal years ending June 30, 2022, through June 30, 2024, are as follows:

Miscellaneous Plan

Fiscal Year 2021-22		**Fiscal Year 2022-23**		**Fiscal Year 2023-24**	
Employer Normal Cost Rate	Employer Payment of Unfunded Liability	Employer Normal Cost Rate	Employer Payment of Unfunded Liability	Employer Normal Cost Rate	Employer Payment of Unfunded Liability
10.42%	$6,095,082	10.13%	$6,170,703	11.37%	$6,061,012

Source: PERS Actuarial Reports Dated July 2020, July 2021, and July 2022.

The City recognized pension expense for the Miscellaneous Plan in the following amounts for fiscal years ended June 30, 2020, 2021, and 2022:

Fiscal Year Ended June 30,	Miscellaneous Plan	Water System Portion of Miscellaneous Plan
2020	$5,972,604	$554,258
2021	3,601,448	575,756
2022	(5,479,639)	(523,048)

Source: Annual Comprehensive Financial Reports for Fiscal Years Ending June 30, 2020, 2021, and 2022.

Funded Status. The following table sets forth the schedule of funding for the City's Miscellaneous Plan for the fiscal years ended June 30, 2019, 2020, and 2021. The Water System's share of the Miscellaneous Plan's unfunded accrued liability as of the June 30, 2021 valuation date was $4,922,546.

Miscellaneous Plan

Valuation Date (June 30)	Accrued Liability	Market Value of Assets	Unfunded Accrued Liability	Funded Ratio (1)	Annual Covered Payroll
2019	$223,920,056	$155,243,062	$68,676,994	69.3%	$29,419,868
2020	235,463,990	162,923,018	72,540,972	69.2	30,727,378
2021	253,097,125	201,552,165	51,544,987	79.6	32,185,193

(1) Based on the market value of assets.
Source: CalPERS Actuarial Report Dated July 2022.

No Other Post-Employment Benefits. The City does not offer other post-employment benefits (OPEB).

Insurance Coverage

The City is self-insured for general liability, automobile liability, workers' compensation, group dental and group vision programs. The City is responsible for all claims up to $5,000 per occurrence for automobile liability, $5,000 per occurrence for property, $250,000 per occurrence for workers' compensation, and $100,000 per occurrence on general liability. The dental and vision programs have no individual per occurrence stop-loss and no aggregate annual stop-loss. Excess insurance for all amounts in excess of the self-insured retention in the workers' compensation program is purchased from Local Agency Workers' Compensation Excess JPA ("**LAWCX**"). Consistent with the LAWCX Memorandum of Coverage, LAWCX provides coverage for the City above its self-insured retention of $250,000 up to $5,000,000. LAWCX purchases excess insurance which covers the pool for losses from $5,000,000 to statutory limits.

The City is a member of the Central San Joaquin Valley Risk Management Authority which provides $1,000,000 liability coverage over a $100,000 self-insured retention. Excess coverage of $10,000,000 is provided by the California Joint Powers Risk Management Authority. The Central San Joaquin Valley Risk Management Authority provides property damage coverage for "all risks" (excluding earthquake and floods) for first dollar coverage based on annually updated estimated replacement values.

City Investments

The investment of the City's funds is performed in accordance with the adopted Investment Policy. Funds are invested with the following objectives in mind:

1. Safety: Safety of principal is the primary objective of the investment policy. Investments will be made in a manner that ensures the preservation of principal in the portfolio. To help obtain this objective the City will diversify its investments by investing funds among independent financial institutions offering various securities with independent returns.

2. Liquidity: The City will maintain sufficient cash and short-term investments which, when combined with anticipated revenues, will provide sufficient liquidity to be able to meet all anticipated payment outflows including reasonably estimated contingencies.

3. Yield: The City's investment portfolio will be designed with the objective to attain a benchmark rate of return throughout various market cycles corresponding to the City's investment risk and cash flow requirements. The portfolio will be invested in a manner consistent with primary emphasis on preservation of the principal, while attaining a rate of return consistent with this process. This policy specifically prohibits trading of securities for the sole purpose of realizing trading profits and trading of "when, as, and if issued".

THE WATER SYSTEM

Service Area

The Water System has been operated as a municipal system since 1914. The Water System serves the entire City (37,240 customer accounts as of June 30, 2023) and serves Tarpey Village, an unincorporated area of Fresno County (1,354 customer accounts as of 2023), through the Tarpey Village water system (the "**Tarpey Village System**") acquired from Fresno County in 1989. Tarpey Village is almost entirely single family residential with a small commercial area; it has no public landscaping, no parks and no institutional or government facilities. Tarpey Village is not expected to be annexed into the City.

The City's General Plan concept includes three urban centers with open and rural residential areas transitioning between the centers and the existing City core. The Loma Vista Specific Plan, the first of the three urban centers, is now being developed in the southeast portion of the City. Development in the Northwest Urban Center, the second of the three urban centers, has also begun. If development in the Northwest Urban Center follows the General Plan, the water demands for the area should be less on a per acre basis because of lower densities; however any increase to expected densities are expected to result in higher demands on a per acre basis. The Northeast Urban Center has not yet begun development.

Water System Facilities

The City has 36 active wells and one standby well, with a total capacity of approximately 37,690 gallons per minute ("**gpm**"). Six additional wells are planned that, when online, will bring an additional 4,750 gpm of groundwater supply. Five of the existing active wells are currently offline due to water quality concerns but could be brought back online once appropriate treatment systems are installed. Additionally, the City owns a further four wells that are on inactive status due to being dry or producing too much sand. In calendar year 2022, the City wells produced 4,964 million gallons ("**MG**").

The City's Surface Water Treatment Plant (the "**Surface Water Treatment Plant**") currently provides potable drinking water to the City. The capacity of the Surface Water Treatment Plant is 22.5 million gallons per day ("**MGD**"). In calendar year 2022, the Surface Water Treatment Plant produced an average of 9.59 MGD and a total of 3,500 MG during the year.

The City utilizes the recycled water from its wastewater treatment plant (the "**Water Reuse Facility**") for landscape and agricultural purposes.

The City maintains four active storage reservoirs, with a total capacity of 7.0 million gallons, as well as one drained and inactive reservoir with a storage capacity of 0.06 million gallons. The active storage reservoirs are typically full and the City estimates the storage to contain approximately 0.3 days (7.3 hours) of capacity based on average daily production in calendar year 2022.

The City also maintains over 585 miles of water mains for distribution of treated water to customers.

Sources of Water

General. The City currently has three sources of water, each of which is discussed more extensively below. In 2023, the total annual available supply of water was estimated to be approximately 64,000 acre feet ("**AF**").

> <u>Groundwater</u>: Up until July 2004, the City's sole source of drinking water was the groundwater aquifer underlying the community. In 2022, the City pumped 15,235 AF of groundwater. In addition, the City has access to recharged groundwater under two agreements with the Fresno Irrigation District ("**FID**"). See "Groundwater" below.

> <u>Surface water</u>: The City is located almost entirely within the FID, except for the City center and some recently annexed areas. Agreement between the City and FID provide the City the right to receive a share of FID's entitlement to surface water from the Kings River and the San Joaquin River. The surface water obtained from FID is treated at the City's Surface Water Treatment Plant. In 2022, the City treated 10,741 AF of surface water from FID. Additionally, two other water districts—the Garfield Water District and the International Water District—are located within the City's General Plan boundaries and, as these areas urbanize and are annexed into the City, their Central Valley Project entitlements are expected to be added to the City's surface water supply. See "Surface Water" below.

> <u>Recycled water</u>: The City receives recycled water from the Water Reuse Facility, a City-owned wastewater treatment plant. In 2022, the City produced 2,687 AF and sold 1,047 AF of recycled water. Recycled water that is not sold is discharged. See "Recycled Water" below.

The City has plans to increase its use of recycled water and surface water, in order to reduce the City's reliance on groundwater. Because there is no treatment required for the use of recycled water beyond what is required for disposal, the cost of recycled water for supply uses is less than the cost of treated surface water. Recycled water, however, has limitations on use that treated surface water does not.

Groundwater. The City lies within the Kings Groundwater Subbasin, which lies within the San Joaquin Basin Hydrologic Study Area. The Kings Groundwater Subbasin has been identified as critically over-drafted. Total storage in the basin was estimated by the California Department of Water Resources to be 93,000,000 AF in 1961. See "– Sustainable Groundwater Management Act" below for a discussion of the sustainability of the Kings Groundwater Subbasin.

<u>City Wells.</u> The City has 36 active wells and one standby well. Five of the active wells are currently offline due to water quality concerns. Additionally, the City owns a further four wells that are on inactive status due to being dry or producing too much sand. Trichloropropane ("**TCP**"), Dibromochloropropane ("**DBCP**"), perfluoroalkyl substances ("**PFAS**") and high iron and manganese are the main water quality concerns.

<u>Groundwater Banking.</u> The City is a party to two agreements with FID to receive groundwater from groundwater banking facilities:

> *Waldron Pond Banking Facility*. The City is a party to a February 13, 2004 "Water Banking and Reliability Agreement" (the "**Waldron Agreement**") with FID related

to the Waldron Pond Banking Facility. The City and FID split the cost of acquiring and constructing the facility. The facility is comprised of three separate sites encompassing approximately 252 acres of intentional artificial recharge facilities and can produce an estimated 10,000 AFY according to the Waldron Agreement. Under the Waldron Agreement, the City is entitled to receive up to 90% (9,000 AFY) of the annual production in a given year. The cost of the water delivered from the Waldron Pond Banking Facility to the City is based on FID's costs to deliver the water, adjusted annually. FID has agreed to attempt to acquire additional water from other sources to meet the City's needs in years when the banking project's available supply is less than the amount needed by the City; the City will pay FID's actual cost to procure the water plus a 25% administrative fee. In the event the FID is unable to acquire additional water for the City, FID will make water available for purchase by the City from FID's Kings River entitlements at the then fair market rate for water. The term of the Waldron Agreement continues until FID and the City determine to abandon or cease operation of the Waldron Pond Banking Facility because it is no longer suitable for groundwater banking purposes or an earlier date agreed upon by FID and the City. FID may not unilaterally terminate the Waldron pond Banking Facility.

Boswell Groundwater Banking Facility. The City is a party to an August 9, 2011 "Water Banking and Reliability Agreement" (the "**Boswell Agreement**") with FID related to the Boswell Groundwater Banking Facility. The City paid for the costs of constructing the facility. The City has access up to 4,500 AFY of surface water. The facility totals 100 acres. The terms of the Boswell Agreement are similar to the terms of the Waldron Agreement.

The City plans on taking the water from the two banking facilities in dry years to augment supply. The Waldron Agreement provides for carryover of supply from prior years, but the Boswell Agreement does not provide for carryover. Consequently, during multiple dry-year scenarios, it is less likely that water will be available in the second or third year of a drought. Although FID has committed to attempt to acquire water supplies for the City during these situations, these additional supplies are likely to be expensive. The City purchased water under the Boswell Agreement in 2018 and 2021. The City does not anticipate purchasing water under the Waldron Agreement or Boswell Agreement in 2023.

<u>Sustainable Groundwater Management Act</u>. The Sustainable Groundwater Management Act ("**SGMA**"), which went into effect January 1, 2015, requires that local water agencies within all medium and high-priority sub-basins form one or more Groundwater Sustainability Agencies ("**GSAs**") to prepare a Groundwater Sustainability Plan. The Kings Groundwater Subbasin (the "**Basin**") is considered a high-priority sub-basin. The City is one of 10 members or participating agencies in the North Kings Groundwater Sustainability Agency ("**NKGSA**"), which itself is one of seven GSAs within the Basin. There is no overlap among the GSAs within the Basin and there are no adjudicated areas within the groundwater basin. The seven GSAs within the Basin have coordinated the development of their respective Groundwater Sustainability Plans. As required by the SGMA, the NKGSA has prepared its Groundwater Sustainability Plan, which was initially adopted November 21, 2019 and revised and adopted June 13, 2022 (the "**GSP**"). The Basin is recognized as critically overdrafted. The goal of GSAs within the Basin, including the GSP adopted by the NKGSA, is to ensure that by 2040 the Basin is being managed to maintain a reliable water supply for current and future beneficial uses without experiencing undesirable results. Specifically, the GSP and the Groundwater Sustainability Plans adopted by the other GSAs in the Basin have set incremental targets for correcting the overdraft in the Basin by 10% by 2025, 30% by 2030, 60% by 2035,

and 100% by 2040. The GSP proposes specific projects to help meet the NKGSA's sustainability goals, and a portion of these projects will be the City's responsibility.

Groundwater Recharging. In the 30 years to 2020, the groundwater table dropped 48 feet, from a depth of 92 feet in 1991 to a depth of 140 feet in 2019. Recharging the underground aquifer is one of the means to address this overdraft in the Basin. Recharge efforts began in 1974, and in 2004 the City began utilizing surface water purchased from FID, with the goal of reducing groundwater pumping. A surface water supply is required in order to effect recharge, and as a result recharge varies from year to year, with larger reductions in recharge during drought conditions.

From 2015 through 2022, the City averaged 7,223 AF of intentional recharge, with a range from 439 AF in 2015 to 13,896 AF in 2017. In addition to the City's intentional recharge activities, the City has determined through master planning studies that approximately 9,400 AFY of natural groundwater recharge flows into the Clovis area annually as a result of existing hydrogeologic characteristics. However, recharge efforts by the City have not been enough to stem the decline because the Basin is shared with other users who either do not recharge or do not recharge enough.

Surface Water. The City receives its surface water from FID. FID, in turn, obtains its water from two sources:

Kings River. FID receives the majority of its water from the Kings River. FID is a member of the Kings River Water Association, which holds water rights licenses for all of the Kings River and storage rights licenses on Kings River reservoirs. FID is entitled to water based upon a prorated monthly schedule determined by the natural flow of the Kings River as it would occur without reservoir storage above the historic Piedra gauging station. FID is entitled to water from the Kings River at all flows but the percentage is higher at relatively low Kings River flows. If the snowmelt is slow, FID receives a greater entitlement. FID's average gross annual entitlement is 452,541 AF. In the 50 years to 2020, the smallest entitlement was 158,109 AF, which occurred in 2015.

San Joaquin River. FID also receives surface water from the Friant Division of the Central Valley Project ("**CVP**"). The water obtained from this source comes from the diversion and storage of water from the San Joaquin River behind Friant Dam. The total available water on the San Joaquin River has been estimated at 2,200,000 AF. Of that, 800,000 AF have been designated as Class I supply. Class I supply is considered to be dependable in most years with shortages only in very dry years. Class II water is in excess of Class I and is therefore much less dependable. FID has a contract with the United States Bureau of Reclamation for 75,000 AF of Class II water from this source.

The City and FID are the parties to two agreements under which the City is entitled to receive surface water from FID:

> *Cooperative Agreement*. Since 1972, the City and FID have been parties to an agreement, which was amended and restated in 2019 as a "Revised, Amended and Restated Cooperative Agreement between Fresno Irrigation District and City of Clovis for Water Utilization and Conveyance" dated September 1, 2019 (the "**Cooperative Agreement**"), under which the City receives and manages on behalf of the landowners within the City's urbanized lands, the Kings River water that would be available to those lands. The City's allocation is proportional to the ratio of the total acreage of the City

included in FID to the total FID area, limited to 7.12% of FID's Kings Water Supply right until the City and FID mutually agree to adjust the City's percentage. The 2023 calendar year allocation is calculated based on the City's 12,926 acres in FID and 204,202 total acres in FID (6.33%; 39,000 AF). Such allocation is subject to change each year based on FID's final Kings River water entitlement. The City may carry over up to 5,000 AF of any unused FID entitlement water from previous years.

Firm Water Supply Agreement. The City and FID are also parties to a "Firm Surface Water Supply and Purchase Agreement" effective September 1, 2019 (the "**Firm Water Supply Agreement"**). Under the Firm Water Supply Agreement, FID agrees to develop and make available to the City a new annual water supply of up to 7,000 AF. The maximum annual supply was initially set at 1,000 AF, and increases each year until the maximum of 7,000 AF annually is to be reached in 2045. Pursuant to the Firm Water Supply Agreement, the City paid FID $5 million in fiscal year 2020-21, has or will pay FID $1.5 million annually from fiscal years 2021-22 through 2030-31, and will pay FID $1 million annually from fiscal years 2031-32 through 2045-46, for a total of $35 million. The City also pays a per-AF delivery payment when water is delivered pursuant to the Firm Water Supply Agreement. The City paid the initial $5 million installment from the Water Fund and paid the installments in fiscal years 2021-22 and 2022-23 and expects to pay the future annual installments all from the Water Construction - Developer Fund. The Water Construction - Developer Fund is a separate fund of the City that accounts for the revenue from developer fees and for capital improvements for major water lines, water wells, and other major capital improvements.

The following table shows the City's historical cost of surface water purchased from FID.

Table 2
CITY OF CLOVIS WATER SYSTEM
Historical FID Costs – Surface Water

Fiscal Year	Cost
2013-14	$486,296.76
2014-15	$499,352.00
2015-16	$503,001.58
2016-17	$509,473.30
2017-18	$590,315.52
2018-19	$813,725.99 (1)
2019-20	$638,895.68
2020-21	$971,113.42 (2)
2021-22	$782,518.16 (3)
2022-23	$734,118.75

(1) Includes purchase under the Boswell Agreement of $198,117.
(2) Includes purchase under the Boswell Agreement of $310,980. Does not include $5 million initial payment under the Firm Water Supply Agreement.
(3) Reflects conveyance of 174 AF of water purchased under the Firm Water Supply Agreement ($43,674) and out-of-season delivery cost ($39,690) under the Cooperative Agreement.
Source: City of Clovis.

Recycled Water. The City could receive recycled water from two sources: the Fresno-Clovis Regional Wastewater Reclamation Facility (the "**Regional Reclamation Facility**") and the City's Water Reuse Facility. However, because of cost issues, it is doubtful that any recycled water from the Regional Reclamation Facility will be used within the City's service area in the immediate future.

Regional Reclamation Facility. A large portion of the City's wastewater is treated at the Regional Reclamation Facility located southwest of the City of Fresno. The Regional Reclamation Facility treats wastewater to the secondary level and then some is spread in percolation ponds and some is used directly on non-food crops. The plant then uses wells on the Regional Reclamation Facility property to pump water in order to reduce groundwater mounding under the plant. The pumped water is then put into Dry Creek and the Houghton Canal for use by farmers downstream. FID in exchange gives Fresno an additional one AF of surface water for each two AF of water pumped and put into the canals. Because the City has equitable ownership interests, contributes a percentage of the flow to the Regional Reclamation Facility and pays a percentage share of maintenance, operations, and capital improvement costs, the City is entitled to a proportionate share of any exchanged water.

Water Reuse Facility. The City's Water Reuse Facility produces a disinfected tertiary treated water supply. The Water Reuse Facility serves the new growth areas of the City in the Southeast, the Northwest and ultimately the Northeast Urban Centers. The first phase of this project utilizes wastewater flow from the City's Southeast Area and diverted flow from the Fowler Trunk Sewer that was previously treated at the Regional Reclamation Facility, for a total maximum average daily flow of 2.8 million gallons per day. Ultimately the plant will treat 8.4 million gallons per day.

Landscape irrigation is a major use of recycled water. The recycled water produced by the Water Reuse Facility may also be used for agricultural purposes. In the future, the City expects to pursue the use of recycled water for groundwater recharge.

Because many of the future areas of the City where recycled water is proposed to be used are not yet developed, it will be much easier to encourage the use of recycled water. The City is requiring that new development within areas to receive recycled water install recycled water mains (purple pipe) to supply recycled water to landscape areas. The City will be able to guarantee availability to customers even during water shortages that are not disaster-related.

Demand for Water

The following table shows the historical water usage requirements of the Water System for fiscal years 2013-14 through 2022-23.

Table 3
CITY OF CLOVIS WATER SYSTEM
Historical Water Production
(To nearest acre-feet)

Fiscal Year	City-Pumped Ground Water Consumption (1)	FID Ground Water Consumption (2)	FID Surface Water (3)	Recycled Water (4)	Total Water Production
2013-14	19,390		7,243	32	26,665
2014-15	14,338		8,833	175	23,346
2015-16	11,067		7,775	444	19,286
2016-17	13,512		7,865	536	21,914
2017-18	11,060		12,296	738	24,093
2018-19	11,579	1,007	9,739	640	22,965
2019-20	11,438		12,850	710	24,998
2020-21	11,734	1,500	12,464	740	26,438
2021-22	18,831		6,871	1,036	26,738
2022-23	14,782		9,380	867	25,029

(1) Groundwater pumped from City wells.
(2) Groundwater purchased from FID under the Boswell Agreement.
(3) Reflects amount of surface water supplied to customers. Amount purchased/allocated each year may be higher as some surface water is used for recharge and, in wet years, some is purchased under agreement but not used.
(4) Recycled water produced at the Water Reuse Facility and used for irrigation. Does not include water produced and then discharged as excess.

Source: City of Clovis.

The actual average daily flow of the potable Water System for the 10 fiscal years ended June 30, 2023 is shown below.

Table 4
CITY OF CLOVIS WATER SYSTEM
Average Daily Consumption
(In Thousands of Gallons)

Fiscal Year	Average Daily Consumption
2013-14	23,840
2014-15	20,684
2015-16	16,883
2016-17	19,083
2017-18	20,849
2018-19	19,929
2019-20	21,682
2020-21	22,940
2021-22	22,944
2022-23	21,604

Source: City of Clovis.

Customers of the Water System

Number of Accounts. As of June 30, 2023, the Water System served 38,594 accounts. The following table sets forth the number of customer accounts during fiscal years 2018-19 through 2022-23. As of fiscal year 2022-23, approximately 160 customers included in the figures below also receive recycled water, with the City's Parks Division being the primary recycled water customer.

Table 5
CITY OF CLOVIS WATER SYSTEM
Number of Customer Accounts
For the Fiscal Years 2018-19 through 2022-23

	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Residential	32,285	33,104	33,924	34,566	35,140
Commercial/Multifamily	3,169	3,343	3,412	3,452	3,454
Total Accounts	**35,454**	**36,447**	**37,336**	**38,018**	**38,594**

Source: City of Clovis.

Major Water Users. In fiscal year 2022-23, the 10 largest water users accounted for approximately 3.7% of service charge revenues (based on approximately $27,577,001 of total service charge revenue in Fiscal Year 2022-23). The following table shows for Fiscal Year 2022-23 the top 10 water users and their bi-monthly and annual billings.

Table 6
CITY OF CLOVIS WATER SYSTEM
10 Largest Users of Water System
Fiscal Year 2022-23

Customer	Bi-Monthly Billing	Annual Revenue
Clovis Unified School District	$68,686	$412,117
Wawona Frozen Foods	20,216	121,297
Clovis Community Hospital	18,524	111,143
The Scottsmen Apartments	11,221	67,328
Harlan Ranch Comm. Assoc.	9,347	56,079
GSF Sunnyside Commercial Prop Mgmt.	8,668	52,011
Merit Manor Apartments	8,480	50,880
Sierra Vista Realty LLC	7,926	47,558
Santa Ana Villa	7,665	45,992
Park Creek Apartments	7,585	45,510
	$168,319	**$1,009,915**

Source: City of Clovis.

Customer Billing Procedures

General. Users are billed bimonthly under a system that generates invoices each month for approximately half of the system accounts. Utility bills include charges for all City utility services, including water, wastewater and refuse. Bills are due within 30 days, and accounts are deemed delinquent if payment is not received by the due date. Customers are subject to discontinuation after their payment has been delinquent for 60 days. Customers will be notified via written notice of their impending discontinuation at least 7 business days before discontinuation for lack of payment. The City's write-offs for bad debts have historically amounted to less than 0.5% of Water System revenues.

History of Billings and Delinquencies. A five-year history of billings and delinquencies by the City for water service is set forth in the following table.

Table 7
City of Clovis
Water System
History of Billings and Delinquencies
Fiscal Years 2018-19 through 2022-23

Fiscal Year ended June 30,	Amount Billed	% Delinquent
2018	$20,923,013	<1%
2019	25,872,734	<1
2020	21,538,486	<1
2021	22,886,970	<1
2022	26,472,244	<1
2023	27,694,429	<1

Source: City of Clovis.

Rate Structure

The current water rates were adopted by the City Council on June 19, 2023, pursuant to Ordinance No. 2023-001 (the "**Ordinance**"). Residential and commercial water customers are billed similarly, with a minimum charge per unit and metered water rates based on consumption. Tarpey Village as a whole is metered through a master meter, although the individual residences in Tarpey Village are unmetered. Individual meters are expected to be installed prior to 2025.

The current rates are shown in the table below. The Ordinance provides for 3% annual increases to metered water rates each July 1 unless the City Council takes action to revise the water rates. The non-drought rates presented below are in effect for fiscal year 2023-24.

Table 8
CITY OF CLOVIS WATER SYSTEM
Water Rates and Charges
As of July 1, 2023
(Bi-Monthly Rates)

	Non-Drought Rate or Charge	Drought Rate or Charge
Residential		
Dwelling Unit Charge	$26.12	$26.12
Water Use Charges:		
Tier 1(0-23) ($/kgal)	$1.07	$1.27
Tier 2 (23-40) ($/kgal)	$1.78	$2.58
Tier 3 (40+) ($/kgal)	$2.19	$3.27
Tarpey Unmetered (65 kgal) / (63 kgal)	$131.01	$163.20
Tarpey Large Lot	$6.29	$6.29
Tarpey Excess Use Charges ($/kgal)	$2.19	$3.06
Commercial		
1” or smaller	$21.02	$21.02
1-1/2 “	$27.96	$27.96
2”	$38.62	$38.62
3”	$76.48	$76.48
4”	$192.37	$192.37
6”	$767.32	$767.32
8”	$1,360.19	$1,360.19
10”	$2,130.93	$2,130.93
Commercial Water Use Charges:		
Tier 1(0-23) ($/kgal)	$1.07	$1.27
Tier 2 (23+) ($/kgal)	$1.45	$1.72
Recycled Water		
2”	$38.62	$38.62
3”	$76.48	$76.48
4”	$192.37	$192.37
6”	$767.32	$767.32
8”	$1,360.19	$1,360.19
10”	$2,130.93	$2,130.93
Recycled Water Use Charges ($/kgal)	$0.67	$0.70
Construction Water	$131.07	$163.20

The following table sets forth water rates in the vicinity of the City for a household with average consumption levels of 10,000 gallons per month.

Table 9
CITY OF CLOVIS WATER SYSTEM
Water Charges – Fresno County Cities
as of June 30, 2022

City	Minimum Fee
Parlier	$16.00
Clovis	**23.76**
Fowler	24.24
Sanger	28.10
Coalinga*	32.22
Kingsburg	32.25
Fresno	41.20
Firebaugh	42.18
Orange Cove	43.64
San Joaquin*	44.93
Reedley	49.67
Kerman	56.01
Mendota	61.84
Huron	64.14
Selma	78.35

*Unmetered
Source: City of Clovis.

Connection Fees

The City requires every new residential and non-residential development to provide its own water conveyance facilities and to connect to the Water System. In addition, the City requires the payment of a variety of charges, including an oversize gross acre charge ($1,463 per gross acre), a water major facilities charge ($5,206 per unit for most of the City), a water front footage fee ($23.83 per linear foot) and a non-potable water system charge ($2,134 per gross acre), among others. The definition of Gross Revenues includes revenue from connection fees and developer impact fees.

The table below shows a 10-year history of new connections and connection fee revenue generated by these connections.

