



**CITY COUNCIL
REGULAR MEETING AGENDA
TUESDAY, JUNE 11, 2024
CITY COUNCIL CHAMBERS
794 THIRD STREET**

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, D.C. 20250.

In compliance with the Americans with Disabilities Act and Title VI. If you need special assistance or translation services to participate in this meeting, please contact the City Clerk's Office at 530/824-7033 or via email at linnet@corning.org. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CALL TO ORDER: 6:30 p.m.

B. ROLL CALL:

**Council: Dave Demo
Jose "Chuy" Valerio
Shelly Hargens
Lisa Lomeli
Mayor: Robert Snow**

C. PLEDGE OF ALLEGIANCE: Led by the City Manager.

D. INVOCATION: Led by Councilor Hargens.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

1. INTRODUCTION: Introduction of recent Police Academy graduate and new City Police Officer Trainee, Sarah Herrera.

F. PUBLIC COMMENTS AND BUSINESS FROM THE FLOOR:

G. CONSENT AGENDA: It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience request separate discussion and/or action.

2. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.

3. Waive the reading and approve the Minutes of the May 28, 2024 City Council Regular Meeting with any necessary corrections.

4. June 6, 2024 Claim Warrant in the amount of \$207,138.19.

5. June 6, 2024 Business License Report.

6. May 2024 Wages & Salaries: \$575,011.64.

7. May 2024 Treasurer's Report.

8. May 2024 Building Permit Valuation Report in the amount of \$2,034,863.

9. May 2024 City of Corning Wastewater Operations Summary Report.

H. ITEMS REMOVED FROM THE CONSENT AGENDA:

I. PUBLIC HEARINGS AND MEETINGS: None.

J. REGULAR AGENDA:

10. Approve Agreement with George Roofing for the Wastewater Treatment Plant Roof Project in the amount of \$59,998.

11. Approve Corning Police Department's proposed updated uniform Emblem design.

THE CITY OF CORNING IS AN EQUAL OPPORTUNITY PROVIDER AND EMPLOYER

12. Approve Agreement with Adams and Ashby Group, Inc. for Grant Writing and Administration Service.
13. Presentation of Fiscal Year 2024-2025 Program of Service and Annual Budget.
14. Authorize Staff to begin the Prop. 218 process to initiate a 10% water, and 5% sewer rate increase.

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR:

L. COMMUNICATIONS, CORRESPONDENCE, AND INFORMATION:

- M. REPORTS FROM MAYOR AND COUNCIL MEMBERS:** City Councilmembers will report on attendance at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234).

Demo:

Lomeli:

Hargens:

Valerio:

Snow:

N. ADJOURNMENT:

POSTED: FRIDAY, JUNE 7, 2024



**CITY OF CORNING
CITY COUNCIL MEETING AGENDA
TUESDAY, MAY 28, 2024
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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A. CALL TO ORDER: 6:30 p.m.

B. ROLL CALL:

Council: Dave Demo
Jose "Chuy" Valerio
Shelly Hargens
Lisa Lomeli
Mayor: Robert Snow

All members of the City Council were present except Councilors Valerio and Lomeli.

C. PLEDGE OF ALLEGIANCE: Led by Mayor Snow.

D. INVOCATION: Led by Councilwoman Shelly Hargens.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS: None.

F. PUBLIC COMMENTS AND BUSINESS FROM THE FLOOR: None.

G. CONSENT AGENDA: It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience request separate discussion and/or action.

- 1. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
- 2. Waive the reading and approve the Minutes of the May 14, 2024 City Council Regular meeting with any necessary corrections.**
- 3. May 23, 2024 Claim Warrant in the amount of \$182,002.88.**
- 4. May 23, 2024, 2024 Business License Report.**
- 5. Accept Cody Lamb's resignation from serving as the City's representative to the Tehama County Flood Control & Water Conservation District Groundwater Commission and approve immediate appointment of Martin Spannaus as the City's representative to this Commission.**

Councilor Hargens moved to approve Consent Items 1-5; Councilor Demo seconded the motion. **Ayes: Snow, Demo, and Hargens. Absent: Valerio and Lomeli. Abstain/Opposed: None. Motion was approved by a 3-0 vote with Valerio and Lomeli absent.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA: None.

Councilor Lomeli entered the meeting at 6:35 p.m.

I. PUBLIC HEARINGS AND MEETINGS: None

J. REGULAR AGENDA:

- 6. Approve Agreement for City Attorney Legal Services for a three (3) year term starting June 1, 2024 through June , 2027.**

Presented by City Manager Brant Mesker who stated that the proposed Agreement would:

- Cover the period from June 1, 2024 through June 1, 2027 with the option to extend automatically from fiscal year to fiscal year;
- Increases the monthly charges by \$500 per month which has not been increased since 2018.

Councilor Demo moved to approve the proposed Agreement with the Law Firm of Moore & Bogener as Corning's City Attorney for a period of time beginning June 1, 2024 through June 1,

2027 and authorize the City Manager to sign the Agreement on behalf of the City. Councilor Hargens seconded the motion. **Ayes: Snow, Demo, Hargens, and Lomeli. Absent: Valerio. Abstain/Opposed: None. Motion was approved by a 4-0 vote with Valerio absent.**

7. Approve Agreement in the amount of \$12,433.03 with Corning Carpet Store for removal and replacement of City Council Chambers carpet, and vinyl flooring in the employee breakroom/kitchen.

Presented by Public Works Director Eli Stanley who stated that the City received no responsive bids for the flooring replacement in the City Council Chambers and employee kitchen area. He stated that as a result, and per City Code, Staff negotiated the proposed Agreement with the Corning Carpet Store to replace the flooring in these areas at a total cost of 12,433.03.

Councilor Hargens moved to approve proposed Agreement with Corning Carpet Store for removal and replacement of the Council Chambers and City Hall Kitchen flooring in the amount of \$12,433.03, authorize the City Manager to execute Change Orders not to exceed 10% of the overall contract price; and authorize the City Manager to sign the contract. Councilor Demo seconded the motion. **Ayes: Snow, Demo, Hargens, and Lomeli. Absent: Valerio. Abstain/Opposed: None. Motion was approved by a 4-0 vote with Valerio absent.**

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR: None.

L. COMMUNICATIONS, CORRESPONDENCE, AND INFORMATION: None.

M. REPORTS FROM MAYOR AND COUNCIL MEMBERS: City Councilmembers will report on attendance at conferences/meetings reimbursed at City expense (Requirement of Assembly Bill 1234).

Demo: Reported he had attended no meetings to report; and announced and invited the public to attend the upcoming Tuesday Night Market to be held June 4th.

Valerio: Absent.

Hargens: No reports.

Lomeli: Reported on the Tehama Community Action Agency (TCAA) Meeting she attended.

Snow: Announced that the next quarterly Chamber Member Meeting will be held on at Rodger's Theatre on Thursday, June 6th from 6-7pm at the Rodgers Theatre. This is a great opportunity for Chamber Members owning businesses to network and brainstorm marketing, community needs, etc.

N. ADJOURNMENT: 6:40p.m.

Lisa M. Linnet, City Clerk



MEMORANDUM

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: LORI SIMS
ACCOUNTING TECHNICIAN

DATE: June 5, 2024

SUBJECT: Cash Disbursement Detail Report for the
Tuesday June 11, 2024 Council Meeting

PROPOSED CASH DISBURSEMENTS FOR YOUR APPROVAL CONSIST OF THE FOLLOWING:

A.	Cash Disbursements	Ending 05-31-24	\$	63,185.92
B.	Payroll Disbursements	Ending 05-30-24	\$	74,145.35
C.	Cash Disbursements	Ending 06-05-24	\$	69,806.92

GRAND TOTAL \$ 207,138.19

REPORT.: May 31 24 Friday
 RUN....: May 31 24 Time: 14:04
 Run By.: LORI SIMS

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 05-24 thru 05-24 Bank Account.: 1020

PAGE: 001
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
037173	05/23/24	TEH08	COUNTY OF TEHAMA	200.00	240523	FILING NOE FOR CUP-
037174	05/24/24	ACM02	ACME RIGGING & SUPPLY CO.	134.06	339004	Material/Supplies-
037175	05/24/24	AIR00	AIRGAS USA, LLC	208.15	150147408	Material/Supplies-Fire
037176	05/24/24	COR05	CORNING AUTO CENTER	430.48	60398	Veh Op/Maint-Water
037177	05/24/24	COR11	CORNING SAFE & LOCK	10.78	9978	Material/Supplies-Bldg Maint
037178	05/24/24	PAC29	PACE ANALYTICAL SERVICES,	187.96	240400628	ProfServices Water Dept
037179	05/24/24	PEN01	PENDERGRAFT, JAMES CURTIS	80.00	240524	Pant Reimb. - PW Admin
037180	05/24/24	PGE01	PG&E	37421.60	240521	Electricity General City
037181	05/24/24	SCH01	LES SCHWAB TIRE CENTER	70.69	100509348	Veh Opr/Maint-Police
037182	05/28/24	ALV00	ALVAREZ, CARLOS	74.00	240524	TRAINING/ED-FIRE
037183	05/28/24	AME06	AMERICAN RIVER COLLEGE	182.00	20240523	TRAINING/ED-POLICE
037184	05/28/24	HOL04	HOLIDAY MARKET #32	435.12	00320352A	MAT & SUPPLIES-
037185	05/28/24	HOM03	HOME DEPOT	4094.22	H8492164A	PD REMODEL-POLICE SVCS
037186	05/28/24	WEB02	WEBSTER, WAYNE C.	120.00	240525	REC INSTRUCTOR-REC
037187	05/28/24	HEW01	HEWITT, MATTHEW	540.30	20240602	TRAINING/ED-POLICE
				540.30	20240609	TRAINING/ED-POLICE
			Check Total.....:	1080.60		
037188	05/29/24	BDI00	BDI	102.06	950375209	MAT & SUPPLIES-
037189	05/29/24	COR2A	TERESA LAMB	75.00	38050	MAT & SUPPLIES-REC
037190	05/29/24	DOW01	DOWN RANGE	316.39	694635	SAFETY ITEMS-POLICE
037191	05/29/24	GON02	GONZALEZ JUMPERS & PARTY	443.00	240604	MAT & SUPPLIES-COMM EVENTS
037192	05/29/24	INL01	INLAND BUSINESS SYSTEMS	212.86	IN4185359	COMMUNICATIONS-
037193	05/29/24	NAP01	NAPA AUTO PARTS	965.99	240525	MAT & SUPPLIES-
037194	05/29/24	NOR49	NORTHSTATE SCREEN PRINT &	285.27	195666	MAT & SUPPLIES-POOL
037195	05/29/24	PAC29	PACE ANALYTICAL SERVICES,	126.00	240401528	PROP SVCS-WTR DEPT
037196	05/29/24	PGE2A	PG&E	123.93	240524	ELECT-CORNING COMMUNITY PARK
037197	05/29/24	PGE2B	PG&E	12302.84	240524	ELECT-WWTP
037198	05/29/24	RON03	RON DUPRATT FORD	109.01	489111	VEH OP/MAINT-
				274.44	490722	VEH OP/MAINT-WTR
			Check Total.....:	383.45		
037199	05/29/24	SCH01	LES SCHWAB TIRE CENTER	53.53	00509503	VEH OP/MAINT-
037200	05/29/24	ATT02	AT&T	1303.10	21753633	COMMUNICATIONS-
037201	05/29/24	GAR09	GARCIA, GISELLE NYLENE	287.50	240529	REC INSTRUCTOR-REC (JR. CARDETTES)
037202	05/31/24	\B084	LUIS BARRAGAN	76.90	000C40501	MQ CUSTOMER REFUND FOR BAR0171
037203	05/31/24	\K013	ANDREW J. KINCAID	50.00	000C40501	MQ CUSTOMER REFUND FOR KIN0031
037204	05/31/24	\O037	CERVANDO ORTIZ CORIA	14.04	000C40501	MQ CUSTOMER REFUND FOR ORT0022
037205	05/31/24	\S139	TRAVIS & KELLI STROUD	1334.40	000C40501	MQ CUSTOMER REFUND FOR STR0046
			Cash Account Total.....:	63185.92		
			Total Disbursements.....:	63185.92		

			Cash Account Total.....:	.00		

REPORT.: May 31 24 Friday
 RUN....: May 31 24 Time: 14:04
 Run By.: LORI SIMS

CITY OF CORNING
 Cash Disbursement Detail Report - Payroll Vendor Payment(s)
 Check Listing for 05-24 thru 05-24 Bank Account.: 1025

PAGE: 002
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
14454	05/30/24	BAN03	POLICE OFFICER ASSOC.	225.00	C40529	POLICE OFFICER ASSOC
14455	05/30/24	EDD01	EMPLOYMENT DEVELOPMENT	5470.50	C40529	STATE INCOME TAX
				1532.30	1C40529	SDI
				161.05	2C40529	STATE INCOME TAX
				106.66	3C40529	SDI
			Check Total.....:	7270.51		
14456	05/30/24	FED00	FEDERAL PAYROLL TAXES (EF	14713.46	C40529	FEDERAL INCOME TAX
				17293.04	1C40529	FICA
				4044.36	2C40529	MEDICARE
				782.87	3C40529	FEDERAL INCOME TAX
				1202.28	4C40529	FICA
				281.18	5C40529	MEDICARE
			Check Total.....:	38317.19		
14457	05/30/24	PERS1	PUBLIC EMPLOYEES RETIRE	27957.65	C40529	PERS PAYROLL REMITTANCE
				.00	1C40529	PERS PAYROLL REMITTANCE
			Check Total.....:	27957.65		
14458	05/30/24	PERS4	Cal Pers 457 Def. Comp	275.00	C40529	PERS DEF. COMP.
14459	05/30/24	VAL06	VALIC	100.00	C40529	AIG VALIC P TAX
			Cash Account Total.....:	74145.35		
			Total Disbursements.....:	74145.35		

REPORT.: Jun 05 24 Wednesday
 RUN....: Jun 05 24 Time: 15:19
 Run By.: LORI SIMS

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 06-24 thru 06-24 Bank Account.: 1020

PAGE: 001
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
037206	06/03/24	COR07	CORBIN WILLITS SYSTEMS, I	813.77	000C406011	EQUIP MAINT-FINANCE
037207	06/03/24	COR09	CORNING CHAMBER OF COMM.	1000.00	000C406011	CngChamberComm. Economic
037208	06/03/24	MOO07	MOORE & BOGENER, INC.	5525.00	000C406031	CONSULTING SVCS-LGL SVCS
037209	06/03/24	NEL00	NELSON, JEFFREY NEIL	54.70	000C406011	PROF SVCS-FIRE DEPT
037210	06/03/24	OCH01	OCHOA CLEANING	4655.00	000C406011	JANITORIAL SERVICES-
037211	06/03/24	SCH16	SCHLERETH, DAYMON WAYNE	104.70	000C406011	PROF SVCS-FIRE DEPT
037212	06/04/24	PIT01	PITNEY BOWES	186.29	240604	Rents/Leases Finance Dept
037213	06/04/24	AIR00	AIRGAS USA, LLC	88.18	508596826	Material/Supplies-Fire
037214	06/04/24	ATK04	ATKIN, LACEY	1022.00	240531	Hiit-Rec Instructor
037215	06/04/24	ATT15	AT&T MOBILITY	767.22	240519	Communications-
037216	06/04/24	COA06	COAR DESIGN GROUP	16639.70	22288	Prop 68 Pre Cons-City Plaza & Rec Cntr
037217	06/04/24	COP02	COPY CENTER	193.50	23108	Office Supplies-Finance
037218	06/04/24	COR08	CORNING LUMBER CO INC	194.90	240525	Mat/Supplies-
037219	06/04/24	DM001	DM-TECH	119.90	20240601	Communications General Ci
037220	06/04/24	PIR05	FIRST NATIONAL BANK OMAHA	110.00	240529	Training/Education-Finance
037221	06/04/24	FIR11	FIRST NATIONAL BANK OMAHA	401.00	240529	Equipment-
037222	06/04/24	HUN03	HUNTERS SERVICES INC.	645.75 645.75	347891 350066	Weed/Tree Spray- Weed/Tree Spray-
			Check Total.....:	1291.50		
037223	06/04/24	IND03	INDUSTRIAL POWER PRODUCTS	103.19	402850	Material/Supplies-
037224	06/04/24	KIN14	KINETICS ACADEMY OF DANCE	184.00 184.00	240519 240602	Rec Instructor-Rec Rec Instructor-Rec
			Check Total.....:	368.00		
037225	06/04/24	LAC01	LACY, CLINT	450.00	240531	Rec Instructor-Rec
037226	06/04/24	MIL16	MILLENNIUM HEALTH, LLC	240.00	14151937	Employee Physical-Pool
037227	06/04/24	MIS01	MISSION LINEN SUPPLY	79.95 39.98 79.95	521540166 521540233 521540242	Material/Supplies-Parks Material/Supplies-Pool Material/Supplies-Parks
			Check Total.....:	199.88		
037228	06/04/24	PAC29	PACE ANALYTICAL SERVICES,	234.56	240415028	ProfServices Water Dept
037229	06/04/24	PAX00	PAXTON, WYATT	2650.00	766	Prof Svcs-Bld & Sfty
037230	06/04/24	PGE04	PG&E	352.36 179.06	240530 240530A	TranspFacility TranspFacility
			Check Total.....:	531.42		
037231	06/04/24	PGE2A	PG&E	244.96 88.07	240529 240529A	Electricity Elect-Martini Plaza
			Check Total.....:	333.03		
037232	06/04/24	ROD10	RODRIGUEZ, JESENIA	900.00	240531	Rec Coordinator
037233	06/04/24	SCP00	SCP DISTRIBUTORS LLC	282.61 -125.65 88.02	SN116627 SN116661C SN116682	Mat & Supplies-Pool Material/Supplies-Pool Material/Supplies-Pool
			Check Total.....:	244.98		
037234	06/04/24	SWR02	SWRCB-DWCP	130.00	240603	Training/Education-Water
037235	06/04/24	VAL11	VALLEY PACIFIC PETROLEUM	2124.94 244.43 97.77	24-762135 24-762137 24-762138	Material/Supplies- Veh Op/Maint-Fire Veh Op/Maint-Bld Sfty
			Check Total.....:	2467.14		
037236	06/04/24	VES00	VESTIS GROUP, INC.	88.05 88.05 88.05 88.05	066575333 066580823 066586212 066591561	Material/Supplies-Bld Maint Material/Supplies-Bld Maint Material/Supplies-Bld Maint Material/Supplies-Bld Maint
			Check Total.....:	352.20		
037237	06/05/24	3AC00	3A CUSTOMS	1623.80	15020143	VEH OP/MAINT-POLICE

