COMMUNITY ROOTS SCHOOL FOOD SERVICES AGENCY

Regular Board Meeting

October 22, 2026 – 1:00 PM

Nevada City School District

800 Hoover Lane

Nevada City, CA 95959

Purpose:

Nourishing Nevada County students with fresh, locally sourced meals, fostering health, sustainability, and community well-being.

A. OPEN SESSION

1. Call to Order
2. Roll Call / Establish Quorum
3. Public Comment

   Public comment on matters within the Board's jurisdiction. The Board may not discuss or take action on non-agenda items except as authorized by law. Comments are limited to three (3) minutes per speaker unless adjusted by the Board President.
4. Adoption of Agenda *(Attached)* – PAGE 1

B. CONSENT AGENDA

Consent items are considered routine and may be approved by one motion unless a Board member requests separate discussion or action.

1. Approval of September 17, 2026 Board Meeting Minutes *(Attached)* – PAGE 3
2. Approve FIS-221 Investment Policy Statement *(First Reading / Attachment)* – PAGE 5
   (Recommended for approval by Executive Director & Board President)

C. STAFF REPORTS

1. Director of Food Services – Eric Dela Cruz
2. Chief Business Official – Melissa Brokenshire PAGE 10
3. Executive Director – Sam KoneffKlatt

D. DISCUSSION ITEMS

1. Discuss Rescheduling February 11th Board Meeting Date (Feb 18th or 25th)
2. Architectural Services Contracts – Culinary Center Project *(Attached)* – PAGE 15
   (Review proposed contracts and discuss anticipated approval at the November board meeting)
3. Culinary Center Financing and Loan Applications *(Attached)* – PAGE 16
   (Review financing options and discuss the process for obtaining future Board authorization to submit loan applications)

E. ACTION ITEMS

1. Approve Lease Agreement Between NCSoS & Community Roots SFSA for Culinary Center Building *(Attached)* – PAGE 18
   (Recommended for approval by Executive Director & Board President)

2. Approve Amendment to Joint Powers Agreement Regarding Member Withdrawal Notice & Language Updates *(Attached)* – PAGE 25
   (Recommended for approval by Executive Director & Board President)
3. Approve Resolution No. 27-01 A Resolution Authorizing Application to the Director of Industrial Relations, State of CA for a Certification of Consent to Self-Insure Workers' Compensation Liabilities *(Attached)* – PAGE 38
   (Approval of this resolution authorizes Community Roots to complete the required Department of Industrial Relations certification process to participate in SIG's self-insured workers' compensation program and maintain compliant workers' compensation coverage for Agency employees. Recommended for approval by Executive Director & Board President)

F. ADJOURNMENT

Next Meeting: November 19, 2026 UHSD 1:00 PM

Notice: The agenda packet and supporting materials, including materials distributed less than 72 hours prior to the scheduled meeting, are available for public inspection at the Community Roots School Food Services business office, 972 Golden Gate Terrace, Grass Valley, CA. For more information, call 530.452.0980 ext. 6006.

ADA Notice: In compliance with the Americans with Disabilities Act, individuals needing special assistance to participate in the meeting, including auxiliary aids or services, should contact the Community Roots School Food Services office at 530.452.0980 ext. 6006 at least 48 hours before the meeting so reasonable accommodations may be arranged.

COMMUNITY ROOTS SCHOOL FOOD SERVICES AGENCY

Regular Board Meeting

September 17, 2026 – 1:00 PM

Pleasant Ridge School District
22580 Kingston Lane
Grass Valley, CA 95949

Purpose:

Nourishing Nevada County students with fresh, locally sourced meals, fostering health, sustainability, and community well-being.

A. OPEN SESSION

1. Call to Order – 12.:59 PM
2. Roll Call / Establish Quorum –
   Guest: Yuri Caulderon, Sam Schug, Sunshine Bender, Paul Harton, Trisha Dellis, Francis di Cristina, Eric Dela Cruz
   Absent: Cathy (PVUESD)
3. Public Comment

   Public comment on matters within the Board's jurisdiction. The Board may not discuss or take action on non-agenda items except as authorized by law. Comments are limited to three (3) minutes per speaker unless adjusted by the Board President.
4. Adoption of Agenda *(Attached)* – PAGE 1
   Move to approve after adding the revision to item 5. *(Recommended for approval by Executive Director & Board President)*
   Motion: Katie 2nd: Gregg
   Unanimous Assent

B. CONSENT AGENDA

Consent items are considered routine and may be approved by one motion unless a Board member requests separate discussion or action.

1. Approval of June 16, 2026 Board Meeting Minutes *(Attached)* – PAGE 3
   Motion: Gregg 2nd: Katie
   Unanimous Assent

C. PRESENTATIONS / INFORMATION ITEMS

1. Presentation from Raymond James (Investments 101) – PAGE 7
   No discussion

D. ACTION ITEMS

1. Approve Election and/or Reaffirmation of Board Officers
   a. President – John Baggett
   Motion: Dan 2nd: Andrew
   Unanimous Assent
   b. Vice President – Katie Kohler
   Motion: Dan 2nd: Andrew

Unanimous Assent

c. Clerk – Andrew Withers

Motion: Katie 2nd: Gregg

Unanimous Assent

2. Approve GOV-109 Board Bylaws – *(Attached)* – PAGE 9
   (Recommended for approval by Executive Director & Board President)
   Motion: Katie 2nd: Gregg
   Unanimous Assent
3. Approve 2025-26 Unaudited Actuals *(Attached)* – PAGE 13
   (Recommended for approval by Executive Director & Board President)
   Motion: Andrew 2nd: Gregg
   Unanimous Assent
4. Approve Lease Agreement Between NCSoS & Community Roots SFSA for Culinary Center Building *(Attached Separate)*
   (Recommended for approval by Executive Director & Board President)
   Motion to table until next meeting
5. Approve Fundraising Consulting Services Contract *(Attached)* – PAGE 26
   (Recommended for approval by Executive Director & Board President)
   Move to approve Phase 1 of Consulting Contract up to $393,050 with monthly reports.
   Motion: Gregg 2nd: Scott
   Ayes: 7 Nays: 1
   Absent: 1

E. STAFF REPORTS

1. Director of Food Services – Eric Dela Cruz
2. Chief Business Official – Melissa Brokenshire
3. Executive Director – Sam KoneffKlatt

F. POLICY REVIEW / FIRST READING

1. FIS-221 Investment Policy Statement *(First Reading / Attachment)* – PAGE 34

G. DISCUSSION ITEMS

1. Discussion Item: Consideration of Potential Amendment to Joint Powers Agreement Regarding Member Withdrawal Notice *(Attached)* – PAGE 38

H. ADJOURNMENT – 3:00 PM

Next Meeting: October 22, 2026 NCSD 1:00 PM

Notice: The agenda packet and supporting materials, including materials distributed less than 72 hours prior to the scheduled meeting, are available for public inspection at the Community Roots School Food Services business office, 972 Golden Gate Terrace, Grass Valley, CA. For more information, call 530.452.0980 ext. 6006.

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Investment Policy Statement

Board Policy

Purpose

The Board of Directors recognizes its fiduciary responsibility to safeguard Community Roots School Food Services Agency (CRSFSA) public funds and donated financial assets. This policy establishes a prudent, transparent framework for the receipt and prompt liquidation of donated securities and for the investment of Agency funds that are lawfully available for investment.

The primary objectives of all Agency investment activity are, in order: (1) safety and preservation of principal, (2) liquidity sufficient to meet operating and capital needs, and (3) a reasonable return consistent with the first two objectives.

Scope

This policy applies to Agency cash, cash equivalents, investment accounts, Board-designated reserves, and proceeds from gifts or donated securities. Funds governed by a donor agreement, financing document, grant requirement, county-treasury requirement, or other law shall remain subject to those requirements. This policy does not create or govern an endowment.

Authority and Governance

CRSFSA is a California Joint Powers Authority and public agency. Investment activities shall comply with applicable law, the Joint Powers Agreement, Board resolutions, Agency fiscal policies, donor restrictions, and approved account or custody agreements.

- The Board shall adopt this policy and any material amendments, ~~authorize investment accounts and participation in public investment pools~~authorize depository and investment accounts and participation in LAIF, and review the policy at least annually.
- The Executive Director (ED), Chief Business Official (CBO), or other individuals specifically authorized by Board resolution or account documents may implement routine transactions within this policy.
- No individual may control authorization, custody, accounting, and reconciliation of the same transaction without independent review. Segregation of duties and reconciliations shall align with FIS-201 and FIS-216.