Table 10
City of Clovis
Water System
New Connections

Fiscal Year	Number of Units Connected	Total Connection Fees
2013-14	*779*	$2,156,507
2014-15	*636*	3,119,980
2015-16	*837*	2,541,439
2016-17	*936*	3,240,057
2017-18	*1,067*	4,148,591
2018-19	*1,068*	8,731,021
2019-20	*855*	3,569,489
2020-21	*1,193*	4,107,086
2021-22	*610*	6,572,219
2022-23	*436*	7,188,924

Source: City of Clovis.

Regulatory Requirements

General. The City is not aware of any environmental or regulatory issues that would adversely impact the Water System's ability to deliver water.

Drinking Water. The applicable drinking water standards for the Water System are provided in the California Domestic Water Quality and Monitoring Regulations, Title 22 of the California Administrative Code. These regulations incorporate the requirements of the U.S. Environmental Protection Agency in conformance with the Safe Drinking Water Act (PL 93-523). The standards specify water quality sampling frequencies and location as well as maximum concentrations of chemical constituents and are continuously revised and amended.

The Water System operates under an amended permit issued by the State of California, State Water Resources Control Board, Division of Drinking Water (Original Order (1994): 03-11-94P-067; Amended Permit (2020): 03-12-20PA-012).

The Water System has not been subject to regulatory enforcement actions in recent history.

Recycled Water. The City's recycled water operations are subject to regulation under Section 402 of the federal Clean Water Act, implementing regulations adopted by the United States Environmental Protection Act, the California Water Code and regulations promulgated by the California Department of Health Services. On February 3, 2009, the State Water Resources Control Board ("**SWRCB**") adopted a statewide Recycled Water Policy to support increased sustainable local water supplies by increased production and use of recycled water. The policy also outlines recycled water quality control measures, which, among other requirements, mandates the implementation of regional salt nutrient management plans by 2014, as well as the regular monitoring of certain constituents in recycled water.

The waste discharge requirements applicable to the Water Reuse Facility are a product of National Pollutant Discharge Elimination System (NPDES) Permit No. CA0085235 and the City is currently operating under Order No. R5-2019-0021, as adopted by the Regional Board on April 4, 2019. The order expires on May 31, 2024, and the City submitted a complete application for reissuance of the permit to the Regional Board in May 2023.

The permit authorizes discharge up to 5.6 MGD of treated wastewater from the Water Reuse Facility: 2.8 MGD for Phase 1 and 2.8 MGD for Phase 2. Phase 3 is expected to be permitted at a later date and to allow for another 2.8 MGD, for a total of 8.4 MGD. The City is permitted to discharge to Fancher Creek, the Diversion Channel from Big Dry Creek Reservoir to Little Dry Creek and groundwater underlying recycled water use sites.

Drought and Response

California is subject to drought conditions. Since 2000, the longest duration of drought (in varying levels of intensity) in California lasted 376 weeks beginning in December 2011 and ending in early March 2019. The most intense period of drought occurred the week of July 29, 2014, with extreme drought conditions experienced in over half the state. On October 19, 2021, the Governor declared a Statewide drought state of emergency and requested that all water users voluntarily reduce water use by 15%. On March 24, 2023, the Governor eased the emergency drought restrictions imposed as a result of the Governor’s 2021 declaration. There can be no assurance that subsequent declarations will not impose mandatory water use restrictions should dry conditions persist in the future years.

In 2018, the California Governor signed Senate Bill 606 and Assembly Bill 1668 into law. More recently, SB 1157 became effective on January 1, 2023. These bills relate to water conservation and drought planning and empower DWR and the State of California Water Resources Control Board to adopt long-term standards for the following: (i) indoor residential water use; (ii) outdoor residential water use; (iii) commercial, industrial and institutional water use for landscape irrigation; and (iv) water loss. The indoor water use standard has been defined as 55 gallons per person per day (“**GPCD**”) until January 2025; the standard will decrease over time to 42 GPCD in January 2030. Standards for outdoor residential water use and commercial, industrial and institutional water use for landscape irrigation are still being developed. Urban water suppliers will be required to stay within annual water budgets, based on these standards, for their service areas.

Capital Improvement Plan

The City’s five-year financial forecast adopted in March 2023 includes approximately $4.65 million of capital outlay annually from fiscal years 2023-24 through 2027-28. Of this amount, approximately $2.5 million annually is expected to be spent on the installation of Advanced Metering Infrastructure. These forecasted capital outlays for the Water System are expected to be funded with cash on hand of the Water System.

In addition, and dependent on development in the City, there are approximately $48 million of master planned water facilities and infrastructure that the City expects will serve such future development if it occurs. These are expected to be developer-funded projects, and include well additions, recharge property development, storage tank and raw water supply pipe additions, and Surface Water Treatment Plant improvements.

Outstanding Enterprise Indebtedness

After the defeasance of the 2023 Bonds pursuant to the terms of the 2013 Indenture and the Escrow Agreement, there will be no outstanding obligations secured by a pledge of and payable from Net Revenues other than the 2023 Bonds.

Financial Reserves and Liquidity of the Water System

The City strives to maintain adequate working capital in the Water System and, as of June 30, 2023, had a working capital balance of approximately $18.7 million in the Water System. In addition, as part of its financial planning, the City has established various reserve funds for the Water System to help meet capital needs as they arise. The Water System reserve funds consist of:

- *Membrane Replacement Reserve*. This reserve is intended to set aside funds for the eventual replacement of the membrane at the Water Reuse Facility. As of June 30, 2023, the balance in the Membrane Replacement Reserve was approximately $1.1 million.
- *Drought Contingency Reserve*. This reserve addresses contingencies in revenues and expenditures of the Water System during drought conditions. As of June 30, 2023, the balance in the Drought Contingency Reserve was approximately $7.0 million.
- *SGMA Reserve*. This reserve is intended to set aside funds for groundwater sustainability projects that the City may have to contribute to as part of its membership in the NKGSA, as required by SGMA. As of June 30, 2023, the balance in the SGMA Reserve was approximately $5.0 million.
- *TCP Treatment Reserve*. The City is required to treat potable water for any TCP present and has established this reserve for TCP treatment expenses. As of June 30, 2023, the balance in the TCP Treatment Reserve was approximately $8.3 million.

FINANCIAL RESULTS OF THE WATER SYSTEM

Historical Revenues, Operation and Maintenances Costs and Debt Service Coverage

The following table is a summary of operating results of the Water System Enterprise Fund for the five fiscal years ending June 30, 2018 through June 30, 2022. This information is derived from the audited financial statements of the City for fiscal years 2017-18 through 2021-22.

Table 11
City of Clovis Water System
Historical Water System Revenues, Operation and Maintenances Costs
for the Five Fiscal Years Ended June 30, 2022

	Audited 2017-18	Audited 2018-19	Audited 2019-20	Audited 2020-21	Audited 2021-22
Operating Revenues:					
Charges for Services(1)	$20,642,635	$25,857,278	$21,466,661	$22,757,874	$25,839,690
From Other Agencies	0	0	0	0	558,237(2)
Other Revenue	280,378	15,456	71,825	129,096	74,317
Total Operating Revenues	**$20,923,013**	**$25,872,734**	**$21,538,486**	**$22,886,970**	**$26,472,244**
Operating Expenses:					
Salaries and Benefits	$3,877,541	$4,311,042	$4,561,255	$4,923,352	$4,949,805
Services, Materials, Supplies	6,275,653	6,446,786	7,486,663	13,232,538(3)	8,998,937
Administration	2,465,328	2,588,229	2,750,233	2,960,743	3,768,348
Depreciation/Amortization	2,689,063	2,778,994	2,877,984	2,949,233	3,028,555
Total Operating Expenses	**$15,307,585**	**$16,125,051**	**$17,676,135**	**$24,065,866**	**$20,745,645**
Operating Income (Loss)	**$5,615,428**	**$9,747,683**	**$3,862,351**	**($1,178,896)**	**$5,726,599**
Non-Operating Revenues (Expenses):					
Interest Income	$614,729	$1,245,347	$2,400,906	$0	$759,284
Net Increase (Decrease) in Cash Fair Value	0	0	0	0	(2,278,561)
Interest Expense (4)	(1,065,213)	(1,006,014)	(875,179)	(897,665)	(685,678)
Legal Settlement(5)	0	242,559	246,012	217,993	101,423
Gain/Loss on Disposal of Fixed Assets	(1,252)	0	(1,107)	0	0
Total Non-Operating Revenues (Expenses)	**($451,736)**	**$481,892**	**$1,770,632**	**($679,672)**	**($2,103,532)**
Income Before Contributions and Transfers	$5,163,692	$10,229,575	$5,632,983	($1,858,568)	$3,623,067
Capital Contributions	$1,715,209	$4,491,240	$1,352,175	$1,646,890	$1,485,694
Transfers Out	0	0	(50,000)	0	0
Changes in Net Position	**$6,878,901**	**$14,720,815**	**$6,935,158**	**($211,678)**	**$5,108,761**
Total Net Position – Beginning	$128,075,101	$134,954,002	$149,674,817	$152,143,503	$151,931,825
Prior Period Adjustments (6)	0	0	(4,466,472)	0	0
Total Net Position – Ending	$134,954,002	$149,674,817	$152,143,503	$151,931,825	$157,040,586

(1) Includes connection fees.
(2) Reflects funds received through the American Rescue Plan Act.
(3) Includes a $5 million payment to FID under the Firm Water Supply Agreement. See "THE WATER SYSTEM – Sources of Water – *Surface Water*" and footnote 3 to Table 12 for further information.
(4) Interest expense includes interest paid on the 2013 Bonds.
(5) The City is party to a legal settlement with certain manufacturers of dibromochloropropane ("DBCP"), under which the City receives an annual payment to defray the costs of treating water contaminated by DBCP. The amount varies each year based on production of the affected wells and the consumer price index.
(6) In fiscal year 2019-20, a prior period adjustment was made to decrease the business-type activities (including the Water System) beginning net position for fiscal year 2019-20. This was due to a reclassification that was made to better allocate the pension obligation amongst all contributing funds of the City.

Source: City of Clovis.

The historical debt service coverage for the Water System is set forth below.

Table 12
City of Clovis
Water System
Historical Debt Service Coverage

	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23 (Unaudited)(1)
Revenues:					
Charges for Services	$17,126,257	$17,897,172	$18,650,788	$19,825,708	$20,388,077
Connection Fees	8,731,021	3,569,489	4,107,086	6,572,219	7,188,924
Other Revenue	15,456	71,825	129,096	74,317	117,428
Interest Income	1,245,347	2,400,906	0(2)	759,284	1,289,649
Total Revenues	**$27,118,081**	**$23,939,392**	**$22,886,970**	**$27,231,528**	**$28,984,078**
Expenses:					
Operating Expenses	$13,346,057	$14,798,151	$16,116,633(3)	$17,717,090	$19,081,155
Total Expenses	**$13,346,057**	**$14,798,151**	**$16,116,633(3)**	**$17,717,090**	**$19,081,155**
Net Revenues	**$13,772,024**	**$9,141,241**	**$6,770,337(3)**	**$9,514,438**	**$9,902,923**
Debt Service					
2013 Bonds	$3,002,888	$3,002,288	$3,008,688	$3,011,188	$3,013,437
Total Debt Service	**$3,002,888**	**$3,002,288**	**$3,008,688**	**$3,011,188**	**$3,013,437**
Debt Service Coverage	**4.59**	**3.04**	**2.25(3)**	**3.16**	**3.29**

(1) Unaudited Fiscal Year 2022-23 information includes revenue accrual estimates.
(2) Interest income in Fiscal Year 2020-21 was offset by adjustments made pursuant to GASB 31.
(3) Operating Expenses in Fiscal Year 2020-21 has been adjusted to exclude a $5 million payment to the Fresno Irrigation District for water. The Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2021 includes this payment in Operating Expenses, but the City believes such classification to be erroneous. The exclusion of this payment in this table affects Operating Expenses, Total Expenses, Net Revenues, and Debt Service Coverage. Going forward, any future such payments will be classified either as a capital asset or a non-operating expense.

Source: City of Clovis.

Projected Operating Results and Debt Service Coverage

The City's estimated projected operating results for the Water System for the fiscal years ending June 30, 2023 (including actual, but unaudited, results through June 30, 2023) through June 30, 2028 are set forth below, reflecting certain significant assumptions concerning future events and circumstances. The financial forecast represents the City's estimate of projected financial results based upon its judgment of the most probable occurrence of certain important future events. The assumptions set forth below are material in the development of the City's financial projections, and variations in the assumptions may produce substantially different financial results. Actual operating results achieved during the projection period may vary from those presented in the forecast and such variations may be material. The obligation of the City to pay debt service on the Bonds is limited to Net Revenues of the Water System and the City is not obligated to apply any other revenues to make such payments.

The assumptions reflected in the following table include the following:

Revenues: The projections include 3.5% annual increases in revenue from charges for services. This increase is based on 3% annual increases in rates, in addition to annual growth of 800 customers. Connection fee revenues are based on the same projected growth of 800 new connections annually over the projected period.

Interest earnings: The projections assume 2% interest earnings on available fund balances.

Expenses: It is assumed that annual operation and maintenance expenses of the Water System, including personnel expenses and non-personnel expenditures, will increase approximately 3% per year.

Table 13
City of Clovis
Water System
Projected Water System Revenues, Operation and Maintenances Costs and Debt Service Coverage

	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
Revenues:					
Charges for Services	$21,101,660	$21,840,218	$22,604,625	$23,395,787	$24,214,640
Connection Fees	4,537,531	4,537,531	4,537,531	4,537,531	4,537,531
Other Revenue	170,000	170,000	170,000	170,000	170,000
Interest Income	823,800	811,672	802,552	796,496	793,552
Total Revenues	**$26,632,991**	**$27,359,421**	**$28,114,709**	**$28,899,815**	**$29,715,723**
Expenses:					
Operating Expenses	$19,653,590	$20,243,197	$20,850,493	$21,476,008	$22,120,288
Total Expenses	**$19,653,590**	**$20,243,197**	**$20,850,493**	**$21,476,008**	**$22,120,288**
Net Revenues	**$6,979,401**	**$7,116,224**	**$7,264,215**	**$7,423,807**	**$7,595,435**
Debt Service					
2013 Bonds	$317,594	$0	$0	$0	$0
2023 Bonds*	2,618,188	2,922,250	2,917,000	2,921,000	2,908,500
Total Debt Service*	**$2,935,781**	**$2,922,250**	**$2,917,000**	**$2,921,000**	**$2,908,500**
Debt Service Coverage*	**2.38**	**2.44**	**2.49**	**2.54**	**2.61**

** Preliminary; subject to change.*
Source: City of Clovis.

BOND OWNERS' RISKS

The purchase of the 2023 Bonds involves investment risk. If a risk factor materializes to a sufficient degree, it could delay or prevent payment of principal of and interest on the 2023 Bonds. Such risk factors include, but are not limited to, the following matters and should be considered, along with other information in this Official Statement, by potential investors.

Revenues; Rate Covenant

Revenues are dependent upon the demand for Water System services, which can be affected by population factors, more stringent water standards, water regulations, issues with the City's water supplies, or problems with the City's water treatment and delivery system. There can be no assurance that water service demand will be consistent with the levels contemplated in this Official Statement. A decrease in the demand for water services could require an increase in rates or charges on Water System customers in order to comply with the rate covenant. The City's ability to meet its rate covenant is dependent upon its capacity to increase rates without driving down demand to a level insufficient to meet debt service on the 2023 Bonds.

Water System Expenses

There can be no assurance that expenses of the City will be consistent with the levels contemplated in this Official Statement. Changes in technology, changes in quality standards, increases in the cost of operation or other expenses and changes in regulations could require substantial increases in rates or charges in order to comply with the rate covenant in the Indenture. Such rate increases could drive down demand for water and related services or otherwise increase the possibility of nonpayment of the 2023 Bonds.

Environmental Regulation

The kind and degree of water service which is effected through the Water System is regulated, to a large extent, by the federal government and the State of California. If the federal government, acting through the Environmental Protection Agency, or the State should impose stricter Water quality standards upon the Water System, the City's expenses could increase accordingly and rates and charges would have to be increased to offset those expenses. In general, federal and State regulation of Water treatment standards has increased in recent history.

Insurance

The Indenture obligates the City to obtain and keep in force various forms of insurance or self-insurance for repair or replacement of a portion of the Water System in the event of damage or destruction to such portion of the Water System. No assurance can be given as to the adequacy of any such self-insurance or any additional insurance to fund necessary repair or replacement of any portion of the Water System. Significant damage to the Water System could cause the City to be unable to generate sufficient Net Revenues to pay debt service on the 2023 Bonds.

Articles XIIIC and XIIID of the California Constitution

General. On November 5, 1996, California voters approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which affect the ability of local governments to levy and collect both existing and future taxes, assessments, and property-related fees and charges. Proposition 218, which generally became effective on November 6, 1996, changed, among other things, the procedure for the imposition of any new or increased property-related "fee" or "charge," which is defined as "any levy other than an ad valorem tax, a special tax or an assessment, imposed by a [local government] upon a parcel or upon a person as an incident of property ownership, including user fees or charges for a property related service" (and referred to in this section as a "property-related fee or charge").

On November 2, 2010, California voters approved Proposition 26, the so-called "Supermajority Vote to Pass New Taxes and Fees Act." Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as "fees." Proposition 26 amended Articles XIIIA and XIIIC of the State Constitution. The amendments to Article XIIIA limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. Proposition 26's amendments to Article XIIIC broadly define "tax," but specifically exclude, among other things:

"(1) A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.

(2) A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.

...

(6) A charge imposed as a condition of property development.

(7) Assessments and property-related fees imposed in accordance with the provisions of Article XIII D."

Property-Related Fees and Charges. Under Article XIIID, before a municipality may impose or increase any property-related fee or charge, the entity must give written notice to the record owner of each parcel of land affected by that fee or charge. The municipality must then hold a hearing upon the proposed imposition or increase at least 45 days after the written notice is mailed, and, if a majority of the property owners of the identified parcels present written protests against the proposal, the municipality may not impose or increase the property-related fee or charge.

Further, under Article XIIID, revenues derived from a property-related fee or charge may not exceed the funds required to provide the "property-related service" and the entity may not use such fee or charge for any purpose other than that for which it imposed the fee or charge. The amount of a property-related fee or charge may not exceed the proportional cost of the service attributable to the parcel, and no property-related fee or charge may be imposed for a service unless that service is actually used by, or is immediately available to, the owner of the property in question.

Initiative Power. In addition, Article XIIIC states that "the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge. The power of initiative to affect local taxes, assessments, fees and charges shall be applicable to all local governments and neither the Legislature nor any local government charter shall impose a signature requirement higher than that applicable to statewide statutory initiatives."

Judicial Interpretation of Articles XIIIC and XIIID. After Proposition 218 was enacted in 1996, appellate court cases and an Attorney General's opinion initially indicated that fees and charges levied for wastewater and water services would not be considered property-related fees and charges, and thus not subject to the requirements of Article XIIID regarding notice, hearing and protests in connection with any increase in the fees and charges being imposed. However, three recent cases have held that certain types of water and wastewater charges could be subject to the requirements of Article XIIID under certain circumstances.

In *Richmond v. Shasta Community Services District* (2004) 32 Cal.4th 409, the California Supreme Court addressed the applicability of the notice, hearing and protest provisions of Article XIIID to certain charges related to water service. In *Richmond*, the Court held that capacity charges are not subject to Proposition 218. The Court also indicated in dictum that a fee for ongoing water service through an existing connection could, under certain circumstances, constitute a property-related fee and charge, with the result that a local government imposing such a fee and charge must comply with the notice, hearing and protest requirements of Article XIIID.

In *Howard Jarvis Taxpayers Association v. City of Fresno* (2005) 127 Cal.App.4th 914, the California Court of Appeal, Fifth District, concluded that water, sewer and trash fees are property-related fees subject to Proposition 218 and a municipality must comply with Article XIIID before imposing or increasing such fees. The California Supreme Court denied the City of Fresno's petition for review of the Court of Appeal's decision on June 15, 2005.

In July 2006 the California Supreme Court, in *Bighorn-Desert View Water Agency v. Verjil* (2006) 39 Cal.4th 205, addressed the validity of a local voter initiative measure that would have (a) reduced a water agency's rates for water consumption (and other water charges), and (b) required the water agency to obtain voter approval before increasing any existing water rate, fee, or charge, or imposing any new water rate, fee, or charge. The court adopted the position indicated by its statement in *Richmond* that a public water agency's charges for ongoing water delivery are "fees and charges" within the meaning of Article XIIID, and went on to hold that charges for ongoing water delivery are also "fees" within the meaning of Article XIIIC's mandate that the initiative power of the electorate cannot be prohibited or limited in matters of reducing or repealing any local tax, assessment, fee or charge. Therefore, the court held, Article XIIIC authorizes local voters to adopt an initiative measure that would reduce or repeal a public agency's water rates and other water delivery charges. (However, the court ultimately ruled in favor of the water agency and held that the entire initiative measure was invalid on the grounds that the second part of the initiative measure, which would have subjected future water rate increases to prior voter approval, was not supported by Article XIIIC and was therefore invalid.)

The court in *Bighorn* specifically noted that it was not holding that the initiative power is free of all limitations; the court stated that it was *not* determining whether the electorate's initiative power is subject to the statutory provision requiring that water service charges be set at a level that will pay for operating expenses, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions, and enlargements, pay the interest on any bonded debt, and provide a sinking or other fund for the payment of the principal of such debt as it may become due.

Articles XIIIC and XIIID and the City's Water Rates and Charges. The City's current water rates (see "THE WATER SYSTEM") were adopted by ordinance of the City Council following notice to property owners and a public hearing held at least 45 days after the notice had been mailed, in compliance with the *Bighorn* decision.

The City believes its water rates and charges do not constitute "taxes" under Article XIIIC as revised by Proposition 26 because, as described in subsection 1(e)(7) of Article XIIIC, they are "property-related fees imposed in accordance with the provisions of Article XIIID" (and are also charges for a "property-related service" as defined in subsection 2(g) of Article XIIID) and because, as described in subsection 1(e)(2) of Article XIIIC, they are charged for water service, "a specific government service or product provided directly to the payor that is not provided to those not charged."

Conclusion. It is not possible to predict how courts will further interpret Article XIIIC and Article XIIID in future judicial decisions, and what, if any, further implementing legislation will be enacted.

Under the *Bighorn* case, local voters could adopt an initiative measure that reduces or repeals the City's rates and charges, though it is not clear whether (and California courts have not decided whether) any such reduction or repeal by initiative would be enforceable in a situation in which such rates and charges are pledged to the repayment of bonds or other indebtedness, as is the case with respect to the 2023 Bonds.

There can be no assurance that the courts will not further interpret, or the voters will not amend, Article XIIIC and Article XIIID to limit the ability of local agencies to impose, levy, charge and collect increased fees and charges for water**,** or to call into question previously adopted water rate increases.

Future Parity Debt

As described in "SECURITY FOR THE 2023 BONDS" above, the Indenture permits the City to incur additional Parity Debt, which would be payable on a parity with the payment of debt service of the 2023 Bonds. In the event of a decline in Net Revenues available to pay debt service on the 2023 Bonds, the existence of Parity Debt could adversely affect the City's ability to pay debt service on the 2023 Bonds.

No Reserve Fund

The City is not funding a debt service reserve fund for the 2023 Bonds, and is not obligated to do so for any future Parity Debt.

Limitations on Remedies Available to Owners of the 2023 Bonds

The ability of the City to comply with its covenants under the Indenture and to generate Net Revenues sufficient to pay debt service on the 2023 Bonds may be adversely affected by actions and events outside of the control of the City, and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or payers of assessments, fees and charges. See "- Articles XIIIC and XIIID of the California Constitution" above. Furthermore, any remedies available to the Owners of the 2023 Bonds upon the occurrence of an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

In addition to the limitations on remedies contained in the Indenture, the rights and obligations under the 2023 Bonds and the Indenture may be subject to the following: the United States Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the Owners of the 2023 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

Natural Disasters

The City, like all California communities, is subject to unpredictable seismic activity, fires or floods. If there were a severe seismic, flood or fire event in the City, there could be substantial damage to and interference with the City, including the Water System, which could impact the receipt of Gross Revenues, increase Operation and Maintenance Costs and adversely affect the City's ability to pay debt service on the 2023 Bonds.

Seismic Hazards. Like many areas of California, the City is subject to seismic activity and resulting liquefaction and subsidence. The primary seismic hazard is ground shaking produced by earthquakes generated on regional faults lying outside the immediate vicinity of the Clovis area. The northwest-trending Clovis Fault is believed to be located approximately five to six miles east of the City, extending from an area just south of the San Joaquin River to a few miles south of Fancher Creek. The most probable sources of earthquakes that might have a potential for causing damage in the City are: the Owens Valley Fault Group located about 68 miles to the northeast; the Foothills Suture Fault Zone located approximately 75 miles to the north; the San Andreas Fault located approximately 80 miles to the southwest; and the White Wolf fault located about 120 miles to the south.

Wildfire. In recent years, wildfires have caused extensive damage throughout the State. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances, entire neighborhoods have been destroyed. Several fires which occurred in 2017 damaged or destroyed property in areas that were not previously considered to be at risk from such events. In November 2018, the Camp Fire occurred in Butte County, California. The Camp Fire is the deadliest and most destructive wildfire in the recorded history of the State burning more than 150,000 acres and destroying more than 11,500 structures, including most of the structures in the City of Paradise, California. Starting in September 2020, the Creek Fire burned almost 380,000 acres in the County and neighboring Madera County and destroyed more than 850 structures before it was fully contained in December 2020. Some commentators believe that climate change will lead to even more frequent and damaging wildfires in the future.

To quantify this potential hazard, the California Department of Forestry and Fire Protection ("**Cal Fire**") has developed a fire modeling and mapping process that utilizes three main criteria in order to evaluate and recommend potential fire hazards in wildland areas. The criteria are type of vegetation, fire weather, and topography. The maps developed by Cal Fire identify areas as Fire Hazard Severity Zones and include three severity classifications: moderate, high, and very high. The area immediately north and northeast of the City is classified as a moderate fire hazard severity area.

Flooding Hazards. Portions of the City have been subject to historical flooding. The City uses the Federal Emergency Management Agency's Flood Insurance Study (FIS) and Flood Insurance Rate Map(s) (FIRM) as published in 2005 to assess flood risk and infrastructure mitigation.

The City is subject to flooding from a variety of sources:

- The City is traversed by four natural stream systems. Each of these systems is comprised of sub-streams, or creeks, that collect together to discharge to a centralized natural drainage channel. These stream systems collect storm runoff from the foothills east of the City and convey the runoff through the Clovis/Fresno metropolitan areas to the Fresno slough, which is located westerly of the City of Fresno. Many of these channels have been modified over time and have become duel use storm water conveyance channels and irrigation water conveyance channels. Those streams that have not been used for irrigation purposes have essentially remained in their natural state and have historically flowed uncontrolled during storm runoff events. These stream channels have limited flow capacity. In some cases, the historical uncontrolled grading of land has obliterated or severely modified the natural channels to the extent that their flow capacity has been seriously limited. Flooding has been a serious problem in the Clovis/Fresno metropolitan area when these channel capacities are exceeded.

- There are possible overflow areas from the Alluvial Drain area and the Dry Creek Reservoir. The major inundation areas from potential overflows from the Dry Creek Reservoir affect a majority of the northwesterly portion of the boundaries of the City, as well as the northwesterly portion of the current City Sphere of Influence.

- The Big Dry Creek Dam impounds storm-water runoff from Big Dry Creek in the Big Dry Creek Reservoir. Big Dry Creek Reservoir is owned and operated by the Fresno County Metropolitan Flood Control District, and is intended primarily for flood control of winter runoff from the Dry Creek and Dog Creek watersheds. The reservoir was designed for a 200-year standard project flood, which is a design specification used by the Army Corps of Engineers for reservoirs.