REPORT.: Jun 05 24 Wednesday
 RUN....: Jun 05 24 Time: 15:19
 Run By.: LORI SIMS

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 06-24 thru 06-24 Bank Account.: 1020

PAGE: 002
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
037238	06/05/24	HOL04	HOLIDAY MARKET #32	435.12	320459067	MAT & SUPPLIES-
037239	06/05/24	HUD01	HUDSON, LACEY RACHELLE	15.00	2024063-2	TRAINING/ED-DISPATCH
037240	06/05/24	KNI01	KNIGHT, ASHLEY DEANNA	187.86	2024063-1	TRAINING/ED-DISPATCH
037241	06/05/24	LUM00	LUMINACE AGGREGATOR LLC	16904.99	224942	ELECT-
037242	06/05/24	PGE01	PG&E	447.48	240603	ELECT-
037243	06/05/24	PGE04	PG&E	642.66	240603	TranspFacility-
037244	06/05/24	PGE05	PG&E	1566.20	240603	FIRE-ELECT & GAS
037245	06/05/24	SOU06	SOUTH AVENUE ACE	1836.91	240527	MAT & SUPPLIES-
037246	06/05/24	TEH15	TEHAMA CO SHERIFF'S DEPT	24.50	06032024	PROP SVCS-POLICE
037247	06/05/24	THO03	THOMAS HYDRAULIC	228.07	23277	EQUIP MAINT-
037248	06/05/24	TPX00	TPX COMMUNICATIONS	1135.19	179570159	COMMUNICATIONS-
037249	06/05/24	VAL11	VALLEY PACIFIC PETROLEUM	2168.88	24-762136	VEH OP/MAINT-
037250	06/05/24	WAR05	WARREN, DANA KARL	218.50	240605	REC INSTRUCTOR-REC
Cash Account Total.....:				69806.92		
Total Disbursements.....:				69806.92		

Date.: Jun 5, 2024
 Time.: 3:24 pm
 Run by: LORI SIMS

CITY OF CORNING
 NEW BUSINESSES FOR CITY COUNCIL

Page.: 1
 List.: NEWB
 Group: WTPMBM

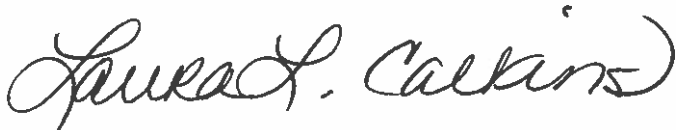
Business Name	Address	CITY/STATE/ZIP	Business Desc	Bus Start Date
ARBOR PROS, LLC	1350 STARDUST ST. SUITE D	RENO, NV 89503	TREE SERVICES, TRIMMING TREES	05/29/24
CLIMA-TECH LLC	1820 TOWN AND COUNTRY DR.	NORCO, CA 92860	GENERAL BUILDING, HVAC, REFRIGERANT & EL	05/31/24
EL ASKO TATTOO'S	1202 SOLANO ST	CORNING, CA 96021	RENTING ROOM AT RED DOOR SALON FOR DOING	05/29/24
SOPRANO CONSTRUCTION	949 HARRYMAN ST	ORLAND, CA 95963	GENERAL CONSTRUCTION	06/03/24
SUNSHINE BEAUTY SALO	908 HIGHWAY 99W STE.B	CORNING, CA 96021	BEAUTY SALON(HAIR, NAILS, LASHES & MORE)	05/29/24
VALLEY PACIFIC PETRO	1819 SOLANO ST	CORNING, CA 96021	CFN CARDLOCK STATION, PETROLEUM PRODUCTS	05/30/24

CITY OF CORNING

**TREASURER'S REPORT
MAY 2024**

<u>AGENCY</u>	<u>BALANCE</u>	<u>RATE</u>
Local Agency Investment Fund	\$ 15,633,889.04	4.30%

Respectfully submitted:



Laura L. Calkins
City Treasurer



Monthly Permit Report

05/01/2024 - 05/31/2024

Permit #	Permit Date	Main Status	Parcel #	Parcel Address	Owner Name	Owner Address	Owner City	Owner Zip	Permit Type	Project Cost
24127	5/31/2024	Under Review	071-171-007-000	1310 South St.	Oseguera, Alberto et al	1310 South St.	Corning	96021	Building	\$7,000
24126	5/31/2024	Online Application	069-260-065-000	2280 Short Dr.	Brown 2020 Irrev Trust 12/15/20	569 Osborne Lane	Murfreesboro	31730-9593	Building	\$1,500,000
24125	5/29/2024	approved " FEES DUE "	071-262-027-000	1399 West ST.	Rush, Joseph T ETAL	1399 West St.	Corning	96021	Solar	\$23,085
24124	5/28/2024	ISSUED	073-300-031	180 Carona Ave	Buenrostro Jose Briseno ETAL	180 Carona Ave	Corning	96021-3543		\$3,500
24123	5/28/2024	ISSUED	071-162-002-000	1615 South St.	Oliveira, John B & Margaret A.	P.O. Box 555	Corning	96021	Roof	\$5,600
24122	5/28/2024	approved " FEES DUE "	073-045-008-000	565 First St.	GM Real Estate Investments LLC	9207 Stokes Ave.	Downey	90240	Electrical	\$1,200
24121	5/23/2024	Cancelled							Demo	\$0
24120	5/22/2024	ISSUED	073-250-007-000	575 North St	Munoz-Hernandez, Alonzo J.	575 North St.	Corning	96021	Mechanical	\$6,584
24119	5/20/2024	Cancelled	075-210-025-000	4714 Hall Rd.	LEWIS, CRYSTAL	4714 HALL RD	Corning	96021	Roof	\$0
24118	5/20/2024	ISSUED	071-241-016-000	1184 5 th St.	RET RENTALS LLC	859 Washington St PMB 198	Red Bluff	96080	ReModel	\$40,000
24117	5/17/2024	Waiting for Information/Plans	073-053-006-000	554 El Paso Ave.	Martinex, Sandera	554 El Paso Ave.	Corning	96021	Solar	\$29,322
24116	5/17/2024	ISSUED	071-205-017-000	2043 Blossom Ave.	Smith, Tammy J.	2043 Blossom Ave.	Corning	96021	Mechanical	\$16,416
24115	5/16/2024	Cancelled	069-220-018-000	908 Hwy. 99W	Shaw, Richard ETAL TRS, Shaw Family Trust 12/12/98	1006 Ambassador PL.	Vacaville	95687	Roof	\$0
24114	5/14/2024	Cancelled	071-262-027-000	1399 West St.	Rush, Joseph T ETAL	1399 West St.	Corning	96021	Solar	\$0
24113	5/11/2024	ISSUED	069-220-018-000	908 Hwy. 99W	Shaw, Richard ETAL TRS, Shaw Family Trust 12/12/98	1006 Ambassador PL.	Vacaville	95687	Building	\$45,000
24112	5/9/2024	Finaled	073-200-060-000	245 Eller Dr.	Archuleta, Jorge & Gonzalez, Rosa	245 Eller Dr.	Corning	96021	Roof	\$17,500
24111	5/9/2024	Finaled	073-095-006-000	806 Walnut St.	Beltran, Edilma	806 Walnut St.	Corning	96021	Building	\$10,000

24110	5/8/2024	ISSUED	071-280-032-000	1581 Fig Ln.	Flores, Hector Guzman ETAL	1581 Fig Ln.	Corning	96021	Building	\$6,000
24109	5/8/2024	ISSUED	071-044-002-000	1517 Tehama St.	Smith, Terence ETAL	1517 Tehama St.	Corning	96021	Roof	\$2,000
24108	5/7/2024	ISSUED	071-091-008-000	1839 Butte St.	Oliveira Living Trust 12/27/23	P.O. Box 555	Corning	96021	Roof	\$9,990
24107	5/3/2024	ISSUED	071-111-009-000	1306 Butte St.	Pace, Emma L.	6488 County Rd. 23	Orland	95963	HVAC	\$6,376
24106	5/3/2024	ISSUED	075-330-013-000	175 Victorian Park Ct.	Weiss, Doris F.	175 Victorian Park Ct.	Corning	96021	Roof	\$17,645
24105	5/3/2024	ISSUED	071-153-008-000	851 Lincoln St.	Linder, Dennis & Julie	14590 Carriage Lane	Red Bluff	96080	Roof	\$17,645
24104	5/3/2024	ISSUED	071-140-027-000	965 Hwy 99w Ste. 123	Szanto, Victor ETAL TRS Szanto Revoc TR 5/17/04	P.O. Box 11274	Zephyr Cove	89448	ReModel	\$50,000
24103	5/3/2024	Finald	073-213-006-000	585 Marguerite Ave.	Robles, Naomi	585 Marguerite Ave.	Corning	96021	Mechanical	\$20,000
24102	5/2/2024	Waiting for Information/Plans	073-200-063	170 McLane Ave	Nerey, Pablo etal	3211 Woodson Ave	Corning	96021	Building	\$200,000
										\$2,034,863

Total Records: 26

6/3/2024



CITY OF CORNIG WASTEWATER OPERATIONS SUMMARY REPORT MAY 2024

Below is a summary of the monthly operations report that will be available for review in June 2024.

- Completed monthly reports.
- Held staff meeting to discuss facility operations and issues.
- Held daily safety tailgate meetings.
- Inspected eyewash stations and emergency showers.
- Completed testing of chemical release sensors.
- Calibrated SO₃ analyzer.
- Inspected all fire extinguishers.
- Calibrated gas detector.
- Exercised emergency generator.
- Submitted ESMR/DMR report to Regional Board.



- Completed monthly facility inspection.
- Tel Star Inc. on site to install new SBS tank, pumps and upgrade electrical System.
- Completed inspections on collection system trouble spots.
- Mowed lawns.
- Cleaned final effluent line from SO2 injection point to final effluent sample site.
- Notified regional board of intention to move total coliform sample site to before dechlor site.
- Installed new guards on storm drains.
- Notified Regional Board of total coliform limit exceedance. Inframark staff and management are working to determine cause and develop plan to return to compliance.
- Sprayed weeds on facility grounds.

May 2024

Effluent Flow Monthly Average= 607,000 GPD

**ITEM NO.: J-10
APPROVE AGREEMENT WITH
GEORGE ROOFING FOR THE
WASTEWATER TREATMENT PLANT
ROOF PROJECT IN THE AMOUNT OF
\$59,998**

June 11, 2024

**TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: BRANT MESKER, CITY MANAGER 
ELIJAH STANLEY, PUBLIC WORKS DIRECTOR *ES***

SUMMARY:

On Wednesday, May 22, 2024 the City received one bid for the repair/replacement of the Wastewater Treatment Plant Roof from George Roofing. The bid received was higher than the budgeted amount and the California Uniform Construction Accounting Commission Threshold of \$60,000. This Required staff to negotiate the cost to complete the project.

Below is a summary of this bid:

	George Roofing
Wastewater Treatment Plant	\$64,730
Alternate (1)	(\$4,732)
Total	\$59,998

Staff now seeks authorization to award this project to George Roofing.

BACKGROUND:

Due to the current condition of the Wastewater Treatment Plant Roof, the City recognized the need to remove and replace the roofing system. Because of this, the City requested bids from 6 contractors to perform the work.

FINANCIAL:

During the fiscal year 2023/2024 budgeting process, staff budgeted \$61,500 for the repair/replacement of the Wastewater Treatment Plant Roof. The proposed Agreement with George Roofing for the price of \$59,998 would not exceed the budgeted amount. The funding is allocated in line item 610-9189-5200, Roof WWTP/WWTP.

RECOMMENDATION:

MAYOR AND COUNCIL APPROVE THE:

- **APPROVE THE AGREEMENT WITH GEORGE ROOFING FOR THE WASTEWATER TREATMENT PLANT ROOF PROJECT AT A COST NOT TO EXCEED \$59,998; AND**
- **AUTHORIZE THE CITY MANAGER TO SIGN THE CONTRACT.**

GEORGE ROOFING

6810 LINCOLN BLVD
OROVILLE CA 95966
SLC# 452266
PWR# 1000005383



WE DO ROOFING RIGHT!

PHONE: (530) 533-6393
FAX: (530) 533-0287
CELL: (530) 693-1771

PROPOSAL

Date: 22-May-2024

Attn: Elijah Stanley
TO: City of Corning
794 Third Street
Corning CA 96021

PROJECT ADDRESS:
Wastewater Treatment Plant
25010 Gardiner Ferry Rd
Corning CA 96021

PH: (530) 824-7025 FAX:

eMail: ESTanley@Corning.org

We propose to furnish the materials and labor to complete the following;

Install the new roof system over the properly prepared substrate

- 1 Remove rock/debris from roofing surface
- 2 Install 1/2" fiber board per specification
- 3 Install modified base sheet per specification
- 4 Install modified cap sheet per specification
- 5 Remove and replace existing sheet metal edge flashing from all roof sections
- 6 Remove and replace up-to 10ea 2x4 rafter tails
- 7 Remove and replace up-to 4ea sheets of 1/2" plywood
- 8 Apply Title 24 compliant "Cool Roof" coating per specification
- 9 City Building Permit (no cost to contractor)

Exclusions:

- 1 All Soffit repair
- 2 Project Bonds

Base Price: as listed above...	\$ 64,730.00
Alternate 1: Omit item 5 above; cut down fascia to allow drainage, Install new prefinished 5" fascia gutters and downspouts	DED \$ (4,732.00)
Alternate 2: Install MicroMesh gutter screen in new gutter with Alt 1	ADD \$ 1,545.00

Terms & Conditions:

- + Full balance due on completion.
- + Amounts unpaid after 30 days are subject to Liquidated Damages of 1-1/2% (18%APR).
- + All listed prices are cash discounted 3%, payment other than cash/check will forfeit this discount.

Note 2: We can not install roofing over wood rot, if discovered, it must be repaired. We can complete the repair for an extra cost of labor time and materials or you can have the repair done by others.

Note 3: Our Company has a current and valid contractors license from the CSLB, please check us out at www.cslb.ca.gov and enter our license number 452266. We carry General Liability Insurance with limits of \$1,000,000/occurrence and \$2,000,000 aggregate. We also carry Workers' Compensation Insurance, with a limit of \$1,000,000/occurrence.

Thank You

Guy Burns
(530) 965-2752 Cell

Accepted by;	
Signature	Date
Print Name	Title



AGREEMENT

THIS AGREEMENT IS MADE AND ENTERED INTO as of this _____ day of _____, **2024** by and between the City of Corning, a Municipal Corporation, hereinafter referred to as **"City"** and **George Roofing** hereinafter referred to as **"Contractor"**. It is hereby agreed by and between the parties that Contractor shall improve the Wastewater Treatment Plant Roof for the City, as hereinafter more particularly described hereafter.

1. CONTRACTOR'S OBLIGATION:

- a. Contractor shall, safely perform the removal of rock/debris from the existing roofing system and install of new roofing system at the Wastewater Treatment Plant per contract proposal attached here at as **exhibit A**. Such improvement shall be done safely and in a workmanlike manner with the materials approved and as indicated herein. Location and improvements are as described as **exhibit B** attached hereto and incorporated by this reference. The City reserves unto itself the right to reject any or all performance hereunder and to require touchup and/or follow-up services to the City's satisfaction and without further compensation.
- b. Contractor shall, during the term of this Contract, maintain a valid City of Corning Business License.
- c. Contractor must, at all times during the term of this contract, be a state-licensed contractor in the following categories throughout the term of this agreement: C-39 – Roofing.
- d. Contractor must complete the scope of work prior to the end of the fiscal year June 30, 2024.