Donated Securities

Acceptance of securities shall be coordinated with FIS-206 - Gifts, Grants & Bequests and any donor restriction formally accepted by the Agency. Resolution No. 25-07 authorizes ~~an Agency brokerage account for the receipt, temporary holding, and liquidation of donated securities; the account is not authorized to purchase securities~~the Agency's brokerage account, currently maintained with Raymond James, for the receipt, temporary holding, and liquidation of donated securities; under Resolution No. 25-07, the account is not currently authorized to purchase securities.

- Standard publicly traded securities shall be sold promptly after receipt is confirmed, donor instructions and restrictions are reviewed, and authorized trading access is

verified. CRSFSA shall not delay a sale to speculate on future price movements or attempt to time the market.

- A donor instruction to sell immediately shall be followed when the gift is accepted because prompt liquidation is the Agency default. A sale instruction is separate from any restriction on the charitable use of the proceeds, which must be separately documented and tracked.
- The Agency does not guarantee a sale date, price, or charitable deduction value. Transaction fees and net proceeds shall be documented and reconciled.
- Privately held, restricted, legend-bearing, thinly traded, illiquid, leveraged, or unusually complex securities; entity interests; options or derivatives; digital assets; or gifts that may create material tax, legal, liability, valuation, or reporting concerns require advance review by the ED/CBO and appropriate legal, tax, accounting, or investment professionals. Board approval shall be obtained when required by FIS-206 or applicable law.
- A donor request that CRSFSA retain a donated equity security or delay liquidation is an exception and shall not be accepted unless legal counsel confirms the arrangement is lawful and the Board expressly approves it. Donated equities temporarily awaiting sale are not an intentional Agency investment allocation.

Use and Transfer of Proceeds

Net proceeds shall be transferred promptly from the brokerage account to an ~~authorized depository, public investment pool, or~~authorized depository, LAIF, or permitted investment account. Restricted proceeds shall be tracked and used only for the accepted donor purpose. Unrestricted proceeds may be used within the Board-approved budget or held for an authorized reserve or capital purpose.

Permitted Investments

CRSFSA shall use a conservative subset of investments otherwise available to California local agencies. Funds may be placed only in the following instruments when the Agency is legally eligible, the account or institution is approved, and all statutory limits and conditions are satisfied:

- ~~Deposits in qualified banks or other authorized depositories, including certificates of deposit, subject to applicable collateral, insurance, maturity, and concentration requirements.~~Bank certificates of deposit (CDs) issued by qualified banks or other authorized depositories, subject to applicable public-fund collateralization, insurance, maturity, concentration, and other statutory requirements.
- The Local Agency Investment Fund (LAIF), after governing-body authorization and completion of required account documents.
- Short-term obligations of the United States Treasury, limited to Treasury bills and Treasury notes, with maturities matched to anticipated cash needs.
- ~~A county pooled investment fund or qualifying joint powers authority public investment pool, when CRSFSA is eligible and participation has been authorized by the Board.~~Bank money market deposit accounts at qualified banks or other authorized depositories, subject to applicable public-fund collateralization, insurance, and other statutory

requirements. Money market mutual funds and brokerage cash-sweep vehicles are not permitted investments under this policy.

~~Obligations of the United States Treasury.~~No other investment type is permitted under this policy.

~~Obligations, participations, or other instruments issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises, when permitted by law.~~This policy specifically excludes county pooled investment funds, joint powers authority/public investment pools, federal agency or government-sponsored enterprise obligations, money market mutual funds, and custodial cash-sweep vehicles.

~~A qualifying money market mutual fund or custodial cash-sweep vehicle only when it meets applicable Government Code requirements and is used for short-term liquidity or settlement.~~Any additional investment type requires a prior Board amendment to this policy after legal review.

~~Any investment type not listed above requires a prior Board amendment to this policy or a specific Board authorization that is confirmed to be lawful. The fact that an investment may be permitted by state law does not obligate CRSFSA to use it.~~The fact that an investment may be permitted by state law does not obligate CRSFSA to authorize it.

Maturity and Liquidity

~~Investment maturities shall be matched to anticipated cash needs. Funds expected to be used within twelve months should generally remain in cash, public investment pools, or investments maturing within that period. No investment shall have a remaining maturity greater than five years unless the Board has provided the advance authorization required by law. No investment shall be made if it could reasonably impair the Agency's ability to meet payroll, program, debt, grant, or capital obligations.~~Investment maturities shall be matched to anticipated cash needs. Funds expected to be used within twelve months shall be held in bank money market deposit accounts, LAIF, or in CDs or U.S. Treasury obligations maturing within that period. No CD or U.S. Treasury investment shall have a remaining maturity greater than two years. No investment shall be made if it could reasonably impair the Agency's ability to meet payroll, program, debt, grant, or capital obligations.

Prohibited Investments

~~Except for donated securities temporarily held pending prompt liquidation, CRSFSA shall not purchase or intentionally hold the following as investments:~~Except for donated securities temporarily held pending prompt liquidation, CRSFSA shall not purchase or intentionally hold any investment other than those expressly listed under Permitted Investments. Without limiting that prohibition, the following are prohibited:

- Individual common or preferred stocks, equity mutual funds, equity exchange-traded funds (ETFs), real estate investment trusts (REITs), or annuities.
- Private placements, hedge funds, private equity, venture capital, cryptocurrency or other digital assets, commodities, or other illiquid alternatives.
- Options, futures, swaps, derivatives, short sales, margin transactions, leveraged or inverse products, or securities lending strategies.

- Below-investment-grade debt or any investment prohibited by law, donor restriction, financing document, contract, or other Agency policy.

Custody, Due Diligence, and Internal Controls

- ~~Securities and investment accounts shall be held through approved banks, custodians, the county treasury, LAIF, or other authorized public investment pools or providers.~~Funds and permitted investments shall be held through approved banks, custodians, or LAIF consistent with this policy. The Agency's Raymond James brokerage account may be used for the receipt, temporary holding, liquidation, settlement, and transfer of donated securities and sale proceeds as authorized by Board resolution and account documents.
- ~~Before engaging a broker, custodian, investment adviser, or pool, management shall evaluate legal eligibility, registration or governmental status, financial condition, fees, conflicts of interest, custody arrangements, cybersecurity, reporting capabilities, and service standards as appropriate.~~Before engaging a bank, broker, custodian, or investment adviser, or participating in LAIF, management shall evaluate legal eligibility, governmental or registration status as applicable, financial condition, fees, conflicts of interest, custody arrangements, cybersecurity, reporting capabilities, and service standards as appropriate. Any purchase of a permitted investment through Raymond James or another brokerage or custodial account shall require any additional Board and account authorization applicable to that account.
- Statements, trade confirmations, transfers, interest earnings, fees, and accounting entries shall be independently reconciled to the general ledger on a regular basis.

Reporting and Review

Management shall provide the Board with a quarterly summary of Agency investments and donated-securities activity, including balances, types of investments, maturities as applicable, securities received and sold, donor restrictions, gross and net proceeds, fees, exceptions, and reconciliation status. Material exceptions or control issues shall be reported promptly.

If the Board delegates investment authority in a manner that triggers the monthly transaction reporting requirements of Government Code § 53607, management shall provide the required monthly report in addition to the Board's regular financial reporting. The Board shall review this policy at least annually and after material changes in law, cash needs, risk tolerance, or investment arrangements.

Policy Alignment and References

This policy shall be implemented in coordination with:

FIS-201 - Accounting and Internal Controls;

FIS-206 - Gifts, Grants & Bequests;

FIS-216 - Management of CRSFSA Assets/Accounts;

Resolution No. 25-07; and other applicable fiscal policies.

Legal and professional review shall be obtained when a proposed transaction raises a question of authority, eligibility, donor restriction, tax treatment, or investment risk.

Legal references: California Government Code §§ 53600, 53600.3, 53600.5, 53601, 53601.6, 53607, 53630 et seq., and 53646; Government Code § 16429.1 et seq. for LAIF, as applicable.