- The Dog Creek Channel alignment and in low depressed areas along the easterly sides of the Enterprise Canal.

Drought

The Central Valley, like the rest of the State of California, experiences recurring drought as a result of its climate conditions. Droughts impact public health and safety related to both water supply and wildfire risk. On October 19, 2021, the Governor declared a Statewide drought state of emergency and requested that all water users voluntarily reduce water use by 15%. On March 24, 2023, the Governor eased the emergency drought restrictions imposed as a result of the Governor's 2021 declaration. Drought conditions and voluntary or mandatory conservation measures could decrease usage of the services of the Water System. Although a decline in demand would reduce certain variable expenses, such reductions would not be expected to be sufficient to fully offset the decline in revenues. Reduction in revenues resulting from a decline in demand could require an increase in rates or charges in order to produce Net Revenues sufficient to comply with the City's rate covenant. See "THE WATER SYSTEM – Rate Structure." Rate increases could increase the likelihood of nonpayment. See also "THE WATER SYSTEM – Drought and Response."

There can be no assurance that the Net Revenues of the Agency will not be affected by an ongoing drought.

Cybersecurity

The City (including its Water System), like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other sensitive electronic information, the City is potentially subject to multiple cyber threats, including without limitation hacking, viruses, ransomware, malware and other attacks. The City maintains cybersecurity policies, provides training to staff, and has a policy of cybersecurity insurance. However, no assurance can be given that the City's efforts to manage cyber threats and attacks will be successful in all cases, or that any such attack will not materially impact the operations or finances of the City or the Water System, or the administration of the 2023 Bonds. The City is also reliant on other entities and service providers in connection with the administration of the 2023 Bonds, including without limitation the Trustee. No assurance can be given that the City, the Water System, and these other entities will not be affected by cyber threats and attacks in a manner that may affect the owners of the 2023 Bonds.

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the 2023 Bonds or, if a secondary market exists, that any 2023 Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

Loss of Tax-Exemption

As discussed under the caption "TAX MATTERS," interest on the 2023 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the 2023 Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Indenture.

In addition, current and future legislative proposals, if enacted into law, may cause interest on the 2023 Bonds to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the aggregate amount of interest on state and local government bonds that may be treated as tax exempt by individuals.

Should such an event of taxability occur, the 2023 Bonds are not subject to special redemption and will remain Outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

CONTINUING DISCLOSURE

The City will covenant for the benefit of owners of the 2023 Bonds to provide certain financial information and operating data relating to the City and the Water System (the "**Annual Report**") by not later than nine months after the end of the City's fiscal year (presently June 30), commencing March 31, 2024, with the report for the fiscal year ending June 30, 2023, and to provide notices of the occurrence of certain listed events.

These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5), as amended (the "**Rule**"). The specific nature of the information to be contained in the Annual Report or the notices of listed events is set forth in "APPENDIX E – FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Within the past five years, the City has not failed to comply with any continuing disclosure obligations related to outstanding indebtedness. The City has adopted a disclosure policy to assure compliance with the City's continuing disclosure requirements.

APPROVAL OF LEGAL PROCEEDINGS

The legal opinion of Bond Counsel, approving the validity of the 2023 Bonds, in substantially the form attached hereto as Appendix D, will be made available to purchasers at the time of original delivery of the 2023 Bonds, and a copy of the opinion will accompany each 2023 Bond.

Certain matters with respect to this Official Statement will be considered on behalf of the City by Jones Hall, A Professional Law Corporation ("**Disclosure Counsel**").

Certain matters will be passed upon for the City by the City Attorney.

Stradling Yocca Carlson & Rauth, a Professional Corporation, is acting as Underwriter's Counsel.

Payment of the fees of Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon issuance of the 2023 Bonds.

TAX MATTERS

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2023 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Bonds may be subject to the corporate alternative minimum tax

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") that must be satisfied subsequent to the issuance of the 2023 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2023 Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2023 Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "bond premium" for purposes of federal income taxes and State of California personal income taxes.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the 2023 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2023 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2023 Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2023 Bonds who purchase the 2023 Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2023 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2023 Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2023 Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the 2023 Bond (said term being the shorter of the 2023 Bond's maturity date or its call date). The amount of bond premium amortized each year reduces the adjusted basis of the owner of the 2023 Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a 2023 Bond is amortized each year over the term to maturity of the 2023 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized 2023 Bond premium is not deductible for federal income tax purposes. Owners of premium 2023 Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2023 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2023 Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2023 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2023 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2023 Bonds, or as to the consequences of owning or receiving interest on the 2023 Bonds, as of any future date. Prospective purchasers of the 2023 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2023 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Bonds, the ownership, sale or disposition of the 2023 Bonds, or the amount, accrual or receipt of interest on the 2023 Bonds.

LITIGATION

There is no action, suit or proceeding pending or, to the knowledge of the City, threatened at the present time seeking to restrain or to enjoin the sale or delivery of the 2023 Bonds or in any way contesting or affecting the validity or enforceability of the 2023 Bonds or the Indenture or any action of the City contemplated by any of said documents.

There are no pending suits contesting or affecting the collection of Gross Revenues or which would have a material adverse effect on the Water System, the financial condition of the City, including the City's ability to pay debt service on the 2023 Bonds, or the receipt of Gross Revenues by the City.

FINANCIAL STATEMENTS

The Pun Group, San Diego, California, audited the financial statements of the City for the fiscal year ended June 30, 2022. The firm's examination was made in accordance with generally accepted auditing standards. See Appendix A.

The City has not requested nor did the City obtain permission from The Pun Group to include the audited financial statements as an appendix to this Official Statement. Accordingly, The Pun Group has not performed any post-audit review of the financial condition or operations of the City or taken any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by The Pun Group with respect to any event subsequent to the date of the financial statements.

RATINGS

S&P Global Ratings ("**S&P**") has assigned the rating of "___" to the 2023 Bonds. Such rating reflects only the view of S&P and an explanation of the significance of such rating and any outlook associated with such rating may be obtained from S&P. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2023 Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Robert Thomas CPA, LLC, Overland Park, Kansas, independent accountants, upon delivery of the 2023 Bonds, will deliver one or more reports on the mathematical accuracy of certain computations contained in schedules provided to them relating to the sufficiency of moneys and securities deposited into the Escrow Fund to pay, when due, the principal, whether at maturity or upon prior redemption, interest and redemption premium requirements of the 2013 Bonds.

UNDERWRITING

The 2023 Bonds are being purchased by Samuel A. Ramirez & Co., Inc. as underwriter (the "**Underwriter**"). The Underwriter has agreed, subject to certain conditions, to purchase all of the 2023 Bonds described on the cover page of this Official Statement at an aggregate purchase price of $_____________ (which is equal to the par amount of the 2023 Bonds, [plus/less] a [net] original issue [premium/discount] of $___________ and less an underwriter's discount of $____________).

The initial public offering prices stated on the inside cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the 2023 Bonds to certain dealers (including dealers depositing 2023 Bonds into investment trusts), dealer banks, banks acting as agent and others at prices lower than such public offering prices.

PROFESSIONAL FEES

In connection with the issuance of the 2023 Bonds, fees or compensation payable to certain professionals are contingent upon the issuance and delivery of the 2023 Bonds. Those professionals include:

- the Underwriter;
- Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel;
- Lozano Smith, LLP, as City Attorney;
- Stradling Yocca Carlson & Rauth, a Professional Corporation, as Underwriter's

Counsel;

- Kosmont Financial Services, as Municipal Advisor
- Robert Thomas CPA, LLC, as verification agent, and
- U.S. Bank Trust Company, National Association, as Trustee and Escrow Agent.

MISCELLANEOUS

References made in this Official Statement to certain documents and reports are brief summaries thereof and do not purport to be complete or definitive, and reference is hereby made to such documents and reports for a full and complete statement of the contents thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or registered owners of any of the 2023 Bonds. The delivery and distribution of this Official Statement have been duly authorized by the City.

EXECUTION

The execution and delivery of the Official Statement has been duly authorized by the City Council of the City.

CITY OF CLOVIS

By:____
City Manager

APPENDIX A

ANNUAL COMPREHENSIVE FINANCIAL REPORT, JUNE 30, 2022

APPENDIX B

GENERAL INFORMATION ABOUT THE CITY OF CLOVIS

*The following information concerning the County of Fresno (the **"County"**) and the City of Clovis (the **"City"**) is included only for the purpose of supplying general information regarding the area of the City. The 2023 Bonds are payable solely from the sources described herein (see "SECURITY FOR THE 2023 BONDS" in the front section of this Official Statement). The 2023 Bonds are not a debt of the City, the County, the State of California (the **"State"**) or any of its political subdivisions, and neither the City, the County, the State or any of its political subdivisions is liable therefor.*

General

The City. The City encompasses approximately 26 square miles located in the northeastern corner of the Fresno/Clovis metropolitan area, adjacent to the City of Fresno and approximately ten miles northeast of downtown Fresno. For many years Clovis was a suburban growth area for the City of Fresno, having very little in the way of any independent economic base. However, in recent years the pace of development in both retail sales and light manufacturing has proceeded proportionately faster than the City's already substantial residential development. Clovis is the most rapidly growing city in the County.

The County. The County is California's fifth largest county, covering approximately 6,000 square miles. It is located in the geographic center of the State and is the nation's leading crop-producing county.

Within the County, there are roughly four different agricultural areas. East and south of the City of Fresno, grapes and other fruit and nut crops are grown, harvested and processed for shipment; west of the City of Fresno is the largest melon-producing area, which lies within the Mendota Unified School District. Also to the west, large crops of cotton, alfalfa, barley, rice, wheat and vegetables are produced. In the southwest are oil wells, and extensive cattle and sheep ranches.

The County is the trade, financial and commercial center for many surrounding counties in Central California and is a hub of transportation facilities connecting Central California to all parts of the country. Two major north-south highways, State Highway 99 and Interstate Highway 5, pass through the County. State Highways 180 and 145 run east and west. Railroads, major airlines, bus lines and numerous trucking companies also serve the area.

Population

The table below shows comparable population data for the City as well as the County and the State.

CITY OF CLOVIS, COUNTY OF FRESNO
AND STATE OF CALIFORNIA
Population Estimates

Calendar Year	City of Clovis	County of Fresno	State of California
2019	116,609	1,015,195	39,605,361
2020	119,968	1,008,654	39,648,938
2021	121,451	1,007,359	39,286,510
2022	123,532	1,009,790	39,078,674
2023	124,523	1,011,499	38,940,231

Source: State Department of Finance, Demographic Research.

Employment

The City is included in the Fresno Metropolitan Statistical Area ("**MSA**"). The unemployment rate in the City was 3.6 percent in May 2023. The unemployment rate in Fresno County was 7.5 percent in May 2023, unchanged from a revised 7.5 percent in April 2023, and above the year-ago estimate of 5.6 percent. This compares with an unadjusted unemployment rate of 4.5 percent for California and 3.4 percent for the nation during the same period.

The table below provides information about employment by industry type for Fresno MSA for calendar years 2018 through 2022.

FRESNO METROPOLITAN STATISTICAL AREA
Civilian Labor Force, Employment and
Unemployment, Unemployment by Industry
(Annual Averages)

	2018	**2019**	**2020**	**2021**	**2022**
Civilian Labor Force (1)	446,200	451,300	446,500	444,500	453,200
Employment	412,400	418,400	394,500	403,900	424,300
Unemployment	33,800	32,900	52,000	40,600	28,900
Unemployment Rate	7.6%	7.3%	11.7%	9.1%	6.4%
Wage and Salary Employment: (2)					
Agriculture	44,200	44,100	40,300	40,500	40,200
Mining and Logging	300	200	200	300	200
Construction	18,700	19,000	18,800	20,200	22,300
Manufacturing	25,900	26,200	25,800	26,100	27,000
Wholesale Trade	14,400	14,700	14,400	14,900	16,000
Retail Trade	39,100	38,700	36,900	39,100	40,000
Trans., Warehousing, Utilities	15,400	16,600	18,300	19,500	20,600
Information	3,600	3,400	3,000	3,000	3,200
Financial and Insurance	9,200	9,300	8,800	8,300	7,900
Professional and Business Services	32,500	34,600	32,100	32,200	34,200
Educational and Health Services	69,300	72,500	71,700	74,800	79,400
Leisure and Hospitality	34,500	35,700	28,800	32,900	37,000
Other Services	11,900	12,100	11,100	12,000	12,800
Federal Government	10,000	10,100	10,800	10,100	9,600
State Government	12,600	12,800	12,500	12,100	12,500
Local Government	51,900	52,300	49,200	48,700	51,600
Total All Industries (3)	398,300	407,400	387,300	399,300	419,600

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Columns may not sum to totals due to rounding.
Source: State of California Employment Development Department.

Largest Employers

The table below lists the major employers in the County, listed alphabetically, as of July 2023.

FRESNO COUNTY
Major Employers

Employer Name	Location	Industry
Air National Guard	Fresno	Veterans' & Military Organizations
Cargill	Fresno	Meat Packers (mfrs)
Cen Cal Builders & Dev Inc	Clovis	Building Contractors
Community Regional Medical Ctr	Fresno	Hospitals
Csu Fresno	Fresno	Schools-Universities & Colleges Academic
Foster Farms	Fresno	Poultry Farms
Fresno County Sheriff's Office	Fresno	Police Departments
Fresno Police Dept	Fresno	Police Departments
Fresno Police Dept-Central	Fresno	Police Departments
Fresno VA Hospital Medical Ctr	Fresno	Government-Specialty Hosp Ex Psychiatric
Gap Pacific Distribution Ctr	Fresno	Distribution Services
Kaiser Permanente Fresno Med	Fresno	Hospitals
Lion Dehydrators	Selma	Dehydrating Service (mfrs)
Pelco Inc	Fresno	Security Control Equip & Systems-Mfrs
Phebe Conley Art Gallery	Fresno	Art Galleries & Dealers
Pitman Family Farms	Sanger	Farms
Pleasant Valley State Prison	Coalinga	Government Offices-State
St Agnes Medical Ctr	Fresno	Medical Centers
St Agnes Medical Ctr	Fresno	Hospitals
Stamoules Produce Co	Mendota	Fruits & Vegetables & Produce-Retail
State Center Community College	Fresno	Junior-Community College-Tech Institutes
Table Mountain Casino	Friant	Casinos
Taylor Communications	Fresno	Commercial Printing NEC (mfrs)
Teaching Fellows	Fresno	Employment Service-Govt Co Fraternal
Via West Insurance	Fresno	Insurance

Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2023 2nd Edition.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the past five years.

CITY OF CLOVIS, FRESNO COUNTY
Effective Buying Income
As of January 1, 2019 through 2023

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2019	City of Clovis	$3,033,802	$63,931
	County of Fresno	19,290,618	46,028
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841
2020	City of Clovis	$3,212,958	$66,937
	County of Fresno	20,689,761	48,980
	California	1,243,564,816	65,870
	United States	9,487,165,436	55,303
2021	City of Clovis	$3,108,958	$66,067
	County of Fresno	20,194,328	48,681
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	City of Clovis	$3,679,231	$76,995
	County of Fresno	23,555,796	57,777
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Clovis	$4,339,833	$79,077
	County of Fresno	24,597,995	58,117
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326

Source: Claritas, LLC.

Commercial Activity

A summary of historic taxable sales within the City and the County during the past five years in which data are available is shown in the following table.

Total taxable sales reported during calendar year 2022 in the City were $2,725,976,506, a 5.54% increase over the total taxable sales of $2,582,845,691 reported during calendar year 2021.

CITY OF CLOVIS
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	**Taxable Transactions**	**Number of Permits**	**Taxable Transactions**
2018	1,663	$1,713,859	2,573	$1,936,041
2019	1,700	1,764,679	2,665	2,005,233
2020	1,876	1,791,048	2,955	2,055,311
2021	1,741	2,265,856	2,798	2,582,846
2022	1,793	2,377,079	2,945	2,725,977

Source: State Department of Tax and Fee Administration.

Total taxable sales reported during calendar year 2022 in the County were $24,211,340,122, a 5.45% increase over the total taxable sales of $22,960,963,038 reported during calendar year 2021.

FRESNO COUNTY
Annual Taxable Transactions
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	**Taxable Transactions**	**Number of Permits**	**Taxable Transactions**
2018	13,041	$10,566,360	21,036	$15,386,256
2019	13,516	11,073,207	22,082	16,179,870
2020	14,811	11,557,538	24,307	16,930,267
2021	14,162	16,672,884	23,521	22,960,963
2022	14,654	17,184,220	24,512	24,211,340

Source: State Department of Tax and Fee Administration.

Construction Activity

The tables below summarize building activity in the County from calendar years 2018 through 2022.

CITY OF CLOVIS
Total Building Permit Valuations
(Valuations in Thousands)
Calendar Years 2018 through 2022

	2018	2019	2020	2021	2022
Permit Valuation					
New Single-family	$255,316.8	$237,203.6	$338,489.4	$220,237.9	$169,256.4
New Multi-family	13,758.5	35,488.0	7,048.9	36,334.9	29,392.5
Res. Alterations/Additions	2,468.9	5,629.9	3,082.9	3,385.8	3,380.8
Total Residential	$271,544.2	$278,321.5	$348,621.2	$259,958.6	$202,029.7
New Commercial	$8,123.8	$120,489.4	$23,034.5	$121,987.4	$23,267.0
New Industrial	1,121.9	0.0	1,611.3	1,952.7	0.0
New Other	28,436.3	16,006.9	24,934.5	30,466.1	35,713.5
Com. Alterations/Additions	21,008.8	16,464.5	17,289.7	106,900.9	10,185.9
Total Nonresidential	$58,690.8	$152,960.8	$66,870.0	$261,307.1	$69,166.4
New Dwelling Units					
Single Family	896	821	1,087	757	487
Multiple Family	104	302	64	286	238
TOTAL	1,000	1,123	1,151	1,043	725

Source: Construction Industry Research Board, Building Permit Summary.

FRESNO COUNTY
Total Building Permit Valuations
(Valuations in Thousands)
Calendar Years 2018 through 2022

	2018	2019	2020	2021	2022
Permit Valuation					
New Single-family	$703,307.1	$770,423.8	$769,338.0	$889,656.9	$542,870.4
New Multi-family	67,589.9	87,818.1	183,382.3	53,428.9	171,092.2
Res. Alterations/Additions	47,115.5	41,033.6	30,839.5	57,187.3	39,525.3
Total Residential	$818,012.5	$899,275.5	$983,559.8	$1,000,273.1	$753,487.9
New Commercial	$139,662.0	$273,781.9	$256,617.3	$179,674.3	$173,813.0
New Industrial	37,564.8	7,105.1	9,965.7	1,952.7	6,742.0
New Other	90,451.9	54,746.2	100,674.4	89,285.2	120,021.4
Com. Alterations/Additions	229,373.0	163,703.6	210,055.6	127,121.0	173,258.1
Total Nonresidential	$497,051.7	$499,336.8	$577,313.0	$398,033.2	$473,834.5
New Dwelling Units					
Single Family	2,560	2,732	2,747	3,337	1,865
Multiple Family	290	689	653	398	1,235
TOTAL	2,850	3,421	3,400	3,735	3,100

Source: Construction Industry Research Board, Building Permit Summary.

Transportation

Two major railroads, a modern system of highways and a growing airport complex have contributed to the industrial, commercial and residential growth of the County. Burlington Northern Santa Fe and Union Pacific provide main line rail freight service to the area. Amtrak has passenger service daily. Fresno Yosemite International Airport in the City of Fresno provides regularly scheduled passenger and freight service to major metropolitan centers in the nation. Fresno-Chandler Executive Airport, also in the City of Fresno, can accommodate approximately 297 general aircraft with approximately 231 currently based at the facility.

State Highway 99 is a north-south artery that passes through the heart of the County and the San Joaquin Valley, connecting many of the Valley’s major cities. Interstate Highway 5 runs in a north-south direction through the western part of the County and the San Joaquin Valley. Both State Highway 99 and Interstate Highway 5 are major north-south routes between Los Angeles, San Francisco and Sacramento. State Routes 41,168 and 180 serve the Fresno metropolitan area and connect it to the eastern and western parts of the County. The deepwater Port of Stockton is located 122 miles north of Fresno on Interstate Highway 5.

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of the provisions of the Indenture not otherwise summarized in the text of this Official Statement. Such summary is not intended to be definitive, and reference is made to the complete Indenture for the actual terms thereof.

Definitions

As used in this Summary, the following terms have the following meanings. In addition, terms defined elsewhere in this Official Statement and not otherwise defined in this Summary have the meanings given them in this Official Statement.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the City of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Tax Code.

"Bond Year" means any twelve-month period commencing on March 2 in a year and ending on the next succeeding March 1, both dates inclusive; except that the first Bond Year commences on the Closing Date and ends on March 1, 2024.

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are not required or authorized to remain closed in the city in which the Office of the Trustee is located, and on which the Federal Reserve Bank system is not closed.

"Closing Date" means the date of delivery of the Bonds to the original purchaser of the Bonds.

"Defeasance Securities" means: (a) any direct general non-callable obligations of the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America; (b) any obligations the timely payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America or which are secured by obligations described in the preceding clause (a); (c) the interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form; (d) pre-refunded municipal bonds rated in the highest rating category by any Rating Agency; and (e) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies: (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development; and (vi) obligations of the Federal Home Loan Bank (FHLB).

"Gross Revenues" means all gross charges (including surcharges, if any) received for, and all other gross income and receipts derived by the City from, the ownership and operation of the Water System or otherwise arising from the Water System, including but not limited to (a) connection charges or developer impact fees, and (b) investment earnings on amounts held in the Water Fund or in any other fund established with respect to the Water System. Gross Revenues do not include (i) refundable deposits made to establish credit, (ii) the proceeds of any *ad valorem* property taxes, and (iii) the proceeds of any special assessments or special taxes levied upon real property within any improvement district served by the City for the purpose of paying special assessment bonds or special tax obligations of the City relating to the Water System.

"Independent Accountant" means any accountant or firm of such accountants appointed and paid by the City, and who, or each of whom (a) is in fact independent and not under domination of the City; (b) does not have any substantial interest, direct or indirect, with the City; and (c) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make annual or other audits of the books of or reports to the City.

"Maximum Annual Debt Service" means, as of the date of any calculation, the maximum sum obtained for the current or any future Fiscal Year so long as any of the Bonds remain Outstanding by totaling the following amounts for such Fiscal Year:

(a) the aggregate amount of principal of and interest on the Outstanding Bonds coming due and payable in such Fiscal Year, including the principal amount of the Term Bonds coming due and payable by operation of mandatory sinking fund redemption;

(b) the principal amount of all outstanding Parity Debt, if any, coming due and payable by their terms in such Fiscal Year, including the principal amount of any Parity Debt coming due and payable by operation of mandatory sinking redemption; and

(c) the amount of interest which would be due during such Fiscal Year on the aggregate principal amount of the Bonds and Parity Debt which would be outstanding in such Fiscal Year if such Bonds and Parity Debt are retired as scheduled; provided, however, that in the event any such Parity Obligations bear interest at a variable rate, such interest shall be calculated at an assumed rate equal to the 30-year Revenue Bond Index as published in any issue of The Bond Buyer no more than two weeks prior to the date of issuance of such Parity Obligations.

"Net Revenues" means, for any period, an amount equal to all of the Gross Revenues received during such period minus all Operation and Maintenance Costs coming due and payable during such period.

"Operation and Maintenance Costs" means the reasonable and necessary costs and expenses paid by the City to maintain and operate the Water System, including but not limited to (a) costs of acquisition of water to be supplied by the Water System, (b) costs of electricity and other forms of energy supplied to the Water System, (c) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Water System in good repair and working order, and (d) the reasonable administrative costs of the City attributable to the operation and maintenance of the Water System. Operation and Maintenance Costs do not include (i) debt service payable on obligations incurred by the City with respect to the Water System, including but not limited to payments of debt service on the Bonds and any Parity Debt, (ii) depreciation, replacement and obsolescence charges or reserves therefor, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

"<u>Parity Debt Documents</u>" means all leases, installment sale agreements, trust agreements, indentures of trust and other documents prescribing the terms and provisions applicable to any issue of Parity Debt.

"<u>Parity Debt</u>" means all bonds, notes, loan agreements, installment sale agreements, leases or other obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues issued or incurred on a parity with the Bonds in accordance with the Indenture.

"<u>Permitted Investments</u>" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(a) Defeasance Securities.

(b) Any direct or indirect obligations of an agency or department of the United States of America whose obligations represent the full faith and credit of the United States of America, or which are rated A or better by any Rating Agency.

(c) Bank deposit products, demand deposits, including interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, other deposit products, certificates of deposit, including those placed by a third party pursuant to an agreement between the Trustee and the City, or bankers acceptances of depository institutions, including the Trustee or any of its affiliates, interest-bearing deposit accounts (including certificates of deposit) in federal or State chartered savings and loan associations or in federal or State of California banks (including the Trustee and its affiliates), provided that: (i) the unsecured obligations of such commercial bank or savings and loan association are rated A or better by any Rating Agency at the time of purchase; (ii) such deposits are fully insured by the Federal Deposit Insurance Corporation; or (iii) such deposits are collateralized by Defeasance Securities in the amount exceeding FDIC insurance.

(d) Commercial paper rated in the highest short-term rating category by any Rating Agency at the time of purchase.

(e) Federal funds or bankers acceptances with a maximum term of one year of any bank which an unsecured, uninsured and unguaranteed obligation rating in the highest rating category of any Rating Agency.

(f) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating in the highest rating category of any Rating Agency (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries receive and retain a fee for services provided to the fund whether as a custodian, transfer agent, investment advisor or otherwise).

(g) Obligations the interest on which is excludable from gross income pursuant to Section 103 of the Tax Code and which are either (a) rated A or better by any Rating Agency, or (b) fully secured as to the payment of principal and interest by Defeasance Securities.

(h) Bonds or notes issued by any state or municipality which are rated by any Rating Agency in one of the two highest rating categories assigned by such Rating Agency.

(i) Any investment agreement with, or guaranteed by, a financial institution the long-term unsecured obligations or the claims paying ability of which are rated A or better by any Rating Agency at the time of initial investment.

(j) The Local Agency Investment Fund of the State of California, created under Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

Ratings of Permitted Investments referred to in this definition shall be determined at the time of purchase of such Permitted Investments and without regard to rating subcategories. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investments or the responsibility to validate the ratings of Permitted Investments prior to the initial purchase.

"Rate Stabilization Fund" means any fund established and held by the City as a fund for the stabilization of rates and charges imposed by the City with respect to the Water System, which fund is established, held and maintained in accordance with the Indenture.

"Rating Agency" means: (a) Standard & Poor's Global Ratings, a business unit of Standard & Poor's Financial Services LLC, of New York, New York, and its successors; (b) Moody's Investors Service, of New York, New York, and its successors; and (c) Fitch Ratings, of New York, New York, and its successors.

"Tax Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

"Water Fund" means the existing fund by that name established and held by the City with respect to the Water System.

"Water System" means the entire system of the City for the supply, storage, treatment and distribution of water within the service area of the City, including but not limited to all facilities, properties, lands, rights, entitlements and other property useful in connection therewith, together with all extensions thereof and improvements thereto at any time acquired, constructed or installed by the City.

Establishment of Funds and Accounts; Flow of Funds

Costs of Issuance Fund. The Trustee will establish the Costs of Issuance Fund under the Indenture, into which a portion of the proceeds of the Bonds will be deposited on the Closing Date. The Trustee will disburse moneys in the Costs of Issuance Fund from time to time to pay Costs of Issuance upon submission of requisitions of the City. On December 1, 2023, the Trustee shall transfer any amounts remaining in the Costs of Issuance Fund to the Bond Fund to be applied to pay a portion of the interest next coming due and payable on the Bonds and the Trustee shall thereupon close the Costs of Issuance Fund.