2. COMPENSATION / TERM:

For those services as outlined in the **WWTP - Spec Section 07500 Modified Bituminous Membrane Roofing**.

- a. Hereto the City shall pay to Contractor the sum amount not to exceed **\$59,998.00** unless terminated under Section 3.
- b. City will pay Contractor, upon completion of the project. However, should the performance not be satisfactory as determined by the Public Works Director, as hereinafter specified, the City may retain and use such funds as the Public Works Director deems appropriate for purposes of ensuring proper performance and/or hiring other general engineering companies to complete to the City's satisfaction the contract.

3. TERMINATION:

Should contractor fail to perform satisfactorily as herein set forth, City reserves to itself the right to cancel any remaining portion of said contract upon thirty days written notice to Contractor, by notice in writing provided to Contractor at his usual place of business. Should Contractor breach any of the terms and conditions of this contract, or violate any laws, especially those relative to negligent behavior that puts the public at risk, the City reserves unto itself the right to direct Contractor to immediately cease performance and then terminate this contract thereafter, upon thirty days written notice, and pay contractor such amounts as he may then be entitled to on a pro-rata basis (pro-rated according to amount of work satisfactorily completed).



5. PAYMENTS:

The owner agrees to pay the Contractor for the performance of the Contract and the Contractor agrees to receive and accept said payment as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement, and for all loss or damage arising out of the nature of the aforesaid work or from the action of the elements and from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of work until it is accepted by Owner, and for all risks of every description connected with the work, and for all expenses incurred by or in consequence of the suspension or discontinuance of the work, and for well and faithfully completing the work and the whole thereof in the manner and according to the Contract Documents and the requirements of the Public Works Director under then to wit: As shown on the Proposal attached hereto as Exhibit A and incorporated herein.

The acceptance of the final payment by the Contractor shall constitute a waiver of all claims by him.

6. SUSPENSION OF WORK:

The Public Works Director shall have authority to suspend the work wholly or in part for such period as he may deem necessary to investigate complaints regarding improper or unsafe use of equipment.

7. AUTHORITY OF DIRECTOR OF PUBLIC WORKS:

The Public Works Director shall be the City's representative in deciding any and all questions that may arise as to the quality or acceptability of the work performed, all questions that arise as to the acceptable fulfillment of the contract on the part of the Contractor, and all questions as to claims and compensation. The City Manager also is authorized to act as the City's representative at any time with respect to this agreement. Contractor is an independent contractor; therefore, the City will not be supervising the work performed or directing Contractor how to do his work but will be expecting the Contractor to perform all work agreed upon in a safe and professional manner according to the terms of this agreement.

8. LAWS TO BE OBSERVED:

The Contractor shall keep himself fully informed of all State, Federal and Municipal Ordinances and/or regulations of the City of Corning which in any manner affect those engaged in or employed in the work, or the materials used in the work, or which in any way affect the conduct of the work and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Contractor must comply with all provisions of the Immigration Reform and Control Act and of the California Labor Code which includes the requirements of the prevailing wage laws and the obligation to register with the Department of Industrial Relations.

9. LABOR DISCRIMINATION:

No discrimination shall be made in the employment of persons in this project because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, or sex of such persons. Violation of this section shall subject Contractor to penalties referenced in **Section 1735** of the **Labor Code**.



11. RESPONSIBILITY FOR DAMAGES:

Neither the City of Corning, the City Council, nor the City Staff, shall be responsible or accountable in any manner for any loss or damage that may happen during the work or any part thereof; or for any materials or equipment used in performing the work; or for injury or damage to any person or persons, either workers or the public; or for damage to adjoining property from any cause whatsoever.

10. LIABILITY INSURANCE:

The Contractor shall secure and maintain in full force and effect, during the term of this agreement and for one year thereafter, a valid comprehensive public liability and property damage insurance policy listing the City as additional insured in the following amounts:

- a. \$2,000,000.00 for death or injury to any person arising out of any incident or accident;
- b. \$50,000.00 for property damage arising out of any one incident or accident.

11. WORKMAN'S COMPENSATION INSURANCE:

Contractor at all times shall keep fully insured, at his own expense, all persons employed by him in connection with this **Agreement** as required by Workman's Compensation and Insurance (California Labor Code Section 3200 et seq.), and shall hold the City free and harmless from all liabilities that may arise by reason of the injuries to any of the employees of the Contractor who are injured while performing at work any labor necessary to carry out the provisions of this agreement.

12. CERTIFICATION OF INSURANCE AND CANCELLATION THEREOF:

The Contractor shall keep on file with the City a Certificate of Insurance duly executed by the Contractor's insurance carrier or carriers, which shall serve as evidence of the continued existence of said insurance policies. The Contractor's insurance carriers shall be required to give the City thirty (30) days written notice prior to the cancellation of the Contractor's Insurance.

13. INDEMNITY, DEFENSE AND HOLD HARMLESS:

The Contractor shall indemnify, defend and save harmless the City of Corning, the City Council, and the City Staff from any suits, claims, liability, loss, damages, fines, penalties, settlements or actions brought by any person or entity for, or on account of, any injuries or damage arising from, or related to in any way, the work performed, or not performed, as set forth in this contract no matter how removed. The City may retain so much of the money due the Contractor as shall be considered necessary until a disposition has been made of such suits or claims for damages as aforesaid.

Any defense obligation arising from this contract requires retention of qualified legal counsel of no less than five years of experience in the area of contract litigation.

14. ACCIDENTS:

The Contractor shall provide at the site of the project such equipment and medical facilities as are necessary to supply first aid service to anyone who may be injured in connection with the work.

The Contractor must promptly report in writing to the city all accidents whatsoever arising out of, or in connection with the performance of the work, whether on or adjacent to the job site, which caused death, personal injury, or property damages,



giving full details and statements of witnesses. In addition, if death or serious injuries or serious damages are caused, the accident shall be reported to the City immediately by telephone or messenger.

15. SAFETY:

In accordance with generally accepted practices, the Contractor will be solely and completely responsible for the conditions of the job site(s), including safety of all persons and property during the performance of the work. This requirement will apply continuously and not be limited to normal working hours.

16. CONTRACTOR AGREEMENT:

Contractor agrees to perform the services between the hours of 6:00 a.m., and 6:00 p.m., on any day.

17. RENEWAL OF CONTRACT:

Upon agreement of both parties and satisfaction of any legal requirements to solicit other bids, this contract may be extended from year to year or for an additional term of years upon such terms as are acceptable to both City and Contractor.

18. NON-EMPLOYEE STATUS:

Contractor agrees and affirms that nothing in this agreement causes or creates an employer/employee relationship between City and Contractor.

CITY OF CORNING:

APPROVED AS TO FORM:

Brant Mesker,
City Manager

Collin Bogener
City Attorney

Date

Date

CONTRACTOR:

By (signature)

Contractor

By and Title (printed)

Date

Address

E-Mail Address

Telephone Number

SECTION 07500

MODIFIED BITUMINOUS MEMBRANE ROOFING

City of Corning

Wastewater Treatment Plant

PART 1 — GENERAL

1.1 SCOPE OF WORK

- A. Provide all labor, equipment and materials to install the new roof system over the properly prepared substrate.
 - 1. Remove rock/debris from roofing surface.
 - 2. Install ½” fiber board per specification.
 - 3. Install modified base sheet per specification.
 - 4. Install modified cap sheet per specification.
 - 5. Remove and replace existing sheet metal edge flashing from all roof sections.
 - 6. Remove and replace up to 10ea 2x4 rafter tails.
 - 7. Remove and replace up-to 4ea sheets of 1½” plywood.
 - 8. Apply Title 24 compliant “Cool Roof” coating per specification.

1.2 REFERENCES

- A. American Society of Civil Engineers (ASCE):
 - 1. ASCE 7-10, Minimum Design Loads for Buildings and Other Structures.
- B. American Society for Testing and Materials (ASTM):
 - 1. ASTM D41 Standard Specification for Asphalt Primer Used in Roofing, Dampproofing and Waterproofing.
 - 2. ASTM D312 Standard Specification for Asphalt Used in Roofing.
 - 3. ASTM D5147 Standard Test Method for Sampling and Testing Modified Bituminous Sheet Materials.
 - 4. ASTM E108 Standard Test Methods for Fire Test of Roof Coverings.
- C. Factory Mutual Research (FM):

1. Roof Assembly Classifications.
- D. National Roofing Contractors Association (NRCA):
1. Roofing and Waterproofing Manual.
- E. Underwriters Laboratories, Inc. (UL):
1. Fire Hazard Classifications.
- F. Warnock Hersey (WH):
1. Fire Hazard Classifications.

1.3 SUBMITTALS FOR REVIEW

- A. **Product Data:** Provide manufacturer's technical product data for each type of roofing product specified. Include data substantiating that materials comply with specified requirements. Include data substantiating that materials comply with the minimum specified requirements including rubber content, low temperature flexibility, tensile strength, tear strength, and amount of recycled content (post consumer and post industrial).
- B. **Samples:** Submit four (4) samples of the following:
1. Cap Sheet
 2. SBS Modified Base Sheet
 3. Membrane wall and curb flashing with no hems
- C. **Specimen Warranty:** Provide an unexecuted copy of the 30 year No Dollar Limit water tight warranty covering every part of the Built Up Roofing system specified for this Project, identifying the terms and conditions required of the Manufacturer and the Owner.
- D. Any material submitted as equal to or better than the specified material must be accompanied by a report signed and sealed by a professional engineer licensed in the state in which the installation is to take place. This report shall show that the submitted equal meets the Design and Performance criteria in this specification. All items from 1.4 and 1.5 of this section must be provided in substitution request.
- E. Substitution requests submitted without licensed engineer approval will be rejected for non-conformance. Substitution requests will only be considered from prime contractors.
- F. **Design Wind Loads:** Submit copy of manufacturer's minimum design load calculations according to ASCE 7-10, Method 2 for Components and Cladding, sealed by a registered professional structural II engineer licensed in California and employed by the system manufacturer as a full-time staff engineer. In no case shall the design loads be taken to be less than those detailed in Design and Performance Criteria article of this specification.

1.4 SUBMITTALS FOR INFORMATION

- A. **Manufacturer's Installation Instructions:** Submit installation instructions and recommendations indicating special precautions required for installing the membrane.
- B. **Manufacturer's Certificate:** Certify that roof system furnished is approved by Factory Mutual, Underwriters Laboratories, Warnock Hersey or approved third party testing facility in accordance with ASTM E108, Class A for external fire and meets local or nationally recognized building codes.
- C. **Manufacturer's Certificate:** Certify that the roof system furnished is approved or accepted by Factory Mutual Approval Standard 4470.
- D. **Manufacturer's Certificate:** Submit a certified copy of the roofing manufacturer's ISO 9001 compliance certificate if available.
- E. **Test Reports:** Submit test reports, prepared by an independent testing agency, for all modified bituminous sheet roofing, indicating compliance with ASTM D5147.
- F. **Written certification from the roofing system manufacturer certifying the applicator is currently authorized for the installation of the specified roof system.**
- G. **Qualification data for firms and individuals identified in Quality Assurance Article below.**
- H. **Notarized statement from the Roofing System Manufacturer, signed by an Officer of the Corporation with the Corporate Seal affixed there to stating that the Roofing System Manufacturer will provide field inspections on a daily basis during the entire period of installation until all construction is completed and to be performed by a full time employee of the manufacturer at no additional cost to the owner.**

1.5 CONTRACT CLOSEOUT SUBMITTALS

- A. **General:** Comply with Requirements of Division 01 Section - Closeout Submittals.
- B. **Special Project Warranty:** Provide specified warranty for the Project, executed by the authorized agent of the Manufacturer.
- C. **Roofing Maintenance Instructions.** Provide a manual of manufacturer's recommendations for maintenance of installed roofing systems.
- D. **Insurance Certification:** Assist Owner in preparation and submittal of roof installation acceptance certification as may be necessary in connection with fire and extended coverage insurance on roofing and associated work.
- E. **Demonstration and Training Schedule:** Provide a schedule of proposed dates and times for instruction of Owner's personnel in the maintenance requirements for completed roofing work. Refer to Part 3 for additional requirements.

1.6 QUALITY ASSURANCE

- A. **Manufacturer Qualifications:** Company specializing in manufacturing the products specified in this Section with not less than 12 years documented experience.
- B. **Installer Qualifications:** Company specializing in modified bituminous roofing installation with not less than 5 years experience and authorized by roofing system manufacturer as qualified to install manufacturer's roofing materials.
- C. **Installer's Field Supervision:** Maintain a full-time Supervisor/Foreman on job site during all phases of roofing work while roofing work is in progress. Maintain proper supervision of workmen.
- D. **Maintain a copy of the Contract Documents** in the possession of the Supervisor/Foreman and on the roof at all times.
- E. **Source Quality Control:** Manufacturer shall have in place a documented, standardized quality control program such as ISO-9001.
- F. **Material Manufactures full time Representative** to perform three times weekly field inspections and reports. The reports are to be updated every Friday on-line with photo's and job in progress written updates. Reports and inspections will be performed free of charge to the owner.

1.7 PRE-INSTALLATION CONFERENCE

- A. **Pre-Installation Roofing Conference:** Convene a pre-roofing conference approximately two (2) weeks before scheduled commencement of modified bituminous roofing system installation and associated work.
- B. **Require attendance of installer of each component of associated work, installers of deck or substrate construction to receive roofing work, installers of rooftop units and other work in and around roofing that must precede or follow roofing work (including mechanical work if any), Owner, roofing system manufacturer's representative, and other representatives directly concerned with performance of the Work:**
 - 1. **Review foreseeable methods and procedures related to roofing work, including set up and mobilization areas for stored material and work area.**
 - 2. **Tour representative areas of roofing substrates (decks), inspect and discuss condition of substrate, roof drains, curbs, penetrations and other preparatory work performed by others.**
 - 3. **Review structural loading limitations of deck and inspect deck for loss of flatness and for required attachment.**
 - 4. **Review roofing system requirements specifications and other contract documents.**
 - 5. **Review required submittals both completed and yet to be completed.**

6. Review and finalize construction schedule related to roofing work and verify availability of materials, installer's personnel, equipment and facilities needed to make progress and avoid delays.
 7. Review required inspection, testing, certifying and material usage accounting procedures.
 8. Review weather and forecasted weather conditions and procedures for coping with unfavorable conditions, including possibility of temporary roofing (if not mandatory requirement).
 9. Record discussion of conference including decisions and agreements (or disagreements) reached and furnishes copy of record to each party attending. If substantial disagreements exist at conclusion of conference, determine how disagreements will be resolved and set date for reconvening conference.
 10. Review notification procedures for weather or non-working days.
- C. The Owner's Representative will designate one of the conference participants to record the proceedings and promptly distribute them to the participants for record.
- D. The intent of the conference is to resolve issues affecting the installation and performance of roofing work. Do not proceed with roofing work until such issues are resolved to the satisfaction of the Owner.

1.8 DELIVERY, STORAGE AND HANDLING

- A. Deliver products to site with seals and labels intact, in manufacturer's original containers, dry and undamaged.
- B. Store and handle roofing sheets in a dry, well-ventilated, weather-tight place to prevent moisture exposure. Store rolls of felt and other sheet materials on pallets or other raised surface. Stand all roll materials on end. Cover roll goods with a canvas tarpaulin or other breathable material (not polyethylene).
- C. Do not leave unused materials on the roof overnight or when roofing work is not in progress unless protected from weather and other moisture sources.
- D. Secure all material and equipment on the job site. If any material or equipment is stored on the roof, assure that the integrity of the deck is not compromised at any time. Damage to the deck caused by the Contractor's actions will be the sole responsibility of the Contractor, and the deck will be repaired or replaced at his expense.

1.9 MANUFACTURER'S INSPECTIONS

- A. When the Project is in progress, the roofing system manufacturer will provide the following services free of charge:

1. Report progress and quality of the work as observed with weekly on-line reports. Reports are due every Monday on-line to the Owner; reports to include photos of work in progress and completed work.
2. Job site inspections a minimum of 3 days per week with photo documentation.
3. Report to the Owner in writing any failure or refusal of the Contractor to correct unacceptable practices called to the Contractor's attention.
4. Confirm after completion that manufacturer has observed no application procedures in conflict with the specifications other than those that may have been previously reported and corrected.

1.10 PROJECT CONDITIONS

- A. Proceed with roofing work only when existing and forecasted weather conditions will permit a unit of work to be installed in accordance with manufacturer's recommendations and warranty requirements.
- B. Do not apply roofing insulation or membrane to damp deck surface.
- C. Do not expose materials subject to water or solar damage in quantities greater than can be weatherproofed during same day.

1.11 SEQUENCING AND SCHEDULING

- A. Sequence installation of roofing with related units of work specified in other Sections to ensure that roof assemblies, including roof accessories, flashing, trim and joint sealers, are protected against damage from effects of weather, corrosion and adjacent construction activity.
- B. Complete all roofing field assembly work each day. Phased construction will not be accepted.

1.12 WARRANTY

- A. Upon completion of installation, and acceptance by the Owner the Manufacturer will supply to the Owner a 30 Year No Dollar Limit Warranty. One manufacturer to provide warranties for roofing membrane, edge metal, and drainage system
- B. Installer will submit a (2) two year warranty to the membrane manufacturer with a copy directly to Owner.