SNP Claim For Reimbursement Summary

06799-SN-29-OGE
Community Roots School Food Services Agency
SERVICES AGENCY
972 GOLDEN GATE TER
GRASS VALLEY, CA 95945-5938
Vendor #: 77404Z
payment address

Month/Year Claimed	Adjustment Number	Date Received	Date Accepted	Date Processed	Reason Code
Sep 2026	0				

Sponsor Totals

Meal Type	Federal Meals Served	Federal Rate	Federal Amount	State Meals Served	State Rate	State Amount
National School Lunch Program						
Free	24,401	4.7600	116,148.76	24,401	1.0302	25,137.91
Reduced	3,846	4.3600	16,768.56	3,846	1.4302	5,500.55
Paid	57,579	0.4500	25,910.55	57,579	5.3402	307,483.38
Total	**85,826**		**158,827.87**	**85,826**		**338,121.84**
Performance-Based Reimbursement (Lunch)						
Claimed	85,826	0.0900	7,724.34	0	0.0000	0.00
Adjusted	0	0.0900	0.00	0	0.0000	0.00
Total	**85,826**		**7,724.34**			**0.00**
School Breakfast Program						
Free	9,495	2.5400	24,117.30	9,495	1.0302	9,781.75
Reduced	1,269	2.2400	2,842.56	1,269	1.3302	1,688.02
Paid	22,742	0.4200	9,551.64	22,742	3.1502	71,641.85
Total	**33,506**		**36,511.50**	**33,506**		**83,111.62**
Claim Reimbursement Total			**203,063.71**			**421,233.46**

Sponsor Claim Reimbursement Totals	Federal Reimbursement	State Reimbursement	Totals
Current Claim Reimbursement Total	203,063.71	421,233.46	624,297.17
Previous Claim Reimbursement Total	0.00	0.00	0.00
Net Claim Reimbursement Total	**203,063.71**	**421,233.46**	**624,297.17**

Hide Site Meal Details

Site Meal Totals

Site programs marked with an asterisk (*) are not qualified for State Universal Meals reimbursement.

Alta Sierra Elementary 43858

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	461	54	3,363	3,878
School Breakfast Program	314	34	1,263	1,611

Arete Charter Academy 43877

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	154	38	394	586

School Breakfast Program	63	11	81	155

Bear River High 43831

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	1,457	248	5,582	7,287
School Breakfast Program	327	69	1,138	1,534

Bell Hill Academy 43810

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	1,102	150	1,213	2,465
School Breakfast Program	68	8	2,644	2,720

Bitney Prep High 43876

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	384	39	602	1,025
School Breakfast Program	279	27	416	722

Chicago Park Elementary 43862

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	820	63	1,535	2,418
School Breakfast Program	473	87	433	993

Clear Creek Elementary 43863

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	819	87	870	1,776
School Breakfast Program	549	135	544	1,228

Cottage Hill Elementary 43834

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	279	59	4,234	4,572
School Breakfast Program	185	25	1,696	1,906

Deer Creek Elementary 43841

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	1,221	106	2,102	3,429
School Breakfast Program	423	45	542	1,010

Earle Jamieson Educational Options 43888

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	0	6	104	110
School Breakfast Program	0	6	104	110

Grass Valley Charter 43866

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	558	132	3,570	4,260
School Breakfast Program	293	41	3,380	3,714

Lyman Gilmore Middle 43836

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	800	77	2,970	3,847
School Breakfast Program	132	10	778	920

Magnolia Intermediate 43844

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	400	31	1,815	2,246
School Breakfast Program	325	3	961	1,289

Margaret G. Scotten Elementary 43683

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	2,993	298	1,942	5,233
School Breakfast Program	1,246	77	764	2,087

Nevada Union High 43829

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	5,421	863	10,981	17,265
School Breakfast Program	1,600	179	2,581	4,360

Our Kids' Place 43906

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	278	0	37	315
School Breakfast Program	399	0	0	399

Ready Springs Elementary 43833

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	614	108	2,364	3,086
School Breakfast Program	237	46	902	1,185

Seven Hills Intermediate 43837

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	1,420	79	3,126	4,625
School Breakfast Program	599	30	956	1,585

Sierra Academy of Expeditionary Learning 43865

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	254	86	956	1,296
School Breakfast Program	36	4	100	140

Silver Springs High (Continuation) 43832

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	536	32	215	783
School Breakfast Program	548	48	155	751

Union Hill Elementary 43840

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	2,247	789	5,445	8,481
School Breakfast Program	360	119	1,178	1,657

William & Marian Ghidotti High 43842

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	383	60	1,167	1,610
School Breakfast Program	22	0	328	350

Williams Ranch Elementary 43843

Meal Type	Free	Reduced	Paid	Total

National School Lunch Program	892	220	1,668	2,780
School Breakfast Program	586	161	1,168	1,915

Yuba River Charter 43864

Meal Type	Free	Reduced	Paid	Total
National School Lunch Program	908	221	1,324	2,453
School Breakfast Program	431	104	630	1,165

FUND 61 | FY 2026–27

2026–27 Budget vs. Actuals

Revised operating budget compared with amounts posted in the October board report

Revised revenue budget
$5.85M
Annual plan · child nutrition and local sources

Revised expenditure budget
$5.80M
Annual plan · school food service operations

Budgeted surplus
+$46,048
Difference between annual budgeted revenue and costs

Where the annual budget stands

Revenue posted

$374K of $5.85M · 6.4%

Expenditure activity

Actual + encumbered against annual budget

Posted $1.70M Encumbered $2.57M Remaining $1.53M

Posted = actual expense; encumbered = commitments not yet expended.

Cost areas

Share of each annual allocation already expended

Staffing & benefits
$761K / $3.37M — **22.6%**

Food, supplies & equipment
$724K / $1.96M — **36.8%**

Facilities & other operations
$217K / $466K — **46.7%**

BOARD FOCUS Review revenue-claim timing alongside monthly food and staffing costs; current posted activity is not a year-end forecast.

Source: Fis01 Account Object Summary, Fund 61; generated Oct 19, 2026 (FY 2026/27, report period 12).

Board Summary: Architect Selection

Purpose

Community Roots has completed proposal leveling and architect interviews. Sam is providing the board with information so design work can continue while fundraising, grant applications, and financing work proceed.

Leveling summary

Scoring below is 1-5 per category. The final score totals the six scored categories: firm experience, public requirements, team strength, prior performance, project understanding/approach, and fee score.

Firm	Firm exp. (5)	Public req. (5)	Team (5)	Prior perf. (5)	Approach (5)	Fee score (5)	Final /30	Leveled fee
HY Architects	**5**	**5**	**5**	**5**	**5**	**1**	**26**	**$1,107,880**
JKAE	4	5	5	2.5	4	2	22.5	$1,054,125
Ratcliff	4	5	4	2.5	4	3	22.5	$992,840
Russell Davidson	3	3	3.5	2.5	4	5	21	$703,700
Aedis Architects	5	5	2.5	1	2	4	19.5	$827,000

Simple takeaway: HY received the strongest overall score, with top scores in all qualitative categories and the lowest fee score because it was the highest-cost proposal.

Important exclusions: All proposals excluded security, IT, A/V, fire suppression, sustainability certifications, and FF&E. Confirm these items before signing any agreement.

Recommended contracting approach

Negotiate the full scope, but authorize the work in phases. Start with scope, budget, schedule, site constraints, design development, cost estimating, and fundraising/grant deliverables. Release construction documents, bidding support, and construction administration only when funding and Board authorization are aligned.

This is informational for Sam to negotiate with architects and return with the final agreement for Board approval before execution (likely November).

Item D3. Discussion Purpose

Community Roots is preparing to move the Culinary Center project forward while continuing fundraising, USDA funding discussions, and other grant applications. We need Board direction on how much debt financing the organization is comfortable carrying in order to begin construction and keep the project on schedule.

Financing Options for Board Discussion

Option	Current Rate / Benchmark	Simple Summary
USDA Community Facilities Direct Loan	4.50% to 4.75% fixed	Best long-term public financing option if eligible. USDA's current rates are Poverty **4.50%**, Intermediate **4.625%**, and Market **4.75%**, fixed after approval, with terms up to 40 years and no prepayment penalty. Rural Development
Local Bank Construction / Commercial Loan	Prime benchmark: 7.00%	Faster than USDA, but likely more expensive. Exact rate must come from bank term sheets. The Federal Reserve's current bank prime loan rate is **7.00%**. Federal Reserve
USDA Community Facilities Guaranteed Loan	Negotiated with lender	A bank loan with USDA backing. USDA says rates are negotiated between lender and borrower; FY2026 Community Facilities guarantees are **80%**, with a **1.25% initial guarantee fee**, **0.50% annual retention fee**, and up to 40-year term. Rural Development
Private Placement / Tax-Exempt 501(c)(3) Bond	Approx. 5.20% to 5.55% 30-year muni benchmark	Could provide long-term fixed-rate financing through CSFA, IBank, or CSCDA. Current 30-year municipal bond benchmarks are about **5.20% AAA**, **5.40% AA**, and **5.55% A**, but our exact rate would require underwriting. FMS Bonds
California IBank Infrastructure Loan	Recent 30-year example: 4.39%	Worth exploring if the project is eligible and can be sponsored/structured appropriately. IBank's recent approved ISRF rates include a 30-year loan at **4.39%**, but rates depend on credit profile and market conditions. IBank