Water Fund. The City has previously established the Water Fund, which the City shall continue to hold and maintain for the purposes and uses set forth herein. The City shall deposit all of the Gross Revenues in the Water Fund immediately upon receipt. The City shall apply amounts in the Water Fund as set forth in the Indenture and in any Parity Debt Documents. Amounts on deposit in the Water Fund shall be applied by the City to pay when due the following amounts in the following order of priority:

(a) all Operation and Maintenance Costs;

(b) principal and interest coming due on the Bonds and any Parity Debt, including the principal of the Term Bonds and any Parity Debt upon the mandatory sinking fund redemption thereof; and

(c) any other payments required to comply with the provisions of the Indenture and any Parity Debt Documents.

Payment of principal and interest coming due on the Bonds and any Parity Debt shall be made without preference or priority. If the amount of Net Revenues on deposit in the Water Fund is any time insufficient to enable the City to pay in full the amounts due under the foregoing clause (b), such payments shall be made on a pro rata basis.

The City shall manage, conserve and apply the amounts on deposit in the Water Fund in such a manner that all of the foregoing deposits will be made at the times and in the amounts so required. Subject to the foregoing sentence, so long as no Event of Default has occurred and is continuing, the City may use and apply moneys in the Water Fund for (i) the payment of any subordinate obligations or any unsecured obligations, (ii) the acquisition and construction of improvements to the Water System, (iii) the prepayment or redemption of any obligations of the City relating to the Water System, or (iv) any other lawful purposes of the City relating to the Water System.

Bond Fund; Application to Pay Debt Service. At least three Business Days prior to each Interest Payment Date, the City shall withdraw from the Water Fund and transfer to the Trustee an amount which, together with other available amounts then on deposit in the Bond Fund, is at least equal to the aggregate amount of principal and interest coming due on the Bonds on such Interest Payment Date, including the principal amount of any Term Bonds which are subject to mandatory sinking fund redemption on such Interest Payment Date. The Trustee shall deposit such amounts upon receipt thereof in a special fund designated as the “Bond Fund” which the Trustee shall establish, maintain and hold in trust, to be held, disbursed, allocated and applied by the Trustee only as provided in the Indenture. On or before each Interest Payment Date, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts in the following order of priority:

(a) Deposit to Interest Account. The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such Interest Payment Date on all Bonds then Outstanding. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it comes due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Deposit to Principal Account. The Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds coming due and payable on such Interest Payment Date, including the principal amount of any Term Bonds which are subject to mandatory sinking fund redemption on such Interest Payment Date. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal amount of the Bonds at their respective maturity dates and to pay the principal amount of the Term Bonds upon the mandatory sinking fund redemption thereof.

Covenants of the City

In addition to the covenants made by the City under the Indenture which are described elsewhere in this Official Statement, the City makes the following covenants for the benefit of the Bond owners:

Operation of Water System in Efficient and Economical Manner. The City covenants and agrees to operate the Water System in an efficient and economical manner and to operate, maintain and preserve the Water System in good repair and working order.

Sale or Eminent Domain of Water System. The City covenants that the Water System will not be encumbered, sold, leased, pledged, any charge placed thereon, or otherwise dispose of, as a whole or substantially as a whole if such encumbrance, sale, lease, pledge, charge or other disposition would materially impair the ability of the City to pay the principal of or interest on the Bonds or any Parity Debt, or would materially adversely affect its ability to comply with the terms of the Indenture or any Parity Debt Documents. The City may not enter into any agreement which impairs the operation of the Water System or any part of it necessary to secure adequate Net Revenues to pay the Bonds and any Parity Debt, or which otherwise would impair the rights of the Bond Owners with respect to the Net Revenues. If any substantial part of the Water System is sold, the payment therefor shall either (a) be used for the acquisition or construction of improvements and extensions or replacement facilities or (b) be applied to redeem the Bonds or any Parity Debt in accordance with the Indenture and the Parity Debt Documents, respectively.

Any amounts received as awards as a result of the taking of all or any part of the Water System by the lawful exercise of eminent domain, if and to the extent that such right can be exercised against such property of the City, shall either (a) be used for the acquisition or construction of improvements and extension of the Water System, or (b) be applied to redeem the Bonds or any Parity Debt in accordance with the Indenture and the Parity Debt Documents, respectively.

Insurance. The City will at all times maintain with responsible insurers all such insurance on the Water System as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to the Water System. If any useful part of the Water System is damaged or destroyed, such part shall be restored to usable condition. All amounts collected from insurance against accident to or destruction of any portion of the Water System shall be used to repair or rebuild such damaged or destroyed portion of the Water System, and to the extent not so applied, shall be applied to redeem the Bonds or any Parity Debt in accordance with the Indenture and the Parity Debt Documents, respectively. The City shall also maintain, with responsible insurers, worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary to protect the City, the Trustee and the Owners of the Bonds.

Records and Accounts. The City will keep proper books of record and accounts of the Water System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Water System. Said books shall, upon reasonable request, be subject to the inspection of the Trustee (who shall have no duty to inspect) and the Owners of not less than 10% of the Outstanding Bonds or their representatives authorized in writing.

The City will cause the books and accounts of the Water System to be audited annually by an Independent Accountant and will make available for inspection by the Bond Owners at the Office of the Trustee, upon reasonable request, a copy of the report of such Independent Accountant. The City will furnish a copy of such statements, upon reasonable request, to the Trustee (who shall have no duty to inspect) and any Bond Owner.

Compliance With Parity Debt Documents. The City will observe and perform all of the covenants, agreements and conditions on its part required to be observed and performed under the Parity Debt Documents. The City will not take or omit to take any action within its control which would, or which if not corrected with the passage of time would, constitute an event of default under and within the meaning of the Parity Debt Documents.

Tax Covenants. The City will not take, nor permit nor suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of any of the Bonds which would cause any of the Bonds to be “arbitrage bonds” or “private activity bonds” within the meaning of the Tax Code. The City agrees to comply with all provisions of the Tax Code relating to the rebate to the United States of America of excess investment earnings derived from the Bond proceeds.

Amendment of Indenture

The Indenture may be modified or amended at any time by a supplemental indenture with the written consents of the Owners of a majority in aggregate principal amount of the Bonds then outstanding. No such modification or amendment shall:

(i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal thereof, or interest thereon, at the time and place and at the rate and in the currency provided therein, without the written consent of the Owner of such Bond;

(ii) permit the creation by the City of any mortgage, pledge or lien upon the Gross Revenues or the Net Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as expressly permitted by the Indenture), or reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification; or

(iii) modify any of the rights or obligations of the Trustee without its written consent.

The Indenture may also be modified or amended at any time by a supplemental indenture, without the consent of any Bond Owners, to the extent permitted by law, but only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City contained in the Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power therein reserved to or conferred upon the City;

(ii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained in the Indenture, or in any other respect whatsoever as the City deems necessary or desirable, provided under any circumstances that such modifications or amendments do not materially adversely affect the interests of the Owners in the opinion of Bond Counsel filed with the City and the Trustee;

(iii) to provide for the issuance of Parity Debt and to provide the terms and conditions under which such Parity Debt may be issued, including but not limited to the establishment of special funds and accounts relating thereto and any other provisions relating solely thereto, subject to and in accordance with the provisions of the Indenture relating to the issuance of Parity Debt; or

(iv) to amend any provision of the Indenture to assure the exclusion from gross income of interest on the Bonds for federal income tax purposes under the Tax Code, in the opinion of Bond Counsel filed with the City and the Trustee.

In the event of any amendment of the Indenture under the foregoing provisions, the Trustee shall give notice of such amendment to each Rating Agency which then maintains a rating on the Bonds.

Events of Default and Remedies

Events of Default. Each of the following events constitutes an Event of Default under the Indenture:

(a) Failure to pay any installment of the principal of any Bonds when due, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Failure to pay any installment of interest on the Bonds when due.

(c) Failure by the City to observe and perform any of the other covenants, agreements or conditions on its part contained in the Indenture or in the Bonds, if such failure has continued for a period of 60 days after written notice thereof, specifying such failure and requiring the same to be remedied, has been given to the City by the Trustee; provided, however, if in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such 60-day period, such failure will not constitute an Event of Default if the City institutes corrective action within such 60-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time.

(d) The City commences a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

(e) The occurrence and continuation of an event of default under and as defined in any Parity Debt Documents.

Remedies. If an Event of Default occurs and is continuing, the Trustee may, and at the written direction of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, exercise any remedies available to the Trustee and the Bond Owners in law or at equity to enforce the rights of the Bond Owners under the Indenture, subject in all respects to the provisions of the Indenture.

Notice to Bond Owners. Immediately upon obtaining actual knowledge of the occurrence of an Event of Default, but in no event later than five Business Days following obtaining actual knowledge of such occurrence, the Trustee shall give notice of such Event of Default to the City by telephone confirmed in writing. With respect to any Event of Default described in clauses (a) or (b) above the Trustee shall, and with respect to any Event of Default described in clause (c) above the Trustee in its sole discretion may, also give such notice to the Owners in the same manner as provided for notices of redemption of the Bonds.

Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of the Indenture will be applied by the Trustee as follows and in the following order:

(a) *First*, to the payment of any fees, costs and expenses incurred by the Trustee to protect the interests of the Owners of the Bonds; payment of the fees, costs and expenses of the Trustee (including fees and expenses of its counsel, including any allocated costs of internal counsel) incurred in and about the performance of its powers and duties under the Indenture and the payment of all fees, costs and expenses owing to the Trustee, together with interest on all such amounts advanced by the Trustee at the maximum rate permitted by law.

(b) *Second*, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts at the respective rates of interest borne by those Bonds, and if such moneys are insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and interest on overdue amounts without preference or priority among such interest, principal and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

Power of Trustee to Control Proceedings. If the Trustee, upon the happening of an Event of Default, takes any action, by judicial proceedings or otherwise, in the performance of its duties under the Indenture, whether upon its own discretion or upon the request of the Owners of a majority in aggregate principal amount of the Bonds then outstanding, it has full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action. The Trustee may not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the outstanding Bonds opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Limitation on Owners' Right to Sue. No Owner of any Bond has the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Indenture, unless:

(a) said Owner has previously given to the Trustee written notice of the occurrence of an Event of Default;

(b) the Owners of a majority in aggregate principal amount of all the Bonds then outstanding have requested the Trustee in writing to exercise the powers granted to it under the Indenture or to institute such action, suit or proceeding in its own name;

(c) said Owners have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and

(d) the Trustee has failed to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee.

Defeasance of Bonds

The City has the right to pay and discharge the entire indebtedness on any Bonds in any one or more of the following ways:

(a) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee or an escrow bank, in trust, at or before maturity, an amount of cash which, together with the available amounts then on deposit in the funds and accounts established under the

Indenture, in the opinion or report of an Independent Accountant is fully sufficient to pay such Bonds, including all principal and interest;

(c) by irrevocably depositing with the Trustee or an escrow bank, in trust, Defeasance Securities in such amount as an Independent Accountant determines will, together with the interest to accrue thereon and available moneys then on deposit in any of the funds and accounts established under the Indenture, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal and interest) at or before maturity; or

(d) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

Upon such action, and notwithstanding that any such Bonds have not been surrendered for payment, the pledge of the Net Revenues and other funds provided for in the Indenture and all other obligations of the Trustee and the City under the Indenture with respect to such Bonds will cease and terminate.

APPENDIX D

FORM OF BOND COUNSEL OPINION

Upon delivery of the Bonds, Jones Hall, A Professional Law Corporation, Bond Counsel, proposes to render its final approving opinion in substantially the following form.

Letterhead of Jones Hall, A Professional Law Corporation

[Closing Date]

City Council
City of Clovis
1033 Fifth Street
Clovis, California 93612

OPINION: $__________ City of Clovis
2023 Water Revenue Refunding Bonds

Members of the City Council:

We have acted as bond counsel to the City of Clovis (the "City") in connection with the issuance by the City of $__________ aggregate principal amount of bonds designated the "City of Clovis 2023 Water Revenue Refunding Bonds" (the "Bonds"), under the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Sections 53570 and 53580 of said Code (the “Bond Law”), under an Indenture of Trust dated as of September 1, 2023 (the "Indenture"), between the City and U.S. Bank Trust Company, National Association, as trustee, and under a resolution adopted by the City Council of the City on August 21, 2023. We have examined the Bond Law, an executed copy of the Indenture and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Indenture and in the certified proceedings and other opinions and certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon our examination we are of the opinion, under existing law, that:

1. The City is a municipal corporation organized and existing under the laws of the State of California, with power to enter into the Indenture, to perform the agreements on its part contained therein and to issue the Bonds.

2. The Bonds have been duly authorized, executed and delivered by the City and are legal, valid and binding obligations of the City, payable solely from the sources provided therefor in the Indenture.

3. The Indenture has been duly approved by the City and constitutes a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

4. Under the Bond Law, the Indenture establishes a valid lien on and pledge of the Net Revenues of the Water System (as such terms are defined in the Indenture) for the security of the Bonds and any obligations issued on a parity therewith.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted however that interest on the Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

6. Interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$__________
CITY OF CLOVIS
2023 WATER REVENUE REFUNDING BONDS

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the City of Clovis (the "City") in connection with the execution and delivery of the bonds captioned above (the "Bonds"). The Bonds are being executed and delivered pursuant to an Indenture of Trust, dated as of September 1, 2023 (the "Indenture"), by and between the City and U.S. Bank Trust Company, National Association, as trustee. The City covenants and agrees as follows:

Section 1. <u>Purpose of the Disclosure Certificate</u>. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. <u>Definitions</u>. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

"*Dissemination Agent*" means Willdan Financial Services, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

"*Listed Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Samuel A. Ramirez & Co., Inc., the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2024, with the report for the 2022-23 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) a notice to the MSRB, in a timely manner, in an electronic format as prescribed by the MSRB.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) The following information with respect to the City for the Fiscal Year to which the Annual Report relates, which information may be provided by its inclusion in the audited financial statements of the City for the prior Fiscal Year described in subsection (a) above:

1. Information in the form of Table 11 of the Official Statement concerning operating revenues and expenses of the Water System for the then-preceding fiscal year, including Net Revenue of the Water System.

2. Information in the form of Table 12 of the Official Statement concerning operating revenues and expenses of the Water System for the then-preceding fiscal year, including Net Revenue of the Water System and debt service coverage.

3. The outstanding principal amount of the Bonds and any Parity Debt as of June 30 of the most recently completed fiscal year.

4. A description of any Parity Debt issued during the most recently completed fiscal year.

5. A description of any changes in Water System rates and charges adopted by the City Council during the most recently completed fiscal year, and information in the form of Table 8 of the Official Statement concerning rates and charges.

6. Information for the most recently-completed fiscal year in the form of Table 3 of the Official Statement (Historical Water Production), Table 4 of the Official Statement (Average Daily Consumption), Table 5 of the Official Statement (Number of Customer Accounts), Table 6 of the Official Statement (10 Largest Users of Water System), Table 7 of the Official Statement (History of Billings and Delinquencies) and Table 10 of the Official Statement (New Connections).

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

(7) Modifications to rights of security holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the City.

(13) The consummation of a merger, consolidation, or acquisition involving the City, or the sale of all or substantially all of the assets of the City (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material.

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

(b) Upon the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 Business Days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsection (a)(8) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier “if material” and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Upon occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. <u>Identifying Information for Filings with the MSRB</u>. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. <u>Termination of Reporting Obligation</u>. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. <u>Dissemination Agent</u>. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent will be Willdan Financial Services. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. <u>Amendment; Waiver</u>. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given as follows:

To the Issuer:	City of Clovis 1033 Fifth Street Clovis, California 93612
To the Dissemination Agent	Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, California 92590

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: _____________, 2023

CITY OF CLOVIS

By: ___________________________________
City Manager

AGREED AND ACCEPTED:
Willdan Financial Services,
as Dissemination Agent

By: _________________________________
Title: _________________________________

APPENDIX F

INFORMATION CONCERNING DTC

The following description of The Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the 2023 Bonds, payment of principal, interest and other payments on the 2023 Bonds (herein, the "Securities") to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Securities and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Securities (the "Issuer") nor the trustee, Trustee or paying agent appointed with respect to the Securities (the "Agent") takes any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Securities, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Securities, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Securities, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Securities. The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is

a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with

respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO:	Mayor and City Council
FROM:	Public Utilities Department
DATE:	August 21, 2023
SUBJECT:	Consider Approval – Consider an Assessment Increase Election in Landscape Maintenance District No. 1, Benefit Zones 2 and 5. **Staff:** Paul Armendariz, Assistant Public Utilities Director **Recommendation:** Approve
ATTACHMENTS:	1. Election Diagram Map: Benefit Zone 2 2. Election Diagram Map: Benefit Zone 5 3. Proposal – Francisco & Associates, Inc.

CONFLICT OF INTEREST

Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION

1. For the City Council to authorize City staff to proceed with the Landscape Maintenance District assessment increase election; and

2. For the City Council to authorize the City Manager to enter into an agreement with Francisco & Associates, Inc. to administer the Landscape Maintenance District assessment increase election.

EXECUTIVE SUMMARY

Clovis Landscape Maintenance District (LMD) No. 1 is comprised of 49 Benefit Zones that consist of parks, street-side landscaping, neighborhood entry monuments, roundabouts, and lighting that benefit the properties within each of the zones. The properties in each zone are assessed to provide funding for landscape maintenance and the repair and replacement of monuments, lights, irrigation systems, and park amenities. Annually, City staff analyzes the revenues, expenses, and reserves of each Benefit Zone to determine assessment rates. Staff is proposing an election in Benefit Zones 2 and 5 at this time.

Benefit Zone 2 includes the street-side and street median landscaping generally south of Herndon Avenue between Locan Avenue and Sunnyside Avenue. A map showing the properties assessed in Zone 2 is included as Attachment 1. The rates in Zone 2 were increased in 2018. This allowed general maintenance to be sustained for 5 years, but current expenditures are projected to exceed revenue in 2024. It is recommended to increase the existing annual rate by $23.06/year, from $99.94/year to $123.00/year.

Benefit Zone 5 includes parks located within the boundary of Zone 2 – generally, south of Herndon Avenue between Sunnyside Avenue and Locan Avenue. A map showing the properties assessed in Zone 5 is included as Attachment 2. The rates in Zone 5 have not increased since an election in 2013. In 2016 and 2022, rate increase elections were conducted but failed both times by a narrow margin. The park conditions and playground structures are aging, and expenditures have exceeded revenue. It is recommended to increase the existing annual rate by $25.14/year, from $50.10/year to $75.24/year. This would allow sufficient funds to restore maintenance levels and replace some of the oldest playground structures that if not replaced, will need to be removed for safety purposes.

Francisco & Associates, Inc. is an engineering firm that specializes in the administration of landscape maintenance districts (LMDs). Joe Francisco has served as the LMD Engineer for the City of Clovis since 1995 and has contracted with the City previously on LMD elections. Staff is recommending contracting with Francisco & Associates, Inc. for services associated with the election.

BACKGROUND

There are currently 49 Benefit Zones within Landscape Maintenance District No.1. These Benefit Zones were established to provide funding for specific landscape and lighting benefits throughout the City. The properties that receive a specific benefit from those improvements are assessed in proportion to the benefit they receive. The first six zones cover the City's LMD street and LMD park landscaping. Benefit Zones 1, 2, and 3 fund the City's LMD street-side and street median landscaping. Benefit Zones 4, 5, and 6 fund the City's LMD parks. Benefit Zones 7 through 49 are neighborhood-specific and include decorative neighborhood entries and/or decorative street lighting. Benefit Zone 11 is no longer used. Benefit Zones Southeast (SE) and Northwest (NW) are unique in that the one zone funds all street landscaping, parks, and decorative features. Benefit Zone SE is Loma Vista and is located generally south of Bullard Avenue and east of Locan Avenue. Benefit Zone NW is Heritage Grove and is located north of Shepherd Avenue.

The assessments for LMD Benefit Zones 1 through 6 do not have an annual escalation factor because not all of the properties within these zones include an escalation authority in their property covenants. The assessments for LMD Benefit Zones 7 through NW include an annual escalation factor equal to the Consumer Price Index Increase (CPII) plus 2%. If assessments need to increase in Zones 1 through 6, or if they need to increase more than CPII plus 2% in the other zones, it is necessary to hold an election of the affected property owners. The balloting is conducted per Proposition 218. Election results are determined by a simple majority of returned ballots. Benefit zones are tabulated separately, and each benefit zone stands on its own.

The last increase to Benefit Zone 2 was approved by voters in 2018. In 2024, revenues are projected to fall below expenditures and the funding will face deficit conditions unless significant reductions to maintenance occur.

The City has conducted assessment increase elections in Benefit Zone 5 in 2016 and 2022. In both elections, an assessment increase was not approved. Some reductions to service were implemented in Benefit Zone 5; however, further reductions are needed as expenditures are exceeding revenue.

Election Recommendations

Based on the financial conditions of Benefit Zones 2 and 5, staff recommends proceeding with an election to increase the assessments. Since an annual escalation factor will not be included, it will be necessary to increase rates in the future by elections. Staff has estimated that another election will not be needed for at least 5 years.

Contract with Francisco and Associates, Inc. to Administer the Election

Joseph Francisco, the principal of Francisco & Associates, Inc., has administered the LMD for the City since 1995. Mr. Francisco has consistently provided excellent service to the City and administered the LMD elections in 2004, 2013, 2016, 2018, and 2022 in a competent and efficient manner.

Francisco & Associates, Inc. has submitted a proposal (Attachment 3) for services associated with the administration of the recommended LMD election, including assisting the City with preparing and mailing the notices and ballots and the subsequent tabulation of the ballots. Staff has reviewed the proposal and has found the costs for the services to be reasonable. Francisco & Associates, Inc. specializes in the administration of LMDs, has expertise in the legislative and judicial issues associated with LMDs, and is very familiar with the City of Clovis LMD. For these reasons, staff recommends that Council authorize the City Manager to enter into an agreement with Francisco & Associates, Inc. for these services.

FISCAL IMPACT

There is minimal impact to the general fund. Costs will be paid almost exclusively by the LMD. Preparation of the notices and ballots and tabulation of the ballots will cost approximately $22,000 ($3.68/ballot). Postage for mailing out the notices and ballots and postage for returning of the ballots will cost approximately $7,000. Sufficient funds are available in the LMD reserve to pay these costs. If the election is successful, revenues will be adequate to maintain the current level of services for at least another 5 years. If the election is not held or is unsuccessful, revenues in Benefit Zones 2 and 5 will not be adequate to support the current level of service and staff must reduce service to meet the available revenue.

REASON FOR RECOMMENDATION

There was a rate increase in Benefit Zone 2 in 2018; however, expenses are projected to surpass revenue in 2024.

Benefit Zone 5 revenues have remained constant since 2013 while expenses have risen. A rate increase is needed to restore maintenance levels and fund the replacement of some of the aging playgrounds and park amenities.

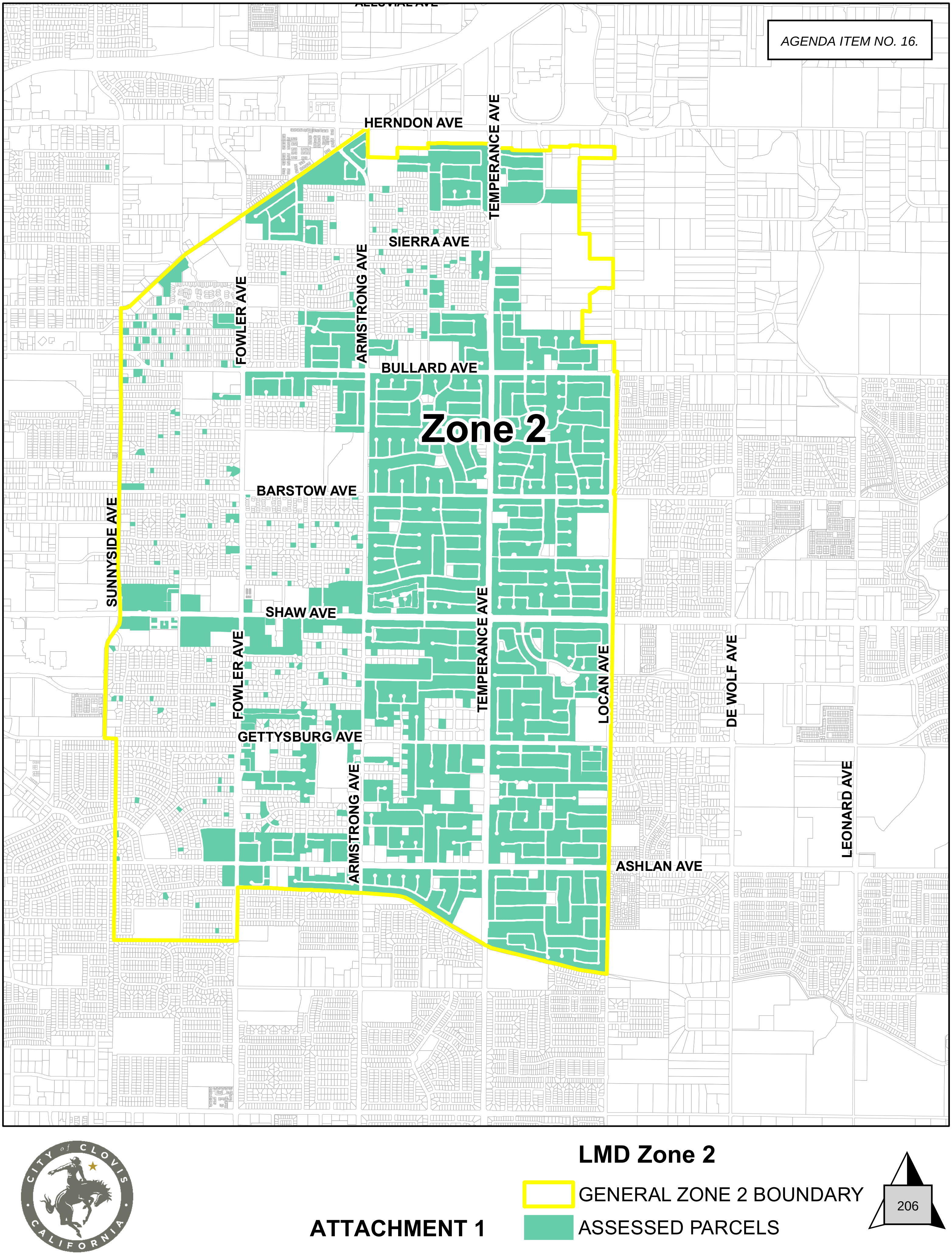
Francisco & Associates, Inc. is the most qualified to provide the services associated with the election and they have submitted a proposal for those services. Staff has reviewed the proposal and found the costs to be reasonable.

