

**CITY OF UKIAH
CITY COUNCIL AGENDA
Regular Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482
December 7, 2016
6:00 p.m.**

5:30 – 5:55 P.M. MAYOR'S RECEPTION AND MURAL PRESENTATION IN CIVIC CENTER LOBBY.

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. PROCLAMATIONS/INTRODUCTIONS/PRESENTATIONS

- a. Adoption of Resolution Declaring Results of Statewide General Municipal Election of November 8, 2016, and Swearing in Ceremony for Councilmembers Douglas F. Crane and Stephen G. Scalmanini; and City Treasurer Russell Allen Carter.
- b. Appointment of New Mayor and Vice Mayor, and Council Reorganization.
- c. Presentation of Employee Recognition Awards.
- d. Status Report, Discussion and Possible Action Regarding the Ukiah Valley Sanitation District's Litigation Against the City of Ukiah Related to the Operation of the Sanitary Sewer System.

4. PETITIONS AND COMMUNICATIONS

5. APPROVAL OF MINUTES

- a. Minutes of November 16, 2016, a Special Meeting.
- b. Minutes of November 16, 2016, a Regular Meeting.

6. RIGHT TO APPEAL DECISION

Persons who are dissatisfied with a decision of the City Council may have the right to a review of that decision by a court. The City has adopted Section 1094.6 of the California Code of Civil Procedure, which generally limits to ninety days (90) the time within which the decision of the City Boards and Agencies may be judicially challenged.

7. CONSENT CALENDAR

The following items listed are considered routine and will be enacted by a single motion and roll call vote by the City Council. Items may be removed from the Consent Calendar upon request of a Councilmember or a citizen in which event the item will be considered at the completion of all other items on the agenda. The motion by the City Council on the Consent Calendar will approve and make findings in accordance with Administrative Staff and/or Planning Commission recommendations.

- a. Approval of Contract Amendment with Granicus, Inc. to Add a Portable Encoder and an Agenda Workflow Component, and Authorize Corresponding Budget Amendment.

- b. Possible Adoption of the Ordinance Amending Section 2000.3 in Chapter 12 in Division 1 of the Ukiah City Code, Entitled "Ukiah Skate Park Rules and Regulations".

8. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

The City Council welcomes input from the audience. If there is a matter of business on the agenda that you are interested in, you may address the Council when this matter is considered. If you wish to speak on a matter that is not on this agenda, you may do so at this time. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten (10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments in which the subject is not listed on the agenda.

9. COUNCIL REPORTS

10. CITY MANAGER/CITY CLERK REPORTS

11. PUBLIC HEARINGS (6:15 PM)

- a. Public Hearing, Consideration and Possible Adoption of Resolution Adjusting Solid Waste Rates, Fees, and Charges for Residential and Commercial Curbside Collection and Possible Adoption of Resolution Adjusting Transfer Station Tipping Fees.
- b. The Ukiah City Council to Receive a Financial Report of the Electric Utility and Adopt the Proposed Electric Rate Adjustments by Resolution (EUD).

12. UNFINISHED BUSINESS

- a. Adoption of Pledged Revenue Resolution to Submit to the State Water Resources Control Board Division of Financial Assistance in Support of a Funding Application for the Construction of the Recycled Water System and/or Take Any Other Alternate Action to Secure Project Funding.
- b. Approval of a contingency amendment with Carollo Engineers in the amount of \$413,398 for the design of Phase 1A of the Recycled Water System and approval of corresponding budget amendment from the City Sewer Capital Fund.
- c. Adoption of a Resolution Continuing the FY 2016-2017 Joint Wastewater System Budget Process.
- d. Award Contract for North State Street Intersection - Low Gap Road / Brush Street Storm Drain and Signalization Improvements, Specification No. 16-06 and Approve Budget Amendment.
- e. Waive Minor Bid Irregularity, Award Contract for 2016 Sewer and Water Replacement Project, Specification No. 16-10, and Approve Budget Amendment.

13. NEW BUSINESS

- a. Discussion and Possible Action Regarding Cancellation of Either the December 21, 2016, or the January 4, 2017, City Council Meeting.
- b. Adoption of Resolution Appointing Representatives to Represent and Vote on Behalf of the City at the League of California Cities, Redwood Empire Division Business Meetings and Division Legislative Committee Meetings.
- c. Authorization for the Ukiah Valley Trail Group to Proceed with the Pre-Development Stages of a Public Trail on City-Owned Property Near the Landfill.

14. CLOSED SESSION – Closed Session may be held at any time during the meeting.

a. Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Cal. Gov't Code Section 54956.9(d)(2) Number of potential cases (1) (Landfill)

b. Conference with Legal Counsel – Existing Litigation

(Cal. Gov't Code Section 54956.9(d)(1))

Name of case: *City of Ukiah v. Questex, LTD, et al*, Mendocino County Superior Court, Case No. SCUK- CVPT-15-66036

c. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: *Ukiah Valley Sanitation District v. City of Ukiah*, Sonoma County Superior Court, Case No. SCV 256737

d. Conference with Legal Counsel – Existing Litigation

(Cal. Gov't Code Section 54956.9(d)(1))

Name of case: County of Mendocino v. Solid Waste System, Inc. et al., Mendocino County Superior Court, Case No. SCUK-CVG-11-59459

e. Conference with Legal Counsel – Existing Litigation

(Cal. Gov't Code Section 54956.9(d)(1))

Name of case: *Ukiah Citizens for Safety First v. City of Ukiah*, Mendocino County Superior Court, Case No. SCUKCVPT 14-63579

f. Conference with Real Property Negotiators

(Cal. Gov't Code Section 54956.8)

Property: 429 South Dora St. Ukiah, CA 95482

Negotiator: Sage Sangiacomo, City Manager

Negotiating Parties: City of Ukiah and Ukiah Unified School District

Under Negotiation: Price & Terms of Payment

15. ADJOURNMENT

Please be advised that the City needs to be notified 72 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. The City complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request. Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection at the front counter at the Ukiah Civic Center, 300 Seminary Avenue, Ukiah, CA 95482, during normal business hours, Monday through Friday, 8:00 am to 5:00 pm.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Ukiah City Hall, located at 300 Seminary Avenue, Ukiah, California, not less than 72 hours prior to the meeting set forth on this agenda.

Dated this 2nd day of December, 2016.

Kristine Lawler, City Clerk



ITEM NO.: 3a

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: ADOPTION OF RESOLUTION DECLARING RESULTS OF STATEWIDE GENERAL MUNICIPAL ELECTION OF NOVEMBER 8, 2016, AND SWEARING IN CEREMONY FOR COUNCILMEMBERS DOUGLAS F. CRANE AND STEPHEN G. SCALMANINI; AND CITY TREASURER RUSSELL ALLEN CARTER.

Summary and Background:

The City of Ukiah consolidates the municipal election with the County of Mendocino. *The Certificate of County Clerk to Result of the Canvass of the Statewide General Election Held on November 8, 2016*, will be forthcoming from the County Election Official by December 6th. The City Council shall adopt a resolution declaring the results of the election, and the City Clerk will read the results into the record and swear in the newly elected officials.

Discussion:

The Certificate of County Clerk to Result of the Canvass of the Statewide General Election Held on November 8, 2016, (Attachment 2) will be forthcoming from the County Election Official by December 6th. Pursuant to Election Code §10262, §10263, and §10264, City Council shall adopt a Resolution (Attachment 1) declaring the results of the General Municipal Election of November 8, 2016, before installing new officers. The City Clerk shall read into the record and enter into the minutes a statement of results.

Pursuant to Election Code §10265, the City Clerk shall then present the Certificate of Election and administer the Oaths of Office for the three newly elected City officials.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

Recommended Action(s): 1) Adopt Resolution reciting the fact of the General Municipal Election held on November 8, 2016, declaring the results and such other matters as provided by law. 2) Direct the City Clerk to enter into the minutes a statement of results. 3) Direct the City Clerk to present the Certificates of Election and administer the Oath of Office to the newly elected officials.

Alternative Council Option(s): N/A

Citizens advised: N/A

Requested by: Election Protocol.

Prepared by: Kristine Lawler, City Clerk.

Coordinated with: Sue Ranochak and Katrina Bartolomei, County Election Officials.

Attachments: 1. Resolution declaring results of election, 2. Certificate of the County Clerk and Election Results (forthcoming by December 6th)

Approved: 
Sage Sangiacomo, City Manager

(Note – Exhibit A will be forthcoming by December 6th)

RESOLUTION NO. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 8, 2016, DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW

WHEREAS, a General Municipal Election was held and conducted in the City of Ukiah, California, on Tuesday, November 8, 2016, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in general law cities; and

WHEREAS, the City Council of the City of Ukiah has reviewed the Certificate of County Clerk to Result of the Canvass of the November 8, 2016, Statewide General Election based on the Statement of All Votes Cast provided by the County Clerk of Mendocino County (pursuant to Resolution No. 2016-26 of the City Council of the City of Ukiah) and attached as Exhibit A; and

WHEREAS, subject to receipt of the Certificate of the County Clerk of the result of the County Clerk's canvass of the Consolidated Election Results for the November 8, 2016, General Municipal and Statewide General Election, the City Council finds as a result of said count and review that the number of votes cast, the names of the persons voted for, and other matters as required by law are as hereinafter stated.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UKIAH, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the whole number of ballots cast in the precincts except vote by mail voter ballots and provisional ballots was _____, the whole number of vote by mail voter ballots cast in the City was _____, making a total of _____ ballots cast in the City.

SECTION 2. That the names of persons voted for at the election for Councilmember are as follows: Douglas F. Crane and Stephen G. Scalmanini; and that the name of the person voted for at the election for City Treasurer is as follows: Russell Allen Carter.

SECTION 3. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates were as listed in Exhibit "A" attached.

SECTION 4. The City Council does declare and determine that: Douglas F. Crane was elected as Member of the City Council for the full term of four years; Stephen G. Scalmanini was elected as Member of the City Council for the full term of four years; and Russell Allen Carter was elected as City Treasurer for the full term of four years.

SECTION 5. The City Clerk shall enter on the records of the City Council for the City of Ukiah, a statement of the result of the election, showing: (1) The whole number of ballots cast; (2) The names of the persons voted for; (3) The measure(s) voted upon; (4) For what office each person was voted for; (5) The number of votes given at each precinct to each person, and for and against each measure.

SECTION 6. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED AND ADOPTED this 7th day of December 2016, by the following roll call vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

, Mayor

Kristine Lawler, City Clerk



ITEM NO.: 3b

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: APPOINTMENT OF NEW MAYOR AND VICE MAYOR, AND COUNCIL REORGANIZATION

Summary: Council will appoint a new Mayor and Vice Mayor with the assistance of Resolution No. 2011-44, which gives guidelines for the annual rotation and seating arrangement; after which the Council will take their new seats on the Dais.

Background: In December 2006, the City Council established a seniority-based rotation appointment of the Mayor and Vice Mayor. In September 2011, the Mayoral Rotation and Seating Arrangement for Council was updated and Resolution 2011-44 outlining the changes was adopted (Attachment #1).

Per Resolution 2011-44, the naming of the Mayor and Vice Mayor takes place annually at the first regular meeting in December. For year-to-year consistency, the installation and new seating arrangements will follow the appointments. Currently, Mayor Scalmanini and Vice Mayor Brown were both appointed in December 2015 to their respective positions.

Discussion: Using the table below,

CITY COUNCIL	Elected	Votes	Expires	Last Term as Mayor
Douglas F. Crane	11/2016	Not Yet Available	11/2020	2015
Stephen G. Scalmanini	11/2016	Not Yet Available	11/2020	2016
Jim O. Brown	11/2014	1,791	11/2018	None
Kevin Doble	11/2014	1,561	11/2018	None
Maureen Mulheren	11/2014	1,368	11/2018	None

Resolution 2011-44 (Attachment #1) provides for the following rotations:

Vice Mayor Brown to Mayor – as a Councilmember who has not previously served as Mayor and who received the most votes at their initial election.

Councilmember Kevin Doble to Vice Mayor – as a Councilmember who received the second most votes at their initial election, who has not previously served as Mayor or Vice Mayor.

Continued on Page 2

RECOMMENDED ACTION(S): 1. Nominate and appoint the positions of Mayor and Vice Mayor for 2017 for immediate seating and Council reorganization.

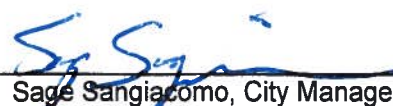
ALTERNATIVES: N/A

Citizens advised: N/A
Requested by: Annual Procedures.
Contact / Prepared by: Kristine Lawler, City Clerk.
Coordinated with: N/A
Presenter: Kristine Lawler, City Clerk.
Attachment: 1. Resolution 2011-44

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

Councilmembers Crane and Mulheren to move one seat to their left – as the remaining councilmembers shall move one seat to their left.

This leaves the one remaining seat on the far south of the Dais for outgoing Mayor Scalmanini to rotate into as Councilmember.

Having stated the above provisions, Resolution 2011-44 also asserts that the Council has the ultimate discretion to elect or not elect any Councilmember for any office at the December meeting.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RESOLUTION NO. 2011-44**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH
AMENDING RULES GOVERNING COUNCIL MEETINGS****WHEREAS,**

1. The City Council has adopted by resolution Procedures of Conduct for City Council Meetings, last revised on July 20, 2005 ("Procedures"); and
2. The City Council has determined to revise the rules governing the Mayoral Rotation and Seating Arrangement for Council.

NOW, THEREFORE, BE IT RESOLVED that the title and Section 7 of the Procedures are amended as follows:

TITLE: City of Ukiah City Council Meeting Procedures

SECTION 7. VOTING PROCEDURE**I. Mayoral Rotation and Seating Arrangement for Council**

It is the policy of the City Council that the office of Mayor be rotated insofar as possible among the members of the City Council and that the Mayor shall serve a term of one year or until a successor is appointed. The rotation is based on seniority. The Vice Mayor shall replace the outgoing Mayor. It is the intent and desire of the City Council to allow every member the opportunity to serve as Mayor, and consideration is given to those members of the Council who have not previously served as Mayor unless all members have so served.

The City Council shall, at its first regular meeting in the month of December, meet and choose one of its members as Mayor, and one of its members as Vice Mayor. The Mayor's seat shall be filled by the most senior member in length of uninterrupted service who has not previously served as Mayor. The Councilmember selected as Mayor, however, shall have served at least one year as a member of the City Council.

Where all Councilmembers have served a term as Mayor, the person to be selected as Mayor shall be the person who has not served as Mayor for the longest period of time. If the person who has not served as Mayor for the longest period of time declines the position, then the person who has not served as Mayor for the longest period of time other than the declining Councilmember or Councilmembers shall be selected.

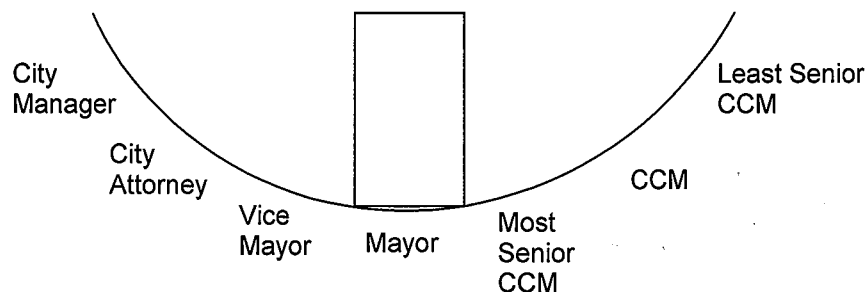
When a selection of Mayor is to be made from a Councilmember who has not yet served as Mayor, the person who is otherwise qualified and has served on the Council the longest without being Mayor shall be selected as Mayor. In the case where two or more persons qualified to be selected as Mayor have served the same amount of time as a Councilmember without being Mayor, the person selected shall be the person who received the most votes at their initial election.

At the time of selection of the Mayor in any given year, the individual who would qualify to be selected as Mayor in the next following year, using the criteria above, shall be named Vice Mayor for the current year.

If a Councilmember declines to serve as Vice Mayor, the Council will decide by formal action where the member will fit into the rotation at the December meeting. The Council has the ultimate discretion to elect or not elect any Councilmember for any office at the December meeting.

The Mayor and Councilmembers shall be seated as follows, seating assignments given from the perspective facing the audience:

- A. The Mayor and Councilmembers shall sit in the five of seven furthest rightward positions on the dais.
- B. The Mayor's position shall be the fourth from the right or center of the dais.
- C. The Vice Mayor shall be seated immediately to the Mayor's left or left hand side.
- D. Following the installation of new Councilmembers into office, Councilmembers leaving office shall immediately step down from the dais. Incumbent Councilmembers shall then assume any positions vacated to their left. Newly elected or appointed Councilmembers shall be seated at the far right of the dais. If more than one Councilmember is newly elected, they shall be seated in order of votes cast, with the lowest vote getter being seated furthest right and the highest vote getter being seated to the left.
- E. Except as described in subsection F below, following the annual rotation of the Vice Mayor, the exiting Vice Mayor shall move right to the Mayor's position in the center of the dais, the newly selected Vice Mayor shall move to the Mayor's left hand side, and the remaining Councilmembers shall move one seat to their left.
- F. Following the annual rotation of the Vice Mayor during general election years, the newly elected Councilmembers shall remain in the furthest right seats and only incumbent Councilmembers shall rotate positions as described in subsection E above.
- G. To the extent that the foregoing rules do not address Councilmember seating changes or rotations, the City Council shall determine the seating location by formal action of the same at a regular, special, or adjourned meeting.



BE IT FURTHER RESOLVED that the amended version of Section 7 as contained in this Resolution shall replace Section 7 in the City Council Meeting Procedures as it read prior to the adoption of this Resolution.

PASSED AND ADOPTED this 2nd day of November, 2011, by the following roll call vote:

AYES: Councilmember Landis, Thomas, Crane, Baldwin, and Mayor Rodin

NOES: None

ABSTAIN: None

ABSENT: None



Mari Rodin, Mayor

ATTEST:



JoAnne Currie, City Clerk



ITEM NO.: 3c

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: PRESENTATION OF EMPLOYEE RECOGNITION AWARDS

Summary: Council to receive a presentation of the City of Ukiah Exceptional Employee Awards for the third quarter of 2016.

Background and Discussion: The City of Ukiah prioritizes the retention and attraction of outstanding employees and recognizes their role in our goal of providing exceptional customer service. The Exceptional Employees Program, through a nomination process, recognizes and awards those employees or teams of employees who have truly gone above and beyond.

Once each quarter, nominations are considered from the categories of field crews, public safety, and administration. The recipients are as follows:

Jennifer Higbee, Water Treatment Plant Operator: Jennifer's peers appreciate that she is self-motivated and an incredible team player. She manages the safety program and does an amazing job of keeping the Water Treatment Plant spotless inside and out. On top of everything else, she keeps a garden growing at the WTP to share vegetables with other employees.

Jose Ruiz, Building Maintenance Lead Worker: We haven't found anything that Jose can't do yet. He is always finding creative ways to solve problems that result in cost savings to the City. His creativity and resourcefulness are a true asset, and he has been responsible for everything for furniture building to office remodeling to float building to giant pumpkin carving. In addition, he does it with a smile on his face and a joyful attitude.

Ron Donahue, Police Officer: On a suspected DUI traffic stop, Officer Donahue encountered a driver who became physically resistive and verbally combative with him. Officer Donahue was able to utilize verbal skills and calming tactics and subsequently arrested the driver without incident. His actions were so exemplary that the driver's defense attorney wrote a letter of commendation to the Police Department, recognizing that Officer Donahue's professionalism and reasonableness diffused a potentially volatile situation.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RECOMMENDED ACTION(S): Receive a presentation of the Employee Recognition Awards.

ALTERNATIVES: N/A

Citizens advised: N/A
Requested by: Sage Sangiacomo, City Manager
Contact/Prepared by: Ashley Cocco, Deputy City Clerk
Coordinated with: Sheri Mannion, HR and Risk Management Director
Presenters: Tim Eriksen, Public Works Director/City Engineer; Chris Dewey, Director of Public Safety; and Tami Bartolomei, Community Services Administrator.
Attachment: None

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager



ITEM NO.: 3d

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: STATUS REPORT, DISCUSSION AND POSSIBLE ACTION REGARDING THE UKIAH VALLEY SANITATION DISTRICT'S LITIGATION AGAINST THE CITY OF UKIAH RELATED TO THE OPERATION OF THE SANITARY SEWER SYSTEM

Summary: Staff will provide the latest status report on the Ukiah Valley Sanitation District's Litigation against the City of Ukiah related to the operation of the sanitary sewer system.

The City of Ukiah continues to request that the District consider a change in process outside of litigation to resolve the dispute and restore a working relationship, recognizing there is simply too much at stake for the ratepayers, system operations, and the community.

Background (Chronologic History of Recent Correspondence & Activity): In September 2013, the Ukiah Valley Sanitation District (UVSD) filed a claim for damages with the City, and one month later filed its lawsuit. In its lawsuit, the District seeks damages for alleged breaches of the various agreements between the City and the District related to the operation of the sanitary sewer system, starting with the original 1955 agreement.

The lawsuit will have significant adverse financial impacts to both agencies, as well as the ratepayers and the community, and the City is seeking an alternative to litigation to resolve this dispute. Attached is the letter that was sent on September 14, 2016, by the City Council to the District Board, formally requesting that the District drop the lawsuit with terms that would allow the District to refile if agreement cannot be reached (*UVSD Litigation Update Box File #1*), as well as an informational piece that details the background/impacts (*UVSD Litigation Update Box File #2*).

Continued on Page 2

RECOMMENDED ACTION(S): Receive status report. If desired, discuss and provide direction to Staff and/or consider any action(s) related to the matter.

ALTERNATIVES: N/A

Citizens advised: N/A
Requested by: City Council (Councilmembers Crane and Doble)
Prepared by: Sage Sangiacomo, City Manager and Sean White, Director of Water and Sewer
Coordinated with: David Rapport, City Attorney and Tim Eriksen, Director of Public Works
Presenters: Sage Sangiacomo, City Manager
Attachments: UVSD Litigation Update Box Files located at:
<https://cityofukiah.box.com/v/UVSDLitigationUpdates>

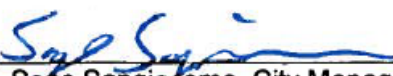
Attachments:

- 15. November 17, 2016 Letter from the City Attorney re: mediation
- 16. November 8, 2016 Letter from District Manager re: recycled water project
- 17. December 1, 2016 Letter from the City Manager re: recycled water project
- 18. FY 16/17 Budget email correspondence string from Aug 16 to Dec. 1, 2016

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

On September 21, 2016, the City Council received a presentation (*UVSD Litigation Update Box File #3*) from staff that explained the relationship between the two agencies and provided responses to some of the most frequently asked questions about this matter to better inform the public about the consequences of the litigation. This information along with a video link to the September 21st presentation/discussion are accessible at <http://www.cityofukiah.com/projects/uvsd-vs-cou/>.

The UVSD submitted a letter dated September 20, 2016 (*UVSD Litigation Update Box File #4*) which inaccurately asserts that the City's request is for the District to drop the lawsuit until after the recycled water project funding is received. In fact, the City's request is for the District to dismiss its lawsuit and that the City and District devote their time, money and resources to solving the costly issues confronting the sewer system and improving their working relationship. The City's goal is to eliminate the lawsuit altogether. The City has offered to include terms that would allow the District to refile the lawsuit, if the parties fail to reach agreement, but the City never suggested that the District would simply refile the lawsuit once state funding was obtained. Also, the City never suggested that dismissing the lawsuit is all that would be necessary to obtain State funding. In addition to dismissal of the lawsuit, there would have to be an agreement between the City and the District regarding the recycled water project that would satisfy the State Water Resources Control Board.

At the conclusion of the September 21st discussion, the Council directed the City Manager to contact the UVSD District Manager to explore possible alternatives. The City Manager attempted to contact the District Manager by email, but due to a reported medical leave, Mr. McMichael was not available to provide a timely/detailed response. On October 5, the City Attorney received an email correspondence from Duncan James (Attorney representing the District) responding to the City Manager's email to Mr. McMichael. Mr. James indicated in the email that the District had accepted the City's request to meet and formed a committee consisting of Frank McMichael, District Manager; Jim Ronco, Board Chair; Bob Page, Board Member; and legal counsel. The City Manager issued a supplemental memo to the City Council for the October 5th City Council meeting regarding this email exchange and included a recommendation to Council for the formation of a City Council ad hoc committee to meet with the District (*UVSD Litigation Update Box File #5*). At the City Council meeting, Mr. Doug Losak with the Law Offices of Duncan James delivered and read aloud a letter containing some additional allegations, but in the end, agreed to meet with the City. The City Council formed an ad hoc committee consisting of Councilmembers Crane and Doble. The City immediately made efforts to schedule the first meeting between the District's committee and the City's ad hoc.

At the October 19, 2016, meeting, the City Council discussed the latest correspondence from the District including the District's request to hold the ad hoc meetings in private and require the City to consent to a confidentiality agreement. The City Manager provided the Council with the correspondence to date from the District regarding the confidentiality condition (*UVSD Litigation Update Box File #6*) for consideration. At the time of the meeting, the District had not provided a draft of the proposed confidentiality agreement. By consensus, the City Council continued to object to private meetings that do not provide the public with the opportunity to be informed. However, the City Council did direct the ad hoc to meet with the District's ad hoc to discuss the process for such meetings and report back to the City Council at its regular meeting on November 2, 2016.

Prior to the ad hoc meeting, the City Attorney received a letter from Duncan James' Office regarding the District's request for a confidentiality agreement for the ad hoc meetings along with a draft of the agreement (*UVSD Litigation Update Box File #7*). The City Attorney issued a response (*UVSD Litigation Update Box File #8*) indicating that such agreement would need to be discussed at the first joint ad hoc meeting and ultimately considered by the City Council.

In addition, the City Council received correspondence from the District Manager related to the recycled water project dated October 21st (*UVSD Litigation Update Box File #9*). Most of the questions referenced in the letter had already been either answered or provided to the District. Nonetheless, City staff welcomed the dialogue and discussion in a sincere effort to move this critical project forward. Staff provided a response to the District Manager on October 27, 2016 (*UVSD Litigation Update Box File #10*).

On October 28, 2016, the City's ad hoc met with the District's ad hoc. At the meeting, the District presented the City with a take it or leave it condition imposing confidentiality on the ad hoc discussions.

On November 2nd and 4th, the City Council considered the District's confidentiality condition on the ad hoc discussions and approved a letter (*UVSD Litigation Update Box File #11*) that confirmed agreement to the condition if the District Board would agree to either stay further proceedings in the lawsuit or dismiss the lawsuit without prejudice. The City's proposal, if accepted, would halt the costly litigation fees currently being incurred by both agencies, but would not preclude the District from terminating the stay or refiling the lawsuit if the District wasn't satisfied with the discussions/negotiations. The District issued a response to the City's proposal on November 8, 2016 (*UVSD Litigation Update Box File #12*) that continues to impose a confidentiality condition on the joint ad hoc meetings. The District further stated "the lawsuit needs to otherwise remain in motion" except to provide a limitation on any discovery requests for a period of 4 weeks.

It's important to note that the District's legal team has predominately utilized the Public Information Act (PRA) rather than formal discovery to obtain information. Because the City of Ukiah is a public agency, the District's attorneys have used the PRA process to obtain information, which does not require the District to justify its requests by showing how they are relevant to the issues in the case. In a typical lawsuit, the discovery process is used to obtain documents and is overseen and controlled by the court to prevent burdensome or oppressive requests. The City continues to expense a tremendous amount of staff resources responding to the District's PRA requests for information dating back to 1955. To date, the District has submitted over 41 requests (with multiple parts) under the PRA process. The City has diligently been responding to the requests for the past 12 months. Suspension of the formal discovery process will not prevent the continued practice by the District nor will it limit the escalating litigation expenses during this proposed period.

With regard to the recycled water project, the City received additional correspondence from the District Manager indicating the need for more information (*UVSD Litigation Update Box File #13*). However, the correspondence did not identify any specific questions or information that had not otherwise been provided. The City Manager issued a response on November 15th (*UVSD Litigation Update Box File #14*) and included a BOX link to all relevant information on the recycled water project (<https://cityofukiah.box.com/v/uvsdpointsofinterest>). Most, if not all, of the information and/or documents have already been provided to the District. Furthermore, the City Manager requested a determination from the District regarding its position on the project and offered to provide any other information and/or presentations that would be necessary for a determination.

Discussion: On November 16th, the City Council instructed the City Attorney to contact the lawyers for the Ukiah Valley Sanitation District to work out the details for mediating the outstanding disputes including selecting a mediator. Furthermore and as a first step in the mediation, the City Council requested the District to provide a detailed written response and any counter proposals to the City's written proposal that was submitted to the District in March 2014, during the original mediation between the City and the District. On November 17th, the City Attorney sent correspondence to the UVSD's lawyer to initiate mediation as directed (Attachment #15). As of publication of this report, the District has not responded.

Additional correspondence between the City and District has also been exchanged related to the recycled water project (Attachments #16 & #17). Despite continued attempts to engage and provide the District with information, the District has yet to conclude that the recycled water project is the superior alternative of disposing treated wastewater. In an effort to bring this item to a conclusion, the City Manager proposed in a December 1st correspondence to the District Manager a joint meeting between the City Council and the District Board to discuss and resolve any remaining questions/issues related to the project. As of publication of this report, the District has not responded.

Related to the Fiscal Year 16/17 Budget, the District has not yet identified the District's timeline for their previously identified budget review process that reportedly extends through various staff, committee and District Board stages before a final joint meeting with the City can be scheduled. The previously approved continuing resolution for the budget will expire on December 31, 2016. The City has made inquiries as to the District's progress and anticipated review timeline (Attachment #18). Staff recognizes some level of District review is underway given recent engagement (since November 11th) on the budget, but the District Manager has not provided a timeline for completion of their review and/or indicated readiness for a joint budget meeting. As of the publication of this report, the District has not responded.

At the December 4th City Council meeting, Staff will provide the latest status report on the Ukiah Valley Sanitation District's Litigation against the City of Ukiah related to the operation of the sanitary sewer system including the most recent correspondence from the District.

The Council may elect to discuss the matter further and, if desired, provide direction to Staff and/or consider any related action(s). As part of this agenda item, the Council does not intend to consult with legal counsel regarding the litigation itself and does not intend to waive evidentiary privileges for attorney-client communication or attorney work product.

Law Offices Of

RAPPORT AND MARSTON

An Association of Sole Practitioners

405 W. Perkins Street
Ukiah, California 95482
e-mail: drapport@pacbell.net

David J. Rapport
Lester J. Marston
Scott Johnson
Darcy C. Vaughn
Mary Jane Sheppard

Phone: (707) 462-6846
Facsimile: (707) 462-4235

November 17, 2016

VIA EMAIL (Donald@duncanjames.com)

Donald J. McMullen
Law Office of Duncan James
Lambs Inn
445 North State Street
Ukiah, CA 95482

RE: *Ukiah Valley Sanitation District v. City of Ukiah*, Sonoma County Superior Court,
Case No. SCV 256737
Our File No.: 23-94

Dear Don:

As you have probably heard from Doug Losak, who attend the meeting, the City Council instructed me to contact your office and work out the details for mediating the outstanding disputes between the City and the District. We will need to select a mediator. You already have a proposed confidentiality agreement from me, although the mediation privilege will automatically apply. Let me know if you have any concerns about my revisions to the agreement.

The City Council's instructions include a requirement that the first step in the mediation must be a detailed written response from the District to the settlement proposal I sent you in March 2014, as part of the original mediation between the City and the District, including any counter-proposals from the District.

I have begun researching potential mediators. I agree it should be an experienced mediator, but believe that we need a mediator who will agree to conduct the mediation sessions in Ukiah. Hopefully, we can find someone we both consider qualified.

I am getting this letter to you today, because I know from its posted agenda that the District Board will be discussing this matter at its meeting this evening.

Letter to Donald McMullen
Subject: Commencing mediation
Date: November 17, 2016

Page 2

Let me know if you have any questions or concerns.

Very truly yours,

A handwritten signature in black ink, appearing to read "David J. Rapport", written over a horizontal line.

David J. Rapport,
City Attorney

cc: Sage Sangiacomo
City Council

FRANK MCMICHAEL
District Manager/Clerk

UKIAH VALLEY SANITATION DISTRICT
151 Laws Avenue
Ukiah, California 95482
TELEPHONE AND FAX: (707) 462-4429
EMAIL ADDRESS: DM@UVSD.ORG

WEB SITE
www.uvsd.org

November 18, 2016

Sage Sangiacomo
City Manager
City of Ukiah
300 Seminary Avenue
Ukiah, CA 95482

Dear Sage,

I write this in response to the letter you sent to me by e-mail on November 15 at 7:07 p.m. regarding the City's proposed recycled water project. You claim the City has answered all District questions and provide all requested information. While you addressed many of the District's question in an indistinct and blurred manner, others were ignored. As to the former, the information provides little detail, certainly insufficient to allow any meaningful response, let alone enable the District to make any decisions on these matters.

One glaring example of a request by the District that was ignored relates to this. The District pointedly asked in its November 8, 2016, letter to the City Council to participate in the process, and for the City to allow the District an open line of communication with the proposed lender so it may fully understand, from the source, all the impediments to the loan. Again, this request has been ignored.

- Why is the City not willing to allow the District to participate in the process and have direct communication with the lender in an effort to resolve these issues?

This brings up another unanswered question: what are all the issues or conditions or requirements the lender demands before funding is approved? The City has made it clear the lawsuit between the two agencies is one such impediment. However, what little information we were able to obtain from the lender revealed there are multiple funding issues. Only recently, the City announced that an additional condition is an agreement between the City and District regarding the recycled water project. (City's 10/19/16 Agenda Summary Report for item 3.b., page two, first paragraph, last sentence.)

But, in responding to the District's inquiry regarding the desired or necessary terms of that agreement, you mentioned that "it must provide assurances to the WRCB that the District lawsuit will not jeopardize the City's financial ability to repay the loan." From that, I observe two points. First, it appears a resolution of the lawsuit is not actually necessary to secure funding; rather, an agreement of some sort, short of dismissal, will suffice. Second, this agreement is again directed at the lawsuit, which is already known to be an issue with the lender.

- Again, what are the other conditions the lender requires or other issues the lender has with funding the loan?

Related are your comments that City offered to pledge City "Account NO. 830" to repay the loan. I take that to mean that is the only fund the City offered as security for the desired loan. This is significant because, according to information given to us by the lender's attorney, the City offered to pledge the entire wastewater system revenue stream as security for the loan and it was the potential impact of the

BOARD OF DIRECTORS

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District's lawsuit on that entire revenue stream that was at least one of its funding concerns. This is why the District asked on what authority the City relied to pledge the District's portion of that revenue.

Again, the implication in your comments is that the City did not offer to pledge the entire wastewater system revenue, but rather just Account 830. Your letter states that "Account 830 is a City only wastewater system capital project fund." According to public records, City Account 830 was created by City Resolution 2015-47 and is, more precisely, entitled "Recycled Water Revenues Fund 830."

- Is that account, as the name implies, to be funded with recycled water revenue?

If so, it would appear the state's concerns about the lawsuit could be quickly alleviated since the District's claims are not against that account or its revenue.

- If not, what source of revenue exactly is the City proposing to use to fund that account such that it concerns the state?
- Also, has the City funded the account to date, and, if so, again, what is the source of revenue the City used to fund it?

Regarding the District's questions about shared costs and revenue of the recycled water project, your letter first states the City owns all water after it is treated by the plant and that it did not seek District participation in the venture. You then point out that the City may now desire it. Our inquiries on the subject obviously sought detail on these points. To be clear, the District has not taken a position on the issue and cannot without all the details. That said, it seems to me that a division of recycled water costs and revenue, if it were to occur, would have some foundation in the ratio of ESSUs used by the two agencies. Of course, that is a central issue in the lawsuit, further demonstrating that the matters go hand in hand and require a comprehensive resolution.

- If the City has some ideas as to the manner in which recycled water costs (loans, operations, and otherwise) and revenue would be shared, please provide all details.
- If the City has some idea to use District revenue (gross or otherwise) for the recycled water project in any manner, please provide all details.
- I anticipate that affirmative answers to these questions and details provided by the City will likely create further questions.

Your letter states the City applied for roughly \$25 million in loans and \$10 million in grants for the recycled water project. As pointed out in my earlier letter to you, Mr. White from the City specifically represented to the District Board in a public meeting that the City had already "received" those sums, plus an additional \$2 million in grants. Mr. White further stated the City intended to seek additional or other loans and grants for the project. At last night's Board meeting, Mr. White also stated that he indicated that he stated to the Board at that April meeting that the City was "awarded" the grants and loans and did not indicate "received". This is passingly strange as a quick referral to his power point presentation indicates "received".

It is apparent that the loan was not received, despite the contrary representation, but the grant money remains unclear. Your letter mentions, as we knew, that the City applied for the \$10 million grant, but we continue to ask:

- Has that grant money been received? If so, when? Have the funds been utilized? If so, how much and for what exactly? If the grant money has not been received, why? And, if there are conditions on receipt of the grant, exactly what are they? If the conditions involve the District, please provide copies of all conditions as given to you by the granting source.
- What about the \$2 million grant (we have the same questions as above for this grant)? Was it even applied for? If not, why?

- Has the City sought or inquired about additional or other loans or grants as represented? If so, what loans or grants and what is the status of those efforts? If not, why?

In terms of practical application of recycled water, we also asked several questions that remain unanswered in any level of detail. Several of our inquiries deal with discharge of treated water that the proposed recycled water system will be unable to handle. In your letter, you mention the recycled water system will handle, after the first three phases of development, 60% of the wastewater treatment plant's treated water. Phase four, which has no proposed funding according to your letter, would in theory handle another 20% of the plant's treated water. The remaining treated water and issues associated with the timing of discharge in relation to irrigation demand is proposed to be dealt with by additional storage.

Assuming all of that is feasible and actually accomplished, the fact remains that there is no apparent plan to deal with the discharge issues we face in the present time and which will continue, or worsen, until the entire proposed recycle water project is completed years down the road. We continue to ask the City,

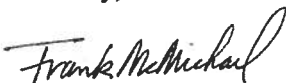
- How does the City propose to deal with discharge of the plant's treated water at present, as the project progresses, before phase 3 is completed, and again, before phase 4 is completed? This is particularly important in light of the state's restrictions mentioned in my earlier letter to the City Council.

Lastly, we asked why the City did not earlier inform the District of the issues with the state loan funding, especially considering that it knew of the issues at the time Mr. White presented an outline of the project to the District in April of this year. Your letter states that the reason was because the City was not "definitively" told by the state of the issue until June 28, 2016. Certainly, prudence dictated that the District be told at the earliest time. Most certainly, the City should not have led the District to believe for the two plus months that followed the April meeting that it had actually "received" funding for the project. And

- Why did the City choose to notify the District of the issue for the first time in the City's cross lawsuit against the District? Why didn't the City simply notify the District of the problem and seek to work with the District?

You question why the District didn't seek a resolution until our attorney's September 20 letter, but forget that the City first notified the District of the issue in the City's counter lawsuit. In other words, the City seeks legal reparation for an issue the District was never even told about. That action--the City's decision--placed this matter on the wrong footing from the get go. Placing blame is not the answer, distortion of fact requires correction and antagonistic behavior is not useful.. The District urges the City to see both sides of the picture and professionally address the issues facing the agencies. We continue to hope the City will permit the District to become part of the process. The District is hopeful to start that process without delay.

Sincerely,



Frank McMichael
District Manager



December 1, 2016

Ukiah Valley Sanitation District
Frank McMichael, District Manager
151 Laws Avenue,
Ukiah CA, 95482

Re: UVSD Letter Dated November 18, 2016

Dear Frank,

The District has yet to conclude that the recycled water project is the superior alternative of disposing of treated wastewater. As previously stated, if the Board were to agree with the City as to the benefits, the City would be interested in working cooperatively with the District to share the costs and revenues of the recycled water project and an equitable funding plan could be developed. Until the District is willing to take this affirmative and cooperative step, joint discussions with the State Water Resources Control Board ("SWRCB") regarding funding are imprudent.

The fact remains that the District's lawsuit is preventing final contract approval from the SWRCB for project funding. The lawsuit is the only impediment.

The City must be able to demonstrate to the State an unconstrained revenue source to guarantee repayment of the loan funds. The State has indicated that only a dismissal of the lawsuit with prejudice would remove the current barrier to utilizing the Sanitary Sewer System Enterprise Fund as security. Since that does not appear to be an option, we are continuing to consult the SWRCB to see if there are other alternatives of securing the funding with other guarantees outside of the Sanitary Sewer System.

The City has provided the District with all of the information and relevant documents related to the Recycled Water Project. In addition, City staff has uploaded documents related to the Project to the following BOX link: <https://cityofukiah.box.com/v/uvsdpointsofinterest> (under the "Recycled Water Project" folder). The District Board has also received a full presentation from the City that covered plans, details, and costs. Furthermore, City staff regularly attend District Board meetings in a continued effort to be available for questions and discussion. The City staff have also offered to be available to make another presentation to the Board if desired. In all, the District has been provided with the same information and resources afforded to the City to validate the recycled water project's benefits.

In an effort to bring this item to a conclusion, I recommend a joint meeting between the City Council and the District Board to discuss and resolve any remaining questions/issues. If this is agreeable, please forward some acceptable dates/times.

Sincerely,



Sage Sangiacomo
City Manager

Sage Sangiacomo

From: Sage Sangiacomo
Sent: Thursday, December 1, 2016 10:45 AM
To: 'Frank'
Cc: Kevin Doble; Sean White; Tim Eriksen; Daniel Buffalo; Kristine Lawler; Jarod Thiele; 'Jim Ronco'; Doug Crane
Subject: RE: UVSD 081616; FY 2016-17 Budget Review

Good Morning Frank,

Thanks for your recent engagement in the FY 16/17 budget review. Staff will provide an expedited response to your questions emailed this morning along with the few remaining questions from Mr. Dickerson's meeting with Mr. Buffalo.

Per the concern I expressed below in the November 10th email, the District has not yet identified the District's timeline for your previously identified budget review process that reportedly extends through various staff, committee and District Board stages before a final joint meeting with the City can be scheduled. As you know, the continuing resolution for the budget will expire on December 31st. Do we need to extend the resolution or will the Board be ready to meet?

Sage Sangiacomo
City Manager

City of Ukiah
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P) 707-463-6221
F) 707-463-6740
ssangiacomo@cityofukiah.com
www.cityofukiah.com
www.visitukiah.com

From: Sage Sangiacomo
Sent: Thursday, November 10, 2016 9:21 AM
To: 'Frank' <dm@uvsd.org>
Cc: Kevin Doble <kdobleukiah@gmail.com>; Sean White <swhite@cityofukiah.com>; Tim Eriksen <teriksen@cityofukiah.com>; Sage Sangiacomo <ssangiacomo@cityofukiah.com>; Daniel Buffalo <dbuffalo@cityofukiah.com>; Kristine Lawler <klawler@cityofukiah.com>; Jarod Thiele <jthiele@cityofukiah.com>; 'Jim Ronco' <jim@jimroncoconsulting.com>; Doug Crane <doug.crane@craneofukiah.com>
Subject: RE: UVSD 081616; FY 2016-17 Budget Review

Good Morning Frank,

As indicated in the email below, the City staff remains available and ready to discuss the final draft FY 16/17 Budget. The following day after the August 16th joint session, you indicated the District would be ready to engage in the next day or so. As of November 11th, our staff has not yet heard from District staff regarding the budget.

I'm growing increasingly concerned with the lack of progress on this item and the impending deadline in the continuing resolution, especially considering the budget review process that the District has previously indicated that it undergoes. Please forward the timeline for that review and the stage of review the District is currently undertaking (also noting that City staff remains available to discuss and engage at every stage). This information will help you and I

identify joint meeting date(s) and allow us to get them scheduled with the elected officials prior to the expiration of the continuing budget resolution(s) and between the limiting holiday period.

Thanks,

Sage Sangiacomo
City Manager

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-----Original Message-----

From: Frank [<mailto:dm@uvsd.org>]
Sent: Tuesday, August 16, 2016 10:52 AM
To: Sage Sangiacomo <ssangiacomo@cityofukiah.com>
Subject: RE: UVSD 081616; FY 2016-17 Budget Review

Thank you, I will be sending certain questions to Sean in the next day or so.

Frank

-----Original Message-----

From: Sage Sangiacomo [<mailto:ssangiacomo@cityofukiah.com>]
Sent: Tuesday, August 16, 2016 9:54 AM
To: FrankMcMichael (dm@uvsd.org)
Cc: Kevin Doble; 'Jim Ronco'; Sean White; Tim Eriksen; Sage Sangiacomo; Daniel Buffalo; Kristine Lawler; Jarod Thiele
Subject: UVSD 081616; FY 2016-17 Budget Review

Hi Frank,

You indicated after the joint session last night that you and Mr. Dickerson will be reviewing the final draft FY 2016-17 Wastewater Fund Budget over the course of the next two or so weeks. Our staff remains available and ready to discuss the draft when District staff is ready.

Please contact Mr. White with any questions and/or to schedule a meeting.