Simple Debt Service Examples

Approximate annual payment per **$1 million borrowed**, before fees and reserves:

Financing Assumption	Approx. Annual Payment per $1M	Approx. $3M Annual Cost
USDA Direct Loan at 4.75% over 40 years	Approx. $56,000/year	$168,000/year
IBank-style loan at 4.39% over 30 years	Approx. $61,000/year	$183,000/year
Tax-exempt bond at 5.40% over 30 years	Approx. $68,000/year	$204,000/year
Local bank loan at 7.00% over 30 years	Approx. $81,000/year	$243,000/year

Recommended Direction

Sam recommends pursuing the lowest-cost, longest-term financing first, with the following order of preference:

1. USDA Community Facilities Direct Loan and/or grant funding
2. California IBank or tax-exempt 501(c)(3) bond financing
3. Local bank financing only as a bridge or backup option

Board Direction Requested

We are asking the Board to discuss and provide direction on:

1. The maximum total debt amount the Board is comfortable authorizing.
2. The maximum annual debt payment the organization can responsibly carry.
3. Whether staff should request formal term sheets from USDA, local banks, and IBank/CSFA/CSCDA.
4. Whether the Board is comfortable beginning construction financing while fundraising and grant applications continue.

The plan is to borrow so we don't delay construction and pay back with final fundraising dollars.

LEASE AGREEMENT

This Lease Agreement is made as of July 1, 2026, between Nevada County Superintendent of Schools ("Landlord") and Community Roots School Food Services Agency ("Tenant").

AGREEMENT

The parties agree as follows:

1.0 Description of Project and Premises.

1.1 Premises. Landlord leases to Tenant, and Tenant leases from Landlord, portions of the real property located at 848 Gold Flat Road, Nevada City, CA 95959 (the "Premises"), shown on Exhibit A. Tenant also has shared use of common areas, including parking lots and walkways. All property not identified on Exhibit A are excluded facilities or property ("Exclusions") and remain under Landlord's control. Landlord will not alter the Premises or materially affect Tenant's access, parking, or operations without Tenant's reasonable consent.

1.2 Additional Space. Additional space will be provided to Tenant upon mutual agreement of the parties and upon proof that Tenant has the fiscal means to modify, construct and sustain any expansion. Any such additional space shall be depicted and attached in subsequent Exhibits to this Lease.

2.0 Term.

2.1 Initial Term: The initial term is three (3) years. Prior to construction, Landlord may continue to use the areas designated for future Tenant construction, but may not construct or install permanent structures or improvements in those areas. Upon commencement of construction of the agreed-upon kitchen spaces, the lease automatically converts to a 20-year term beginning on the construction start date.

2.2 Termination. If either party is in default, either party may terminate this lease with ninety (90) days' prior written notice to the other party. The Lease may also be terminated upon mutual agreement.

2.3 Option to Extend: The lease may be extended in two (2), ten (10) year increments, following the twenty (20) year term by mutual agreement so long as Tenant is not in default of any terms of the agreement.

2.4 Right of First Refusal: If Landlord decides to sell the property, Tenant will receive written notice of the proposed sale and all material terms and have ninety (90)

days to evaluate the purchase and if Tenant chooses to purchase the property, provide Landlord with a written intent to purchase that includes proposed purchase terms. Within one-year from receipt of the notice from Landlord, Tenant will secure financing and necessary approvals, and exercise its right to purchase the property. Landlord will not sell or enter into a binding sale with another party during that one-year period.

3.0 Rent. Tenant agrees to pay to Landlord base rent and additional rent as follows:

3.1 Base Rent. Tenants shall pay Landlord a Minimum Rent of **One Dollar ($1.00) per year**, due annually on or before July 1.

3.2 Security Deposit. Waived; no deposit is required.

3.3 Utilities. Tenant shall reimburse Landlord for utility costs attributable to the premises based on the percentage of square footage, and/or equipment, occupied or used by Tenant relative to the total square footage of the building or facility.

4.0 Use of the Premises.

4.1 Tenant may use the Premises for school food services and related public purposes, such as meal preparation, storage, distribution, offices, catering, community events, and partner programs consistent with its charter. With Landlord's reasonable consent, Tenant may permit partner organizations, public agencies, and community groups to use portions of the leased Premises. Tenant remains responsible for overseeing such use, and all users must maintain appropriate insurance.

4.2 Tenant, its employees, and guests have non-exclusive use of reasonable parking on site.

5.0 Delivery and Condition/Use of Premises

5.1 Delivery and Condition. Landlord will deliver the Premises on the Delivery Date in "AS-IS" condition. Landlord will maintain the Premises in safe condition, including structural elements, roof, exterior walls, and HVAC systems. However, Landlord is not responsible for maintaining Tenant's alterations or repairing damage caused by Tenant.

5.2 Tenant Improvements. Tenant may make improvements ("Tenant Improvements") at its own expense using licensed contractors and with Landlord's approval of plans. Tenant must keep the property free of liens. Tenant is not required to remove improvements at the end of the lease.

Ownership will transfer to Landlord unless previously agreed to during approval of said improvements.

5.3 Additional Alterations. Other alterations require written consent from the Landlord. Unauthorized alterations over $500 constitute a breach, and Landlord may require their removal at lease end.

5.4 Compliance with Laws. Tenant must follow all laws and regulations, including ADA and Title 24, relating to its occupancy and improvements. Tenant must also complete any common area upgrades triggered by its improvements.

5.5 Tenant will keep CASp inspection reports confidential, sharing them only with essential consultants and contractors.

5.6 Telecommunications. Landlord grants Tenant access to install and operate voice, data, and other telecommunications systems.

6.0 Delays. Delays in delivery or improvement completion will not postpone rent obligations or affect lease validity.

7.0 Insurance.

7.1 General Liability. Tenant must maintain commercial general liability insurance and automobile liability insurance at a level required by both agencies' insurance carriers. Landlord and must be named as additional insureds. Certificates of insurance must be provided prior to occupancy and require 30 days' notice before cancellation.

7.2 Workers' Compensation. Tenant must maintain statutory Workers' Compensation and Employer's Liability coverage.

7.3 Property Insurance. Landlord will maintain replacement-cost property insurance for the building and improvements. Tenant is responsible for insuring its own personal property and equipment.

Both parties waive subrogation rights against each other for covered insurance claims.

8.0 Default. An Event of Default occurs if Tenant: (a) fails to pay rent when due; (b) fails to cure a non-monetary breach within 30 days after written notice (or fails to diligently pursue a cure if longer is required); (c) abandons the Premises; or (d) enters bankruptcy or insolvency proceedings lasting over 30 days.

9.0 Remedies. Upon an uncured Event of Default, Landlord may, after written notice: re-enter and take possession; collect unpaid rent; terminate the Lease; dispose of

abandoned personal property after 90 days' notice; and pursue damages under California Civil Code Section 1951.2.

10.0 Estoppel Certificate. Within 10 days of request, Tenant will provide a signed statement confirming lease status, commencement date, rent paid, and modifications for potential buyers or lenders.

11.0 Severability. If any provision is held invalid, the remainder of the Lease remains in effect.

12.0 Assignment or Subletting. Subletting or assignment requires Landlord's written consent... Consent is required for transfers to Tenant's affiliates, subsidiaries, or contractors.

13.0 Entry. Landlord may enter the premises at reasonable times with notice for management purposes, or without notice in emergencies.

14.0 Signs. Exterior signage requires Landlord approval. Tenant is permitted agreed-upon exterior, wayfinding, kitchen, and fence signage at its own cost.

Tenant shall be responsible for all costs associated with fabricating, placing, maintaining and removing any Tenant signage at the end of their term of this Lease, and shall repair any damage caused by such installation or removal. Tenant shall also obtain any required permits that may be required under applicable laws

15.0 Destruction and Condemnation.

15.1 If repairs after damage take over 60 days, either party may terminate. Otherwise, Landlord will repair covered damages with rent prorated for lost usage.

15.2 If condemned, either party may terminate.

16.0 Lease Provisions.

16.1 Indemnity. Tenant indemnifies Landlord against claims arising from Tenant's use or operations, except those caused by Landlord's negligence or misconduct. Landlord indemnifies Tenant for claims caused by Landlord's negligence or misconduct.

16.2 Taxes and Assessments. Both parties will maintain welfare tax exemptions under California Revenue and Taxation Code Section 2314. If lost without Landlord's fault, Tenant pays assessed taxes.