1.13 DESIGN AND PERFORMANCE CRITERIA

- A. Uniform Wind Uplift Load Capacity
 1. Installed roof system shall withstand negative (uplift) design wind loading pressures complying with the following criteria. Attachment shall be installed exactly as given in Part 3. (To be included with bid documents)

- a. Design Code: ASCE 7-10, Method 2 for Components and Cladding.
- b. Category III Building with an Importance Factor of 1.15.
- c. Safety Factor: 1.650 after any load reduction or material stress increase.
- d. Wind Speed: 130 MPH
- e. Ultimate Pullout Value: 730 lbs.
- f. Exposure Category: C
- g. Design Roof Height: 20 feet.
- h. Minimum Building Width: 115 feet.
- i. Roof Pitch: 1/2 inches per foot.
- j. Topographic Factor: 1.00
 - 1) Roof Area Design Uplift Pressure:
 - 2) Zone 1 - Field of roof: 20.6
 - 3) Zone 2 - Eaves, ridges, hips and rakes
 - 4) Zone 3 - Corners

PART 2 — PRODUCTS

2.1 PRODUCTS, GENERAL

- A. Refer to Division 01 Section Common Product Requirements.
- B. Basis of Design: Materials, manufacturer's product designations, and/or manufacturer's names specified herein shall be regarded as the minimum standard of quality required for work of this Section. Comply with all manufacturer and contractor/fabricator quality and performance criteria specified in Part 1.
- C. Substitutions: Products proposed as equal to the products specified in this Section shall be submitted in accordance with Bidding Requirements and Division 01 provisions.
 - 1. Proposals shall be accompanied by a copy of the manufacturer's standard specification Section.
 - 2. Include a list of five (5) projects of similar type and extent, located within a one hundred mile radius from the location of the project. In addition, the three projects must be at least five (5) years old and be available for inspection by the Owner or Owner's Representative.

3. Equivalency of performance criteria, warranty terms, submittal procedures, and contractual terms will constitute the basis of acceptance.
4. Substitution request must be submitted by prime bidding contractor a minimum of 7 business days before Bid Due Date.

2.2 DESIGN BASED UPON

- A. The design is based upon roofing systems engineered and manufactured by The Garland Company.

2.3 DESCRIPTION

- A. Modified bituminous roofing work including but not limited to:
 1. One ply of Garland Stressbase 120 base sheet bonded to the prepared substrate with bitumen.
 2. Hot Bitumen: ASTM D312, Type III steep asphalt having the following characteristics:
 - a. Softening Point 185°F - 205°F
 - b. Flash Point 500°F
 - c. Penetration @ 77°F 15-35 units
 - d. Ductility @ 77°F 2.5 cm
 3. Base Flashing Ply: One (1) ply of SBS base flashing ply covered by an additional layer of modified bitumen membrane and set in bitumen.
 4. Modified Membrane: Stressply Plus FR MINERAL; 145 mil SBS (Styrene-Butadiene-Styrene) rubber modified roofing membrane with fiberglass reinforced scrim.
 5. Surfacing: Apply white acrylic coating ASTM G26

2.4 BITUMINOUS MATERIALS

- A. Asphalt Primer: V.O.C. compliant, ASTM D41.
- B. Asphalt Roofing Mastic: V.O.C. compliant, ASTM D2822, Type II.
- C. Interply Adhesive: ASTM D312, Type III.

2.5 SHEET MATERIALS

- A. Base Ply (Stressbase 80 Sheet): Fiberglass scrim with the following minimum performance requirements according to ASTM D5147. Properties (Finished Membrane):
 - A. Tensile Strength, ASTM D 5147

- A. 2 in/min. @ 0 +/- 3.6 deg. F MD 100 lbf/in XD 100 lbf/in
 - B. 50mm/min. @ -17.78 +/- 2 deg. C MD 17.5 kN/m XD 17.5 kN/m
 - B. Tear Strength, ASTM D 5147
 - A. 2 in/min. @ 73.4 +/- 3.6 deg. F MD 110 lbf XD 100 lbf
 - B. 50mm/min. @ 23 +/- 2 deg. C MD 489 N XD 444 N
 - C. Elongation at Maximum Tensile, ASTM D 5147
 - A. 2 in/min. @ 0 +/- 3.6 deg. F MD 4 % XD 4 %
 - B. 50mm/min @ -17.78 +/- 2 deg. C MD 4 % XD 4 %
 - D. Low Temperature Flexibility, ASTM D 5147, Passes -40 deg. F (-40 deg. C)
- A. Base Flashing Ply (Stressbase 80 Sheet): Fiberglass scrim with the following minimum performance requirements according to ASTM D5147. Properties (Finished Membrane):

1. Tensile Strength (ASTM D5147)

- a. 2 in/min. @ 73 ± 3.6°F MD 100 lbf/in CMD 100 lbf/in

2. Tear Strength (ASTM D5147)

- a. 2 in/min. @ 73 ± 3.6°F MD 110 lbf CMD 110 lbf

3. Elongation at Maximum Tensile (ASTM D5147)

- a. 2 in/min. @ 73 ± 3.6°F MD 2.5% CMD 2.5%

B. Modified Flashing Ply:

a. Thermoplastic/Modified Cap (Ply) Sheet:

- A. VersiPly Mineral: 145 mil SBS (Styrene-Butadiene-Styrene) mineral surfaced, rubber modified roofing membrane with dual fiberglass reinforced scrim. ASTM D6163, Type III Grade S
 - A. Tensile Strength, ASTM D 5147
 - A. 2 in/min. @ 73.4 +/- 3.6 deg. F MD 220 lbf/in XD 220 lbf/in
 - B. 50 mm/min. @ 23 +/- 2 deg. C MD 38.5 kN/m XD 38.5 kN/m
 - B. Tear Strength, ASTM D 5147
 - A. 2 in/min. @ 73.4 +/- 3.6 deg. F MD 300 lbf XD 300 lbf
 - B. 50 mm/min. @ 23 +/- 2 deg. C MD 1335 N XD 1335 N
 - C. Elongation at Maximum Tensile, ASTM D 5147
 - A. 2 in/min. @ 73.4 +/- 3.6 deg. F MD 4.5% XD 4.5%
 - B. 50 mm/min. @ 23 +/- 2 deg. C MD 4.5% XD 4.5%
 - D. Low Temperature Flexibility, ASTM D 5147, Passes -30 deg. F (-34 deg. C)

2.6 SURFACINGS

- A. White Elastomeric Roof Coating: Pyramic Plus LO; Energy Star approved white acrylic roof coating:
 - 1. Weight/Gallon 12 lbs./gal. (1.44 g/cm³)
 - 2. Non-Volatile % (ASTM D 1644) 66 min
 - 3. Reflectance 81%

2.6 RELATED MATERIALS

- A. Roof Insulation Fasteners: Follow roof system manufacturer's wind uplift calculations.
- B. ½" wood fiber insulation roof board.
- C. Nails and Fasteners: Non-ferrous metal or galvanized steel, except that hard copper nails shall be used with copper; aluminum or stainless steel nails shall be used with aluminum; and stainless steel nails shall be used with stainless steel. Fasteners shall be self-clinching type of penetrating type as recommended by the manufacturer of the deck material. Nails and fasteners shall be flush-driven through flat metal discs of not less than one (1) inch diameter. Omit metal discs when one-piece composite nails or fasteners with heads not less than one (1) inch diameter are used.
- D. All roof slopes greater than 2" in 12" all SBS Modified sheets must be back nailed or strapped.

- E. Urethane Sealant: One part, non-sag sealant as recommended and furnished by the membrane manufacturer for moving joints.
 - 1. Tensile Strength (ASTM D412) 250 psi
 - 2. Elongation (ASTM D412) 950%
 - 3. Hardness, Shore A (ASTM C920) 35
 - 4. Adhesion-in-Peel (ASTM C920) 30 pli

- D. Sealant: Single component, 100% solids structural adhesive as furnished and recommended by the membrane manufacturer.
 - 1. Elongation (ASTM D412) 300%
 - 2. Hardness, Shore A (ASTM C920) 50
 - 3. Shear Strength (ASTM D1002) 300 psi

- C. Glass Fiber Cant: Continuous triangular cross Section made of inorganic fibrous glass used as a cant strip as recommended and furnished by the membrane manufacturer.

PART 3 — EXECUTION

3.1 EXECUTION, GENERAL

- A. Comply with requirements of NRCA, Roofing and Waterproofing.

3.2 EXAMINATION

- A. Verify that deck surfaces and project conditions are ready to receive work of this Section.
- B. Verify that deck is supported and secured to structural members.

- C. Verify that deck is clean and smooth, free of depressions, projections or ripples, and is properly sloped to drains, valleys, or eaves.
- D. Verify that adjacent roof substrate components do not vary more than [1/4] inch in height.
- E. Verify that deck surfaces are dry and free of ice.
- F. Confirm that moisture content does not exceed twelve (12) percent by moisture meter tests. On concrete deck pour hot asphalt on to deck if it bubbles / foams and once cooled does not adhere to the substrate, the moisture levels are too high.
- G. Verify that openings, curbs, pipes, conduit, sleeves, ducts, and other items which penetrate the roof are set solidly, and that wood cant strips, wood nailing strips, and reglets are set in place.

3.3 DECK PREPARATION

- A. Wood Deck
 - 1. Verify that wood decking is flat and has tight joints.

3.4 GENERAL INSTALLATION REQUIREMENTS

- A. Cooperate with manufacturer, inspection and test agencies engaged or required to perform services in connection with installing the roof system.
- B. Insurance/Code Compliance: Where required by code, install and test the roofing system to comply with governing regulation and specified insurance requirements.
- C. Protect other work from spillage of roofing materials and prevent materials from entering or clogging drains and conductors. Replace or restore other work damaged by installation of the coal tar modified bituminous roofing system.
- D. Coordinate installation of roofing system components so that insulation and roofing plies are not exposed to precipitation or left exposed overnight. Provide cut-offs at end of each day's work to cover exposed ply sheets and insulation with two (2) plies of #15 organic roofing felt set in full moppings of bitumen and with joints and edges sealed with roofing cement. Remove cut-offs immediately before resuming work.
- E. Asphalt Bitumen Heating: Heat and apply bitumen in accordance with the Equiviscous Temperature (EVT) Method as recommended by National Roofing Contractors Association (NRCA). Do not raise temperature above minimum normal fluid-holding temperature necessary to attain EVT (plus 5°F at point of application) more than one (1) hour prior to time of application. Determine flash point, finished blowing temperature, EVT, and fire-safe handling temperature of bitumen either from information by manufacturer or by suitable test. Do not exceed recommended temperature limits during bitumen heating. Do not heat to a temperature higher than twenty five degrees (25°F) below flash point. Discard bitumen that has been held at temperature exceeding Finishing Blowing Temperature (FBT) for more than three (3) hours. Keep kettle lid closed except when adding bitumen.

- F. Asphalt Bitumen Mopping Rate:
 - 1. Modified Membrane Mopping: Apply bitumen at the rate of approximately thirty (30) lb. of bitumen per roof square.
- G. Substrate Joint Penetrations: Prevent bitumen from penetrating substrate joints, entering building, or damaging roofing system components or adjacent building construction.
- H. Apply roofing materials as specified by manufacturer's instructions.
 - 1. Keep roofing materials dry before and during application.
 - 2. Do not permit phased construction.
 - 3. Complete application of roofing plies, modified sheet and flashing in a continuous operation.
 - 4. Begin and apply only as much roofing in one day as can be completed that same day.
- I. Cut-Offs (Waterstops): At end of each day's roofing installation, protect exposed edge of incomplete work, including ply sheets and insulation. Provide temporary covering of two (2) plies of #15 organic roofing felt set in full moppings of bitumen with joints and edges sealed.
- J. Broadcast minerals into the bleed out of bitumen while bitumen is at its recommended EVT temperature to achieve uniform color throughout.

3.6 BASE PLY INSTALLATION

- A. Base Ply: Install one (1) base ply sheet in thirty (30) lbs. per square of bitumen shingled uniformly to achieve one ply over the entire prepared substrate. Shingle in direction of slope of roof to shed water on each area of roof.
- B. Lap ply sheet ends eight (8) inches. Stagger end laps twelve (12) inches (304mm) minimum.
- C. Lightly broom in base ply to assure complete adhesion.
- D. Extend ply two (2) inches beyond top edges of cants at wall and roof projections and equipment bases.
- E. Install base flashing ply to all perimeter and projection details after membrane application.

3.7 MODIFIED MEMBRANE APPLICATION

- A. Solidly bond the modified membrane to the base layer with specified asphalt at the rate of twenty five (25) to thirty (30) lbs. per 100 square feet.

- B. The modified membrane roll must push a puddle of asphalt in front of it with asphalt slightly visible at all side laps. Exercise care during application to eliminate air entrapment under the membrane.
- C. Apply pressure to all seams to ensure that the laps are solidly bonded to substrate.
- D. Install subsequent rolls of modified membrane across the roof as above with a minimum of four (4) inch (101mm) side laps and eight (8) inch end laps. Stagger the end laps. Apply the modified membrane in the same direction as the previous layers but stagger the laps so they do not coincide with the laps of the base layers.
- E. Apply asphalt no more than five (5) feet ahead of each roll being embedded.
- F. Extend membrane two (2) inches beyond top edge of all cants in full moppings of the specified asphalt.

3.8 FLASHING MEMBRANE INSTALLATION

- A. Seal all curb, wall and parapet flashings with an application of mastic and mesh on a daily basis. Do not permit conditions to exist that will allow moisture to enter behind, around or under the roof or flashing membrane.
- B. Prepare all walls, penetrations, expansion joints to be flashed with asphalt primer at the rate of one hundred (100) square feet per gallon. Allow primer to dry tack free.
- C. Use the modified membrane as the flashing membrane. Adhere to the underlying base flashing ply with specified asphalt unless otherwise noted in these specifications. Nail off at a minimum of eight (8) inches o.c. from the finished roof at all vertical surfaces.
- D. Solidly adhere the entire sheet of flashing membrane to the substrate.
- E. Seal all vertical laps of flashing membrane with a three-course application of trowel-grade mastic and fiberglass mesh.
- F. Coordinate counter flashing, cap flashings, expansion joints, and similar work with modified bitumen roofing work.
- G. Coordinate roof accessories, miscellaneous sheet metal accessory items, including piping vents and other devices with the roofing system work.

3.9 FLASHING'S

- A. Three course all flashing's:
 1. Trowel grade asphalt based roofing mastic designed for use in repair and patching against leaks in asphalt based roofing systems. Product must contain plasticizing oils and resins which provide low temperature flexibility and ductility.
 2. SBR coated woven fiberglass reinforcing fabric to be used in all 3 course applications.

3.10 APPLICATION OF SURFACING

- A. Prior to installation of surface, obtain approval from manufacturer as to work completed. 14 days are required prior to final surfacing.
- B. Reflective Coating Pyramic Plus LO
 - 1. Paint all exposed roofing with Pyramic Plus LO coating installed at a rate of one and a half gallons (1.5) gallons per square per coat in a two coat application. Total of three gallons per 100 sq ft.

3.11 FIELD QUALITY CONTROL

- A. Perform field inspection and as required by manufacturer.
- B. Correct defects or irregularities discovered during field inspection.
- C. Require attendance of roofing materials manufacturers' representatives at site during installation of the roofing system. A copy of the specification should also be on site at all times.

3.12 CLEANING

- A. Remove bitumen adhesive drippings from all walls, windows, floors, ladders and finished surfaces.
- B. In areas where finished surfaces are soiled by asphalt or any other sources of soiling caused by work of this Section, consult manufacturer of surfaces for cleaning instructions and conform to their instructions.
- C. Repair or replace defaced or disfigured finishes caused by work of this Section.

3.13 CONSTRUCTION WASTE MANAGEMENT

- A. Remove and properly dispose of waste products generated during roofing procedures. Comply with requirements of authorities having jurisdiction.

3.14 FINAL INSPECTION

- A. At completion of roofing installation and associated work, meet with Contractor, installer, installer of associated work, Owner, roofing system manufacturer's representative, and other representatives directly concerned with performance of roofing system.
- B. Walk roof surface areas of the building, inspect perimeter building edges as well as flashing of roof penetrations, walls, curbs and other equipment. List all items requiring correction or completion and furnish copy of list to each party in attendance.
- C. The roofing system manufacturer reserves the right to request a thermographic scan of the roof during final inspection to determine if any damp or wet materials have been installed. The thermographic scan shall be provided by the [Roofing] Contractor.

- D. If core cuts verify the presence of damp or wet materials, the Roofing Contractor shall be required to replace the damaged areas at his own expense.
- E. Repair or replace deteriorated or defective work found at time above inspection as required to produce an installation which is free of damage and deterioration at time of Substantial Completion and according to warranty requirements.
- F. Notify the Contractor and Owner upon completion of corrections.
- G. Following the final inspection, provide written notice of acceptance of the installation from the roofing system manufacturer.
- H. Immediately correct roof leakage during construction. If the Contractor does not respond within twenty four (24) hours, the Owner will exercise rights to correct the Work under the terms of the Conditions of the Contract.