Thank you,

Sage Sangiacomo
City Manager

City of Ukiah

300 Seminary Avenue

Ukiah, CA 95482

P) 707-463-6221

F) 707-463-6740

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CITY/UVSD LAWSUIT

FINANCIAL UPDATE

DECEMBER 7, 2016

TOPICS

1. FY 2016-17 joint budget process update
2. Lawsuit expenditure update
3. Lawsuit cost analysis
4. Concerns from last UVSD Board meeting
5. Moving forward

BUDGET UPDATE

Joint Process Between City and UVSD

RECENT ACTIVITIES

- Monday, August 15th:
 - Continuing resolution passed by both City Council and UVSD Board for FY 2016-17 Budget
- Tuesday, August 16th:
 - City Manager and UVSD General Manager communicated
 - UVSD General Manager responded that the District would provide questions within short order
- Thursday, November 10th:
 - City Manager sent email to UVSD General Manager inquiring about District's progress on the budget review process
- Friday, November 11th:
 - Received communication with UVSD financial consultant listing general topics of discussion regarding budget
- Monday, November 14th:
 - Received specific questions from financial consultant for Tuesday meeting

RECENT ACTIVITIES (CONT)

- Tuesday, November 15th:
 - Met with UVSD financial consultant
 - Reviewed each issue identified in detail
 - Several issues remained unclear after discussion
 - City committed to researching them further and respond back as quickly as possible
- Thursday, November 17th:
 - UVSD financial consultant presented “budget report” to UVSD Board
 - Report focused on joint operating budget
 - primarily on cost allocation plan and indirect costs
- Saturday, December 3rd:
 - City responded to remaining items on financial consultant list

ADMIN BUDGETS

FISCAL YEAR 2016-17

CITY – WASTEWATER

- \$1,619,994
 - Billing and collection
 - Dispatch
 - Insurance
 - Planning studies
 - Department administration
 - City overhead

UVSD

- \$320,850
 - Personnel
 - Office expenses
 - Professional services
 - Legal
 - Travel and training

ADMINISTRATIVE BUDGET, FY 2016-17 (CONT)

City

CITY WASTEWATER ADMIN

Administrative Activities:

Department administration

\$ 329,616

% of Total
Wastewater
Operating
Budget

6.85%

Billing and collections

320,669

6.67%

Planning studies

275,000

5.72%

Insurance

243,125

5.06%

City overhead

240,588

5.00%

Contracted services

95,000

1.98%

IT

63,139

1.31%

Purchasing use

26,043

0.54%

Dispatch

14,597

0.30%

Corporation yard use

12,217

0.25%

Total administrative budget

\$ 1,619,994

33.68%

Total wastewater operating budget

\$ 4,809,486

Assets under management

\$ 95,504,470

Admin as % of assets under management

1.70%

ADMINISTRATIVE BUDGET, FY 2016-17 (CONT)

UVSD

UVSD ADMIN	Budget	% of Total UVSD Operating Budget
Administrative Activities:		
Personnel	\$ 126,000	39.27%
Auditing and fiscal services	80,000	24.93%
Other	65,400	20.38%
Legal fees	25,000	7.79%
Office supplies, services, & materials	21,450	6.69%
Travel and training	3,000	0.94%
Total administrative budget	\$ 320,850	100.00%
Total wastewater operating budget	\$ 320,850	
Assets under management*	\$ 8,510,962	
Admin as % of assets under management	3.77%	

*Excludes cash assets held by County Treasurer and in private bank account

ADMIN BUDGETS

FISCAL YEAR 2016-17

(CONT)

CITY – WASTEWATER

- \$1,619,994 in administrative costs
- 33.6% of total operating costs
 - Excluding capital expenditures, debt service, and transfers
- 1.7% of assets under management

UVSD

- \$320,850 in administrative costs
- 100% of total operating costs
- 3.77% of assets under management

LAWSUIT EXPENDITURE UPDATE

City/UVSD Lawsuit-related Expenditures

LEGAL COST
YEAR-TO-DATE
(OCTOBER 31, 2016)

UVSD

Date	(Multiple Items)
July - October 2016	
Row Labels	Sum of Amount
2016	
DANIEL CROWLEY	61,411.13
DUNCAN JAMES LAW OFC	236,711.41
SETEC SECURITY TECH	1,072.50
SHARP JOHN	16,485.00
Grand Total	315,680.04

LEGAL COST
YEAR-TO-DATE
(OCTOBER 31, 2016)

City

FY 2017

Boutin Jones, Inc.

26,434.57

David Rapport

39,338.29

Geary, Shea,O'Donnell

115,952.23

S/T

181,725.09

LEGAL COST TOTAL

CITY

- \$499,818.01

UVSD*

- \$2,800,458.36
 - \$2,525,047.65 to Duncan James

*Source: Mendocino County Auditor-Controller

LEGAL COST COMBINED TOTAL
OCTOBER 31, 2016

\$3,300,276.37

LAWSUIT COST ANALYSIS

EFFECTS OF LAWSUIT (ESTIMATED)

\$51.2 – \$65.4 million in cost

EFFECTS OF LAWSUIT (CONT)

AFFECTED ACTIVITIES	POTENTIAL COSTS (in millions)	
	Public /Private Placement	Public Offering
Opportunities:		
Refunding (refinancing) existing wastewater bond	\$ 8.1	\$ 8.1
Loss of grant funding	16.0	16.0
Inability to secure favorable financing terms for required projects	19.1	33.3
Total opportunity costs	43.2	57.4
Estimated litigation costs:		
City	3.0	3.0
UVSD	5.0	5.0
Total estimated litigation costs	8.0	8.0
Total estimated costs	\$ 51.2	\$ 65.4

CONCERNS FROM LAST UVSD MEETING

UNREPORTED EXPENDITURES

- District is required to report all expenditures in the published minutes of its meetings.
- Minutes from prior meetings are open for discussion on subsequent agenda prior to approval and adoption

UVSD ADMIN BUDGET REPORTED NOVEMBER 17, 2016

UVSD ADMIN	Budget	% of Total UVSD Operating Budget	Actual 10/31/16	% of Budget
Administrative Activities:				
Personnel	\$ 126,000	39.27%	\$ 33,267	26.40%
Auditing and fiscal services	80,000	24.93%	16,800	21.00%
Other	65,400	20.38%	3,693	5.65%
Legal fees	25,000	7.79%	1,025	4.10%
Office supplies, services, & materials	21,450	6.69%	2,830	13.19%
Travel and training	3,000	0.94%	-	0.00%
Total administrative budget	\$ 320,850	100.00%	\$ 57,615	17.96%

UVSD BUDGET UNREPORTED EXPENDITURES

July - October 2016	
Row Labels	 Sum of Amount
 2016	
DANIEL CROWLEY	61,411.13
DUNCAN JAMES LAW OFC	236,711.41
SETEC SECURITY TECH	1,072.50
SHARP JOHN	16,485.00
UVSD	75,000.00
Grand Total	390,680.04

UNREPORTED EXPENDITURES (CONT)

July 2008 to October 31, 2016

July 2008 to October 31, 2016	
Row Labels	Sum of Amount
☐ Legal (2013-Present)	\$ 2,800,458.36
ARBITRATION & MEDIA	1,980.00
BRELJE & RACE CONSUL	16,542.50
DANIEL CROWLEY	92,995.38
DUNCAN JAMES LAW OFC	2,525,047.65
SARGEANT KIMBALL	34,345.60
SHARP JOHN	103,730.23
SQUAR MILNER	25,817.00
☐ Legal (Pre-2013)	\$ 75.00
HOOPER JASON	75.00
☐ Other	\$ 706,624.98
Grand Total	\$ 3,507,158.34

UNREPORTED EXPENDITURES

- District possesses two accounts outside of the City treasury
 - County Treasurer
 - Private bank
- Based on a limited review, the District does not appear to be following California law when expending District resources from County Treasury
 - California Health and Safety Code, Section 6794 requires:
 - *The [county] treasurer shall pay out money of the district only upon the written order of the board, signed by the president and countersigned by the secretary. The order shall specify the name of the person to whom the money is to be paid, the fund from which it is to be paid, and shall state generally the purpose for which the payment is to be made. **The order shall be entered in the minutes of the board.** (Emphasis added.)*
- Based on a limited review, no immediate record was identified of District expenditures from County Treasurer meeting this requirement
 - Legal and other professional services fees paid
 - Payments to Board members
 - These amounts do not appear to be reported to the State Controller for the legally required Special District Annual Report

UNREPORTED EXPENDITURES (CONT)

- Remedies for consideration:
 - A demand that they start complying with the law and do so retroactively to the beginning of this fiscal year
 - A complaint to the civil grand jury
 - A law suit to compel them to comply with the law
 - If there are any Brown Act violations, a complaint to the DA

MOVING FORWARD

STEPS

- Budget
 - Continuing resolution
 - Final consideration of FY 2016-17 wastewater budget
- Strategies moving forward with recycled water
 - Shift to water
- UVSD expenditure concerns

**CITY OF UKIAH
CITY COUNCIL MINUTES
Special Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482**

**November 16, 2016
4:30 p.m.**

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Ukiah City Council met at a Special Meeting on November 16, 2016, having been legally noticed on November 15, 2016. Mayor Scalmanini called the meeting to order at 4:33 p.m. Roll was taken with the following **Councilmembers Present:** Douglas F. Crane, Maureen Mulheren, Kevin Doble, Vice Mayor Jim O. Brown, and Mayor Stephen G. Scalmanini. **Staff Present:** Sage Sangiacomo, City Manager; David Rapport, City Attorney; and Kristine Lawler, City Clerk.

MAYOR SCALMANINI PRESIDING.

2. PUBLIC COMMENT

CITY COUNCIL ADJOURNED TO CLOSED SESSION AT 4:35 P.M.

3. CLOSED SESSION

a. Conference with Legal Counsel – Existing Litigation
(Government Code Section 54956.9(d)(1))

Name of case: *Ukiah Valley Sanitation District v. City of Ukiah*, Sonoma County Superior Court, Case No. SCV 256737

CITY COUNCIL RECONVENED IN OPEN SESSION AT 5:59 P.M.

Report Out from Closed Session (*Report was given in the Regular Meeting that took place directly after this Special meeting.*) City Attorney Rapport reported the following:

Council has instructed City Manager Rapport to contact the lawyers for the Ukiah Valley Sanitation District to work out the details of a mediation of the outstanding disputes, and as a first step those details will include a requirement for the district to provide a detailed written response and any counter proposals to the City's written proposal that was submitted to the District in March 2014, during the original mediation between the City and the District.

5. ADJOURNMENT

There being no further business, the meeting adjourned at 6:00 p.m.

Kristine Lawler, City Clerk

CITY OF UKIAH
CITY COUNCIL MINUTES
Regular Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482
November 16, 2016
6:00 p.m.

1. **ROLL CALL**

2. **PLEDGE OF ALLEGIANCE**

Ukiah City Council met at a Regular Meeting on November 16, 2016, having been legally noticed on November 10, 2016. Mayor Scalmanini called the meeting to order at 6:02 p.m. Roll was taken with the following **Councilmembers Present:** Douglas F. Crane, Maureen Mulheren, Kevin Doble, Jim O. Brown, and Stephen G. Scalmanini. **Staff Present:** Sage Sangiacomo, City Manager; David Rapport, City Attorney; and Kristine Lawler, City Clerk.

MAYOR SCALMANINI PRESIDING.

3. **PROCLAMATIONS/INTRODUCTIONS/PRESENTATIONS**

a. Status Report, Discussion and Possible Action Regarding the Ukiah Valley Sanitation District's Litigation Against the City of Ukiah Related to the Operation of the Sanitary Sewer System – Administration.

Presenters: David Rapport, City Attorney; Sage Sangiacomo, City Manager, and Sean White; Water and Sewer Director.

Report Out from Closed Session held as a Special meeting at 4:30 p.m., prior to the Regular Council meeting. City Attorney Rapport reported the following:

Council instructed me to contact the lawyers for the Ukiah Valley Sanitation District to work out the details of a mediation of the outstanding disputes. As a first step those details will include a requirement for the district to provide a detailed written response and any counter proposals to the City's written proposal that was submitted to the District in March 2014, during the original mediation between the City and the District.

Public Comment: Julie Bawcom and Don Crawford; *Speaking for a second time:* Julie Bawcom.

PowerPoint presentation, given by Sean White, was received.

4. **PETITIONS AND COMMUNICATIONS**

5. **APPROVAL OF MINUTES**

- a. Minutes of November 2, 2016, a Regular Meeting.**
- b. Minutes of November 4, 2016, a Special Meeting.**
- c. Minutes of November 8, 2016, a Special Meeting.**

Motion/Second: Brown/Crane to approve Minutes of November 2, 2016, a Regular Meeting; Minutes of November 4, 2016, a Special Meeting; and Minutes of November 8, 2016, a Special Meeting, as submitted. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

6. RIGHT TO APPEAL DECISION

7. CONSENT CALENDAR

- a. Report of Disbursements for the Month of October – *Finance*.
- b. Notification to City Council of the Purchase of SCADA Maintenance Services at the Wastewater Treatment Plant (WWTP) from Telstar Instruments for a Total Not to Exceed \$10,735.71 – *Water and Sewer*.
- c. Adopt the Ordinance Amending Portions of Ukiah City Code (UCC) Division 3, Chapters 1 and 2 Pertaining to the Adoption of the Building Codes and Amendments Thereof – *Planning and Community Development*.

ORDINANCE NO. 1171

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UKIAH AMENDING PORTIONS OF DIVISION 3, CHAPTERS 1 AND 2 OF THE UKIAH CITY CODE, PERTAINING TO THE ADOPTION OF THE BUILDING CODES AND AMENDMENTS THEREOF

- d. Authorize Execution of Amendment (*COU No. 1213-180-A2*) to the Agreement with Rau and Associates, Inc. in an Amount Not to Exceed \$9,930 for Additional Design Work for the Smith Street Rehabilitation Project and Approve Budget Amendment – *Public Works*.
- e. Approval of Amendment (*COU No. 1516-141-A1*) with SHN Consulting Engineers and Geologists for Construction Management and Inspection Services for the North State Street Sewer Main Improvement Project in the Amount of \$4,146 and Approval of Corresponding Budget Amendment – *Public Works*.
- f. Adoption of Ordinance Amending Division 6, Chapter 3, Articles 1, 2, and 3 of the Ukiah City Code and Adopting the 2016 California Fire Code – *Fire*.

ORDINANCE NO. 1172

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UKIAH AMENDING DIVISION 6, CHAPTER 3, ARTICLES 1, 2, AND 3, OF THE UKIAH CITY CODE, ENTITLED: FIRE PREVENTION CODE, TO ADOPT THE 2016 EDITION OF THE CALIFORNIA FIRE CODE, INCLUDING ADDITIONS OR AMENDMENTS THERETO TO ADDRESS LOCAL CONDITIONS

- g. Authorize Execution of Amendment (*COU No. 1516-229-A3*) to the Agreement with SHN in an Amount Not to Exceed \$25,266 for Additional Services for the North State Street - Low Gap Road Storm Drain and Traffic Signal Project and Approve Budget Amendment – *Public Works*.

Motion/Second: Crane/Doble to approve Consent Calendar Items 7a-g, as submitted. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

8. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

Presenter: M. J. Gerard.

9. COUNCIL REPORTS

Presenters: Councilmember Mulheren and Mayor Scalmanini.

10. CITY MANAGER/CITY CLERK REPORTS

11. PUBLIC HEARINGS (6:15 PM)

- a. Resolution and Urgency Ordinance, Setting Aside the Costco Wholesale Project's EIR, EIR Addendum, Site Development Permit and Airport Industrial Park Land Use Map Amendment – Planning and Community Development.**

Presenters: Kevin Thompson, Interim Planning Director and David Rapport, City Attorney.

Note: The City Attorney determined that this is not a Public Hearing.

Public Comment: James Houle.

Motion/Second: Doble/Brown to adopt Resolution (2016-62) with an amendment to include the vote with the 7th 'Whereas'. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

Motion/Second: Doble/Crane to introduce Urgency Ordinance, by title only. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

City Clerk, Kristine Lawler, read the Ordinance title.

Motion/Second: Doble/Brown to introduce and adopt the Urgency Ordinance setting aside Costco Wholesale EIR, EIR Addendum Site Development Permit and Amendment to the Airport Industrial Park Plan Development. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

ORDINANCE NO. 1173

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UKIAH SETTING ASIDE ORDINANCE NO. 1146 AND REINSTATING ORDINANCE NO. 1098 AND THE AIRPORT INDUSTRIAL PARK LAND USE MAP AS THEY READ IMMEDIATELY PRIOR TO THE ADOPTION OF ORDINANCE NO. 1146

- b. Discussion and Direction on Proposed Marijuana Dispensary Ordinance and Negative Declaration and if Appropriate, Continue the Corresponding Public Hearing to a Date Certain to Consider Adoption – Planning and Community Development.**

Presenters: Kevin Thompson, Interim Planning Director and Darcy Vaughn, Assistant City Attorney.

PUBLIC HEARING WAS OPENED AT 7:05 P.M.

Public Comment: Barbara McClain, M. J. Gerard, Chris Watts, Frank Kibbish, Josh Blakely, Steely Inove, Monique Tejasri, Mary Elliot, Mark Hilliker; *Speaking for a second time:* M. J. Gerard, Barbara McClain, Monique Tejasri, Chris Watts, and Frank Kibbish.

PUBLIC HEARING WAS CLOSED AT 8:33 P.M.

Council Consensus to direct ad hoc and staff to bring back: a map showing all parcels where dispensaries could be located using both the 250 and 500 foot restrictions; a list of all uses within all zoning designations; and show which would go to the Planning Commission and which would go to the Zoning Administrator.

Motion/Second: Crane/Brown to continue the public hearing to January 18, 2017. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

c. 1) Prop 218 Public Hearing: Adjustments to Rates, Fees, and Charges for Residential Solid Waste Curbside Collection; and 2) Receive "City Manager's Report" on Recommendation of Adjustments to Solid Waste Rates, Fees, and Charges for Residential and Commercial Curbside Collection and Transfer Station Tipping Fee, and Schedule a Second Public Hearing – Public Works.

Presenters: Sage Sangiacomo, City Manager; Dan Buffalo, Finance Director; and Tim Eriksen, Public Works Director/City Engineer.

PUBLIC HEARING WAS OPENED AT 8:38 P.M.

Public Comment: Louisa Morris, Solid Waste General Manager.

PUBLIC HEARING WAS CLOSED AT 8:40 P.M.

Motion/Second: Crane/Doble to continue the Public Hearing to December 7, 2016 at 6:15 PM, pursuant to Ukiah City Code Sections 3950-3957 to consider adjustments to residential and commercial solid waste collection rates, fees, and charges and adjustments to the Transfer Station Tipping Fee. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

RECESS 8:44 – 8:59 P.M.

12. UNFINISHED BUSINESS

a. Authorize Execution of Amendment to the Agreement with GHD in an Amount Not to Exceed \$130,746 for Supplemental Design Services for the Redwood Business Park Transportation Improvements and the Talmage Interchange Projects and Approve Budget Amendment – Public Works.

Presenter: Tim Eriksen, Public Works Director/City Engineer.

Public Comment: Chris Watts.

Motion/Second: Doble/Mulheren to authorize execution of amendment (*COU No. 1213-142-A9*) to the agreement with GHD in an amount not to exceed \$130,746 for supplemental design services for the Redwood Business Park Transportation Improvements and the Talmage Interchange Projects and approve budget amendment. Motion **carried** by the following roll call votes: AYES: Crane, Mulheren, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

b. Approval of Amendment No. 2 to GHD, Inc. in the Amount of \$102,938 for Engineering Design and Construction Oversight Services for Wells #4 and #9 and Corresponding Budget Amendment – Public Works.

Presenters: Sean White, Director of Water and Sewer and Jarod Thiele, Public Works Management Analyst.

Motion/Second: Crane/Mulheren to approve Amendment No. 2 (*COU No. 1314-200-A2*) to GHD, Inc. in the amount of \$102,938 for engineering design and construction oversight services for Wells #4 and #9 and corresponding budget amendment. Motion **carried** by the following roll call votes: AYES: Crane, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

c. Award of Contract to SMB Environmental for the Preparation of an Environmental Impact Report for the Ukiah Landfill Closure Project in the Amount of \$147,977 and Approval of Corresponding Budget Amendment – Public Works.

Presenters: Tim Eriksen, Director of Public Works/City Engineer and Jarod Thiele, Public Works Management Analyst.

Public Comment: Chris Watts.

Motion/Second: Crane/Mulheren to award of contract (COU No. 1617-141) to SMB Environmental for the preparation of an Environmental Impact Report for the Ukiah Landfill Closure Project in the amount of \$147,977 and approval of corresponding budget amendment. Motion **carried** by the following roll call votes: AYES: Crane, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

13. NEW BUSINESS

a. Introduction of the Ordinance Amending Section 2000.3 in Chapter 12 in Division 1 of the Ukiah City Code, Entitled “Ukiah Skate Park Rules And Regulations” Pertaining to Hours of Skate Park Operations – Community Services.

Presenter: Tami Bartolomei, Community Services Administrator.

Motion/Second: Crane/Brown to introduce the Ordinance by title only. Motion **carried** by the following roll call votes: AYES: Crane, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

City Clerk, Kristine Lawler, read the Ordinance title.

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UKIAH AMENDING SECTION 2000.3 IN CHAPTER 12 IN DIVISION 1 OF THE UKIAH CITY CODE, ENTITLED “UKIAH SKATE PARK RULES AND REGULATIONS”

Motion/Second: Crane/Brown to introduce the Ordinance by title only amending Section §2000.3 of Chapter 12, Division 1 of the Ukiah City Code, entitled “Ukiah Skate Park Rules and Regulations” pertaining to hours of skate park operations. Motion **carried** by the following roll call votes: AYES: Crane, Doble, Brown, and Scalmanini. NOES: None. ABSENT: None. ABSTAIN: None.

CITY COUNCIL ADJOURNED TO CLOSED SESSION AT 9:35 P.M.

14. CLOSED SESSION

a. Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to Cal. Gov’t Code Section 54956.9(d)(2) Number of potential cases (1) (Landfill)

b. Conference with Legal Counsel – Existing Litigation

(Cal. Gov’t Code Section 54956.9(d)(1))

Name of case: *City of Ukiah v. Questex, LTD, et al, Mendocino County Superior Court, Case No. SCUk- CVPT-15-66036*

c. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: *Ukiah Valley Sanitation District v. City of Ukiah, Sonoma County Superior Court, Case No. SCV 256737*

d. Conference with Legal Counsel – Existing Litigation

(Cal. Gov't Code Section 54956.9(d)(1))

Name of case: County of Mendocino v. Solid Waste System, Inc. et al., Mendocino County Superior

Court, Case No. SCUK-CVG-11-59459

e. Conference with Legal Counsel – Existing Litigation

(Cal. Gov't Code Section 54956.9(d)(1))

Name of case: *Ukiah Citizens for Safety First v. City of Ukiah*, Mendocino County Superior Court, Case No. SCUKCVPT 14-63579

f. Conference with Real Property Negotiators

(Cal. Gov't Code Section 54956.8)

Property: 429 South Dora St. Ukiah, CA 95482

Negotiator: Sage Sangiacomo, City Manager

Negotiating Parties: City of Ukiah and Ukiah Unified School District

Under Negotiation: Price & Terms of Payment

15. ADJOURNMENT

There being no further business, the meeting adjourned at 9:47 p.m.

Kristine Lawler, City Clerk



ITEM NO.: 7a

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: APPROVAL OF CONTRACT AMENDMENT WITH GRANICUS, INC. TO ADD A PORTABLE ENCODER AND AN AGENDA WORKFLOW COMPONENT, AND APPROVE CORRESPONDING BUDGET AMENDMENTS

Summary: Council will consider approving an amendment to the agreement with Granicus, Inc., the company that facilitates the recording and publication of agendas and minutes for City meetings, to include a portable encoder that provides audio visual recording and internet broadcasting of off-site meetings, and for an agenda workflow component to simplify the agenda publication process and to reduce costs in staff time and publication errors.

Background: The City has been using the Granicus program with success since 2010. Currently, Granicus is used to record the meetings for the Planning Commission and City Council that take place in the Council Chamber. The meeting recordings can be bookmarked by the item allowing public and staff access to specific discussions without listening to the entire meeting.

The Portable Encoder is hardware that would allow the same type of audio visual recordings and the ability to stream live from any location, and then upload these recordings to the agendas and minutes page on the City's website. This would be useful for Strategic Planning sessions and other workshops that take place at the Conference Center, as well as Board and Commission meetings (Traffic Engineering Committee; Parks, Recreation and Golf Commission; Paths, Open Space and Creeks Commission, etc.) that take place in conference rooms, along with other off-site meetings and meeting locations.

Peak Agenda is an agenda workflow component that would simplify the current process of placing items onto the agenda. Presently, the agenda process is as follows:

- Department drafts staff report and submits to the City Clerk in a Word format.
- The City Clerk's office formats, edits, and proofs for grammar and punctuation and submits to City Manager.
- The City Manager edits for content and then either gives it back to the department for corrections, or finalizes and gives to the City Clerk for publication.
- The City Clerk converts all finalized reports into PDFs, and places them in an uploading folder.
- Once all items are in, the City Clerk copies the title of each item and pastes it into a draft agenda in Word format. Once the draft agenda is finalized, it is then converted into a Text File and a PDF in order to upload to Granicus and BOX.
- The City Clerk goes into Granicus and uploads the corresponding agenda report and attachments for each agenda title.

Continued on Page 2

RECOMMENDED ACTION(S): Approve a contract amendment with Granicus, Inc. to add a Portable Encoder and the Peak Agenda program, and approve corresponding budget amendments.

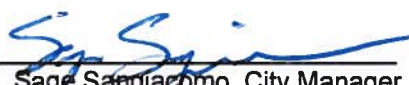
ALTERNATIVES: Do not approve contract amendment and continue with current processes.

Citizens advised: N/A
Requested by: Sage Sangiacomo, City Manager
Prepared by: Kristine Lawler, City Clerk and Mary Horger, Procurement Manager
Coordinated with: Scott Shaver, Information Technology Administrator and Daniel Buffalo, Finance Director
Presenters: Kristine Lawler, City Clerk and Mary Horger, Procurement Manager
Attachments: 1. Granicus Proposal

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted..

Approved: 
Sage Sangiacomo, City Manager

Issues that have arisen from this process are:

- Staff time it takes to process each agenda item.
- If there are multiple people working on an item (i.e. multiple Staff, City Attorney, City Manager, City Clerk), and the report is being emailed from person to person, it is easy to get the reports mixed up and end up with an incorrect report, or additional staff time to determine what's what.
- Using and converting multiple programs, which takes time and sometimes has complications.

Using Peak Agenda, will simplify this process by the following:

- The staff report is written in the program.
- There is a clear routing system so that each person makes their edits in turn and there is no confusion of which document is the current one, and whether the document contains various people's edits.
- The program includes a comment bar, so that an on-going dialogue can take place and be recorded and seen by all players.
- The program is in a set format so that time spent on formatting the reports is no longer necessary.
- Once the documents are signed off in the program, they are automatically uploaded to the agenda in Granicus (attachments can still be uploaded in all formats.)
- Multiple meeting agendas can be worked on at once, and Peak Agenda gives an instant status of where each item is in the process.
- Numerous references have indicated that the program is easy to use.

Discussion: Granicus' proposal for the additional hardware and software is provided as Attachment 1. Pricing includes the following:

Monthly cost for the additional software:	
Portable Encoder Software:	\$200.00/month
Peak Agenda Management Software:	\$400.00/month

One-time cost for the additional hardware:	
Portable Encoder Hardware	\$6,500.00 (plus tax)
Shipping	\$125.00

One-time installation cost:	
Portable Encoder Software Installation and Configuration Services	\$875.00

TOTALS:	
Monthly Cost	\$600.00/month
Upfront One-time Cost	\$7,500.00 (plus tax)

Granicus has a promotional offer (expiring December 31st) for a three month free subscription to Peak Agenda, which represents a \$1,200.00 savings. The three months would start after software installation and training. If in those three months staff decides that the program does not fulfill the City's expectations, it can be cancelled at no cost to the City.

If approved, the current Granicus agreement will be amended to include these additional costs.

The implementation of a portable encoder system will also require the purchase of a video camera, stand, etc. This equipment will be purchased elsewhere, and will be an additional cost of approximately \$5,300.00.

The software cost for the remaining six months in fiscal year ending 2017 will be \$2,400.00, and will be paid from the I.T. software account 20922900.54320. The remaining software cost will be budgeted for in future fiscal years. The one-time hardware and installation cost, including the video camera and miscellaneous accessories, will be approximately \$13,400.00, and will be paid from the Information Technology supplies account 20922900.54100. Funds are not available in this account, so a corresponding budget amendment will need to be approved.

There is \$81,978.55 available in account 2510000.39046, which is a fund that was originally established for I.T. Department upgrades. There is also \$22,337.65 available in account 22000000.38196 that was established for I.T. Department equipment reserve. Staff would like Council's authorization to transfer both amounts into the IT internal service fund 209 to finance this upgrade to the Granicus system and to establish a capital reserve fund for future IT infrastructure upgrades and improvements.

It is staff's recommendation that Council approve the request to amend the Granicus contract to include the items as outlined above, and approve corresponding budget amendments.

FISCAL IMPACT:					
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number		Budget Amendment Required	Amended Budget Amount
\$203,800	Software	20922900.54320		Yes ☐ No ☒	\$203,800
\$15,600	Supplies	20922900.54100		Yes ☒ No ☐	\$29,000
\$81,978.55	Special Projects Reserve	FROM: 25100000. 39046	TO: 20900000. 39046	Yes ☒ No ☐	\$68,578.55
\$22,337.65	Equipment Reserve Fund	FROM: 22000000. 38196	TO: 20900000. 39046	Yes ☒ No ☐	\$22,337.65



Ukiah, CA | Peak Agenda & Portable SDI Encoder Proposal

PRESENTED BY: Chavin Muniz, Granicus

PRESENTED TO: Ukiah

DELIVERED ON: November 29, 2016

EXPIRES ON: December 31, 2016

Executive Summary

This proposal is based on conversations between Chavin Muniz and Kristine Lawler and aligns with Ukiah's existing Granicus services.

Ukiah currently utilizes Granicus for streaming meeting audio and publishing meeting information to the public Website for citizen access. Granicus offers a fully web-based agenda management software, called *Peak Agenda*, which integrates seamlessly with the existing Granicus streaming platform, and will reduce the current workload required to prepare for streaming events. Additionally, *Peak Agenda* will automate the agenda creation process, and help increase efficiency in both agenda and minutes preparation.

In addition I want to offer a promo for PEAK , it is a 3 month trial period. For the first three months of service you will not be charged for PEAK, a savings of \$1200. Invoices for PEAK will begin when the three month trial period is complete. Please note that after December 31st, 2016 this promotion will no longer be applicable.

This proposal also includes the addition of a new portable SDI encoder, designed to record and stream meetings off-site or back and forth from various meeting rooms. The portable encoder is a military grade laptop with built-in encoder card and Granicus software.

Pricing Breakdown for your Solution

Software as a Service			
Name	Qty	Unit (Monthly)	Total (Monthly)
Portable Encoder Software	1.0 Unit(s)	\$200.00	\$200.00
Peak Agenda Management Software	1.0 Package	\$400.00	\$400.00
Total Software Monthly Cost:			\$600.00

Hardware			
Name	Qty	Unit (Upfront)	Total (Upfront)
Portable Encoder Hardware (SDI)	1.0 Unit(s)	\$6,500.00	\$6,500.00
Shipping - Large Item	1.0	\$125.00	\$125.00
Total Hardware Upfront:			\$6,625.00

Professional Services			
Name	Qty	Unit (Upfront)	Total (Upfront)
Portable Encoder Software Installation and Configuration Services	1.0 Service(s)	\$875.00	\$875.00
Total Services Upfront:			\$875.00

Total Upfront Cost:	\$7,500.00
Total Monthly Cost:	\$600.00
Current Monthly Total Cost:	\$771
New Monthly Total Cost:	\$1,371

Granicus Portable Encoder

Granicus' new Portable Encoder solution is a hardware and software product aimed at making it easy for you to easily record, manage, and live stream high-quality meetings & videos. We've upgraded our software to use the latest video technology and matched it a nimble and robust, military-grade laptop form factor. You'll be able to take this solution and work offline or online at conference centers, office buildings, council rooms, and any other meeting room you want.

Rigorously tested and certified to work with Granicus technology, the Portable Encoder allows you to maintain the highest level of service to your citizens at a low monthly cost.

- Stream from any location, anytime, with an internet connection
- Portable device compatible video
- Ability to work on & offline
- Easy to transport & manage
- Simplified meeting setup

As a fully-managed solution, Granicus will provide customers with all necessary upgrades, repairs or replacements to ensure the appliance works effectively on the Granicus platform.

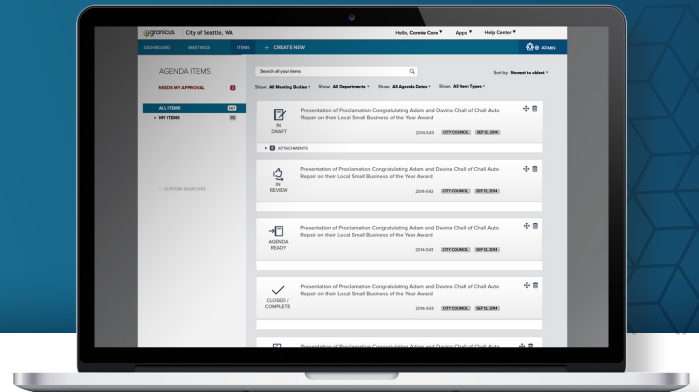
The Granicus Portable Encoder can be configured to support local live and on-demand streaming. Each device is equipped with 500GBs of local storage, or roughly 500 hours at standard bit rates. Granicus provides unlimited cloud content storage and retention. Finally the Portable Encoder is military grade and strong enough to work in any video encoding environment.



PEAK AGENDA MANAGEMENT

New from Granicus!

Visit www.Granicus.com/PeakDemo to learn more about the the fastest, most supported, most usable agenda management software in the industry.



The challenges of the agenda management process for municipal clerks are well-known and well-documented: highly manual, paper-dependent processes with little automation, with many inputs and approvers that create bottlenecks and information inconsistencies.

For years, Granicus has delivered the leading agenda management solution to government with software that solves real problems, and now, we've raised the bar even further.

Introducing Peak Agenda Management - the fastest, most supported, most usable browser-based agenda management software in the industry, from the company that has set the pace.

Peak Foundations

EASY

In dissecting the complexity of the agenda preparation process, we didn't want to just layer technology on top of the issues and call it good. Ease-of-use and intuitiveness of the Peak application will allow clerks to quickly get up to speed but also ramp up new staff and drafters with ease

FAST

Above all else, an agenda management application should drastically reduce the time spent managing agenda preparation. That's why features like autopopulation of fields and drag-and-drop editing were included, so agendas can be created faster and clerks can free up time

MOST-SUPPORTED

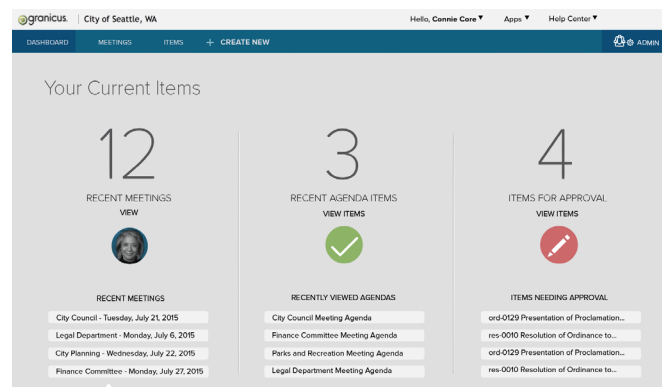
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“We wanted something easy but efficient for both the Council and Staff to use as effectively as possible. We found that with this program.”

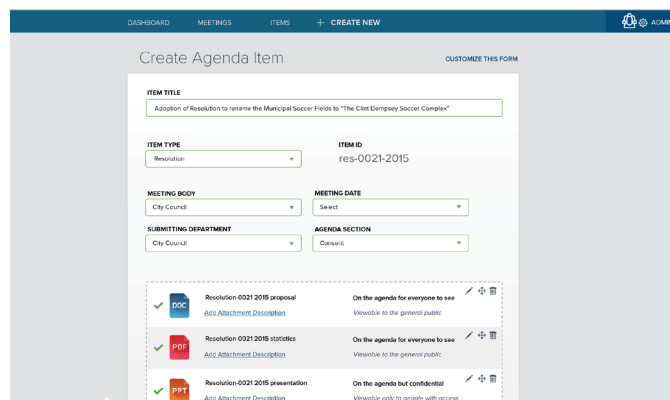
Daralyn Spivey, Village Clerk, Village of Bald Head Island, N.C.

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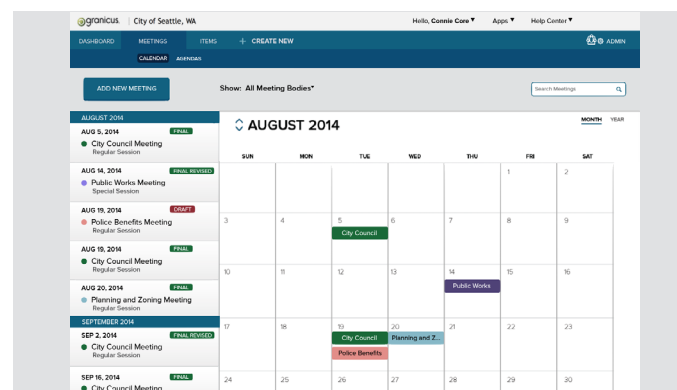
BEST-IN-CLASS USABILITY



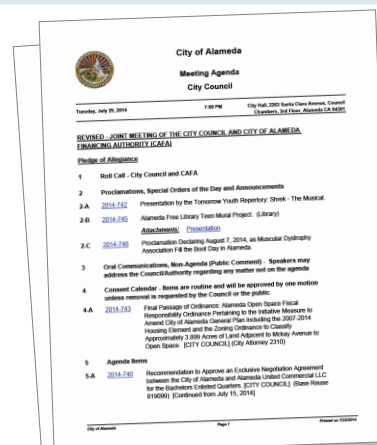
DASHBOARD Quickly access information tailored to your responsibilities and view latest comments via the timeline on agenda information



AGENDA ITEM CREATION AND WORKFLOW: Easily create agenda items and route through sequential or concurrent approval phases



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- World's most experienced provider of government transparency, citizen participation, meeting efficiency, and legislative management solutions with:
 - Over 1,200 clients in all 50 states, at every level of government
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- Only provider of both government webcasting and citizen engagement services
- 24/7/365 customer service and support
- 97% customer satisfaction rating, 98.5% client retention rating
- One of the 100 companies that matter most in online video by Streaming Media magazine
- Ranked 185 on Deloitte 500 fastest growing companies
- Ranked 419 on Inc 500 fastest growing companies
- Client Success stories are available here: <http://www.granicus.com/customers/case-studies/>

Proposal Terms and Conditions

- Sales tax may apply depending on your organization's tax status and the tax laws unique to your state, county and/or municipality
- Fifty percent (50%) of all up-front fees for all products are due upon Granicus' receipt of an executed agreement or purchase order, as appropriate. The remaining fifty percent (50%) of up-front fees for each product are due upon delivery of that product.

Annual billing for Managed Services for associated products shall begin upon completion of delivery as defined below. Client Shall be invoiced for a twelve (12) month period commencing upon delivery of the configured product(s). Thereafter, Client will be billed annually in advance. Client agrees to pay all invoices from Granicus within thirty (30) days of receipt of invoice. Client acknowledges that products may be delivered and fully operational separate from the other purchased products.

For Granicus Hardware, delivery is complete once the Client receives Hardware components with the configured Granicus Software. For Granicus Software, delivery is complete once the Software is installed, configured, tested and deemed by Granicus to be ready for Client's use, irrespective of any training services provided to Client by Granicus. Granicus oftentimes sells multiple software suites in one transaction. For Clients that have purchased multiple suites, Granicus reserves the right to start invoicing on a per suite basis when considered delivered.

- For existing clients, the costs associated with this proposal or purchase order are in addition to client's existing services.
- If Client's solution requires any onsite training, Client agrees to pay travel expenses for Granicus employees (including but not limited to airfare, lodging, meals) not to exceed two thousand dollars (\$2,000.00) per trip.
- If multiple products are included in this proposal, product scope of work timelines might not run parallel to each other and extend the time of the overall project.



ITEM NO.: 7b

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: POSSIBLE ADOPTION OF THE ORDINANCE AMENDING SECTION 2000.3 IN CHAPTER 12 IN DIVISION 1 OF THE UKIAH CITY CODE, ENTITLED "UKIAH SKATE PARK RULES AND REGULATIONS"

Summary: On November 16, 2016, the City Council introduced this Ordinance amending Section 2000.3 in Chapter 12, Division 1 of the Ukiah City Code, entitled "Ukiah Skate Park Rules and Regulations". Specifically, the first sentence in subsection (E)(1) of Section 2000.3 is amended to read as follows:

The hours of use of the skate park shall be from 8 a.m. to 5 p.m. during standard time and 8 a.m. to 8 p.m. during daylight savings time.

The vote was unanimous, 5-0, as a result the ordinance can be adopted as a consent calendar item.

The ordinance if adopted, will become effective on January 6, 2017, thirty days after its adoption on December 7, 2016

Discussion: Staff recommends adopting the ordinance amending Section 2000.3 of Chapter 12, Division 1 of the Ukiah City Code, entitled "Ukiah Skate Park Rules and Regulations" pertaining to hours of skate park operations.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RECOMMENDED ACTION(S): Adopt Ordinance amending Section 2000.3 of Chapter 12, Division 1 of the Ukiah City Code, entitled "Ukiah Skate Park Rules and Regulations".

ALTERNATIVES: Leave the affected City Code sections unchanged or provide instructions to staff on desired amendments to the ordinance.

Citizens advised: N/A

Requested by: Tami Bartolomei

Contact/Prepared by: Tami Bartolomei

Coordinated with: Darcy Vaughn, Assistant City Attorney

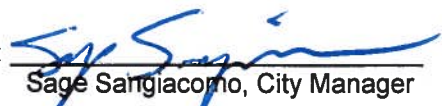
Presenter: Tami Bartolomei

Attachment: 1A – Ordinance amending the Ukiah City Code, Section 2000.3 Chapter 12, Division 1 of the Ukiah City Code, entitled "Ukiah Skate Park Rules and Regulations".

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

ORDINANCE NO.**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UKIAH AMENDING SECTION 2000.3 IN CHAPTER 12 IN DIVISION 1 OF THE UKIAH CITY CODE, ENTITLED "UKIAH SKATEPARK RULES AND REGULATIONS"**

The City Council of the City of Ukiah hereby ordains as follows:

SECTION ONE.

Ukiah City Code Section 2000.3 in Division 1, Chapter 12 of the Ukiah City Code, is hereby amended to read as follows (unchanged text is omitted and is shown by "* * *"):

§ 2000.3: UKIAH SKATEPARK RULES AND REGULATIONS

* * *

E. Regulation Of Use And Rules Of Conduct: Any person using the skatepark shall comply with the following rules and regulations:

1. Hours: The hours of use of the skatepark shall be from 8 a.m. to 5 p.m. during standard time and 8 a.m. to 8 p.m. during daylight savings time. Use of the park at any other time is prohibited unless a special permit is secured and approved by the city manager or his or her designee

* * *

SECTION TWO.

1. Severability: If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council of the City of Ukiah hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases may be held invalid or unconstitutional.

2. Publication: Within fifteen (15) days after its adoption, this Ordinance shall be published once in a newspaper of general circulation in the City of Ukiah. In lieu of publishing the full text of the Ordinance, the City may publish a summary of the Ordinance once 5 days prior to its adoption and again within fifteen (15) days after its adoption.

3. Effective Date: The ordinance and shall become effective thirty (30) days after its adoption.

Introduced by title only on November 16, 2016, by the following roll call vote:

AYES: Councilmembers Crane, Mulheren, Doble, Brown, and Mayor Scalmanini
 NOES: None
 ABSENT: None
 ABSTAIN: None

Adopted on December 7, 2016 by the following roll call vote:

AYES:
 NOES:
 ABSENT:
 ABSTAIN:

_____, Mayor

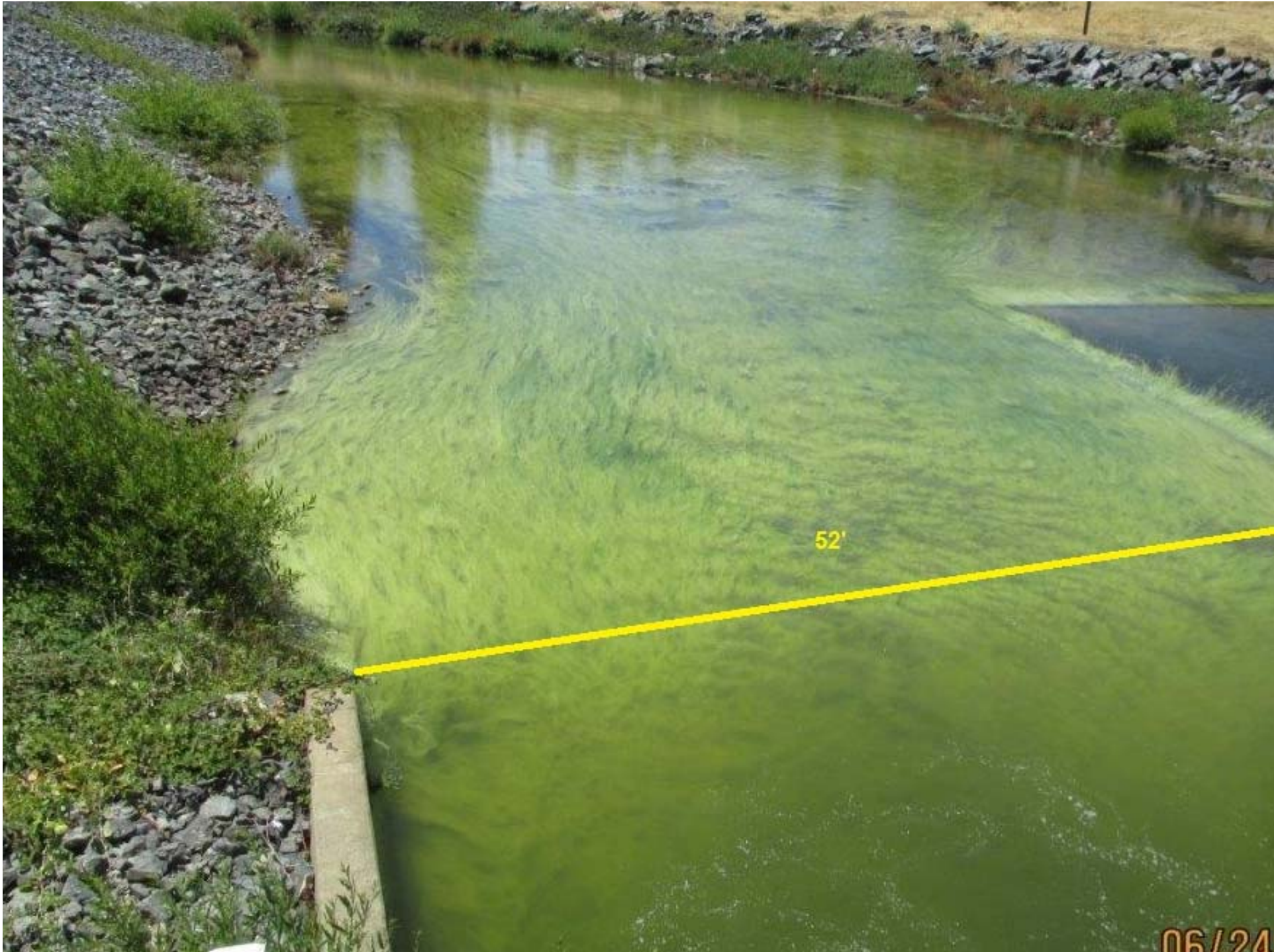
ATTEST:

 Kristine Lawler, City Clerk

Hydroelectric Plant Turbine Gate Repair























ITEM NO.: 11a

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: PUBLIC HEARING, CONSIDERATION AND POSSIBLE ADOPTION OF RESOLUTION ADJUSTING SOLID WASTE RATES, FEES, AND CHARGES FOR RESIDENTIAL AND COMMERCIAL CURBSIDE COLLECTION AND POSSIBLE ADOPTION OF RESOLUTION ADJUSTING TRANSFER STATION TIPPING FEES

Summary: Under the provisions of Ukiah City Code Sections 3950-3957, consider the following Agenda Summary Report (ASR) (herein referred to as the "City Manager's Report"), first presented to the City Council and made available to the public on November 16, 2016, and conduct a public hearing on adjustments to the residential and commercial curbside solid waste collection rate schedules and Transfer Station Tipping Fee.