16.3 Liens. Tenant must remove mechanics' liens within 10 days. Landlord may pay liens on Tenant's behalf and seek reimbursement with interest.

17.0 Landlord's Right to Perform for Tenant. Landlord may perform unfulfilled Tenant obligations after notice and demand reimbursement within 10 days.

18.0 Notices. Notices must be sent via prepaid certified mail to the listed addresses.

18.1 To Landlord: Nevada County Superintendent Of Schools
848 Gold Flat Rd
Nevada City, CA 95959
Attention: John Baggett Or current Superintendent

18.2 To Tenant: Community Roots School Food Services Agency
848 Gold Flat Road
Nevada City, CA 95959
Attention: Sam Konefflat Or current Director

19.0 Legal Effect. All obligations of Tenant are expressly made conditions of this Lease, any breach of which shall, at the option of Landlord, terminate this Lease.

20.0 Titles. The titles or headings to paragraphs shall have no effect on interpretation of provisions.

21.0 Successors. The provisions of this Lease shall apply to and bind the heirs, successors, and assigns of the parties.

22.0 Waiver. The failure of Landlord to enforce a provision of this Lease shall not be deemed a waiver for any purpose.

23.0 Janitorial Services. Tenant provides janitorial services after its own use; Landlord provides janitorial services after Landlord's use.

24.0 Cooperation. Landlord and Tenant will cooperate in good faith to fulfill the purpose of this Agreement.

25.0 Mediation and Arbitration of Disputes.

25.1 Disputes will be resolved through binding arbitration The prevailing party may recover reasonable attorneys' fees and costs.

25.2 Disputes must first be submitted to good-faith mediation before initiating arbitration.

26.0 Entire Agreement. This Lease, together with the attached Exhibit A, shall constitute the entire agreement of the parties, and may be modified only by a writing signed by the parties.

27.0 Time of the Essence. Time is of the essence in the performance of Tenant's obligations under this Lease.

28.0 Governing Law. This Lease shall be governed by and construed in accordance with California Law.

29.0 Attorneys' Fees. The prevailing party in any legal action under this Lease is entitled to recover reasonable attorneys' fees and costs.

Landlord:

Nevada County Superintendent of Schools

By:_____
John Baggett
Superintendent of Schools

Tenant:

Community Roots School Food Services Agency

By: _____
Sam Konefflatt
Executive Director

Exhibit A

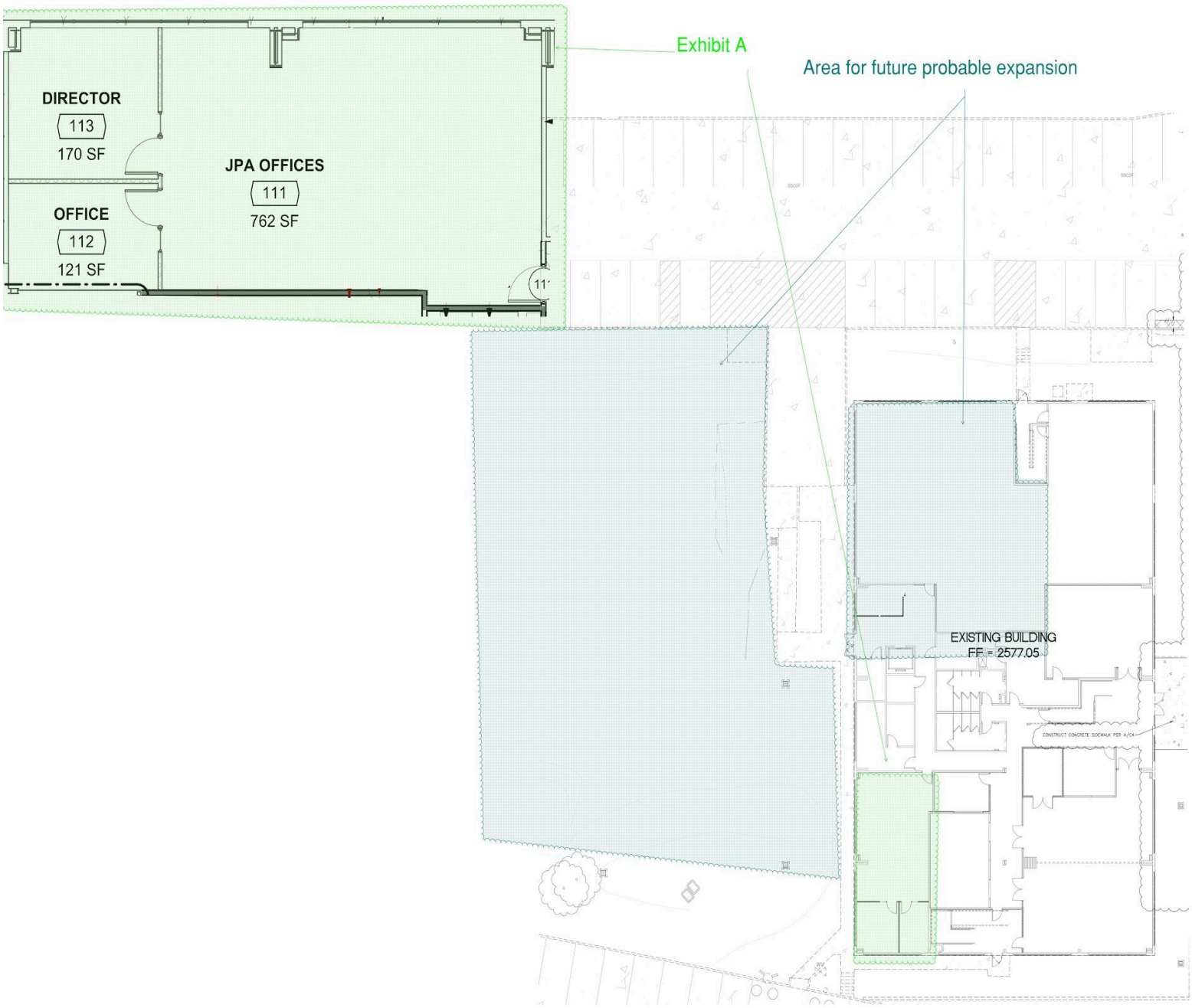
Exhibit A
Area for future probable expansion
DIRECTOR
113
170 SF
JPA OFFICES
111
762 SF
OFFICE
112
121 SF
EXISTING BUILDING
FF = 2577.05

7

JOINT POWERS AGREEMENT

TO ESTABLISH, OPERATE AND MAINTAIN THE ~~NEVADA COUNTY SCHOOL FOOD SERVICES AGENCY~~ COMMUNITY ROOTS SCHOOL FOOD SERVICES AGENCY, FORMERLY KNOWN AS THE NEVADA COUNTY SCHOOL FOOD SERVICES AGENCY

THIS AGREEMENT is entered into pursuant to the provisions of the Joint Exercise Powers Act, Title 1, Division 7, Chapter 5, Article 1 (Sections 6500, et seq.) of the California Government Code, and to the provisions of Sections 38080-38103 of the California Education Code dealing with cafeterias, between the public educational agencies which are, and which may hereafter become, signatory hereto for the purpose of operating the Nevada County School Food Services Agency.

WITNESSETH

WHEREAS, the Agency currently operates as Community Roots School Food Services Agency and was formerly known as Nevada County School Food Services Agency; and

WHEREAS, the parties desire to amend the Agreement to recognize the Agency's current name, preserve continuity of the same public agency joint powers authority, align officer and administrative titles with current Board bylaws and policies, and revise member withdrawal notice requirements;

WHEREAS, it is to the mutual benefit and in the best public interest of the parties herein subscribed to join together to establish this joint power agency to accomplish the purposes set forth; and

WHEREAS, the parties hereto have determined that there is a need for a more economical school food services program which may be accomplished through a joint powers agency for school food services providing for centralized operations, purchasing, service and maintenance; and

WHEREAS, a joint powers agency for school food service can adequately serve the needs of all such signatories;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL ADVANTAGES TO BE DERIVED THEREFROM, AND INCONSIDERATION OF THE EXECUTION OF THIS AGREEMENT BY OTHER PUBLIC EDUCATIONAL AGENCIES, each of the parties hereto does agree as follows:

A. FORMATION OF ENTITY

CREATION OF A JOINT POWERS ENTITY

A joint powers entity, separate and apart from the public educational agencies signatory hereto, shall be and is hereby created and shall hereinafter be designated as the ~~Nevada County School Food Services Agency~~ Community Roots School Food Services Agency, formerly known as the Nevada County School Food Services Agency (hereinafter referred to as the "Agency".) The Agency shall maintain a nonprofit school food service as required in Title 7, Part 210 of the Code of Federal Regulations (hereinafter "CFR".)