END OF SECTION 07500

MODIFIED BITUMINOUS MEMBRANE ROOFING - HOT APPLIED

**ITEM NO: J-11
APPROVE CORNING POLICE
DEPARTMENT'S PROPOSED UPDATED
UNIFORM EMBLEM DESIGN**

June 11, 2024

TO: HONORABLE MAYOR AND COUNCIL MEMBERS
FROM: BRANT MESKER, CITY MANAGER *BM*
CRAIG BASSETT, CHIEF OF POLICE *CB*

SUMMARY:

With the recent changes in staffing, and Cal Cops Grant-funded modernization of our offices within the Corning Police Department, staff investigated the possibility of also updating our emblem. The emblem is worn on all uniforms, police vehicles, printed on department letterhead, and used on social media. The emblem is also used by other agencies when advertising Law Enforcement related events.

The current emblem, when worn on uniforms at night, is very bright and stands out. This brings up concerns for Officer safety. A subdued uniform emblem is now being used by multiple agencies, including LAPD. Many other agencies have followed suit in subduing their uniform emblems.

Keeping in mind the history of Corning, Police Department staff chose a design with Corning's historic Maywood Hotel, the blue water tower, olive branch, and Mt. Shasta in the distance. This emblem represents the view of both the past and present view of Corning to the North.

FINANCIAL:

The potential cost would be the replacement of all current uniform patches and new patches to keep on hand for uniforms. Our current patch supplier charges \$300 for 100 patches. Funds from the Uniform/Clothing budget would be used for an estimated total cost of \$600.

Any vehicles using the current emblem would have the vinyl emblems removed at no cost. The emblems and vinyl may be replaced so that the vehicles match modern designs.

RECOMMENDATION:

MAYOR AND COUNCIL:

- **APPROVE THE PROPOSED UPDATED CORNING POLICE DEPARTMENT EMBLEM DESIGN.**

ATTACHED:

- **Photo of proposed new Police Department emblem.**



**ITEM NO.: J-12
APPROVE AGREEMENT WITH
ADAMS ASHBY GROUP, INC. FOR
GRANT WRITING AND
ADMINISTRATION SERVICES.**

June 11, 2024

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: BRANT MESKER, CITY MANAGER 

SUMMARY:

On May 14, 2024, the City received two proposals for Contract/Grant Administration for Grant Funded Programs or Projects. The intent for the request for proposal was to solicit consultants to prepare proposals and implement programs and projects to be financed in whole or in part by grants derived from various funding sources, including but not limited to State and U.S. Federal funds. The City has previously been awarded CDBG funding for Public Facilities and Planning and Technical Assistance. In addition, this Request for Proposals would encompass potential future projects for Housing, Public Improvements, Community Facilities, Public Services, Disaster Relief and Economic Development Programs. This Request for Proposals seeks qualified consultants for programs including, but not limited to, Community Development Block Grant (CDBG), Community Project Funding (CPF), American Rescue Plan Act (ARPA) and Federal Emergency Management Agency (FEMA). Consultants had the ability to indicate which experience they have and to what extent they specialize. The City will select the most qualified consultant(s) for each project areas on a per-project basis. Firms will not be required to do all specialty areas to be considered for selection. Therefore, the City has the ability to contract with the two consultants as staff see fit based on the consultant's expertise and the funding being pursued.

The contract presented with Adams Ashby Group is being requested due to the upcoming opportunity (Notice of Funding Availability/NOFA) for CDBG funding. Adams Ashby listed CDBG as an area of expertise and has proven to be successful in the work they have done in other jurisdictions, more specifically their work with neighboring jurisdictions. The contract includes, but not limited to, application preparation, grant administration, and project implementation related to awards.

FINANCIAL:

Adequate funds in Fiscal Year 2024/25 have been allocated in the proposed budget. It should be noted that some grant awards, including CDBG allow for administration costs to be reimbursed.

RECOMMENDATION:

MAYOR AND COUNCIL APPROVE THE:

- **APPROVE THE AGREEMENT WITH ADAMS ASHBY GROUP, INC.**
- **AUTHORIZE THE CITY MANAGER TO SIGN THE CONTRACT.**

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made and entered into as of **June 11, 2024** by and between the City of Corning ("City") and Adams Ashby Group, Inc ("Consultant").

RECITALS

- A. The Consultant is specially trained, experienced, and competent to provide the professional services required by this Agreement.
- B. The Consultant possesses the skill, experience, ability, background, license, certification, as required by law and knowledge to provide the professional services described in this Agreement in accordance with the terms and conditions described herein.
- C. City desires to retain Consultant to render the professional services as set forth in this Agreement.

AGREEMENT

1. **Scope of Services.** The Consultant shall furnish the following services in a professional manner: Consultant shall perform the services described in Exhibit "A" which is attached hereto and incorporated herein by reference. Consultant shall provide such professional services at the time, place, and in the manner specified in Exhibit "A," subject to the direction of the City. Additional services not outlined in Exhibit "A" may be added to the contract by amendment as approved by the City and the Consultant pursuant to Section 5 (Additional Services) of this Agreement.
2. **Time of Performance.** The services shall commence upon execution of this Agreement, and shall continue until for a period not to exceed three years or until terminated as set forth in Section 6 (Termination) of this Agreement. An additional two years may be added to the contract at the end of the initial three year term at the discretion of the City. The total term of the Agreement shall not exceed five years.
3. **Compensation.** Compensation to be paid to Consultant is provided in Exhibit "B". Payment by City under this Agreement shall not be deemed a waiver of defects in Consultant's services, even if such defects were known to the City at the time of payment.
4. **Method of Payment.** Consultant shall submit monthly billing to City describing the services provided during the preceding month. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Consultant within a reasonable time upon approval of the monthly invoice by City staff, such approval to not be unreasonably withheld.
5. **Additional Services.** At any time during the term of this Agreement, City may request that Consultant provide Additional Services. As used herein, "Additional Services" means any services which are determined by City to be necessary for the proper completion of Consultant's services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Additional Services without prior written authorization from City that specifies the services to be provided, personnel to be used, and the not-to-exceed cost for the additional services.
6. **Termination.** This Agreement may be terminated by the City at any time. Upon termination, Consultant shall be entitled to compensation for services properly performed on a pro rata basis up to the effective date of termination.

7. Ownership of Documents. The City acknowledges the Consultant's documents, including electronic files, as the work papers of the Consultant and the Consultant's instruments of professional service. All plans, studies, documents, and other writings prepared by and for Consultant, its officers, employees, and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such services, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall not be held liable for any modification or reuse of the City-owned instruments of service for purposes outside this Agreement. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents, and other writings to City within thirty (30) days after written request. Nothing herein shall be construed as a limitation on Consultant's right to re-use component design details, features, and concepts on other projects, in other contexts or for other clients.
8. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in documents or works of authorship fixed in any tangible medium of expression including, but not limited to, data magnetically or otherwise recorded on computer diskettes, CDs or other electronic form which are prepared or caused to be prepared by Consultant under this Agreement ("Documents and Data"). Consultant shall require all subconsultants to agree in writing that City is granted a nonexclusive and perpetual license for any Documents and Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which may be provided to Consultant by City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.
9. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of the Agreement shall be held confidential by Consultant unless and until such documents become a matter of public record. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television, or radio production or other similar medium without the prior written consent of City.
10. Consultant's Books and Records
 - a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, expenditures, and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.
 - b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of termination or completion of the Agreement.

- c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Finance Director, or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at 526 C Street, Marysville, California when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.
 - d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment, or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that documents be maintained by City Hall.
11. Independent Contractor. It is understood that Consultant, in the performance of the services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.
12. Interest of Consultant. Consultant (including principals, associates, and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement. Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:
- a. Will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or any City official, other than normal agreement monitoring; and
 - b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation, or counsel. (FPPC Reg. 18700(a)(2)).
13. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. All services provided by Consultant under this Agreement, shall be by Adams Ashby Group, Inc and shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.
14. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations.
15. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance, and approvals which are required by the City for its business.
16. Indemnity. Except for claims resulting from the Consultant's performance of professional services under this Agreement, Consultant agrees to defend, indemnify, and hold harmless the City, its officers, officials, agents, employees, and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, (including any and all costs and expenses in connection therein), arising from its performance of this Agreement or its

failure to comply with any of its obligations contained in this Agreement, except to the extent any such claim arises from the sole negligence or willful misconduct of the City, its officers, agents, employees, or volunteers. Consultant agrees to defend, indemnify, and hold harmless the City, its officers, officials, agents, employees, and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability (including any and all costs and expenses in connection therein), arising from its negligent performance of the professional services under this Agreement or its breach of its obligations contained in this Agreement, except to the extent of any such claim arises from the sole negligence or willful misconduct of the City, its officers, agents, employees, or volunteers.

17. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the Agreement, the insurance coverage and policies as set forth in Exhibit "C" attached hereto.
18. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

**If to City: City of Corning
Attn: Brant Mesker
794 Third Street
Corning, CA 96021**

**If to Consultant: Adams Ashby Group, Inc.
Attn: Lorie Adams
770 L Street, Suite 950
Sacramento, CA 95814**

19. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations are superseded in total by this Agreement.
20. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.
21. Assignments and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience, and competence of Consultant. Assignments of any or all rights, duties, or obligations of the Consultant under this Agreement will be permitted only with the express prior written consent of the City. Consultant shall not subcontract any portion of the services to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of any subconsultant of Consultant. Nothing in this Agreement shall create any contractual relationship between City and subconsultant nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subconsultant other than as otherwise required by law.
22. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
23. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
24. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Sutter.
25. Litigation Expenses and Attorney's Fees. If either party to this Agreement commences any legal action against the other part arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery

expenses, and reasonable attorney's fees.

26. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
27. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority, to make this Agreement and to bind each respective party.
28. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
29. Equal Opportunity Employment. Consultant represents that Consultant is an equal opportunity employer and Consultant shall not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.
30. Other Federal and State Regulations. CONSULTANT will comply with all applicable Federal and State overlay requirements, particularly those described in Exhibits "D" of this contract.
31. This agreement does not create any rights in any person or entity other than the parties hereto."

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

City of Corning

Adams Asby Group, INC.

By: _____
Brant Mesker, City Manager

By: _____
Name/Title

Attachments: Exhibit A - Scope of Services
Exhibit B - Cost
Exhibit C - Insurance Requirements
Exhibit D- Other Federal and State Regulations

Exhibit "A"

Scope of Services

As outlined in the Proposal submitted in response to the City Request for Proposals, the following items have been identified for this contract. Details are outlined in the Proposal and the proposal is made part of this Contract by reference.

- **Preparing CDBG Applications**
- **Preparing other possible funding opportunities applications for projects**
- **Preparation services may include: Environmental, Labor Compliance, Section 3 Compliance and other peripheral services as necessary for the implementation and management of each grant contract.**
- **General Administration of grant awards including public works, community/facilities, public services and planning grants**
- **Implementation of projects and programs related to awards for public works, community/facilities, public services and planning grants**
- **Asset Portfolio Management**

Exhibit "B"
(From the proposal submitted)

2024 Cost Schedule	Hourly Rate
Principal	\$125.00
Support Staff	\$85.00

We provide project/program contracts on a flat rate monthly billing for the period of the project schedule. If additional work is requested, it would be billed on a Time and Materials basis using the above hourly rate schedule. No travel or additional charges are being proposed. All costs are included in the amounts provided in the cost proposal and hourly rate. Should there be a delay in the construction of the project the Labor Compliance/Section 3 item would not be billed until the project was ready to move forward. General Administration would be billed for the full term of the contract with no delays or pausing. The final closeout billing would occur at the time of closeout for the contract or at the final expenditure date. This cost covers all costs for closeout processes and audits.

All projects, programs, and awards will be proposed on project-by-project basis. For the current project under award, we would propose the following:

CDBG Contract (typical cost)

Project Implementation:

General Administration: \$2,500 per month (flat rate for the term of the project)
 Labor Compliance/Section 3: \$4,000 per month (90 days after contract executions with the State)
 Closeout Billing: \$10,000 at the end of the project term

Grant Application(s)

Grant applications will be negotiated prior to application preparation should the City wish to seek funding for future project(s)/Program(s). Application development and coordination vary depending on the funding source. Special reports, environmental and other supportive analysis are excluded from the cost estimates provided below.

A list of standard applications is provided below for reference:

CDBG OTC Application: \$4,000 - \$8,500
 CDBG Planning Grant Application: \$3,000
 CDBG Public Facilities Application: \$3,500-\$5,000
 USDA Project Applications: \$8,500-12,500
 HOME Program Applications: \$3,500
 HOME Project Applications: \$12,500
 Other Applications: \$4,000 - \$12,500

Exhibit "C"

Insurance Requirements

Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees. Consultant shall maintain limits no less than:

- | | |
|---|---|
| 1. Commercial General Liability, Including: | \$2,000,000 per occurrence and |
| Premises and Operations | \$2,000,000 general aggregate |
| Contractual Liability | |
| Personal Injury | |
| Liability Independent | |
| Contractors | |
| Bodily Injury, Property Damage | |
| 2. Automobile Liability: | \$1,000,000 per accident for bodily |
| Owned, Non- | injury and property damage |
| Owned, and Hired | |
| Autos | As required by the State of California |
| 3. Workers' Compensation: | \$1,000,000 per accident for bodily injury or |
| | disease |
| 4. Employer's Liability: | \$1,000,000 per claim and \$2,000,000 annual |
| | aggregate |
| 5. Professional Liability: | |

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and volunteers are to be covered as insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) day's prior written notice has been provided to the City.

If General Liability and Professional Liability coverages are written on a claims-made form:

1. The retroactive date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the City for review.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Waiver of Subrogation

Consultant hereby agrees to waive subrogation which any insurer of consultant may acquire from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the consultant, its employees, agents and subcontractor.

Exhibit "D"
Federal and State Regulations

For this Exhibit, the term "contractor" is defined as a party to a signed contract. FEDERAL

TERMS AND CONDITIONS:

During the performance of the contract, the Contractor must agree to comply with all applicable Federal laws and regulations including but not limited to the following:

AFFIRMATIVE ACTION:

The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the United States Department of Housing and Urban Development (HUD) and subject to 24 CFR 85.36(e). CITY hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, disadvantaged, minority and women's business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religious creed, sex, or national origin in consideration for an award. Minority and women-owned and operated businesses encouraged to apply.

SECTION 3:

The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the HUD, Community Development Block Grant Program, and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701 u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low and moderate income persons residing within the project area and that the contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in the area of the project. Regulations for implementing the Section 3 clause are contained in 24 CFR 135, as amended, and as specified in the project specifications.

NON-DISCRIMINATION CLAUSE:

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-t) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-t), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

EQUAL OPPORTUNITY:

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will comply with Executive Order 11246 of September 24, 1965 entitled Equal Employment Opportunity as amended by Executive Order 11375 of October 1967 as supplemented in Department of Labor regulations (41 CFR chapter 60).

2. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to insure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment upgrading, demotion, transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City Setting forth the provisions of this nondiscrimination clause.

3. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, sex, or national origin.

4. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Contractor will include the provisions of paragraphs (1) through (7) in every

subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The Contractor shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.

9. Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

10. Whenever the Contractor or subcontractor has a collective bargaining agreement or other Contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the Compliance Report shall include such information as to such labor union's or agency's practices and policies affecting compliance as the Secretary of Labor may prescribe: Provided, That to the extent such information is within the exclusive possession of a labor union or an agency referring workers or providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the contractor, the contractor shall so certify to the Secretary of Labor as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

11. The Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor deals, with supporting information, to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex or national origin, and that the signer either will affirmatively cooperate in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the Secretary of Labor may require.

12. The Contractor will cause the foregoing provisions to be inserted in all subcontracts for work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

CONFLICT OF INTEREST OF MEMBERS, OFFICERS, OR EMPLOYEES OF CONTRACTORS, MEMBERS OF LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS:

Pursuant to 24 CFR 570.611, no member, officer, or employee of the Grantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect to a CDBG-assisted activity or its proceeds, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter. The Grantee shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this Section.

INSURANCE:

Maintenance, if so required by law, unemployment insurance, disability insurance and liability insurance, which is reasonable to compensate any person, firm, or corporation, who may be injured or damaged by the contractor, or any subcontractor in performing the grant activity(ies) or any part of it.

DISADVANTAGED/MINORITY/WOMEN BUSINESS ENTERPRISE FEDERAL REGULATORY REQUIREMENTS UNDER 24 CFR 85.36(e):

The Contractor will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

1. Affirmative steps shall include:
 - i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
 - ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
 - iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
 - iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;
 - v. Using the services/assistance of the Small Business Administration (SBA), and the Minority Business Development Agency (MBDA) of the Department of Commerce.

COPELAND "ANTI-KICKBACK" ACT (18 U.S.C. 874):

Contractor shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3).

COMPLIANCE WITH ALL FEDERAL LABOR STANDARD PROVISIONS:

Contractor shall comply with all provisions contained in the form HUD-4010, Federal Labor Standards Provisions.

