

EXHIBIT A

LOAN AGREEMENT BETWEEN THE COUNTY OF NEVADA AND WESTERN GATEWAY RECREATION AND PARK DISTRICT

This Agreement for a loan to complete an essential recreation and park district capital improvement project (“Agreement”) is made and entered into by and between the COUNTY OF NEVADA, a political subdivision of the State of California (“COUNTY”), and the Western Gateway Recreation and Park District, a special district (“DISTRICT”). (COUNTY and DISTRICT may be referred to herein individually as “Party” or collectively as the “Parties”), with respect to the following facts:

WHEREAS, in 2022, the California Department of Parks and Recreation announced \$23.1 million available under the Rural Recreation and Tourism (RRT) Program to create new recreation opportunities within rural communities to support health-related and economic goals. This program is funded by 2018 Parks and Water Bond Act (Proposition 68), which is found in Public Resources Code, section 80090; and

WHEREAS, the opportunity for Parks and Recreation districts within Nevada County to enhance their facilities through the use of RRT Grant funds serves a public benefit that is a high priority to our community, as “Natural Environment” is ranked as one of the top three contributing factors to quality of life within Nevada County in the 2017 NCS National Citizens Survey, and support for the improvement of recreation open space infrastructure within Nevada County is a key strategy related to the Board of Supervisors’ Recreation Objective for 2025; and

WHEREAS, the DISTRICT has received \$1,144,634 through the RRT Grant from California State Parks for park improvements. The funds approved with this grant will help the DISTRICT address its damaged creek crossing to the ballfields, fix parking areas, re-vamp the ballfields, and build a new RV Park, which will provide an opportunity for visitors to Nevada County to stay and spend their tax dollars with local businesses; and

WHEREAS, RRT funding from the State is on a reimbursement basis, meaning the DISTRICT must pay for contracted services before requesting and receiving related grant funds, and it may take up to ten weeks to receive the funds from the State; and

WHEREAS, the reimbursement timing may create cash flow problems that would be a significant hardship for the DISTRICT; and

WHEREAS, the DISTRICT has requested a loan from COUNTY to mitigate the cash flow problem, avoid significant hardship, and allow it to complete a grant-funded capital improvement project; and

WHEREAS, COUNTY and DISTRICT now wish to enter into this Agreement to provide a loan for the DISTRICT to complete the RRT Grant Program project (“Project”) in a maximum amount of \$1,144,634 (hereinafter, “Loan”).

WHEREAS, under this Agreement, COUNTY will provide cash-flow assistance through the Loan to enable the DISTRICT to pay contractors and other costs in anticipation of, and to mitigate,

fiscal complications that may arise from the timing of State funding for the Project. Said funds may be used for expenses approved through the RRT Grant for the Project through the period of June 30, 2028.

WHEREAS, upon adoption of the authorizing resolution and execution of this Agreement, the COUNTY Board of Supervisors will authorize the Auditor-Controller to transfer funds to and from designated funds of the DISTRICT.

WHEREAS, the COUNTY Board of Supervisors will direct the Auditor-Controller to coordinate with the COUNTY Executive Officer or her/his designee, who will act as the administrator on behalf of the COUNTY for this Agreement.

NOW, THEREFORE, the COUNTY and DISTRICT agree as follows:

1. TERM: The term of this Agreement shall be March 1, 2025 through June 30th, 2028
2. LOAN: The Loan is generally described as a short-term loan provided by COUNTY to DISTRICT.
 - a. DISTRICT will submit a request letter to the COUNTY identifying the amount requested to be advanced, a project manager, and a description of the proposed Project to be funded.
 - b. COUNTY will transfer to the DISTRICT up to \$572,317 within 30 days of the full execution of this Agreement, or a later date if the DISTRICT requests in writing to the COUNTY less any advancement in grant funds available from the State.
 - c. COUNTY will transfer to the DISTRICT up to \$286,158.50 upon completion of the creek crossing renovation, and in advance of the RV park development.
 - d. COUNTY will transfer to the DISTRICT up to \$286,158.50 upon completion of the RV Park development, and in advance of the ballpark improvements.
 - e. DISTRICT agrees that advance payment received from the COUNTY may be placed in an interest-bearing account. Earned interest must be spent on the project, or returned to the COUNTY.
 - f. DISTRICT agrees to submit Payment Request Forms to the State for grant revenue either quarterly or whenever expenditures reach a minimum of \$10,000, in accordance with the State's competitive grant administration guidelines.
 - g. DISTRICT agrees to provide to COUNTY, upon submittal, copies of all Payment Request Forms to the State for grant revenue.
3. PAYMENT:
 - a. DISTRICT agrees to make payments to the COUNTY within 30 days of receipt of RRT Grant reimbursement funds from the State until the Loan is paid in full.
 - b. DISTRICT agrees to repay the Loan in full by June 30, 2028. If any outstanding Loan balance remains after June 30, 2028, DISTRICT agrees to pay interest at the Treasurer's

pooled rate on the outstanding Loan balance until paid in full.

4. MUTUAL HOLD HARMLESS. The Parties agree to hold each other, their elected officials, employees, contractors, and agents mutually harmless from any and all claims, demands and liability, including attorney's fees, arising from each Party's performance of this Agreement except to the extent that such liability is caused by the negligence of the other Party.
5. ENTIRE AGREEMENT. This Agreement sets forth the entire agreement between the Parties with respect to the subject matter hereof and all prior negotiations and dealings pertaining to the subject matter hereof shall be deemed merged herein.
6. AMENDMENT. This Agreement shall not be modified except by written consent of the Parties.
7. ADMINISTRATION. The County Executive Officer, or their designee, shall administer this Agreement on behalf of COUNTY.
8. SEVERABILITY. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
9. TERMINATION. After full repayment of the entire Loan amount, with interest if applicable, this Agreement will be of no further force or effect, with the exception of Section 4, above.
10. ASSIGNMENT. Neither this Agreement nor the duties or obligations under this Agreement shall be assigned by either Party without prior written consent of the other Party. This does not, however, prohibit COUNTY from performing its duties or obligations hereunder by way of subcontract.
11. NONDISCRIMINATION. Except as provided in Section 12940 of the California Government Code, during DISTRICT'S performance of the contract, DISTRICT shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related hereto, marital status, sex or sexual orientation in the selection and retention of employees and subcontractors and the procurement of materials and equipment.
12. ELECTRONIC SIGNATURES. The Parties acknowledge and agree that this Contract may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.
13. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
14. NOTICES. All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective Parties at the addresses set forth below and are deemed submitted one day after their deposit in the United States Mail, postage prepaid:

WESTERN GATEWAY RECREATION
AND PARK DISTRICT

COUNTY OF NEVADA

P.O. Box 597
18560 Penn Valley Drive
Penn Valley, CA 95946

950 Maidu Ave., Suite 220
Nevada City, CA 95959

IN WITNESS WHEREOF, the Parties have executed this Contract to begin on the Effective Date.

WESTERN GATEWAY RECREATION
AND PARK DISTRICT

COUNTY OF NEVADA

Brandon Lindsen
Board of Directors,
Western Gateway Recreation and Park District

Alison Lehman
County Executive Officer
County of Nevada