ACTIONS FOLLOWING APPROVAL

- The City Manager will execute a contract with Francisco & Associates, Inc.
- Ballot Preparation: August 22, 2023 – September 8, 2023
- Mail Ballots: No later than September 22, 2023
- Election Public Hearing and final day to return ballots: November 6, 2023
- Ballot Tabulation: November 7, 2023
- Present Election Results to Clovis City Council: November 13, 2023

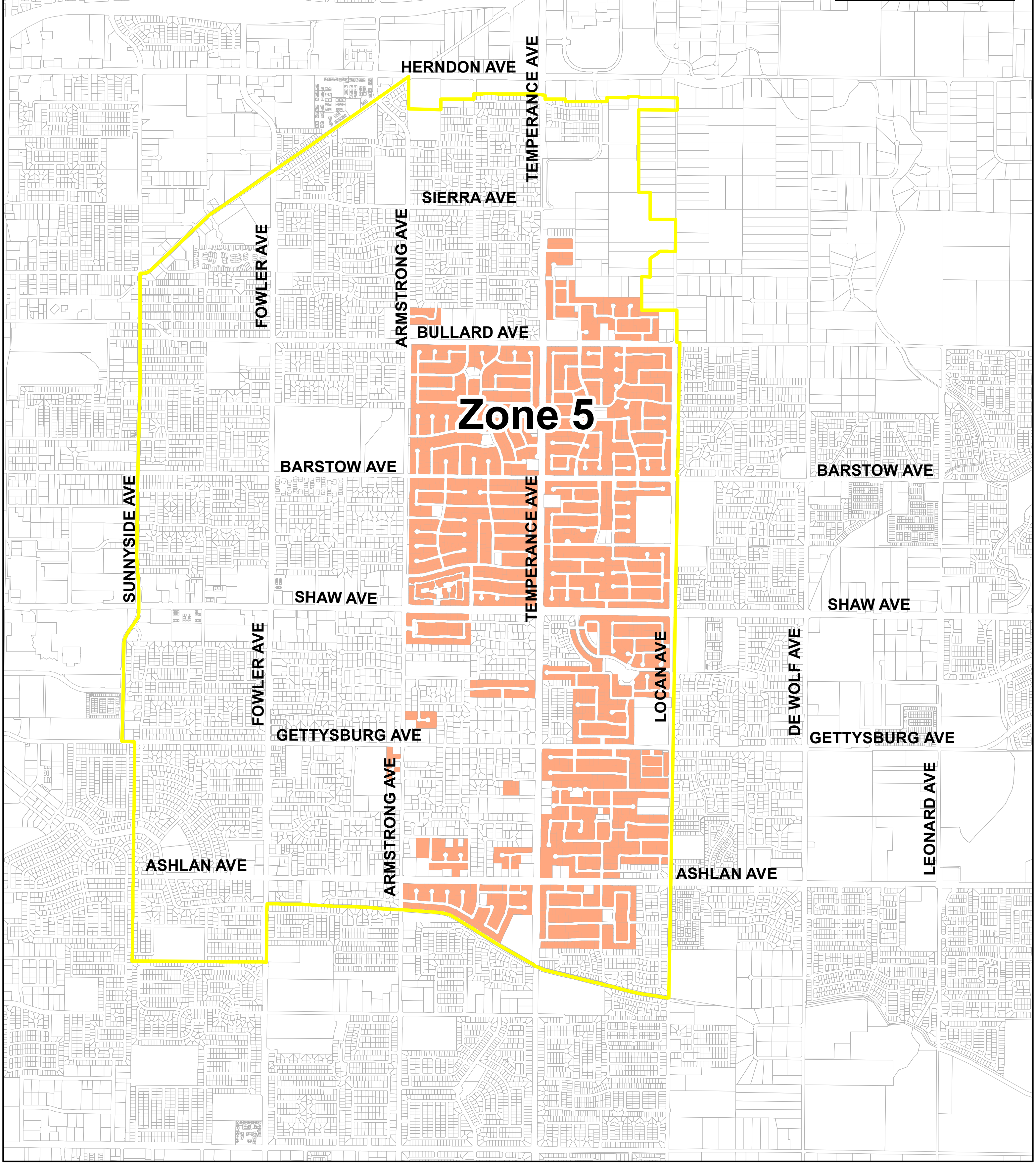
Prepared by: Eric Aller, Parks Manager

Reviewed by: City Manager JH



ATTACHMENT 1

AGENDA ITEM NO. 16.



LMD Zone 5

PARK ZONE 5 BOUNDARY

ASSESSED PARCELS

ATTACHMENT 2

FRANCISCO AND ASSOCIATES
Where Innovative Strategies Fund Tomorrow's Communities

925-867-3400
Southern California
760-438-5330

August 11, 2023

Scott Redelfs, P. E.
Public Utilities Director
City of Clovis
155 N. Sunnyside
Clovis, CA 93611

Subject: Proposal to Assist the City of Clovis to Conduct the Proposition 218 Notice and Ballot Mailing and Subsequent Ballot Tabulation for Benefit Zones No. 2 and No. 5 in the City's Landscape Maintenance District No. 1

Dear Scott:

Francisco & Associates appreciates the opportunity to submit this proposal to the City of Clovis to conduct the Proposition 218 notice and ballot mailing and subsequent ballot tabulation for Benefit Zones No. 2 and No. 5 in the City's Landscape Maintenance District No. 1.

SCOPE OF SERVICES

The scope of work will consist of updating the notice and balloting mailing database to include the most current parcel information (e.g. property owner names, mailing addresses, etc.), duplication of approximately 5,900 notices, ballots and outgoing and return envelopes, mailing of the notices and ballots, preparation of replacement notices and ballots if requested by property owners and subsequent tabulation of ballots for Benefit Zones No. 2 and No. 5.

Task 1 – Develop updated Notice and Ballot Mailing Database

Coordinate with the County to obtain the most current property owner database and update the property owner names and mailing address information for the parcels located within Benefit Zones No. 2 and No. 5.

Task 2 – Mail Merge and Duplicate Approximately 5,900 Notices, Ballots, Outgoing Envelopes and Return Envelopes

Coordinate with City staff and the mail house to mail merge and duplicate approximately 5,900 notices, ballots, outgoing and incoming envelopes. The outgoing envelopes will be white No. 10 windowed envelopes with the City's logo, return address, stamp and statement that the envelopes contain an assessment ballot inside. The No. 9 return envelopes will be a light pastel color and contain the City's logo and return address on them along with prepaid return postage. The notice will be color 11" x 17" and contain the information associated with the proposed assessment increase. The ballot will be printed on colored card stock.

ATTACHMENT 3

Task 3 – Mailing of Notices and Ballots

Fold, stuff, apply postage to outgoing and incoming envelopes and deliver approximately 6,000 notices and ballots to the post office to ensure they are delivered by the legal deadline. The ballots will be mailed no less than 45 days prior to the public hearing.

Task 4 – Duplicate Notices and Ballots

If requested by the City or property owner(s), Francisco & Associates will prepare and mail duplicate notices and ballots in the event they are lost, misplaced, if the property owner wishes to change their vote, etc. These ballots will be printed on a different colored card stock than the original ballots to ensure ballots are not counted twice.

Task 5 – Tabulation of Ballots

After the close of the Public Hearing, open, sort, and tabulate all returned ballots and prepare the ballot tabulation reports for each Benefit Zone. The tabulation reports shall include, but not limited to; the number of returned ballot votes in favor of the assessment increase, number of ballot votes opposed to the assessment increase, number ballot votes considered invalid, and number of ballots not returned.

Responsibilities of the City

1) Provide qualified legal counsel to review and approve the Proposition 218 documents and proceedings;
2) Determine the assessment increases for Benefit Zones No. 2 and 5;
3) Prepare and publish all legal notices;
4) Prepare all staff reports and resolutions; and
5) Schedule and agendize required City Council meetings.

FRANCISCO AND ASSOCIATES

FEE SCHEDULE

A breakdown of our proposed fee is provided below.

Preparation, Mailing of Notices/Ballots and Tabulation (5,900 parcels) $3.68/parcel

All mail house costs associated duplication, folding, and stuffing the notices and ballots are included in the fee per parcel shown above. Based upon conducting a Proposition 218 election for 5,900 parcels located within Benefit Zones No. 2 and No. 5, the estimated fee would be $21,712.

In addition, City will pay costs for outgoing and incoming postage, estimated to be $6,800, prior to mailing the notices and ballots.

Terms

Francisco & Associates will invoice the City on a monthly basis for services performed during the previous month.

If you have any questions or comments regarding our proposal, please don't hesitate to call me at 925-867-3400.

Sincerely,
FRANCISCO & ASSOCIATES

Ed Espinoza, P.E.
Principal

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Planning and Development Services

DATE: August 21, 2023

SUBJECT: Consider Approval - Present and discuss the General Plan Update Strategy Report and authorize staff to initiate a comprehensive General Plan update.

Staff: Renee Mathis, Director / Dave Merchen, City Planner / Ben Ritchie, DeNovo Consultant
Recommendation: Discuss and Authorize

ATTACHMENTS: 1. General Plan Update Strategy Report

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
Staff recommends that the City Council consider and provide feedback on the information that will be presented by both staff and the City's consultant regarding the findings of the General Plan Update Strategy Report (Strategy Report). Following this consideration, staff recommends that the City Council authorize the initiation of a comprehensive update to the General Plan beginning with the recruitment and selection of a lead consultant.

EXECUTIVE SUMMARY
On May 2, 2022, the City Council granted authorization for the engagement of De Novo Planning Group (De Novo) to undertake an assessment of the existing General Plan. The objective was to aid the City in determining the appropriate scope of work and strategies for a comprehensive update to the General Plan, if initiated by the City Council. The Strategy Report delineates De Novo's assessment of the existing General Plan against recent legislative mandates and the localized goals and objectives. The analysis was informed by the joint meeting of the Council and Planning Commission conducted in February of this year, and through surveys and discussions with various stakeholder groups. Considering the finding outlined in the Strategy

Report, it is staff's recommendation for the Council to authorize the initiation of a comprehensive General Plan update.

BACKGROUND

Mandated by state law, every city and county in California is required to establish a general plan. The general plan functions as an all-encompassing, forward-looking planning document that serves as the foundation for land use determinations and envisions the future growth of a community. The City of Clovis formally adopted the current General Plan in August 2014, marking the initial significant revision to the City's General Plan since 1993. It is customary for most municipalities and counties in California to undertake extensive revisions to their general plans every 10-15 years. Despite the current General Plan being under a decade old, several factors have arisen that advocate for a comprehensive update. Those include:

- Changes to housing and transportation law;
- Housing density in relation to the Sixth Cycle Housing Element;
- Environmental and land use constraints;
- Increase in requests to expand the City's sphere of influence;
- Increase in requests for general plan amendments;
- Water and infrastructure planning; and
- Redevelopment of aging shopping centers.

On May 2, 2022, the City Council provided approval for the engagement of De Novo Planning Group to conduct an audit of the existing General Plan. The primary objective was to assist the City in determining the appropriate scope of tasks and methodologies for a comprehensive General Plan update, should the endeavor be initiated. Throughout this process, De Novo engaged City decision makers, staff, and community stakeholders, aiming to gain deeper insights to the prominent issues and challenges confronting the community. The insights gathered during the stakeholder input process assisted in shaping the City's General Plan Update Strategy. In addition, De Novo conducted an evaluation of the City's current General Plan in relation to current legislative requirements. The Strategy Report is provided as **Attachment 1** to this report. The outcome of this strategic report underscores the recommendation for a comprehensive General Plan Update.

ANALYSIS

The purpose of the Strategy Report produced by De Novo is to assist the City in determining the need for a General Plan update and to assist in the development of a scope of work for the solicitation of qualified consulting firms, should an update be initiated. If an update is initiated, staff will incorporate the recommended scope into a Request for Proposals (RFP) that aims to invite consultants for the preparation of the comprehensive update of the General Plan. The Strategy Report is enclosed as **Attachment 1** to this staff report and is succinctly summarized in the subsequent sections. The Strategy Report is divided into three sections as follows:

- Section 1 – General Plan Update Strategy
- Section 2 – Regulatory Review
- Section 3 – Outreach Summary

General Plan Update Strategy

This section identifies the major components of a General Plan update and provides a discussion of various steps, analysis, processes, and work products that the City should weigh and consider before embarking on a comprehensive update. The section also outlines the basic process for updating the General Plan. The City can expect the General Plan update process to take between 2 to 3.5 years and should hire a prime consultant to lead the comprehensive effort. It is suggested that the process be completed in three phases:

- Phase 1 – Visioning, Existing Conditions, Issues Identification
- Phase 2 – Land Use Alternatives and Preferred Land Use Map
- Phase 3 – General Plan Policy Document, EIR, Adoption

The basic steps and key considerations for a general plan update are outlined below; the associated recommendations included in this discussion are made jointly by Staff and De Novo.

- *Existing Conditions Report (ECR)* **–** It is highly recommended that the City prepare an ECR report early in the General Plan Update process. This report will identify development patterns, natural resources, traffic patterns, historical and cultural resources, socioeconomic conditions, fiscal and economic conditions, and environmental constraints in the City. This report will also provide background data and serve as a technical framework to help focus the community's attention on the key baseline conditions that should be considered during the General Plan Update.

- *Public Participation & Identifying Community Priorities* – Public participation and community engagement should occur throughout all stages of the General Plan update process. The City should attempt to balance between maximizing public participation opportunities, while maintaining adherence to an approximately 3-year update schedule. The following is a general framework for recommended approach to public outreach:
    - Conducting community outreach and workshops during the Community Visioning Phase
    - Form a General Plan Advisory Committee (GPAC)
    - Hold community workshops at key milestones
    - Conduct City Council and Planning Commission study sessions

  The establishment of a GPAC is a strategy that is often, but not always utilized as a key component of public participation efforts. Based on De Novo's past experience, characteristics of successful GPACs include 10-14 members, with representatives from various sectors of the community (business, development, schools, City leadership, at-large, etc.). The GPAC should be appointed by the City Council. The GPAC should meet approximately 10-12 times throughout the process, with meetings clustered at key phases (issues identification, land use alternatives, policy development, general plan product review).

- *Issues and Opportunities Identification* – Identify key issues and opportunities for analysis as part of the process to develop a comprehensive and cohesive policy approach. The City should consider developing an Issues and Opportunities Report. Based on community feedback, some key topics could include:
    - Preserving the City's heritage, its Old Town Downtown, and the general small-town atmosphere of Clovis
    - Enhancing and expanding recreational opportunities
    - Attracting and retaining jobs and revenue-generating land uses
    - Enhancing and maintaining public safety and excellent community services
    - Extending infrastructure into new growth areas, and how to pay for it
    - Supporting local school districts as growth continues
    - How to address social equity, inclusivity, and environmental justice

- *Land Use Alternatives Analysis* – Through this process, the City will develop and consider different variations of land use maps. It is highly recommended that the City consider the preparation of a robust and detailed Land Use Alternatives Report to thoroughly assess the implications of the different land use map alternatives. Recommended components of the Land Use Alternatives Analysis include:
    - Use the Land Use Alternatives Analysis to establish the preferred land use map at the approximate mid-point of the General Plan Update process
    - Review and analysis of the existing General Plan's designations and plans for the Northwest and Northeast Urban Centers, and the potential establishment of new urban centers beyond what is currently shown in the existing General Plan
    - Establish an "application" process to allow landowners to request changes to their parcel's land use designations
    - With input from the Council and stakeholders, identify targeted and specific growth areas for analysis and include a comparative analysis of multiple growth and land use scenarios within each area. It is recommended that the report analyze growth and buildout of the existing General Plan land use map and 2-3 additional growth scenarios
    - Each scenario should be evaluated against key factors identified by the City, such as availability and cost of infrastructure and public services, presence or absence of development constraints (biological habitat), fiscal sustainability, etc.

- *General Plan - Goals, Policies, and Actions* – When considering goals, policies, and action items (implementation tools or strategies) to meet the City's identified objectives and priorities and compliance with California Planning Law, the City should consider the following:
    - Establish actions or implementation measures as part of the General Plan
    - Thoroughly review existing elements for effectiveness and refine as necessary
    - Create stand-alone Community Health and Environmental Justice Element
    - Consider a stand-alone Parks and Recreation Element
    - Fold stand-alone Air Quality Element into Conservation Element
    - Expand Economic Development Element to include more policy direction related to fiscal sustainability. Consider a Fiscal Sustainability Element

  - Provide greater policy direction and emphasis on historic preservation and Old Town Clovis. Consider expanded discussion of historic resources in land use and conservation elements, or creation of new stand-alone element on these topics

- *Environmental Impact Report* – Prepare a program-level EIR for the General Plan. The General Plan should be self-mitigating, with any environmental mitigation identified as necessary built into the general plan document as policy or action items.

<u>*Regulatory Review*</u>
Despite the City's current General Plan being only nine years old, the significant changes in state laws and local conditions bolster the need for an update. This section of the Strategy Report identifies the City's compliance with state requirements and identify key sections within the General Plan that should be updated. The assessment indicates that the City's current General Plan adheres to certain mandates outlined below, however, substantial updates are still imperative for overall compliance.

The following are relevant state regulations to be considered and incorporated into the General Plan update. Please refer to the Strategy Report for specific details.

- California Global Warming Solutions Act of 2006 (California AB No. 32)
- Flood Control (California AB No. 163 & SB No. 5)
- Complete Streets Act (California AB No. 1358)
- Sustainable Communities and Climate Protection Act (California SB No. 375)
- Disadvantaged Communities (California SB No. 244)
- Fire Protection (California SB No. 1241)
- Transportation Impacts (California SB No. 743)
- Climate Adaptation and Resiliency Strategy (California SB No. 379)
- Environmental Justice (California SB No. 1000)
- Emergency Evacuation Routes (California AB No. 747 & SB No. 99)
- Evacuation Locations (California AB No. 1409)

<u>*Outreach Conducted as Part of General Plan Update Strategy Report*</u>
De Novo engaged in outreach efforts with the City Council, Planning Commission, City departments and agencies, community-based stakeholder groups, and stakeholders from the residential and commercial development community. The objective was to engage city-decision makers and key stakeholders for early input on the General Plan, develop a strategy for the most effective approach to updating the General Plan, and to establish a greater connection between the General Plan and current issues facing Clovis. A joint meeting of the Planning Commission and City Council was held on February 6, 2023, during which Commissioners and Council members were asked to provide feedback on what they thought are Clovis' biggest assets and challenges, along with their vision for the future of the Community. Several common themes emerged from the comments provided during the meeting.

Input received during the February 6th joint meeting, as well stakeholder feedback from surveys and other discussions, is summarized in Section 3 of the Strategy Report. Synthesized conclusions derived from this feedback are outlined on pages 3-3 through 3-6.

Recommendations presented in the throughout the Strategy Report were shaped by the input received through this outreach process.

Summary of Staff Recommendations

As outlined in the discussion above, the Strategy Report prepared by De Novo supports a comprehensive update to the City's General Plan. Staff recommends that the Council authorize the initiation of a comprehensive update, beginning with the recruitment and selection of a lead consultant through a request for proposals (RFP) process. This effort will be prioritized after the completion of the City's Sixth Cycle Housing Element. The selection of a consultant and commencement of work is projected to occur within the first few months of 2024. Staff also recommends that the work program incorporate the following initial features and assumptions:

1. The timeline should anticipate a total of three years from execution of a consultant agreement to adoption of the General Plan update.

2. A prime consultant will be selected to prepare and/or coordinate all components of the update process, including a program environmental impact report.

3. A substantive public participation plan will be developed by the prime consultant, in consultation with City staff, to serve as the cornerstone of the City's General Plan Update efforts. Public participation and community engagement should occur throughout all stages of the General Plan Update. Features of the public participation plan will include those described on pages 1-9 and 1-10 of the Strategy Report.

4. A GPAC will be established with 10-14 members selected by the City Council. The GPAC should meet approximately 10-12 times throughout the process, with meetings clustered at key phases (issues identification, land use alternatives, policy development, general plan product review). The City's prime consultant will lead GPA meetings.

5. The scope of the General Plan update will follow the outline in the General Plan Strategy Report, including but not limited to, the following components:

    a. An Existing Conditions Report will be prepared as a stand-alone work product early in the process.

    b. An Issues and Opportunities Report, or a series of Issues and Opportunities Memos, will be prepare following the Existing Conditions Report

    c. A Land Use Alternatives Analysis and associated report will be prepared to evaluate 2-3 alternative land use scenarios. The Report will be used to select the preferred land use map.

    d. Actions, or Implementation Measures, should be added to the General Plan in order to ensure that goals are met and policies are implemented.

e. As part of the General Plan update, all existing elements will be reviewed for effectives and their potential to meet the goals and objectives of the updated Plan. The structure of the updated general plan will be established during the update process. However, new or modified General Plan elements addressing the following topics will also be focal points:

   i. Community health and environmental justice (possible new element)

   ii. Greater focus on Parks and Recreation (possible stand-alone element)

   iii. Economic development (expand to include more policy direction related to fiscal sustainability. Consider preparation of a Fiscal Sustainability Element)

   iv. Historic preservation and Old Town Clovis (expand to include more policy direction. Consider stand-alone element)

FISCAL IMPACT

Simultaneous with the development of the 2014 General Plan, the Council instituted a financing mechanism to support long-term and strategic planning endeavors. This mechanism involves the collection of fees tied to the valuation of the construction in progress, encompassing all building permits. This revenue stream offers adequate funding to cover the expenses associated with the efforts undertaken by De Novo and will cover the costs of a comprehensive General Plan update, should council decide to pursue it.

REASON FOR RECOMMENDATION

Considering the findings outlined in the General Plan Update Strategy Report, staff is recommending that the Council grant authorization to commence a comprehensive update of the General Plan. This presents an opportunity for the City to align the General Plan with state mandates, as well as to enhance the City's vision and clearly define the community's objectives, guidelines, and preferred steps for implementation.

ACTIONS FOLLOWING APPROVAL

Upon receiving Council authorization, staff will commence work on the comprehensive General Plan update. Subsequently, a Request for Proposals (RFP) will be prepared and issued to solicit qualified consulting firms for this project. Following the recommendation of a suitable firm, staff will present a proposal to the Council, seeking approval for the execution of a contract with the chosen firm.

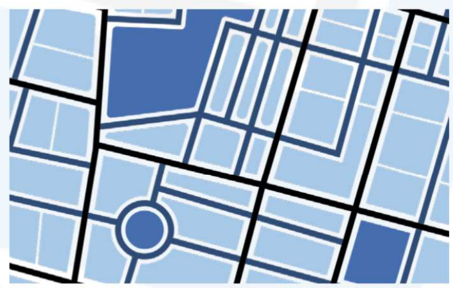
Prepared by: Lily Cha, Senior Planner and Dave Merchen, City Planner

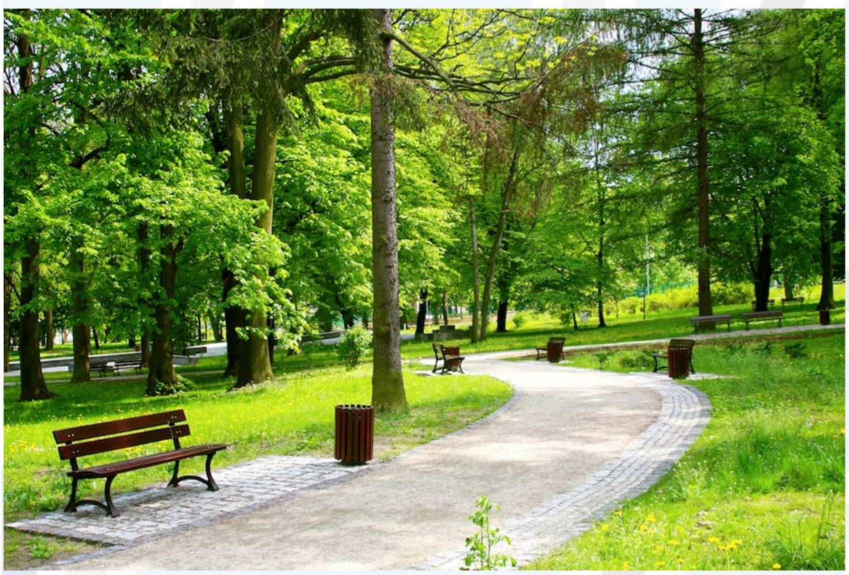
Reviewed by: City Manager JH

De Novo Planning Group

A Land Use Planning, Design, and Environmental Firm

CITY OF CLOVIS
GENERAL PLAN UPDATE STRATEGY REPORT

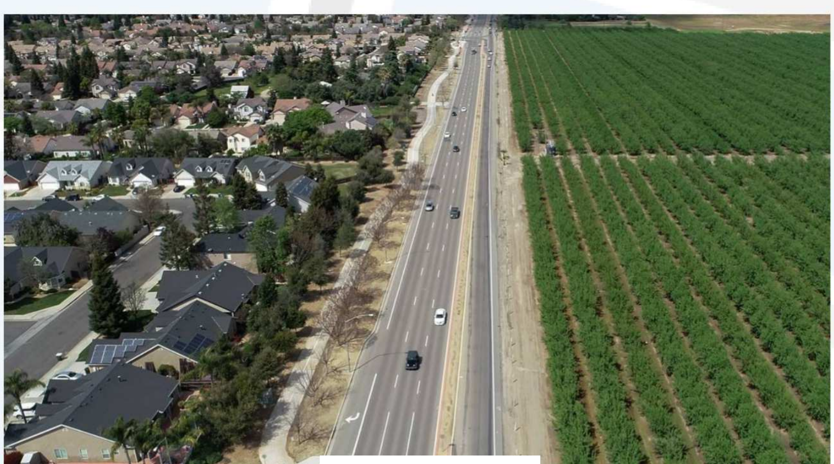




SUBMITTED ON:
June 29, 2023

SUBMITTED TO:
City of Clovis
Attn: Dave Merchen
City Planner

SUBMITTED BY:
De Novo Planning Group
Contact: Ben Ritchie, Principal
1020 Suncast Ln #106
El Dorado Hills, CA 95762
(916) 949-3231



Attachment 1

INTRODUCTION

The City of Clovis retained De Novo Planning Group to conduct a review and audit of its existing General Plan, in order to assist the City in determining the appropriate scope of work and strategies for a comprehensive update to the General Plan.

This report includes three sections, which are organized as follows:

Section 1- General Plan Update Strategy

Section 2- Regulatory Review

Section 3- Outreach Summary

This report is intended to assist staff and the City Council in the development of a scope of work, which would be included in a Request for Proposals (RFP) soliciting consultants to prepare a comprehensive update to the Clovis General Plan.

Introduction- General Plan Update Strategy

This writeup identifies the major components of a General Plan Update and provides a discussion of the various steps, analyses, processes and work products that the City should weigh and consider before embarking on a comprehensive General Plan Update. The information in this section is based on the results of the community and stakeholder feedback described in this report, and the General Plan State Law consistency review contained in this report. The intent of this writeup is to help the City make informed decisions regarding the steps, analysis, and processes that will be most beneficial to Clovis during a General Plan Update, and to help ensure that the City spends its financial resources in an effective manner, while achieving its desired results and outcomes.

General Plan Update Overview

Embarking on a comprehensive General Plan Update is a significant undertaking for any city or county. In general, the City should anticipate that the process will take anywhere from 2 to 3 ½ years, depending on the level of analysis, complexity, and community involvement and review. The City should expect to hire a prime consultant to lead the comprehensive effort. The prime consultant will have several specialists and subconsultants on their team to address specific issues and topics such as traffic, economic development, infrastructure, noise, etc.

In general, the process to update a General Plan follows a basic procedure, or set of steps, which are outlined below. However, the focus, emphasis, and level of analysis and public involvement in each of these steps can vary greatly depending on several factors such as the size of the city, the complexity of the issues and challenges the city faces, the level of public participation, and the city's desired outcomes.

There are two primary documents that will be adopted at the conclusion of the General Plan Update:

1. The General Plan, which includes the Land Use Map
2. The Environmental Impact Report (EIR)

While these two documents are the culmination of the work effort, there are several critical milestone documents and processes that must be done correctly in order to yield positive results for the City.

The chart on the following page outlines the basic steps in a General Plan update process. The following pages discuss each of these steps in greater detail, and includes a discussion of key considerations the City should weigh before embarking on this process.

AGENDA ITEM NO. 17.