Background: In addition to Prop 218 requirements to adjust solid waste rates, fees, and charges for residential customers, which was completed on November 16, 2016, Ukiah City Code Sections 3950-3957, which were last amended in 1975 and have not been updated to accommodate the rate setting procedure in Proposition 218, requires the City Council to hold a public hearing and provide in advance a City Manager's report and recommendation on any adjustment to utility rates, fees, and charges. These procedures have been performed.

Discussion: To satisfy the requirements of both Prop 218 and the City's code sections 3950-3957, staff recommended conducting two public hearings. The first hearing was held on November 16, 2016, to address Prop 218 noticing requirements for adjustments to fees, rates, and charges for residential curbside solid waste collection only. These fees are what the City has determined to be subject to Prop 218 due to the characteristics of the fee, those being property-related and mandatorily required of all residential property owners/tenants. Prior to this hearing, written protests from residential property owners/tenants were received; no public comment was made during the afforded time of the hearing.

The second public hearing on December 7, 2016, is to satisfy separate City noticing requirements, when residential solid waste collection rates will be open for public input again, along with commercial curbside solid waste collection rates, fees, and charges and the adjustment to the Transfer Station Tipping Fee.

Continued on Page 2

RECOMMENDED ACTION(S): Conduct a public hearing, pursuant to Ukiah City Code Sections 3950-3957, and adopt resolution adjusting residential and commercial solid waste collection rates, fees, and charges and adopt resolution adjusting the Transfer Station Tipping Fee.

ALTERNATIVES: Do not approve but provide direction to staff.

Citizens advised:

Requested by: Sage Sangiacomo, City Manager

Prepared by/Contact: Daniel Buffalo, Finance Director

Coordinated with: David Rapport, City Attorney; Tim Eriksen, Public Works Director

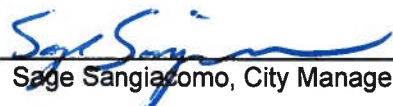
Presenters: Sage Sangiacomo, City Manager

Attachments: Attachment 1: Transfer Station Tipping Fee Resolution and Rate Schedule
Attachment 2: Transfer Station Tipping Fee Adjustment Calculation Schedules
Attachment 3: Curbside Solid Waste Rate Adjustment Resolution and Rate Schedule
Attachment 4: Curbside Rate Adjustment Calculation Schedules

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted..

Approved: 
Sage Sangiacomo, City Manager

solid waste collection rates, fees, and charges and the adjustment to the Transfer Station Tipping Fee. Following that public hearing, Council will consider two resolutions for adoption: the first for residential and commercial solid waste curbside collection rates, fees, and charges; the second for adjustment to the Transfer Station Tipping Fee, which is necessary to fund the closure, post-closure, and corrective action plan of the landfill.

The rate setting process began with a rate request submitted by the Ukiah Waste Solutions, Inc. (Company) asking for an increase in rates of 0.21%. Staff considered the component costs of this rate request and studied the company's reviewed financial statements to arrive at a rate decrease of the Company's existing rates of (0.86%), or 1.07% less than requested by the Company. It should be noted that the Company is receiving a decreased rate of (0.86%) even while adding the new Mixed Organic Waste collection service.

Separately, the City Council Landfill Closure Ad Hoc Committee recommended an increase of twelve dollars (\$12) per ton in the Transfer Station disposal surcharge. Staff then applied the effect of that recommended amount to the Company's rate decrease to arrive at a recommended net increase in rates of 3.59%. The proposed curbside rates include an increase in the transfer station gate fee from \$81.21 to \$92.90, which includes the \$12 landfill closure surcharge.

The proposed increase related to the disposal surcharge is necessary to fund the CalRecycle mandated costs of closure, post-closure, and corrective action plan of the City's landfill, while continuing to allow the City's solid waste hauler to recover the cost of providing service to customers and meet its diversion goals. If approved by Council, initial rates shall be implemented for service commencing on January 1, 2017, as set forth in Exhibit A to the Transfer Station Tipping Fee Resolution and Rate Schedule (Attachment 1). Detailed calculations used to derive the rate are included here as well (Attachment 2).

After careful consideration of costs and funding requirements, staff developed an initial rate adjustment amounting to 3.59% for nearly all curbside service. As an example, the change to the curbside rate for a residential 32-gallon can would be \$0.65 per month, raising the current, monthly rate from \$18.17 to \$18.82. Few exceptions to note where the rate adjustment appears higher are due to the effects of rounding to the nearest cent or to make necessary modifications for regular trash collection of smaller service receptacles due to changing conditions in the recycling market.

Over the next five years, these proposed rates to residential and commercial service allow for an annual adjustment for changes in the San Francisco Bay Area Consumer Price Index for All Urban Consumers (CPI-u), as reported in April of each year; for potential changes in the fuel index; and to allow for various pass-through disposal and other fees that may occur but yet are unknown. If approved by Council, initial rates shall be implemented for service commencing on January 1, 2017, as set forth in Exhibit A to the Curbside Solid Waste Rate Adjustment Resolution (Attachment 3). Detailed calculations used to derive residential and commercial curbside collection rates are included here as well (Attachment 4).

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RESOLUTION NO. 2016-**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH ADOPTING A REVISED RATE SCHEDULE FOR THE UKIAH TRANSFER STATION FOR FIVE-YEAR PERIOD COMMENCING JANUARY 1, 2017- DECEMBER 31, 2021****WHEREAS:**

1. Solid Waste Systems of Ukiah, Inc. ("Company") operates a Transfer Station on Plant Road near Ukiah for the receipt and processing of solid waste ("Operations") from City of Ukiah ("City") and County of Mendocino franchised waste haulers and self-haulers, pursuant to the Second Amended and Restated Transfer Station Agreement ("Transfer Station Agreement"), dated October 7, 2015; and

2. Section 6.1 of the Transfer Station Agreement adopted rates ("Tipping Fees") for Operations, as described in Section 4. Section 6.2 provides for annual modification of Tipping Fees based on increases or decreases in the Consumer Price Index, the Fuel Index and Pass-through Costs. Pass-through Costs include the cost of disposing of solid waste received at the Transfer Station at a properly licensed solid waste landfill; and

3. Section 6.4 of the Transfer Station Agreement provides that every five years, beginning no later than April 2, 2016, for the rates effective on January 1, 2017, and every five years thereafter, the City shall conduct a review of the Tipping Fees to determine whether the automatic annual adjustments adequately account for the actual increases or decreases in the Company's reasonable operating costs; and

4. In conducting the five year rate review the City may conduct such investigation as it deems appropriate and the Company must cooperate with that investigation which may include the inspection and copying of Company records and a Review or Audit of the Company's financial records by a City retained Certified Public Accountant ("CPA"); and

5. The City staff and its retained CPA conducted an investigation they deemed appropriate, including a review of the Company's financial statements, as reviewed by Moss Adams, LLP, a major national accounting firm, and other Company financial records; and

6. The results of the investigation and the staff's recommendations, including the data relied upon and the staff's analysis and recommendations, were summarized in the Agenda Summary Report for the City Council meeting on September 21, 2016, and have been publically available on the City's website at <http://www.cityofukiah.com/solidwastenotice/>; and

7. This same information is incorporated into a "City Manager's Report" and recommendation pursuant to Ukiah City Code Section 3952, which has been publically available at <http://www.cityofukiah.com/solidwastenotice/> for not less than 10 days prior to the December 7, 2016, rate hearing; and

9. The proposed adjustments in the Transfer Station Rates are reflected as a Pass-through cost in the notice and rate schedule for the City's curbside waste collection rates which are scheduled for hearing on November 16, 2016; and

10. Forty-seven days prior to the hearing scheduled for November 16, 2016, the City has provided direct mail notice of the proposed curbside collection rates to every owner of property in the

City, as listed on the Mendocino County tax records, and every customer of curbside waste collection services in the City; and

10. The City Clerk has published notice in the Ukiah Daily Journal of the proposed Tipping Fee adjustments in compliance with Ukiah City Code Section 3954; and

11. After conducting the hearings on November 16, 2016 and December 7, 2016, and considering all of the evidence, statements and arguments presented during the hearings, the City Council determined that the proposed rate schedule, attached hereto as Exhibit A ("Initial Rate Schedule") provides reasonable rate adjustments which are fair to both the Company and the ratepayers;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ukiah hereby adopts the Initial Rate Schedule, as set forth in Exhibit A.

BE IT FURTHER RESOLVED that the rate schedule adopted by this Resolution shall be effective on January 1, 2017. All prior rate schedules in conflict herewith are repealed upon the effective date of the new schedule. All other contract conditions for service remain unaltered and in full effect and the City Clerk shall cause the publication of this resolution in the Ukiah Daily Journal within 10 days following Council action on December 7, 2016, pursuant to the provisions of Section 3957 of the Ukiah City Code.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ukiah on the 7th day of December 2016, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

, Mayor

ATTEST:

Kristine Lawler, City Clerk

Solid Waste Systems, Inc. Transfer Station Initial Rate Schedule Effective Date January 1, 2017		
Item		2017 Rates
MSW - Ton		\$92.90
MSW - Yard		\$21.20
Minimum Gate Fee - MSW	Up to 3 cans	\$10.60
Per Can Rate - 32 gallon	After 3 cans	\$3.55
Green Waste - Ton		\$42.05
Green Waste - Yard		\$6.15
Minimum Gate Fee - Green Waste		\$6.05
Mixed Load - Additional Charge		\$18.80
Appliances		\$10.35
Oil Filters - Small		\$0.35
Oil Filters - Medium		\$0.65
Oil Filters - Large		\$0.90
Concrete - Ton		\$65.95
Dirt - Ton		\$65.95
Sheetrock - Clean		\$42.05
Sheetrock - Dirty		\$65.95
Tires - Bicycle		\$1.20
Tires - Motorcycle		\$2.30
Tires - Passenger Car		\$3.45
Tires - Passenger Car with Rim		\$5.40
Tires - Truck		\$7.30
Tires - Truck with Rim		\$9.85
Tires - Tractor		43.45 - 328.65
E-Waste - Computers		No Charge
E-Waste - Monitors		No Charge
Scrap Metal		No Charge

- 1 Operating costs subject to CPI
 - a Total per SWS: \$1,468,787.62
 - b Staff adjustments

Fuel cost subtracted from CPI base should be \$163,257.57
instead of \$148,989.94. This is a change of \$14,267.63

Adjusted total per Staff: \$1,454,519.99

Solid Wastes Systems Transfer Station
Annual Adjustment Calculations
Effective Date January, 2017
Using 2015 Year Data

<u>COSTS Subject to adjustment</u>	Cost	Index		Adjustment Allowed
Operating Costs subject to CPI	\$1,454,519.99	CPI	\$	14,690.65
Fuel	163,257.57	Fuel		(26,841.27)
Fuel - change of location			One-time	\$37,684.97
Disposal - Garbage	\$1,034,037.26	Contract rate	Pass Through	(\$411,138.00)
Disposal - Processing	\$186,522.89	Negotiated	Pass Through	\$
Truck & Driver to Potrero			One-time	\$133,903.01
New Water Board Regulations			Pass Through	\$20,000.00
Maint / Prop Tax \$2.36/ton	\$82,839.96	Contract rate	Pass Through	\$
City Rent \$10/ton	\$351,016.80	Lease rate	Pass Through	\$
City Landfill Fee \$14./ton	\$70,203.36	Set by City	Pass Through	\$ 421,220.16
MSWMA Fee \$5/ton	\$175,420.92	Set by City	Pass Through	\$
Total COSTS Subject to adjustment	\$3,517,818.75			\$189,519.52
Adjusted Costs				\$3,707,338.27

Revenue base

Comparison Year Revenue	\$3,392,700.00
Fuel Index adjustment	(\$26,841.27)
Fuel adjustments destination change	\$37,684.97
Landfill Destination Change	\$133,903.01
Disposal - garbage	(\$411,138.00)
Disposal - processing	\$0.00
CPI adjustment	\$14,690.65
Construction/Lease \$2.36/ton	\$0.00
Negative Operating Costs Recovery	\$66,983.56
New Water Board Regulations	\$20,000.00
City Landfill Fee increase \$12	\$421,220.16
Allowed Return	\$150,081.31
Revenue change	\$406,584.39
Adjusted revenue	\$3,799,284.39

SWS Target return on revenue	
\$2,982,358.64	\$91,946.12
Calculated return	\$91,946.12
Return over Target	\$0.00

Revenue More (Less) than expenses \$91,946.12 2.94% (excluding \$ collected for others)

		Current	Adjustment	New
Contractor Rate increase as a percent	-0.43%	\$74.21	(\$0.31)	\$73.90
MSWMA Rate increase as a percent		\$5.00	\$0.00	\$5.00
City Rate increase as a percent		\$2.00	\$12.00	\$14.00

	\$81.21	Total Rate	\$92.90
EFFECTIVE RATE ADJUSTMENT PERCENT			14.39%

**Solid Wastes Systems Transfer Station
Annual Adjustment Calculations
Effective Date January, 2017
Using 2015 Year Data**

Worksheet for computing the change in various indexes and factors which comprise the components on which rates are adjusted

Fuel - June to June (EIA Petroleum & Other Liquids)

See Fuel cost adjustment worksheet

CPI - June to June (CPI-U All US Cities)

June 2015	June 2016	Index Increase (Decrease)
238.638	241.038	2.400
CPI % Change		1.01%

Landfill Fee Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$ 41.37	\$ 23.80	-17.570
Disposal - Garbage Cost % Change		-42.47%

Disposal Processing Fee Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$ 30.00	\$ 30.00	\$ 0.00
Disposal - Green Waste Cost % Change		0.00%

Transfer Station Tonnage at gate, Year to Year

December 2014	December 2015	Increase (Decrease)
31,939.64	35,101.68	3,162.04
Tonnage % Change		9.90%

City Landfill Fee June to June

January 2015	January 2016	Increase (Decrease)
\$ 2.00	\$ 14.00	\$ 12.00
City Landfill Fee % Change		600.00%

MSWMA Fee June to June

January 2015	January 2016	Increase (Decrease)
\$ 5.00	\$ 5.00	\$ 0.00
MSWMA Fee % Change		0.00%

**Worksheet for computing the change in various indexes and factors which
comprise the components on which rates are adjusted**

Fuel - June to June (EIA Petroleum & Other Liquids)

See Fuel cost adjustment worksheet

CPI - June to June (CPI-U All US Cities)

June 2015	June 2016	Index Increase (Decrease)
238.638	241.038	2.400
CPI % Change		1.01%

Landfill Fee Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$ 41.37	\$ 23.80	-17.570
Disposal - Garbage Cost % Change		-42.47%

Disposal Processing Fee Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$ 30.00	\$ 30.00	\$ 0.00
Disposal - Green Waste Cost % Change		0.00%

Transfer Station Tonnage at gate, Year to Year

December 2014	December 2015	Increase (Decrease)
31,939.64	35,101.68	3,162.04
Tonnage % Change		9.90%

City Landfill Fee June to June

January 2015	January 2016	Increase (Decrease)
\$ 2.00	\$ 2.00	\$ 0.00
City Landfill Fee % Change		0.00%

MSWMA Fee June to June

January 2015	January 2016	Increase (Decrease)
\$ 5.00	\$ 5.00	\$ 0.00
MSWMA Fee % Change		0.00%

Mileage Adjustment, to base, for fewer trips to landfill

Number of trips in base	1114
Number of trips in new year	1040
Change in number of trips	-74
Miles per trip	136
Total miles in base year	151504
Total miles for adjusted number of trips	141440
Change in number of miles	-10064

Percentage of reduction of trips/miles	-6.64%
Cost of fuel	148,989.94
Fuel cost reduction for reduced number of trips	<u>(9,897.00)</u>
Adjusted fuel cost	139,092.94
Lube & Oil	<u>14,267.63</u>
Adjusted total Base year fuel cost	<u>153,360.57</u>

Calculation to adjust fuel costs					
Fuel Revenue Adjustment Worksheet, based on Fuel Index change, June to June					
Base Year Fuel Index and Cost		3.102	\$200,641.15	2010 Actual	
Index Change - New vs. Base Year					
1	Fuel index adjustment at June 2011	4.213	35.82%	\$71,869.66	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2012 rate revision	→	\$71,869.66	\$0.00	Less: Prior Fuel Cost applied to rate
				\$272,510.81	Fuel Cost Allowed Year 1
Annual adjustment based on Fuel Index change, year to year (using example fuel index changes)					
2	Fuel index adjustment at June 2012	4.027	29.82%	\$59,831.19	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2013 rate revision	→	(\$12,038.47)	\$71,869.66	Less: Prior Fuel Cost applied to rate
				\$260,472.34	Fuel Cost Allowed Year 2
3	Estimated Fuel index adjustment at June 2013	4.023	29.69%	\$59,570.36	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2014 rate revision	→	(\$260.83)	\$59,831.19	Less: Prior Fuel Cost applied to rate
				\$260,211.51	Fuel Cost Allowed Year 3
4	Estimated Fuel index adjustment at June 2014	4.101	32.21%	\$64,626.51	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2015 rate revision	→	\$5,056.15	\$59,570.36	Less: Prior Fuel Cost applied to rate
				\$265,267.66	Fuel Cost Allowed Year 4
5	Estimated Fuel index adjustment at June 2015	3.192	2.90%	\$5,818.59	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2016 rate revision	→	(\$58,807.92)	\$64,626.51	Less: Prior Fuel Cost applied to rate
				\$206,459.74	May be RESET during rate review process
6	Estimated Fuel index adjustment at June 20	2.782	-10.32%	-\$20,706.17	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2017 rate revision	→	(\$26,524.76)	\$5,818.59	Less: Prior Fuel Cost applied to rate
				\$179,934.98	Fuel Cost Allowed Year 6

COMPUTATION OF COSTS SUBJECT TO CPI ADJUSTMENT

SWS CPI Operating Costs	SWS calculation	GE Revised	Varaince
Total Operating Expense		1,817,100.00	
Total Admin Expense		234,400.00	
Cost of Goods Sold		1,695,500.00	
Rounding		17.49	
TOTAL Expenses 2015	\$3,747,017.49	3,747,017.49	-
Less:			
Fuel	-\$148,989.94	(163,257.57)	(14,267.63)
Disposal - Garbage	-\$1,034,037.26	(1,034,037.26)	-
Disposal - Processing	-\$186,522.89	(186,522.89)	-
Maint / Prop Tax \$2.36/ton	-\$82,839.96	(82,839.96)	-
City Rent \$10/ton	-\$351,016.80	(351,016.80)	-
City Landfill Fee \$14./ton	-\$70,203.36	-\$70,203.36	-
MSWMA Fee \$5/ton	-\$175,420.92	-\$175,420.92	-
City Landfill Surcharge			-
Scrap Metal Cost	\$0.00		-
Buyback Recycle Purchase Cost	-\$145,792.88	-\$145,792.88	-
Compost / Landscape Cost	-\$83,405.86	-\$83,405.86	-
TOTAL CPI Allowed Operating Costs	\$1,468,787.62 ¹	² \$1,454,519.99	(14,267.63)
CPI Change	1.01%	1.01%	
CPI Adjustment	14,834.75	14,690.65	(144.10)

SUMMARY OF CHANGES TO REVENUE AND EXPENSES

	Expense	Revenue	Net Revenue
Total expense per Financial Statement	3,747,000		(3,747,000)
Less: Excluded Costs - Buyback	(145,793)		145,793
Buyback recycle purchase cost	(38,300)		38,300
Less: Excluded Costs - Landscape material expense	(45,100)		45,100
Revenue per Financial Statement		3,680,000	3,680,000
Exclude Compost sales revenue		(45,400)	(45,400)
Exclude Landscape material sales revenue		(49,600)	(49,600)
Exclude Buyback revenue		(145,600)	(145,600)
Exclude scrap metal revenue		(46,700)	(46,700)
SUBTOTAL	3,517,807	3,392,700	(125,107)
Less: Tipping fee reduction	(411,138)	(411,138)	-
Driver cost for new destination	107,997	107,997	-
Fuel adjustment for destination change	37,685	37,685	-
Fuel adjustment	(26,841)	(26,841)	-
Truck cost for new destination	24,815	24,815	-
CPI on driver cost	1,091	1,091	-
CPI on costs subject to CPI	14,691	14,691	-
New regulations cost	20,000	20,000	-
City surcharge increase	421,220	421,220	-
Recovery of operating deficit		66,984	66,984
Allowed Return		150,081	150,081
Total	3,707,327	3,799,285	91,958

Net revenue as a percent of revenue	2.4%
Net revenue as a percent of expenses	2.5%
Net revenue as a percent of SWS revenue (excluding City and MSWMA charges)	2.94%

Adjustments to Fuel Costs for destination change and fuel index
--

Based on 2015 actual

2015 Fuel cost per Financial Statement	144,816
Computed fuel cost to Eastlake	101,582
Transport fuel as percent of total fuel	70.1%
Total trips to Eastlake	1,114
Total trips to Portrero	1,040
Reduction in total trips	(74)
Miles per trip to Eastlake	136
Total miles to Eastlake	151,504
Miles reduced by fewer trips	(10,064)
Miles to remain in base cost	141,440
Miles remaining in base as a percent	93.36%
Fuel cost adjustment for reduced miles	(6,745)
Adjusted base year fuel cost	138,071
Fuel index 2015	3.192
Fuel index 2016	2.782
Fuel index percent change	-12.84%
Change in fuel cost	(17,728.27)

Adjusted base year oil & lube cost	18,441.91
Fuel index 2015	3.192
Fuel index 2016	2.782
Fuel index percent change	-12.84%
Change in oil & lube cost	(2,367.94)

Total Fuel expense adjustment	(26,841.27)
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Fuel cost after index adjustment	136,416.30
Fuel cost for change of destination (1)	37,684.97
Fuel cost for new year	174,101.27
Net change to expenses	10,843.70
Increase over 2015 actual	10,843.70

Change for reduced miles	(6,745.06)
Change for fuel index for fuel	(17,728.27)
Change for fuel index for oil & lube	(2,367.94)
Total fuel adjustments	(26,841.27)
Change for new destination	37,684.97
Total change	10,843.70

CALCULATION OF DRIVER AND TRUCK COST CHANGES

Driver wages	150,617.20	Computed
Driver ERE expense (allocated)	80,619.31	Payroll taxes and benefits
Total Driver cost	231,236.51	Computed
Hours per trip - Eastlake	3.5	Per SWS
Number of trips	1114	Per SWS
Total hours	3899	Computed
Driver cost per hour	59.31	Computed
Hours per trip - Potrero	5.5	Per SWS
Number of trips	1040	Per SWS
Total hours	5720	Computed
Driver cost per hour (use Eastlake calc)	59.31	Computed
Total Driver cost	339,233.86	Computed
Driver Cost increase	107,997.35	Computed
CPI % Increase	1.01%	Index
CPI Increase	1,090.77	Computed
Total Driver cost adjustment	109,088.13	Computed
Truck Cost/hr	13.63	\$95/hr less driver cost, less fuel cost
Truck hours increase	1,821	
Truck cost increase	24,814.88	
Combined cost increased	133,903.01	

Computation based on personnel costs as reported for 2015
and various trip cost changes computed by SWS on worksheet
"Change of Disposal Site"

DRIVER COST ANALYSIS

	Driver	Operating	Laborer	Scalehouse	Combined co:	Outside	Shop	Admin	Total Wages
Total	150,617.20	95,370.93	158,084.19	83,334.87	487,407.19	3,992.26	60,544.84	44,988.96	596,933.25
Wages	108,547.00	95,016.99	110,141.70	78,300.41	392,006.10	3,992.26	56,927.41	44,988.96	497,914.73
Overtime	42,070.20	353.94	47,942.49	5,034.46	95,401.09		3,617.43		99,018.52
									-
									-
									-

35.93

	Shared by All	Dr, Op, La, Sc	Shop	Admin	Total ERE
	43.10%	10.42%	16.84%	11.80%	11.11%
	255,585.47	50,793.96	10,195.98	5,307.14	66,297.08
Payroll tax		46,024.99	4,968.18		50,993.17
Group benefits	100,564.77			5,307.14	5,307.14
HAS	9,209.61				-
Workmens comp	143,457.66				-
Uniforms		4,100.07	5,227.80		9,327.87
Drug screen		668.90			668.90
Vacation	2,353.43				-
					-

Total Cost:

	Driver	Operating	Laborer	Scalehouse	Combined co:	Outside	Shop	Admin	Total Wages
Total personnel costs	231,236.51	146,419.14	242,700.28	127,940.66	748,296.59	3,992.26	96,838.50	69,688.46	918,815.80
Allocation of shared expenses	64,923.10	41,109.36	68,141.73	35,921.25	210,095.44		26,097.68	19,392.36	255,585.47
Direct ERE costs	15,696.21	9,938.85	16,474.36	8,684.54	50,793.96		10,195.98	5,307.14	66,297.08
Wages	150,617.20	95,370.93	158,084.19	83,334.87	487,407.19	3,992.26	60,544.84	44,988.96	596,933.25

Change of Disposal Site - CWS Computation

Disposal Facility Name	Quoted Tip Fee Per Ton	Round Trip Miles	Round Trip Time	Transportation Cost Per Trip \$95 / Hr	Transportation Cost Per Ton	Estimated TOTAL Disposal Cost Per Ton	Estimated Disposal Difference Per Ton
					21 Tons / Load		
Eastlake Landfill Clearlake, CA	\$41.37	136	3.5	\$332.50	\$15.83	\$57.20	Current Site
					22.5 Tons / Load		
Potrero Hills Landfill 3675 Potrero Hills Lane Suisun City, CA 94585	\$23.80	240	5.5	\$522.50	\$23.22	\$47.02	(\$10.18)

Fuel Change	Daly Gallons	Weekly Gallons	Yearly Gallons	June 2016 eia	Cost Per Year	Trips Per Year	Fuel Cost Per Trip	MPG	Fuel/Hr	
Eastlake	122.40	612.00	31,824.00	\$2.782	\$88,534.37	1114	\$79.47		\$22.71	62.2%
Potrero	174.50	872.50	45,370.00	\$2.782	\$126,219.34	1040	\$121.36	5.5	\$22.07	\$202,853.07
	52.10	260.50	13,546.00		\$37,684.97	Increase in Fuel Cost				\$39,606.07

Truck & Driver	Transportation Cost Per Trip	LESS: Fuel Cost Per Trip	Truck & Driver Cost Per Trip	Trips Per Year	Truck & Driver Cost Per Year	
Eastlake	\$332.50	(\$79.47)	\$253.03	1114	\$281,870.63	\$72.29
Potrero	\$522.50	(\$121.36)	\$401.14	1040	\$417,180.66	\$72.93
					\$135,310.03	Increase in Truck & Driver Cost

Tip Fee Change	Tip Fee Per Ton	Tons Per Yr	Tip Fee Per Year	
Eastlake	\$41.37	23,400.00	\$968,058.00	
Potrero	\$23.80	23,400.00	\$556,920.00	
			(\$411,138.00)	Decrease in Tip Fee Cost

Solid Wastes Systems, Inc.
Transfer Station Rate Schedule
Effective Date January, 2017

<u>Item</u>		Calculated		NEW	
		2016	2017	2017	
		Rate	FA	Rate	
				Rounded *	
MSW - Ton		\$81.20	\$92.88	\$92.90	This rate adjusted by 0% (effective rate)
MSW - Yard		\$19.10	\$21.20	\$21.20	This rate = 24.05% of per ton contractor gate fee PLUS per ton City & MSWMA fees divided by 5.54 (yards / ton)
Minimum Gate Fee - MSW	Up to 3 cans	\$9.55	\$10.60	\$10.60	This rate = MSW Yard fee / 2
Per Can Rate - 32 gallon	After 3 cans	\$3.20	\$3.53	\$3.55	This rate - Min Gate fee / 3
Green Waste - Ton		\$42.25	\$42.07	\$42.05	These rates adjusted by 0% (contractor rate)
Green Waste - Yard		\$6.20	\$6.17	\$6.15	
Minimum Gate Fee - Green Waste		\$6.10	\$6.07	\$6.05	
Mixed Load - Additional Charge		\$18.90	\$18.82	\$18.80	
Appliances		\$10.40	\$10.36	\$10.35	
Oil Filters - Small		\$0.35	\$0.35	\$0.35	
Oil Filters - Medium		\$0.65	\$0.65	\$0.65	
Oil Filters - Large		\$0.90	\$0.90	\$0.90	
Concrete - Ton		\$66.25	\$65.97	\$65.95	
Dirt - Ton		\$66.25	\$65.97	\$65.95	
Sheetrock - Clean		\$42.25	\$42.07	\$42.05	These rates adjusted by 0% (contractor rate)
Sheetrock - Dirty		\$66.25	\$65.97	\$65.95	
Tires - Bicycle		\$1.20	\$1.19	\$1.20	
Tires - Motorcycle		\$2.30	\$2.29	\$2.30	
Tires - Passenger Car		\$3.45	\$3.44	\$3.45	
Tires - Passenger Car with Rim		\$5.40	\$5.38	\$5.40	
Tires - Truck		\$7.35	\$7.32	\$7.30	
Tires - Truck with Rim		\$9.90	\$9.86	\$9.85	
Tires - Tractor		43.65 - 330.05	43.46 - 328.65	43.45 - 328.65	
E-Waste - Computers		No Charge	No Charge	No Charge	
E-Waste - Monitors		No Charge	No Charge	No Charge	
Scrap Metal		No Charge	No Charge	No Charge	

* Rates are rounded to the nearest five cents

SWS Transfer Station Agreement

		Cost/Rev	Adjustment Period	Adjustment Method	Index Used	Cost Group
1,2,4	Construction / Lease	\$2.36 / MSW ton	Annual	100% of index change	CPI - US Cities CPI-U	Base Rate as Adjusted
3	Construction / Lease	\$10.00 / MSW ton	Time to Time	Per City	N/A	Pass Through
1,2	Fuel		Annual	100% of index change	eia CA #2 Diesel Retail all sellers	Base Rate as Adjusted
	Disposal - Landfill		Time to Time	Per Landfill Agreement	N/A	Pass Through
9	Disposal - Processing		Time to Time	Per Processor Agreements	N/A	Pass Through
1,2	Operating Costs		Annual	100% of index change	CPI - US Cities CPI-U	Base Rate as Adjusted
	Per Ton Contractor Gate					
4	City Franchise Fee	\$2.00	Time to Time	Per City	N/A	Pass Through
4	MSWMA Fee	\$5.00	Time to Time	Per MSWMA	N/A	Pass Through
6,7,8	TOTAL GATE FEE					

Notes

- 1 Agreement should state mutually agreed upon Index if Index becomes unavailable
- 2 June to June change
- 3 Lease rate replaces construction rate January 1, 2017 - \$10.00 per ton MSW
- 4 Part of Construction rate left in gate rate to cover triple net lease costs (adjusts by CPI) starting January 1, 2017. i.e.. Prop tax, Insurance & R&M.
- 4 Agreement should state initial rate, subject to change by City / MSWMA action
- 5 Exhibit of calculation to be made part of agreement
- 6 SWS requests new rate by Aug 15, City approves by Oct 15, Pub Notice given by Nov 1, Adjusted Rate goes into effect following January 1.
- 7 Per Yard Gate Fee shall be equal to 24.05% of per ton contractor gate fee PLUS per ton City & MSWMA fees divided by 5.54 (MSWMA yards / ton)
- 8 Rate change is calculated as follows: % annual adjustment X actual prior year (July to June) component cost = new funds needed / total gate revenue
= % adjustment to gate rate.
- 9 Processing contract mutually agreed to with city - i.e. PRS grinding yard rate charged SWS for greenwaste.

City can direct SWS to implement other programs, provided the costs of such programs are covered through increased rates.

Trips	1114		
Miles per trip	136	240	176%
Miles	151504	249600	165%
Fuel cost	\$ 101,582.21	\$ 145,858.71	144%
Cost per mile	\$ 0.67	\$ 0.58	
Index for 2015	3.192	2.782	
Gallons	31,824.00	52,429.44	
Miles per gallon	4.76	4.76	
Trips	1040		
Miles per trip	240		
Miles	249600		
Miles per gallon	4.76	-23640.3336	
Gallons	52,429.44		
Fuel index	2.782		
Recalculated fuel c	145,858.71		
Fuel cost change	44,276.50		

Revenue - Jack	3391323
Revenue - Gordon	3326699
Difference	64623.31
Expenses - Jack	3299676
Expenses - Gordon	3279940
Difference	19735.78
Net - Jack	91646.81
Net - Gordon	46759.28
Difference	44887.53

RESOLUTION NO. 2016-**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH ADOPTING SOLID WASTE COLLECTION RATE SCHEDULE ADJUSTMENTS FOR FIVE-YEAR PERIOD COMMENCING JANUARY 1, 2017- DECEMBER 31, 2021****WHEREAS:**

1. The City of Ukiah ("City") provides solid waste collection services to residents and businesses in the City through a First Amended and Restated Waste Collection Agreement ("Collection Agreement"), dated October 7, 2015, between the City and Ukiah Waste Solutions, Inc. ("Company"); and

2. Section 6.1 of the Collection Agreement adopted rates for the waste collection services described in Section 5 of the agreement and Section 6.2 provides for annual modification of those rates based on increases or decreases in the Consumer Price Index, the Fuel Index and Recycling Reduction and Pass-through Costs. Pass-through Costs include the cost of disposing of collected solid waste at the Ukiah Transfer Station; and

3. Section 6.4 of the Collection Agreement provides that every five years, beginning no later than April 2, 2016, for the rates effective on January 1, 2017, and every five years thereafter, the City shall conduct a review of the rates to determine whether the automatic annual adjustments adequately account for the actual increases or decreases in the Company's reasonable operating costs; and

4. In conducting the five-year rate review the City may conduct such investigation as it deems appropriate and the Company must cooperate with that investigation which may include the inspection and copying of Company records and a Review or Audit of the Company's financial records by City retained Certified Public Accountant ("CPA"); and

5. In the Collection Agreement, the City and the Company have agreed that the five-year rate review shall be conducted in accordance with the procedures and standards in Proposition 218 (California Constitution, Article 13D, Section 6); and

6. The City staff and its retained CPA conducted an investigation they deemed appropriate, including a review of the Company's financial statements, as reviewed by Moss Adams, LLP, a major national accounting firm, and other Company financial records; and

7. The results of the investigation and the staff's recommendations, including the data relied upon and the staff's analysis and recommendations, were summarized in the Agenda Summary Report for the City Council meeting on September 21, 2016, and have been publically available on the City's website at <http://www.cityofukiah.com/solidwastenotice/>; and

8. This same information is deemed a "City Manager's Report" and recommendation pursuant to Ukiah City Code Section 3952; and

9. Forty-seven days prior to the hearing scheduled for November 16, 2016, the City has provided direct mail notice, a true and correct copy of which is attached hereto as Exhibit A, to every owner of property in the City, as listed on the Mendocino County tax records, and every customer of curbside waste collection services in the City; and

10. The City Clerk has published notice in the Ukiah Daily Journal of the proposed rate adjustments in compliance with Ukiah City Code Section 3954; and

11. After conducting the hearing on November 16, 2016, the City received three (3) written protests to the proposed rate schedule, which was less than 50% of the affected property owners; and

12. The City Council is scheduled to further consider the proposed rate adjustments at a hearing conducted pursuant to Ukiah City Code Section 3955 on December 7, 2016; and

13. After conducting the hearing on November 16, 2016, and considering all of the evidence, statements and arguments presented during the hearing and considering the written protests filed pursuant to Proposition 218, the City Council determined that the proposed initial rate schedule, attached hereto as Exhibit B ("Initial Rate Schedule") complies with Proposition 218 and that said rates provide reasonable rate adjustments which are fair to both the Company and the ratepayers;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ukiah hereby adopts the Initial Rate Schedule, as set forth in Exhibit B, subject to final consideration thereof at a hearing on December 7, 2016.

BE IT FURTHER RESOLVED that the rate schedule adopted by this Resolution shall be effective on January 1, 2017, unless otherwise ordered by the City Council on December 7, 2016. All prior rate schedules in conflict herewith are repealed upon the effective date of the new schedule. All other contract conditions for service remain unaltered and in full effect and the City Clerk shall cause the publication of this resolution in the Ukiah Daily Journal within 10 days following Council action on December 7, 2016, pursuant to the provisions of Section 3957 of the Ukiah City Code.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Ukiah on the 7th day of December 2016, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

, Mayor

Kristine Lawler, City Clerk

City of Ukiah

NOTICE OF PUBLIC HEARING ON PROPOSED SOLID WASTE COLLECTION AND DISPOSAL SERVICE RATE SCHEDULE ADJUSTMENTS (Please share this information with tenants)

Hearing Date & Time: November 16, 2016 at 6:15 p.m. or as soon thereafter as possible

**Hearing Location: City of Ukiah, Council Chambers
300 Seminary Avenue, Ukiah, CA 95482**

The City of Ukiah City Council ("City") will conduct a public hearing on November 16, 2016 on proposed increases in the monthly solid waste collection and disposal (solid waste) rates applicable to all parcels in the City of Ukiah, including the parcel for which you are shown as the property owner of record based on the County of Mendocino 2015/2016 Secured Tax Roll, and/or at which you are shown as the customer billed for solid waste service. If adopted, the rate increases will be reflected on utility bills dated on or after January 1, 2017 and for bills issued on or after January 1, 2018, 2019, 2020 and 2021.

This Notice of Public Hearing provides information regarding the proposed rate adjustment to the City's solid waste collection and disposal service customers pursuant to the requirements of California Constitution Article XIII D Section 6 (commonly referred to as Proposition 218). The proposed rate adjustments will be presented to the City Council for consideration and possible adoption on November 16, 2016, commencing at 6:15 p.m. in the Council Chambers located at 300 Seminary Avenue. This notice also provides information on how rates are calculated, the reasons for the proposed rate adjustments, how customers can receive more information on the effect of the proposed rate adjustments on their solid waste collection and disposal service, and how to file a protest against the proposed rate adjustments. At the public hearing, the City Council will consider all written protests against the proposed fee or charge, and all other comments submitted in writing prior to the hearing or expressed during the hearing.

The Amount of the Fee Imposed on Each Parcel:

The proposed rate increase, as of January 2017, is 3.56% - 9.38%, depending on the size of the service received. During the next four years, including January 2018, January 2019, January 2020, and January 2021, the rates will increase or decrease based on the following changes to indexes and pass-through costs: (1) the percentage change in the Consumer Price Index, All Urban Consumers, U.S. City Average ("CPI") over the previous year, (2) the percentage change, June over June of the previous year, in the Energy Information Administration Petroleum & Other Liquids index over the base year ending June 30, 2015, (3) any changes to the gate fee at the Ukiah Transfer Station, (4) any changes to costs paid by the franchisee to process recyclables, and (5) changes in regulatory fees, all in accordance with the Contract for Collection, Transportation and Disposal of Garbage, Refuse and Rubbish and Recycling of Recyclable Materials from within the City of Ukiah ("Waste Collection Contract") between the City and Ukiah Waste Solutions, Inc., a private company. After the January 2017 rate increase, the rates will automatically increase or decrease each year in accordance with the Waste Collection Contract, which will be available for inspection at the Civic Center.

The following table indicates the existing and proposed monthly solid waste service rates for residential service to each parcel in the City of Ukiah, beginning January 1, 2017:

Residential Service	Current	January 2017	Current	January 2017	Current	January 2017
Service Level	Curbside service		Pack-out service		Remote Service	
No service	\$ 4.80	\$ 5.25	\$ 4.80	\$ 5.25	4.80	5.25
1-10 gallon service **	4.80	5.25	7.42	7.69	14.84	15.38
11-20 gallon service	10.12	10.48	12.69	13.15	20.11	20.84
21-32 gallon service	18.17	18.82	22.26	23.06	29.68	30.75
33-68 gallon service	42.93	44.47	52.28	54.16	59.70	61.85
69-95 gallon service	60.48	62.65	75.53	78.24	82.95	85.93
96 + gallon service	\$.70/gal	\$.73/gal	\$.81/gal	\$.84/gal	\$.81/gal *	\$.84/gal *
Overstuffed can/extra stop	6.45	6.69	7.42	7.69	14.84	15.38
1-yard bin	\$ 120.23	\$ 124.55	N/A	N/A	N/A	N/A
1.5-yard bin	142.07	147.17	N/A	N/A	N/A	N/A
Larger bins at per yard rate	94.73	98.13	N/A	N/A	N/A	N/A
* plus remote service fee of \$7.42 which is changing to \$7.69						
** No Service and 10 gallon can rate is 50% of the 20 gallon can rate for curbside service						
Miscellaneous and Special Services will also increase by 3.59%						

Notice of Public Hearing – Solid Waste Collection and Disposal Service Rate (continued)

The Reason for and Basis Upon Which the Fee Increase was Calculated:

The Waste Collection Contract requires a rate review every 5 years, beginning in 2016. The 3.56% - 9.38% rate increases were calculated after considering the franchisee's rate request, studying the reviewed financial statements and carefully evaluating the changes in fuel costs, the implementation of the mixed organic waste collection system, and other operating costs of Ukiah Waste Solutions for the period ending December 31, 2015. The proposed increase results primarily from a \$12/ton increase of the landfill closure surcharge on the gate fee at the Ukiah transfer station. The 9.83% increase in the fee for a 10-gallon service results from the need to recover the full cost of that service. Further detail on how these rates were calculated is available on the City's website at <http://www.cityofukiah.com>.

Submit a Written Protest: City Clerk, 300 Seminary Avenue, Ukiah, CA 95482

An owner or tenant of property receiving solid waste service from the City may protest the proposed solid waste collection and disposal rates by submitting a written protest by mail or in person to the City Clerk. Written protests must be received (not postmarked) by the City Clerk before or during the public hearing. Any protest submitted by e-mail or other electronic means will not be accepted. To be valid, protests must be signed by the property owner or tenant, and must identify the property by street address or Mendocino County Assessor's Parcel Number of the property receiving solid waste service. Only one written protest per identified parcel or property will be counted for purposes of determining whether there is a majority protest. In accordance with California Constitution, Article 13D, Section 6(a)(2), if, by the close of the public hearing, written protests against the proposed solid waste collection and disposal rates are filed by a majority of the affected property owners, the City Council will not approve the proposed solid waste rates. The City reserves the right to verify whether any person filing a protest is an owner or a renter legally obligated to pay the fee. To assist with this verification, the City requests inclusion of the applicable utility account number on the protest.