The Agency is the same public agency joint powers authority created by this Agreement. The change in name does not create a new or separate entity and does not affect the Agency's rights, obligations, contracts, assets, liabilities, insurance, employees, public records, filings, or authority under this Agreement or applicable law.

DEFINITIONS

The following definitions shall apply throughout this Agreement:

"cafeteria" is synonymous with "food service";

"member" means any public educational agency which is a party to this Agreement;

"party" shall be synonymous with "member" after the effective date of this Agreement or the effective date of the party's membership, whichever occurs later;

"P2 ADA" means the average daily attendance at the second principal apportionment;

"nonprofit school food service" shall have the meaning set out in 7 CFR sections 210.2 and 210.14;

"associate member" means all the public educational agencies which is a party to this agreement after the agreement has been established with the founding members.

"public educational agency" shall refer to districts and agencies authorized to establish school cafeterias pursuant to Education Code sections 38080-38103.

"Agency" means the Community Roots School Food Services Agency, formerly known as the Nevada County School Food Services Agency, and refers to the same public agency joint powers authority created by this Agreement.

"CRSFSA" means Community Roots School Food Services Agency. References in prior records, policies, contracts, resolutions, minutes, filings, or other documents to "Nevada County School Food Services Agency," "NCSFSA," or the "Agency" shall be deemed references to CRSFSA, unless the context requires otherwise.

"Executive Director" means the chief administrative officer of the Agency. References in this Agreement or prior Agency documents to "Chief Executive Officer" or "CEO" shall mean the Executive Director, unless the context requires otherwise.

"Board Bylaws" means Board-adopted bylaws, policies, protocols, or other governance rules adopted by the Board to govern Board organization, officers, meetings, procedures, and Board-Executive Director relations, provided such bylaws are consistent with this Agreement and applicable law.

FUNCTIONS OF THE AGENCY

The Agency is established for the purposes of administering this Agreement, pursuant to the joint exercise of powers provision of the California Government Code, and for providing the services and other items necessary and appropriate for the establishment, operation, and maintenance of an efficient system of public school services for the parties hereto.

Powers and duties of the Agency are:

To provide food services as authorized in the California Education Code commencing with Section 38080 for authorized pupils, employees and such other agencies, events and activities authorized or permitted by law;

To make and enter into contracts;

To employ agents and employees;

The acquire, construct, manage, maintain or operate and building, works or improvements;

To provide the necessary equipment and fixed assets required to provide food service at the ~~Nevada County~~Community Roots Culinary Center. Equipment at the individual school sites within each member District including all necessary reheating and serving equipment shall stay under the individual member's jurisdiction, however, the Agency will reimburse the members for costs related to Direct expenses/costs;

To acquire, hold, manage, maintain, operate, or dispose of real or personal property;

To provide for the upkeep, care, and operation of said property;

To incur debts, liabilities, and obligations;

To receive contributions from the parties hereto; to receive payments of public funds to defray costs incurred by the Agency; to receive advances of public funds subject to repayment as provided herein; and to use personnel, equipment, or property of one or more of the parties in lieu of contributions or advances, all for the purposes set forth in this Agreement;

To maintain such general and cafeteria accounts, sinking funds and other special accounts as the Board of Directors deems necessary;

To invest surplus reserve funds as deemed appropriate by the Board of Directors;

To secure proper and adequate insurance for public liability, errors and omissions, property damage, fire, theft, workers compensation, and other risks or exposures in amounts and in forms prescribed by the Board of Directors and to co-insure each of the parties hereto;

To sue and be sued in the name of the Agency;

To perform such other functions as may be necessary or appropriate to carry out this Agreement, so long as such other function performed are not prohibited by any provision of law;

To enter into contracts and agreements regarding, and to receive on behalf of or in place of the parties hereto, public funds for food services and surplus food stuffs and supplies as may be available from and local, state or federal public entity;

The Agency is not responsible for providing and each member agrees to provide:

The cafeteria or building or rooms at each school, including eating and serving areas and necessary furniture and equipment, to be used by the pupils, employees and other authorized food purchasers;

Custodial services to clean and maintain each cafeteria will be the responsibility of the district. Extraordinary costs can be brought to the JPA board for possible reimbursement.

The Board of Directors (as defined in Section B below) shall determine the amount to be reimbursed to each such district for related services.

POWERS OF THE AGENCY

The Agency shall have the power and authority to exercise any power common to the public educational agencies which are members to this Agreement, provided that the same are in furtherance of the functions and objectives of this Agreement as herein set forth. Pursuant to Section 6509 of the California Government Code, the exercise of the aforesaid powers of the Agency shall be subject to the restrictions

upon the manner of exercising such powers by a public educational agency having the same status as any public school district of Nevada County, except as otherwise provided in this Agreement.

TERM OF THE AGREEMENT

This Agreement shall become effective on June 1, 2022, and shall become operative at 12:00 A.M. on July 1, 2022.

B. ORGANIZATION

MEMBERSHIP IN THE AGENCY

Membership in the Agency shall consist of public educational agencies which agree to comply with the terms of this Agreement. Each party which becomes a member of the Agency shall be entitled to the rights and privileges of, and shall be subject to the obligations of, membership as provided in this Agreement.

Parties originally forming the Agency and agreeing to comply with the terms of this Agreement shall become members of the Agency upon the effective date of this Agreement.

Every public educational agency which desires to become a member of the Agency after the effective date of this Agreement must submit to the Agency a written request for associate membership. Each new associate member must be approved in writing by two-thirds (2/3) of the governing boards of the members of the agency. Associate members do not have the authority to vote for new associate membership. The requesting agency must execute a copy of this Agreement, thereby agreeing to comply with the terms of this Agreement and any other amendments adopted pursuant to this Agreement.

Each member of the Agency shall commit to membership for a minimum of three (3) years.

BOARD OF DIRECTORS

A Board of Directors is hereby established to ~~direct and control~~ govern and provide policy oversight for the Agency.

Each member of the Agency shall be entitled to appoint to the Board of Directors one representative and one alternate who shall be designated in writing. Said representative and said alternate must be either officers or employees of the member, and shall serve at the pleasure of the member by whom appointed. Only the designated representative or designated alternate may represent a member and both shall be invited to attend all meetings of the Board of Directors.

The Board acts as a body at properly noticed meetings. Individual Board members, including officers, have no individual authority to direct Agency staff, bind the Agency, or commit Agency resources unless expressly authorized by the Board or this Agreement.

Sierra Harvest will have a non-voting board seat for the 2022/23 school year. Starting in the 23/24 school year they may chair an advisory committee that reports to the Board of Directors.

Each member shall have one vote, which may be cast only by the designated representative or the designated alternate. Except as otherwise provided, a vote of a majority of those members present at a meeting of the Board of Directors shall be sufficient to act, provided that a quorum is present. A quorum shall consist of a majority of the members of the Agency.

The Board of Directors may conduct regular, adjourned regular, special, and adjourned special meetings, provided, however, that it will hold at least one regular meeting each quarter. The date, time, and place for each such meeting shall be fixed by resolution of the Board of Directors, which resolution shall be publicly posted prior to the meeting on a public bulletin board to be designated by the Board of Directors and shall be filed with each member of the Agency. All meetings of the Board of Directors shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act, Sections 54950, et seq. of the California Government Code, as said Act may be modified by subsequent legislation, and as the same may be augmented by rules of the Board of Directors not inconsistent therewith. Except as otherwise provided or permitted by the Brown Act, the Education Code of any other provision of law, all meetings of the Board of Directors shall be open and public. The Board of Directors shall cause minutes of its meetings to be kept and shall promptly transmit to the members of the Agency true and correct copies of the minutes of such meetings.

BOARD BYLAWS / RULES OF PROCEDURE

The Board of Directors may establish rules governing its own conduct and procedure and have such expressed or implied authority as is not inconsistent with or contrary to the laws of the state of California and this Agreement.

The Board may adopt, amend, and enforce Board Bylaws and Board policies governing Board organization, officers, meetings, agenda procedures, public participation, committees, Board-Executive Director relations, delegation of administrative authority, and other matters of governance and procedure. Board Bylaws and Board policies shall be consistent with this Agreement and applicable law. In the event of a conflict, this Agreement and applicable law shall control.