BASIC GENERAL PLAN UPDATE FLOWCHART

Existing Conditions Report

Overview	To prepare a meaningful General Plan, existing conditions must be understood and documented. The Existing Conditions Report should identify development patterns, natural resources, traffic patterns, historical and cultural resources, socioeconomic conditions, fiscal and economic conditions, and environmental constraints in the City- basically all of the issues and topics that will be addressed as part of the General Plan Update. This report will be a resource for the City Council, Planning Commission, General Plan Advisory Committee, City staff, and the consultant team for the General Plan Update and Environmental Impact Report. The Existing Conditions Report will provide background data and serve as a technical framework, while the General Plan will focus on goals, policies, and implementation. The information collected for the Existing Conditions Report will also be used as the basis for the "existing setting" sections of the General Plan EIR.
Is it Mandatory?	In general, yes. Existing conditions should be well documented, analyzed and understood before embarking on a General Plan Update. If done correctly, a well-prepared Existing Conditions Report will serve as the existing regulatory and environmental setting for the EIR (which is prepared at a later stage), and the City can realize cost savings via a streamlined preparation of the EIR. A quote often-used by this report preparer is, *"It's hard to effectively plan for the future if you don't have a good understanding of your starting point."*
Special Considerations for Clovis	Existing Conditions Reports can be lengthy, and heavy on technical details and regulatory summaries. While extremely useful, they don't necessarily make for compelling reading. Some cities elect to prepare a summary document of the Existing Conditions Report in the form of a community profile summary. Think of it as the Cliff's Notes of the larger technical report. The Community Profile Summary should be graphically rich, make extensive use of charts and pictures, and highlight and describe key topics of community interest that should be considered and weighed as part of the General Plan Update. Preparation of a Community Profile Summary makes the Existing Conditions Report much more accessible to the general public, and helps to focus the community's attention on key baseline conditions that should be considered during the General Plan Update.

Existing Conditions Report

Recommendation	It is recommended that the City prepare a stand-alone Existing Conditions Report (ECR) early in the General Plan Update process. The ECR should be comprehensive and detailed, and should be supported by stand-alone technical reports addressing the topics of: noise, transportation/circulation, cultural resources, utilities/infrastructure, and an economic/fiscal/market analysis. The ECR should be drafted such that it can be used as the environmental setting for the EIR that will be prepared towards the latter part of the General Plan Update process. The ECR should also be maintained as a separate document from the General Plan policy document. This allows the actual General Plan to be a concise and streamlined document, void of extensive background information that doesn't necessarily drive policy decisions and can become quickly outdated as conditions change. The City's existing General Plan is structured as a focused policy document, which makes it very readable and user-friendly. It is recommended that the updated General Plan follow this same approach. Preparation of a stand-alone Community Profile Summary is also recommended. This document should extract many of the most interesting and pertinent facts and data from the ECR and present them in an easy-to-read and graphically rich format. This will make the key information much more readable and accessible to the community.

Existing Conditions Report

Budget Implications	For the most part, the cost of preparing an Existing Conditions Report is driven by the range of topics addressed. At a minimum, the Report should cover the range of topics addressed under CEQA and required by State General Planning law. However, based on feedback heard throughout this process, Clovis will most likely want to ensure that additional topics such as economic development, fiscal sustainability, infrastructure and utilities, community services, and environmental justice are also well addressed. The inclusion of a Community Profile Summary can be expected to add a nominal increase to the overall project budget, and can be an effective tool in making the existing conditions analysis more accessible to the community at-large.

Public Participation and Identifying Community Priorities

Overview

The public participation process should serve as the cornerstone of the City's General Plan Update efforts. Public participation and community engagement should occur throughout all stages of the General Plan Update, and the City should utilize numerous strategies and tools to maximize effective outreach, community participation, and communication about the project.

In general, the public participation program should occur throughout the following key phases of the update process:

- Visioning and Issues Identification
- Identifying Opportunities and Priorities
- Vetting and Refining Alternatives
- Developing Strategies and Policies
- Reviewing and Providing Feedback on the Draft General Plan and Land Use Map
- Participating in Public Hearings for Plan Adoption

A range of tools and strategies should be deployed to maximize and enhance public participation. Examples include:

- Traditional in-person workshops and meetings
- Online/virtual workshops and meetings
- Online surveys
- Online interactive mapping exercises
- Stakeholder and focus group meetings/interviews
- Pop-up events at regular community gathering places (farmer's markets, arts festivals, downtown events, etc.)
- Establishment of a General Plan Advisory Committee (GPAC)
- A dedicated General Plan Update website
- Publication of periodic project newsletters

Public Participation and Identifying Community Priorities

- Use of existing social media accounts to disseminate information
- Regular or periodic updates and working sessions during public hearings (Planning Commission, City Council, etc.)

Is it Mandatory?	Yes, but the City has tremendous latitude in determining what the appropriate level of public participation should look like. Not all of the tools and techniques listed above are requirements, so long as the City makes a good-faith effort to gather public input during the process.
Special Considerations for Clovis	The City will want to give consideration to the appropriate balance between maximizing public participation opportunities, and ensuring that the General Plan Update is completed in a timely and efficient manner. For context, during the City's last General Plan Update, over 30 GPAC meetings were held, and the update process took over 5 ½ years to complete. Too many meetings can lead to diminishing returns, cause the project to lose momentum and stall, and lead to community fatigue and apathy. There is no magic formula for what the "sweet spot" looks like in terms of number of meetings, but in general, the City should strive to complete the update process in approximately 3 years or less. Some other things the City may want to consider include: • Traditional in-person meetings and workshops can be valuable and effective, however, there are large segments of the community that don't traditionally participate in such meetings. The City likely already observes that the same cohort of the community regularly attends meetings and workshops, while large

Public Participation and Identifying Community Priorities

segments of the Clovis population do not attend. General Plans can be abstract concepts to the community, and high in-person participation levels should not be assumed.

- Online workshops, surveys and other virtual outreach tools are not as personal as in-person meetings, but have the potential to attract much larger and broader participation rates.
- General Plan Advisory Committees (GPACs) can be a great way to get broad-based community and stakeholder input on key General Plan issues and topics. GPACs should serve as project ambassadors and community liaisons. If the City elects to form a GPAC, the City should be careful to select GPAC members who are committed to participating throughout a multi-year process, and who are vested in ensuring a successful, comprehensive and unbiased approach to the full range of General Plan issues, rather than focusing on narrow, or single-issue topics important to that member. The City should also take care not to schedule an excessive number of GPAC meetings or instruct the GPAC to get "too far into the weeds" on policy language word-smithing. A successful GPAC should provide guidance on key priorities and policy direction, represent the community at-large, and provide thoughtful input and feedback to questions posed by the project team. The GPAC should also review draft work products prepared by the project team to ensure that community priorities are properly articulated and addressed. Having Councilmembers (up to 2) and Planning Commissioners (up to 2) on the GPAC can be very beneficial in many situations. It's imperative that the selected individuals view the GPAC as a roundtable of equals gathered to collaborate. Having Councilmembers on the GPAC works best when the Council has a cooperative and trusting relationship. When Councils have notable conflict and strong disagreements on key issues, this strategy can backfire.
- If the City elected to concentrate outreach efforts at the most critical stages of the Update process, some suggested milestones would include:
    - Visioning and priority setting
    - Review of Land Use Map Alternatives and Growth Plans
    - Review of Draft General Plan Work Products

Public Participation and Identifying Community Priorities

- Public participation and community feedback should be well documented. A public outreach summary report should be prepared following key stages of outreach to document what efforts were undertaken to gather public input, and articulate and summarize the feedback received.

Recommendation

The following provides a general framework for the recommended approach to public outreach for the General Plan Update. These recommendations were developed to strike a balance between maximizing public participation opportunities, while maintaining adherence to an approximately 3-year update schedule:

- Community Visioning Phase: Website, newsletters, social media outreach, online surveys, 3-5 in-person visioning workshops.
- General Plan Advisory Committee (GPAC):
  - The establishment of a GPAC is recommended. The GPAC should consist of approximately 10-14 members of the community, and should include representatives from various sectors of the community (business, development, schools, City leadership, at-large, etc.). The GPAC should be appointed by the City Council.
  - The GPAC should meet approximately 10-12 times throughout the process, with meetings clustered at key phases (issues identification, land use alternatives, policy development, general plan product review). Meetings should be open to the public with structured times for public comment, but should otherwise be conducted in a roundtable discussion format with limited protocols. GPAC meetings should be facilitated by the General Plan consultant.
- Community Workshops: Community workshops should be held at key milestones, particularly for review and refinement of the Land Use Map and review and refinement of the Draft General Plan. Workshops should provide opportunities to answer questions and receive feedback and input. Approximately 6 workshops should be conducted (3 for land use and 3 for review of the full General Plan)
- City Council and Planning Commission Study Sessions: The City should plan for a series of working sessions with the Council and PC at key milestones. Depending on the level of involvement the Council

Public Participation and Identifying Community Priorities

desires, approximately 4-6 study sessions should be conducted. Assume at least 2-3 sessions for development and refinement of the Land Use Map.

Budget Implications The overall cost of an outreach program is directly correlated to the level of effort and time spent by a consultant team. Some factors for consideration include:

- In-person meetings and workshop generally cost more than virtual and online meetings and workshops, primarily due to travel time and the cost for printed materials and maps.
- GPAC meetings can be costly and can strain the project schedule. The consultant team will need to prepare materials 1-2 weeks in advance of each meeting, attend meetings, and provide summaries of meeting feedback and results.
- There are opportunities for cost savings if City staff leads some of the outreach efforts, using materials provided by the consultant team.

Issues and Opportunities Identification

Overview	Following the initial outreach and visioning process, as well as completion of the Existing Conditions Report, a series of key issues and opportunities that the General Plan Update should prioritize will likely emerge. While the General Plan will address a diverse and wide array of topics and community priorities, it is anticipated that some issues and challenges will garner the most attention and warrant a higher degree of focus and analysis. An Issues and Opportunities Report, or a series of Issues and Opportunities Memos, provides a means of focusing the community's attention on key issues and opportunities that have major policy implications as Clovis considers how it wants to grow over the next 20 years, while balancing the City's economic development, housing, quality of life, and natural resource needs. Environmental and other constraints to be considered in the General Plan Update process should be identified and depicted on maps and figures. The Issues and Opportunities Report/memos should summarize and proactively utilize information derived from the community visioning workshops, stakeholder interviews, Existing Conditions Report, City staff observations, and input provided by the General Plan Advisory Committee, Planning Commission, and City Council.
Is it Mandatory?	No, but it can be a very useful and valuable tool. Any successful General Plan Update will specifically address local priorities and concerns via thoughtful goals, policies and implementing actions. An Issues and Opportunities Report provides an effective tool for synthesizing and organizing some of the biggest issues, priorities, and challenges facing the community.
Special Considerations for Clovis	It is assumed that the Clovis General Plan Update will be driven by two primary factors: 1. Applicable State law requirements, many of which have gone into effect after the last General Plan was adopted; and 2. Community priorities and preferences established throughout the public participation process. An Issues and Opportunities Report can help the City focus and prioritize key areas of concern, and identify strategies and courses of action that will be most effective in addressing the most pressing and important issues

Issues and Opportunities Identification

the City is facing. It helps to set the trajectory of the General Plan Update, and can serve as a useful roadmap during the development of General Plan goals and policies.

Recommendation

Based on community feedback, discussions, with the Council and Planning Commission, and a review of conditions in Clovis, there will be several discrete "big-ticket" items that will warrant detailed discussion and analysis as part of the process to develop a comprehensive and cohesive policy approach. These topics include, but are certainly not limited to:

- Preserving the City's heritage, its Old Town Downtown, and the general small-town atmosphere of Clovis
- Enhancing and expanding recreational opportunities
- Attracting and retaining jobs and revenue-generating land uses
- Enhancing and maintaining public safety and excellent community services
- Extending infrastructure into new growth areas, and how to pay for it
- Supporting local school districts as growth continues
- How to address social equity, inclusivity and environmental justice

Assuming the City elects to appoint a GPAC, these topics should be addressed and explored via a series of Issues and Opportunities memos, or white papers, which would serve as guides to facilitate GPAC discussions and debates. It is recommended that the General Plan consultant prepare an analysis of the key issues and topics that emerge from the Visioning process, and discuss each issue with the GPAC in detail.

Issues and Opportunities Identification

Budget Implications	As with most other tasks related to a General Plan Update, the costs associated with preparation of an Issues and Opportunities Report, or series of memos, are directly correlated to the level of effort required by the consultant team. The more extensive and robust the report, the higher the cost. In order to help manage costs, the City may wish to focus the Issues and Opportunities Report on a handful of key issues and challenges, and identify general approaches and strategies to address those issues and challenges. On the other hand, the City may elect to prepare a detailed and robust report that provides specific strategies and recommendations to address the full range of topics and priorities that emerge during the outreach and existing conditions analysis phases of the Update.

Land Use Alternatives Analysis

Overview

The General Plan Land Use Map is one of the most important and consequential components of the General Plan. The Land Use Map determines how the City will grow, where the City will grow, and what types of land uses will be allowed. These decisions have tremendous influence on the types of housing available in the community, the types of jobs and industries the City can attract, the level of infrastructure and public services required to serve new and existing development, fiscal implications related to revenue generation and service expenditures, and the availability of parks and open space resources.

As noted in the Outreach Summary section of this report, some of the major themes that emerged during the discussion with the City Council, Planning Commission, department heads and stakeholders included the following:

- There is a strong desire for orderly, cohesive growth that will necessitate expansion into and potentially beyond the City's existing Sphere of Influence (SOI).
- The extension of infrastructure needed to support growth and expansion of the City will be confronted with funding challenges and must be planned for accordingly.
- Public safety and high-quality services are a hallmark of Clovis and the City must maintain high levels of services for residents and businesses going forward.
- The City should aggressively attract new industry while at the same time capitalize on its position as a medical hub and nurture the growth of the medical/healthcare economy.

A well thought-out and cohesively planned Land Use Map is likely the single-most effective tool available to the City to address these goals and priorities.

Making significant changes to the Land Use Map can be a daunting task. In order to make an informed decision about future land uses and growth areas, the City will want to understand the implications of its decisions. A

Land Use Alternatives Analysis

	Land Use Alternatives Report can be a very effective and powerful tool, however, there are notable cost implications associated with this task, which are discussed in greater detail below.
Is it Mandatory?	No. But if Clovis is considering notable changes to its Land Use Map, it is definitely recommended.
Special Considerations for Clovis	It is generally assumed that the City will consider and likely make changes to its Land Use Map during the course of a General Plan Update. It is likely that this will involve an iterative process of developing and analyzing a range of alternatives, ultimately leading to the development of a Preferred Land Use Map to be included in the General Plan. Based on feedback heard to-date, the City is keenly interested in maintaining its high level of public services and public safety, excellent parks and trails, and keeping the attributes that make Clovis a special place to live and work. These priorities directly relate to the need to maintain consistent and stable revenue streams. The City faces challenges in terms of utilities and infrastructure extension and delivery into new growth areas, including the identification of reliable and ongoing funding mechanisms. The City and the development community have also faced recent challenges to development posed by sensitive biological habitat being located in areas identified for future urbanization.

Land Use Alternatives Analysis

A key question for the City to consider is: how much supporting analysis and information for each map alternative or map iteration is needed in order for the City to identify a Preferred map?

As noted above, there are numerous analyses that can be completed for a potential new Land Use Map. Some questions for the City to consider:

- Is a full analysis of infrastructure and utilities needs/costs necessary to hone in on a Preferred Land Use Map? Or should these analyses occur after a Preferred Map is identified?
- How much influence will fiscal and economic considerations have on the City's selection of a Preferred Land Use Map?
- To what degree should land owners and developers have a say in the development of the Land Use Map Alternatives?

Recommendation

Based on what we have learned during the General Plan review process, it is clear that the City is prepared to continue on the path of growth and expansion, provided that growth occurs in a logical and orderly manner, and that high levels of public services and utilities/infrastructure can be maintained (and properly funded).

It is strongly recommended that a robust and detailed Land Use Alternatives Report and supporting analysis be prepared. It is recommended that the City allocate and designate adequate funding towards this stage of the General Plan Update process so that decisions on land use and growth can be made with ample supporting information and understanding of the consequences and implications of growth and service costs and strategies.

The City should assess potential changes to its Land Use Map and land use designations (allowed uses, densities, development intensities) both inside the City limits in areas that are already developed (change areas), and outside of the City limits in areas that have not yet developed (new growth areas). This should include review and analysis of the existing General Plan's designations and plans for the Northwest and Northeast Urban

Land Use Alternatives Analysis

Centers, and the potential establishment of new growth areas or urban centers beyond what is currently shown in the existing General Plan.

Additionally, it is recommended that the City provide opportunities for land owners within the Planning Area to request changes to their parcel's land use designations during the GP update. It is recommended that the City establish a formal application process wherein property owners can complete an application and questionnaire explaining their requested change, and the rationale for it. The City would then compile and map all of the requested changes, and include them within one or more of the alternatives maps developed for further review and analysis in this report. The City can then review the parcel change requests within the context of the land use themes developed during this process, and determine which requests warrant approval and which are not appropriate in helping the City achieve its larger land use goals.

It is recommended that the Land Use Alternatives Report identify targeted and specific growth areas for analysis, and include a comparative analysis of multiple growth and land use scenarios within each area. It is recommended that the report analyze growth and buildout of the existing General Plan land use map, and 2-3 additional growth scenarios.

There can be major implications associated with growth and change. The Land Use Alternatives Report should include the following analysis for each growth scenario:

- Overall population growth
- Number and range/type of housing units
- Regional Housing Needs Allocation (RHNA) requirements for the current, and future, housing element cycles
- Jobs-generating potential by industry and job type
- Local jobs/housing balance
- Traffic implications, in terms of congestion (LOS), vehicle miles travelled (VMT), and new roadway infrastructure needs and costs
- Revenue generation from sales tax, property tax, etc.

Land Use Alternatives Analysis

- Cost of providing services such as police, fire, parks, etc.
- Costs associated with the extension of utilities such as water, sewer, and storm water drainage
- Availability of water supplies and wastewater treatment plant capacity
- Impacts to biologically sensitive areas
- Environmental constraints such as floodplains, geologic hazards, and prime agricultural lands
- Compatibility between adjacent land uses

The City Council should be involved in the development of the Land Use scenarios that will be analyzed in the Report. Preparation of this report will be costly, so it needs to be focused and useful. Don't waste time and money doing a detailed analysis of a growth scenario that has no potential for real consideration. The Council and the community should collaboratively identify 2-3 new growth scenarios which include a range of land use types in different areas. Once those plans "feel good on paper" then the detailed comparative analysis should begin, so that the City can understand the implications of the scenarios and plans that have been preliminarily drafted.

Based on what we have learned, the primary issues that the Council will want detailed information on when considering land use and growth scenarios include:

- Cost of services and the fiscal implications of infrastructure extension and delivery
- Availability of water supplies to serve new growth areas
- Revenue and costs associated with different land uses
- Jobs and housing generation potential
- Traffic congestion and future roadway needs
- Feasibility of development of the area (i.e., biological sensitivity, etc.)

Land Use Alternatives Analysis

In summary, the City should focus on the following when preparing a Land Use Alternatives Report:

- Identify which areas you want to study and analyze.
- Provide opportunities for property owners to request changes.
- Identify a reasonable, yet focused, range of growth scenarios for the study areas (2-3)
- Analyze the growth scenarios in detail with supporting technical analysis. Particularly infrastructure/utilities, economics/fiscal, and traffic/circulation.
- Refine the land use map based on the results of the analysis and community feedback. Pull the best features from each alternative, combine them into a single map, rework the map until you're happy with it. None of the original alternatives will get adopted in their original form. This is an iterative process and the final Preferred Map will emerge through a series of workshops, analysis and compromise.

The City will want to establish the Preferred Land Use Map at the approximate mid-point of the General Plan Update process. This ensures that the General Plan policy document is crafted to support the Preferred Land Use Map, and it allows the project team to begin work on the EIR concurrent with drafting the General Plan. The EIR relies on the growth projections associated with the Preferred Land Use Map as the basis of its analysis. Once the EIR technical studies commence (traffic, noise, air quality, GHGs, etc.), notable changes to the Land Use Map can result in the need to redo or restart technical studies, which can lead to budget increases and schedule delays.

Take the time to analyze the Land Use Map alternatives in detail. Debate them. Refine them. Then stick to them so the rest of the plan and process can be built around the Map.

Land Use Alternatives Analysis

Budget Implications	The costs associated with Land Use Alternatives analyses can vary greatly, depending on the number of alternatives analyzed and the degree of technical analysis completed for each alternative. Comparative analyses of traffic, utilities/infrastructure, and economic/fiscal have the largest price tags, and can collectively cost several hundred thousand dollars if completed for multiple map alternatives. The City will want to give careful thought as to how much supporting analysis is needed in order to select a Preferred Map, and how far along development of the various map alternatives should be before any supporting technical analyses are prepared. The City should also assume that any of the alternatives it chooses to analyze at a specific level of detail will likely change and evolve before the Land Use Map is finalized and adopted, which may necessitate updates to the technical reports. As noted above, based on what we've heard to-date, the City will want to invest heavily in the Land Use Alternatives Report, and include multiple detailed supporting technical studies.

General Plan- Goals, Policies, and Actions

Overview

The overarching purpose of a General Plan is to serve as a roadmap or blueprint for the City's growth, development, conservation, and quality of life over an approximately 20-year timeframe. It should include a series of goals, policies, and action items (implementation tools or strategies) to meet the City's identified objectives and priorities. It should also comply with all applicable requirements of California Planning Law.

There are seven State-mandated elements that must be included in all General Plans. These include:

- Land Use
- Circulation/Mobility
- Conservation
- Open Space
- Safety
- Noise
- Housing

General Plans are also required to address the topic of Environmental Justice. However, this topic may be addressed as either a stand-alone element, or included in another General Plan element.

Housing Elements are required to be updated every eight years and certified by the State. The City is currently preparing an update to its Housing Element, and it is assumed that this element will not be updated as part of any pending comprehensive General Plan Update.

The City may also elect to include any number of optional elements in the General Plan to address topics of local importance. The City's current General Plan includes Economic Development, Public Facilities and Services, and Air Quality Elements. Once adopted, optional elements hold the same weight of law as mandatory elements.

General Plan- Goals, Policies, and Actions	
	The City has tremendous flexibility and leeway in terms of how the General Plan is organized and which optional topics are addressed.
Is it Mandatory?	Yes. Every City and County in California must have an adopted General Plan that meets the requirements of State law. Optional elements remain optional.
Special Considerations for Clovis	One notable observation from the City's existing General Plan is the omission of action items, or implementation measures. The existing General Plan is limited to a series of goals and policies within each element. Action items provide specific direction to staff and elected/appointed officials regarding tangible steps to be taken in order to ensure that the General Plan is fully and properly implemented, and that the goals and policies are ultimately realized and carried out. It is recommended that the updated General Plan include a series of specific action items, some of which will be one-time efforts (such as comprehensively updating the Zoning Code), while others may be ongoing efforts (such as best practices when reviewing development applications). Additionally, if the City seeks to maintain fiscal sustainability and to continue providing high levels of public services, the General Plan should include strategies and approaches to ensure this occurs. Action items provide a road map to successful Plan implementation, and can help staff and the City Council stay focused on upcoming priorities and tasks in furtherance of the goals established by the General Plan. Another key observation in reviewing the City's existing General Plan is the relationship between the General Plan and its corresponding EIR. The General Plan EIR includes numerous mitigation measures that must be

General Plan- Goals, Policies, and Actions

implemented by staff when reviewing development projects and/or implementing the General Plan. This requires staff and project applicants to reference multiple documents when navigating the planning and development review process. It can result in inconsistencies between the two documents, and adds a layer of administrative review that can be cumbersome.

An alternative approach is to develop the updated General Plan to be a self-mitigating document, wherein any steps, methods, procedures or other mitigation approaches are included in the General Plan as a policy or action item. This approach places all relevant General Plan requirements within a single cohesive document that is internally consistent, and can help streamline the subsequent review of development projects, infrastructure improvements, and overall implementation of the General Plan.

It is also important to note that the City need not identify every key issue and topic to be included in the General Plan Update prior to embarking on the update process. It is inevitable that new issues and topics will emerge through the public outreach process, and the City can remain flexible in terms of how new topics are addressed, which new goals should be prioritized, and how to address new challenges via policies and actions.

Once the City has undertaken the initial stages of public outreach, existing conditions documentation, and identification of key issues and opportunities, the project team should undertake a comprehensive review of the existing General Plan goals and policies to determine if they are still relevant and appropriate, and if they effectively meet the City's restated goals and priorities. It is likely that many of the goals and policies in the existing General Plan will remain relevant and applicable, but may require augmentation or expansion in order to meet the City's vision.

As noted in the Regulatory Review section of this report, there have been numerous changes to State Planning law since the existing Clovis General Plan was prepared and adopted. The new regulatory topics and issues that will need to be addressed in the General Plan Update include:

- Adherence to the 2017 OPR General Plan Guidelines
- Planning to achieve the most current CA GHG reduction targets

General Plan- Goals, Policies, and Actions

- Climate change adaptation planning
- Flooding and flood hazards
- Emergency response and evacuation
- Environmental justice and disadvantaged communities

Recommendations

Based on the feedback received during the preparation of this report, the following recommendations are offered:

- Actions, or Implementation Measures, should be added to the General Plan in order to ensure that goals are met and policies are implemented. The existing Clovis General Plan does not have any action items. Action items help provide a roadmap to staff to ensure the General Plan is effectively implemented. They help make the document more proactive and less reactive. Actions can assist the Council with budget prioritization and direction to staff on key undertakings and City-initiated efforts.
- The General Plan should be developed to be a self-mitigating document, and the City should not rely on the General Plan EIR to provide mitigation or guidance to staff and developers. The City's existing General Plan EIR includes numerous mitigation measures that apply to City actions and private-party development actions. This means that applicants, and staff, need to review two documents (the General Plan and EIR) to determine what is required for a given project or action. By incorporating CEQA-style mitigation into the General Plan in the form of actions and policies, the City is able to place all General Plan related requirements under a single document cover, which reduces the potential for confusion, and streamlines the project review process. In order to accomplish this, the General Plan and the EIR should be written concurrently, and as mitigation measures are identified via the CEQA analysis, they should be incorporated into the General Plan.
- All existing General Plan elements should be thoroughly reviewed in terms of their effectiveness in meeting the goals and objectives of the existing General Plan, and potential to meet the goals and objectives of the updated General Plan. Keep what's working, fix or replace what isn't working, and add new policies and actions to meet newly-identified priorities.

General Plan- Goals, Policies, and Actions

- Create a new stand-alone Community Health and Environmental Justice Element. The topic of environmental justice is required to be addressed in the General Plan. Some communities opt for a stand-alone element, while others opt to integrate the topic into another element, such as Land Use. The issues of community health and civic engagement were raised by multiple stakeholders during the outreach for this report. Combining the topics of community health and environmental justice into a single stand-alone element would help the City take a comprehensive and cohesive approach to these topics.
- Consider inclusion of a stand-alone Parks and Recreation Element. Stakeholders consistently noted the City's excellent parks and trails networks as key community resources. Discussions related to future growth noted the important of integrating new development into the City's parks and trails networks, and ensuring that new development was well-served by such resources. This topic may warrant its own element in the General Plan.
- The existing stand-alone Air Quality Element could be folded into the Conservation Element.
- The Economic Development Element could be expanded to include more policy direction related to fiscal sustainability. Consider preparation of a Fiscal Sustainability Element.
- Provide greater policy direction and emphasis on historic preservation and Old Town Clovis. In 2016 the City updated the Central Clovis Specific Plan (CCSP). The City should review the CCSP as part of the General Plan Update and determine if revisions are required in order to meet the full range of priorities for downtown Clovis identified during the General Plan update. The City may wish to expand how these topics are addressed in the Land Use and Conservation Elements, or create a new stand-alone element focused on historic preservation and Old Town.