EXHIBIT B

CURBSIDE SOLID WASTE COLLECTION
INITIAL RATE SCHEDULE, EFFECTIVE
January 1, 2017

Service Level	2017 Rate
Curbside Service	
No Service & 10 gallon can rate	\$ 5.25
20 gallon can rate	\$ 10.48
32 gallon can rate	\$ 18.82
68 gallon can rate	\$ 44.47
95 gallon can rate	\$ 62.65
Other combinations - rate per gallon	\$ 0.73
1 yard bin rate	\$ 124.55
1.5 yard bin rate	\$ 147.17
2 yard bin rate	\$ 196.25
3 yard bin rate	\$ 294.35
4 yard bin rate	\$ 392.47
6 yard bin rate	\$ 588.71
Packout Service	
10 gallon can rate	\$ 7.69
20 gallon can rate	\$ 13.15
32 gallon can rate	\$ 23.06
68 gallon can rate	\$ 54.16
95 gallon can rate	\$ 78.24
Other combinations - rate per gallon	\$ 0.84
Remote Area Service	
Add to the Packout Service rate.	\$ 7.69
In areas with limited access, an additional fee is charged to fund the costs of special equipment and special handling necessary to provide garbage pickup services. This fee is in addition to the "Packout Service" fee listed in this schedule.	
Commercial / Multi-Family Service	
10 gallon can rate	\$ 5.45
20 gallon can rate	\$ 10.87
32 gallon can rate	\$ 19.54
68 gallon can rate	\$ 46.18
95 gallon can rate	\$ 65.08
1 yard bin rate	\$ 124.55
1.5 yard bin rate	\$ 147.17
2 yard bin rate	\$ 196.25
3 yard bin rate	\$ 294.35
4 yard bin rate	\$ 392.47
6 yard bin rate	\$ 588.71

**Ukiah Waste Solutions Curbside Rate
Annual Adjustment Calculations
Effective Date January, 2017
Using 2015 Year Data**

Gate fee @ \$92.90/ton, including Transfer Station surcharge increase of \$12.00

<u>Comparison Year Costs</u>		Index	Increase / Decrease Allowed	
TOTAL COSTS	<u>\$3,104,807.31</u>			
Less: Fuel Cost	\$161,619.67	Fuel	(20,751.97)	
Less Disposal Fees - Garbage	\$834,295.54	SWS TS Gate	120,221.99	a \$ 11.70 change
5% Diversion of MOW (507 tons)			(41,168.40)	
Less Disposal Fees - Mixed Organic Waste	\$53,177.98	Negotiated	20,409.71	
Gate fee for MOW diversion (507 tons)			21,047.14	
Less City Landfill Closure Costs	\$60,000.00	Set by City	0.00	
Less City Commercial Oversight fee	\$9,999.96	Set by City	0.00	
Collection Costs before Recycle Credit	<u>\$1,985,714.16</u>			
Recycle Credit	\$0.00		(17,234.05)	
Change in Franchise Fee & Billing Costs			15,518.18	
Collection COSTS Subject to CPI adj.	<u>\$1,985,714.16</u>	CPI	20,055.71	
			<u>118,098.31</u>	TOTAL

<u>Revenue base</u>	Residential	Commercial	Roll Off	Total Revenue
	26.89%	66.32%	6.79%	100.00%
2016 Comparison Year Revenue	<u>\$885,313.25</u>	<u>\$2,183,651.40</u>	<u>\$223,687.95</u>	<u>\$3,292,652.60</u>
Fuel Cost	(\$5,579.69)	(\$13,762.48)	(\$1,409.79)	(\$20,751.96)
Disposal Fees - MOW	\$5,487.67	\$13,535.50	\$1,386.54	\$20,409.71
Gate fee for MOW diversion (507 tons)	\$5,659.06	\$13,958.23	\$1,429.85	\$21,047.14
5% Diversion of MOW (507 tons)	(\$11,069.17)	(\$27,302.44)	(\$2,796.80)	(\$41,168.41)
Recycle Credit	(\$4,633.81)	(\$11,429.43)	(\$1,170.80)	(\$17,234.04)
Landfill closure cost	\$0.00	\$0.00	\$0.00	\$0.00
Commercial Oversight fee	\$0.00	\$0.00	\$0.00	\$0.00
Other Regulatory & Governmental Costs	\$0.00	\$0.00	\$0.00	\$0.00
Disposal Fees - Garbage	\$32,324.73	\$79,729.92	\$8,167.34	\$120,221.99
CPI adjustment	\$5,392.49	\$13,300.73	\$1,362.49	\$20,055.71
Total before franchise and billing fees	\$912,894.53	\$2,251,681.43	\$230,656.78	\$3,395,232.74
Franchise Fee	\$4,058.93	\$9,658.11	\$989.35	\$14,706.39
Billing Fee	\$811.79	\$0.00	\$0.00	\$811.79
Adjusted revenue	<u>\$917,765.25</u>	<u>\$2,261,339.54</u>	<u>\$231,646.13</u>	<u>\$3,410,750.92</u>
Revenue Adjustment	<u>\$32,452.00</u>	<u>\$77,688.14</u>	<u>\$7,958.18</u>	<u>\$118,098.32</u>

Rate adjustment as a percent	3.59%
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**Ukiah Waste Solutions Curbside Rate
Annual Adjustment Calculations
Effective Date January, 2017
Using 2015 Year Data**

Fuel - June to June (Fuel Index)

June 2015	June 2016	Index Increase (Decrease)
\$3.192	\$2.782	-\$0.410
		Fuel % Change
		-12.84%

CPI - June to June (Index)

June 2015	June 2016	Index Increase (Decrease)
238.638	241.038	2.400
		CPI % Change
		1.01%

Transfer Station Fee (Disposal Fees - Garbage) Jan to Jan

January 2016	January 2017	Increase (Decrease)
Landfill surcharge	\$12.00	
Change for operations	(\$0.30)	
\$81.20	\$92.90	11.700
		Transfer Station Fee % Change
		14.41%

Mixed Organic Waste Disposal Fee (Disposal - Green Waste) Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$30.00	\$41.51	\$ 11.51
		Disposal Fee - Green Waste % Change
		38.38%

Landfill Closure Costs Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$60,000.00	\$60,000.00	\$ -
		Landfill Closure Costs % Change
		0.00%

Commercial Oversight Fee Jan to Jan

January 2016	January 2017	Increase (Decrease)
\$10,000.00	\$10,000.00	\$ -
		Commercial Oversight Fee % Change
		0.00%

Recycle Credit June to June

	Tons	Value/Ton	Credit
June 2016	3,446.81	\$5.00	\$ 17,234.05
			Recycle Credit
			\$ 17,234.05

City Franchise Fee	15%	City Billing Fee - Residential Customers	3%
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Ukiah Waste Solutions, Inc.

2017 RATE ADJUSTMENT

Gate Fee @ \$92.90, including Transfer Station surcharge increase of \$12.00

2017 Adjustment

Final Adjustment

\$118,098.32

% Rate Adjustment

3.59%

Revenue base

Residential
Commercial
Roll Off
Total Revenue base

Comparison Year Revenue	Adjusted FA 2016 Revenue
\$885,313.25	\$917,096.00
\$2,183,651.40	\$2,262,044.49
\$223,687.95	\$231,718.35
\$3,292,652.60	\$3,410,858.83

SUMMARY OF RATE ADJUSTMENT FOR STANDARD SERVICES

YEAR 2017 Service Level	Current 2016 Rate	New 2017 Rate	Effective Percentage Adjustment	Total Monthly Adjustment	Rate Per Gallon / Yard
Curbside Service					
No Service & 10 gallon can rate	\$ 4.80	\$ 5.25	9.38%	\$ 0.45	\$ 0.525
20 gallon can rate	\$ 10.12	\$ 10.48	3.56%	\$ 0.36	\$ 0.524
32 gallon can rate	\$ 18.17	\$ 18.82	3.58%	\$ 0.65	\$ 0.588
68 gallon can rate	\$ 42.93	\$ 44.47	3.59%	\$ 1.54	\$ 0.654
95 gallon can rate	\$ 60.48	\$ 62.65	3.59%	\$ 2.17	\$ 0.659
Other combinations - rate per gallon	\$ 0.70	\$ 0.73	4.29%	\$ 0.03	\$ 0.730
1 yard bin rate	\$ 120.23	\$ 124.55	3.59%	\$ 4.32	\$ 124.55
1.5 yard bin rate	\$ 142.07	\$ 147.17	3.59%	\$ 5.10	\$ 98.11
2 yard bin rate	\$ 189.45	\$ 196.25	3.59%	\$ 6.80	\$ 98.13
3 yard bin rate	\$ 284.15	\$ 294.35	3.59%	\$ 10.20	\$ 98.12
4 yard bin rate	\$ 378.87	\$ 392.47	3.59%	\$ 13.60	\$ 98.12
6 yard bin rate	\$ 568.31	\$ 588.71	3.59%	\$ 20.40	\$ 98.12

Packout Service					
10 gallon can rate	\$ 7.42	\$ 7.69	3.64%	\$ 0.27	\$ 0.769
20 gallon can rate	\$ 12.69	\$ 13.15	3.62%	\$ 0.46	\$ 0.658
32 gallon can rate	\$ 22.26	\$ 23.06	3.59%	\$ 0.80	\$ 0.721
68 gallon can rate	\$ 52.28	\$ 54.16	3.60%	\$ 1.88	\$ 0.796
95 gallon can rate	\$ 75.53	\$ 78.24	3.59%	\$ 2.71	\$ 0.824
Other combinations - rate per gallon	\$ 0.81	\$ 0.84	3.70%	\$ 0.03	\$ 0.840

Remote Area Service					
Add to the Packout Service rate.	\$ 7.42	\$ 7.69	3.64%	\$ 0.27	N/A
In areas with limited access, an additional fee is charged to fund the costs of special equipment and special handling necessary to provide garbage pickup services. This fee is in addition to the "Packout Service" fee listed in this schedule.					

Commercial / Multi-Family Service					
10 gallon can rate	\$ 5.01	\$ 5.45	8.78%	\$ 0.44	\$ 0.545
20 gallon can rate	\$ 10.49	\$ 10.87	3.62%	\$ 0.38	\$ 0.544
32 gallon can rate	\$ 18.86	\$ 19.54	3.61%	\$ 0.68	\$ 0.611
68 gallon can rate	\$ 44.58	\$ 46.18	3.59%	\$ 1.60	\$ 0.679
95 gallon can rate	\$ 62.82	\$ 65.08	3.60%	\$ 2.26	\$ 0.685
1 yard bin rate	\$ 120.23	\$ 124.55	3.59%	\$ 4.32	\$ 124.55
1.5 yard bin rate	\$ 142.07	\$ 147.17	3.59%	\$ 5.10	\$ 98.11
2 yard bin rate	\$ 189.45	\$ 196.25	3.59%	\$ 6.80	\$ 98.13
3 yard bin rate	\$ 284.15	\$ 294.35	3.59%	\$ 10.20	\$ 98.12
4 yard bin rate	\$ 378.87	\$ 392.47	3.59%	\$ 13.60	\$ 98.12
6 yard bin rate	\$ 568.31	\$ 588.71	3.59%	\$ 20.40	\$ 98.12

Recycle Credit Analysis

2015	Tons
Jul	271.08
Aug	267.38
Sep	264.86
Oct	270.22
Nov	281.71
Dec	323.02

2016	
Jan	308.39
Feb	278.95
Mar	336.72
Apr	263.66
May	282.03
Jun	298.79

Curbside	3,446.81	Tons
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2015-16	\$102.07	Annual average actual market price
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Recycle Credit 2016 \$17,234.05

UWS disposal rate for MOW

Current 2016 Tip Fee	\$30.00
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Plus:

Cold Creek Compost Increase	\$10.00
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Push Wall Construction	\$1.51
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New MOW Tip Fee	\$41.51
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Push Wall Construction	\$17,267.26
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Divide by 5 year payout	\$3,453.45
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2015 GW tons	1,775.38
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Additional MOW diversion	507.00
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Total adjusted tons	2,282.38
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Divide by 2015 GW Tons + adjustment	\$1.51
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Ukiah Waste Solutions Curbside Agreement

		Cost/Rev	Adjustment Period	Adjustment Method	Index Used	Cost Group
1,2	Fuel		Annual	100% of index change	eia Ca #2 Diesel Retail all sellers	Base Rate as Adjusted
	Disposal - Solid Waste		Time to Time	Per TS (SWS) Agreement	N/A	Pass Through
1,2	Operations (all other costs)		Annual	100% of index change	CPI - US Cities CPI-U	Base Rate as Adjusted
3	Recycle Reduction		Annual	Per Recycle Agreement	Rec Market Value Grid - \$5 base	Operating Cost Reduction
1,2	Green Waste Disposal	\$30 / Ton	Annual	Up to CPI (Contractor Choice)	CPI - US Cities CPI-U	Base Rate as Adjusted
1,2,8	Food Waste Disposal (Comm)	Up to \$40 / ton	Annual	Up to CPI (Contractor Choice)	CPI - US Cities CPI-U	Base Rate as Adjusted
4	City Franchise Fee	15%	Time to Time	City Action	N/A	Pass Through
4	City Bill Fee	3%	Time to Time	City Action	N/A	Pass Through
4	City Oversight Fee	\$10,000.00	Time to Time	City Action	N/A	Pass Through
4	City Landfill Closure Fee	\$60,000.00	Time to Time	City Action	N/A	Pass Through
6,9	TOTAL NET COST					

Notes

- 1 Agreement should state mutually agreed upon Index if Index becomes unavailable
- 2 June to June change
- 3 Recycle Agreement with PRS renewable every 5 years with Base Market Value per mixed ton to provide for Rev sharing with City (reduction of operating costs).
- 4 Agreement should state initial rate, subject to change by City action
- 5 Exhibit of calculation to be made part of agreement
- 6 UWS requests new rate by Aug 15, City approves by Oct 15, Pub Notice given by Nov 1, Adjusted Rate goes into effect following January 1.
- 7 Agreement must provide for City Flow Control with language that directs flow to contractor facilities when available.
- 8 FOOD WASTE - UWS will implement a pilot and or full commercial food waste program in place by June 2013 provided proper permits can be obtained
Details still to be worked out.
- 9 Rate change is calcd as follows: % annual adjustment X actual prior year (July to June) actual component cost = new funds needed / collection revenue
= % adjustment per rate. New cost adj dollars (fuel, disposal, city fees etc..) need to be adjusted for city fees - CPI adj does not.

RE-OPENER - the contract should have a mutual re-opener for other new items

Ukiah Waste Solutions, Inc.
Rate Comparison

Jurisdiction	Monthly Rate	
	32-Gal Cart	2 Yard Bin
City of Ukiah	\$18.17	\$189.45
City of Willits	\$22.45	\$261.66
Brooktrails	\$31.79	\$272.71
City of Cloverdale	\$21.94	\$215.71
City of Lakeport	\$21.98	\$386.00
City of Fort Bragg	\$31.18	\$311.61
County of Mendocino Inland WM	\$22.75	\$275.55
County of Mendocino Coastal WM	\$24.32	\$288.77
County of Mendocino North SWOW	\$42.06	\$357.05
County of Mendocino South Coast SWOW	\$37.93	\$353.55
Proposed 2017 City of Ukiah Rate	\$18.82	\$196.25

Ukiah Waste Solutions, Inc.
2017 RATE ADJUSTMENT OVERVIEW

COMPARISON OF RATE ADJUSTMENT WITH SURCHARGE ALTERNATIVES

YEAR 2017	Current 2016 Rate	2017 Rate No Surcharge	2017 Rate \$10 Surcharge	2017 Rate \$11 Surcharge	2017 Rate \$12 Surcharge
Service Level					
<u>Curbside Service</u>					
No Service & 10 gallon can rate	\$ 4.80	\$ 5.00	\$ 5.20	\$ 5.20	\$ 5.25
20 gallon can rate	\$ 10.12	\$ 10.03	\$ 10.41	\$ 10.45	\$ 10.48
32 gallon can rate	\$ 18.17	\$ 18.01	\$ 18.69	\$ 18.76	\$ 18.82
68 gallon can rate	\$ 42.93	\$ 42.56	\$ 44.15	\$ 44.31	\$ 44.47
95 gallon can rate	\$ 60.48	\$ 59.96	\$ 62.20	\$ 62.43	\$ 62.65
Other combinations - rate per gallon	\$ 0.70	\$ 0.69	\$ 0.72	\$ 0.72	\$ 0.73
1 yard bin rate	\$ 120.23	\$ 119.20	\$ 123.66	\$ 124.10	\$ 124.55
1.5 yard bin rate	\$ 142.07	\$ 140.85	\$ 146.12	\$ 146.64	\$ 147.17
2 yard bin rate	\$ 189.45	\$ 187.82	\$ 194.85	\$ 195.55	\$ 196.25
3 yard bin rate	\$ 284.15	\$ 281.71	\$ 292.25	\$ 293.30	\$ 294.35
4 yard bin rate	\$ 378.87	\$ 375.61	\$ 389.67	\$ 391.07	\$ 392.47
6 yard bin rate	\$ 568.31	\$ 563.42	\$ 584.51	\$ 586.61	\$ 588.71
<u>Packout Service</u>					
10 gallon can rate	\$ 7.42	\$ 7.36	\$ 7.63	\$ 7.66	\$ 7.69
20 gallon can rate	\$ 12.69	\$ 12.58	\$ 13.05	\$ 13.10	\$ 13.15
32 gallon can rate	\$ 22.26	\$ 22.07	\$ 22.89	\$ 22.98	\$ 23.06
68 gallon can rate	\$ 52.28	\$ 51.83	\$ 53.77	\$ 53.96	\$ 54.16
95 gallon can rate	\$ 75.53	\$ 74.88	\$ 77.68	\$ 77.96	\$ 78.24
Other combinations - rate per gallon	\$ 0.81	\$ 0.80	\$ 0.83	\$ 0.84	\$ 0.84
<u>Remote Area Service</u>					
Add to the Packout Service rate.	\$ 7.42	\$ 7.36	\$ 7.63	\$ 7.66	\$ 7.69
In areas with limited access, an additional fee is charged to fund the costs of special equipment and special handling necessary to provide garbage pickup services. This fee is in addition to the "Packout Service" fee listed in this schedule.					
<u>Commercial / Multi-Family Service</u>					
10 gallon can rate	\$ 5.01	\$ 5.20	\$ 5.40	\$ 5.40	\$ 5.45
20 gallon can rate	\$ 10.49	\$ 10.40	\$ 10.79	\$ 10.83	\$ 10.87
32 gallon can rate	\$ 18.86	\$ 18.70	\$ 19.40	\$ 19.47	\$ 19.54
68 gallon can rate	\$ 44.58	\$ 44.20	\$ 45.85	\$ 46.02	\$ 46.18
95 gallon can rate	\$ 62.82	\$ 62.28	\$ 64.61	\$ 64.84	\$ 65.08
1 yard bin rate	\$ 120.23	\$ 119.20	\$ 123.66	\$ 124.10	\$ 124.55
1.5 yard bin rate	\$ 142.07	\$ 140.85	\$ 146.12	\$ 146.64	\$ 147.17
2 yard bin rate	\$ 189.45	\$ 187.82	\$ 194.85	\$ 195.55	\$ 196.25
3 yard bin rate	\$ 284.15	\$ 281.71	\$ 292.25	\$ 293.30	\$ 294.35
4 yard bin rate	\$ 378.87	\$ 375.61	\$ 389.67	\$ 391.07	\$ 392.47
6 yard bin rate	\$ 568.31	\$ 563.42	\$ 584.51	\$ 586.61	\$ 588.71



ITEM NO.: 11b

MEETING DATE: December 7, 2016

Agenda Summary Report **(City Manager's Report)**

SUBJECT: THE UKIAH CITY COUNCIL TO RECEIVE A FINANCIAL REPORT OF THE ELECTRIC UTILITY AND ADOPT THE PROPOSED ELECTRIC RATE ADJUSTMENTS BY RESOLUTION (EUD).

Summary: Per Ukiah City Code Division 4, Chapter 6, Sections 3950 through 3957, the City Council will hold a public hearing on December 7, 2016, to receive the City Manager's Report on electric utility energy rates and consider adoption by resolution of proposed electric rate increases. Legal notices were published successfully in accordance with City Code section 3953. The Agenda Summary Report and the City Manager's Report are to be considered the same report.

Background: Ukiah Electric Utility is the City's publicly owned electric utility with the City Council providing local governance and oversight. The City Council provides policy, direction and approves electric rates. As a 118-year-old municipal utility, our rates are based on the cost to provide service; there is no profit built in. Instead, the revenue from electricity sales goes toward operation and improvement of the system, and then to improving services and the quality of life for residents. The electric energy costs for the citizens of Ukiah are significantly lower than what others pay anywhere in Mendocino County.

Since 2007, the electric utility has experienced cost increases across all categories while revenues have remained essentially flat. Capital investment was accelerated to address deferred maintenance and to implement newer proven technologies resulting in improved reliability and safety. During this period of accelerated system investment, expenditures exceeded revenues by about \$1.4 million dollars (refer to Attachment #1). This was done to reduce the historic cash reserves to acceptable levels while not economically impacting customers. Presently the utility's cash reserve exceeds \$10.1 million with a reserve target between \$6.5 and \$7.5 million. This reserve amount insures adequate funding for major equipment failures and provides for rate stabilization insuring solvency during energy market cost fluctuations.

Continued on Page 2

RECOMMENDED ACTION(S): The Ukiah City Council to receive a financial report of the Electric Utility and approve the proposed electric rate adjustments by Resolution (EUD)

ALTERNATIVES: Do not approve but provide direction to staff.

Citizens advised:	Utility rate ad hoc, Councilmembers Crane and Doble
Requested by:	Sage Sangiacomo, City Manager, Mel Grandi, Electric Utility Director
Contact/Prepared by:	Mel Grandi, Electric Utility Director, Diann Lucchetti, Electric Utility Program Coordinator
Coordinated with:	Sage Sangiacomo, City Manager, Daniel Buffalo, Finance Director; David Rapport, City Attorney
Presenter:	Sage Sangiacomo, City Manager
Attachments:	1. Five Year – History Graph 2. Five Year - No Rate Change Graph 3. Proposed Electric Rates 4. Rate Comparison Table 5. Five Year – With Rate Change Graph 6. Resolution

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

Attachment #2, assumes no rate adjustment over the next five years. As shown, the cash reserve would decrease to \$1.2 million. This is well below our cash target level and will impact the utility's operating needs and community goals.

Discussion: The electric utility faces increased cost pressures from a number of areas. First, utility infrastructures such as poles, wires and equipment need to be replaced at a stepped up rate to maintain the reliability of the system. Second, new technologies such as automated meter reading and system control are needed to improve the utility's reliability and to meet future regulatory requirements. Other costs such as medical and pension costs continue to rise.

To meet these challenges and maintain an adequate cash reserve, a phased rate change over four years is recommended. A total of five rate adjustments of 3% each are proposed with the first on January 1, 2017, and the four remaining rate changes implemented every year at the beginning of the fiscal year on July 1st. The phased approach of 3% provides a modest change per year approximating inflation. Under California Proposition 26, court rulings have indicated that electric rates must meet cost of service requirements. A cost of service of the electric rate classes shows that the phased approach of the across-the-board rate increases will meet Proposition 26 requirements.

In addition to the phased rate approach, the residential rate structure will add a basic monthly charge based on the customer's usage. Cost of service indicates a fixed basic charge is appropriate to cover the infrastructure maintenance. Attachment #3 contains the proposed rates by class and schedule of adjustments.

Most electric bills will increase by 3% per adjustment date. As an example, this increase for the average residential customer using 480 kWh per month will see a \$2 increase in their bill from about \$65 to \$67 a month for the first adjustment. Similarly, the average small commercial customer of 1,500 kWh per month will see a \$7 increase from \$245 to \$252. The City's electric customers will maintain a 25%-30% savings compared to other local electric providers and a savings of 20% compared to Community Choice Aggregation. Attachment #4 demonstrates this.

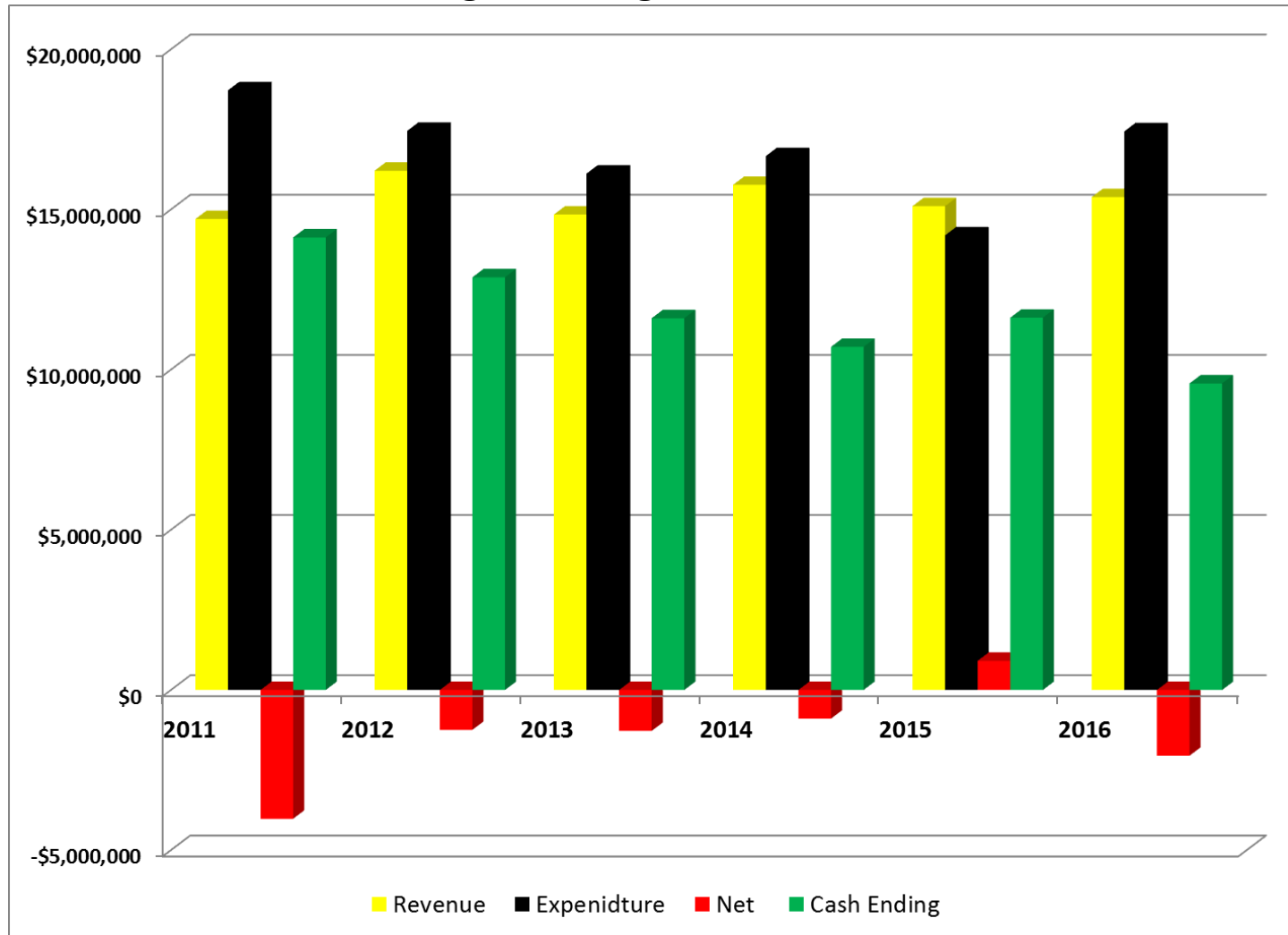
Conclusion:

The proposed rate change, refer to Attachment #5, meets the goals of:

1. Expenditures equal to revenues with a prudent cash reserve.
2. Smaller rate adjustments over a period of time.
3. Rates are proposed and reviewed in a timely proactive schedule.
4. Protects the financial health of the community owned electric system.
5. Increased use of renewable resources towards a carbon free community.
6. Help retain highly skilled and trained professional engineers and technical staff.

The City Manager, Staff and Electric Rate Ad-Hoc committee recommend proceeding with proposed electric rate adjustments by resolution, which is Attachment #6.

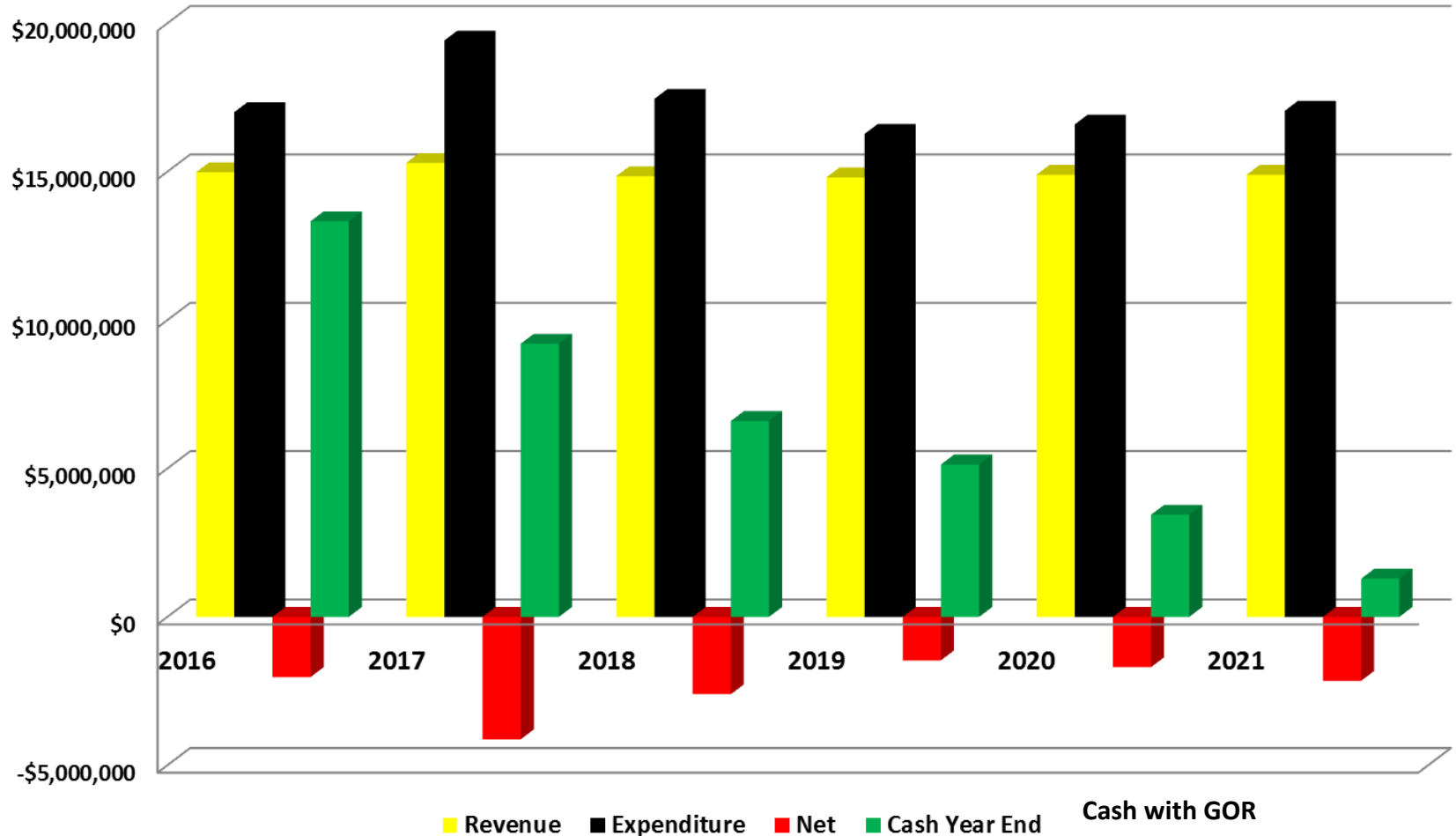
Attachment 1
Electric Utility Financials (Revenues, Expenditures, Net Revenue and Cash Ending)
Historical Fiscal Year Ending 2011 to 2016
Including Street Lights and Public Benefit



Attachment 2



Electric Utility Revenue vs Expenditure & Net and Cash Ending by Fiscal Year Ending No Rate Change No Street Lights or Public Benefit (v6)



Proposed City of Ukiah Electric Rates

Winter Rates effective November 1-April 30

Summer Rates effective May 1-October 31

(The amended rates will apply to the first full month's consumption following the rate's effective date)

Residential Single Phase: Electric Rate E1 (Basic Service), E2 (All Electric)

All Electric Rate (E2) will be closed to new customers effective 1/1/2017. Current customers will be allowed to stay on the rate no matter how they qualified. Other rate discounts and or adjustments to baseline quantities for various programs such as but not exclusive of senior and life support will remain the same. The minimum charge will be billed if the sum of the basic and the energy charges are less than the minimum charge amount.

<u>Rate by effective date</u>	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Base line Quantities, per kWh, \$/kWh	\$0.12040	\$0.12410	\$0.12790	\$0.13180	\$0.13580
Exceeding Base line Quantities, per kWh, \$/kWh	\$0.15800	\$0.16280	\$0.16770	\$0.17280	\$0.17800
Minimum Monthly Billing, \$/Month	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Basic Monthly Charge for Monthly KWh less than 200 kWh per month, \$/Month	\$0.50	\$0.52	\$0.54	\$0.56	\$0.58
Basic Monthly Charge for Monthly KWh greater than or equal to 200 kWh per month and less than 550 kWh per month, \$/Month	\$1.00	\$1.03	\$1.07	\$1.11	\$1.15
Basic Monthly Charge for Monthly KWh greater than or equal to 550 kWh per month, \$/Month	\$1.50	\$1.55	\$1.60	\$1.65	\$1.70

BASELINE QUANTITIES (kWh PER MONTH)

	WINTER	SUMMER
Basic Service (E1)	360	360
All Electric (E2)	660	360

General Service: Electric Rate E5, E6, C5, C6, E55, E51

This rate schedule is applicable to general commercial and non-commercial residential lighting, heating and all single phase and three phase alternating current loads in which energy use is less than 144,000 kWh per meter for 12 consecutive months. This schedule will not be applicable to commercial uses permitted by the City under a Home Occupation Permit.

Effective Date	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Energy Rates, \$/kWh					
Winter	\$0.17066	\$0.17578	\$0.18106	\$0.18650	\$0.19210
Summer	\$0.12663	\$0.13043	\$0.13435	\$0.13839	\$0.14255
Base Charge, \$/month					
Single Phase (E5)	\$8.66	\$8.92	\$9.19	\$9.47	\$9.76
Poly-phase (E6)	\$9.69	\$9.99	\$10.29	\$10.60	\$10.92
X-Ray (E51)	\$21.63	\$22.28	\$22.95	\$23.64	\$24.35
Minimum Charge , \$/Month					
2nd Meter (E55)	\$8.66	\$8.92	\$9.19	\$9.47	\$9.76

General Service with Demand: Electric Rate E7, C7

This rate is applicable to commercial and non-residential lighting, heating, and all single phase and three phase loads in which energy use is 144,000 kWh or greater per meter for 12 consecutive months. The customer bill will consist of a basic month charge, energy and demand charges.

DEMAND CHARGE

The customer will be billed for demand according to the customer's "maximum kilowatt demand" each month. The number of kilowatt (kW) used will be recorded over 15 minute intervals: the highest 15 minute average kW use in the month will be the customer's maximum demand.

Effective Date	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Energy Rates, \$/kWh					
Winter	\$0.09094	\$0.09367	\$0.09649	\$0.09939	\$0.10238
Summer	\$0.11295	\$0.11634	\$0.11984	\$0.12344	\$0.12715
Basic Charge, \$/Month	\$72.72	\$74.91	\$77.16	\$79.48	\$81.87
Demand Charge, \$/kW					
Winter	\$4.18	\$4.31	\$4.44	\$4.58	\$4.72
Summer	\$6.65	\$6.85	\$7.06	\$7.28	\$7.50

General Large Industrial Service with Demand: E-I

This schedule is applicable to large industrial production, lighting, heating and all single and three phase loads in which energy use is an average of 75,000 kWh monthly or greater with a demand of 200 kW monthly or greater for at least six consecutive months (multiple meters at a single location will be combined).

The Industrial rate is applicable to large manufacturing facilities, defined as businesses or corporations that produce products for either wholesale or retail sales or businesses that contract to fulfill obligations to produce specific components.

DEMAND CHARGE

The customer will be billed for demand according to the customer's "maximum kilowatt demand" each month. The number of kilowatt (kW) used will be recorded over 15 minute intervals: the highest 15 minute average kW use in the month will be the customer's maximum demand.

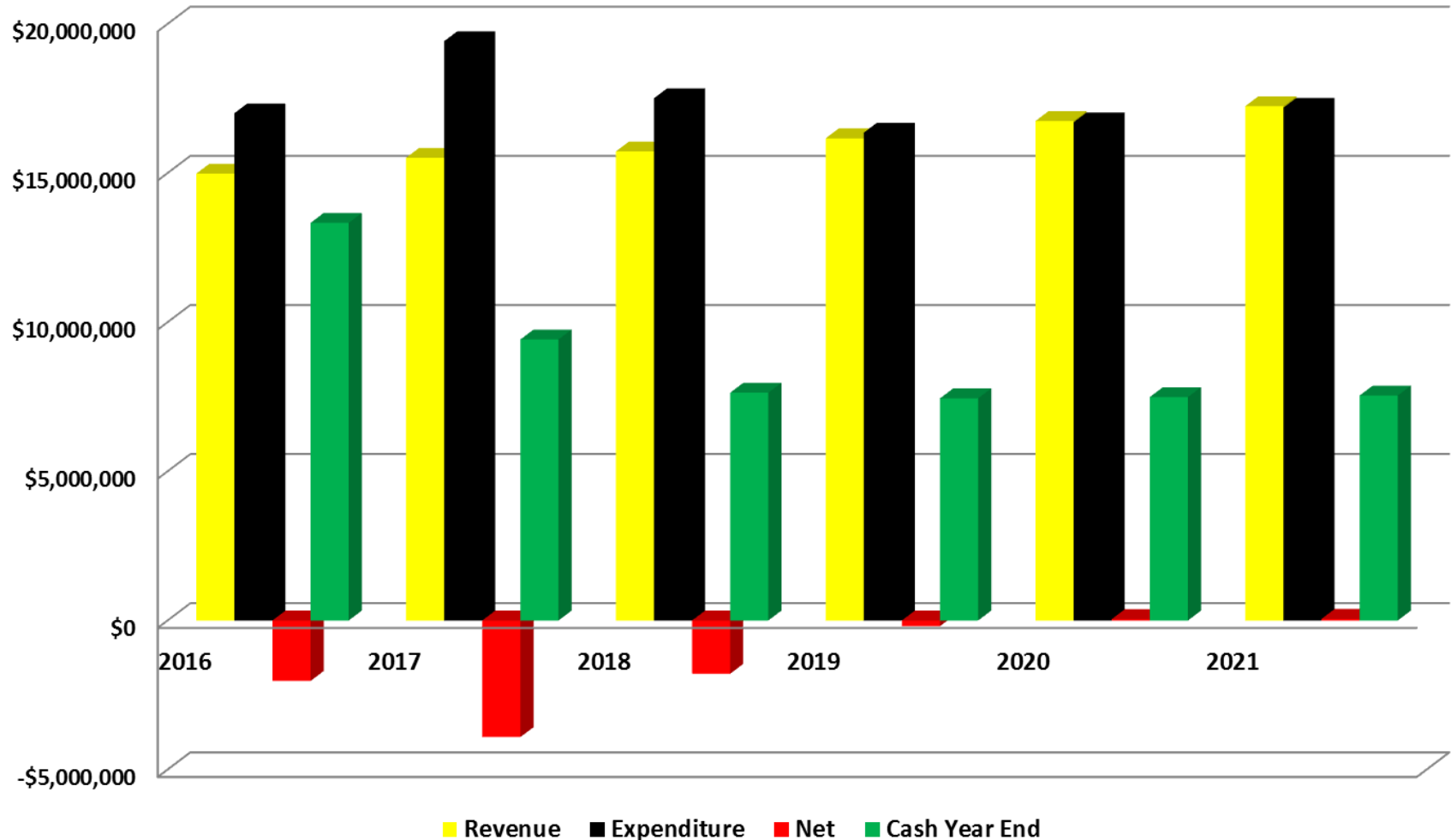
Effective Date	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Energy Rates \$/kWh					
Winter	\$0.07034	\$0.07246	\$0.07464	\$0.07688	\$0.07919
Summer	\$0.09235	\$0.09513	\$0.09799	\$0.10093	\$0.10396
Base Charge					
\$/Month	\$72.72	\$74.91	\$77.16	\$79.48	\$81.87
Demand Charge \$/kW					
Winter	\$4.18	\$4.31	\$4.44	\$4.58	\$4.72
Summer	\$6.65	\$6.85	\$7.06	\$7.28	\$7.50

Attachment 4

Residential Rate Comparison						
Effective Date	Current	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Average \$/Kwh	\$0.138	\$0.142	\$0.146	\$0.151	\$0.155	\$0.155
Rate change Overall %		3.0%	3.1%	3.0%	3.0%	0.0%
PG&E \$/Kwh	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220
Lower than PG&E by	37%	36%	34%	32%	29%	29%
CCA \$/kwh	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200
Revenue	\$3,073,673	\$3,166,851	\$3,263,576	\$3,362,849	\$3,465,337	\$3,466,146
% Change		3.0%	3.1%	3.0%	3.0%	0.0%
Average Monthly Bill	\$65.88	\$67.88	\$69.95	\$72.08	\$74.27	\$74.29
Average Monthly kWh	480	480	480	480	480	480
CCA Community Choice Aggregation						
Current Small Commercial Rates versus PG&E						
Regular/City	Regular	Regular	Regular	City	City	
Phase	Single	Single	Poly	Single	Poly	
Tariff	E5	E55	E6	C5	C6	
Average \$/kWh	\$0.160	\$0.158	\$0.154	\$0.155	\$0.163	
PG&E \$/Kwh 2015 (A-1)	\$0.230	\$0.230	\$0.230	\$0.230	\$0.230	
Lower Than PG&E by	44%	45%	50%	48%	41%	

Attachment 5

Electric Utility Revenue vs Expenditure & Net and Cash Ending by Fiscal Year Ending Rate Change : Five 3% annual No Street Lights or Public Benefit (v6)



City of Ukiah Electric Utility Department Rate Study

**Ukiah City Council
December 7th, 2016**

Topics

- Electric Utility Financial Condition
- Electric Rate Change
- Rate Design Change- Residential Fixed charge
- Rate Comparison & Rate Design

Financial Condition

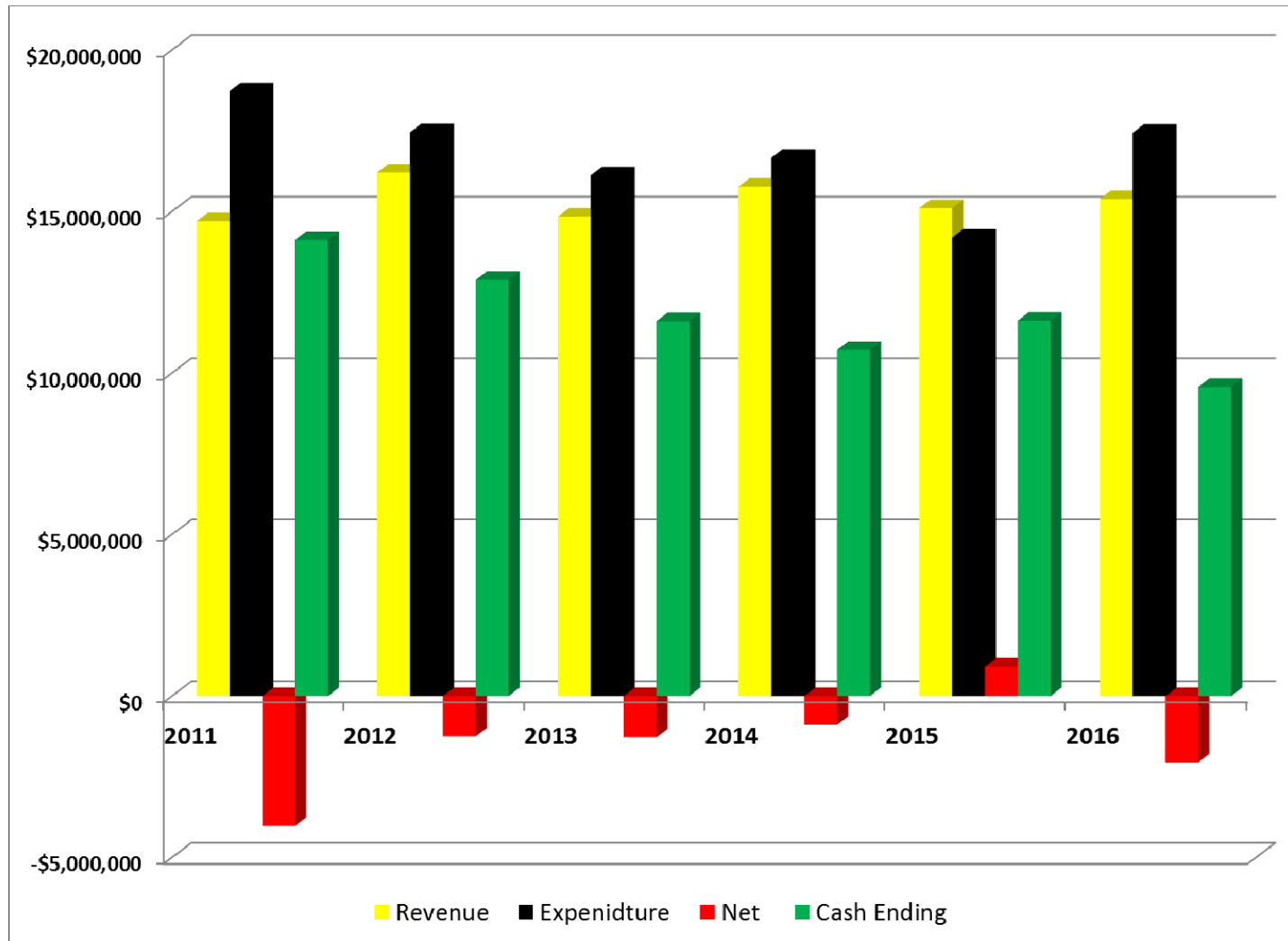
Presently:

- Adequate cash reserve now but declining with capital expenditures.