The Board of Directors may appoint and dissolve working committees from its active membership. The Board of Directors shall annually, on or before June 30th adopt a tentative budget showing each of the purposes for which the Agency will need money and the estimated amount of money that will be needed for each such purpose for the ensuing fiscal year. A copy of the budget shall promptly be transmitted to each of the members of the Agency.

No one serving on the Board of Directors shall receive any salary or compensation from the Agency for service on the Board of Directors.

OFFICERS – ANNUAL ELECTION AND TERMS

The principal officers of the Agency and Board of Directors shall be elected by the Board of Directors and shall be a President, a Vice President, and a Clerk, and shall each serve a term of office as may be established by the Board of Directors in its rules.

The Board shall elect or reaffirm its officers annually at the first regular meeting of each fiscal year, or at another annual organizational meeting designated by the Board. Officers shall serve for one year and until their successors are elected. Officers may be re-elected. Officer elections shall occur in open session and shall be approved by Board action in accordance with this Agreement and applicable law.

Any person elected or appointed as an officer may be removed at any time, with or without cause, by a vote of the majority of the Board of Directors and all vacancies arising may be filled at any time by the affirmative vote of a majority of the Board of Directors.

PRESIDENT, VICE PRESIDENT, AND CLEARK – OFFICER DUTIES

The President shall ~~have general supervision and direction of the business of the Agency and shall see that all orders and resolutions of the Board of Directors are put into effect.~~ Preside at meetings of the Board,

support orderly and lawful meeting conduct, work with the Executive Director or designee on agenda planning and Board process matters, sign documents when authorized by the Board, and perform other duties prescribed by this Agreement, Board Bylaws, Board policy, or Board action.

The President has no independent authority to direct the Executive Director, Agency employees, or day-to-day Agency operations unless expressly authorized by the Board.

The President shall have such other powers and perform other such duties as may be prescribed from time to time by the Board of Directors.

The Vice-President shall have such powers and perform such duties as may be prescribed from time to time by the Board of Directors or the President. During the absence or disability of the President, the Vice-President shall be vested with all the powers and authorized to perform all the duties of the President until the return of the President.

The Clerk shall have such powers and perform such duties as may be prescribed from time to time by the Board or the President. In the absence of both the President and the Vice-President, the Clerk shall call the meeting to order and possess the powers and perform the duties of the President until the return of the President or the Vice-President.

ADMINISTRATION – EXECUTIVE DIRECTOR TITLE AND AUTHORITY

The Board of shall select and employ a ~~Chief Executive Officer (CEO)~~ Executive Director who shall report directly to the Board of Directors.

The ~~CEO~~ Executive Director shall be the chief administrative officer of the Agency and serve as secretary to the Board of Directors. The ~~CEO~~ Executive Director shall recommend all additional employees to the Board of Director for its approval and/or ratification.

The ~~CEO~~ Executive Director shall, subject to review by the Board of Directors, direct the overall operations of the Agency. The Executive Director~~CEO~~ shall have such additional specific duties, functions, and powers as are established by the Board of Directors, including but not limited to preparation, submission, and revision of the Agency budget, assignment and transfer of employees, and entering into contracts for or on behalf of the Agency pursuant to Sections 38080-38103 of the Education Code.

The ~~CEO~~ Executive Director shall attend all meetings of the Board of Directors except as otherwise authorized by the Board.

C. OPERATIONS

ACQUISITION OF PROPERTY

As provided in the Education Code and the Public Contract Code any party or parties to this Agreement may sell, exchange, grant, quit claim, or lease for a term not to exceed ninety-nine (99) years, to the Agency all or any of its interests in any real property belonging to the party or the parties, if such property is not or will not at the time of delivery of title or possession be needed for school classroom buildings by the party owning it.

Such sale, exchange, lease or grant of an interest in real property shall be on such terms and conditions as the party or the parties and the Agency may agree.

It shall be competent to provide that, in any lease of real property between a party or parties and the Agency, the lessee may purchase the property at an agreed purchase price and any rent already paid for in the use of the property may be applied in whole or in part to the purchase price.

The proceeds of the sale of Agency property shall accrue to the Agency.

As provided in the Education Code and the Public Contract Code any party or parties to this Agreement may sell or lease any personal property or school supplies belonging to the party to the Agency. The selling price and the terms of the sale, or the lease price and the terms of lease shall be fixed by the party or parties and the Agency and approved by the County Superintendent of Schools.

The Agency may purchase, lease, or lease with option to purchase real or personal property from private parties or from public agencies not parties to this Agreement. Such purchase, lease, or lease with option to purchase shall be made only as prescribed by the Education Code and the Public Contract Code.

Expenditures by the Agency for the purchase, exchange, lease, or lease with option to purchase real or personal property are appropriate charges against the funds of the Agency.

FINANCES

The Agency shall operate on a fiscal year from July 1 to June 30. The Agency shall maintain a nonprofit food service.

If the Board of Directors determines that additional operating funds are needed, each member shall pay to the Agency upon invoice its pro rata share of the cost.

Payments, Charges and Assessments:

If necessary, each participating District shall pay monthly, upon invoice, its pro rata share of regular food service actual cost less any reimbursement received. Pro ration shall be on the basis of prior year average daily attendance (ADA).

Additionally, each member shall pay monthly, upon invoice, the actual costs of food services provided to that member by the Agency on a special contract basis, i.e. services provided apart from the regular food service program. Such services may include, but are not limited to, food for school sponsored activities, summer school, twelve-month school during summer school months, custodial and other maintenance services and such other non-regular food services the Districts may request.

Should the actual costs of the Agency in any year exceed the total income of the Agency for that year, the members may be assessed an additional amount based upon each member's pro rata share of the prior year's ADA.

Each member shall have a vote as a weighted % of the total ADA of that district/entity unless JPA decides to fully fund capital outlays from an outside source.

Additional Members Investment:

Additional public educational agencies may apply to become members of the Agency, subject to the conditions and provisions of this Agreement, and may be granted membership.

The initial investment requirements for public educational agencies joining the Agency after the initial date of formation shall be determined by the Board of Directors of the Agency.

ACCOUNTS AND RECORDS

The Treasurer of Nevada County is the designated depositary of the Agency.

The Agency is strictly accountable for all funds received and dispersed by it and, to that end, the Agency shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of law or any resolution of the Agency. Books and records of the Agency in the hands of the Treasurer shall be open to inspection at all reasonable times, by representatives of the members. Accounts shall be maintained in accordance with state regulations and the California School Accounting Manual.

The Agency, as soon as practical after the close of each fiscal year, shall give, or cause to be given, a complete written report of all financial activities for such fiscal year to each member of the Board of Directors and the CEO.

The Board of Directors shall make, or contract with a Certified Public Accountant to make an annual audit of the operations, accounts, records, and financial affairs of the Agency. In each case, the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the California Government Code and shall conform to generally accepted accounting standards and accounting principles. When such an audit of accounts and records is made by a Certified Public Accountant, a report thereof shall be filed as a public record with each of the members of the Agency and also with the Auditor-Controller of Nevada County.
Such reports shall be filed within four months of the end of the fiscal year under examination. Any costs of the audit, including contracts with, or employment of, a Certified Public Accountant in making the audit provided herein, shall be born by the Agency.

The Auditor-Controller of Nevada County shall draw warrants to pay demands against the Agency when such demands have been duly approved by the Board of Directors and the Treasurer.

INVESTMENT OF SURPLUS FUNDS

The Board of Directors shall have the power to invest or cause to be invested in compliance with Section 6509.5 of the California Government Code, such reserve surplus funds as are not necessary for the immediate operation of the Agency in such securities as allowed by Section 53601 of the California Government Code.

The level of cash to be retained for the actual operation of the Agency shall be determined by the Board of Directors but shall not, as required by 7 CFR Section 210.9 exceed of three (3) months average expenditures for its nonprofit food service or other such amount as may be approved by the appropriate California State Agency.

D. DISSOLUTION OF AGENCY AND DISPOSITION OF FUNDS AND PROPERTY

TERMINATION OF AGREEMENT

This Agreement may be terminated at the end of the fiscal year by affirmative action of a two-thirds (2/3) of the members (founding members); provided, however, that Agency and this Agreement shall continue to exist for the purpose of disposing of the liabilities, distribution of assets, and all other functions necessary to wind up the business of the Agency. An associate member is not eligible for voting and receiving any disposed of property and/or funds if the NCCC JPA agency is terminated.

WITHDRAWAL OR REMOVAL FROM MEMBERSHIP

Any member of the Agency may withdraw from its status as a member and party to the joint powers agreement at the end of any fiscal year by notifying the Board of Directors of the Agency in writing ~~prior to January 1 of that fiscal year.~~at least twelve (12) months prior to the proposed effective date of withdrawal. Each member of the Agency shall commit to membership for a minimum of three (3) years.