COMPLIANCE WITH SECTIONS 103 AND 107 OF THE CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. 327-330):

Contractor will comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). Requires the contracting officer to insert the clauses set forth in 29 CFR part 5, Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers) **REQUIREMENTS AND REGULATIONS PERTAINING TO DATA AND DESIGN:**

All data and design and engineering work created under this Agreement shall be owned by the City and shall not be subject to copyright protection. The rights to any invention which is developed in the course of this Agreement shall be the property of the City.

REQUIREMENTS AND REGULATIONS PERTAINING TO REPORTING:

The City, State CDBG, HUD and the Comptroller General of the United States or any of their duly authorized representatives shall be granted access to any books, documents, papers and records of Contractor which are directly pertinent to the contract.

COMPLIANCE WITH CLEAN AIR ACT AND CLEAN WATER ACT:

Contractor shall comply with all applicable standards, orders and requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)).

1. Contractor shall comply with all applicable standards, orders and requirements issued under Section 508 of the Clean Air Act (33 U.S.C. 1368).
2. Contractor shall comply with Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15).

COMPLIANCE WITH ENERGY POLICY AND CONSERVATION ACT (Pub. L. 94-163, 89 Stat. 871):

The Contractor shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

D/MBE/WBE IMPLEMENTATION GUIDELINES:

The following information, as applicable, shall be retained by Contractor and produced upon request by General Services if determined by General Services to be necessary to establish the

bidder's "good faith efforts" to meet the Disadvantaged/Minority/Women Business Enterprise

(D/M/WBE) requirements.

1. The names and dates of advertisement of each newspaper, trade paper, and minority- focus paper in which a request for D/M/WBE participation for this project was placed by the bidder.
2. The names and dates of notices of all certified D/M/WBEs solicited by direct mail for this project and the dates and methods used for following up initial solicitations to determine with certainty whether the D/M/WBEs were interested.
3. The items of work for which the bidder requested subbids or materials to be supplied by D/M/WBEs, the information furnished interested D/M/WBEs in the way of plans, specifications and requirements for the work, and any breakdown of items of work into economically feasible units to facilitate D/M/WBE participation. Where there are D/M/WBEs available for doing portions of the work normally performed by the bidder with his own forces, the bidder will be expected to make portions of such work available for D/M/WBEs to bid on.
4. The names of D/M/WBEs who submitted bids for any of the work indicated in (3) above, which were not accepted, a summary of the bidder's discussions and/or negotiations with them, the name of the subcontractor or supplier that was selected for that portion of work, and the reasons for the bidder's choice. If the reason for rejecting the D/M/WBE bid was price, give the price bid by the rejected D/M/WBE and the price bid by the selected subcontractor or supplier.
5. Assistance that the bidder has extended to D/M/WBEs identified in (4) above to remedy the deficiency in their sub-bids.
6. To find a D/M/WBE certified firm, you may call (916) 445-3520, go on-line to: <http://www.dot.ca.eov/hq/bep>, or via mail at: D/M/WBE Listing for County, CalTrans - Publications Distribution Unit, 1900 Royal Oaks, Sacramento, CA 95815-3800.

AUDIT, RETENTION AND INSPECTION OF RECORDS:


The Contractor agrees that the City, the Department of Housing and Community Development, the Federal Department of Housing and Urban Development (HUD), or its designee will have the right to review, obtain, and copy all records pertaining to performance of this Agreement. The Contractor agrees to provide any relevant information requested and shall permit the City, the Department of Housing and Community Development, the Federal Department of Housing and Urban Development (HUD), or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with California Public Contract Code (PCC) Section 10115 et seq., Government Code (GC) Section 8546.7 and 2 CCR 1896.60 et seq.

The Contractor further agrees to maintain such records for a period of five (5) years after final payment under this Agreement or the resolution of any audit or lawsuit, whichever is later, and that on or before the end of the five (5) year audit/retention period, the Consultant shall release and deliver to the City all original records and related documentation.

ITEM NO.: J-13
PRESENTATION OF FISCAL YEAR 2024-
2025 PROGRAM OF SERVICE AND
ANNUAL BUDGET

June 10, 2024

TO: HONORABLE MAYOR AND COUNCIL MEMBERS
OF THE CITY OF CORNING

FROM: BRANT MESKER, CITY MANAGER 
KHRYSTIE SHOEMAKER, ASSISTANT FINANCE DIRECTOR
ROY SEILER, CPA; ACCOUNTING CONSULTANT

INTRODUCTION:

City Staff hereby presents the City Council with the proposed "Annual Program of Service and Fiscal Year 2024-2025 City Budget".

BACKGROUND:

Attached you will find the proposed FY 2024/2025 budget. General Fund Revenues are estimated to yield \$6,182,400. The one-half cent sales tax (Measure A) is estimated to yield \$1,450,000 in FY 2024/2025. A significant amount of capital improvement is proposed to be funded this year. Some of these capital improvement projects are projects from the previous fiscal year and grant funded. There are also significant increases to salaries and benefits budgeted as a result of the Memorandum's of Understanding being approved with the Public Safety, Dispatch, Management, and Miscellaneous bargaining units.

SUMMARY:

If approved in their entirety the Budget will:

- Continue to maintain "full-time" Municipal Operations.
- Includes a budgeted 4.2% pay increase effective the first pay period in January 2024 for all employees in the Miscellaneous, Public Safety, Dispatch, and Management Bargaining Units. (Actual amount to be determined by CPI per the MOU.)
- Continue the independent Planning Consultant arrangement (SHN Engineers and Geologists, Inc.), City Engineering Services Agreement (NorthStar, Robin Kampmann), and CPA Services Agreement with Roy Seiler on an as-needed basis.
- Fund the Recreation Program utilizing General Funds and the Neighborhood Promise Grant for the fiscal year. This is anticipated to be the last year the City receives the grant funding.
- \$360,500 will be utilized from Measure A to fund Dispatch. These funds are necessary to reduce losses to the General Fund. In 2023-2024 \$350,000 was used to fund dispatch.
- \$500,000, \$215,000, and \$100,000 to Capital Improvement and Replacement Reserve transfers from Measure A are proposed to be funded for the future replacement of City equipment for the Fire, Police, and Public Works, respectively.
- \$10,000 in funding to support Code Enforcement clean-up projects.
- \$5,000 to support the Corning Market and community events.
- \$11,500 in ADA Improvements to City Buildings, the Library and Rodgers Theatre.
- \$200,000 of Ridell Trust Funds will be used to renovate the library. Plus an additional \$80,000 to upgrade the restrooms to meet ADA standards.
- \$43,200 for the animal shelter services agreement with the County of Tehama
- Pre-construction costs for the Recreation Center and City Plaza in the amount of \$1,155,000. \$210,000 of which is being utilized from development impact fees received by the City.
- \$160,000 in funding for the replacement of the roof at the Transportation Center which will occur after the beginning of the FY 2024/25 fiscal year.

- \$63,000 to replace the roof at the Wastewater Treatment Plant.
- \$102,500 in parks/playground special projects.
- The following items identified within the Capital Improvement Program:

Capital Improvement Proposed Funding		
Description	Funding Source	Anticipated Expense
Computer Room Mini-Split	General Fund	3,000
Secure Doors Upgrade	General Fund	10,000
Lennox Field Lights	General Fund	65,000
Transportation Center Roof Replacement	General Fund	160,000
Taser Lease	Measure A	15,420
Body Camera Lease	Measure A	15,720
Cell Phones	Measure A	7,000
Turnouts - Fire Gear	Measure A	15,000
Police Security Fencing/Parking Area	Measure A	20,000
Tehama Street Rehab	Measure A	685,000
Clark Park Parking Lot Phase 2	General Fund Reserves/CDBG PI	324,000
Theatre Marquee	General Fund Reserves	200,000
Library Remodel - ADA Restrooms	General Fund Reserves	80,000
1 Patrol Vehicle,1 CSO Vehicle, Upfit 2 Trucks	Police Capital Reserves Funds	222,800
Almond/Prune Rehab	Street Funds	500,000
Almond/Fig St Rehab	Street Funds	500,000
Vehicle Replacement	Street Funds	45,000
Vehicle Replacement	Water & Sewer Funds	45,000
Genie Boom	Parks & Streets	142,440
Hydrant Install	Water Fund /Bond	20,000
Library Remodel	Rydell Fund	200,000
Papi, Airport	FAA Grant Funded	122,222
Runway Rehab, Airport	FAA Grant Funded	298,000
New Municipal Well	Department of Water Resources Grant	2,000,000
	TOTAL:	5,695,602

EXECUTIVE SUMMARY:

- **FY 2024-2025 Total Projected City-wide Revenues (excluding transfers): \$17,577,804.**
- **FY 2024/2025 Total Expenditures (excluding transfers): \$21,077,639.**
- **Anticipated General Fund Revenues/Transfers-In and Measure A Revenues will total \$7,632,400 and \$1,480,000, respectively.**
- **Anticipated General Fund and Measure A Budgeted Expenditures to be: \$7,496,019 and \$1,860,640, respectively.**
- **The proposed budget projects General Fund and Measure A Reserves will increase/<decrease> by \$113,434 and <\$553,713>, respectively during FY 2024-2025, as indicated in Exhibit A.**

BUDGET FORMAT:

We've continued a similar budget format utilized in recent years. In the staff report we have included many of the charts that were provided last year. All recommended expenditures are accounted for in the budget document and/or described in this staff report.

The budget document presented has two primary components: This "Budget Message" staff report with pages marked in lower case roman numerals, and the large binder document labeled "City of Corning 2024-2025 Budget & Program of Services" with regular page numbers. The document should be considered a "Draft" at this time.

Following this budget message is the Table of Contents and the Financial Projections Tab. Use the information under that tab to understand the financial status of the City's important funding sources.

The next tab displays the sources and history of the "General Fund" and all "Other Fund Revenues". There is a detailed narrative explaining each revenue source. The Department Summaries provide a short history of expenditures in each of the City's Departments. Individual expenditure plans for each Department are provided for detailed review.

IMPLEMENTING THE PROGRAM OF SERVICE AND ANNUAL BUDGET:

Staff will present the recommended budget to the City Council. The Council will also listen to the public's comments and suggestions, and then deliberate and make any changes deemed necessary and/or appropriate.

The City Manager, Assistant Finance Director and Accounting Consultant Roy Seiler, CPA will then incorporate those changes, if any, in a final budget resolution document. The current schedule anticipates Council to work toward completing the budget review in order to adopt the resolution at the June 25, 2024, regular City Council Meeting. The individual line items of the budget will not be adopted, instead the Council will use the resolution to set the budget limits for each of the operating funds that support City services. Staff will then operate within these budget limits to carry out the City Council's adopted Program of Services.

THE BUDGET:

"Budgeting" is a process to project revenues and then allocate those funds as expenditures in order to implement the Council's desired programs, services, and projects.

The budget addresses anticipated revenues and expenditures affecting the "General Fund" and "Other Funds" that account for water & sewer utilities, airport, street maintenance, and maintaining the Transportation Center. Revenues and expenditures for those "Other Funds" are for specific uses. That leaves little discretion to the City Council for those "Other Funds". For that reason, we primarily focus on the General Fund.

The General Fund budget can be viewed in three primary parts:

1. **History.** We start with "actual numbers" from the audit at last fiscal year's end (FY 2022-2023; ending June 30, 2023).
2. **2023-2024 Projected.** We normally prepare the budget before the current fiscal year "closes out". For this reason, we must "project" what the fund balance will be at fiscal year-end (June 30, 2024) based on ten months of data (July through April).
3. **Fiscal Year 2024-2025 Budgeted.** We utilize various sources to make projections about the "income" or "revenue" we will receive for the next fiscal year. Staff then uses those projections to make recommendations about which programs, services and projects we can fund and where we expect to be on June 30, 2025.

Please refer to the "General Fund Summary and Projections" spreadsheets on the following pages. It details the recent history and projects the current and future balances of the General Fund.

SUMMARY OF PROPOSED REVENUES AND EXPENDITURES FY 2024-2025

REVENUES:

The total City revenues from all sources for Fiscal Year 2024-2025 are projected to be **\$17,544,804**, excluding transfers. City operating income comes from a number of sources which are fully detailed in the Draft Budget Book sections under the Tab "General Fund Revenues" and "Other Fund Revenues".

GENERAL FUND REVENUES (Including Measure A):

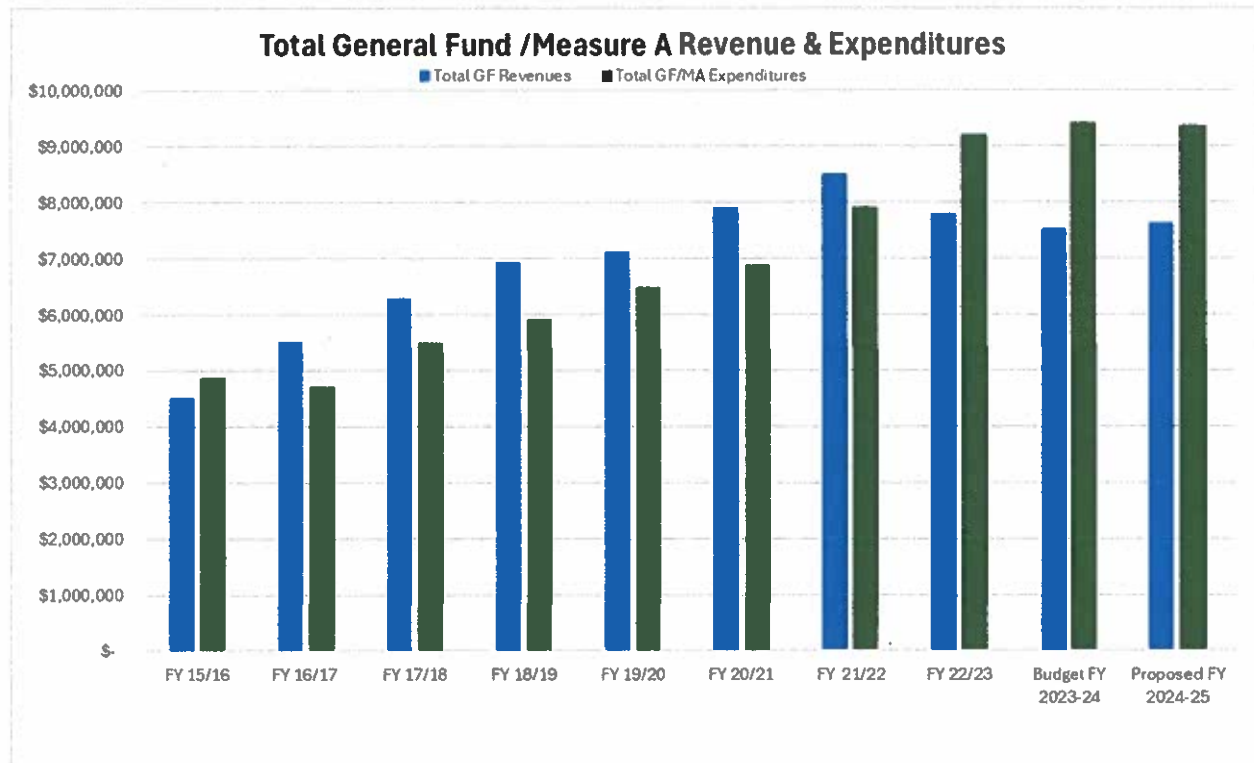
We project General Fund Revenues to be \$7,632,400 for FY 2024-2025. That amounts to 44% of total projected revenues. General Fund revenues are largely “discretionary”; meaning the City Council can largely decide how these funds are expended.

The revenue sources for the General Fund include the five major categories (sales tax, transactions and use tax (Measure A), transient occupancy tax, property tax, motor vehicle in lieu and “Other GF Revenues”) shown on the spreadsheet marked “General Fund Revenue Projections” (Page 3). The spreadsheet shows how the fund amounts have varied among the recent budget cycles. The category’s totals are also graphed on Page 2.

HISTORY, ANALYSIS AND TRENDS:

GENERAL FUND ANALYSIS AND EXPECTATIONS:

As described previously, we focus on the General Fund because it provides the discretionary revenue that fund many of the City’s important services and programs. The spreadsheet that is the basis of the chart below is included under the Financial Projections Tab at page 3 of the Draft Budget document and titled “General Fund Revenue History Projections”. The spreadsheet shows the various sources of General Fund revenue for each fiscal year and the corresponding amount received. As you can see in the table below, General Fund revenues are anticipated to be \$ 1,977 less than budgeted FY 2023-2024 levels, with expenditures increasing as well by \$138,328.