Future considerations:

- Compliance mandates & Regulatory uncertainty.
- Need for Infrastructure Improvements (Capital Projects):
 - Community Solar \$750k
 - Upgrades & Replacements \$750k
 - Hydro/Substation Upgrades \$500k
 - Advance Metering \$1.9M
 - Electric Service Center \$800k

Electric Utility Financials (Revenues, Expenditures & Cash Ending)
Historical Fiscal Year Ending 2011 to 2016
Including Street Lights and Public Benefit



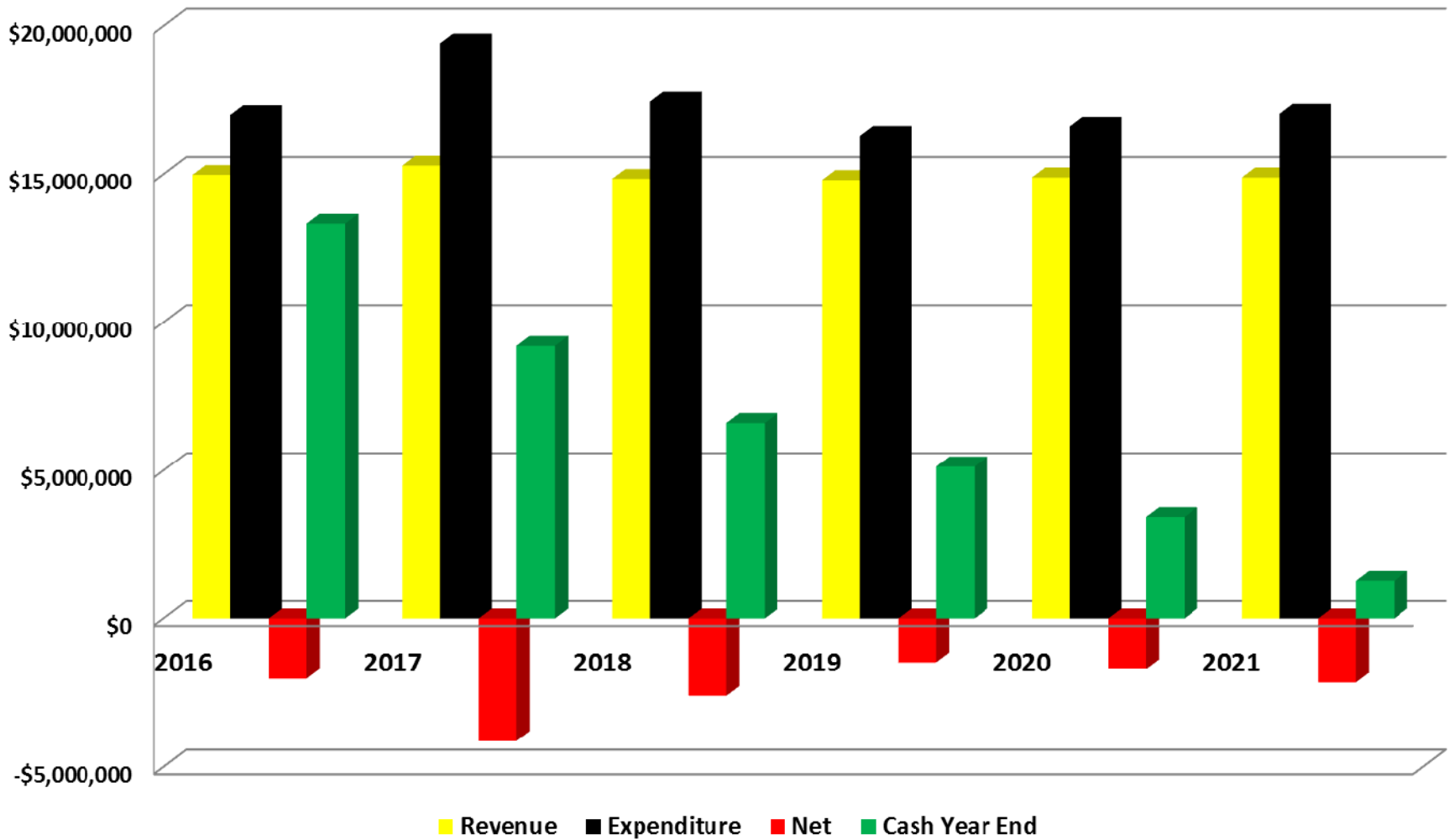
Electric Utility Financials (Revenues, Expenditures and Cash Ending)

Fiscal Year Ending 2016 through 2021 - with & without rate change

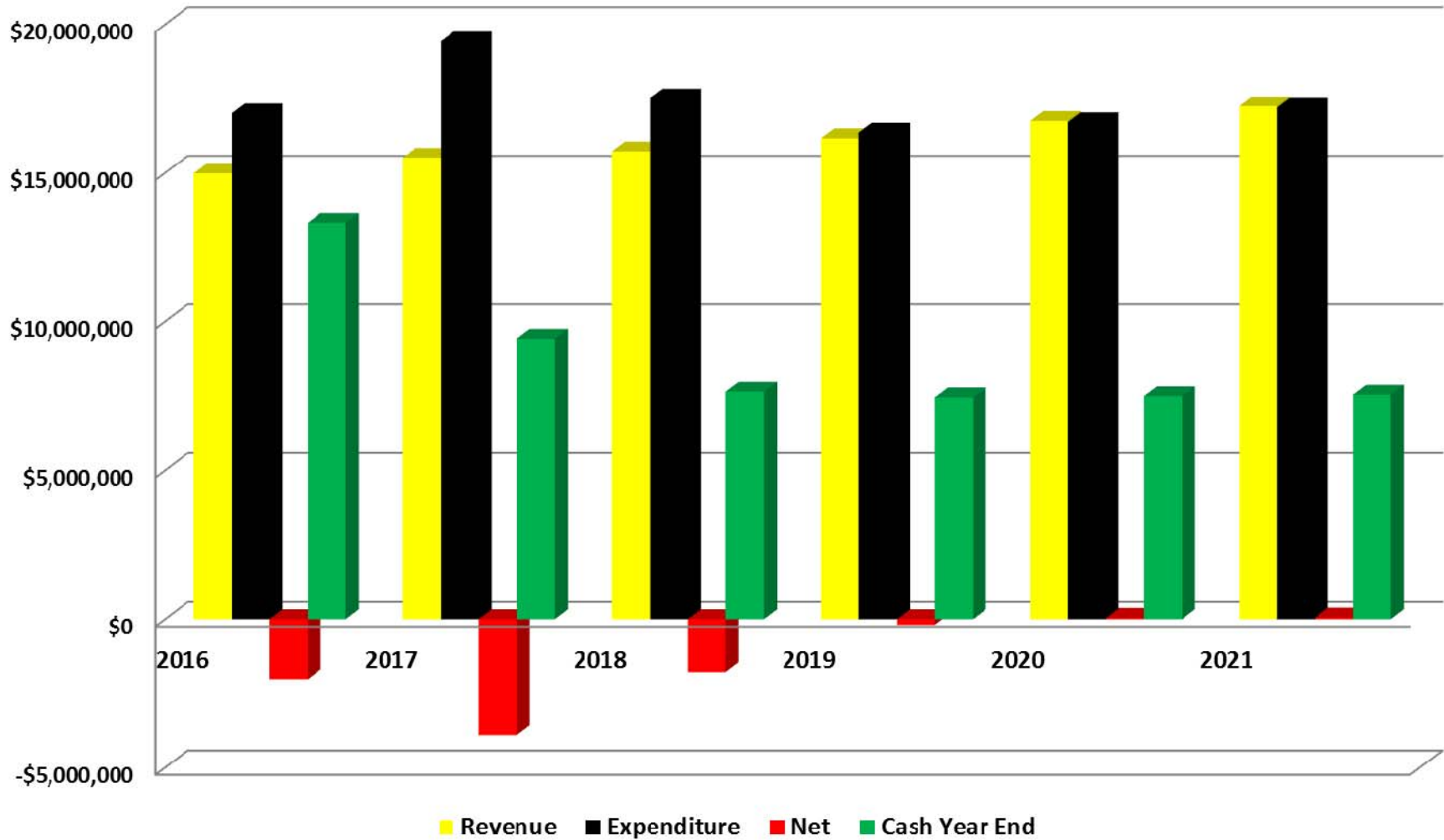
Ukiah Proforma: No rate change						
<i>w/o Public Benefit and Street Lights</i>	Actual	Projected	Projected	Projected	Projected	Projected
Fiscal Year Ending	2016	2017	2018	2019	2020	2021
Rate Revenue	\$14,404,500	\$14,404,500	\$14,404,500	\$14,663,194	\$14,752,012	\$14,752,012
Other Revenue	\$573,445	\$889,607	\$443,607	\$143,607	\$143,607	\$143,607
Expenditure before Capital/Transfers/P&I	\$12,998,829	\$13,420,663	\$13,590,062	\$13,890,912	\$14,204,522	\$14,664,251
Net Expenditure	\$1,979,117	\$1,873,445	\$1,258,046	\$915,889	\$691,097	\$231,368
Capital	\$945,609	\$2,980,000	\$3,000,000	\$1,500,000	\$1,500,000	\$1,500,000
Transfer & Debt Service	\$3,060,295	\$3,018,984	\$864,270	\$879,792	\$885,121	\$885,121
Overall Net before use of Reserves	-\$2,026,787	-\$4,125,539	-\$2,606,224	-\$1,463,902	-\$1,694,024	-\$2,153,753
Cash Ending with use of Reserves	\$13,330,622	\$9,205,083	\$6,598,859	\$5,134,957	\$3,440,933	\$1,287,180

Ukiah Proforma Rate Change: Five 3% changes: two changes in 2017, one change per year after 2017						
<i>w/o Public Benefit and Street Lights</i>	Actual	Projected	Projected	Projected	Projected	Projected
Fiscal Year Ending	2016	2017	2018	2019	2020	2021
Rate Revenue	\$14,404,500	\$14,620,568	\$15,278,493	\$16,019,470	\$16,599,998	\$17,097,998
Other Revenue	\$573,445	\$889,607	\$443,607	\$143,607	\$143,607	\$143,607
Expenditure before Capital/Transfers/P&I	\$12,998,829	\$13,420,663	\$13,590,062	\$13,890,912	\$14,204,522	\$14,664,251
Net Expenditure	\$1,979,117	\$2,089,512	\$2,132,039	\$2,272,165	\$2,539,083	\$2,577,354
Capital	\$945,609	\$2,980,000	\$3,000,000	\$1,500,000	\$1,500,000	\$1,500,000
Transfer & Debt Service	\$3,060,295	\$3,018,984	\$916,710	\$961,168	\$996,000	\$1,025,880
Overall Net before use of Reserves	-\$2,026,787	-\$3,909,471	-\$1,784,671	-\$189,003	\$43,083	\$51,474
Cash Ending with use of Reserves	\$13,330,622	\$9,421,151	\$7,636,480	\$7,447,477	\$7,490,560	\$7,542,034

Electric Utility
Revenue vs Expenditure & Net and Cash Ending by Fiscal Year Ending
No Rate Change
 No Street Lights or Public Benefit (v6)



Electric Utility
Revenue vs Expenditure & Net and Cash Ending by Fiscal Year Ending
Rate Change : Five 3%
 No Street Lights or Public Benefit (v6)



Goals of Proposed Rate Adjustment

Operations:

- Eliminate operating losses
- Provide adequate resources to meet operating costs

Capital Improvement:

- Increased engagement in rehabilitation and replacement of aging infrastructure
- Opportunities to increase renewable energy and storage

Cash Reserve Stabilization:

- Prevent the complete depletion of cash reserves
- Maintain accounts for:
 - Operating contingencies - Power supply risk
 - Revenue stabilization
 - Capital replacement or expansion

Outcomes of Proposed Rate Adjustment

- Sustainable electric utility meeting immediate and long-term service demands
 - Continued use of clean energy sources
- More reliable and efficient infrastructure
- Phased-in adjustment to limit adverse effects to customers
 - two 3% in 2017 (January , July) , 3% annually over next three years
- Significantly lower rates for customers compared to private sector competitors
 - ~30% lower than other County providers.

Residential Rate Design

- Residential “Basic” Charge (Fixed Monthly)
 - Pay for actual distribution cost
 - Utility still provides backup for solar & other
 - PG&E & others (SMUD) are raising
 - Set based on the three levels to avoid hurting small customers
- All Electric Rate (E2) (some form of electric heat or electric water heat) provides more energy at a lower rate than regular customer
 - Anti-conservation
 - Most utilities have eliminated this option
 - Propose grandfathered for existing but no new customers

Residential Proposal

Target Effective Date		1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Minimum Usage	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Fixed 200 kwh	none	\$0.500	\$0.520	\$0.540	\$0.560	\$0.580
Fixed 550 kwh	none	\$1.000	\$1.030	\$1.070	\$1.110	\$1.150
Fixed above	none	\$1.500	\$1.550	\$1.600	\$1.650	\$1.700
Tier 1 \$/kwh	\$0.12040	\$0.12040	\$0.12410	\$0.12790	\$0.13180	\$0.13580
Tier 2 \$/kwh	\$0.15321	\$0.15800	\$0.16280	\$0.16770	\$0.17280	\$0.17800
Tier Breakpoint	360	360	360	360	360	360
Kwh Energy	22,336,820	22,336,820	22,336,820	22,336,820	22,336,820	22,336,820
Average \$/Kwh	\$0.138	\$0.142	\$0.146	\$0.151	\$0.155	\$0.155
Rate change Overall %		3.0%	3.1%	3.0%	3.0%	0.0%
PG&E \$/Kwh	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220	\$0.220
lower than PG&E by	37%	36%	34%	32%	29%	29%
CCA \$/kwh	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200
Revenue	\$3,073,673	\$3,166,851	\$3,263,576	\$3,362,849	\$3,465,337	\$3,466,146
% Change		3.0%	3.1%	3.0%	3.0%	0.0%
Average Monthly Bill	\$65.88	\$67.88	\$69.95	\$72.08	\$74.27	\$74.29

The First Phase 1/1/2017 will apply to consumption for a full months billing beyond the date.

CCA= Community Choice Aggregation, power supplied by County other services PG&E

Small Commercial Proposal

Proposed Rates Small Commercial E5, E55, E6, C5, C6 : Five 3% all Rates						
Effective Date	Current	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Energy Rates						
Winter	\$0.16568	\$0.17066	\$0.17578	\$0.18106	\$0.18650	\$0.19210
Summer	\$0.12294	\$0.12663	\$0.13043	\$0.13435	\$0.13839	\$0.14255
Base Charge \$/Month						
Single Pase (E5)	\$8.40	\$8.66	\$8.92	\$9.19	\$9.47	\$9.76
Polypase (E6)	\$9.40	\$9.69	\$9.99	\$10.29	\$10.60	\$10.92
X-Ray (E51)	\$21.00	\$21.63	\$22.28	\$22.95	\$23.64	\$24.35
Minimum Charge \$/Month						
2nd Meter (E55)	\$8.40	\$8.66	\$8.92	\$9.19	\$9.47	\$9.76
Average Month Bill	\$245.72	\$253.10	\$260.69	\$268.51	\$276.56	\$284.86

Regular/City	Regular	Regular	Regular	City	City
Phase	Single	Single	Poly	Single	Poly
Tariff	E5	E55	E6	C5	C6
Average \$/Kwh	\$0.160	\$0.158	\$0.154	\$0.155	\$0.163
PG&E \$/Kwh 2015 (A-1)	\$0.230	\$0.230	\$0.230	\$0.230	\$0.230
Lower than PG&E by	44%	45%	50%	48%	41%

The First Phase 1/1/2017 will apply to consumption for a full months billing beyond the date.

Commercial with Demand

Proposed Rates Commercial With Demand E-7, C-7, C-70						
Effective Date	Current	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Energy Rates \$/kwh						
Winter	\$0.08829	\$0.09094	\$0.09367	\$0.09649	\$0.09939	\$0.10238
Summer	\$0.10966	\$0.11295	\$0.11634	\$0.11984	\$0.12344	\$0.12715
Base Charge						
\$/Month	\$70.60	\$72.72	\$74.91	\$77.16	\$79.48	\$81.87
Demand Charge \$/Kw						
Winter	\$4.05	\$4.18	\$4.31	\$4.44	\$4.58	\$4.72
Summer	\$6.45	\$6.65	\$6.85	\$7.06	\$7.28	\$7.50
	Current	2017	2018	2019	2020	2021
Average \$/Kwh Current	\$0.1135	\$0.1169	\$0.1204	\$0.1240	\$0.1278	\$0.1316
PG&E \$/Kwh 2015 (A10-S)	\$0.195	\$0.195	\$0.195	\$0.195	\$0.195	\$0.195
Lower than PG&E by	72%	67%	62%	57%	53%	48%

The First Phase 1/1/2017 will apply to consumption for a full months billing beyond the date.

Industrial Proposal

Proposed Rate Industrial E-I						
Effective Date	Current	1/1/2017	7/1/2017	7/1/2018	7/1/2019	7/1/2020
Energy Rates \$/kwh						
Winter	\$0.06829	\$0.07034	\$0.07246	\$0.07464	\$0.07688	\$0.07919
Summer	\$0.08966	\$0.09235	\$0.09513	\$0.09799	\$0.10093	\$0.10396
Base Charge						
\$/Month	\$70.60	\$72.72	\$74.91	\$77.16	\$79.48	\$81.87
Demand Charge \$/Kw						
Winter	\$4.05	\$4.18	\$4.31	\$4.44	\$4.58	\$4.72
Summer	\$6.45	\$6.65	\$6.85	\$7.06	\$7.28	\$7.50
Average \$/Kwh	\$0.0935	\$0.0963	\$0.0992	\$0.1022	\$0.1053	\$0.1084
PG&E \$/Kwh (E19-P)	\$0.158	\$0.158	\$0.158	\$0.158	\$0.158	\$0.158
Lower than PG&E by	69%	64%	59%	55%	50%	46%

The First Phase 1/1/2017 will apply to consumption for a full months billing beyond the date.

Summary

- Five 3% rate change phase in provides a moderate approach
 - Meets goal of maintaining infrastructure
 - Revenue meets expenditure at end of phase in
 - First year effect is about 6%, 3% annually thereafter
 - \$4 first year increase on average residential bill of \$65/month
 - Other classes , will have same percent changes
- Revisit financials every year and report
 - Uncertainty of Power Cost & other
 - Capital dependent on staffing

Expenditures Exceeding Revenue

- Historically, 2011 to 2016 (graph pg. 5)
 - Cash has decline by \$4.5 million (graphs & table pg. 6-8)
 - Expenditures have exceed revenue average is \$1.5 million
- Going Forward , 2001 to 2021 (graphs & table pg. 6-8)
 - Forward **look has look without** Street Lights & Public Benefit so historical versus future numbers have some difference but trend same
 - Without a rate increase, **will fall cash will** to a dangerous \$1.2 million level, a fall of over \$12 million
 - **Expenditures have exceed revenue average is** \$1.7 million
- Without a moderate rate change now, serious financial consequences will occur



ITEM NO.: 12a

MEETING DATE: November 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: ADOPTION OF PLEDGED REVENUE RESOLUTION TO SUBMIT TO THE STATE WATER RESOURCES CONTROL BOARD DIVISION OF FINANCIAL ASSISTANCE IN SUPPORT OF A FUNDING APPLICATION FOR THE CONSTRUCTION OF THE RECYCLED WATER SYSTEM AND/OR TAKE ANY OTHER ALTERNATE ACTION TO SECURE PROJECT FUNDING

Summary: The Ukiah Valley Sanitation District's lawsuit is preventing the City from obtaining final contract approval from the State Water Resources Control Board (SWRCB) for the recycled water system project Prop 1A funding. The lawsuit is the only impediment given the City must be able to demonstrate to the State an unconstrained revenue source to guarantee repayment of the loan funds.

The City Council will consider adopting a resolution to secure funding for the construction of the recycled water system using Water Revenues as an alternate to the City's Wastewater Revenues. While this is a less desirable option for securing project funding, it is being considered as a better alternative to losing the project funds altogether.

At the time of publication of this report, staff was still in the process of vetting the viability of the water fund alternative. Additional information and details will be forthcoming. The best and most certain solution for securing the recycled water project funding remains for the Ukiah Valley Sanitation District to drop the lawsuit and work cooperatively with the City to resolve any disputes.

Background: Over the course of the last few years, Staff has worked with several partners and been successful in obtaining grant funds from Prop 84 (State 2006 Water Bond) and Prop 1A (State 2014 Water Bond). In 2013, the City obtained \$2.5M for the construction of Phase 1A (Southern portion of Phase 1) of the Recycled Water System. In 2015, Council directed staff to apply for Prop 1A funds for construction funding for Phases 1 through 3. The City was again successful in obtaining both grant funds (\$9,996,000) as well as a 1% loan (\$25,564,000).

As Council is aware, the Prop 1A funds are in jeopardy of being lost due to the current litigation with the Ukiah Valley Sanitation District (UVSD).

Continued on Page 2

RECOMMENDED ACTION(S): Adoption a Pledged Revenue Resolution to submit to the State Water Resources Control Board Division of Financial Assistance in support of a funding application for the construction of the Recycled Water System.

ALTERNATIVES: Do not approve the submittal of a funding application and/or provide alternate direction/action

Citizens advised:	None.
Requested by:	Sage Sangiacomo, City Manager.
Contact / Prepared by:	Sean White, Director of Water and Sewer Utilities; Jarod Thiele, Public Works Management Analyst; Tim Eriksen, Director of Public Works / City Engineer; and.
Coordinated with:	Sage Sangiacomo, City Manager; Dan Buffalo, Finance Director; David Rapport, City Attorney
Presenters:	Sean White, Director of Water and Sewer Utilities and Jarod Thiele, Public Works Management Analyst.
Attachments:	1. Pledged Revenue Resolution

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

Discussion: The City originally pledged revenues from the City's Wastewater Funds in order to secure the Prop 1A loan. That approach however, has been obstructed by the ongoing litigation with UVSD. In order to ensure that these funds are not lost, Staff is recommending using the City's Water Fund to secure the Prop 1A loan. These funds are comprised solely of City funds and revenue and therefore are not constrained by the ongoing litigation. This will allow for the project to proceed but may result in reprioritizing projects included in the Water Capital Improvement Plan (CIP) such as delaying implementation of the Automated Meter Reading system.

While Staff and Council have felt this is primarily a Wastewater Project it is important to recognize the construction of a recycled water system will enhance both the City's water and waste water infrastructure by addressing the following factors:

- 1) The Waste Water Treatment Plant (WWTP) discharges tertiary effluent to the Russian River seasonally under a National Pollutant Discharge Elimination System (NPDES) Permit from the Regional Water Quality Control Board (RWQCB). The restrictions for the quality of effluent discharges to the River are becoming much more stringent, mainly for nitrogen and ammonia constituents. This system will provide an alternative disposal option for the effluent that will ease the discharge restrictions. It is the hope that this system could lead to eventually ceasing the discharge to the River, thus reducing lab testing and other costs relating to discharging to the River. In addition, this project could offset an additional \$22,000,000 project to improve the WWTP in order to meet the limits on nitrogen and ammonia constituents discharged to the River.
- 2) The Recycled Water System will provide a reliable supply of water for agricultural, parks, schools, the golf course, and other municipal purposes on a year-round basis even in drought conditions. It will also aid in alleviating demand on the potable water currently used for landscape irrigation. This demand offset will improve reliability for municipal customers in times of drought. The recycled water system will include a "trucking station" that can also be used for construction, irrigation, and industrial purposes that will provide additional disposal and potable offsets.
- 3) The Recycled Water System will decrease diversion of freshwater from sensitive ecosystems. Plants, wildlife, and fish depend on sufficient water flows to their habitats to live and reproduce. The lack of adequate flow, or variation in flow, as a result of diversion for agricultural, urban, and industrial purposes, can cause deterioration of water quality and ecosystem health. Providing people with recycled water can offset their demand for freshwater thus leaving considerable amounts of water for the benefit of the environment. For example, during the frost protection season, farms connected to the recycled water system will no longer need to divert water from the Russian River or adjacent tributaries.

Staff is requesting the adoption of the attached resolution (Attachment 1) in order to pledge alternative funding for the Recycled Water System. Public Works will work with the Finance Department to develop a payment schedule from the City's wastewater revenues for disposal of its effluent, sufficient to cover the debt service and operation and maintenance of the new Recycled Water Utility.

While staff feels this is a less desirable option for securing the Prop 1A funds, it is being recommended as a better alternative to losing the funds altogether.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RESOLUTION NO: 2016-

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH PLEDGING
REVENUE FOR THE REPAYMENT OF THE LOAN**

WHEREAS, the City of Ukiah desires to construct a Recycled Water System;

THEREFORE, BE IT RESOLVED, the City of Ukiah (the "City") hereby dedicates and pledges net revenues of the City's Water Enterprise and the City's Water Enterprise Fund for payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for City of Ukiah Recycled Water System (the "Project"). The City of Ukiah Recycled Water System, Project Number 8076.

City commits to collecting such revenues and maintaining such fund(s) throughout the term of such financing and until the City has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the State Water Resources Control Board. So long as the financing agreement(s) are outstanding, the City's pledge hereunder shall constitute a lien, subject to any pre-existing liens or pledges of revenue, in favor of the State Water Resources Control Board on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreement(s) are outstanding, the City commits to maintaining the fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement(s).

PASSED AND ADOPTED this 7th day of December, 2016, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

, Mayor

ATTEST:

Kristine Lawler, City Clerk



ITEM NO.: 12b

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: APPROVAL OF A CONTINGENCY AMENDMENT WITH CAROLLO ENGINEERS IN THE AMOUNT OF \$413,398 FOR THE DESIGN OF PHASE 1A OF THE RECYCLED WATER SYSTEM AND APPROVAL OF CORRESPONDING BUDGET AMENDMENT FROM THE CITY SEWER CAPITAL FUND IF PROP 1A FUNDING IS LOST DUE TO THE UVSD LITIGATION

Summary: Council will consider approval of a contingency amendment with Carollo Engineers for the Design of Phase 1A of the Recycled Water System.

Background: Over the course of the last few years, staff has worked with several partners and been successful in obtaining grant funds from Prop 84 (State 2006 Water Bond) and Prop 1A (State 2014 Water Bond). In 2013, the City was granted \$2.5M for the construction of Phase 1A (Southern portion of Phase 1) of the Recycled Water System. In 2015, Council directed staff to apply for Prop 1A funds for construction funding for Phases 1 through 3 (Attachment #1). The City was again successful in obtaining both grant funds as well as a 1% loan.

Discussion: After obtaining Prop 1A funds, the City has worked with Carollo Engineers to expedite the design of Phases 1 through 3 which is now 100% final and included Phase 1A. As Council is aware, the Prop 1A funds are in jeopardy of being lost due to the current litigation with the Ukiah Valley Sanitation District.

At a minimum, the Prop 84 funds must be used to construct Phase 1A. The design for this smaller component of Phase 1 is already included as part of the design for Phases 1 through 3. However, a significant redesign needs to be done if Phase 1A is not constructed as part of the larger project. At this time, staff is requesting contingency authorization for Carollo Engineers to break out Phase 1A. (Attachment #2).

Continued to Page 2

RECOMMENDED ACTION(S): Approval a contingency amendment with Carollo Engineers in the amount of \$413,398 for the design of Phase 1A of the Recycled Water System and approval of corresponding budget amendment from the City Sewer Capital Fund.

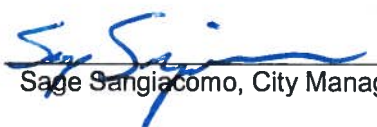
ALTERNATIVES: 1) Authorize the City Manager to negotiate and execute and amendment for construction management services in the amount of \$220,303; or 2) Do not award contract and provide direction to staff.

Citizens advised:	N/A
Requested by:	Sage Sangiacomo, City Manager
Contacts/Prepared by:	Sean White, Director of Water and Sewer and Jarod Thiele, Public Works Management Analyst
Coordinated with:	Tim Eriksen, Director of Public Works/City Engineer
Presenters:	Sean White, Director of Water and Sewer and Jarod Thiele, Public Works Management Analyst
Attachments:	1. Minutes for November 4, 2015, Page 3 of 4, Agenda Item 13d 2. Proposal from Carollo Engineers 3. Site Map

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

In order to construct Phase 1A, complete bid documents will need to be prepared. Should the City not construct Phase 1A, we will be in breach of contract with the partnering agencies and will ultimately have to pay for a project that will not be constructed. The City's match component for the grant is for the design of the system. Please refer to the site map (Attachment #3).

It is important to recognize that all funds used for this significant redesign effort could be used for the construction of Phase 1 through 3. Should the litigation be resolved soon or funding secured through an alternate plan, these funds will not be needed for design of Phase 1A and can be used for construction of Phases 1 through 3.

FISCAL IMPACT:					
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required		Previous Contract or Purchase Order No.
\$0	City Sewer Capital	#84424422.80230	Yes ☒	No ☐	N/A

Public Comment: Cynthia Ariosta.

Council Consensus to direct staff to focus on other projects that take precedence at this time and add mobile food vending regulations as a low priority.

Councilmember Doble announced the Strategic Planning meeting that will take place on Thursday, November 12, 2015, 5:30 p.m. at the Ukiah Valley Conference Center located on 200 South School Street, Ukiah.

b. Approval of an Additional Customer Service Representative III for Utility Billing and Corresponding Budget Amendments – Finance.

Presenter: Karen Scalabrini, Finance Director.

Motion/Second: Brown/Mulheren to approve of the addition of a CSR III position and approval of the Corresponding Budget Amendment and corresponding budget amendment(s). Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

c. Approval of the Cost Allocation Plan Adopted for the 2015-2016 Budget Applied to the 2014-2015 Operational Budget and Corresponding Budget Amendments – Finance.

Presenter: Karen Scalabrini, Finance Director.

Motion/Second: Doble/Scalmanini to approve the Cost Allocation Plan to be implemented for the 2014-2015 Operations Budget and corresponding budget amendments. Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

d. Adoption of a Reimbursement Resolution, an Authorizing Resolution and a Pledged Revenue Resolution to Submit to the State Water Resources Control Board Division of Financial Assistance in Support of a Funding Application for the Construction of the Recycled Water System– Water & Sewer Utilities.

Presenter: Sean White, Director of Water and Sewer Utilities.

Motion/Second: Scalmanini/Mulheren to adopt a Reimbursement Resolution (2015-45), an Authorizing Resolution (2015-46) and a Pledged Revenue Resolution (2015-47) to submit to the State Water Resources Control Board Division of Financial Assistance in support of a funding application for the construction of the Recycled Water System. Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

e. Creation of Two Separate Ad Hocs to Represent the City Council in Two Separate Solid Waste Issues Regarding Landfill Closure and the Five Year Rate Review Process – Administration.

Presenter: Sage Sangiacomo, City Manager.

EXHIBIT A

**CITY OF UKIAH RECYCLED WATER PROJECT: PHASE 1A -
WWTP CHLORINE CONTACT BASIN RENOVATION, PUMP STATION, AND PIPELINES**

**SCOPE OF WORK
October 28, 2016**

BACKGROUND AND WORK DESCRIPTION

The City of Ukiah (OWNER) has received Integrated Regional Water Management Plan (IRWMP) funding from the State of California to complete portions of Phases 1 and 2 of its Recycled Water Project. Carollo Engineers, Inc. (ENGINEER) has recently completed final design of Phases 1 - 3 of this Recycled Water Project. The OWNER now wishes to implement an initial portion (termed "Phase 1A") of the Recycled Water Project using this IRWMP funding. Phase 1A will comprise both facilities not as yet designed, and re-packaged elements from the Phases 1-3 final designs, as defined below:

- **City of Ukiah Wastewater Treatment Plant (WWTP) chlorine contact basin renovation to achieve Title 22 compliance at 4 mgd.** As part of previous studies, the ENGINEER prepared a water balance and zero discharge report that identified that the WWTP's two chlorine contact basins are a significant constraint on the future production of recycled water and on the size of recycled water storage facilities to be provided. Although initially designed hydraulically for a capacity of 2 million gallons per day (mgd), each basin has been downgraded to a maximum flow of 1 mgd so that the water quality of the basin's effluent complies with the State's Title 22 regulations. The water balance studies demonstrated that, at a minimum, 4 mgd of Title 22-compliant capacity is required from the basins for efficient operation of the OWNER'S Recycled Water Project. The ENGINEER subsequently prepared a conceptual design for Title 22-compliant chlorine contact basins having a total capacity of 4 mgd, together with a construction cost estimate. The conceptual design allows for sequential basin renovation at the same location as the existing basins so that at least 1 mgd of Title 22-compliant capacity is always available throughout construction. This Phase 1A scope of work includes preparation of preliminary and final design for this facility.
- **Phase 1A recycled water pump station.** This pump station will draw effluent immediately downstream of the new contact basins and deliver flow to two pipelines: one to the north and one to the south of the WWTP. This scope includes conceptual, preliminary, and final design of the Phase 1A pump station.
- **12-inch diameter recycled water pipeline to the south of the WWTP.** The ENGINEER completed final design of this pipeline under the Phases 1 -3 project. As part of Phase 1A, the portion of the pipeline from south of the location of the Phases 1 – 3 recycled water storage pond (south from approximately STA B25+50 on Drawing P-29 of the Phases 1 - 3 design drawings) will be constructed. This is to avoid any future conflict during construction of the Phases 1 - 3 pond – the permanent pipeline here is located within the berms that make up the new pond. A temporary above-ground pipeline that avoids the main pond footprint will connect the Phase 1A pump station with the Phases 1-3 pipeline. Meters and

connections to the Koball and Milovina properties, including a jack-and-bore connection under the NPW Railroad for Milovina, are included in Phase 1A. These are Meters M-01 and M-02 on Drawings G-07 and Drawing P-28 of the Phases 1 -3 final design drawings. This scope of work includes conceptual, preliminary, and final design of the new temporary pipeline, and the necessary revisions to the Phases 1 -3 final design drawings for inclusion in Phase 1A.

- **16-inch diameter recycled water pipeline to the north of the WWTP.** The ENGINEER has completed final design of this pipeline under Phases 1 -3. This pipeline will be constructed to the Norgard property north of the WWTP as part of Phase 1A. The pipeline termination point is located at Meter M-06 on Drawing P-05 of the Phases 1 -3 final design. A temporary pipeline connection will be made from the new Phase 1A recycled water pump station to the 16-inch diameter main. This Phase 1A scope includes for preliminary and final design of this temporary pipeline, and modification of the Phases 1-3 pipeline final design as necessary. A hydraulics review will be conducted initially to confirm the suitability of the 16-inch diameter main for the lower flows conveyed as part of the Phase 1A project. Otherwise, a temporary, smaller-diameter pipeline for this short northern route will be included. Phase 1A will also include the re-packaging of the meter and connection (Meter M-06) design at the Norgard property, and that for Meter M-05 at the WWTP that serves the City-owned parcel immediately north of the WWTP.

New designs will be developed, and existing designs modified as necessary, to produce bid-ready design plans, specifications and cost estimates for Phase 1A.

This scope of work also includes engineering services during construction (ESDC) for Phase 1A. Construction Management services are not included.

Work under this scope is organized under nine Tasks as follows:

Design Phase

- **Task 1 - Project Management and Administration During Design**
- **Task 2 - Conceptual and Preliminary Design**
- **Task 3 - Final Design**
- **Task 4 - Regulatory Agency Coordination and Funding Support**
- **Task 5 - Bid and Award**

Construction Phase

- **Task 6 - Project Management and Administration During Construction**
- **Task 7 - Engineering Services During Construction**
- **Task 8 - Construction Observation**
- **Task 9 - Project Commissioning and Closeout**

For the design phase, Carollo will lead the engineering work, and the regulatory agency coordination and funding support, with local consultants LACO Associates and Rau & Associates providing geotechnical engineering and survey services respectively. This is similar to earlier phases of the recycled water project. It is assumed that as the new basins are renovations to

existing facilities, and that as there is no increase in capacity that could be construed as growth-inducing, the project will be categorically exempt from CEQA. All other elements are included with the Phases 1 -3 permits. No environmental services have been included in the design phase of the scope as a result.

Carollo will lead the ESDC stage of the project, with sub consultants SMB Environmental providing environmental monitoring services, and LACO Associates providing geotechnical observation.

SCOPE OF WORK

TASK 1— PROJECT MANAGEMENT AND ADMINISTRATION DURING DESIGN

Task 1 includes project management for Tasks 2 - 5.

Task 1.1 - Project Administration

The ENGINEER will administer the project design phase, and subconsultants, to maintain project schedule and budget. The project progress and budget status will be included in monthly progress reports that will be attached to billing invoices. Additionally, the monthly progress report will include a list of work completed for the time period and what is expected in the coming period.

Task 1.2 - Meetings

The ENGINEER will coordinate project tasks between the OWNER, subconsultants, stakeholders and other agencies as required through project meetings and conference calls. The ENGINEER will prepare an agenda and brief meeting summaries for each of the meetings. Anticipated design phase project meetings are identified below:

- Project Kick-off Meeting and Site Visit (OWNER offices)
- Monthly Project Status / Design Review Meetings (OWNER offices or Conference call) (Assume four (4) total)

Task 1.3 — Quality Control

Quality control will be monitored throughout the entirety of project design. The ENGINEER will review deliverables provided by subconsultants prior to forwarding to the OWNER'S staff. Any document developed by the ENGINEER will be peer-reviewed internally prior to delivery to the OWNER, in accordance with the ENGINEER'S standard quality control protocols.

Task 1: Deliverables:

- Monthly progress reports
- Meeting agendas and brief summaries

TASK 2 - CONCEPTUAL AND PRELIMINARY DESIGN

Under Task 2, the ENGINEER will perform conceptual and preliminary design activities for the facilities identified earlier in this scope. This task includes topographic survey and mapping; geotechnical investigation; and preparation of a Basis of Design Report and 30% design level documents. Deliverables prepared as part of this task will be used for design in subsequent tasks.

Task 2.1 - Topographical Survey and Mapping

The ENGINEER'S sub consultant Rau and Associates (Rau) will perform ground surveys to supplement information from prior surveys and to detail the proposed construction footprint of the renovated chlorine contact basins and the new pump station, and the route of the temporary pipelines. Rau will attempt to establish the invert elevations of buried infrastructure and piping not previously determined, including those at the head of the existing basins.

Rau will provide detailed topographic and facility mapping of the chlorine contact basin site, and a DTM in AutoCAD Civil 3D format, that includes:

- Terrain (1 foot contours) with spot elevations;
- Outline of the chlorine contact basins and elevations of critical inverts;
- Invert elevations of inlet piping, and elevations and inverts of upstream piping / manholes in order to determine pipe slopes and hydraulic capacity;
- Existing utilities and structures present within the project mapping area, or that may affect the project because of their close proximity;
- Trees greater than 4" in dbh that may be affected by the project;
- Project control points;
- Height of overhead utility lines that may conflict with the project.

Task 2.1 Deliverables

- Topographic mapping (at 1"= 20').
- Electronic Files in AutoCAD Civil 3D .dwg file format with point files and the DTM surface model.

Task 2.2 - Geotechnical Investigation

The ENGINEER's subconsultant LACO Associates (LACO) will review available existing geologic maps, soils reports, and geologic reports for the project area. LACO will review the project area and mark the boring locations for Underground Service Alert (USA) if needed.

For the revised footprint for the chlorine contact basins and the new pump station, LACO will perform 3 borings (between 20 and 30 feet deep). LACO will log the borings, and obtain disturbed and relatively undisturbed soil samples for laboratory testing. Sampling locations/depths will be determined in the field by the project geologist based on subsoil conditions encountered.

A laboratory testing program will be conducted to characterize the soil properties. LACO will perform laboratory tests on selected soil samples that may include direct shear and/or triaxial shear strength, particle size, moisture content, dry density, Atterberg limits, consolidation, and corrosion potential (resistivity, pH, sulfate, chloride, and redox potential).

LACO will perform engineering evaluations to develop conclusions and recommendations regarding geologic hazards affecting the proposed improvements, excavatability, thrust-block bearing capacity, and corrosion potential of soils.

LACO will prepare draft and final Geotechnical Reports that document the results of the geotechnical investigation and address requirements of both the California Building Code and the Mendocino County Grading Regulations (current versions as of the date the Report is prepared). The Reports will include soil logs, results of laboratory analysis, results of geohazard evaluation, and geotechnical recommendations to support design and construction of proposed improvements.

Task 2.2 Assumptions

- An environmental assessment or any exploration for the presence or absence of any hazardous or toxic materials is not included.
- The OWNER will be responsible for clearance from utilities not covered by USA.
- Geotechnical investigation does not include a site specific quantitative liquefaction analysis.
- The OWNER will secure site access for pre-survey and geotechnical investigation.

Task 2.2 Deliverables:

- Draft and Final Geotechnical Report (2 hard copies and 1 electronic copy).

Task 2.3 - Basis of Design Report, 30% Design Level Plans, List of Specifications, and Cost Estimate

The ENGINEER will include the new and previous conceptual design work in a Basis of Design Report. 30% design level plans will be developed using the ENGINEER's CAD standards per the Phases 1- 3 final design. The ENGINEER will prepare a list of technical specifications. An estimate of probable construction cost will be prepared to reflect the 30% level of design. This will include an update of conceptual design level cost estimates previously prepared.

The Basis of Design Report and 30% design submittal package will be provided to the OWNER for review and comment. All review comments and responses to comments will be documented in a comment log. Agreed comments will be incorporated in the final design.

Task 2.3 Deliverables:

- Basis of Design Report, 30% Design Level Plans (2 hard copies and 1 electronic copy).
- List of technical specifications
- 30% design level cost estimate (1 electronic copy)

TASK 3 - FINAL DESIGN

Task 3.1 - 75% Design Level Plans, Specifications, and Cost Estimate

75% design level plans will be developed using the ENGINEER's CAD standards per the Phases 1 - 3 final design. The ENGINEER will prepare any additional technical specifications, in conjunction with the OWNER's standard front-end specifications, that are needed beyond those already prepared for the Phases 1 - 3 final design. All specification documents will be prepared using Microsoft Word, and will be in CSI format. An estimate of probable construction cost will be prepared to reflect the 75% level of design. An electronic PDF of the cost estimate will be provided with the 75% submittal.

The 75% package will be provided to the OWNER for review and comment. A review meeting or conference call will be held to discuss the OWNER'S comments. All review comments and responses to comments will be documented in a comment log.

Task 3.2 - 100% Design Level Plans, Specifications, and Cost Estimate

100% design level plans will be developed using the ENGINEER's CAD standards per the Phases 1 - 3 final design. The 100% design submittal will include agreed-upon review comments from the 75% design submittal. The ENGINEER will update any additional technical specifications, in conjunction with the OWNER's standard front-end specifications, that are needed beyond those already prepared for the Phases 1 - 3 final design. An estimate of probable construction cost will be prepared to reflect the 100% level of design. An electronic PDF of the cost estimate will be provided with the 100% submittal.

The 100% package will be provided to the OWNER for review and comment. A review meeting or conference call will be held to discuss the Owner's comments. All review comments and responses to comments will be documented in a comment log.

Task 3.3 - Final Bid Documents

Agreed comments received from the OWNER will be incorporated into the plans and specifications to develop a set of final bid-ready documents. The cost estimate will be updated to reflect the final design.

Task 3 Assumptions:

- Landscaping and architectural design are not required, and are not included;
- OWNER will provide any required front-end documents in addition to those already provided for the Phases 1 - 3 design.

Task 3 Deliverables:

- 75% Plans, Specifications, and Cost Estimate (2 hard copies, 1 electronic copy).
- 100% Plans, Specifications, and Cost Estimate (2 hard copies, 1 electronic copy).
- Ten (10) hard copies (if requested) and a reproducible set of the final bid-ready contract documents will be provided to the OWNER for distribution to interested contractors.

TASK 4 - REGULATORY AGENCY COORDINATION AND FUNDING SUPPORT

Task 4.1 - Regulatory Agency Coordination

This task includes any additional meetings with regulatory agencies as needed for permits required specifically for the chlorine contact basins renovation. It is assumed the OWNER will take the lead obtaining regulatory approval required for changes in any of its operating / discharge permits. Ongoing coordination is anticipated with the North Coast Regional Water Quality Control Board and the California State Water Resources Control Board (SWRCB). It is also assumed that permits obtained for Phases 1 -3 are applicable to Phase 1A.

Task 4.2 - Funding Support

This task includes an allowance for attending up to two meetings, conference calls and preparing supporting documentation packages for submission to appropriate funding agencies.

Task 4 Assumptions:

- No building or other planning permits are required beyond those for Phases 1 -3;
- Categorical exemption from CEQA is applicable since we are renovating an existing facility.
- Scope will be limited to the level of effort defined in the fee schedule.

Task 4 Deliverables:

- Supporting documentation.

TASK 5 - BID AND AWARD

Task 5.1 - Answer Questions / Provide Addenda

The ENGINEER will provide assistance, as required, to the OWNER during the bidding of the project. This will include answering contractor questions and preparing up to two addenda during the advertisement period. The ENGINEER will be the primary contact for technical questions during the bid period. Addenda will be distributed by the OWNER.

Task 5.2 - Attend Pre-Bid Conference

The ENGINEER will attend the pre-bid conference. The meeting will be conducted by the OWNER, but the ENGINEER will be available to answer questions or discuss the intent of the plans and specifications as requested by the OWNER. The ENGINEER will prepare minutes from the meeting. Meeting minutes will be distributed by the OWNER.

Task 5.3 - Construction Contract Award

After receipt of bids, the ENGINEER will assist the OWNER in developing a construction contract award recommendation for the project. The ENGINEER will evaluate bids for completeness and

compliance, check Bidder resources as required by OWNER, and make a recommendation with respect to award of the Contract. After Contract Award, the ENGINEER will prepare conformed plans and specifications.

Task 5 Assumptions

- The OWNER will sell and distribute contract documents to contractors.
- The OWNER will distribute addenda and minutes from the pre-bid conference.
- A maximum of two (2) addenda will be prepared.

Task 5 Deliverables:

- Written responses to contractors' questions.
- Addenda
- Meeting agendas and minutes.
- Award recommendation
- Conformed contract documents (CD of half-size plans and specifications)

TASK 6 - PROJECT MANAGEMENT AND ADMINISTRATION DURING CONSTRUCTION

Task 6 includes for all project management work for Task 7 - 10.

Task 6.1 - Project Administration

The ENGINEER will administer the project ESDC phase, and subconsultants, to maintain project schedule and budget. The project progress and budget status will be included in monthly progress reports that will be attached to billing invoices. Additionally, the monthly progress report will include a list of work completed for the time period and what is expected in the coming period.

Task 6.2— Quality Control

Quality control will be monitored throughout the entirety of the Project ESDC phase. The ENGINEER will review deliverables provided by subconsultants prior to forwarding to the OWNER'S staff or construction management team as appropriate. Any document developed by the ENGINEER will be peer-reviewed internally prior to delivery to the OWNER.

Task 6: Deliverables:

- Monthly invoices.
- Monthly progress reports.

TASK 7 – ENGINEERING SERVICES DURING CONSTRUCTION

The following tasks describe detailed scope of the ESDC phase:

Task 7.1 - Pre-Construction Conference

The ENGINEER will attend the pre-construction conference. It is assumed that the meeting will be led by the OWNER and / or the Construction Manager, and they will prepare meeting agendas and minutes. ENGINEER'S principal role at the meeting will be to answer questions from the selected contractor (CONTRACTOR).

Task 7.2 - Engineer's Site Observation

The ENGINEER's team will conduct construction observation site visits twice per month (8 hours per visit, including travel time) during project construction. The ENGINEER will also attend the initial kickoff meeting and one closeout meeting on site. The assumed construction duration is 6 months. The ENGINEER will schedule these visits every two weeks to coincide with construction progress meetings, or as otherwise required by the OWNER.

Task 7.3 - Submittals Review

The ENGINEER will review CONTRACTOR'S shop drawings and other submittals as requested by OWNER and / or the Construction Manager. It is assumed that the Construction Manager will receive all CONTRACTOR'S submittals and re-submittals, and will forward to the ENGINEER those submittals and re-submittals that the OWNER and / or Construction Manager determine require designer review. The ENGINEER will provide a written response to each submittal and re-submittal within 14 calendar days of receipt of that submittal by the ENGINEER, unless otherwise agreed with the OWNER. Exceptions to this response target may include large submittals, and response times for these submittals will be agreed with the OWNER on a case-by-case basis.

A total of 40 submittal reviews and 20 re-submittal reviews are included in this scope. The corresponding budget is based on an average of 4 hours per submittal for the ENGINEER's review and response, and 2 hours per resubmittal.

Task 7.4 - Responses to Contractor's Request for Information (RFIs)

The ENGINEER will provide written responses to the CONTRACTOR'S RFIs. A total of 30 RFIs are included in this scope. The corresponding budget is based on an average of 4 hours per RFI for the ENGINEER's review and response. It is assumed that the Construction Manager will receive all CONTRACTOR'S RFIs, and will forward to the ENGINEER those RFIs that the OWNER and / or Construction Manager determine require designer input.

Task 7.5 - Review and Preparation of Design Clarifications (DCs)

The ENGINEER will prepare and/or review proposed changes in project scope or project time, when requested by the OWNER or Construction Manager. A total of 5 DCs are included in the scope. The corresponding budget is based on an average of 6 hours per DC, which includes

preparation time, review of CONTRACTOR-furnished supporting information, discussions with CONTRACTOR and OWNER / Construction Manager, and preparation of DC responses.