General Plan- Goals, Policies, and Actions	
Budget Implications	Prior to embarking on a comprehensive General Plan update, the City should strive to identify those elements that it knows should be included in the update, and also identify key issues and topics that it knows should be addressed. The City should also assume that new issues and topics are likely to emerge throughout the process, which warrant inclusion in the General Plan. Addressing new and unanticipated goals and policies mid-stream through a General Plan update should not have significant bearing on the overall project budget, provided that new detailed technical analyses are not required. From a consultant perspective, writing new goals, policies and actions is not necessarily an overly time-consuming or expensive process. One of the most costly and time-consuming aspects of drafting a new General Plan is the identification and refinement of the Preferred Land Use Map, which is discussed previously in this report.

Environmental Impact Report (EIR)	
Overview	An EIR will be required for any comprehensive update to the General Plan, particularly if changes to the land use map occur. The EIR must be completed at the Programmatic level, and must analyze and disclose potential environmental effects associated with adoption, implementation, and buildout of the General Plan and Land Use Map. If prepared correctly, the EIR can assist in streamlining the environmental review of subsequent development and infrastructure projects which are consistent with the General Plan.
Is it Mandatory?	Yes.
Special Considerations for Clovis	As discussed above, the City should consider preparing a General Plan that is self-mitigating. The City should also consider preparing the EIR and the General Plan document concurrently, in order to ensure that potential environmental impacts are identified early in the process, thus ensuring that the General Plan can address such impacts via the inclusion of appropriate policies and actions items. If potential environmental impacts and their associated mitigation strategies are not considered during the preparation of the General Plan, the City could find itself in a situation where EIR mitigation measures end up conflicting with the General Plan policy direction and implementation strategies, resulting in the need to revisit key aspects of the General Plan or Land Use Map. In other words, don't let the tail wag the dog.
Recommendations	A well-prepared program-level EIR for the General Plan can provide significant benefits that assist in streamlining the CEQA review of subsequent projects and proposals that are consistent with the General Plan. The City should ensure the following when preparing the next General Plan EIR:

Environmental Impact Report (EIR)

- Ensure that the EIR establishes a detailed and realistic future buildout projections for growth and resource demands.
- Utilize the Existing Conditions Report as the environmental setting in the EIR in order to reduce the project budget and project schedule.
- Clearly identify what types of projects and future actions are covered by the General Plan EIR, so that these projects and actions can undergo future streamlined review. Examples include but are not limited to: zoning code updates, adoption of infrastructure master plans, review of development proposals, etc.
- Don't be afraid to find certain impacts Significant and Unavoidable, provided that the General Plan includes all feasible strategies and approaches to reduce the impact to a less than significant level. Ensure that the General Plan provides guidance as to how mitigation strategies should be implemented.
- Ensure that the EIR includes a detailed discussion and analysis of cumulative conditions and cumulative impacts. The primary questions that are asked when future projects are tiering off of a General Plan EIR are: Would the project result in new or more significant cumulative impacts? And, are there any peculiar site-specific impacts that cannot be mitigated via the application of policies and standards?
- Utilize the Land Use Alternatives that were generated in the Land Use Alts report in the Alternatives section of the EIR. The City will already have lots of technical analyses of these alternatives, which will help provide a robust comparative analysis in the EIR.

Budget Implications If done correctly, EIR costs need not be overly high as a single line-item in the project budget. Components and analysis from the Existing Conditions Report, Land Use Alternatives analysis, and General Plan development can be melded together to create a defensible and useful tiering document that can be used for many years following General Plan adoption.

General Timeline and Phasing

Overview	The City has expressed a desire to complete the comprehensive General Plan Update within a 3-year schedule. This schedule is realistic, provided the City maintains focus and momentum throughout the process.
Project Phasing	In general, the General Plan Update should be completed in approximately 3 separate phases. While this phased timeline is generally linear, there can be significant overlap between tasks within each phase. Think of the phases as links in a chain, rather than a straight rope. Phase I: Visioning, Existing Conditions, Issues Identification Phase II: Land Use Alternatives and Preferred Land Use Map Phase III: General Plan Policy Document, EIR, Adoption
Steps the City can take to Keep the Project on Schedule	• Have a dedicated staff project manager with ample time available to focus on this project. • City Council should provide decisive guidance at critical project milestones. For example, the Land Use Map may never be perfect. Don't let this trip you up. Look at options. Weigh the pros and cons. Have a healthy debate. Give direction and move forward. • Don't fall into "meeting creep." Identify the number of GPAC and community meetings you plan to conduct and stick to it.

General Timeline and Phasing

- Provide feedback and resources to the consultant team in a timely manner.

INTRODUCTION- REGULATORY REVIEW

De Novo Planning Group has undertaken a review of the existing Clovis General Plan (2014) to assess its consistency with current state regulations. The intent of this memorandum is to provide the foundation for determining how the City will address these requirements while reflecting Clovis-specific priorities, and ultimately to help inform the General Plan Update strategy.

California state law requires every city and county to prepare a general plan which serves as a blueprint for the physical development of the jurisdiction. General plans must be comprehensive, internally consistent, and long-range. State law requires that local governments update their general plans periodically but does not specifically define how often. According to California Government Code § 65040.5, the Governor's Office of Planning and Research (OPR) is required to notify a city or county when their General Plan has not been updated within eight years, and then notify the Attorney General if a general plan has not been revised within ten years. In practice, most cities and counties in California comprehensively update their general plans every 10-15 years.

It is important to note that the age of a general plan does not necessarily mean it is inadequate. However, there have been such significant changes to state law and local conditions in and around Clovis since the City's existing General Plan was adopted in 2014 that a comprehensive General Plan Update is in the City's interest and would help align the City's primary planning document with both state law and the community's current goals and objectives.

Compliance with state regulations in regard to the General Plan are explored in detail in this memorandum. Sections of the existing General Plan are identified as priority areas that will need to be updated to fall within regulatory compliance.

As the Housing Element is currently being updated separate from this review of the Clovis General Plan, new legislation related to housing and housing elements is not addressed in this memorandum, although it must be noted that the introduction of new housing bills over the past few years has been broad and sweeping.

Existing Clovis General Plan

General plans are still required to cover seven primary elements: land use, housing, circulation, conservation, open space, noise, and safety. However, a new regulation mandates that cities and counties that have identified "disadvantaged communities" or "DACs" (per Senate Bill 1000 guidelines described below) are also required to address environmental justice in their general plan, including air quality. Within the context of these overarching elements, the State has provided direction on how to cover specific topics including climate change and resiliency, environmental justice, flooding, complete streets, and transportation impact metrics. In addition, the California Office of Planning and Research (OPR) updated its General Plan Guidelines in 2017, which must be considered when undertaking a General Plan Update. Relevant changes to state law are described on the following pages, along with an assessment on how the City might respond to the legislation.

General Plan Assessment

California Global Warming Solutions Act of 2006 (California Assembly Bill No. 32)

California Assembly Bill No. 32 (AB 32), the California Global Warming Solutions Act of 2006, set a statewide goal to reduce greenhouse gas emissions (GHG) to 1990 levels by 2020 (a 15% reduction from a "business-as-usual" scenario). In May 2014, the California Air Resources Board (CARB) approved its first update to the Climate Change Scoping Plan, which defines primary strategies to achieve the most technologically feasible and cost-effective GHG emissions reductions. Pursuant to the Scoping Plan, local governments are encouraged to take a number of potential actions to reduce local GHG emissions, including shifts in land use patterns to emphasize compact, low-impact growth over development in greenfields, resulting in fewer vehicle miles traveled (VMT). Based on the State Attorney General's interpretation of AB 32, local GHG reduction targets and strategies must be addressed by the General Plan.

Furthermore, Senate Bill No. 32 (SB 32), which passed into law in 2016, sets the target of reducing greenhouse gas emissions to 40 percent below the 1990 level by the year 2030. SB 32 extends the original set of greenhouse gas targets provided by the passage of AB 32. This new target sets an aggressive goalpost, helping the State along a pathway to achieve its longer-term goal of an 80 percent reduction in greenhouse gas emissions by the year 2050.

Note that the 2022 Climate Change Scoping Plan Update is currently being prepared and assesses progress toward the statutory 2030 target, while laying out a path for the State to achieve carbon neutrality no later than 2045.

> **Response:** The existing General Plan defines goals and policies intended to reduce potential greenhouse gas impacts of future development under the land use plan, and to comply with the GHG reduction requirements of AB 32. The existing General Plan EIR provides in-depth analysis on air quality and GHG emissions to determine consistency with legal requirements current at the time of the General Plan's adoption and through to full buildout in year 2035. The existing General Plan EIR established thresholds and GHG reduction strategies that the City identified in consideration of its GHG reduction targets for 2020 and 2035 (in support of the statewide GHG reduction goals). The goals and policies in the existing General Plan and the Mitigation Measures in the EIR ensure that GHG emissions from buildout of the General Plan would be minimized to the extent feasible.
>
> The General Plan Update and new General Plan EIR should be prepared to continue to address the requirements of AB 32 and SB 32, to a level consistent with current legal requirements, and to provide certainty and consistency in how future development projects are reviewed and analyzed in terms of their potential GHG impacts. This will ensure

that the General Plan is prepared in a manner that is legally defensible in accordance with state regulations and will contain strategies to meet GHG reduction goals.

Flood Control (California Assembly Bill No. 162 and Senate Bill No. 5)

California Assembly Bill No. 162, Land Use: Water Supply (AB 162) and the interrelated Senate Bill No. 5 (SB 5) were approved in 2007 to improve flood management in a sustainable way, strengthening the linkage between local land use planning decisions and flood management practices. AB 162 requires cities and counties to update specified elements (land use, safety, and conservation) of the general plan to account for flood management and protection. AB 162 expands the general plan requirements for flood management in the following ways:

- Requires the land use element to identify and annually review areas that are subject to flooding as identified by federal and state floodplain maps.
- Requires the conservation element, upon the next housing element review on or after January 1, 2009, to identify rivers, creeks, streams, flood corridors, riparian habitat, and land that may accommodate floodwater for specified purposes.
- Requires the safety element, upon the next housing element review on or after January 1, 2009, to identify flood hazard zones and establish policies to avoid or minimize the unreasonable risks of flooding.
- Allows the housing element to exclude from the determination of land suitable for urban development those areas where the flood management infrastructure is inadequate and housing development would be impractical.

Response: The existing General Plan addresses flooding as required by AB 162 in the Environmental Safety Element by identifying water bodies, flood zones, and flood control infrastructure, and through policies designed to minimize the risk of injury, loss of life, property damage, and economic and social disruption caused by flooding. However, the Land Use Element and Open Space and Conservation Element do not address flooding and floodwater in accordance with the AB 162 regulations outlined above. In order to develop a comprehensive General Plan Update, the Land Use Element and Open Space and Conservation Element should be updated to integrate discussions of flood hazards and to meet the legislative requirements established in AB 162. The General Plan Update should provide a comprehensive assessment of flood hazards beyond the Environmental Safety Element, which will establish a broad approach to mitigating flood hazards as required by state law.

Complete Streets Act (California Assembly Bill No. 1358)

The Complete Streets Act (2008) revised requirements for general plan circulation elements to plan for a more balanced multimodal transportation network that meets the needs of all users of streets, roads, and highways, which includes bicyclists, children, persons with disabilities, motorists, movers of commercial goods, pedestrians, users of public transportation, and seniors.

The Complete Streets Act is intended to help fulfill the State's commitment to reduce GHG emissions through innovative ways to reduce vehicle miles traveled (VMT) and shifting from short trips in an automobile to biking, walking, and using public transit.

> **Response:** The City's 2014 Circulation Element addresses complete streets and strategies to reduce VMT. Goal 1 of the Circulation Element and its underlying policies support "A context-sensitive and 'complete streets' transportation network that prioritizes effective connectivity and accommodates a comprehensive range of mobility needs." Nonetheless, the General Plan could be updated (specifically the Circulation and Land Use Elements) to not only address planning for multimodal circulation, but also to bring complementary land uses closer together to reduce VMT.
>
> It should be noted that the 2022 Clovis Active Transportation Plan (ATP) is currently under development and supports walking, bicycling, transit, and use of other emerging modes of personal transport as alternatives to driving within Clovis, to neighboring cities, and regional destinations. The ATP identifies strategies to improve safety and accessibility for active forms of travel such as walking and bicycling and is intended to help the City create a sustainable and multimodal transportation network. The ATP identifies policy actions that support complete streets strategies and supplements the existing General Plan. The General Plan Update should in turn consider the Active Transportation Plan and be consistent with it.
>
> As well, any effort to update the Land Use and Circulation Elements to comply with complete streets should work cohesively with the City's separate initiative to update its transportation model to recalibrate for the use of vehicle miles traveled in compliance with SB 743 (described below).

Sustainable Communities and Climate Protection Act (California Senate Bill No. 375)

The Sustainable Communities and Climate Protection Act (SB 375) of 2008, also known as the California Anti-Sprawl Bill, was signed into law on September 30, 2008. The SB 375 regulations provide incentives for cities and developers to bring housing and jobs closer together and to improve public transit. The goal behind SB 375 is to reduce automobile commuting trips and thus help meet the statewide targets for reducing greenhouse gas emissions set by AB 32. The legislation requires Metropolitan Planning Organizations (MPOs) to look at the interface between land use and transportation. It also requires MPOs to develop strategies to reduce vehicle miles traveled (VMT), which is a precursor to greenhouse gas emissions (GHG).

> **Response:** The Fresno Council of Governments (Fresno COG), which is the federally-designated Metropolitan Planning Organization for Fresno County, adopted the 2022 Regional Transportation Plan (RTP) on July 28, 2022, along with the associated Conformity Analysis in order to attain consistency with the Federal Transportation Improvement Program (FTIP). The RTP comprehensively assesses all forms of transportation available in Fresno County as well as travel and goods movement needs through 2046. The updated

General Plan will be required to address strategies to reduce VMT and assess the role the City's land use plays in transportation outcomes. As a member of Fresno COG, the City of Clovis could update its General Plan to create consistency between the policy direction included in the RTP with the goals and policies of the General Plan as a measure to meet SB 375 requirements.

Disadvantaged Communities (California Senate Bill No. 244)

Senate Bill No. 244 (SB 244) was approved in 2011 and requires cities and counties to address the infrastructure needs of unincorporated disadvantaged communities (DACs) in general plans. A disadvantaged community is an unincorporated fringe, island, or legacy community in which the median household income is 80 percent or less of the statewide median household income. In addition to identifying disadvantaged communities, SB 244 requires cities to analyze the water, wastewater, stormwater drainage, and structural fire protection needs and potential funding mechanisms for the extension of services to identified disadvantaged communities.

Response: Using the CalEnviroScreen 4.0 tool, disadvantaged communities are identified within the City's Sphere of Influence (SOI). Therefore, the City will need to update its General Plan to address the infrastructure needs of DACs as described in SB 244.

Fire Protection (California Senate Bill No. 1241)

Senate Bill No. 1241, Fire Hazard Impacts (SB 1241) was approved in 2012. SB 1241 requires the safety element, upon the next revision of the housing element on or after January 1, 2014, to be reviewed and updated as necessary to address the risk of fire in State Responsibility Areas (SRA) and Very High Fire Hazard Severity Zones (VHFHSZ). The update must include:

- Consideration of guidance given in the Office of Planning and Research's (OPR) Fire Hazard Planning document;
- Specific information regarding fire hazards; and
- A set of goals, policies, and objectives to protect the community from unreasonable wildfire risks and a set of feasible implementation measures to achieve these goals, policies, and objectives.

This bill also requires cities and counties to make certain findings regarding available fire protection and suppression services before approving a tentative map or parcel map.

Response: The City adopted the Fresno Multi-Jurisdictional 2015-2023 Housing Element in April 2016 and like all other jurisdictions in the Fresno Council of Governments (Fresno COG) region, Clovis is required to update its Housing Element as part of the ongoing 6th Cycle Regional Housing Needs Allocation (RHNA). The City is currently in the process of preparing the 6th Cycle Housing Element, which is anticipated to be adopted in 2023.

Although the existing Environmental Safety Element identifies Fire Hazard Severity Zones within the Clovis Planning Area (as defined by the General Plan), it does not depict the State Responsibility Areas (SRA) also located within the Planning Area, which are identified on CAL FIRE's Fire Hazard Severity Zone Viewer (https://egis.fire.ca.gov/FHSZ/). It must be noted that these Fire Hazard Severity Zones and State Responsibility Areas are outside of the City Limits and Clovis Sphere of Influence (SOI), but within the existing Planning Area. Therefore, depending on how the updated General Plan defines the Planning Area will determine whether there is a risk of wildfire to Clovis and the extent of the goals, policies, objectives, and implementation measures that the Safety Element will need to incorporate related to fire hazards in order to meet the requirements of SB 1241.

Transportation Impacts (California Senate Bill No. 743)

Senate Bill No. 743 – addressing Alternative Transportation Metrics – was approved in 2013. SB 743 is also known as the Transit Oriented Development Act. SB 743 created a process to change the way that transportation impacts are analyzed under the California Environmental Quality Act (CEQA). Specifically, SB 743 required OPR to amend the CEQA Guidelines to provide an alternative to LOS (level of service) for evaluating transportation impacts. Measurements of transportation impacts may include "vehicle miles traveled, vehicle miles traveled per capita, vehicle miles traveled per employee, and net vehicle miles traveled."

On December 28, 2018, regulatory changes to the CEQA Guidelines that implement SB 743 were approved. Statewide implementation of new VMT-based metrics was required on or before July 1, 2020. However, SB 743 leaves it up to local jurisdictions to establish the methodology to calculate VMT and the appropriate thresholds and significance criteria. As an example, OPR has identified types of projects that should not result in an increase in VMT, such as infill retail uses and small residential projects near transit. In addition, automobile delay (as measured solely by roadway capacity or traffic congestion) no longer constitutes a significant impact under CEQA.

Response: In response to SB 743, the City of Clovis initiated efforts to establish a framework for analyzing transportation impacts that was both consistent with the State's mandates, and City policy. This effort led to the development of the Interim Transportation Impact Analysis Guidelines (adopted July 20, 2020, Resolution 20-93), which provides guidance to City staff, applicants, and consultants on the requirements to evaluate transportation impacts for projects in the city for the purpose of determining impacts under the California Environmental Quality Act (CEQA). The Interim Transportation Impact Analysis Guidelines are intended to:

- promote conformance with applicable City and State regulations;
- provide evaluation consistent with CEQA;
- ensure consistency in preparation of studies by applicants and consultants; and

- provide predictability in content for City staff and the public in reviewing studies.

Following adoption of the Interim Transportation Impact Analysis Guidelines, in response to the requirements of SB 743, it became evident that the City's Circulation Element needed to be updated to be in alignment with the State's mandates, and the Interim TIA Guidelines. City staff then embarked on an update to the Circulation Element, which focused on policy language additions that are aimed at reducing VMT by way of a variety of planning mechanisms. In late 2022 the City adopted the updated Circulation Element and the updated Transportation Impact Guidelines, which include thresholds and analysis requirements for VMT, consistent with the requirements of SB 743. The City's new 2022 Circulation Element is consistent with the requirements of SB 743, and may not warrant any further revisions as part of a larger General Plan Update. However, if the City elects to make notable land use changes as part of a General Plan Update, the Circulation Element may need to be revisited in order to ensure internal consistency between elements within the General Plan. It's anticipated that only targeted updates to the Circulation Element would be required.

Climate Adaptation and Resiliency Strategies (California Senate Bill No. 379)

Senate Bill No. 379 (SB 379) was approved on October 8, 2015. SB 379 requires cities and counties to include climate adaptation and resiliency strategies in the safety element of their general plan upon the next revision of their housing element or upon the next update to their general plan. The requirements took effect beginning January 1, 2017. The bill requires the climate adaptation update to include a set of goals, policies, and objectives for the respective community based on the most current information available regarding climate change adaptation and resiliency. It also requires cities and counties to include a set of goals, policies, and objectives and specified feasible implementation measures based on this information. SB 379 further provides that if a city or county has already adopted a climate change plan separate from the general plan that it must contain the information required by the bill. The climate change plan can be attached to the general plan by reference.

Response: The City of Clovis updated its Environmental Safety Element in 2014. The Environmental Safety Element does not incorporate climate reduction strategies in accordance with SB 379. Likewise, the City does not have a climate change plan or climate action plan that may be incorporated into the General Plan by reference to satisfy the planning requirements established under SB 379. Furthermore, the 2018 Fresno County Multi-Jurisdictional Hazard Mitigation Plan, for which Clovis is a participating jurisdiction, does not contain strategies specific to climate adaptation and resiliency. However, for reference, Fresno County released a report in 2010 that includes climate mitigation and adaptation strategies developed by local leaders and experts. Some strategies include conserving water and promoting efficiency technology, preserving open space and avoiding conversion to sprawl, and increasing resilience of forests to climate change impacts. The Environmental Safety Element will need to be revised to satisfy SB 379.

Environmental Justice (California Senate Bill No. 1000)

Senate Bill No. 1000, Safety and Environmental Justice (SB 1000) was approved in September 2016. SB 1000 achieved two primary purposes. First, it narrowed the scope of previous revisions to the Planning and Zoning Law, which required cities and counties to consider new information when updating their safety element to now only consider new information as it relates to flooding and fires. Second, SB 1000 added to the required elements of a general plan an environmental justice element, or related goals, policies, and objectives integrated into other elements, that identify disadvantaged communities (DACs) within the area covered by the general plan (if such disadvantaged communities exist) and address special topics as they relate to DACs. In this context, cities are now required to identify objectives and policies to:

- Reduce the unique or compounded health risks in disadvantaged communities;
- Promote civil engagement in the public decision-making process; and
- Prioritize improvements and programs that address the needs of disadvantaged communities.

SB 1000 requires cities to address these topics upon the adoption or next revision of two or more general plan elements concurrently on or after January 1, 2018.

Response: The City of Clovis has disadvantaged communities within both its City Limits and Sphere of Influence. Given that the City is considering comprehensively updating its General Plan (which clearly includes an update to two or more elements), the City must also address special topics related to DACs as described in SB 1000. As stated above, it is up to the City whether to prepare a standalone Environmental Justice Element or to address environmental justice within the context of other elements. However, it is a legal mandate that the City address environmental justice within its updated General Plan. The determination of which approach to environmental justice may largely be informed by an analysis of the prevalence and types of DACs within the City.

Emergency Evacuation Routes (California Assembly Bill No. 747 and Senate Bill No. 99)

Assembly Bill (AB) 747, approved in October 2019, requires cities and counties to update the safety element of their general plan to identify evacuation routes and assess the capacity, safety, and viability of those routes under a range of emergency scenarios. Senate Bill (SB) 99, approved in August 2019, similarly requires jurisdictions to identify residential developments in hazard areas that do not have at least two emergency evacuation routes. State guidance has not yet been developed to determine the type and level of analysis needed under AB 747 or SB 99.

> **Response:** The City should prepare an evacuation routes analysis consistent with both AB 747 and SB 99 to assess possible evacuation routes and to identify residential developments in high hazard zones that do not have adequate emergency egress. The analysis could be included as an appendix to the Environmental Safety Element and help inform policies and implementation actions in the Environmental Safety, Circulation, and/or Land Use Elements to address any shortcomings with evacuation routes in the City and Planning Area. The high hazard zones should include CAL FIRE's High Hazard Severity Zones and seismic hazard zones. A GIS map and layers could be prepared, identifying access for residential areas in high hazard zones.

Evacuation Locations (California Assembly Bill No. 1409)

Assembly Bill No. 1409, General plan: safety element (AB 1409) was approved in October 2021. AB 1409 requires local jurisdictions to amend the safety element of the general plan to identify evacuation locations, in addition to evacuation routes, for identified fire and seismic hazards within the jurisdiction. The additional information required for the safety element must be completed upon the next revision of a local hazard mitigation plan on or after Jan. 1, 2022, or beginning on or before Jan. 1, 2022, if a local jurisdiction has not adopted a local hazard mitigation plan.

Cities and counties need to evaluate sites for potential evacuation locations as part of any revision to the general plan safety element. AB 1409 provides no guidance for determining appropriate evacuation sites. As a result, local jurisdictions need to consider various factors when evaluating their appropriateness, including accessibility to evacuation routes, capacity, suitability, proximity to emergency services, and short and long-term appropriateness.

> **Response:** As with the emergency evacuation routes analysis discussed above, the City will need to identify evacuation locations where residents can assemble during an emergency incident or disaster event and seek shelter. As incidents/events are often dynamic, evacuation locations should be assigned based upon the nature of the incident, availability of the location/shelter, and the population need (e.g., families with children, seniors). Evacuation locations should be studied in conjunction with evacuation routes by way of a more wholistic evacuation planning analysis.

Housing Element Legislation

As noted, this memorandum does not delve into legislation related to housing law or the Housing Element since the Housing Element is well into the process of being updated. Nonetheless, a spate of housing bills has been approved since the last update of the General Plan including the 2017 Legislative Housing Package which provided a renewed focus on housing in California. More recently, SB 8, SB 9, and SB 10 were all approved in September 2021.

Senate Bill No. 8 extends the duration of the Housing Crisis Act (HCA) from 2025 to 2030 and requires any decrease to residential capacity in a general plan or zoning to be concurrently offset by an increase elsewhere in the city to ensure there is “no net loss” of housing units. SB 8 defines “concurrently,” for purposes of no-net-loss requirements under the HCA, to mean:

- The action is approved at the same meeting; or
- If the action that would result in a net loss of residential capacity is requested by an applicant for a housing development project, then within 180 days; or
- If by local initiative, then that “the action is included in the initiative in a manner that ensures the added residential capacity is effective at the same time as the reduction in residential capacity.”

Under Senate Bill No. 9, local agencies must ministerially approve certain subdivisions of one lot into two without discretionary review or a hearing. SB 9 also requires local agencies to ministerially approve a proposed two-unit development project on a lot in a single-family residential zone without discretionary review or a hearing. This applies to building two new units or adding a second one.

Senate Bill No. 10 authorizes cities to provide a streamlined upzoning process in certain areas. SB 10 does not impose any mandatory requirements upon cities; however, it empowers cities to adopt an ordinance allowing for up to 10 dwelling units per parcel provided the parcel is located in either a transit rich area or an urban infill site. The ordinance must set a height limit. When adopting the ordinance, the city must make the finding that the increased density “is consistent with the city or county’s obligation to affirmatively further fair housing pursuant to [Government Code] Section 8899.50.”

General Plan Guidelines Summary

The current State General Plan Guidelines were adopted in 2017, three years after the City adopted the 2014 General Plan, and they provide guidance to cities and counties in the preparation of their local general plans. Given that OPR has recently revised the Guidelines to include new resources, data, tools, and model policies to help cities and counties update their general plans, there are numerous new requirements to comply with when updating the City of Clovis General Plan. The 2017 General Plan Guidelines also incorporate updated and expanded sections on visioning and community engagement, which could provide creative tools for public outreach that the City may find more effective for meeting local needs.

CONCLUSION

Although only eight years have passed since the City of Clovis adopted its current General Plan (2014), there have been significant changes to California Planning and Zoning Law which the City needs to address in its General Plan. A comprehensive General Plan Update – whereby the City updates the entire General Plan at once and prepares a Program EIR – would provide the City with the opportunity to engage the community in a robust discussion regarding Clovis' vision and values. This is a chance for the City to create a Vision Statement and clearly articulate the community's goals, policies, and desired implementation actions. By addressing all state requirements and considering the City's unique vision, an updated Clovis General Plan would prove to be an effective backbone for existing and future growth. Any future update made to the General Plan should meet all defined requirements within this memo in order to prove legally defensible.