A withdrawal shall be effective only at the end of a fiscal year unless otherwise approved by the Board and the affected member agencies as required by this Agreement. The withdrawing member shall remain responsible for all regular and special food service costs, charges, assessments, contributions, obligations, and liabilities incurred or attributable to the member through the effective date of withdrawal and as otherwise provided in this Agreement.

The withdrawing member shall continue to be responsible for all regular and special food service costs, charges, and assessments and for all liabilities and contingencies incurred by or attributable to the member arising from membership in the Agency.

Upon the withdrawal of any member, the Board of Directors shall establish a reserve account for all Agency expenses and liabilities against the withdrawing member arising out of facts occurring while the withdrawing member was a member of the Agency but submitted after said member has withdrawn from same. The amount of said reserve account shall be set by the Board of Directors. Any and all amounts remaining in the member's reserve account after all expense claims and liabilities against the member have been fully paid and satisfied shall be returned to the withdrawing member.

A party's membership in the Agency may be involuntarily terminated at any time upon recommendation of the Board of Directors and a vote of two-thirds (2/3) of the governing boards of the members of the Agency. Involuntary termination shall have the effect of eliminating the party as a signatory of the joint powers' agreement and as a member of the Agency effective at the end of the fiscal year in which the action is taken, or upon such other date as the parties continuing membership in the Agency may specify. Should a party's membership be involuntarily terminated, reserve accounts shall be established as described above as if the party were voluntarily withdrawing, and the party shall continue to be responsible for all Agency costs and liabilities attributable to or incurred by the party to the effective date of the termination of membership. Grounds for involuntary termination include, but are not limited to the following:

Failure or refusal of a member to abide by this Agreement or any amendment to this Agreement, which has been duly adopted by the parties to this Agreement;

Failure or refusal to make payments to the Agency as described in provisions of this Agreement;

Persistent failure or refusal to follow established practices and procedures of the Agency;

Such other grounds as determined by the Board of Directors with the approval of two-thirds (2/3) of the parties to this Agreement.

DISPOSITION OF PROPERTY AND FUNDS

In the event of the dissolution of the Agency or the complete rescission or other final termination of the joint powers agreement by all members then party to the Agreement, any real or personal property interest and other assets remaining in the Agency following a discharge of all obligations shall be disposed of by the Agency. The Board of Directors, with the approval of all the parties, shall then determine the distribution of such assets based on the proportionate contribution of each party to the various properties and assets. The Board's objective shall be to return to each party then a member a proportionate return on the payments made to such properties and assets by such parties. Each member's pro rata share shall be determined in the same manner as for a withdrawing member as provided below.

In the event a member withdraws from the Agency or has its membership terminated involuntarily, the Board of Directors, with the approval of the parties, shall pay to the withdrawing or terminated members its pro rata share of the then current fair market value of the total tangible assets of the Agency less obligations. A withdrawing or terminated member's pro rata share is defined as the total regular and special payments, charges, assessments and contributions in kind made by the member divided by the total regular and special payments, charges, assessments and contributions in kind made by all the members from the inception of Agency to the date of the member's withdrawal or termination.

The Board of Directors shall determine whether the obligation to pay a member's pro rata share shall be discharged through a transfer of property or through a payment of funds. If requested in writing by a member, and if determined by the Board of Directors to be feasible and equitable, the member's pro rata share shall be discharged by returning to the member the same or similar property, real or personal, initially owned by the member and conveyed to the Agency in satisfaction of the member's financial obligations. Said transfer or payment shall be made within a reasonable time following withdrawal or termination.

The current fair market value of Agency properties and buildings shall be determined by the Board of Directors. If the withdrawing or terminated member disagrees with the current fair market value Agency properties and buildings as determined by the Board of Directors, the current market value of said properties and buildings shall be determined by a panel of three disinterested and qualified appraisers: one appraiser shall be appointed by the Board of Directors of the Agency; one appraiser shall be appointed by the Governing Board of the withdrawing or terminated member; and the third appraiser shall be appointed jointly by the first two. One-half of the fee of each said appraiser shall be a proper charge against the funds of the Agency, and the other half to the withdrawing or terminated member.

E. MISCELLANEOUS PROVISIONS

AMENDMENTS AND REQUIRED PUBLIC AGENCY FILINGS

This Agreement may be amended at any time with a subsequent written agreement approved and signed by two-thirds (2/3) of the public educational agencies then members of the Agency. Any such amendment shall be effective upon the date of final execution thereof, unless otherwise provided in the amendment. The State Department of Education shall be informed of and provided copies of any amendment, some of which may require its approval.

Following approval and execution of any amendment, the Agency shall cause notices, filings, updates, and recordkeeping required by applicable law to be completed, including any required filings or notices related to the Agency name, the amendment to this Agreement, and the continued operation of the Agency as a public agency joint powers authority.

This Agreement shall be reviewed every two years by the Board of Directors during its annual Organizational Meeting.

SEVERABILITY

Should any portion, term, condition, or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions shall not be affected thereby.

LIABILITY

Pursuant to the provision of Section 895, et seq., of the California Government Code, the public educational agencies which are members hereto are jointly and severally liable on any liability which is otherwise imposed by law upon any one of the members or upon the Agency for injury caused by a negligent or wrongful act or omission occurring in the performance of the Agreement. If a member or the Agency is held liable upon any judgment for damages caused by such an act or omission and makes payment in excess of its pro rata share on such judgment, such member or the Agency is entitled to contribution from each of the other members that are members of this Agreement. A member's pro rata share shall be determined in the same manner as for the disposition of property and funds as provided for in this Agreement.

ENFORCEMENT

The Agency is hereby given authority to enforce this Agreement. In the event suit is brought upon this Agreement by the Agency and judgment is recovered against a member, the member shall pay all costs incurred by the Agency including reasonable attorney's fees as fixed by the court.

ASSURANCES

The Agency, its programs and services shall be in compliance with: Title VI and Title VII of the Civil Rights Act of 1964; the California Fair Employment Practices Act; Title IX of the Education Amendments of 1972; Affirmative Action provisions of the Education Amendments of 1972; and Age Discrimination Act of 1975, and the provisions of California Education Code Section 220 and 250.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as set forth below.

CHICAGO PARK ELEMENTARY SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

CLEAR CREEK ELEMENTARY SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

GRASS VALLEY SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

NEVADA CITY SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

NEVADA JOINT UNION HIGH SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

PENN VALLEY UNION ELEMENTARY SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

PLEASANT RIDGE UNION SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

UNION HILL SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

NEVADA COUNTY SUPERINTENDENT OF SCHOOLS

By: _____ Date: _____

Title: _____

TWIN RIDGES ELEMENTARY SCHOOL DISTRICT

By: _____ Date: _____

Title: _____

~~April 18, 2022~~Approved Revision and Signed October 22, 2026

COMMUNITY ROOTS SCHOOL FOOD SERVICES AGENCY
BOARD OF DIRECTORS
RESOLUTION NO. 27-01
A RESOLUTION AUTHORIZING APPLICATION TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA, FOR A CERTIFICATE OF CONSENT TO SELF-INSURE WORKERS' COMPENSATION LIABILITIES

WHEREAS, Community Roots School Food Services Agency (the "Agency"), formerly known as Nevada County School Food Services Agency, is a California joint powers authority organized and existing under the laws of the State of California; and

WHEREAS, the Agency participates in a joint powers authority workers' compensation self-insurance program administered through Schools Risk and Insurance Management Group (SIG); and

WHEREAS, the California Department of Industrial Relations, Office of Self-Insurance Plans, requires the Agency to apply for a Certificate of Consent to Self-Insure workers' compensation liabilities pursuant to California Labor Code section 3700; and

WHEREAS, the Board of Directors desires to authorize that application and execution of documents required for the application;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Community Roots School Food Services Agency hereby authorizes and empowers the Agency to apply to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure workers' compensation liabilities; and

BE IT FURTHER RESOLVED, that the Executive Director, Chief Business Official, or their duly authorized designee is authorized to execute and submit any and all documents required in connection with such application, consistent with applicable law and Agency policy.

PASSED AND ADOPTED by the Board of Directors of Community Roots School Food Services Agency at a duly noticed meeting held on October 22, 2026, by the following vote:

AYES: _____ NOES: _____

ABSTAIN: _____ ABSENT: _____

_____ Date: _____

Board President / Presiding Officer

ATTEST:

_____ Date: _____

Board Clerk / Authorized Secretary