It is assumed that all Change Orders will be prepared by the Construction Manager. The ENGINEER will provide any supporting information required for Change Orders through the Design Clarification process.

Task 7 - Deliverables:

- CD with electronic (pdf) files of the conformed half size drawings and specifications.
- Electronic responses to RFIs.
- Responses to submittals and re-submittals.
- Design clarification responses.

TASK 8 – CONSTRUCTION OBSERVATION

Task 8.1 - Structural Observation

The ENGINEER will perform structural observation of the project. It is assumed that two site visits are required, on an 8 hour-per-visit basis that includes travel time.

Task 8.2 - Geotechnical Observation

The ENGINEER's sub consultant LACO Associates will perform geotechnical observation of the project, including observation of excavated sub grades for foundations.

Task 8.3 - Environmental Monitoring

The ENGINEER's sub consultant SMB Environmental will perform environmental monitoring for the project, as required by environmental permits.

TASK 9 - PROJECT COMMISSIONING AND CLOSEOUT

Task 9.1 - Record Drawings

The ENGINEER will review, after substantial completion, the final version of the CONTRACTOR's redline drawings that have been accepted by the Construction Manager. Based on this final set of marked-up drawings, the ENGINEER will prepare record drawings in an electronic format (AutoCAD and pdf versions) for delivery to the OWNER.

Task 9.2 - Substantial and Final Completion Assistance

At the request of the OWNER and / or the Construction Manager, the ENGINEER will assist in determining if the project is substantially complete in accordance with the Contract Documents. The ENGINEER will also assist in preparing the Certificate of Substantial Completion and a list of deficient items ("punch list"). It is assumed that the Construction Manager will be responsible

for determining whether the project is substantially complete.

When notified by the Construction Manager that the punch list items have been completed, the ENGINEER will assist in determining if the finished work has been completed to the standard required by the Contract Documents. It is similarly assumed that the Construction Manager will be responsible for determining whether the project has reached final completion, and for certifying as such to the OWNER as required by the Contract Documents.

Two site visits are included in this sub-task: one each at the time of substantial and final completions. Each visit is of an 8-hour duration, including travel time.

Task 9.3 - Training and Commissioning

Under the lead of the Construction Manager, the ENGINEER will assist in the review of the CONTRACTOR's training plan and instruction materials for compliance with the Contract Documents. If requested, the ENGINEER will provide instruction to OWNER personnel on the project objectives, design intent, and system operational procedures.

As requested by the OWNER and / or the Construction Manager, the ENGINEER will review the CONTRACTOR'S start-up and commissioning plan for the project. Commissioning is defined as the process in which the newly constructed facility will be placed into routine operation. The commissioning process will include a planned, systematic approach to verify that facility systems operate as intended and there is an orderly transition from construction phase to routine operation. It is anticipated that the commissioning program will include three phases as follows:

- Phase I - Initial start-up in manual operating mode.
- Phase II - Transition into computer operating mode.
- Phase III - Transition from CONTRACTOR to OWNER operation.

The ENGINEER will assist with field commissioning of the project. The fee associated with this sub-task includes for 16 labor hours at the project site, including travel time and expenses.

Task 9.4 - Operations and Maintenance Manuals

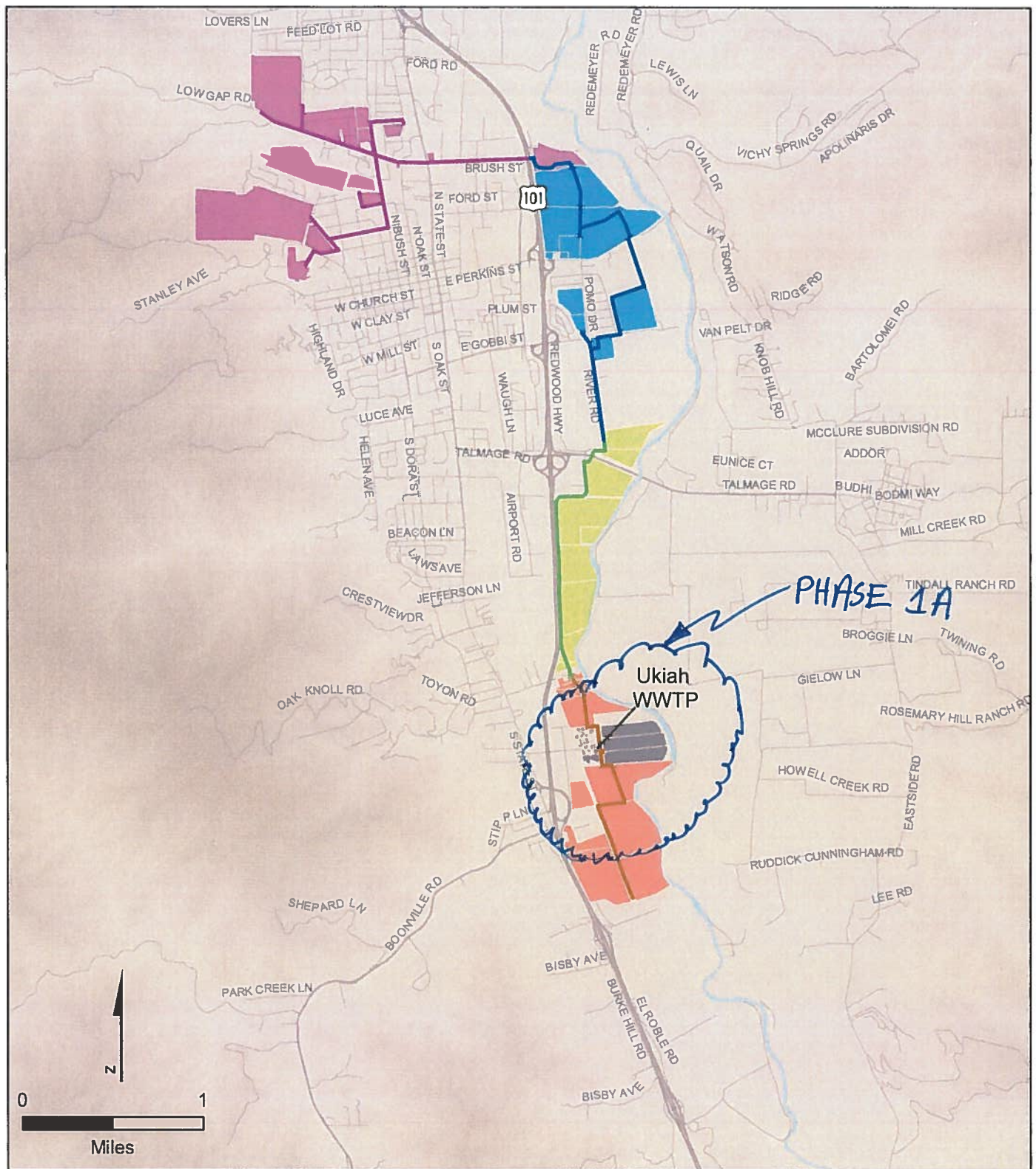
Under this sub-task, the ENGINEER will review Operations and Maintenance (O&M) documents and manuals provided by equipment vendors that are forwarded by the Construction Manager.

Task 9 - Deliverables:

- Electronic files (AutoCAD and pdf versions), and two hard copies (one full-size set, one half-size set) of record drawings.
- Review comments.

EXHIBIT B
Recycled Water Project - Phase 1A
City of Ukiah

Task Description			Tracy Clinton	Simon Gray	Mike Lonergan	Alice Chikerema		Ron Papa				Other Direct Costs (ODC)										ODC Cost	Total Cost		
			PIC	PM	PE	Structural	E&IC	Staff	QA/QC	CAD	WP	Carollo		Subconsultants					PECE	\$11.7	Printing			Mileage	
														LACO Associates	Rau & Associates	SMB Enviro	Subtotal	Sub Consultant Markup (10%)	Sub Consultant Total						Trips
												Total Hours	Labor Cost												
Task Description			\$236	\$256	\$197	\$197	\$215	\$157	\$236	\$152	\$101	Total Hours	Labor Cost	LACO Associates	Rau & Associates	SMB Enviro	Subtotal	Sub Consultant Markup (10%)	Sub Consultant Total	per hr	Printing	Trips	Amount	ODC Cost	Total Cost
1.0 Project Management and Administration During Design																									
1.1 Project Administration			0	16	0	0	0	0	0	0	16	\$4,096	\$0	\$0	\$0	\$0	\$0	\$0	\$187	\$0	0	\$0	\$187	\$4,283	
1.2 Meetings			16	32	24	0	0	24	0	0	96	\$20,464	\$0	\$0	\$0	\$0	\$0	\$0	\$1,123	\$0	8	\$1,080	\$2,203	\$22,667	
1.3 Quality Control			0	0	0	0	0	0	24	0	24	\$5,664	\$0	\$0	\$0	\$0	\$0	\$0	\$281	\$0	0	\$0	\$281	\$5,945	
Total Task 1.0			16	48	24	0	0	24	24	0	0	136	\$30,224	\$0	\$0	\$0	\$0	\$0	\$0	\$1,591	\$0	8	\$1,080	\$2,671	\$32,895
2.0 Conceptual and Preliminary Design																									
2.1 Topographical Survey and Mapping			0	8	0	0	0	8	0	8	0	24	\$4,520	\$0	\$10,000	\$0	\$10,000	\$1,000	\$11,000	\$281	\$0	0	\$0	\$11,281	\$15,801
2.2 Geotechnical and Corrosion Investigation			0	8	8	0	0	8	0	0	24	\$4,880	\$20,000	\$0	\$0	\$0	\$20,000	\$2,000	\$22,000	\$281	\$0	0	\$0	\$22,281	\$27,161
2.3 BODR, 30% Design Plans, Spec List, Cost Estimate			0	24	40	8	32	84	0	120	4	312	\$54,312	\$0	\$0	\$0	\$0	\$0	\$0	\$3,650	\$0	0	\$0	\$3,650	\$57,962
Total Task 2.0			0	40	48	8	32	100	0	128	4	360	\$63,712	\$20,000	\$10,000	\$0	\$30,000	\$3,000	\$33,000	\$4,212	\$0	0	\$0	\$37,212	\$100,924
3.0 Final Design																									
3.1 75% PS&E			4	48	96	80	84	120	0	196	0	628	\$114,596	\$0	\$0	\$0	\$0	\$0	\$0	\$7,348	\$500	1	\$135	\$7,983	\$122,579
3.2 100% PS&E			4	48	64	48	48	96	0	96	0	404	\$75,280	\$0	\$0	\$0	\$0	\$0	\$0	\$4,727	\$500	1	\$135	\$5,362	\$80,642
3.3 Final Bid Documents			2	16	32	40	32	32	0	40	0	194	\$36,736	\$0	\$0	\$0	\$0	\$0	\$0	\$2,270	\$1,000	0	\$0	\$3,270	\$40,006
Total Task 3.0			10	112	192	168	164	248	0	332	0	1,226	\$226,612	\$0	\$0	\$0	\$0	\$0	\$0	\$14,344	\$2,000	2	\$270	\$16,614	\$243,226
4.0 Regulatory Agency Coordination and Funding Support																									
4.1 Regulatory Agency Coordination			16	4	0	0	0	8	0	0	2	30	\$6,258	\$0	\$0	\$0	\$0	\$0	\$0	\$351	\$0	2	\$270	\$621	\$6,879
4.2 Funding Support			16	4	0	0	0	8	8	0	2	38	\$8,146	\$0	\$0	\$0	\$0	\$0	\$0	\$445	\$0	2	\$270	\$715	\$8,861
Total Task 4.0			32	8	0	0	0	16	8	0	4	68	\$14,404	\$0	\$0	\$0	\$0	\$0	\$0	\$796	\$0	4	\$540	\$1,336	\$15,740
5.0 Bid and Award																									
5.1 Answer Questions / Provide Addenda			0	8	8	0	0	8	0	0	2	26	\$5,082	\$0	\$0	\$0	\$0	\$0	\$0	\$304	\$0	0	\$0	\$304	\$5,386
5.2 Attend Pre-Bid Conference			0	8	8	0	0	0	0	0	2	18	\$3,826	\$0	\$0	\$0	\$0	\$0	\$0	\$211	\$0	2	\$270	\$481	\$4,307
5.3 Construction Contract Award			2	8	4	0	0	4	0	40	2	60	\$10,218	\$0	\$0	\$0	\$0	\$0	\$0	\$702	\$0	0	\$0	\$702	\$10,920
Total Task 5.0			2	24	20	0	0	12	0	40	6	104	\$19,126	\$0	\$0	\$0	\$0	\$0	\$0	\$1,217	\$0	2	\$270	\$1,487	\$20,613
6.0 Project Management and Administration During Construction																									
6.1 Project Administration			4	24	0	0	0	0	0	4	32	\$7,492	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0	\$7,492
6.2 Quality Control			4	8	0	0	0	0	40	0	4	56	\$12,836	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0	\$12,836
Total Task 6.0			8	32	0	0	0	0	40	0	8	88	\$20,328	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0	\$20,328
7.0 Engineering Services During Construction																									
7.1 Pre-Construction Conference			0	8	8	0	0	0	0	0	16	\$3,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2	\$270	\$270	\$3,894
7.2 Engineer's Site Observation			8	72	32	0	0	32	0	0	0	144	\$31,648	\$0	\$5,000	\$0	\$5,000	\$500	\$5,500	\$0	\$0	18	\$2,430	\$7,930	\$39,578
7.3 Submittals Review			0	16	46	24	48	64	0	0	2	200	\$38,456	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500	0	\$0	\$500	\$38,956
7.4 Responses to Contractor's RFIs			0	16	24	8	32	38	0	0	2	120	\$23,448	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200	0	\$0	\$0	\$23,448
7.5 Review and Preparation of Design Clarifications			0	4	4	4	4	12	0	0	2	30	\$5,546	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200	0	\$0	\$200	\$5,746
Total Task 7.0			8	116	114	36	84	146	0	0	6	510	\$102,722	\$0	\$5,000	\$0	\$5,000	\$500	\$5,500	\$0	\$900	20	\$2,700	\$8,900	\$111,622
8.0 Construction Observation																									
8.1 Structural Observation			0	4	0	16	0	0	0	0	0	20	\$4,176	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2	\$270	\$270	\$4,446
8.2 Geotechnical Observation			0	4	8	0	0	8	0	0	0	20	\$3,856	\$10,000	\$0	\$0	\$10,000	\$1,000	\$11,000	\$0	\$0	0	\$0	\$11,000	\$14,856
8.3 Environmental Monitoring			0	4	0	0	0	8	0	0	0	12	\$2,280	\$0	\$0	\$7,500	\$7,500	\$750	\$8,250	\$0	\$0	0	\$0	\$8,250	\$10,530
Total Task 9.0			0	12	8	16	0	16	0	0	0	52	\$10,312	\$10,000	\$0	\$7,500	\$17,500	\$1,750	\$19,250	\$0	\$0	2	\$270	\$19,520	\$29,832
9.0 Project Commissioning and Closeout																									
9.1 Record Drawings			0	8	8	4	16	24	0	96	4	160	\$26,616	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	0	\$0	\$1,000	\$27,616
9.2 Substantial and Final Completion Assistance			0	24	8	0	16	8	0	0	8	64	\$13,224	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2	\$270	\$270	\$13,494
9.3 Training and Commissioning			0	16	8	0	24	8	0	0	0	56	\$12,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	4	\$540	\$540	\$12,628
9.4 Operations and Maintenance Manuals			0	4	4	0	8	8	0	0	0	24	\$4,788	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	\$0	\$4,788
Total Task 10.0			0	52	28	4	64	48	0	96	12	304	\$56,716	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	6	\$810	\$1,810	\$58,526
TOTAL ALL DESIGN TASKS			60	232	284	176	196	400	32	500	14	1,894	\$354,078	\$20,000	\$10,000	\$0	\$30,000	\$3,000	\$33,000	\$22,160	\$2,000	16	\$2,160	\$59,320	\$413,398
TOTAL ALL ESDC TASKS			16	212	150	56	148	210	40	96	26	954	\$190,078	\$10,000	\$5,000	\$7,500	\$22,500	\$2,250	\$24,750	\$0	\$1,900	28	\$3,780	\$30,230	\$220,308
TOTAL ALL TASKS			76	444	434	232	344	610	72	596	40	2,848	\$544,156	\$30,000	\$15,000	\$7,500	\$52,500	\$5,250	\$57,750	\$22,160	\$3,900	44	\$5,940	\$89,550	\$633,706



Legend

Pipelines Potential Parcels		WWTP Ponds and Buildings
by Phase	by Phase	River
1	1	Major Roads
2	2	Local Streets
3	3	
4	4	

Figure 7.2
PHASING OF
RECOMMENDED ALTERNATIVE
RECYCLED WATER MASTER PLAN
CITY OF UKIAH



ITEM NO.: 12c

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: ADOPTION OF A RESOLUTION CONTINUING THE FY 2016-2017 JOINT WASTEWATER SYSTEM BUDGET PROCESS

Summary: The City Council may consider adoption of a Continuing Resolution for the Wastewater System budget.

Background: The City of Ukiah (City) and the Ukiah Valley Sanitation District (UVSD) adopted Continuing Resolutions (Attachment #1) on June 21, 2016, and agreed to hold another joint meeting in order to provide comments, discussion and consideration of the Fiscal Year 2016-2017 Wastewater System Budget. The City Council held a second Special Joint Session with the Ukiah Valley Sanitation District Board of Directors to discuss, comment and consider the Fiscal Year 2016-2017 Wastewater System Budget on August 15, 2016. At that meeting a Continuing Resolution was adopted authorizing expenditures to December 31, 2016 (Attachment #2).

Discussion: The final draft of the Fiscal Year 2016-2017 Wastewater System Budget (Attachment #3) was delivered to UVSD staff on August 8, 2016. Previous drafts have been transmitted to and discussed with District staff since April 2016. In addition, the City Council and District Board held a joint session on May 23, 2016, to review the prior year's accomplishments and consider budget performance goals and objectives for Fiscal Year 2016-2017. The final draft of the budget incorporates all of the past work product.

Since August 15, 2016, City Staff has met with UVSD staff to discuss particular items in the budget. On November 17, 2016, City Staff attended the monthly UVSD meeting in which they conducted a workshop on the proposed budget. The UVSD Board directed the District Manager to coordinate another joint meeting with both agencies between December 1st and December 9th.

At the time this report was prepared, the City had not received any correspondence or response from the District Manager regarding a joint meeting despite inquiries by City Staff (Attachment #4). Given the impending December 31st expiration of the current Continuing Budget Resolution, the City Council (if necessary) may consider taking action to further extend budget authorization for the operation and maintenance of the Wastewater System.

RECOMMENDED ACTION(S): Adoption of a Resolution continuing the FY 2016-2017 Joint Wastewater System Budget.

ALTERNATIVES: N/A

Citizens advised: N/A
Requested by: Sage Sangiacomo, City Manager.
Contact / Prepared by: Jarod Thiele, Public Works Management Analyst.
Coordinated with: Sean White, Director of Water and Sewer; Dan Buffalo, Finance Director
Presenters: Sean White, Director of Water and Sewer and Jarod Thiele, Public Works Management Analyst.
Attachments: 1) City of Ukiah Resolution 2016-38; UVSD Resolution 2016-01
2) City of Ukiah Resolution 2016-47; UVSD Resolution 2016-03
3) FY 2016-17 Draft Wastewater System Budget
4) Email Correspondence related to the FY 16/17 Budget

COUNCIL ACTION DATE: _____ : ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RESOLUTION No. 2016- 38**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH CONTINUING THE FY 2016-2017 JOINT WASTEWATER SYSTEM BUDGET PROCESS UNTIL AFTER JULY 1, 2016**

WHEREAS, at a special joint meeting on the 21ST day of June, 2016, the Ukiah Valley Sanitation District ("DISTRICT") Board of Directors and the Ukiah City Council reviewed the FY 2016-2017 Wastewater System Budget process and schedule; and

WHEREAS, after review and discussion of the current process, the Board of Directors and the Ukiah City Council agreed the budget review process could not be completed by July 1, 2016 because additional time was needed for the development and receipt of the complete draft proposed budget and presentation; and

WHEREAS, the opportunity for this presentation and review could not occur until after July 1, 2016; and

WHEREAS, operations of the Wastewater System need to continue until the budget is adopted by both the DISTRICT and the CITY OF UKIAH in joint session; and

WHEREAS, the Board of Directors and the Ukiah City Council anticipate that the necessary information can and will be provided and reviewed as necessary to allow the budget to be considered by both the DISTRICT and the CITY OF UKIAH in joint session in not more than 45 days after July 1, 2016.

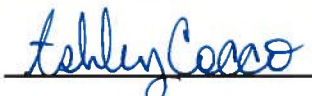
NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. The Board of Directors and the Ukiah City Council shall meet in joint session after July 1, 2016, but not later than August 15th, 2016, to consider approval of the 2016-17 Wastewater System Budget.
2. Until the budget is approved by both the DISTRICT and the CITY OF UKIAH, ordinary operation and maintenance and emergency response may be provided by the CITY OF UKIAH for the WWTP and collection system in accordance with the 2015-16 Wastewater System Budget approved by the Ukiah City Council.
3. Ordinary care and maintenance does not include non-routine contracts and capital expenditures other than routine or emergency repairs or replacements.

PASSED AND ADOPTED on June 21st, 2016, by the following Roll Call Vote:

AYES: Councilmembers Crane, Mulheren, Doble, Brown, and Scalmanini
NOES: None
ABSTAIN: None
ABSENT: None

ATTEST:



Ashley Cocco, Deputy City Clerk



Stephen G. Scalmanini, Mayor

UKIAH VALLEY SANITATION DISTRICT BOARD OF DIRECTORS

RESOLUTION No. 2016-01

**RESOLUTION OF THE UKIAH VALLEY SANITATION DISTRICT BOARD OF DIRECTORS
CONTINUING THE FY 2016-2017 JOINT WASTEWATER SYSTEM BUDGET PROCESS
UNTIL AFTER JULY 1, 2016**

WHEREAS, at a special joint meeting on the 21st day of June, 2016, the Ukiah Valley Sanitation District ("DISTRICT") Board of Directors and the Ukiah City Council reviewed the FY 2016-2017 Wastewater System Budget process and schedule; and

WHEREAS, after review and discussion of the current process, the Board of Directors and the Ukiah City Council agreed the budget review process could not be completed by July 1, 2016 because additional time was needed for the development and receipt of the complete draft proposed budget and presentation; and

WHEREAS, the opportunity for this presentation and review could not occur until after July 1, 2016; and

WHEREAS, operations of the Wastewater System need to continue until the budget is adopted by both the DISTRICT and the CITY OF UKIAH in joint session;

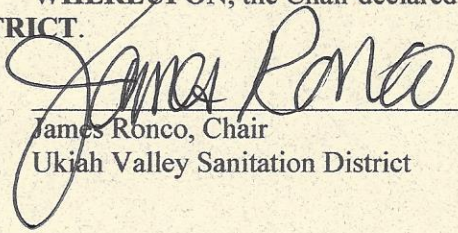
WHEREAS, the Board of Directors and the Ukiah City Council anticipate that the necessary information can and will be provided and reviewed as necessary to allow the budget to be considered by both the DISTRICT and the CITY OF UKIAH in joint session in not more than 45 days after July 1, 2016;

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. The Board of Directors and the Ukiah City Council shall meet in joint session after July 1, 2016, but not later than August 15th, 2016, to consider approval of the 2016-17 Wastewater System Budget.
2. Until the budget is approved by both the DISTRICT and the CITY OF UKIAH, ordinary operation and maintenance and emergency response may be provided by the CITY OF UKIAH for the WWTP and collection system in accordance with the 2015-16 Wastewater System Budget approved by the Ukiah City Council.
3. Ordinary care and maintenance does not include non-routine contracts and capital expenditures other than routine or emergency repairs or replacements.

The foregoing Resolution was introduced by Chair Ronco followed by a motion to adopt the Resolution from Director Page and seconded by Director Forrester. Motion carried this 21st day of June, 2016, by the following roll call vote: Ayes: Directors Page, Forrester and Chair Ronco; Nays: None; Abstain: None ; Absent: McNerlin and Marshall.

WHEREUPON, the Chair declared said Resolution **ADOPTED and SO ORDERED** for the DISTRICT.


James Ronco, Chair
Ukiah Valley Sanitation District

Attest:


Frank McMichael, District Manager/Clerk

RESOLUTION No. 2016- 47

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH CONTINUING THE FY 2016-2017 JOINT WASTEWATER SYSTEM BUDGET PROCESS

WHEREAS, at a special joint meeting on the 21st day of June, 2016, the Ukiah Valley Sanitation District ("DISTRICT") Board of Directors and the Ukiah City Council reviewed the budget process and schedule and determined additional time beyond July 1, 2016, was needed to develop and approve the FY 2016-2017 Wastewater System Budget; and

WHEREAS, the DISTRICT Board of Directors and the Ukiah City Council each passed continuing budget resolutions to allow for the ordinary operation and maintenance and emergency response to be provided by the CITY OF UKIAH for the Wastewater Treatment Plant (WWTP) and collection system in accordance with the FY 2015-16 Wastewater System Budget approved by the Ukiah City Council; and

WHEREAS, at a special joint meeting on the 15th day of August, 2016, the DISTRICT Board of Directors and the Ukiah City Council reviewed the FY 2016-2017 Wastewater System Budget process and schedule; and

WHEREAS, after review and discussion of the current process and progress, the Board of Directors and the Ukiah City Council agreed the budget review process could not be completed by August 15, 2016, because additional time was needed for the review of the proposed budget and presentation; and

WHEREAS, the DISTRICT Board has submitted for this joint meeting of the City Council and DISTRICT Board a resolution setting forth Board's views and factual assertions concerning Amendment No. 1 to the Participation Agreement between the CITY and DISTRICT and the process that has occurred in the past and which has occurred in connection with approval of the Sewer System budget for the 2016-17 fiscal year; and

WHEREAS, the City Council doesn't agree with many of those views and factual assertions, but does agree that the opportunity to complete this presentation and review could not occur until after August 15, 2016; and

WHEREAS, operations of the Wastewater System need to continue until the budget is adopted by both the DISTRICT and the CITY OF UKIAH in joint session; and

WHEREAS, the Ukiah City Council anticipates that the necessary information can and will be provided and reviewed as necessary to allow the budget to be considered by both the DISTRICT and the CITY OF UKIAH in joint session by no later than December 31, 2016.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. The Board of Directors and the Ukiah City Council shall meet in joint session not later than December 31, 2016, and ideally much sooner, to consider approval of the 2016-17 Wastewater System Budget.
2. Until the budget is approved by both the DISTRICT and the CITY OF UKIAH, ordinary operation and maintenance and emergency response shall be provided by the CITY OF UKIAH for the WWTP and collection system in accordance with the 2015-16 Wastewater System Budget approved by the Ukiah City Council.

3. Ordinary care and maintenance does not include non-routine contracts and capital expenditures other than routine or emergency repairs or replacements.

PASSED AND ADOPTED on August 15, 2016, by the following Roll Call Vote:

AYES: Councilmembers Crane, Mulheren, Doble, Brown, and Mayor Scalmanini
NOES: None
ABSTAIN: None
ABSENT: None



Stephen G. Scalmanini, Mayor

ATTEST:



Ashley Cocco, Deputy City Clerk

UKIAH VALLEY SANITATION DISTRICT BOARD OF DIRECTORS

RESOLUTION 2016-03

RESOLUTION OF THE UKIAH VALLEY SANITATION DISTRICT BOARD OF DIRECTORS CONTINUING THE FY 2016-2017 JOINT WASTEWATER SYSTEM BUDGET PROCESS UNTIL AFTER AUGUST 15, 2016.

WHEREAS, Ukiah Valley Sanitation District and the City of Ukiah have a contractual relationship known as a Participation Agreement that provides that the City shall provide certain services to the District; and

WHEREAS, the Participation Agreement has been amended twice by agreement of the two agencies; and

WHEREAS, among the services the City is to provide via this contract are maintenance of the District's collection system, billing of District customers, collection of revenues from the billing process, accounting of the revenues and expenses, administration and management of the entire sewer system and development of an annual budget for the entire sewer system; and

WHEREAS, Amendment No. 1 indicates: "The City shall prepare a proposed budget for the sewer system which must receive approval from both the City Council and the Ukiah Valley Sanitation District Board of Directors."; and

WHEREAS, the City and the District are required by the Participation Agreement (Amendment No. 1) to meet "at least once a year, prior to the commencement of the fiscal year (July 1-June 30) for, among other purposes, approval of the annual budget for the sewer system operations."; and

WHEREAS, the District Board has a fiduciary duty to District ratepayers to fully understand the proposed annual budget before providing approval; and

WHEREAS, in order to properly conduct its fiduciary duty, the Board has developed a budget review process to ensure that proposed budget is sufficiently understood before providing approval; and

WHEREAS, the District's budget review process includes the following: Review by District staff; follow-up with City staff with questions and requests for additional information as needed; review of the proposed budget and recommendation by the Board's Finance Committee; a District Board Workshop for the full Board so that the Board may understand the proposed budget and determine any concerns that it may have about the proposed budget; and finally a joint meeting with the City Council for review and possible approval of the proposed budget; and

WHEREAS, in order to perform its fiduciary duty the District Board must receive the final proposed budget from the City before the beginning of the fiscal year; and

WHEREAS, a reasonable interpretation of the above requirements as provided in Amendment No. 1 is that the City must present the final proposed budget to the District Board in sufficient time that a proper review by the District Board can occur prior to any joint meeting for approval; and

WHEREAS, the District budget review process has been utilized in prior fiscal year's budget review processes and City staff was well aware of the District's budget review process; and

WHEREAS, in prior fiscal years, the then City Finance Director agreed that the District should receive the draft final proposed budget by mid-April so that the District would have necessary time to conduct its review process; and

WHEREAS, for the FY 15-16 fiscal year the City reviewed a proposed budget that was not presented to the District until after the beginning of the fiscal year; and

WHEREAS, in August of 2015 the City Council in opposition to the contractual requirements of Amendment No. 1 unilaterally adopted the FY 15-16 sewer system budget that had not been presented to the District Board; and

WHEREAS, in other recent fiscal years the City did not provide a final proposed budget before the beginning of the fiscal years; and

WHEREAS, the City's failure to perform to the requirements of the Participation Agreement represents a breach of the contract by the City; and

WHEREAS, for Fiscal Year 2016-17 the City indicated to the District Board that they would not be able to provide a final draft proposed budget to the District Board before the beginning of the fiscal year; and

WHEREAS, the City requested that the District Board agree to extend the budget development, review and approval process until after July 1, 2016; and

WHEREAS, at a joint meeting held on June 21, 2016 the District Board adopted Resolution 2016 – 01 continuing the FY 2016-2017 wastewater system budget process until after July 1, 2016; and

WHEREAS, the City Council adopted a substantially similar resolution; and

WHEREAS, both Resolutions resolved that: "The Board of Directors and the Ukiah City Council shall meet in joint session after July 1, 2016 but not later than August 15th, 2016 to consider approval of the 2016-2017 Wastewater System Budget"; and

WHEREAS, the date of August 15, 2016 was chosen by the City Manager as providing sufficient time to finish development of the Budget by mid-July which would allow time for the District Board to conduct its budget review process; and

WHEREAS, for the FY 16-17 budget process in several meetings with City staff, District staff re-articulated and re-emphasized the need to follow the District budget review process as described above; and

WHEREAS, by mid-July a draft proposed budget had not been received by the District; and

WHEREAS, on July 26, 2016 District Manager McMichael sent an email to Director Sean White indicating concern about the non-receipt of a final proposed budget and indicating the problematic ability complete the District's budget review process so as to meet the August 15, 2016 deadline as provided in the adopted Resolutions; and

WHEREAS, the District did not receive a final proposed budget from the City until August 8, 2016, one week before closure of the extension period provided in the joint Resolutions; and

WHEREAS, the District received the final proposed budget by email from Mr. Sean White who indicated the need for extending the dates in the previous adopted Resolutions; and

WHEREAS, the City Manager sent a letter dated August 11, 2016 to the District Manager making several statements about the budget review process that the District disputes; and

WHEREAS in a letter dated August 12, 2016 (incorporated into this Resolution by reference) the Chair of the District sent a response letter to the City Manager's letter. The Chair's letter provided statements about the budget process, provided certain limited observations about the proposed budget and disputed certain statements made in the City Manager's August 11th letter to the District Manager; and

WHEREAS, while the District Board believes that the City's delay in providing the draft proposed budget until August 8, 2016 represents a failure to perform, the District is willing to agree to extend the review and approval period because this would be the best decision for the ratepayers and the continued operation of the wastewater treatment until the FY 16-17 Budget is finalized. And

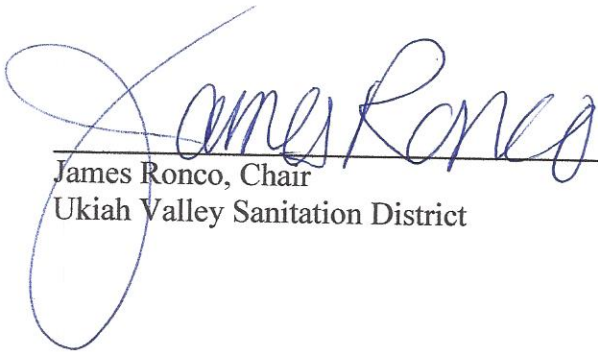
WHEREAS, the Board believes that the extension period should be of sufficient time to allow complete cooperative discussion and review between the District Board and the City as well as to allow for the completion of other District commitments.

NOW THEREFORE, BE IT HEREBY RESOLVED as follows:

1. The Board of Directors and the Ukiah City Council shall meet in joint session after August 15, 2016 but not later than December 31, 2016 to consider approval of the FY 16-17 Wastewater System Budget.
2. Recognizing that operations of the sewer system must continue while the CITY and the District complete the FY 16-17 budget review process, the DISTRICT accepts Item 3 below for the limited purpose of being able to proceed with budget deliberations. This acceptance does not in any way indicate acceptance of the City's unilateral approval of the FY 15-16 Wastewater System Budget or parts therein.
3. Until the Budget is approved by the DISTRICT and CITY OF UKIAH, ordinary operation and maintenance and emergency response may be provided by the CITY OF UKIAH for the WWTP and collection system in accordance with the 2015-2016 Wastewater System Budget unilaterally approved by the City Council.
4. Ordinary care and maintenance does not include non-routine contracts and capital expenditures other than routine or emergency repairs or replacements.

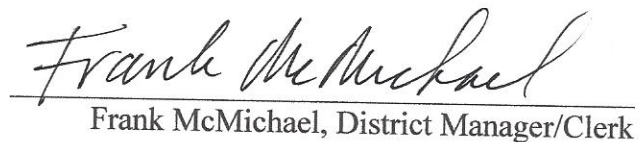
The forgoing Resolution was introduced by Chair Ronco followed by a motion to adopt the Resolution from Director McNerlin and seconded by Director Page. Motion carried this 15th day of Augusts, 2016 by the following roll call vote: Ayes: Directors McNerlin, Page, Marshall, Forrester and Chair Ronco; Nays: None; Abstain: None; Absent: None.

WHEREUPON, the Chair declared the Resolution **ADOPTED AND SO ORDERED** for the **DISTRICT**.



James Ronco, Chair
Ukiah Valley Sanitation District

Attest:



Frank McMichael, District Manager/Clerk



WASTEWATER ENTERPRISE FUND BUDGET

Fiscal Year 2016-17

84024420	Wastewater Administration
84024421	Operations & Maintenance
84024425	Wastewater Treatment

BRIEF DEPARTMENT AND/OR DIVISION OVERVIEW:

The Wastewater Departments is comprised of three divisions: Administration, Collection and Treatment. The Administration division is responsible for all compliance, permitting, funding oversight, budgeting and assists the other divisions with technical assistance. The Collection division is closely coordinated with the Water Distribution Division of the Water Department as the same team of employees maintains and improves both systems. The Treatment Division is responsible for the operation and maintenance of the Wastewater Treatment Plant (WWTP) and all discharges from the WWTP.

The wastewater system is run by approximately 23 full and part time employees.

MAJOR ACCOMPLISHMENTS FOR FY 2015-16:

- North State Sewer Main Replacement Project was completed.
- Implemented a Toxicity Identification Evaluation (TIE) and reduced problem constituents.
- Passed all Chronic and Acute Toxicity testing resulting in a savings of at least \$50,000.
- In calendar year 2015, treated 980,000,000 gallons of effluent.
- Successfully procured a barscreen for the influent pump station (IPS).

PERFORMANCE GOALS AND OBJECTIVES FOR FY 2016-17:

Administration:

- Complete Rate Study.
- Initiate City/District analysis and a possible master plan for addressing the Inflow and Infiltration (I and I) into the collection system.
- Begin negotiating renewal of the Discharge Permit (NPDES) with the North Coast Regional Water Quality Control Board (NCRWQCB).
- Prepare a report to establish a programmatic approach to replacing sewer mains.

Collection:

- Add telemetry to the Ford/Orchard, el Dorado and Vichy Springs Lift Stations.
- Replace sewer mains on Lucy and Observatory.
- Replace sewer main on Myron Place.
- Install a sewer main and lift station near the Ackerman Creek Bridge on North State Street.
- Purchase flow meters to support data gathering and monitoring of inflow and infiltration.

Treatment:

- Install an Ammonia and Nitrate analyzer to assist in the identification of areas in the plant where production of these constituents is high.
- Installation of the bar screen to reduce the risk of damage to the IPS Pumps.
- Consider options for repair or replacement of the Belt Filter Press (BFP) which dewateres the sludge.

The BFP drums/rollers are worn and failing.

- Improve reliability of SCADA system at the Treatment Plant to reduce plant shutdowns.

PROCESS GOALS FOR THE DISTRICT/CITY WORKING GROUP:

It is the policy and viewpoint of the City and UVSD that all data and information kept or generated regarding the operations, maintenance, management and administration of the entire sewer system (WWTP, trunk sewer and collection system) shall be readily and completely available to the City and the District. Based on this policy, the proposed goals for FY 16-17 are:

- Joint Board/City Council Meetings: Set a routine joint meeting schedule.
- Complete Customer List: Develop shared administrative access to the customer list (City and District) for the total sewer system.
- Historical Information - ESSUs: Compile all historical information kept by the City and District that supports the ESSU summary reports to date.
- Monthly Financial Reports: Develop and reformat monthly financial reports (revenue and expenditures) for the complete system.
- Delinquency Accounts: Resolve the delinquency accounts process including customer notifications and accounting.
- WWTP Inflow - Outflow Reports: Generate monthly reports showing daily WWTP inflow and outflow including discharge to the river and other relevant data.
- Collection System Work Reports: Generate system work progress/activity reports and develop a routine reporting process and format.
- Regular Staff Meetings: Have regular meetings (at least monthly) about all projects and activities within the overall system.
- Resolution of Accounts: Review customer accounts for assignment between District and City, and establish an audit process to maintain proper billing.
- Master Meters: Initiate discussions regarding the two agency's approaches to billing regarding master meters.
- ESSU Methodology: Initiate discussions regarding ESSU methodology and allocation.

FUTURE ITEMS FOR CONSIDERATION:

- Review and develop policy regarding credits of ESSU for redeveloped property with prior system and/or allocations.

	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Budget 2016	Estimated Year-End 2016	Budget FY 2017	Difference from Estimated Year-End 2016 \$ %	
Wastewater Revenues:									
City/District Operations 840									
Charges for Services:									
Residential - City	\$ 2,412,663	\$ 2,676,813	\$ 2,848,913	\$ 2,941,467	\$ 2,905,846	\$ 2,894,200	\$ 2,794,153	\$ (100,047)	-3%
Commercial - City	1,213,955	1,321,462	1,372,468	1,473,658	1,439,174	1,311,300	1,363,576	52,276	4%
Multi Family - City	492,357	520,681	571,264	560,528	570,800	569,100	565,751	(3,349)	-1%
Other Fees	390	-	30	160	-	-	-	-	0%
Other Revenues:									
Investment Income	24,235	38,116	67,109	27,720	67,109	45,000	30,000	(15,000)	-33%
Other	68,561	7,500	21,267	6,632	4,472	25,343	6,662	(18,681)	-74%
Total Revenues City/District Operations 840	4,212,161	4,564,572	4,881,051	5,010,166	4,987,401	4,844,943	4,760,142	(84,801)	-2%
Transfers In from Other Funds									
840 UVSD Charges for Operations from 940	2,770,136	2,266,440	1,515,512	1,789,891	2,393,448	1,992,373	2,328,160	335,787	17%
Total Revenues and Other Sources Fund 840	6,982,298	6,831,012	6,396,562	6,800,057	7,380,849	6,837,316	7,088,302	250,986	4%
Debt Service 841									
Interest	57,734	15,678	5,630	18,372	-	15,100	15,005	(95)	-1%
Transfers In from Other Funds [2]									
841 UVSD Charges for Debt Service from 940	2,005,507	2,485,486	2,478,879	2,478,177	2,482,068	2,594,978	2,595,984	1,006	0%
Total Revenues and Other Sources Fund 841	2,063,241	2,501,164	2,484,509	2,496,549	2,482,068	2,610,078	2,610,989	911	0%
Rate Stabilization 842									
Interest			26,453	13,835	-	18,600	16,000		0%
Total Revenues Fund 842	-	-	26,453	13,835	-	18,600	16,000	(2,600)	-14%
Connection Fee 843									
Interest			3,027	1,677	-	2,600	2,600		
Miscellaneous Revenues			-	700	-	-	-		
Connection Fee			24,424	13,185	-	87,700	50,000		
Total Revenues Fund 843	-	-	27,451	15,562	-	90,300	52,600	(37,700)	-42%
Capital Projects 844									
Interest			21,147	9,010	-	10,900	5,000		
Miscellaneous Revenues			-	-	-	30	-		
Total Revenues Fund 844			21,147	9,010	-	10,930	5,000	(5,930)	-54%
Transfers In from Other Funds [2]									
844 In from Fund 220 Equipment Reserve			-	-	200,000	-	-		
844 In from Fund 607 Prop 84 Rd2			-	-	400,000	-	-		
844 In from Fund 607 Prop 84 Drought			-	-	1,690,191	-	-		
844 In From Fund 251 Special Projects Reserve			-	-	-	-	15,000		
Total Transfers Fund 844			-	-	2,290,191	-	15,000	15,000	100%
Total Revenues and Other Sources Fund 844	-	-	21,147	9,010	2,290,191	10,930	20,000	9,070	83%
Total Wastewater Operating Revenues & Other Sources							\$ 9,787,890	220,667	2%
Wastewater Expenses by Department									
Wastewater Operations Fund 840									
Wastewater Litigation [1]	-	-	-	40,151	100,000	-	-	-	0%
Wastewater Administration	466,760	874,291	882,559	769,468	1,377,105	1,250,038	1,619,994	369,956	30%
Wastewater Operations & Maintenance	550,339	720,922	563,585	626,420	572,516	521,195	615,277	94,082	18%
Wastewater Treatment	2,263,463	2,942,006	1,814,602	1,689,814	2,749,869	2,401,003	2,589,215	188,212	8%
Fines & Penalties	42,000	-	-	-	100,000	24,000	80,000	56,000	233%
Depreciation	1,914,112	1,892,642	1,877,905	1,877,915	-	-	-		
Total Wastewater Operating Expenses	5,236,673	6,429,861	5,138,651	5,003,768	4,899,490	4,196,236	4,904,486	708,250	17%
Capital Improvements and Equipment Funds 840 & 844									
Equipment Fund 840	-	-	-	-	450,000	498,243	350,000		
Other Fund 844	-	-	57,054	(329,161)	425,000	304,068	340,000		
Infrastructure Fund 844	-	-	23,891	414,574	2,749,891	632,738	659,700		
Total Capital Improvements & Equipment	-	-	80,945	85,414	3,624,891	1,435,050	1,349,700	(85,350)	-6%
Debt Service fund 841							4,869,600	2,800	0%
Transfers to Other Funds									
Transfer to Recycled Water Fund 830						474,000	86,000		
Transfer to Other Funds		1,492,237							

Total Transfers [2]	\$	-	\$ 1,492,237	\$	-	\$	-	\$	-	\$ 474,000	\$	86,000	(388,000)	100%
Total Wastewater Operating and Other Uses	10,124,078	12,801,221	10,016,098	9,923,221	13,391,181	10,972,086	11,209,786	237,700	2%					
Total Net Surplus (Deficit)	\$ (1,078,540)	\$ (3,469,044)	\$ (1,059,976)	\$ (588,209)	\$ (1,238,073)	\$ (1,404,862)	\$ (1,421,896)	(17,034)	1%					
Beginning Net Position			27,839,499	28,599,108	-	27,259,566	25,854,704							
Adjustments			1,819,585	(751,333)	-									
Ending Net Position			28,599,108	27,259,566	(1,238,073)	25,854,704	24,432,808							
Allocation of Net Position														
Investment in Fixed Assets			13,703,497	14,658,376	-	15,764,608	16,617,608							
Deferred Liabilities			(1,105,622)	(3,608,641)	-	(3,608,641)	(3,608,641)							
Encumbrances Reserved			1,002,855	967,842	-	-	-							
Rate Stabilization Fund 842			2,873,257	2,887,092	-	2,905,692	2,921,692							
Reserved for Capital Projects Fund 843			306,986	349,549	-	439,871	492,471							
Reserved for Capital Projects Fund 844			6,054,721	5,889,007	-	4,781,502	4,271,802							
Working Capital			5,763,414	6,116,341	-	5,571,672	3,737,876							
Total Net Position			28,599,108	27,259,566	-	25,854,704	24,432,808							

