



December 10, 2021

Aly Zimmerman, City Manager  
City of Rocklin  
3970 Rocklin Road  
Rocklin CA 95677

**RE: Notice of Vote to Amend the Amended and Restated Joint Powers Agreement for Pioneer Community Energy**

City Manager Zimmerman,

This Notice is being provided to you in compliance with Section 19 of the Amended and Restated Joint Powers Agreement for Pioneer Community Energy (the "JPA"). Section 19 of the JPA requires written notice to all JPA members at least 30 days prior to the date upon which the Pioneer Governing Board will vote on an amendment to the JPA. Accordingly, with this letter Pioneer is notifying the City of Rocklin that the Pioneer Governing Board will vote on a proposed amendment to Section 4 of the JPA ("Proposed Amendment") at its regular meeting scheduled for January 20, 2022.

If approved, the Proposed Amendment would revise the Limitations on Power designation from the County of Placer to the City of Colfax, which is a general law city.

The agenda for the January 20, 2022 Pioneer Governing Board meeting will be posted timely in compliance with the Ralph M. Brown Act. Further information regarding the Proposed Amendment has been attached for your reference. If you have any further questions regarding the Proposed Amendment, please contact me at (916) 251-8575 or [Don.Eckert@pioneercommunityenergy.ca.gov](mailto:Don.Eckert@pioneercommunityenergy.ca.gov).

Sincerely,

  
Don Eckert, Executive Director  
Pioneer Community Energy

Enclosure: Purpose of Proposed Amendment to Joint Powers Agreement

Cc: Jill Gayaldo, Mayor

(electronic) Cc:  
Director Greg Janda, Pioneer Community Energy Governing Board  
Alternate Director Joe Patterson, Pioneer Community Energy Governing Board  
City Clerk Hope Ithurburn



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To: The Governing Board  
Member Agencies

From: Brad Kohn, Director of Finance and Administration and Casey Strong, Acting General Counsel

**Subject: Purpose of Proposed Amendment to Joint Powers Agreement**

Date: December 7, 2021

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State law provides that the manner in which a joint powers authority can exercise power is subject to the restrictions imposed on one of the contracting parties. (Gov. Code § 6509.) The Amended and Restated Joint Powers Agreement for Pioneer Community Energy (the "JPA") currently designates Placer County as this entity. Staff has proposed amending the JPA to change the limiting entity to the City of Colfax, a general law city. The Board of Directors will vote on the proposed JPA Amendment on January 20, 2022. This memo is intended to provide more information about the reason for the proposal.

The primary motivation for the proposed amendment is the difference between the budget adoption processes for California counties and general law cities. General law cities are not required by State law to adopt a budget, although most (if not all) do. Cities may devise their own budget procedures in order to ensure transparency and adequate public process. Once a city adopts a budget, it must be filed with the County auditor within 60 days after the start of the city's fiscal year. (Gov. Code § 53901.)

Counties are required by State law to adopt a budget. The process by which the budget must be developed and the basic information that must be included are delineated in the County Budget Act, Gov. Code §§ 29000 *et seq.* An overview of the process is provided below. Meeting the deadlines in the county budget adoption process can be a challenge for a joint powers authority such as Pioneer, where the Board typically meets once per month, rather than two or more times each month. The requirements also can make it more challenging for a joint powers authority to respond quickly to fiscal changes.

Counties must follow one of two schedules for adopting a budget. The requirements and deadlines of the first schedule are as follows:

- **On or before June 30 of each year:** A recommended budget must be submitted to, considered, and approved by the Board on an interim basis, including any revisions the Board deems necessary. The Board may make revisions to this interim budget until the final budget is adopted; however, any revisions after the start of the public hearing must be in writing and filed prior to the close of the public hearing or must be approved by a 4/5 vote. (Gov. Code §§ 29062 - 29064.)



- **On or before September 8:** A public notice must be published in a newspaper of general circulation stating (1) that the recommended budget is available for public review and (2) when a public hearing will be held to consider the recommended budget. The Board must conduct the public hearing at least 10 days after the budget is made available to the public. The Board may continue the public hearing from day to day as needed, but the hearing cannot exceed a total of 14 calendar days. (Gov. Code §§ 29080, 29081.)
- **On or before October 2:** After the public hearing is concluded but no later than October 2nd, the Board must adopt the final budget by resolution. (Gov. Code § 29088.)

The requirements and deadlines of the second schedule are as follows:

- **On or before May 30 of each year:** The Board must set forth a proposed budget adoption schedule, and publish a public notice in a newspaper of general circulation stating (1) that the recommended budget is available for public review and (2) when a public hearing will be held to consider the recommended budget. (Gov. Code § 29064(c).)
- **On or before June 20:** The Board must conduct a public hearing on the recommended budget, at least 10 days after the budget is made available to the public but no later than June 20th. (Gov. Code § 29064(c).)
- **On or before June 30:** After the public hearing is concluded but no later than June 30th, the Board must adopt the final budget by resolution. (Gov. Code § 29064(c).)

The final budget must include specific information, as set forth in Government Code §§ 29006 to 29008. The resolution must also meet State law requirements by specifying the appropriations by objects of expenditure within each budget unit; other financing uses by budget unit; intrafund transfers by budget unit; transfers-out by fund; appropriations for contingencies, by fund; provisions for nonspendable, restricted, committed, and assigned fund balances, by fund and purpose; and the means of financing the budget requirements. (Gov. Code § 29089.) A copy of the adopted budget must be filed with the California Controller by December 1st. (Gov. Code § 29093.) As discussed above, these requirements are not applicable to general law cities.

Separate from the budget adoption procedures, State law provides for some differences between counties and cities with respect to procurement. For example, counties with a population of less than 500,000 must engage in competitive bidding for public works projects worth more than \$4,000, while general law cities must engage in competitive bidding for public works projects worth more than \$5,000. (Pub. Contract Code §§ 20121 - 20123, 20162.) Government Code §§ 25500 *et seq.* defines the role of county purchasing agents, and authorizes the governing body of a county to employ a purchasing agent to enter into contracts for the purchase of materials, supplies, equipment, and other personal property; for the rent of office furnishings and equipment, or for services and public works projects. If a purchasing agent is not designated, a county must advertise for bids for furnishing supplies for at least 10 days in a newspaper of general circulation in the county. (Pub. Contract Code §§ 25480, 25502.) The same requirement does not apply to cities, although both cities and counties must follow any locally-adopted procurement requirements.