INTRODUCTION- OUTREACH SUMMARY

This writeup summarizes the stakeholder input received during the Clovis General Plan Update Strategy process. This initial outreach effort was conducted with the Clovis City Council, Planning Commission, City departments and agencies, community-based stakeholder groups, California Health Sciences University (CHSU), and stakeholders from the residential and commercial development community.

The City of Clovis initiated a review of its current General Plan to develop strategies and recommendations for how to approach an update to the document, and began a targeted outreach to engage City decision-makers, staff, and a sample cross-section of community stakeholders in order to learn more about key issues and challenges facing the community, which should be addressed in any subsequent General Plan Update. The outreach was designed to facilitate a meaningful conversation with community stakeholders about the issues, challenges, and vision for the future for the City of Clovis.

Any future General Plan Update project will involve numerous opportunities for the public to learn about the project and provide their input, including traditional in-person workshops, open houses, and online surveys. For now, this Outreach Summary Writeup memorializes what was discussed during the joint meeting held between the City Council and Planning Commission and the stakeholder surveys distributed to department heads and community stakeholders. This input serves as the foundation for the City of Clovis' General Plan Update Strategy.

Outreach Objectives

Engage City decision-makers and key stakeholders for early input on the General Plan

Develop a strategy for the most effective approach to updating the General Plan

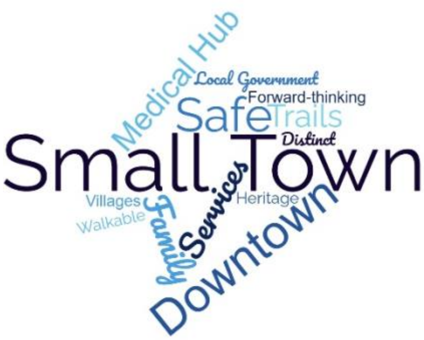
Establish a greater connection between the General Plan and current issues facing Clovis

JOINT MEETING OF CITY COUNCIL & PLANNING COMMISSION

A joint meeting between the Clovis City Council and Planning Commission was held on February 6, 2023. The intent of the meeting was to hear from City decision-makers regarding community priorities and to identify Clovis' opportunities, assets, and challenges. A brief overview of the General Plan was presented at the meeting, including why it is important and why the City is considering updating the General Plan at this time. A summary of what was heard from the City Council and Planning Commission is provided in the following pages. The intent of this Summary Writeup is to present and memorialize the information we received, which will be used to help inform the General Plan Update Strategy.

Assets, Challenges, and Vision Brainstorming: The City Council and Planning Commission were asked what they think are Clovis' biggest assets and challenges, along with their vision for the future of Clovis. The results are summarized by topic area on the following pages. Questions posed to the decision-makers for their consideration included:

Assets



What do you value most about Clovis?

What makes this a special place to live or work?

What are your favorite things about this city?

Challenges

What issues are facing the City that need to be addressed in the General Plan?

Vision

What ideas do you have for the future of Clovis?

What would make your community better?

What three things would you like to see accomplished by 2045?

Common ideas expressed during the joint meeting are summarized and presented below.

Table 1: Assets, Challenges, and Vision

Topic Area	Assets	Challenges	Vision
Community	Sense of family Safe community Small town feel/atmosphere Value heritage Forward-thinking Distinct identity Competency of local government City's partnership with school district Civic pride	Aging population Need to overcome influence of Fresno	Continue w/ at-large City Council representation Value all members of the community Retain young people Emphasize and improve inclusiveness Maintain small town feel Small community in a large city Be imaginative w/ how the City does things Improve community integration Educate constituency on what Sacramento is imposing on cities Maintain excellent City leadership
Services	High-quality services Varied services	Maintaining public safety as the City builds out Funding for safety and services Managing future water and infrastructure needs	Maintain excellent safety and services Find innovative revenue streams Take care of the little problems so they don't become big problems Secure diverse revenue sources
Mobility	Connected trails Walkable, bikeable Well-maintained and well-functioning streets	Traffic congestion Deficient in sidewalks How can transit system be made usable/efficient?	Reexamine transit routes and ensure that transit extends to new development

Topic Area	Assets	Challenges	Vision
		Need regional transit	
Development	Village concept Medical hub of Central California	Lack of commercial development close to residents Annexation may be the only way to grow and improve quality of life Expansion of infrastructure needed for growth How to attract businesses/employers How to support small business Environmental law challenges Loss of local control Lack of regional collaboration/coordination Changing retail trends, i.e. how to repurpose malls and big box stores	Look to infill and redevelopment of existing older areas Promote Clovis as a medical hub Commercial/retail must keep pace w/ residential growth in new areas New neighborhoods should be self-supportive Promote business development and attraction of new industry Take a holistic approach to SOI growth Distribute density Diverse mix of housing for different lifestyles, demographics, and income Promote mixed-use development Emphasis on quality of economic growth and not quantity Attract major medical suppliers and integrate medical economy Sustainable growth

Topic Area	Assets	Challenges	Vision
Conservation/ Preservation	Parks and trails Old Town Downtown	Aging housing stock; some blight Lack of recreational assets	Protect and preserve the downtown Revitalize older neighborhoods Retain open space Protect historical landmarks, features; preserve heritage Ensure open space in new growth areas and plan for a regional park

Major Themes: Major themes that emerged during the discussion with the City Council and Planning Commission include the following:

- Preserving the City's heritage, its Old Town Downtown, and the general small-town atmosphere of Clovis is critically important.
- There is a strong desire for orderly, cohesive growth that will necessitate expansion into the City's Sphere of Influence (SOI).
- The extension of infrastructure needed to support growth and expansion of the City will be confronted with funding challenges and must be planned for accordingly.
- Public safety and high-quality services are a hallmark of Clovis and the City must maintain high levels of services for residents and businesses going forward.
- The City should aggressively attract new industry while at the same time capitalize on its position as a medical hub and nurture the growth of the medical/healthcare economy.

STAKEHOLDER SURVEYS

This section provides a summary of responses and feedback from the General Plan Stakeholder Surveys distributed to City staff and key stakeholders within Clovis, including California Health Sciences University (CHSU), local community services providers, and representatives from the residential and commercial development sector. The survey responses provide insight into how the General Plan is used and the effectiveness of existing goals and policies, characteristics of the City that attract businesses and residents, challenges to economic growth and opportunities for economic expansion and diversification, and the type of housing and development that should be prioritized over the next 20 years. Of the participating stakeholders, survey respondents tended to prioritize the following themes:

- Clovis is regarded as a safe and well-managed city that provides high-quality services and public amenities, including police and fire protection, parks and trails, top performing schools, and a business-friendly environment.
- Clovis has a small-town charm with big city aspirations. There is a strong desire to maintain the small town feel while encouraging growth in terms of area (i.e. through annexation), population, and business development (e.g., becoming a medical education, healthcare, and technology hub).
- The City needs to grow in a sequential and cohesive manner with a focus on one major expansion at a time, as funding for the extension of infrastructure is limited.

- Growth, housing development, and the attraction of new industry are and will be constrained by the lack of developable land within the City. Growth is also complicated by the limited capacity of the major facilities for both sewer and water.

- A variety of housing types should be planned for and encouraged to provide options for different lifestyles, incomes, and stages of the lifecycle.

Below are the collated survey results.

City Department Head Survey Summary

1. What are some of Clovis' unique characteristics that attract businesses and residents?
• Safety, Police & Fire, CUSD, well-managed city. • High quality public safety, education, housing stock, and public spaces attract residents and subsequently businesses to Clovis. For businesses specifically, the ability to have reasonable processing timelines and clear communication during the entitlement process is very valuable to attracting businesses. One significant tool is having areas ready to go entitlement-wise including CEQA and zoning. • Safety, small town feel, Old Town Clovis, great parks and trails. • "Small town" feel and a clean community, safe, great parks/trails, great school district, Downtown Clovis is unique and offers a variety of entertainment. • Vibrant Old Town, trail system, well known for public safety, fire and school district. Small town feel maintained even as the City continues to expand. Accessible personnel within government who are capable of responding to small issues before they become large problems.
2. Does your department utilize or reference the General Plan on a regular basis? Please elaborate.
• Yes, the GP is the document we refer to on any land use decision. Deviations from the plan should be minimized. • The General Plan is used daily. Economic development and housing development staff see it as the blueprint of what the City should be pursing for attraction purposes. We are tasked with selling the General Plan to investors to encourage the fulfillment of the General Plan. • Very rarely does General Services reference the General Plan. • The GP is used as a reference for a variety of water and sewer reports. • Clovis Fire references the General Plan regularly as it relates to plan review for developments. Specifically, plan checking for circulation, access, and response capacity to maintain the right distribution and concentration of fire stations necessary to meet adopted response goals. The Safety Element of the General Plan also incorporates the Local Hazard Mitigation Plan which is essential in prevention and mitigation of large-scale events per FEMA requirements. The challenge is that the General Plan typically is treated as a "could have been" document versus what is actually built. The City needs to improve adherence to the General Plan and be more thoughtful in allowing for project deviation.

3. Do you feel that the City's current General Plan meets the needs of your department and the community at-large? Do you have any specific recommendations for improvement?

- I believe that things have changed so much since 2009 when we began the 2014 GP. Those changes, primarily at the State level, make our current plan somewhat dated and in need of an update.
- It has done a very good job of setting up properties in our city for development. However, we are beginning to run short on property and the growth areas don't have the necessary entitlements and/or environmental compliance reviews in place to offer a competitive edge compared to other jurisdictions. The use of mixed use areas or master plans that were not defined left large areas of the City's plan area not ready for development, or ambiguous at best; this has been a challenge.
- Need more open space for sports fields. We receive many requests for sports fields from the public – especially lighted fields.
- WATER:
  - Land needs to be "earmarked" for future public facilities (e.g., water treatment plants, recharge basins, pump stations, etc.).
- SOLID WASTE:
  - Due to new state laws re: organics diversion (e.g., SB 1383), goals and policies that encompass edible food recovery and other climate action goals would be beneficial. In addition, references to "green waste" diversion should be updated to "organics" diversion, as the latest regulations require food scraps and green waste to be composted and are banned from landfill.
  - We would benefit from consideration of Solid Waste collection and safety in Circulation Element goals and policies. This is especially the case in higher-density communities that are reducing the drive isle width and the smaller parcel commercial/industrial developments. They are creating safety issues and risks for Solid Waste collection vehicles.
  - All developments should be set-up to safely and properly dispose of all forms of waste (liquid and solid).
  - We feel that it would be a benefit to consider planning of Solid Waste and disposal facilities in the land use element. Some facilities that could be considered are composting facilities, waste-to-energy plants, etc. We envision this as part of our goal to conserve resources and protect the environment, reduce waste, and encourage manufacturing of products using recycled materials. The facilities within the City of Clovis would benefit the local community by reducing greenhouse gas emissions, creating jobs, and addressing edible food recovery.
- STREETS:
  - Ensure that truck routes (Policy 6.1) are designed to accommodate heavier traffic. Do we want to accommodate overnight commercial truck parking in the City?
  - Policy 1.7 implies narrow streets are allowed to promote pedestrian and bicycle connectivity and to enhance safety. Is this how the narrow streets are being considered currently? Does the 36′ wide street account for promotion of pedestrian and bicycle connectivity?

  - We feel that Policy 3.1 (employing traffic-calming measures when appropriate in new developments and existing neighborhoods to control traffic speeds and maintain safety) may need additional emphasis and/or clarity for consistent implementation.
- PARKS:
  - Update parkland standard (Policy 1.1) to provide a minimum of 4 acres of public parkland for every 1,000 residents. This standard should be coordinated and made consistent with the Parks Master Plan. Per the Parks Master Plan, March 2018, p. 47, Clovis has 3.05 acres/1,000 residents (including trails and CUSD fields). We think the Parks Master Plan should be updated to match Policy 1.1 of the General Plan.
- In our experience, the General Plan is developed with stakeholder input but too often allows for easy changes based on singular projects. These "project" based plan amendments degrade the character of neighborhoods, reduce commercial options for residents, and ultimately lead to a patchwork of projects versus a cohesive plan that supports community. Prime examples are the now defunct Loma Vista community center and changes we're already seeing in Heritage Grove. At the granular level, the continued allowance of non-linear streets in a grid format pose challenges in response. Compounded with piecemeal and phased development, we see many instances where circulation is delayed which aggravates emergency response delivery.

4. What challenges does your department face that may benefit from clear or expanded policy guidance in the General Plan?

- It would be nice if the General Plan provided some guidance on where development occurs sequentially. Are we going to grow in the NW and the NE at the same time? We cannot afford the infrastructure building out both at the same time.
- The use of mixed use areas or master plans that were not defined left large areas of the City's plan area not ready for development or ambiguous at best; this has been a challenge. Also, setting goals for job/revenue creation that are well-defined would be valuable to help the City balance types of growth.
- Bus stop locations during development.
- Planning strategies to provide services in the future are guided by the GP and the more clear and defined these strategies are, without major deviations, the better for the PUD planning effort. As the City develops, major infrastructure is installed per current master plans to serve the future General Plan. Deviations from the GP can change the infrastructure needs.
- WATER:
  - We would benefit from clear policy guidance that is in line with the Sustainable Groundwater Management Act (SGMA). In the future, our system will rely more heavily on surface water and it would benefit us greatly if the General Plan supported that through policies intended to expand our focus on surface water delivery (i.e., the Kings River Pipeline and the Northwest SWTP). While we are master planning for these projects, we ultimately will support the General Plan. Clear policies that we can align with will be greatly beneficial when explaining these to the public.
- SEWER:
  - Recycled Water is a critical asset. Policy stating this as such would be beneficial, as we would need to expand our ST-WRF to deliver reliable supply. At current, the Plant is not considered reliable, as there is no redundancy at the Plant should part of the operation

fail. If it fails during the RW delivery season, we do not have adequate storage or reliability to continue to serve our customers.
    - Examples (there will likely be more suggested edits to include in the EIR and GP policies):
        - Amend Policy 1.2 Water Supply of Goal 1 of our Public Facilities and Services Element to read as follows: "Policy 1.2: Water supply. Require that new development demonstrate contractual and actual sustainable water supplies adequate for the new development's demands through reliable surface water deliveries."
        - Policy 1.5: Recycled water. Maximize the use of recycled water to reduce the demands for new water supplies. Support the reliable expansion of recycled water infrastructure throughout Clovis and require new development to install recycled water infrastructure where feasible.
- SOLID WASTE:
    - We are challenged to plan for organics waste compost/recycling capacity and edible food recovery capacity for the next 15 years. The General Plan may want to include SB 1383 and organics diversion planning. Including climate action goals to reduce greenhouse gas emissions through the Circulation Element and other sections of the GP.
- Fire faces challenges related to higher densities allowed by right which can't always be addressed within the General Plan when allowed by the State. Ongoing inclusion within the Circulation and Safety Elements of the General Plan would allow more effective planning without Fire weighing in only when a tract is proposed and having our requirements come as a "surprise" to Planning or developer. Expanded policy guidance developed as part of the Addressing Committee has been helpful and those types of working groups that include cross-departmental representation should be encouraged.

5. Are there specific issues of community concern that the City should be more proactive in addressing?

- Funding Public Safety – Police and Fire.
- Having areas available for larger scale industrial would be valuable to the City. Plans on re-purposing/redeveloping older retail corridors is needed. Plans to improve quality of life conditions in older neighborhoods. A comprehensive plan to mitigate VMT for commercial/industrial areas. Addressing affordable housing needs clearly; not sure if the overlay is the best solution.
- Open Space and Conservation Element need Policy 1.10: Establish funding to purchase property in underserved areas for conversion to open space via parks and trails.
- Continue and strengthen the requirements of HOAs' maintenance responsibilities of pathways, sidewalks, and crosswalks in and adjacent to their HOA area, outlining maintenance agreements when necessary so it is understood clearly.
- Large motor carriers and the presence they have in the City, and whether or not we will allow or not allow commercial vehicles to park long-term in the City. This should be addressed citywide and not after the fact when complaints arise.
- Circulation, addressing, density and maintaining existing street width standards. In addition, expanded growth continues to stress the existing emergency response system to the point where neighborhoods on the border of the City boundary receive service levels outside of adopted standards. If the General Plan is to provide staff, stakeholders and potential

residential/commercial buyers a document for planning, we need to improve sticking to the plan and making more holistic decisions versus project specific modifications.
6. Is there any additional input you would like to provide?
• There is a need to consider water supply and availability as the GP changes/expands and land use densities increase. • There is/will be an overall increase in service demand intensity for all services with the higher densities and additional population as we move towards full buildout. • There is a challenge in planning for organics waste compost/recycling capacity and edible food recovery capacity for the next 15 years. The General Plan may want to include SB 1383 and organics diversion planning. • If the General Plan allows for making Clovis an attractive, unique and diverse destination for commercial or residential development we need to do a better job of sticking to it.

Community Services Focused Survey Summary

1. What are some of Clovis' unique characteristics that attract businesses and residents?
• Top-performing schools; private university and medical school; desire to make Clovis a medical education, health care, and technology hub; family-friendly; small town charm; clean, with limited graffiti or blight; nice range of housing options, from rural to upscale; good restaurants and shopping; active Chamber of Commerce; impactful and community-oriented police force; great city services; great city management and planning team; smart growth plans; City Council that prioritizes community over politics.
2. What challenges does Clovis face with regard to the provision of community services and support for residents?
• Keeping city infrastructure in great working condition and prepared for growth; maintaining strong investment in city to support growth while trying to maintain affordable cost of living; enhancing mental health services; expand reach of public transit; minimizing traffic congestion; maintaining "Clovis" way of life during population and city growth; attracting industry and good paying jobs.
3. What opportunities are present to expand and diversify the City's support for its special-needs populations?
• Enhancing mental health services; expand patient capacity for hospital, clinics and health care practices; expand reach of public transit; more trails and walkable access to retail/commercial centers; job growth for all income levels.
4. Are there specific issues of community concern that the City should be more proactive in addressing?
• Eliminating vagrancy on trails and at businesses; address increasing crime.
5. How can the City better support local schools and community-based organizations in their efforts to provide services?
• Assist, support, and consider reduced fees to help schools meet the planned growth.
6. Are there specific housing types, or housing densities, that the City should prioritize and plan for over the next 20 years?
• More multi-family units to accommodate college students and young professionals, especially near the hospital and medical school.
7. Is there any additional input you would like to provide?

- We are proud to part of the Clovis community and appreciate all efforts to make this the best place to live and work in California!

Economic Development Focused Survey Summary

1. What are some of Clovis' unique characteristics that attract businesses and residents?

- The City of Clovis has many unique characteristics that make it a desirable location for businesses and residents. It is clean and safe, with great trails and parks. For businesses, access from Highway 168, Willow Avenue, Herndon Avenue is very important. Old Town and the Clovis Avenue corridor is also a major attraction. For residents, there is a great choice of housing types, as well as highly rated Clovis Unified Schools.
- Some of Clovis' most unique characteristics are the city's safety, cleanliness, and curb appeal. Clovis streets and street landscaping are, for the most part, well maintained. I believe that these characteristics help to provide residents and businesses with a feeling of quality and peace of mind. I think that the city planning department should prioritize well landscaped residential areas, with traffic flows that work well. An example of a great residential street layout and landscaping plan is at the homes located on the southeast corner of Shaw and Leonard. The streets are wide, traffic flows well, and the landscaping is well maintained. I think that the imposition of the LMD fees, if used to provide this level of quality, are well worth it.
- Business-friendly, safe, good schools and generally good governance.
- Clovis is seen as a safe community. The trail system in Clovis is much more refined than the City of Fresno and an amenity that is widely used.

2. What challenges does Clovis face with regard to economic growth, housing development, and diversification?

- Being able to continue provide a wide variety of housing types at reasonable prices is very important. Similarly, attracting desirable retail and office users is very important in creating jobs and economic activities. The cost of development, particularly infrastructure and fees, is an important factor for future growth. Additionally, the City will need to balance and manage the increasing level of regulation from the State with the market realities of urban growth.
- The number one challenge that Clovis faces is lack of available housing, commercially developable land, and industrial zoned property. The population of Clovis has doubled in 20 years. If this trend continues, the population will be at approximately 168,000 in 2030 and 225,000 people in 2040. In order to meet the demand of our new population, we need more homes, more businesses, and a more efficient way to create all of them. The city should incentivize new development by prioritizing an expanded SOI boundary in the next general plan. The SOI should extend to Copper Ave in the north and Academy Ave in the east. The city will need to develop to those areas by 2040 to keep pace with demand and create more opportunity for residents and businesses.
- Housing development does not have enough room for growth. The new growth area north of Shepherd is controlled by a limited number of landowners. This restrictive growth is and will

continue to make housing unaffordable in Clovis for most first time and move-up buyers, unless the general plan is expanded elsewhere.

- The biggest concern and challenge to growth in the City is the limited capacity of the major facilities for both sewer and water. Both sewer and water require expansion of their Wastewater Treatment Facility and Water Treatment facility in order to grow. Both sewer and water require large trunk mains from the Southeast urban center to the northeast/northwest urban center for service.

3. What opportunities are present to expand and diversify the City's economy?

- Creating hubs of activity as described in previous General Plans is very important, specifically in the Heritage Grove and Loma Vista growth areas. In the past, the City has created incentive programs to help attract businesses and development (e.g., Old Town fee reduction). There may be ways to provide similar incentives for specific areas in town or land uses. For example, the City could focus on opportunities to attract office users, which would increase jobs and stimulate economic activity.
- A great example of a city-incentivized business growth project is the Dry Creek Business Park. Our company has purchased a total of 5 industrial lots in the business park. We have developed 4 light industrial buildings with 5 new buildings planned; the existing buildings are all leased by local businesses. My understanding is that the city helped kickstart the development of the business park by funding the street and utility improvements. This model is a great way to spur development that will create jobs. Clovis historically has lacked new industrial development and land zoned for manufacturing. The demand for space at the business park is huge. Our company leased out all of our buildings months before completion. I think that the city needs to look in the new growth areas for opportunities to replicate what has been accomplished at the Dry Creek Business Park.
- The City has an opportunity with the Northeast Urban Center to create a job generating venue. The proximity to the 168 Freeway and the blank canvas will allow this area to proceed in advance of housing to create jobs close to home.

4. How can the City better support the growth of existing businesses and/or new businesses to locate in Clovis?

- Lowering impact fees for new and expanding businesses would help to support growth. At the same time, the City does need to continue providing a high level of service and desirable public amenities (e.g., parks, trails, events). Finding ways to do both is challenging, but will go a long way to helping the City grow.
- Clovis continues to grow, while maintaining a safe, clean, and overall nice city, existing businesses will do better and more opportunity for new businesses will be created. The two areas that Clovis should focus on to help increase demand are zoning more rural properties for housing, and also supporting those developments' construction by funding a portion of the utility improvements that may be necessary. In addition to incentivizing residential development, the city should also prioritize and plan ahead for the commercial needs of new growth areas.

- By providing more opportunities for housing so businesses and employees can afford to live in Clovis.
- Time is money. City should take the lead and prezone, annex these business areas to allow for quick development. Could the City have parcels of land that submit a site plan and CUP and are off and running in 90 days? This would create a business-friendly environment. Ensure that adequate sewer and water services are available.

5. Is there adequate vacant or developable land available in Clovis to meet housing and economic development growth needs over the next 20 years?

- There is adequate land to meet growth needs for the near and intermediate future (1 to 10 years)? Perhaps more important, efforts should be made to ensure that there is sufficient infrastructure (e.g., sewer, water) for the land that is available under the current General Plan. As part of this general plan update, it would be good to better understand where and how growth will occur in the long term (10 to 25 years).
- I believe there is adequate volume of land, but not adequately prepared land to handle future growth needs. There is a lot of agricultural land existing in areas that need to be developed in order to provide more housing and commercial spaces. The city should make it easier for land owners to sell their properties, and developers to develop said properties, by increasing the amount of land zoned for the two uses. In general, I believe that most rural land owners will be amenable to selling their land, if the process for the buyer to develop is not a long and drawn-out ordeal. Committing their property to a two-year escrow, while waiting for GPAs and rezones to happen is much less secure than if their property is poised to be developed quickly.
- No. With Loma Vista near build out, land is very scarce. Our company is currently not looking for land in Clovis because the availability is at or near zero.
- There is not. The Sphere of Influence needs to be expanded eastward, and a bit south, along pretty much the entire eastern boundary. Especially near the new CUSD school location. Land is running out that is not already spoken for! Expanding east of Heritage Grove would be wise too.
- No, Clovis is a desirable place to live in the valley and opportunities are limited at this time. Buyers want choice.

6. Are there specific housing types, or housing densities, that the City should prioritize and plan for over the next 20 years?

- Housing density has continued to increase and most believe that it will continue to do so over the next 20 years. That being said, one of the great advantages Clovis has had is the wide range of housing densities it offers residents. There should be specific strategies in place to allow for the continued development of a wide range of housing types. Housing density over 25-30 units per acre will most likely require structured parking, which is a significant added cost. If the City aims for higher density above 30 units per acre, it is important to have strategies in place to accommodate and support the needed parking.
- I believe that one of the most attractive qualities to Clovis housing is the opportunity for spacious lots. In general, new developments in Fresno have squished houses together so tightly, that a backyard or side yard is but a sliver of concrete. Clovis should prioritize the development of more single-family homes and use the city's gift of vast surrounding land to offer people something different than what they are able to purchase in Fresno, and most of California. I believe there

should be a minimum side yard and backyard space requirement per square foot of home size. I understand this may add additional costs to developers' home building budgets, but I believe that our community can continue to attract new residents and offer a higher standard of living than other places in the area and state.

- 5,000 s.f. lots or below is accepted by the market. A product mix with these higher density lots and some low density 6 - 7,000 SF lots would be good.
- The City should adhere to their General Plan by providing lifecycle housing options. The trend will naturally be and has been to higher density developments. I would discourage low density development as much as possible to maximize land within the City.

7. Is there any additional input you would like to provide?

- I think that Clovis must choose certain ways to adapt and compromise to continue to grow and offer the Clovis way of life to more people. The city must also think innovatively in zoning and planning. For instance, our company had created a proposal for a 30,000sqft. Clovis Public Market, but was not optimistic about our chances to work through parking constraints on the project after discussions with staff. Therefore, we abandoned an idea that we think would have been an amazing addition to the local economy, in the name of expediency. We have now pivoted to building office/warehouse buildings instead, which are not bad investments for our company, and will render benefits to the city, but will not be anything new or innovative for the city. Developers such as ourselves can only tolerate so much lead time and permitting delays on projects. In developers' positions, time is money, and there is only so much time to get projects off the ground.

  Clovis needs to think of the community's desires and needs, as well as developer's timelines and feasibility of certain projects. When considering these areas, there should not be any exceptions or compromises made to lower the quality of appearance of projects, but I do believe that more compromising on the part of the city when considering developments of homes and businesses, will help meet the demand of our growing city.

NEXT STEPS

The goal of the joint meeting between the City Council and Planning Commission and the stakeholder surveys was to start a conversation with the City's decision-makers, staff, and key stakeholders regarding their thoughts and their vision for the City and how the General Plan should address key issues, opportunities, and challenges that are most important to the City of Clovis. Using this feedback, a General Plan Update Strategy will be crafted and presented to the City Council for consideration. Based on the direction the City Council chooses to take, City staff, a consultant team, and any General Plan Technical Steering/Advisory Committee may continue to use this information as well as other future milestone reports to evaluate priorities and develop goals, policies, and implementation actions that best reflect the community's vision for the future.