[1] Litigation and Detachment costs funded as special projects in Fund 844

Account Number			Actual FY 2012	Actual FY 2013	ACTUAL FY 2014	Actual FY 2015	Budget FY 2016	Estimated Year-End 2016	Budget FY 2017
ORG	OBJ	DESCRIPTION							
84000000	42421	WASTE DISCHARGE PERMIT	(840)	-	(1,593)	-	(1,593)	(559)	(1,000)
84000000	42422	GREASE TRAP PERMIT FEES CITY	(400)	-	(100)	-	(100)	(16)	(100)
84000000	43190	STATE OTHER	(36,497)	-	-	-	-	-	-
84000000	44170	PLAN CHECK FEES	(6,799)	-	(730)	(570)	(700)	(3,500)	(3,000)
84000000	44621	SEWER 1 RESIDENCE (CITY)	(1,623,637)	(1,793,339)	(1,976,694)	(1,998,975)	(1,975,713)	(2,018,000)	(1,896,684)
84000000	44622	SEWER 2 RESIDENCE (CITY)	(167,417)	(186,057)	(185,485)	(182,792)	(186,905)	(184,000)	(179,428)
84000000	44623	SEWER 3 RESIDENCE (CITY)	(34,749)	(39,467)	(37,837)	(39,740)	(38,236)	(40,400)	(39,001)
84000000	44624	SEWER 4 RESIDENCE (CITY)	(102,721)	(116,366)	(112,166)	(114,695)	(112,459)	(116,700)	(110,209)
84000000	44625	SEWER RESIDENTIAL/UNIT (CITY)	(484,140)	(541,584)	(536,730)	(605,263)	(592,533)	(535,100)	(568,831)
84000000	44626	SEWER COMMERCIAL (CITY)	(212,251)	(218,521)	(275,527)	(259,140)	(245,693)	(277,900)	(250,606)
84000000	44627	SEWER COMM LOW PER UNIT CITY	(612,529)	(667,679)	(685,291)	(754,556)	(747,305)	(579,900)	(672,574)
84000000	44628	SEWER COMM MODERATE/UNIT CIT	(84,471)	(91,649)	(93,485)	(124,715)	(120,036)	(122,700)	(124,837)
84000000	44629	SEWER COMM MEDIUM/UNIT CITY	(58,162)	(57,203)	(47,900)	(54,142)	(52,831)	(54,600)	(50,717)
84000000	44630	SEWER COMM HIGH/UNIT CITY	(246,541)	(286,410)	(270,264)	(281,106)	(273,309)	(276,200)	(264,842)
84000000	44631	SEWER APARTMENTS CITY	(403,179)	(413,581)	(464,453)	(453,303)	(464,664)	(450,800)	(455,370)
84000000	44632	SEW LAT INSPECTION FEE-CITY	(1,100)	(1,000)	(1,550)	(2,000)	(2,079)	(2,500)	(2,162)
84000000	44633	SEWER MOBILE HOMES CITY	(89,179)	(107,100)	(106,810)	(107,225)	(106,136)	(118,300)	(110,381)
84000000	44640	SERVICE FEES	(390)	-	(30)	(160)	-	-	-
84000000	44732	SEW LAT INSPECTION FEE-UVSD	(450)	(400)	(300)	(295)	-	(360)	(400)
84000000	44830	REIMBURSABLE JOBS	(20,166)	(6,100)	324	-	-	(11,008)	-
84000000	46110	INTEREST ON INVESTMENTS	(24,235)	(38,116)	(67,109)	(27,720)	(67,109)	(45,000)	(30,000)
84000000	46116	MISCELLANEOUS INCOME	(2,308)	-	(1,000)	-	-	-	-
84000000	48110	MISCELLANEOUS RECEIPTS	-	-	(16,318)	(3,767)	-	(7,400)	-
Total Wastewater Revenue			(4,212,161)	(4,564,572)	(4,881,051)	(5,010,166)	(4,987,401)	(4,844,943)	(4,760,142)

Transfers In From Other Funds

84000000	44734	UVSD CHARGES FOR OPERATIONS FROM 940	(2,770,136)	(2,266,440)	(1,515,512)	(1,789,891)	(2,393,448)	(1,992,373)	(2,328,160)
Total Transfers In			(2,770,136)	(2,266,440)	(1,515,512)	(1,789,891)	(2,393,448)	(1,992,373)	(2,328,160)

84000000 Total	Wastewater Revenue & Other Sources		(6,982,297)	(6,831,012)	(6,396,562)	(6,800,056)	(7,380,849)	(6,837,316)	(7,088,302)
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WASTEWATER LITIGATION

84014000	52140	LITIGATION EXPENSES	-	-	-	40,151	100,000	-	-
84014000	52100	CONTRACT SERVICES DETACHMENT EIR	-	-	-	-	-	-	-
84014000 Total			-	-	-	40,151	100,000	-	-

[1] Not included in allocation costs to UVSD and shifted to Capital

WASTEWATER EXPENSES

84024420	51110	REGULAR SALARIES & WAGES	129,180	189,015	158,850	153,614	234,340	188,794	186,456
84024420	51120	NON-REGULAR SALARIES & WAGES	-	-	-	3,076	-	1,409	-
84024420	51130	OVERTIME SALARIES & WAGES	11	-	807	1,964	1,500	1,500	1,500
84024420	51140	STAND-BY-SALARIES & WAGES	-	-	-	-	-	-	-
84024420	51150	ACCRUED SALARIES & BENEFITS	10,277	-	(4,547)	(294)	-	-	-
84024420	51210	RETIREMENT (PERS)	30,396	48,672	40,610	43,173	67,816	56,042	58,136
84024420	51220	INSURANCE	21,744	38,343	14,418	12,735	16,200	18,308	21,684
84024420	51230	WORKERS COMP	5,805	9,932	9,538	7,241	10,317	8,760	9,975
84024420	51240	MEDICARE	1,945	2,745	2,283	2,291	3,529	3,036	2,978
84024420	51250	UNEMPLOYMENT	1,409	1,890	1,744	1,724	2,445	2,101	2,065
84024420	51260	FICA	20	0	-	-	-	-	-
84024420	51290	CELL PHONE STIPEND	-	-	686	743	695	425	461
84024420	52100	CONTRACTED SERVICES	106,914	400,265	33,961	7,949	220,000	150,000	95,000
84024420	52XXX	PLANNING STUDIES	-	-	-	-	-	-	275,000
84024420	52120	LABOR CHARGES FROM OTHER DEPTS	-	157	-	-	-	-	-
84024420	52180	SECURITY SERVICES	344	351	-	-	-	-	-
84024420	54100	SUPPLIES	3,082	7,000	4,677	4,746	6,000	6,000	6,000
84024420	54101	POSTAGE	334	1,000	250	146	500	400	500
84024420	55100	TELEPHONE	1,974	2,270	519	710	600	600	600
84024420	55210	UTILITIES	-	-	-	-	-	-	-
84024420	56120	EQUIPMENT MAINTENANCE & REPAIR	-	400	-	101	300	300	300
84024420	56210	FUEL & FLUIDS	-	100	-	-	300	300	300
84024420	56300	BUILDING MAINTENANCE & REPAIR	-	-	-	-	-	-	-
84024420	57100	CONFERENCE & TRAINING	1,097	2,500	3,555	3,368	4,000	4,000	6,000
84024420	57300	MEMBERSHIPS & SUBSCRIPTIONS	432	1,660	1,941	1,172	2,000	1,500	8,000
84024420	59100	PROPERTY TAXES PAID	-	-	-	-	-	-	-
84024420	59101	FEES	-	-	239	-	300	300	300
84024420	59400	OTHER EXPENSES	29,478	11,000	19,059	20,684	16,000	16,000	20,000

Account Number			Actual FY 2012	Actual FY 2013	ACTUAL FY 2014	Actual FY 2015	Budget FY 2016	Estimated Year-End 2016	Budget FY 2017
ORG	OBJ	DESCRIPTION							
84024420	61100	GENERAL GOVERNMENT ALLOCATION	-	-	209,802	-	-	-	-
84024420	61200	PURCHASING ALLOCATION	-	-	23,877	40,827	38,273	38,273	26,043
84024420	61300	BILLING & COLLECTION ALLOCATION	-	-	130,345	103,964	185,434	185,434	320,669
84024420	61410	RENT ALLOCATION	-	-	901	901	-	-	-
84024420	61420	BUILDING MAINTENANCE ALLOCATION	-	-	3,093	3,054	3,417	3,417	3,708
84024420	61422	IT ALLOCATION	-	-	-	-	52,404	52,404	63,139
84024420	61425	UTILITIES ALLOCATION	-	-	685	685	680	680	653
84024420	61430	CORPORATION YARD ALLOCATION	-	-	-	-	10,829	10,829	12,217
84024420	61500	INSURANCE ALLOCATION	-	-	60,094	2,668	223,201	223,201	243,125
84024420	61700	DISPATCH ALLOCATION	10,000	10,000	10,000	10,000	10,000	10,000	14,597
84024420	62100	ADMINISTRATIVE SERVICES ALLOCATION [2]	112,320	146,991	155,172	342,227	266,025	266,025	240,588
84024420	94301	TRANSFERS TO RESERVES	-	-	-	-	-	-	-
84024420	94700	FINES & PENALTIES	-	-	-	-	-	-	-
84024420	95220	TRANSFER TO FIXED ASSET FUND	-	-	-	-	-	-	-
84024420	95251	TRANSFETER TO SPECIAL PROJECTS	-	-	-	-	-	-	-
84024420 Total			466,760	874,291	882,559	769,468	1,377,105	1,250,038	1,619,994
OPERATIONS & MAINTENANCE EXPENSES									
84024421	51110	REGULAR SALARIES & WAGES	224,268	272,943	219,181	241,702	241,021	219,813	239,915
84024421	51120	NON-REGULAR SALARIES & WAGES	10,229	10,575	11,737	8,850	6,750	-	6,750
84024421	51130	OVERTIME SALARIES & WAGES	8,200	6,053	7,359	10,550	9,500	9,500	9,500
84024421	51140	STAND-BY SALARIES & WAGES	11,651	20,153	11,580	11,915	12,500	10,082	10,000
84024421	51150	ACCRUED SALARIES & WAGES	-	-	-	-	-	-	-
84024421	51210	RETIREMENT (PERS)	53,080	73,620	57,494	67,336	71,368	65,596	70,917
84024421	51220	INSURANCE	53,214	67,359	49,365	55,885	55,727	50,306	57,386
84024421	51230	WORKERS COMP	9,930	16,261	16,169	13,883	12,818	11,449	14,755
84024421	51240	MEDICARE	3,730	4,491	3,419	4,146	4,380	4,151	4,399
84024421	51250	UNEMPLOYMENT	2,632	3,036	2,929	3,301	3,045	2,883	3,062
84024421	51260	FICA	635	656	734	549	419	-	419
84024421	51290	CELL PHONE STIPEND	-	-	836	1,509	1,302	1,529	1,236
84024421	52100	CONTRACTED SERVICES	12,158	20,000	4,195	7,629	23,000	23,000	20,000
84024421	52180	SECURITY SERVICES	-	-	344	344	350	300	350
84024421	54100	SUPPLIES	55,662	55,000	67,807	79,960	36,000	30,000	80,000
84024421	54101	POSTAGE	-	-	-	-	100	50	100
84024421	54102	SMALL TOOLS	4,984	5,150	3,639	4,259	7,500	7,500	7,500
84024421	55100	TELEPHONE	1,132	758	2,396	2,404	2,400	2,400	2,400
84024421	55210	UTILITIES	2,027	1,900	1,887	1,875	1,900	1,900	1,900
84024421	56110	CITY GARAGE - PARTS	1,164	1,194	1,186	1,186	4,591	4,591	5,611
84024421	56111	CITY GARAGE - LABOR	31,073	31,876	31,669	31,669	16,945	16,945	26,777
84024421	56120	EQUIPMENT MAINTENANCE & REPAIR	7,636	16,000	3,087	5,874	9,900	9,900	10,000
84024421	56130	EXTERNAL SERVICES	29,041	29,091	21,486	21,112	10,000	15,000	10,000
84024421	56210	FUEL & FLUIDS	23,173	21,850	13,055	15,704	18,000	16,000	18,000
84024421	56410	EQUIPMENT RENTAL - PRIVATE	-	-	-	-	-	1,000	1,800
84024421	57100	CONFERENCE & TRAINING	1,427	3,700	380	1,933	3,700	3,000	3,700
84024421	57300	MEMBERSHIPS & SUBSCRIPTIONS	-	264	125	279	800	800	800
84024421	58510	REIMBRASABLE JOBS	-	30,000	7,396	-	10,000	5,000	1,000
84024421	59100	PROPERTY TAXES PAID	-	3,042	-	-	-	-	-
84024421	59101	FEES	3,293	-	4,929	5,059	8,500	8,500	7,000
84024421	59400	OTHER EXPENSES	-	750	-	-	-	-	-
84024421	61410	RENT ALLOCATION	-	-	4,312	4,312	-	-	-
84024421	61422	IT ALLOCATION	-	-	-	-	-	-	-
84024421	61425	ALLOCATED UTILITIES	-	-	-	-	-	-	-
84024421	61430	CORP YARD ALLOCATION	-	25,200	14,889	23,194	-	-	-
84024421	61500	INSURANCE ALLOCATION	-	-	-	-	-	-	-
84024421	61700	DISPATCH ALLOCATION	-	-	-	-	-	-	-
84024421 Total			550,339	720,922	563,585	626,420	572,516	521,195	615,277
WASTEWATER TREATMENT EXPENSES									
84024425	51110	REGULAR SALARIES & WAGES	466,014	572,490	516,202	500,147	519,261	491,653	640,017
84024425	51120	NON-REGULAR SALARIES & WAGES	-	28,000	-	1,592	15,000	25,164	-
84024425	51130	OVERTIME SALARIES & WAGES	24,439	39,996	19,883	19,206	23,000	28,047	28,000
84024425	51140	STAND-BY SALARIES & WAGES	20,963	23,332	21,681	21,472	22,500	19,434	20,000
84024425	51210	RETIREMENT (PERS)	107,776	149,653	131,988	139,318	156,474	135,461	206,808
84024425	51220	INSURANCE	100,162	123,626	97,606	92,736	91,073	99,071	140,578
84024425	51230	WORKERS COMP	21,530	34,850	34,875	26,663	26,237	26,171	37,864
84024425	51240	MEDICARE	7,299	9,626	7,751	8,359	8,996	8,630	11,325
84024425	51250	UNEMPLOYMENT	5,226	6,240	6,378	6,355	6,207	6,636	7,812

Account Number			Actual FY 2012	Actual FY 2013	ACTUAL FY 2014	Actual FY 2015	Budget FY 2016	Estimated Year-End 2016	Budget FY 2017
ORG	OBJ	DESCRIPTION							
84024425	51260	FICA	-	1,736	-	99	930	195	-
84024425	51280	OVERTIME/CALLOUT MEALS	-	-	-	-	-	-	-
84024425	52100	CONTRACTED SERVICES	314,694	605,945	234,549	211,326	617,500	400,000	678,500
84024425	52180	SECURITY SERVICES	1,443	1,780	736	766	1,200	1,200	1,200
84024425	54100	SUPPLIES	29,421	34,000	35,634	42,340	35,000	30,000	35,000
84024425	54102	SMALL TOOLS	1,550	2,500	1,840	1,748	2,000	2,000	2,000
84024425	55100	TELEPHONE	3,772	5,100	3,798	4,076	4,000	4,000	4,000
84024425	55200	PG&E	8,341	10,000	7,212	8,275	9,000	8,500	9,000
84024425	55210	UTILITIES	314,541	360,000	285,333	299,491	300,000	275,000	300,000
84024425	56110	CITY GARAGE - PARTS	98	380	85	85	1,221	1,221	1,257
84024425	56111	CITY GARAGE - LABOR	2,603	10,149	2,262	2,262	8,267	8,267	9,854
84024425	56120	EQUIPMENT MAINTENANCE & REPAIR	196,920	213,860	241,937	95,616	200,000	150,000	200,000
84024425	56130	EXTERNAL SERVICES	6,101	3,500	3,167	3,395	3,500	3,500	3,500
84024425	56210	FUEL & FLUIDS	4,087	16,000	3,072	10,434	8,000	7,500	8,000
84024425	56300	BUILDING MAINTENANCE & REPAIR	1,795	4,700	1,492	2,037	3,000	2,500	3,000
84024425	56504	FACILITY MAINTENANCE & REPAIR	86	1,000	283	530	500	400	500
84024425	57100	CONFERENCE & TRAINING	5,141	8,950	9,678	3,774	9,000	8,000	11,000
84024425	57300	MEMBERSHIPS & SUBSCRIPTIONS	3,131	2,900	3,218	2,663	3,500	3,000	3,500
84024425	58201	WATER PURCHASES	-	700	961	262	1,000	950	1,000
84024425	58202	WATER TREATMENT PLANT CHEMICAL	164,429	220,000	78,191	130,918	190,000	175,000	190,000
84024425	59100	PROPERTY TAXES PAID	-	25,000	9,772	9,855	10,000	11,000	10,500
84024425	59101	FEES	25,907	-	21,315	19,571	20,000	15,000	25,000
84024425	61422	IT ALLOCATION	-	-	-	-	-	-	-
84024425	70102	STATE LOAN INTEREST	-	-	-	-	13,208	13,208	-
84024425	70202	STATE LOAN PRINCIPAL [3]	425,993	425,993	33,703	24,444	440,295	440,295	-
84024425 Total			2,263,463	2,942,006	1,814,602	1,689,814	2,749,869	2,401,003	2,589,215

[2] Loan paid off in FY 2016

DEPRECIATION AND FINES & PENALTIES

84024421	94700	FINES & PENALTIES	-	-	-	-	50,000	-	30,000
84024422	94400	DEPRECIATION *	1,914,112	1,892,642	1,877,905	1,877,915	-	-	-
84024425	94700	FINES & PENALTIES	42,000	-	-	-	50,000	24,000	50,000
840244xx Total			1,956,112	1,892,642	1,877,905	1,877,915	100,000	24,000	80,000

* Not included in cost allocation to UVSD

Total Wastewater Operating Treatment Expenses	5,236,673	6,429,861	5,138,651	5,003,768	4,899,490	4,196,236	4,904,486
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TRANSFERS

84024421	95220	TRANSFER TO FIXED ASSET FUND *	-	-	68,000	-	-	-	-
84024421	95841	TRANSFER TO SEWER BOND DEBT SERVICE *	-	1,492,237	2,381,669	2,380,933	-	-	-
84024421	95830	TRANSFER TO RECYCLED WATER FUND *	-	-	-	-	-	-	86,000
84024421	95844	TRANSFER TO CITY SEWER CAPITAL *	-	-	-	-	250,000	258,243	470,000
84024421	95844	TRANSFER TO UVSD SEWER CAPITAL *	-	-	-	-	-	-	-
84024425	95841	TRANSFER TO SEWER BOND DEBT SERVICE *	-	-	-	-	2,380,665	2,380,665	2,272,776
840244xx Total [4]			-	1,492,237	2,449,669	2,380,933	2,630,665	2,638,908	2,828,776

WASTEWATER CAPITAL EQUIPMENT AND REPLACEMENT

84024421		MACHINERY & EQUIPMENT						5,412	
84024421	15056	Air Compressor					15,000	10,792	
84024421	15061	Sewer Nozzles for 2 vactors					20,000	8,175	
84024425		MACHINERY & EQUIPMENT						207,791	
84024425	15058	Replace Dodge PU at WWTP					30,000	26,073	
84024422	15053	Replace AWWT Feed Pump Motors					90,000		90,000
84024422	15054	Clorine Mixer					40,000		40,000
84024422	15055	Manhole Replacement					15,000		15,000
84024422		Online Ammonia & Nitrate Analyzer							50,000
84024422	15057	Vactor Replacement (50% Water)					200,000	200,000	
84024422	15059	Replace Dodge Service Truck					30,000	30,000	
84024422	15060	Replace Hose on 2 Vactors (50% Water)					10,000	10,000	
84024422		Vac-Trailer for WWTP							70,000
84024422		Replace 2006 Prius							30,000

Account Number			Actual	Actual	ACTUAL	Actual	Budget	Estimated	Budget
ORG	OBJ	DESCRIPTION	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Year-End 2016	FY 2017
84024422		Replace ¾ Ton Dodge at WWTP							45,000
84024422		Replace Ford Ranger							10,000
Equipment and Replacement							450,000	498,243	350,000
Total Wastewater Treatment Expenses and other Uses			5,236,673	7,922,098	7,588,320	7,384,702	7,980,155	7,333,387	8,083,262
Total Net Surplus (Deficit)			(1,024,513)	(3,357,526)	(2,707,269)	(2,374,536)	(2,992,754)	(2,488,444)	(3,323,120)

Operations and Maintenance Allocation Based on Annual ESSU Allocations

						FY 2017	
			Estimated			Cost Distribution [1]	
Account Number			Budget	Year-End	Budget	UVSD	City
ORG	OBJ	DESCRIPTION	FY 2016	FY 2016	FY 2017	47.47%	52.53%
WASTEWATER EXPENSES							
84024420	51110	REGULAR SALARIES & WAGES	234,340	188,794	186,456	88,511	97,945
84024420	51120	NON-REGULAR SALARIES & WAGES	-	1,409	-	-	-
84024420	51130	OVERTIME SALARIES & WAGES	1,500	1,500	1,500	712	788
84024420	51140	STAND-BY-SALARIES &WAGES	-	-	-	-	-
84024420	51150	ACCRUED SALARIES & BENEFITS	-	-	-	-	-
84024420	51210	RETIREMENT (PERS)	67,816	56,042	58,136	27,597	30,539
84024420	51220	INSURANCE	16,200	18,308	21,684	10,293	11,391
84024420	51230	WORKERS COMP	10,317	8,760	9,975	4,735	5,240
84024420	51240	MEDICARE	3,529	3,036	2,978	1,414	1,564
84024420	51250	UNEMPLOYMENT	2,445	2,101	2,065	980	1,085
84024420	51260	FICA	-	-	-	-	-
84024420	51290	CELL PHONE STIPEND	695	425	461	219	242
84024420	52100	CONTRACTED SERVICES	220,000	150,000	95,000	45,097	49,904
84024420	52XXX	PLANNING STUDIES	-	-	275,000	130,543	144,458
84024420	52120	LABOR CHARGES FROM OTHER DEPTS	-	-	-	-	-
84024420	52180	SECURITY SERVICES	-	-	-	-	-
84024420	54100	SUPPLIES	6,000	6,000	6,000	2,848	3,152
84024420	54101	POSTAGE	500	400	500	237	263
84024420	55100	TELEPHONE	600	600	600	285	315
84024420	55210	UTILITIES	-	-	-	-	-
84024420	56120	EQUIPMENT MAINTENANCE & REPAIR	300	300	300	142	158
84024420	56210	FUEL & FLUIDS	300	300	300	142	158
84024420	56300	BUILDING MAINTENANCE & REPAIR	-	-	-	-	-
84024420	57100	CONFERENCE & TRAINING	4,000	4,000	6,000	2,848	3,152
84024420	57300	MEMBERSHIPS & SUBSCRIPTIONS	2,000	1,500	8,000	3,798	4,202
84024420	59100	PROPERTY TAXES PAID	-	-	-	-	-
84024420	59101	FEES	300	300	300	142	158
84024420	59400	OTHER EXPENSES	16,000	16,000	20,000	9,494	10,506
84024420	61100	GENERAL GOVERNMENT ALLOCATION	-	-	-	-	-
84024420	61200	PURCHASING ALLOCATION	38,273	38,273	26,043	12,363	13,680
84024420	61300	BILLING & COLLECTION ALLOCATION	185,434	185,434	320,669	152,222	168,447
84024420	61410	RENT ALLOCATION	-	-	-	-	-
84024420	61420	BUILDING MAINTENANCE ALLOCATION	3,417	3,417	3,708	1,760	1,948
84024420	61422	IT ALLOCATION	52,404	52,404	63,139	29,972	33,167
84024420	61425	UTILITIES ALLOCATION	680	680	653	310	343
84024420	61430	CORPORATION YARD ALLOCATION	10,829	10,829	12,217	5,799	6,418
84024420	61500	INSURANCE ALLOCATION	223,201	223,201	243,125	115,411	127,714
84024420	61700	DISPATCH	10,000	10,000	14,597	6,929	7,668
84024420	62100	ADMINISTRATIVE SERVICES ALLOCATION	266,025	266,025	240,588	114,207	126,381
84024420	94301	TRANSFERS TO RESERVES	-	-	-	-	-
84024420	94700	FINES & PENALTIES	-	-	-	-	-
84024420	95220	TRANSFER TO FIXED ASSET FUND	-	-	-	-	-
84024420	95251	TRANSFER TO SPECIAL PROJECTS	-	-	-	-	-
84024420 Total			1,377,105	1,250,038	1,619,994	769,011	850,983
OPERATIONS & MAINTENANCE EXPENSES							
84024421	51110	REGULAR SALARIES & WAGES	241,021	219,813	239,915	113,888	126,027
84024421	51120	NON-REGULAR SALARIES & WAGES	6,750	-	6,750	3,204	3,546
84024421	51130	OVERTIME SALARIES & WAGES	9,500	9,500	9,500	4,510	4,990
84024421	51140	STAND-BY SALARIES & WAGES	12,500	10,082	10,000	4,747	5,253
84024421	51150	ACCRUED SALARIES & WAGES	-	-	-	-	-
84024421	51210	RETIREMENT (PERS)	71,368	65,596	70,917	33,664	37,253
84024421	51220	INSURANCE	55,727	50,306	57,386	27,241	30,145
84024421	51230	WORKERS COMP	12,818	11,449	14,755	7,004	7,751
84024421	51240	MEDICARE	4,380	4,151	4,399	2,088	2,311
84024421	51250	UNEMPLOYMENT	3,045	2,883	3,062	1,454	1,608
84024421	51260	FICA	419	-	419	199	220
84024421	51290	CELL PHONE STIPEND	1,302	1,529	1,236	587	649
84024421	52100	CONTRACTED SERVICES	23,000	23,000	20,000	9,494	10,506
84024421	52180	SECURITY SERVICES	350	300	350	166	184
84024421	54100	SUPPLIES	36,000	30,000	80,000	37,976	42,024

			Estimated			FY 2017 Cost Distribution [1]	
Account Number		DESCRIPTION	Budget	Year-End	Budget	UVSD	City
ORG	OBJ		FY 2016	FY 2016	FY 2017	47.47%	52.53%
84024421	54101	POSTAGE	100	50	100	47	53
84024421	54102	SMALL TOOLS	7,500	7,500	7,500	3,560	3,940
84024421	55100	TELEPHONE	2,400	2,400	2,400	1,139	1,261
84024421	55210	UTILITIES	1,900	1,900	1,900	902	998
84024421	56110	CITY GARAGE - PARTS	4,591	4,591	5,611	2,664	2,947
84024421	56111	CITY GARAGE - LABOR	16,945	16,945	26,777	12,711	14,066
84024421	56120	EQUIPMENT MAINTENANCE & REPAIR	9,900	9,900	10,000	4,747	5,253
84024421	56130	EXTERNAL SERVICES	10,000	15,000	10,000	4,747	5,253
84024421	56210	FUEL & FLUIDS	18,000	16,000	18,000	8,545	9,455
84024421	56410	EQUIPMENT RENTAL - PRIVATE	-	1,000	1,800	854	946
84024421	57100	CONFERENCE & TRAINING	3,700	3,000	3,700	1,756	1,944
84024421	57300	MEMBERSHIPS & SUBSCRIPTIONS	800	800	800	380	420
84024421	58510	REIMBRASABLE JOBS	10,000	5,000	1,000	475	525
84024421	59100	PROPERTY TAXES PAID	-	-	-	-	-
84024421	59101	FEES	8,500	8,500	7,000	3,323	3,677
84024421	59400	OTHER EXPENSES	-	-	-	-	-
84024421	61410	RENT ALLOCATION	-	-	-	-	-
84024421	61422	IT ALLOCATION	-	-	-	-	-
84024421	61425	ALLOCATED UTILITIES	-	-	-	-	-
84024421	61430	CORP YARD ALLOCATION	-	-	-	-	-
84024421	61500	INSURANCE ALLOCATION	-	-	-	-	-
84024421	61700	DISPATCH	-	-	-	-	-
84024421 Total			572,516	521,195	615,277	292,072	323,205
WASTEWATER TREATMENT EXPENSES							
84024425	51110	REGULAR SALARIES & WAGES	519,261	491,653	640,017	303,816	336,201
84024425	51120	NON-REGULAR SALARIES & WAGES	15,000	25,164	-	-	-
84024425	51130	OVERTIME SALARIES & WAGES	23,000	28,047	28,000	13,292	14,708
84024425	51140	STAND-BY SALARIES & WAGES	22,500	19,434	20,000	9,494	10,506
84024425	51210	RETIREMENT (PERS)	156,474	135,461	206,808	98,172	108,636
84024425	51220	INSURANCE	91,073	99,071	140,578	66,732	73,846
84024425	51230	WORKERS COMP	26,237	26,171	37,864	17,974	19,890
84024425	51240	MEDICARE	8,996	8,630	11,325	5,376	5,949
84024425	51250	UNEMPLOYMENT	6,207	6,636	7,812	3,708	4,104
84024425	51260	FICA	930	195	-	-	-
84024425	51280	OVERTIME/CALLOUT MEALS	-	-	-	-	-
84024425	52100	CONTRACTED SERVICES	617,500	400,000	678,500	322,084	356,416
84024425	52180	SECURITY SERVICES	1,200	1,200	1,200	570	630
84024425	54100	SUPPLIES	35,000	30,000	35,000	16,615	18,386
84024425	54102	SMALL TOOLS	2,000	2,000	2,000	949	1,051
84024425	55100	TELEPHONE	4,000	4,000	4,000	1,899	2,101
84024425	55200	PG&E	9,000	8,500	9,000	4,272	4,728
84024425	55210	UTILITIES	300,000	275,000	300,000	142,410	157,590
84024425	56110	CITY GARAGE - PARTS	1,221	1,221	1,257	597	660
84024425	56111	CITY GARAGE - LABOR	8,267	8,267	9,854	4,678	5,176
84024425	56120	EQUIPMENT MAINTENANCE & REPAIR	200,000	150,000	200,000	94,940	105,060
84024425	56130	EXTERNAL SERVICES	3,500	3,500	3,500	1,661	1,839
84024425	56210	FUEL & FLUIDS	8,000	7,500	8,000	3,798	4,202
84024425	56300	BUILDING MAINTENANCE & REPAIR	3,000	2,500	3,000	1,424	1,576
84024425	56504	FACILITY MAINTENANCE & REPAIR	500	400	500	237	263
84024425	57100	CONFERENCE & TRAINING	9,000	8,000	11,000	5,222	5,778
84024425	57300	MEMBERSHIPS & SUBSCRIPTIONS	3,500	3,000	3,500	1,661	1,839
84024425	58201	WATER PURCHASES	1,000	950	1,000	475	525
84024425	58202	WATER TREATMENT PLANT CHEMICAL	190,000	175,000	190,000	90,193	99,807
84024425	59100	PROPERTY TAXES PAID	10,000	11,000	10,500	4,984	5,516
84024425	59101	FEES	20,000	15,000	25,000	11,868	13,133
84024425	61422	IT ALLOCATION	-	-	-	-	-
84024425	70102	STATE LOAN INTEREST *	13,208	13,208	-	-	-
84024425	70202	STATE LOAN PRINCIPAL *	440,295	440,295	-	-	-
84024425 Total			2,749,869	2,401,003	2,589,215	1,229,100	1,360,115
* State Loan paid off in FY 2016							
OTHER USES							
84024421	94700	FINES & PENALTIES	50,000	-	30,000	14,241	15,759
84024425	94700	FINES & PENALTIES	50,000	24,000	50,000	23,735	26,265
Total Other Uses			100,000	24,000	80,000	37,976	42,024

						FY 2017	
						Cost Distribution [1]	
Account Number			Budget	Estimated	Budget	UVSD	City
ORG	OBJ	DESCRIPTION	FY 2016	Year-End FY 2016	FY 2017	47.47%	52.53%
Total Wastewater Treatment Operating Expenses			4,799,490	4,196,236	4,904,486	2,328,160	2,576,326
UVSD Allocation of Costs			2,278,798	1,992,373			
City Allocation of Costs			2,520,692	2,203,863			

Debt Service Allocation Based on Annual ESSU and Capacity Allocations under Amendment # 2 to Participation Agreement

Debt Service - 2006A Bonds

Under the **recital in Amendment #2 to the Participation Agreement** the allocation of costs between Capacity (33.33%) and Rehab/Upgrade (66.67%) was based on the preliminary design estimates by Brown & Caldwell.

Under **section 2.1 of the amendment**, the allocation of Capacity costs is set at 35% to the City and 65% to UVSD which reflected the projected number of new service connections (ESSU) for the City (840) and UVSD (1,560) to 2020. The section further provides for an annual review of the percentage allocation based on the previous 12 months actual connections and updated projections of likely connections over the next 1, 3 and 5 years. Based on this annual review the City and UVSD may adjust the allocation. (The allocation has not been adjusted).

Under **section 2.2 of the amendment**, the allocation of Upgrade/Rehabilitation costs is to be set annually on the ratios of City and UVSD ESSUs as of March 31st of each year for the succeeding fiscal year operations (Section 1 of Participation Agreement). For FY 16-17, the allocation percentage of ESSU on April 1, 2016 was set at 52.53% for the City and 47.47% for the UVSD.

						Allocation Based on Financing and Participation Agreements [2]	
Account Number		DESCRIPTION	Budget	Year-End	Budget	UVSD	City
ORG	OBJ		FY 2016	2016	FY 2017	53.31%	46.69%
84124426	52500	TRUSTEE FEES	8,300	8,300	8,300	4,425	3,875
84124426	70102	BOND INTEREST PAYMENTS	2,928,500	2,928,500	2,851,300	1,520,028	1,331,272
84124426	70202	BOND PRINCIPAL PAYMENTS	1,930,000	1,930,000	2,010,000	1,071,531	938,469
Total Wastewater Debt Service			4,866,800	4,866,800	4,869,600	2,595,984	2,273,616
UVSD Allocation of Costs			2,481,581	2,594,978			
City Allocation of Costs			2,384,732	2,271,822			

Total Wastewater Operations and Debt Service Allocated Expenses			9,666,290	9,063,036	9,774,086	4,924,143	4,849,943
UVSD Allocation of Costs			4,760,379	4,587,351			
City Allocation of Costs			4,905,424	4,475,685			

[1] Current and Historical Operations allocation percentage based on annual ESSU calculation

		UVSD	City
FY 2012	100%	47.50%	52.50%
FY 2013	100%	47.50%	52.50%
FY 2014	100%	47.39%	52.61%
FY 2015	100%	47.40%	52.60%
FY 2016	100%	47.48%	52.52%

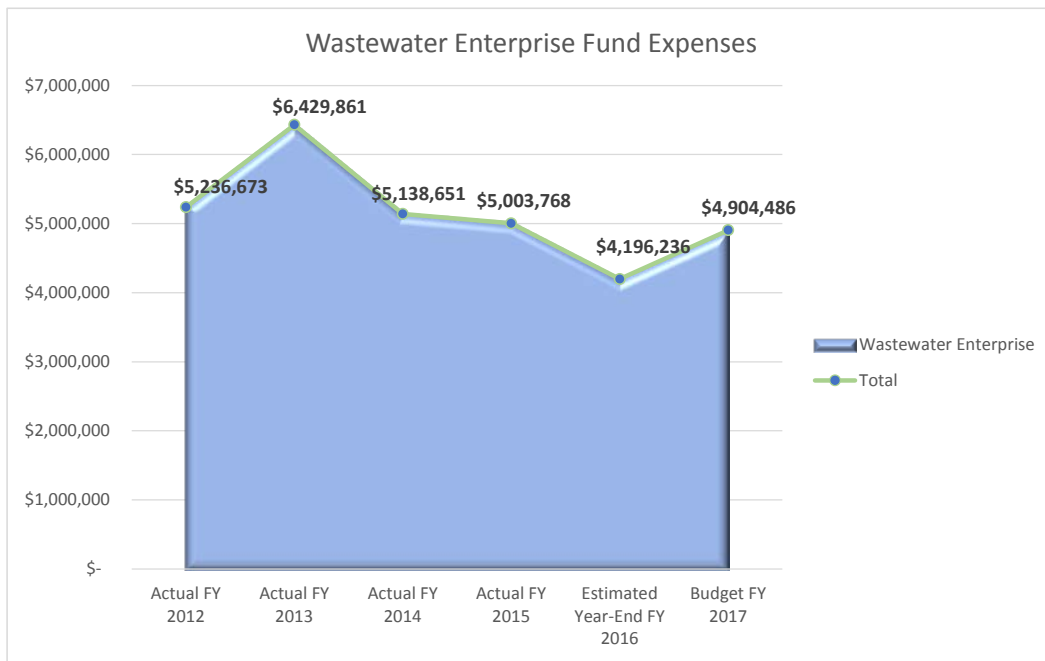
Account Number		DESCRIPTION	Budget FY 2016	Estimated Year-End FY 2016	Budget FY 2017	FY 2017 Cost Distribution [1]	
ORG	OBJ					UVSD 47.47%	City 52.53%
		ESSU as of April 1, 2016 applied to FY 2017			12,006.71	5,700.07	6,306.64
		FY 2017			100%	47.47%	52.53%

[2] Below is a summary of the allocation of Debt Service Costs based on the Financing and Participation Agreements and Amendment #2 to the Participation Agreement. The Combined Percentage allocation is to be applied to the annual debt service payments and trustee fees.

		Use of Bond Proceeds		
2006 A Wastewater Revenue Bonds		Total	Added Capacity	Rehabilitation and Upgrades
		100%	33.33%	66.66%
	Principal	75,060,000	25,020,000	50,040,000
	Interest	66,853,856	22,284,619	44,569,237
	Total	141,913,856	47,304,619	94,609,237
Capacity Allocation - Based on projected use of added capacity in Participation Agreement		Total	UVSD	City
		100%	65.00%	35.00%
	Principal	25,020,000	16,263,000	8,757,000
	Interest	22,284,619	14,485,002	7,799,617
	Total	47,304,619	30,748,002	16,556,617
Rehabilitation and Upgrades - Based on annual ESSU Allocation percent		Total	UVSD	City
		100%	47.47%	52.53%
	Principal	50,040,000	23,753,988	26,286,012
	Interest	44,569,237	21,157,017	23,412,220
	Total	94,609,237	44,911,005	49,698,232
Combined Debt Service Obligation of Capacity and Rehabilitation/Upgrades		Total	UVSD	City
		100%	53.31%	46.69%
	Principal	75,060,000	40,016,988	35,043,012
	Interest	66,853,856	35,642,019	31,211,837
	Total	141,913,856	75,659,007	66,254,849
Current and Historical Debt Service allocation percentage based Financing and Participation Agreement				
	FY 2012	100%	50.99%	49.00%
	FY 2013	100%	50.99%	49.00%
	FY 2014	100%	50.99%	49.00%
	FY 2015	100%	50.99%	49.00%
	FY 2016	100%	53.32%	46.68%
	FY 2017	100%	53.31%	46.69%

Account Number			Actual FY 2012	Actual FY 2013	ACTUAL FY 2014	Actual FY 2015	Budget FY 2016	Estimated Year-End 2016	Budget FY 2017
ORG	OBJ	DESCRIPTION							
WASTEWATER BOND DEBT SERVICE FUND 841									
REVENUES AND OTHER SOURCES									
84100000	46110	INTEREST ON INVESTMENTS	(57,734)	(15,674)	(5,624)	(18,363)		(15,093)	(15,000)
84100000	46113	INTEREST FROM TRUSTEE	-	(4)	(6)	(9)		(7)	(5)
84100000	46116	MISCELLANEOUS INCOME							
		Total Revenues	(57,734)	(15,678)	(5,630)	(18,372)	-	(15,100)	(15,005)
Transfers In From Other Funds									
84100000	91840	Transfer In From City /Dist 840	(1,926,859)	(2,388,016)	(2,381,669)	(2,380,933)	(2,384,732)	(2,271,822)	(2,273,616)
84100000	91940	Transfer In From Sanitation District 940	(2,005,507)	(2,485,486)	(2,478,879)	(2,478,177)	(2,482,068)	(2,594,978)	(2,595,984)
		Total Transfers In From Other Funds	(3,932,366)	(4,873,502)	(4,860,548)	(4,859,110)	(4,866,800)	(4,866,800)	(4,869,600)
Total Revenues and Other Sources			(3,990,100)	(4,889,180)	(4,866,178)	(4,877,482)	(4,866,800)	(4,881,900)	(4,884,605)
WASTEWATER DEBT SERVICE EXPENSES									
84124426	52500	TRUSTEE FEES	12,236	8,820	1,800	8,470	8,300	8,300	8,300
84124426	70102	BOND INTEREST PAYMENTS	3,215,169	3,150,302	3,014,702	2,975,569	2,928,500	2,928,500	2,851,300
84124426	70202	BOND PRINCIPAL PAYMENTS	1,660,000	1,720,000	1,780,000	1,850,000	1,930,000	1,930,000	2,010,000
84124426 Total			4,887,405	4,879,122	4,796,502	4,834,039	4,866,800	4,866,800	4,869,600
Total Net Surplus (Deficit)			(897,305)	10,058	69,676	43,443	-	15,100	15,005
WASTEWATER CITY RATE STABILIZATION FUND 842									
REVENUES AND OTHER SOURCES									
84200000	46110	INTEREST ON INVESTMENTS			(26,453)	(13,835)		(18,600)	(16,000)
84200000	46116	MISCELLANEOUS INCOME							
		Total Revenues			(26,453)	(13,835)	-	(18,600)	(16,000)
Total Revenues and Other Sources					(26,453)	(13,835)	-	(18,600)	(16,000)
WASTEWATER RATE STABILIZATION EXPENSES AND OTHER USES									
84024420	61100	GENERAL GOVERNMENT ALLOCATION			3,977				
84200000 Total					3,977	-	-	-	-
Total Net Surplus (Deficit)					22,476	13,835	-	18,600	16,000
WASTEWATER CONNECTION FEE FUND 843									
REVENUES AND OTHER SOURCES									
84300000	46110	INTEREST ON INVESTMENTS			(3,027)	(1,677)		(2,600)	(2,600)
84300000	46116	MISCELLANEOUS INCOME			-	(700)		-	
84300000	44640	CONNECTION FEES			(24,424)	(13,185)		(87,700)	(50,000)
		Total Revenues			(27,451)	(15,562)	-	(90,300)	(52,600)
Total Revenues and Other Sources					(27,451)	(15,562)	-	(90,300)	(52,600)
WASTEWATER CONNECTION FEE EXPENSES AND OTHER USES									
84024420	61100	GENERAL GOVERNMENT ALLOCATION			450				
84200000 Total					450	-	-	-	-
Total Net Surplus (Deficit)					27,001	15,562	-	90,300	52,600
WASTEWATER CAPITAL PROJECTS FUND 844									
REVENUES AND OTHER SOURCES									
84400000	46110	INTEREST ON INVESTMENTS			(21,147)	(9,010)		(10,900)	(5,000)
84400000	46116	MISCELLANEOUS INCOME						(30)	
		Total Revenues			(21,147)	(9,010)	-	(10,930)	(5,000)
Transfers In From Other Funds									
		Transfer In from Fund 220 Equipment Reserve					(200,000)		
		Transfer In from Fund 607 Prop 84 Rd2					(400,000)		
		Transfer In from Fund 607 Prop 84 Drought					(1,690,191)		
		Transfer In from Fund 251 Special Projects Reserve							(15,000)
		Transfer In from Fund 840					(250,000)	(258,243)	(470,000)
		Total Transfers In From Other Funds			-	-	(2,540,191)	(258,243)	(485,000)

Account Number			Actual	Actual	ACTUAL	Actual	Budget	Estimated	Budget
ORG OBJ DESCRIPTION			FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Year-End 2016	FY 2017
Total Revenues and Other Sources					(21,147)	(9,010)	(2,540,191)	(269,173)	(490,000)
WASTEWATER CAPITAL PROJECT EXPENSES AND OTHER USES									
Capital Improvements and Equipment									
84424422	59405	GAAP EXPENDITURE OFFSET				(411,564)		-	-
84424422	52100	CONTRACTED SERVICES			57,054	1,298			
84424422	52100	CONTRACTED SERVICES				81,106		51,099	
84424422	52100	15051 Asset Management Software System							15,000
84424422	52100	15067 UVSD Litigation					300,000	248,618	200,000
84424422	52100	15068 UVSD Detachment EIR					125,000	4,351	125,000
Other Related					57,054	(329,161)	425,000	304,068	340,000
84424422	80230	INFRASTRUCTURE				548		35	
84424422	80230	INFRASTRUCTURE			15,857	54,610		25,558	
84424422	80230	15004 Recycled Water Grant Project Prop 84				359,417			
84424422	80230	15062 Recycled Water Phase 1 & 2					2,090,191		
84424422	80230	15099 N. State Street Sewer						595,120	
84424422	80235	15065 System Maintenance			8,034		64,700	12,026	64,700
84424422	80230	15063 Main replacements – Luce and Observatory					400,000		400,000
84424422	80230	15064 Inflow/infiltration					150,000		150,000
84424422	80230	15066 Emergency/contingency					45,000		45,000
Infrastructure					23,891	414,574	2,749,891	632,738	659,700
84400000 Total					80,945	85,414	3,174,891	936,807	999,700
Transfers Out To Other Funds									
Transfer out to Recycle Water Fund 830								474,000	
Total Transfers Out								474,000	-
84400000 Total Capital Improvement Fund Uses					80,945	85,414	3,174,891	1,410,807	999,700
Total Net Surplus (Deficit)					(59,798)	(76,404)	(634,700)	(1,141,634)	(509,700)



**BUDGET DETAIL
WASTEWATER ADMINISTRATION
FISCAL YEAR 2016-17**

<u>ACCOUNT NO. 84024420</u>		DEPARTMENT REQUEST
51110	Salaries, Regular	\$ 186,456
	Director of Public Works/City Engineer (0.10 Engineering, 0.05 Corp Yard, 0.10 Streets, 0.25 Landfill, 0.17 Water Admin., 0.05 Garage, 0.05 Storm Water, 0.05 Recycled Water)	0.18
	Director of Water & Sewer Utilities (0.40 Water Admin., .020 Recycled Water)	0.40
	Deputy Public Works Director (0.10 Engineering, 0.05 Corp Yard, 0.08 Streets, 0.35 Landfill, 0.05 Garage, 0.15 Water Admin., 0.07 Storm Water)	0.15
	Senior Civil Engineer (0.10 Engineering, 0.10 Landfill, 0.35 Water Admin., 0.10 Storm Water)	0.35
RECLASS	Public Works Management Analyst (0.05 Engineering, 0.20 Landfill, 0.25 Water Admin., 0.05 Garage, 0.20 Recycled Water)	0.25
NEW	Engineering Analyst (0.10 Engineering, 0.20 Landfill, 0.20 Water Admin., 0.10 Recycled Water, 0.20 Electric Admin.)	0.20
	Administrative Secretary/Human Resources Assistant (0.45 Human Resources, 0.15 Landfill, 0.15 Water Admin., 0.10 Garage)	0.15
	Development Permit Coordinator (0.20 Engineering, 0.30 Building Inspection, 0.05 Planning, 0.15 Water Admin., 0.15 Electric Admin.)	0.15
Total FTE		1.83
51130	Salaries, Overtime	\$ 1,500
	Employee Benefits	\$ 95,299
51210	Retirement (PERS)	\$ 58,136
51220	Group Insurance	\$ 21,684
51230	Workers Compensations Insurance	\$ 9,975
51240	Medicare	\$ 2,978
51250	Unemployment Insurance	\$ 2,065
51290	Cell Phone Stipend	\$ 461
52100	Contract Services	\$ 95,000
	Engineering Consultant Services.	\$75,000
	Russian River Watershed Association.	\$20,000
52XXX	Planning Studies	\$ 275,000
	Sewer system management plan updates.	\$25,000
	Sewer master plan.	\$100,000
	Current and future ESSU capacity study.	\$150,000
54100	Supplies	\$ 6,000
	Miscellaneous Office and Computer Supplies, Safety and Training Materials, Public Educational Brochures (Grease Disposal).	
54101	Postage	\$ 500
	Miscellaneous Department Mailings, Postage Allocation.	
55100	Telephone	\$ 600
	Land line and Fax.	
56120	Equipment Maintenance and Repair	\$ 300
	Maintenance and Repairs for Copy/Fax Machine, Printers, Plotter, GPS Equipment.	
56210	Fuel & Fluids	\$ 300
	Fuel and Fluids for Vehicles	

57100	Conference and Training	\$ 6,000
	Water Environment Federation and California Water Environment Association Conferences, Safety Training, Water Reuse Conference.	
57300	Memberships and Subscriptions	\$ 8,000
	Underground Service Alert Fee, Notary Fee, XC2 Fog Program Maintenance, Water Reuse Association.	
59101	Fees	\$ 300
	Document Recording Fees and other miscellaneous fees.	
59400	Other Expenses	\$ 20,000
	Bad Debt	
61200	Purchasing Allocation	\$ 26,043
	Charge for Purchasing functions.	
61300	Billing and Collection Allocation	\$ 320,669
	Charge for Billing and Collection functions.	
61420	Building Maintenance Allocation	\$ 3,708
	Share of maintenance for Civic Center facility.	
61422	IT Allocation	\$ 63,139
	Share of Information Technology services.	
61425	Utilities Allocation	\$ 653
	Share of Civic Center Utilities.	
61430	Corporation Yard Allocation	\$ 12,217
61500	Insurance Allocation	\$ 243,125
	Share of the Citywide costs of liability and property insurance.	
61700	Dispatch	\$ 14,597
	Share of Dispatch services.	
62100	Administrative Services Allocation	\$ 240,588
	Annual allocation for general government services.	
	City Council	\$ 10,586
	City Clerk	\$ 19,639
	City Manager	\$ 35,893
	Administrative Support	\$ 6,824
	Miscellaneous General Government	\$ 10,589
	Accounting	\$ 60,053
	City Attorney	\$ 12,788
	Treasurer	\$ 43,972
	Human Resources/Risk Management	\$ 40,244
DEPARTMENT TOTAL 84024420		<u>\$ 1,619,994</u>

**BUDGET DETAIL
OPERATIONS & MAINTENANCE
FISCAL YEAR 2016-17**

ACCOUNT NO. 84024421

**DEPARTMENT
REQUEST**

51110 Salaries, Regular		\$ 239,915
Water, Sewer & Streets Supervisor (0.25 Landfill, 0.25 Water, 0.15 Streets, 0.10 Storm Water)	0.25	
Water & Sewer Lead Worker (0.48 Water)	0.52	
Water & Sewer Attendant II (4) (2.20 Water)	1.80	
Water & Sewer Attendant I (3) (1.65 Water)	1.35	
Water & Sewer Service Attendant (0.80 Water)	0.20	
Senior Water Treatment Plant Operator Mechanic (0.99 Water)	0.01	
Water Treatment Plant Operator Mechanic (3) (2.97 Water)	0.03	
Total FTE	4.16	
51120 Non-Regular Salaries		\$ 6,750
Seasonal Water & Sewer Attendant (1,000 hour) (0.26 Water)	0.22	
Total FTE	0.22	
51130 Salaries, Overtime		\$ 9,500
51140 Stand-by Salaries & Wages		\$ 10,000
Employee Benefits		\$ 152,174
51210 Retirement (PERS)	\$ 70,917	
51220 Group Insurance	\$ 57,386	
51230 Workers Compensation Insurance	\$ 14,755	
51240 Medicare	\$ 4,399	
51250 Unemployment Insurance	\$ 3,062	
51260 FICA	\$ 419	
51290 Cell Phone Stipend	\$ 1,236	
52100 Contract Services		\$ 20,000
Emergency Sewer System Repairs.		
52180 Security Services		\$ 350
Burglar Alarm Fees		
54100 Supplies		\$ 80,000
Repair Materials (gravel, pipe, blacktop, etc.), Safety Supplies, Office and Computer Supplies.		
54101 Postage		\$ 100
54102 Small Tools		\$ 7,500
Miscellaneous Maintenance Tools, Televideo Inspection Tools, and Sewer Cleaning Tools.		
55100 Telephone		\$ 2,400
Land line and Fax.		
55210 Utilities		\$ 1,900
Electricity for three lift stations.		
56110 City Garage Parts		\$ 5,611
Annual allocation for City Garage parts for vehicles and equipment.		
56111 City Garage Labor		\$ 26,777
Annual allocation for City Garage labor for vehicles and equipment.		