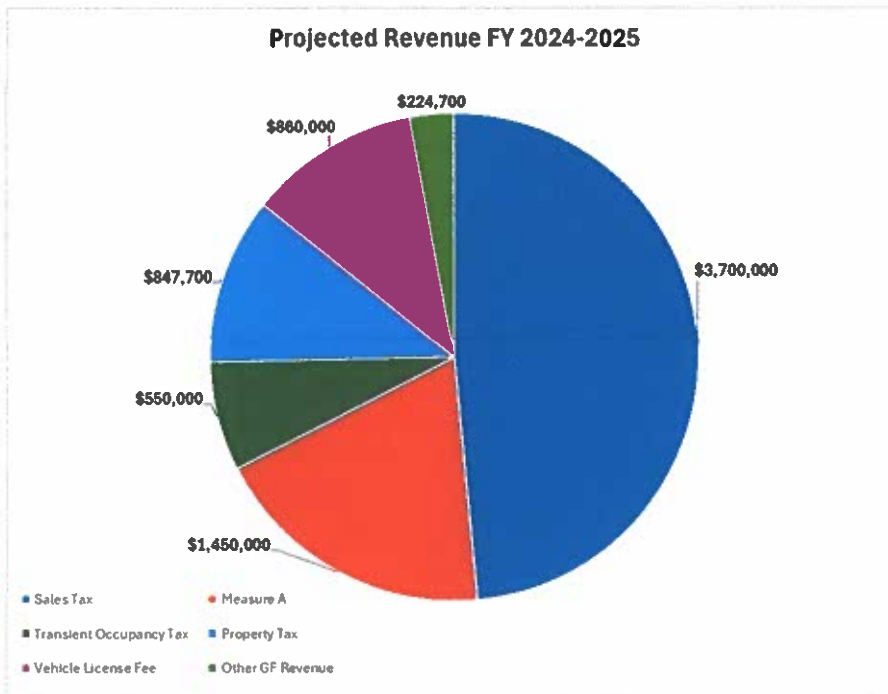
We are projecting the following for Fiscal Year 2024/2025:

Funding Type	Revenue	Expenditures
General Fund	\$6,182,400	\$7,496,019
Measure A	\$1,450,000	\$1,860,640

Due to the importance of the key General Fund Revenues, please see the detailed spreadsheets and charts at pages 2 - 5 in the Financial Projections Section.

SALES TAX REVENUE:

Sales Tax is the principal component of General Fund Revenues as the chart below depicts. Since we rely heavily on sales tax revenue, our fiscal stability can be significantly affected by recessionary economic conditions and fuel prices. Two industry groups (Fuel Sales and Auto Sales) typically account for over 65-75% of our sales tax revenues depending on the year.



Fiscal year 2024-2025 sales tax and Measure A revenues are anticipated/budgeted to total \$5,150,000, unchanged from 2023-2024. It is anticipated that sales tax revenues including Measure A will be approximately 56.5% of total General Fund and Measure A Revenues. A one percent swing in sales tax revenue equates to about a \$51,500 effect on the General Fund/Measure A. Volatile fuel prices can cause significant swings in sales tax received by the City. HdL, the City’s sales tax consultants, expect overall sales tax to be flat in fiscal year 2024-2025 due to fuel prices, inflation, and interest rates affecting transportation and consumption.

TRANSIENT OCCUPANCY TAX (TOT):

TOT is a 10% room tax that is collected at the motels in town for stays of less than thirty days. For FY 2024-2025, we project revenue of \$500,000 based on current fiscal year revenue. This represents a \$50,000 decrease from 2023-2024.

PROPERTY TAX:

We are projecting \$846,700 for FY 2024-2025, about a 4% increase from 2023-2024.

VEHICLE LICENSE FEES:

This is tax paid by the County Auditor in lieu of Vehicle License Fees. We project to receive \$860,000 for FY 2024-2025.

OTHER FUND REVENUES:

The Council has limited discretion regarding “Other Fund” (Non-General Fund) Revenues. These funds are restricted to specific purposes. Some refer to these as “earmarked” funds. For example, gas taxes must go to street maintenance such as repaving projects, and water revenues may be spent only on water-related repairs or improvements, etc. The sum of all Other Fund Revenues anticipated for FY 2024-2025 is \$9,912,404, which is higher than previous years due to increases in grant revenue. Other Fund Revenues make up 56% of the City’s total revenues.

See the "Financial Projection" Tab following this report. Under that tab are separate spreadsheets for the Street Funds, the Sewer Enterprise and the Water Enterprise beginning on page 5.

Street Maintenance Funds (please see Page 8) are reliant on the various Gas Taxes collected from fuel sales and funds provided via the Tehama County Transportation Commission.

Please refer to the Sewer Enterprise Fund spreadsheet (Page 9). The Council approved Resolution No. 07-23-2019-09 on July 23, 2019. The Resolution implemented a series of five separate 3.0% annual increases to the Sewer Rates beginning on August 1, 2019, and on July 1st each year thereafter. The last rate increase was July 2023. There is not an increase approved beyond July 2023, therefore beginning in FY 2024/2025 it is very likely the City will need to increase sewer rates by 5.0% per year for the next two years.

Please refer to the Water Enterprise Fund Spreadsheet (Page 10). In 2018, the City implemented a series of five annual 3.5% water rate increases. As anticipated, consumption levels did not return to pre-drought levels. As a result, the City Council adopted Resolution 07-23-2019-08 approving an additional 3.5% annual increase (a total of 7%) for the next four years with the last increase in July 2022. Beginning in FY 2024/2025 it is very likely the City will need to increase water rates by 10.0% per year for the next two years.

The Water and Sewer Enterprise budgets presume all water and sewer invoices will be paid by account users. This was done previously because of the City's ability to shut-off water allowing it to recoup funds in almost all cases. During the Pandemic the City was not able to shut off water. Fortunately, this is no longer the case. Due to grant funding and the ability to shut off water, residents are more actively making their monthly payments and paying off their bad debt.

There are four items of concern that could result in the City needing to increase water and sewer rates beyond the aforementioned approved rate increases:

1. As residents and businesses conserve water and nearby residents currently not needing to haul water, the City experiences reductions in revenue. It is not known whether water consumption will increase as a result of this past wet winter. The budget proposed assumes no increases or decreases in water consumption.
2. Additions to personnel and wages will result in the need to increase water rates.
3. The City needs to install a new City well. While there are grant opportunities available, we will need to raise water rates beyond what was proposed to support the additional infrastructure.
4. The City will better understand its capital replacement needs for the water and sewer system as it completes the Geographical Information Systems map layer of City water and sewer infrastructure. Knowing the age and type of infrastructure in the ground will likely increase system costs, but also create greater financial and operational sustainability of the system.

A Water and Sewer Rate Study has been included within this proposed budget. This will allow for the City to determine an appropriate rate increase, address the above four concerns, and make necessary infrastructure upgrades.

Staff is also closely following changes at the State and County level that would affect the City of Corning and the water services currently provided.

EXPENDITURES-HOW THE CITY SPENDS ITS MONEY:

The Proposed Budget document includes budgeted expenditures (excluding transfers) totaling \$21,077,639.

PERSONNEL COSTS

Since personnel costs represent on average 75% of general fund expenditures, there are little other means to cut expenditures unfortunately. Rising salaries and pension debt, otherwise known as the unfunded accrued liability (UAL), continues to be a concern for jurisdictions statewide. It is recommended that the City look into this further in the fiscal year and consider possible options.

FUTURE STAFFING NEEDS

City Manager and department heads will continue to consider examine staffing needs and organizational opportunities.

FY 2024-2025:

- Police Department - Detective (Unfunded – Position intended to be funded upon hire.)

FY 2024-2025

- Police Officer
- As a result of the new recreation center and city plaza, other general staffing needs and consideration for instructors will be reviewed.

Within the budget presentation a general Eight-Year Projection is included utilizing the following assumptions:

- A 4.0% increase in revenues based on historical averages while taking into consideration HdL's budget predictions.
- A 5.0% increase in expenditures based on historical averages.
- Known increases to Unfunded Accrued Liability or to the normal cost rate
- Does not anticipate a recession
- Capital Improvement Plan costs are accurate, no extraordinary increases to construction
- Takes into consideration Public Works capital improvement costs for the marquee at Rodgers Theatre, Library restroom remodel, park upgrades, playing field lighting, Library HVAC replacement, Finance HVAC Replacement.
- No Strategic Planning Projects
- Does not include additional operations costs for the Recreation Center and City Plaza.

The Eight-Year Projection provides a visualization of possible future revenues and expenditures. I would not bet on its 100% accuracy. Since some of the staffing needs are absolutely critical as a result of the new Recreation Center and City Plaza, I recommend the City be fiscally conservative until those costs are known.

CURRENT BUDGET MANAGEMENT:

The following bullet points summarize Staff's recommendations contained in the FY 2024-2025 Draft Budget and for the future.

- Because of Measure A and conservative budgeting by the City Council, the City is in a much better financial condition than it has been in a long time. Our General Fund (excluding Measure A and ARPA) balance at June 30, 2025 is projected to be \$3,461,821 (about 5.5 months of budgeted operating expenditures).
- While considering additions to personnel, it is critical to focus on items deemed important during the strategic planning process, including but not limited to, beautification, community events, lighting, walkable and ADA friendly streets, and recreation.
- The City needs to evaluate options to reduce its CalPERS unfunded accrued liability pension debt.
- Increases in revenue are not quite outpacing increases in expenditures, especially when you consider unfunded capital replacement (City buildings, parks) and pension debt.
- As electric vehicles become commonplace the City can expect to receive less revenue from fuel sales. The City needs to invest in economic development to expand its tax base to allow it to maintain and expand existing services.

- Recent investments with Local Agency Investment Fund (LAIF) have provided positive results. The LAIF Program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the pooled investment power of the State Treasurer's Office at no additional cost to the taxpayer.
- The City should continue to fund Capital Improvement at appropriate levels.
- The City is in the process of evaluating its Development Impact Fees and user fees to ensure service levels are maintained as residential development occurs and that the general public is not paying for services that benefit a single source.
- The City will need to fund the operations of the Recreation Center once built. While this is an additional General Fund expense, recreational programs decrease criminal activity, support youth development, increased health and wellness, and attract further economic development.

SUBSEQUENT YEARS; FY 2024-2025 AND BEYOND:

- The maintenance and improvement of City infrastructure should remain a priority for the City.
- Long-term pension obligations and sales tax revenue should remain a concern when considering the hiring of additional staffing or other personnel-related expenditures. If we pay down this debt now, more funds will be available for additional staffing later.
- We should carefully consider changes that we can undertake to improve the efficiency of our service delivery, cost control measures, and increase revenue opportunities.
- The City should continue to closely monitor the water and sewer funds and consideration for rate increases.

ACTION NEEDED AT THIS TIME:

Following the Fiscal Year 2024-2025 Budget Presentation, staff is seeking approval of the Fiscal Year 2024-2025 Proposed Budget as it was presented or with any necessary changes. Upon approval a proposed Resolution of the City Council of the City of Corning adopting the Budget for the Program of Service for the coming Fiscal Year, 2024-2025 would be agendized for the June 25, 2024, City Council Meeting. Only the General Fund 001 is discretionary in its use, and to a lesser degree Fund 002, Measure A. All the other Funds listed are special purpose funds dedicated by the City Code or State Law to a particular use like road maintenance or sewer maintenance.

The Budget Resolution sets the appropriation of expected revenue for each Fund. A Fund represents a specific revenue source such as "Sec. 2106 Gas Tax" or in the General Fund, a group of revenue sources like Sales Tax and Property Tax. Then the Resolution establishes the limit on expenditures as reflected in the budget. A third column (Net Change in Fund Balance) represents the period increase or decrease in estimated revenues less appropriated expenditures and does not represent the projected fund balance at June 30, 2025. Grand totals have not been provided at this time. Due to the unique nature of each fund, including a grand total would not provide any beneficial information at this time. Actual Fund balances are shown in the Annual Audit.

RECOMMENDATION:

**PRESENTATION AND REVIEW OF THE FISCAL YEAR 2024-2025 BUDGET.
MAYOR AND COUNCIL APPROVE THE FISCAL YEAR 2024-2025 BUDGET.**

ITEM NO.: J- 14
 AUTHORIZE STAFF TO BEGIN
 PROCESS TO INITIATE 10% WATER
 AND 5% SEWER RATE INCREASES.
 June 11, 2023

TO: HONORABLE MAYOR AND COUNCIL MEMBERS
 FROM: BRANT MESKER, CITY MANAGER
 LISA M. LINNET, CITY CLERK

SUMMARY:

Following review of the Water and Sewer Enterprise Funds, Staff now seeks Council direction to schedule Public Hearings to consider implementing a ten percent (10%) annual water rate increase; and a five percent (5%) separate annual sewer rate increase for the next two years. The proposed rate increase would be equivalent to an increase of \$2.26 per month for residential water and \$2.24 per month for sewer in the first year; and \$2.49 (water) and \$2.35 (sewer) the second year effective July 1, 2025.

BACKGROUND:

Sewer: Due to the lack of an approved rate increase in the upcoming fiscal year 2024/25, the fund is projected to end fiscal year 2024/25 in a deficit of \$155,141, requiring the use of sewer capital reserves. Additionally, the City may not be in compliance with our rate covenant requirement, as part of the 2017 refunding of the City's water and sewer debt without the use of reserves.

Water: Due to the lack of a rate increase in fiscal year 2023/24, the fund ended fiscal year 2023/24 in a deficit of \$154,701 requiring the use of water capital reserves. Additionally, the City may not be in compliance with our rate covenant requirement as part of the 2017 refunding of the City's water and sewer debt without the use of reserves.

NOTICE REQUIREMENTS:

Proposition 218 requires notification of property owners by mail at least 45 days prior to a hearing to implement increased utility fees. If the Council opts to proceed, Staff will compile and print the notices and mail them to all property owners within the City.

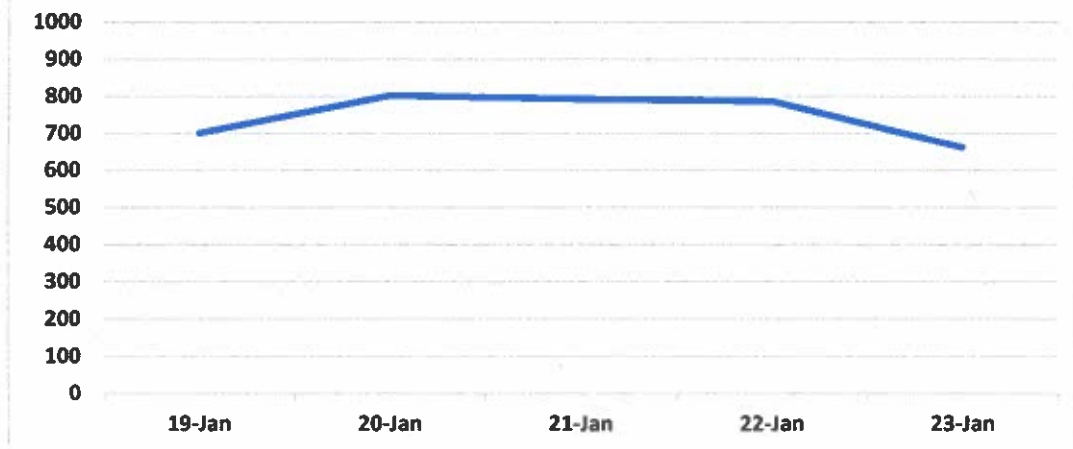
FINANCIAL:

Sewer: The last sewer rate increase took effect July 1, 2023 in the amount of 3% as part of Resolution 07-23-2019-09. Attached to this report is a spreadsheet titled "Sewer Enterprise System Budget Rate Increase 5.0%" and Sewer Enterprise System Budget Rate Increase 0%". The annual net income for the Sewer Enterprise Fund, when no rate increase is applied, begins to run into a deficit in FY 2024/2025. This is due to costs of maintaining the system increasing on average 5.5% per year. With a 5.0% increase, the Sewer Enterprise Fund is projected to run into a slight deficit while meeting the City's rate covenant requirement of net system revenues 120% of the debt service. It should be noted that with previous increases, the trend remains, which would warrant a complete rate study. In the interim, Staff seeks Council direction to apply two (2) separate annual sewer rate increases of 5% which amounts to a \$2.24 per month increase for 5/8" residential effective September 1, 2024; and \$2.35 effective July 1, 2025. The proposed monthly rates for residential customers, if approved would be as follows:

PROPOSED SEWER RATE CHANGES					
USER GROUP	Current Rate 7/1/2023	5% Increase Amt.	Year 1 Rate Increase 9/1/2024	5% Increase Amt.	Year 2 Rate Increase 7/1/2025
SINGLE FAMILY RESIDENCE	\$44.75	\$2.24	\$46.99	\$2.35	\$49.34

Water: The City approved a 3.5% increase to the Water Enterprise Fund in 2019 that assumed water usage would increase; the last rate increase took place on July 1, 2022. Water usage has begun to trend down as you will see in the graph below.

City of Corning Water Production (in million gallons)



The Water Replacement Fund used for system repairs and emergencies is offsetting net operating losses. This cannot be sustained over time and has been substantiated by the most recent FY 2022/2023 audit. Although there was an annual 5-year water rate increase of 3.5% effective from 2019 through July 1, 2022; due to projected maintenance costs averaging 5.5% each year and decreases in consumption, further increases are necessary. As is evident in the spreadsheet titled "Water Enterprise Budget Rate Increase 10%" to reach a slightly positive net income in fiscal year 2025/26 and satisfy our rate covenant requirements an additional 10% increase is necessary for the next two (2) years. For fiscal years FY 2022/2023 and FY 2024/2025 the City will continue transferring funds from our Replacement Reserve Fund to balance the budget and meet the City's rate covenant requirement. If consumption rates increase resulting in the increased revenues needed, the City can reduce or eliminate rate increases at a later date. Due to changes in water consumption patterns, this increase in usage is not anticipated. It should be noted that with previous increase the trend remains which would warrant a complete rate study. Water rates are proposed to be increased as follows:

PROPOSED WATER RATE CHANGES					
Meter Size	Current Rate	Year 1 Increase Amt.	Effective 9/1/2024 Amt.	Year 2 Increase Amt.	Effective 7/1/2025 Amt.
Percentage of Increase		10%		10%	
5/8" & 3/4" Service Size	\$22.64	\$2.26	\$24.90	\$2.49	\$27.39
1" Service	\$42.48	\$4.25	\$46.73	\$4.67	\$51.40
1.5" Service	\$69.66	\$6.97	\$76.63	\$7.66	\$84.29
2" Service	\$111.39	\$11.14	\$122.53	\$12.25	\$134.78
3" Service	\$163.64	\$16.36	\$180.00	\$18.00	\$198.00
6" Service	\$320.33	\$32.03	\$352.36	\$35.24	\$387.60
*Cost of each additional 1,000 gallons used per month above the base 4,000 gallons.	\$1.77		\$1.95		\$2.14

This amounts to an increase of \$2.26 per month for residential users who use up to 4,000 gallons per month. For usage above the 4,000-gallon monthly allotment per residence, an additional charge of \$1.95 (first year, \$2.14 in second year) per 1,000 gallons would be incurred by customers.

The proposed 10% water rate increase for the next two (2) years (see above) and the 5% sewer rate increase for the next two (2) years (see above) is necessary to maintain compliance with the terms of the debt service refinancing as well as insure the financial stability of the City's Water and Sewer Enterprise Funds.

RECOMMENDATION:

MAYOR AND COUNCIL DIRECT STAFF TO SCHEDULE A PUBLIC HEARING ON AUGUST 13, 2024 TO CONSIDER IMPLEMENTING:

- **TWO SEPARATE ANNUAL 10% RESIDENTIAL WATER RATE INCREASES FOR A MONTHLY RESIDENTIAL RATE INCREASE OF \$2.26 STARTING SEPTEMBER 1, 2024 AND THEN ANNUALLY ON JULY 1ST OF EACH YEAR THROUGH 2025; AND**
- **TWO SEPARATE ANNUAL 5% SEWER RATE INCREASES FOR A MONTHLY RESIDENTIAL RATE INCREASE OF \$1.16 STARTING ON SEPTEMBER 1, 2024 AND THEN ANNUALLY ON JULY 1ST OF EACH YEAR THROUGH 2025.**

Exhibit "A"
Proposed Water Rate Increases

Notice to Property Owners
Proposed Annual CPI Increase for WATER SERVICE

The City is proposing to hold water rate increases to only an Inflation Rate of 10% per year for the next 2 years. To do so will also require City Staff to hold operating expenses at only a 5.5% rise per year. August 13, 2024 is the Public Hearing on their proposed rate increase.

As a Water User, you are one of the owners of the City's water System, a public business with over \$1 million in annual sales! The long-term setting of rates allows the City to plan ahead. The City must build an operating reserve and fund a continuous Water Line and Well Refurbishment Program. A detailed report is available for your review at City Hall.

Proposed Monthly Rates will be effective September 1, 2024 and increase again on July 1st of the next consecutive year thereafter.

PROPOSED WATER RATE CHANGES					
Meter Size	Current Rate	Year 1 Increase Amt.	Effective 9/12/24 Amt.	Year 2 Increase Amt.	Effective 7/1/2025 Amt.
Percentage of Increase		10%		10%	
5/8" & 3/4" Service Size	\$22.64	\$2.26	\$24.90	\$2.49	\$27.39
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2" Service	\$111.39	\$11.14	\$122.53	\$12.25	\$134.78
3" Service	\$163.64	\$16.36	\$180.00	\$18.00	\$198.00
6" Service	\$320.33	\$32.03	\$352.36	\$35.24	\$387.60
*Cost of each additional 1,000 gallons used per month above the base 4,000 gallons.	\$1.77		\$1.95		\$2.14

Please contact City Hall at 530-824-7033 if you have any questions. This Hearing allows the City Council and the Public an opportunity to discuss and/or object to the proposed rate increase.

Only Written Protests filed by Property Owners will be counted. If a majority so protests, the rate increase will not be enacted. Protests in writing should be sent to: City Clerk, 794 Third St., Corning, CA 96021 and must be received by August 13, 2024 to be presented to the City Council during the Public Hearing. Written protests may also be personally delivered to the Hearing. By State Law, your Protest must include your name, address, and Assessor's Parcel Number of your property within the City (found on your tax bill).

Notice of Public Hearing

The City Council encourages you to attend the **Public Hearing** on **Tuesday, August 13, 2024 at 6:30 p.m.** in the **City Council Chambers, 794 Third Street, Corning, California.**

Exhibit "B"
Proposed Sewer Rate Increases

Notice to Property Owners
Proposed Annual CPI Increase for SEWER SERVICE

The City is proposing to hold Sewer rate increases to only an Inflation Rate of 5% per year for the next 2 years. To do so will also require City Staff to hold operating expenses at only a 5.5% rise per year. August 13, 2024 is the Public Hearing on their proposed rate increase.

As a Sewer User, you are one of the owners of the City's Sewer System, a public business with over \$1 million in annual sales! The long-term setting of rates allows the City to plan ahead. The City must build an operating reserve and fund a continuous Sewer Line and Sewer Refurbishment Program. A detailed report is available for your review at City Hall.

Proposed Monthly Rates will be effective September 1, 2024 and increase again on July 1st of the next consecutive year thereafter.

PROPOSED SEWER RATE CHANGES					
USER GROUP	Current Rate 7/1/2023	5% Increase Amt.	Year 1 Rate Increase 9/1/2024	5% Increase Amt.	Year 2 Rate Increase 7/1/2025
SINGLE FAMILY RESIDENCE	\$44.75	\$2.24	\$46.99	\$2.35	\$49.34

Please contact City Hall at 530-824-7033 if you have any questions. This Hearing allows the City Council and the Public an opportunity to discuss and/or object to the proposed rate increase.

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Notice of Public Hearing

**The City Council encourages you to attend the Public Hearing on
Tuesday, August 13, 2024 at 6:30 p.m. in the City Council Chambers,
794 Third Street, Corning, California.**

**SEWER ENTERPRISE
BUDGET RATE INCREASE ZERO after 2024
VOLUME INCREASE, ZERO PERCENT
A 5.5% inflation rate in Expenditures**

	2018-19	2019-20	2020-21	2021-22	HISTORICAL (ACTUAL) 2022-23	BUDGETED 2023-24	PROJECTED 2024-25	2025-26
Sewer System Revenues								
Service Charges	1,919,877	2,028,835	2,069,652	2,127,965	2,164,955	2,255,700	2,255,700	2,255,700
Annual Rate Change		3.0%	3.0%	3.0%	3.0%	3.0%		
Connection Fees	0	0	0	9,601	0	3,000	3,500	3,000
Interest Income	350	766	1,149	1,111	7,323	1,000	7,000	1,000
Other Revenues	9,057	36,719	13,221	603	10,183	10,500	10,500	10,500
Total Revenues	1,929,284	2,066,320	2,084,022	2,139,280	2,182,461	2,270,200	2,276,700	2,270,200
Sewer System Operation and Maintenance Expenses (Exclusive of Capital Expenditures and Depreciation)								
	1,383,232	1,421,934	1,562,620	1,623,662	1,758,850	1,868,769	1,942,716	2,049,565
Net Revenues from Sewer Enterprise System (Total Net Revenues Available for Installment Payments)	546,052	644,386	521,402	515,618	423,611	401,431	333,984	220,635
Capital Items, included in Operating Fund:								
Vehicle Replacement						18,750	22,500	
Total						18,750	22,500	
1999 COP - USDA								
2005 COP - SERIES A (\$) Wedbush Installment Payments								
2005 COP Series B, USDA (WWTP Exp Ln)								
2017 Debt Refinance	324,600	361,140	325,025	430,504	370,880	326,625	326,625	330,025
Less Principal Portion		(140,000)	(145,000)	(160,000)	(155,000)	(165,000)	(165,000)	(175,000)
TOTAL DEBT SERVICE	324,600	221,140	180,025	270,504	215,880	161,625	161,625	155,025
Sewer & Equip Replacement Trnsfr	40,000	40,000	40,000	50,000	50,000	50,000	50,000	50,000
WWTP Repl. Fund Transfer	85,000	85,000	85,000	40,000	90,000	90,000	90,000	90,000
TOTAL TRANSFERS	125,000	125,000	125,000	90,000	140,000	140,000	140,000	140,000
Annual Net Income *	96,452	158,246	71,377	(4,886)	(87,369)	(83,944)	(155,141)	(249,390)
REQUIRED RATE COVENANT, 120%	389,520	433,368	390,030	516,605	445,176	391,950	391,950	396,030
Compliance with Rate Covenant (\$)		211,018	131,372	(987)	(21,565)	9,481	(57,966)	(175,395)

**SEWER ENTERPRISE
BUDGET RATE INCREASE - 5%
VOLUME INCREASE, ZERO PERCENT
A 5.5% inflation rate in Expenditures**

	2018-19	2019-20	2020-21	2021-22	HISTORICAL (ACTUAL) 2022-23	BUDGETED 2023-24	PROJECTED 2024-25	2025-26
Sewer System Revenues								
Service Charges	1,919,877	2,028,835	2,069,652	2,127,965	2,164,955	2,255,700	2,368,485	2,486,909
Annual Rate Change		3.0%	3.0%	3.0%	3.0%	3.0%	5.0%	5.0%
Connection Fees	0	0	0	9,601	0	3,000	3,500	3,000
Interest Income	350	766	1,149	1,111	7,323	1,000	7,000	1,000
Other Revenues	9,057	36,719	13,221	603	10,183	10,500	10,500	10,500
Total Revenues	1,929,284	2,066,320	2,084,022	2,139,280	2,182,461	2,270,200	2,389,485	2,501,409
Sewer System Operation and Maintenance Expenses (Exclusive of Capital Expenditures and Depreciation)								
Maintenance Expenses	1,383,232	1,421,934	1,562,620	1,623,662	1,758,850	1,868,769	1,942,716	2,049,565
Net Revenues from Sewer Enterprise System (Total Net Revenues Available for Instalment Payments)	546,052	644,386	521,402	515,618	423,611	401,431	446,769	451,844
Capital Items, included in Operating Fund:								
Vehicle Replacement						18,750	22,500	
Total						18,750	22,500	
1999 COP - USDA								
2005 COP - SERIES A (&) Webbush Instalment Payments								
Pa Off Interfund Loan, Fund 348								
2005 COP Series B, USDA (WWTP Exp Ln)	324,600	361,140	325,025	430,504	370,960	326,625	326,625	330,025
2017 Debt Refinance		(140,000)	(145,000)	(160,000)	(155,000)	(165,000)	(165,000)	(175,000)
Less Principal Portion		221,140	180,025	270,504	215,980	161,625	161,625	155,025
TOTAL DEBT SERVICE	324,600	221,140	180,025	270,504	215,980	161,625	161,625	155,025
Sewer & Equip Replacement Trnsfr WWTP Repl. Fund Transfer	40,000	40,000	40,000	50,000	50,000	50,000	50,000	50,000
TOTAL TRANSFERS	125,000	125,000	125,000	90,000	140,000	140,000	140,000	140,000
Annual Net Income -	96,452	158,246	71,377	(4,886)	(87,369)	(83,944)	(42,356)	(18,181)
REQUIRED RATE COVENANT, 120% Compliance with Rate Covenant (\$)	389,520	433,368	390,030	516,605	445,176	391,950	391,950	396,030
		211,018	131,372	(987)	(21,565)	9,481	54,819	55,814

**WATER ENTERPRISE
BUDGET RATE INCREASE - 10%
VOLUME INCREASE, ZERO PERCENT
A 5.5% inflation rate in Expenditures**

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Water System Revenues								
Service Charges	1,330,731	1,489,648	1,588,566	1,622,621	1,702,526	1,883,200	2,071,520	2,278,672
Annual Rate Change	3.50%	7.00%	7.00%	7.00%	7.00%	10.00%	10.00%	10.00%
Volume Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Connection Fees	6,396	29,900	6,560	2,442	650	6,000	5,000	6,000
Interest Income	3,406	2,217	1,371		2,865	1,500	3,000	1,500
Unusual Revenues (ARPA Arrearage Program)				126,791				
Other Revenues	4,032	2,082	120		2,830	3,000	3,000	3,000
Total Revenues	1,344,565	1,523,847	1,596,557	1,751,854	1,708,891	1,893,700	2,082,520	2,289,172
Water System Operation & Maintenance Expenses								
Exclusive of Major Capital Expen. & Depreciation (2)	1,193,487	1,137,732	1,237,861	1,308,520	1,343,721	1,560,501	1,746,726	1,842,796
Net Revenues from Water Enterprise System (Total Net System Revenues)	151,078	386,115	358,676	443,334	365,170	333,199	335,794	446,376
Capital Items, included in Operating Fund:								
Water Line Replacement						75,000		
Water Meter Replacement						25,000		
Total						100,000	25,000	25,000
DEBT SERVICE								
1999 COP's USDA Est. Installment Pymts			287,400	291,062	285,669	287,900	289,169	291,569
2005 Series A Est. Installment Pymts (1)			(175,000)	(180,000)	(180,000)	(185,000)	(190,000)	(200,000)
Water Well Debt Service - 2011 COP (4)			112,400	111,062	105,669	102,900	99,169	91,569
2017 Debt Retinance - Principal and Interest	210,600	290,918						
LESS PRINCIPAL	210,600	290,918	112,400	111,062	105,669	102,900	99,169	91,569
Total Debt Service								
TRANSFERS								
Water & Equipment Replacement Transfer - to Replacement Fund 383	78,500	78,500	78,500	100,000	100,000	100,000	100,000	100,000
Short Lived Water Asset Fund 383 (5)								
2011 COP Debt Serv. Reserve Fund 632								
Total Transfers	78,500	78,500	78,500	100,000	100,000	100,000	100,000	100,000
Total Annual Net Income	(138,022)	16,697	(7,224)	52,272	(20,495)	(154,701)	(78,375)	54,807
REQUIRED RATE COVENANT, 120% Compliance with Rate Covenant (5)								
	37,013	349,102	344,860	349,274	342,803	345,480	347,003	349,883
			13,796	94,060	22,367	112,451	(11,294)	96,593

**WATER ENTERPRISE
 BUDGET RATE INCREASE ZERO after 2023
 VOLUME INCREASE, ZERO PERCENT
 A 5.5% inflation rate in Expenditures**

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Water System Revenues								
Service Charges	1,330,731	1,489,648	1,588,566	1,622,621	1,702,526	1,883,200	1,883,200	1,883,200
Annual Rate Change	3.50%	7.00%	7.00%	7.00%	7.00%			
Volume Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Connection Fees	6,396	29,900	6,500	2,442	650	6,000	5,000	6,000
Interest Income	3,406	2,217	1,371		2,885	1,500	3,000	1,500
Unusual Revenues (ARPA Arrearage Program)				126,791				
Other Revenues	4,032	2,082	120		2,830	3,000	3,000	3,000
Total Revenues	1,344,565	1,523,847	1,596,557	1,751,854	1,708,891	1,893,700	1,894,200	1,893,700
Water System Operation & Maintenance Expenses								
Exclusive of Major Capital Expen. & Depreciation (2)	1,193,487	1,137,732	1,237,881	1,308,520	1,343,721	1,560,501	1,746,726	1,342,796
Net Revenues from Water Enterprise System (Total Net System Revenues)	151,078	386,115	358,676	443,334	365,170	333,199	147,474	50,904
Capital Items, included in Operating Fund:								
Water Line Replacement						75000		
Water Meter Replacement						25000		
Total						100000	25000	
DEBT SERVICE								
1989 COP's USDA Est. Installment Pymts			287,400	291,052	285,669	287,900	289,169	291,569
2005 Series A Est. Installment Pymts. (1)			(175,000)	(180,000)	(180,000)	(185,000)	(190,000)	(200,000)
Water Well Debt Service - 2011 COP (4)			112,400	111,062	105,669	102,900	99,169	91,569
2017 Debt Refinance, Principal and Interest	210,600	290,918						
LESS PRINCIPAL	210,600	290,918	112,400	111,062	105,669	102,900	99,169	91,569
Total Debt Service								
TRANSFERS								
Water & Equipment Replacement Transfer to Replacement Fund 383	78,500	78,500	78,500	100,000	100,000	100,000	100,000	100,000
Short Lived Water Asset Fund 383 (5)								
2011 COP Debt Serv. Reserve Fund 632								
Total Transfers	78,500	78,500	78,500	100,000	100,000	100,000	100,000	100,000
Total Annual Net Income *	(178,022)	18,697	(7,224)	52,272	(20,499)	(154,701)	(266,655)	(340,665)
REQUIRED RATE COVENANT, 120% Compliance with Rate Covenant (\$)	349,102	349,102	344,880	349,274	342,803	345,480	347,003	349,883