56120	Equipment Maintenance and Repair	\$	10,000
	Lift Station Parts/Service, Camera Truck Repairs.		
56130	External Services	\$	10,000
	Outside Labor and Parts.		
56210	Fuels and Fluids	\$	18,000
	Fuel and Fluids for Vehicles.		
56410	Equipment Rental - Private	\$	1,800
57100	Conference and Training	\$	3,700
	Pumper and Cleaner Environmental Expo, Required Safety Training, WEFTEC Conference, CWEA Certifications.		
57300	Memberships and Subscriptions	\$	800
	CWEA Memberships.		
58510	Reimbursable Jobs	\$	1,000
59101	Fees	\$	7,000
	SWRCB Sewer System Fee and DOT Testing and Physicals.		
94700	Fines & Penalties	\$	30,000
DEPARTMENT TOTAL 84024421		\$	645,277

**BUDGET DETAIL
WASTEWATER TREATMENT
FISCAL YEAR 2016-17**

ACCOUNT NO. 84024425

			DEPARTMENT REQUEST
51110 Salaries, Regular			\$ 640,017
	Wastewater Treatment Plant Supervisor	1.00	
NEW	Lead Wastewater Treatment Plant Operator	1.00	
	Senior Wastewater Treatment Plant Operator Mechanic	1.00	
	Senior Wastewater Treatment Plant Operator (2)	2.00	
	Wastewater Treatment Plant Operator (3)	3.00	
	Environment Laboratory Technician III (0.03 Water)	0.97	
NEW	Environment Laboratory Technician I (0.03 Water)	0.97	
Total FTE		9.94	
51130 Salaries, Overtime			\$ 28,000
51140 Salaries Stand-by			\$ 20,000
Employee Benefits			\$ 404,387
51210	Retirement (PERS)	\$ 206,808	
51220	Group Insurance	\$ 140,578	
51230	Workers Compensation Insurance	\$ 37,864	
51240	Medicare	\$ 11,325	
51250	Unemployment Insurance	\$ 7,812	
51260	FICA	\$ -	
52100 Contract Services			\$ 398,500
	Miscellaneous Contractual Services (crane service, fence repairs, fiber optic cable repair, etc.)	\$ 15,000	
	Laboratory Testing Services Including Bio-Solids Testing	\$ 65,000	
	Perc Pond Levee Maintenance Repair	\$ 20,000	
	Scarify Percolation Ponds	\$ 20,000	
	Biosolids Disposal	\$ 90,000	
	Pest Control Services	\$ 5,500	
	SCADA System Annual Maintenance System Contract	\$ 20,000	
	Janitorial Services	\$ 8,000	
	Storage Analysis	\$ 100,000	
	Barscreen Installation	\$ 55,000	
52XXX Compliance Studies			\$ 185,000
	Study to Identify Potential Sources of Priority Pollutants (NPDES Permit requirement)	\$ 15,000	
	2016 NPDES required studies	\$ 70,000	
	2016 NPDES engineering services - permit renewal	\$ 100,000	
52180 Security Services			\$ 1,200
	Burglar Alarm Services.		
54100 Supplies			\$ 35,000
	Laboratory Testing Supplies, Training Materials, Safety Supplies, Miscellaneous Office and Computer Supplies.		
54102 Small Tools			\$ 2,000

Replacement of Shop Tools.

55100 Telephone	\$	4,000
Telephone Charges.		
55200 PG&E (Natural Gas)	\$	9,000
Boiler Fuel for Digester Heater.		
55210 Utilities	\$	300,000
Electricity Costs for Waste Water Treatment Plant.		
56110 City Garage Parts	\$	1,257
Annual allocation for City Garage parts for vehicles and equipment.		
56111 City Garage Labor	\$	9,854
Annual allocation for City Garage labor for vehicles and equipment.		
56120 Equipment Maintenance and Repair	\$	200,000
General Maintenance and Repair Parts, Pump/Motor Parts, Plumbing and Electrical Supplies, Lab Testing Equipment and Repair.		
56130 External Services		3,500
Outside Vendor Labor and Parts.		
56210 Fuel and Fluids	\$	8,000
Fuel for Emergency Generator and Vehicles.		
56300 Building Maintenance	\$	3,000
Maintenance of Buildings at Waste Water Treatment Plant.		
56504 Facility Maintenance and Repair	\$	500
General Maintenance, sheds, gravel.		
57100 Conference and Training	\$	11,000
Safety Training, Electrical System Operator Training, Valve Operation Training, Programmable Logic Control (PLC) Training, California Water Environment Association (CWEA) and Water Environment Federation (WEF) Conferences.		
57300 Memberships and Subscriptions	\$	3,500
California Water Environment Association (CWEA) dues.		
58201 Water Purchases	\$	1,000
Water from Willow County Water District.		
58202 Water Treatment Plant Chemicals	\$	190,000
Chemicals Used in Wastewater Treatment Process.		
59100 Property Taxes paid	\$	10,500
Property Taxes for North Pond and 3495 Taylor Drive.		
59101 Fees	\$	25,000
Annual State Environmental Laboratory Accreditation Fee, Annual State Storm Water Pollution Prevention Plan (SWPPP), Mendocino County HazMat Permit Fee, Mendocino County Air Quality Permit, SWRCB Discharge Fee.		

70102	Bond Interest Payments	\$	-
70202	Bond Principal Payments	\$	-
94700	Fines & Penalties	\$	50,000
95841	Transfer to Sewer Bond Debt	\$	-
DEPARTMENT TOTAL 84024425		\$	2,544,215

Sage Sangiacomo

From: Sage Sangiacomo
Sent: Thursday, December 1, 2016 10:45 AM
To: 'Frank'
Cc: Kevin Doble; Sean White; Tim Eriksen; Daniel Buffalo; Kristine Lawler; Jarod Thiele; 'Jim Ronco'; Doug Crane
Subject: RE: UVSD 081616; FY 2016-17 Budget Review

Good Morning Frank,

Thanks for your recent engagement in the FY 16/17 budget review. Staff will provide an expedited response to your questions emailed this morning along with the few remaining questions from Mr. Dickerson's meeting with Mr. Buffalo.

Per the concern I expressed below in the November 10th email, the District has not yet identified the District's timeline for your previously identified budget review process that reportedly extends through various staff, committee and District Board stages before a final joint meeting with the City can be scheduled. As you know, the continuing resolution for the budget will expire on December 31st. Do we need to extend the resolution or will the Board be ready to meet?

Sage Sangiacomo
 City Manager

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From: Sage Sangiacomo
Sent: Thursday, November 10, 2016 9:21 AM
To: 'Frank' <dm@uvsd.org>
Cc: Kevin Doble <kdobleukiah@gmail.com>; Sean White <swhite@cityofukiah.com>; Tim Eriksen <teriksen@cityofukiah.com>; Sage Sangiacomo <ssangiacomo@cityofukiah.com>; Daniel Buffalo <dbuffalo@cityofukiah.com>; Kristine Lawler <klawler@cityofukiah.com>; Jarod Thiele <jthiele@cityofukiah.com>; 'Jim Ronco' <jim@jimroncoconsulting.com>; Doug Crane <doug.crane@craneofukiah.com>
Subject: RE: UVSD 081616; FY 2016-17 Budget Review

Good Morning Frank,

As indicated in the email below, the City staff remains available and ready to discuss the final draft FY 16/17 Budget. The following day after the August 16th joint session, you indicated the District would be ready to engage in the next day or so. As of November 11th, our staff has not yet heard from District staff regarding the budget.

I'm growing increasingly concerned with the lack of progress on this item and the impending deadline in the continuing resolution, especially considering the budget review process that the District has previously indicated that it undergoes. Please forward the timeline for that review and the stage of review the District is currently undertaking (also noting that City staff remains available to discuss and engage at every stage). This information will help you and I

identify joint meeting date(s) and allow us to get them scheduled with the elected officials prior to the expiration of the continuing budget resolution(s) and between the limiting holiday period.

Thanks,

Sage Sangiacomo
City Manager

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-----Original Message-----

From: Frank [<mailto:dm@uvsd.org>]
Sent: Tuesday, August 16, 2016 10:52 AM
To: Sage Sangiacomo <ssangiacomo@cityofukiah.com>
Subject: RE: UVSD 081616; FY 2016-17 Budget Review

Thank you, I will be sending certain questions to Sean in the next day or so.

Frank

-----Original Message-----

From: Sage Sangiacomo [<mailto:ssangiacomo@cityofukiah.com>]
Sent: Tuesday, August 16, 2016 9:54 AM
To: FrankMcMichael (dm@uvsd.org)
Cc: Kevin Doble; 'Jim Ronco'; Sean White; Tim Eriksen; Sage Sangiacomo; Daniel Buffalo; Kristine Lawler; Jarod Thiele
Subject: UVSD 081616; FY 2016-17 Budget Review

Hi Frank,

You indicated after the joint session last night that you and Mr. Dickerson will be reviewing the final draft FY 2016-17 Wastewater Fund Budget over the course of the next two or so weeks. Our staff remains available and ready to discuss the draft when District staff is ready.

Please contact Mr. White with any questions and/or to schedule a meeting.

Thank you,

Sage Sangiacomo
City Manager

City of Ukiah

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RESOLUTION No. 2016-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH CONTINUING THE FY 2016-2017 JOINT WASTEWATER SYSTEM BUDGET PROCESS

WHEREAS, at a special joint meeting on the 21st day of June, 2016, the Ukiah Valley Sanitation District ("DISTRICT") Board of Directors and the City Council of the City of Ukiah ("CITY") reviewed the budget process and schedule and determined that additional time beyond July 1, 2016, was needed to develop and approve the FY 2016-2017 Wastewater System Budget; and

WHEREAS, the DISTRICT Board of Directors and the Ukiah City Council each passed continuing budget resolutions to allow for the ordinary operation and maintenance and emergency response to be provided by the CITY OF UKIAH for the Wastewater Treatment Plant (WWTP) and combined DISTRICT and CITY collection systems in accordance with the FY 2015-16 Wastewater System Budget approved by the Ukiah City Council; and

WHEREAS, at a special joint meeting on the 15th day of August, 2016, the DISTRICT Board of Directors and the Ukiah City Council reviewed the FY 2016-2017 Wastewater System Budget process and schedule and adopted City Council Resolution No. 2016-47 and UVSD Board of Director's Resolution No. 2016-03, authorizing through December 31, 2016, the expenditure of combined Wastewater System revenue of the CITY and the DISTRICT as budgeted in the 2015-16 budget; and

WHEREAS, the Wastewater System requires an approved budget to cover the anticipated costs of operating the entire Wastewater System in fiscal year 2016-17; and

WHEREAS, CITY staff has responded to all questions raised by the DISTRICT about the proposed 2016-17 Wastewater System budget and requested a joint meeting with the DISTRICT Board of Directors to allow the budget to be adopted; and

WHEREAS, the DISTRICT has not responded to the request for a joint meeting and the DISTRICT has indicated staffing limitations are affecting its ability to consider finalization of the budget;

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

1. The Board of Directors and the Ukiah City Council shall meet in joint session not later than January 18, 2017, to consider approval of the 2016-17 Wastewater System Budget.
2. Until the budget is approved by both the DISTRICT and the CITY OF UKIAH, ordinary operation and maintenance and emergency response shall be provided by the CITY OF UKIAH for the WWTP and collection system in accordance with the 2015-16 Wastewater System Budget approved by the Ukiah City Council.
3. Ordinary care and maintenance does not include non-routine contracts and capital expenditures other than routine or emergency repairs or replacements.
4. Should the DISTRICT Board of Directors and Ukiah City Council not meet in joint session by January 18, 2017, the CITY will consider adopting the 2016-2017 Wastewater System Budget independently of the DISTRICT on January 18, 2017.

PASSED AND ADOPTED on December 7, 2016, by the following Roll Call Vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

_____, Mayor

Kristine Lawler, City Clerk



ITEM NO.: 12d

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: AWARD CONTRACT FOR NORTH STATE STREET INTERSECTION - LOW GAP ROAD / BRUSH STREET STORM DRAIN AND SIGNALIZATION IMPROVEMENTS, SPECIFICATION NO. 16-06 AND APPROVE BUDGET AMENDMENT

Summary: The City Council will consider awarding the contract for the North State Street Intersection - Low Gap Road / Brush Street, Storm Drain and Signalization Improvements, Specification Number 16-06.

Background and Discussion: The City publicly advertised this project on October 30 and November 6, 2016, in the *Ukiah Daily Journal*. A copy of the Notice to Bidders was sent to all license class "A" contractors on the City's 2016 Qualified Contractors List, and plans and specifications were distributed to the builder's exchanges. In addition, the plans and specifications were posted on the City's website and can be viewed at this link: <https://cityofukiah.box.com/v/Items12d-ePlansSpecifications>. Sealed proposals will be received and opened by the City Clerk on December 6, 2016. A bid tabulation sheet will be provided to the City Council and the public at the meeting.

If the bid is awarded, compensation for the performance of the work will be based on unit prices bid for contract item quantities actually installed. Bid totals are based on unit prices bid for contract items at estimated quantities, and therefore, the actual total paid to the contractor may be lower or higher than the bid total indicated. As with construction projects, there may be cost overruns by reason of unforeseen work or because actual quantities installed exceed estimated quantities. Policy Resolution No. 13, authorizes the responsible Department Head, with approval of the City Manager, to issue change orders not to exceed 10 percent of the original contract sum or \$5,000 whichever is greater provided that no change, when added to the original contract sum, exceeds the amount budgeted for the project.

FISCAL IMPACT:					
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required		Previous Contract or Purchase Order No.
N/A	STP d(1)	50924220.80230	Yes ☒	No ☐	N/A
N/A	Traffic Congestion Relief Fund	51024220.80230	Yes ☒	No ☐	N/A
N/A	Gas Tax Fund	50324220.80230	Yes ☒	No ☐	N/A

RECOMMENDED ACTION(S): 1) Award contract for North State Street Intersection - Low Gap Road / Brush Street, Storm Drain and Signalization Improvements, Specification No. 16-06 to the lowest responsive, responsible bidder based on bids submitted on December 6, 2016. 2) Approve budget amendment.

ALTERNATIVES: N/A

Citizens advised: N/A
Requested by: Tim Eriksen, Director of Public Works / City Engineer
Contact/Prepared by: Rick Seanor, Deputy Director of Public Works
Coordinated with: Sage Sangiacomo, City Manager and Mary Horger, Procurement Manager
Presenter: Tim Eriksen, Director of Public Works / City Engineer
Attachments: Plans and Specifications: <https://cityofukiah.box.com/v/Items12d-ePlansSpecifications>

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager



ITEM NO.: 12e

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: WAIVE MINOR BID IRREGULARITY, AWARD CONTRACT FOR 2016 SEWER AND WATER REPLACEMENT PROJECT, SPECIFICATION NO. 16-10, AND APPROVE BUDGET AMENDMENT

Summary: The City Council will consider awarding the contract for the 2016 Sewer and Water Replacement Project, Specification Number 16-10.

Background and Discussion: The City publicly advertised this project on October 30 and November 6, 2016, in the *Ukiah Daily Journal*. A copy of the Notice to Bidders was sent to all license class "A" contractors on the City's 2016 Qualified Contractors List, and plans and specifications were distributed to the builder's exchanges. In addition, the plans and specifications were posted on the City's website and can be viewed at this link: <https://cityofukiah.box.com/v/Items12d-ePlansSpecifications>. Six sealed proposals were received and opened by the City Clerk on November 29, 2016. The lowest responsive, responsible bidder is Argonaut Constructors of Santa Rosa with a bid of \$3,639,359. Please refer to Attachment #1 for the tabulation of bids.

Upon review of the bid proposal from Argonaut Constructors (Attachment #2), staff noted that the bidder addressed the Fair Employment Practices Certification to "City of Santa Rosa". Please refer to page 68 of the attached bid proposal. Upon review of this with the City Attorney, it was determined that this was a minor irregularity that could be waived by the City Council. As such, staff recommends that the City Council waive the irregularity and award the project to Argonaut Constructors.

If the bid is awarded, compensation for the performance of the work will be based on unit prices bid for contract item quantities actually installed. Bid totals are based on unit prices bid for contract items at estimated quantities, and therefore, the actual total paid to the contractor may be lower or higher than the bid total indicated. As with construction projects, there may be cost overruns by reason of unforeseen work or because actual quantities installed exceed estimated quantities. Policy Resolution No. 13, authorizes the responsible Department Head, with approval of the City Manager, to issue change orders not to exceed 10 percent of the original contract sum or \$5,000 whichever is greater provided that no change, when added to the original contract sum, exceeds the amount budgeted for the project.

RECOMMENDED ACTION(S): 1) Waive the minor bid irregularity and award contract for 2016 Sewer and Water Replacement Project, Specification No. 16-10 to Argonaut Constructors in the amount of \$3,639,359; 2) Approve budget amendment.

ALTERNATIVES: N/A

Citizens advised:	N/A
Requested by:	Tim Eriksen, Director of Public Works / City Engineer
Contact/Prepared by:	Rick Seanor, Deputy Director of Public Works
Coordinated with:	Sage Sangiacomo, City Manager and Mary Horger, Procurement Manager
Presenter:	Tim Eriksen, Director of Public Works / City Engineer
Attachments:	1. Bid tabulation 2. Bid proposal from Argonaut Constructors 3. Plans and Specs: https://cityofukiah.box.com/v/Items12d-ePlansSpecifications

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

FISCAL IMPACT:							
Budgeted Amendment Amount	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required			Previous Contract or Purchase Order No.	
\$382,290	STP d(1)	50924220.80230	Yes	☒	No	☐	N/A
\$603,804	Traffic Congestion Relief Fund	51024220.80230	Yes	☒	No	☐	N/A
\$634,559	Special Streets Fund	25124210.80230	Yes	☒	No	☐	N/A
\$890,148	Water	82224413.80230	Yes	☒	No	☐	N/A
\$1,128,558	Sewer	84024421.80230	Yes	☒	No	☐	N/A

SPEC 16-10 - 2016 SEWER & WATER REPLACEMENT PROJECT															
City of Ukiah															
Bid Opening: 11/29/16				Argonaut Constructors		TEAM GHILOTTI, INC		TerraCon Constructors, Inc.		Ghilotti Construction Co.		Wahlund Construction Inc.		Granite Construction Co	
				PO box 639 Santa Rosa, CA 95402		2531 Petaluma Blvd South Petaluma, CA 94952		PO Box 276 Healdsburg, CA 95448		246 Ghilotti Avenue Santa Rosa, CA 95407		830 Hilma Drive Eureka, CA 95503		1324 S State Street Ukiah, CA 95482	
Base Bid															
Item #	Item Description	Quantity	UOM	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total
1	TRAFFIC CONTROL	1	LS	\$166,000.00	\$166,000.00	\$27,200.00	\$27,200.00	\$216,000.00	\$216,000.00	\$298,000.00	\$298,000.00	\$123,000.00	\$123,000.00	\$171,900.00	\$171,900.00
2	ROADWAY EXCAVATION	10990	CY	\$26.00	\$285,740.00	\$29.40	\$323,106.00	\$30.00	\$329,700.00	\$30.00	\$329,700.00	\$21.00	\$230,790.00	\$35.00	\$384,650.00
3	SUBGRADE STABILIZATION	250	SY	\$10.00	\$2,500.00	\$76.25	\$19,062.50	\$19.00	\$4,750.00	\$7.00	\$1,750.00	\$33.00	\$8,250.00	\$25.00	\$6,250.00
4	SOIL STABILIZATION FABRIC	26097	SY	\$1.00	\$26,097.00	\$2.20	\$57,413.40	\$2.00	\$52,194.00	\$1.00	\$26,097.00	\$2.25	\$58,718.25	\$1.50	\$39,145.50
5	AGGREGATE BASE	7456	CY	\$54.00	\$402,624.00	\$54.75	\$408,216.00	\$59.00	\$439,904.00	\$55.00	\$410,080.00	\$60.00	\$447,360.00	\$50.00	\$372,800.00
6	ASPHALT CONCRETE SURFACE	5588	TN	\$106.00	\$592,328.00	\$113.00	\$631,444.00	\$128.00	\$715,264.00	\$105.00	\$586,740.00	\$121.00	\$676,148.00	\$115.50	\$645,414.00
7	REMOVE AND REPLACE 6-INCH SEWER MAIN	3642	LF	\$94.00	\$342,348.00	\$94.00	\$342,348.00	\$110.00	\$400,620.00	\$135.00	\$491,670.00	\$200.00	\$728,400.00	\$137.00	\$498,954.00
8	4 INCH SEWER LATERAL	79	EA	\$3,500.00	\$276,500.00	\$3,240.00	\$255,960.00	\$4,277.00	\$337,883.00	\$3,800.00	\$300,200.00	\$4,500.00	\$355,500.00	\$5,200.00	\$410,800.00
9	6 INCH SEWER LATERAL	5	EA	\$3,700.00	\$18,500.00	\$4,570.00	\$22,850.00	\$5,019.00	\$25,095.00	\$4,000.00	\$20,000.00	\$4,600.00	\$23,000.00	\$5,900.00	\$29,500.00
10	48 INCH SANITARY SEWER MANHOLE	18	EA	\$8,000.00	\$144,000.00	\$7,275.00	\$130,950.00	\$6,509.00	\$117,162.00	\$7,500.00	\$135,000.00	\$7,000.00	\$126,000.00	\$9,500.00	\$171,000.00
11	TRENCH BRACING AND SHORING	1	LS	\$13,000.00	\$13,000.00	\$3,300.00	\$3,300.00	\$15,237.00	\$15,237.00	\$45,000.00	\$45,000.00	\$9,000.00	\$9,000.00	\$26,150.00	\$26,150.00
12	PCC CURB AND GUTTER	769	LF	\$50.00	\$38,450.00	\$54.50	\$41,910.50	\$65.00	\$49,985.00	\$65.00	\$49,985.00	\$75.00	\$57,675.00	\$95.00	\$73,055.00
13	PCC CURB RAMP	3215	SF	\$43.00	\$138,245.00	\$45.10	\$144,996.50	\$32.00	\$102,880.00	\$32.00	\$102,880.00	\$36.00	\$115,740.00	\$35.00	\$112,525.00
14	PCC SIDEWALK	1114	SF	\$18.00	\$20,052.00	\$18.25	\$20,330.50	\$26.00	\$28,964.00	\$20.00	\$22,280.00	\$30.00	\$33,420.00	\$26.00	\$28,964.00
15	PCC VALLEY GUTTER	2202	SF	\$39.00	\$85,878.00	\$30.50	\$67,161.00	\$30.00	\$66,060.00	\$28.00	\$61,656.00	\$29.00	\$63,858.00	\$30.00	\$66,060.00
16	PCC CURB AT SIDES AND BACK OF CURB RAMPS	437	LF	\$22.00	\$9,614.00	\$51.00	\$22,287.00	\$26.00	\$11,362.00	\$50.00	\$21,850.00	\$43.00	\$18,791.00	\$29.00	\$12,673.00
17	12" CLASS V REINFORCED CONCRETE PIPE	6	LF	\$225.00	\$1,350.00	\$280.00	\$1,680.00	\$607.00	\$3,642.00	\$800.00	\$4,800.00	\$150.00	\$900.00	\$240.00	\$1,440.00
18	STORM DRAIN CATCH BASIN	1	EA	\$3,200.00	\$3,200.00	\$4,950.00	\$4,950.00	\$8,068.00	\$8,068.00	\$6,500.00	\$6,500.00	\$2,500.00	\$2,500.00	\$3,150.00	\$3,150.00
19	6 INCH PVC WATER MAIN CLASS 200	3763	LF	\$66.00	\$248,358.00	\$78.75	\$296,336.25	\$82.00	\$308,566.00	\$100.00	\$376,300.00	\$80.00	\$301,040.00	\$109.00	\$410,167.00
20	8 INCH PVC WATER MAIN CLASS 200	1230	LF	\$85.00	\$104,550.00	\$83.25	\$102,397.50	\$102.00	\$125,460.00	\$105.00	\$129,150.00	\$90.00	\$110,700.00	\$135.00	\$166,050.00
21	1" WATER SERVICE PLUMBED FOR 5/8" METER	78	EA	\$3,350.00	\$261,300.00	\$2,700.00	\$210,600.00	\$3,628.00	\$282,984.00	\$3,800.00	\$296,400.00	\$3,500.00	\$273,000.00	\$4,500.00	\$351,000.00
22	DUAL 1" WATER SERVICE PLUMBED FOR 5/8" METER	2	EA	\$5,300.00	\$10,600.00	\$3,500.00	\$7,000.00	\$3,815.00	\$7,630.00	\$4,200.00	\$8,400.00	\$4,000.00	\$8,000.00	\$3,900.00	\$7,800.00
23	1" WATER SERVICE PLUMBED FOR 1" METER	7	EA	\$3,375.00	\$23,625.00	\$3,150.00	\$22,050.00	\$4,113.00	\$28,791.00	\$3,900.00	\$27,300.00	\$4,500.00	\$31,500.00	\$5,000.00	\$35,000.00
24	DUAL 2" WATER SERVICE PLUMBED FOR 1.5" METER	1	EA	\$7,000.00	\$7,000.00	\$8,100.00	\$8,100.00	\$7,392.00	\$7,392.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,600.00	\$6,600.00
25	FIRE HYDRANT AND LATERAL ASSEMBLY	8	EA	\$8,200.00	\$65,600.00	\$7,625.00	\$61,000.00	\$8,507.00	\$68,056.00	\$8,500.00	\$68,000.00	\$9,000.00	\$72,000.00	\$8,350.00	\$66,800.00
26	HOT TAP FIRE HYDRANT AND LATERAL ASSEMBLY	5	EA	\$10,500.00	\$52,500.00	\$8,850.00	\$44,250.00	\$11,369.00	\$56,845.00	\$12,000.00	\$60,000.00	\$11,000.00	\$55,000.00	\$12,500.00	\$62,500.00
27	REMOVE AND SALVAGE EXISTING FIRE HYDRANT	13	EA	\$1,000.00	\$13,000.00	\$2,500.00	\$32,500.00	\$1,975.00	\$25,675.00	\$1,000.00	\$13,000.00	\$2,000.00	\$26,000.00	\$1,400.00	\$18,200.00
28	6" MAIN LINE GATE VALVE	19	EA	\$1,450.00	\$27,550.00	\$1,475.00	\$28,025.00	\$1,241.00	\$23,579.00	\$1,200.00	\$22,800.00	\$1,300.00	\$24,700.00	\$2,400.00	\$45,600.00
29	8" MAIN LINE GATE VALVE	8	EA	\$1,700.00	\$13,600.00	\$1,785.00	\$14,280.00	\$1,571.00	\$12,568.00	\$1,600.00	\$12,800.00	\$1,700.00	\$13,600.00	\$2,900.00	\$23,200.00
30	REMOVE TEES AND INSTALL SPOOLS & FITTINGS 6" AND 12"	1	LS	\$6,500.00	\$6,500.00	\$30,000.00	\$30,000.00	\$7,268.00	\$7,268.00	\$15,000.00	\$15,000.00	\$17,000.00	\$17,000.00	\$47,876.00	\$47,876.00
31	CUT IN 12"x12" X8" TEE W/ 2-12" GATE VALVES AND 1-8" GATE VALVE	1	EA	\$17,000.00	\$17,000.00	\$14,500.00	\$14,500.00	\$15,954.00	\$15,954.00	\$14,000.00	\$14,000.00	\$11,000.00	\$11,000.00	\$19,000.00	\$19,000.00
32	CUT IN 12"x12" X6" TEE W/ 2-12" GATE VALVE AND 1-6" GATE VALVE	2	EA	\$15,500.00	\$31,000.00	\$14,100.00	\$28,200.00	\$15,567.00	\$31,134.00	\$13,800.00	\$27,600.00	\$11,000.00	\$22,000.00	\$19,000.00	\$38,000.00
33	CUT IN 6"X6" X6" TEE W/ 3-6" GATE VALVES	2	EA	\$12,000.00	\$24,000.00	\$10,850.00	\$21,700.00	\$11,846.00	\$23,692.00	\$10,500.00	\$21,000.00	\$7,100.00	\$14,200.00	\$18,000.00	\$36,000.00
34	CUT IN 6" CROSS W/ 4-6" GATE VALVES	1	EA	\$13,000.00	\$13,000.00	\$14,750.00	\$14,750.00	\$16,157.00	\$16,157.00	\$12,500.00	\$12,500.00	\$12,000.00	\$12,000.00	\$21,000.00	\$21,000.00
35	CUT IN 8"X8" X6" X6" CROSS W/ 2-8" GATE VALVE AND 2-6" GATE VALVE	1	EA	\$13,500.00	\$13,500.00	\$15,100.00	\$15,100.00	\$16,558.00	\$16,558.00	\$13,000.00	\$13,000.00	\$14,000.00	\$14,000.00	\$24,000.00	\$24,000.00
36	RE-CONNECT 4" FIRE SERVICE LINE	1	EA	\$5,300.00	\$5,300.00	\$9,280.00	\$9,280.00	\$9,635.00	\$9,635.00	\$5,500.00	\$5,500.00	\$3,600.00	\$3,600.00	\$8,600.00	\$8,600.00
37	RE-CONNECT 6" FIRE SERVICE LINE	1	EA	\$5,600.00	\$5,600.00	\$9,700.00	\$9,700.00	\$10,031.00	\$10,031.00	\$6,000.00	\$6,000.00	\$3,800.00	\$3,800.00	\$9,500.00	\$9,500.00
38	ABANDON OR REMOVE WATER SYSTEM COMPONENTS	1	LS	\$3,500.00	\$3,500.00	\$13,900.00	\$13,900.00	\$4,973.00	\$4,973.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$60,270.00	\$60,270.00
39	LEAD JOINT REMOVAL	5	EA	\$500.00	\$2,500.00	\$1,500.00	\$7,500.00	\$1.00	\$5.00	\$100.00	\$500.00	\$2,100.00	\$10,500.00	\$8,000.00	\$40,000.00
40	TEMPORARY BLOW OFF	18	EA	\$1,200.00	\$21,600.00	\$315.00	\$5,670.00	\$932.00	\$16,776.00	\$900.00	\$16,200.00	\$850.00	\$15,300.00	\$850.00	\$15,300.00
41	WATER MAIN TIE IN	18	EA	\$3,200.00	\$57,600.00	\$3,420.00	\$61,560.00	\$2,549.00	\$45,882.00	\$2,800.00	\$50,400.00	\$5,000.00	\$90,000.00	\$7,700.00	\$138,600.00
42	ADJUST MANHOLE TO GRADE	9	EA	\$600.00	\$5,400.00	\$940.00	\$8,460.00	\$909.00	\$8,181.00	\$1,000.00	\$9,000.00	\$800.00	\$7,200.00	\$800.00	\$7,200.00
43	ADJUST VALVE BOX TO GRADE	4	EA	\$350.00	\$1,400.00	\$470.00	\$1,880.00	\$442.00	\$1,768.00	\$700.00	\$2,800.00	\$375.00	\$1,500.00	\$400.00	\$1,600.00
44	RELOCATE SIGN	5	EA	\$300.00	\$1,500.00	\$710.00	\$3,550.00	\$354.00	\$1,770.00	\$225.00	\$1,125.00	\$350.00	\$1,750.00	\$300.00	\$1,500.00
45	PEDESTRIAN STRIP BUTTON AND POST	2	EA	\$4,000.00	\$8,000.00	\$3,100.00	\$6,200.00	\$4,820.00	\$9,640.00	\$3,950.00	\$7,900.00	\$4,000.00	\$8,000.00	\$4,000.00	\$8,000.00
46	TRAFFIC STRIPES AND PAVEMENT MARKINGS	1	LS	\$4,850.00	\$4,850.00	\$5,200.00	\$5,200.00	\$5,898.00	\$5,898.00	\$4,900.00	\$4,900.00	\$12,000.00	\$12,000.00	\$5,000.00	\$5,000.00
47	CONSTRUCTION STAKING	1	LS	\$20,500.00	\$20,500.00	\$30,000.00	\$30,000.00	\$30,204.00	\$30,204.00	\$20,000.00	\$20,000.00	\$40,000.00	\$40,000.00	\$30,000.00	\$30,000.00
48	PUBLIC NOTIFICATION	1	LS	\$2,500.00	\$2,500.00	\$4,400.00	\$4,400.00	\$3,116.00	\$3,116.00	\$5,000.00	\$5,000.00	\$4,000.00	\$4,000.00	\$5,000.00	\$5,000.00
Total Bid Amount					\$3,639,359.00		\$3,643,254.15		\$4,130,958.00		\$4,168,263.00		\$4,289,940.25		\$4,763,793.50
Listed Subs				Delta Grinding Co AC Grinding		B Cantarutti Electric Co. Ped Push Button & Post		Devincenzi Concrete Co. Bid Item #12, 13, 14, 15 & 16		ABSL Construction Grinding		Apply-A-Line Bid Item #6		CINQUINI & PASSARINO, INC. Construction Staking	
				Devincenzi Concrete Co. Concrete		Cinquini & Passarino, Inc. Survey		F3 & Associates, Inc Bid Item #47		Mike Brown Electric Co. Electrical		Mendocino Construction Services Bid Item #6			
				Striping Graphics Striping		Pacific Northwest Oil Tack Oil		Mendocino Construction Services Bid Item #6							
						Roy's Sewer Service Inc. Televise/Video		Mike Brown Electric Co. Bid Item #45							
						Striping Graphics Sign & Striping, Marking		Striping Graphics Bid Item #44 and #46							

**CITY OF UKIAH
MENDOCINO COUNTY, CALIFORNIA**

PROPOSAL

**FOR
2016 SEWER & WATER
REPLACEMENT PROJECT**

Specification No. 16-10

The undersigned, as bidder,
declares that he or she has examined thoroughly all of the contract documents herein contained, that this proposal is made without collusion with any other person, firm or corporation and that all laws and ordinances relating to the interest of public officers in this contract have been complied with in every respect.

AND he or she proposes and agrees, if this proposal is accepted,

- 1) that he or she will contract with the City of Ukiah, Mendocino County, California, in the form of the copy of the agreement herein contained
 - a) to provide all necessary machinery, tools, apparatus and other means of construction;
 - b) to furnish all materials;
 - c) to provide all superintendence, overhead expenses and all labor and expenses of whatever nature necessary to complete the job in conformity with the specifications and drawings and other contract provisions herein or reasonably implied hereby or as necessary to complete the work in the manner and within the time named herein and according to the requirements and to the reasonable satisfaction of the City Engineer;
 - d) to pay all charges of freight transportation and hauling;
- 2) that he or she indemnifies the City against any loss or damage arising from any act of the undersigned as Contractor; and
- 3) that he or she will accept as full payment therefor the following sums:

BIDDING SCHEDULE

In case of discrepancy between words and figures, the words shall prevail. In any discrepancy between unit prices and extended amounts for a bid item using unit prices (specified unit price multiplied by specified quantity for bid item does not equal the extended amount for the item), the specified unit price will control and will be used by the City to compare bids in selecting the lowest bid and in awarding the contract. If the specified total bid amount does not equal the total of the extended amounts for all bid items, the City will use the total of the extended amounts for each bid item (adjusted, if necessary, so that the extended amount equals the specified unit price multiplied by the specified quantity for that bid item) to compare bids in selecting the lowest bid.

The Unit prices for the various Construction Items below include all costs associated with the General Conditions, Special Provisions, Requirements of the Construction Contract, and represent the total, complete, in-place cost for each specific Construction Item in accordance with the Construction Documents, including all elements, work components, accessories, and connections, shown in applicable details or required to yield a complete, sound and functional component or system appropriate for its intended function, whether or not such is specifically described or listed in any description of measurement or payment. The total amount of the Construction items below shall represent the total and complete cost of the fully functional Project. All work not specifically listed below be required to complete the work of the various construction items and the cost of such shall be considered as included throughout the various unit prices indicated. Lowest bid will be based on the lowest Base Bid.

BASE BID

ITEM NO.	DESCRIPTION AND UNIT PRICE BID (in words and in figures)	MULTI- PLIED BY	QUANTITY	EQUALS	EXTENDED AMOUNT FOR ITEM (in figures)
1	Traffic Control, for the lump sum price of <u>ONE THOUSAND SIXTY SIX</u> <u>THOUSAND DOLLARS (\$ 166000)</u>	x	1 LS	=	LUMP SUM PRICE \$ <u>166000</u>
F 2	Roadway Excavation, for the price per cubic yard of <u>TWENTY SIX DOLLARS</u> (\$ <u>26</u>)	x	10990 CY	=	\$ <u>285740</u>
3	Subgrade Stabilization, for the price per square yard of <u>TEN DOLLARS</u> (\$ <u>10</u>)	x	250 SY	=	\$ <u>2500</u>
4	Soil Stabilization Fabric, for the price per square yard of <u>ONE DOLLAR</u> (\$ <u>1</u>)	x	26097 SY	=	\$ <u>26097</u>
5	Aggregate Base, for the price per cubic yard of <u>FIFTY FOUR DOLLARS</u> (\$ <u>54</u>)	x	7456 CY	=	\$ <u>402624</u>
6	Asphalt Concrete Surface, for the price per ton of <u>ONE HUNDRED SIX DOLLARS</u> (\$ <u>106</u>)	x	5588 TON	=	\$ <u>592328</u>
7	Remove and Replace 6-Inch Sewer Main, for the price per linear foot of <u>NINETY FOUR DOLLARS</u> (\$ <u>94</u>)	x	3642 LF	=	\$ <u>342348</u>
8	4 inch Sewer Lateral, for the price each of <u>THREE THOUSAND FIVE</u> <u>HUNDRED DOLLARS (\$ 3500)</u>	x	79 EA	=	\$ <u>276500</u>
9	6 Inch Sewer Lateral, for the price each of <u>THREE THOUSAND SEVEN</u> <u>HUNDRED DOLLARS (\$ 3700)</u>	x	5 EA	=	\$ <u>18500</u>
10	48 Inch Sanitary Sewer Manhole, for the price each of <u>EIGHT THOUSAND</u> <u>DOLLARS (\$ 8000)</u>	x	18 EA	=	\$ <u>144000</u>

11	Trench Bracing and Shoring, for the lump sum price of <u>THIRTEEN THOUSAND</u> <u>DOLLARS</u> (\$ <u>13000</u>)	x	1 LS	=	LUMP SUM PRICE \$ <u>13000</u>
12	PCC Curb and Gutter, for the price per linear foot of <u>FIFTY DOLLARS</u> (\$ <u>50</u>)	x	769 LF	=	\$ <u>38450</u>
13	PCC Curb Ramp, for the square foot price of <u>FORTY THREE DOLLARS</u> (\$ <u>43</u>)	x	3215 SF	=	\$ <u>138245</u>
14	PCC Sidewalk, for the square foot price of <u>EIGHTEEN DOLLARS</u> (\$ <u>18</u>)	x	1114 SF	=	\$ <u>20052</u>
15	PCC Valley Gutter, for the square foot price of <u>THIRTY NINE DOLLARS</u> (\$ <u>39</u>)	x	2202 SF	=	\$ <u>85878</u>
16	PCC Curb at Sides and Back of Curb Ramps, for the price per linear foot of <u>TWENTY TWO DOLLARS</u> (\$ <u>22</u>)	x	437 LF	=	\$ <u>9614</u>
17	12" Class V Reinforced Concrete Pipe, for the price per linear foot of <u>TWO HUNDRED TWENTY FIVE DOLLARS</u> (\$ <u>225</u>)	x	6 LF	=	\$ <u>1350</u>
18	Storm Drain Catch Basin, for the price each of THREE HUNDRED ^{THOUSAND} <u>TWO HUNDRED DOLLARS</u> (\$ <u>3200</u>)	x	1 EA	=	\$ <u>3200</u>
19	6 Inch PVC Water Main Class 200, for the price per linear foot of <u>SIXTY SIX DOLLARS</u> (\$ <u>66</u>)	x	3763 LF	=	\$ <u>248358</u>
20	8 Inch PVC Water Main Class 200, for the price linear foot of <u>EIGHTY FIVE DOLLARS</u> (\$ <u>85</u>)	x	1230 LF	=	\$ <u>104550</u>

21	1" Water Service Plumbed For 5/8" Meter, for the price each of <u>THREE THOUSAND THREE HUNDRED FIFTY (\$3350)</u> <u>DOLLARS</u>	x	78 EA	=	\$ <u>261300</u>
22	Dual 1" Water Service Plumbed For 5/8" Meter, for the price each of <u>TWO THOUSAND THREE HUNDRED DOLLARS (\$5300)</u>	x	2 EA	=	\$ <u>10600</u>
23	1" Water Service Plumbed For 1" Meter, for the price each of <u>THREE THOUSAND THREE HUNDRED SEVENTY FIVE (\$3375)</u> <u>DOLLARS</u>	x	7 EA	=	\$ <u>23625</u>
24	Dual 2" Water Service Plumbed For 1.5" Meter, for the price each of <u>SEVEN THOUSAND DOLLARS (\$7000)</u>	x	1 EA	=	\$ <u>7000</u>
25	Fire Hydrant and Lateral Assembly, for the price each of <u>EIGHT THOUSAND TWO HUNDRED DOLLARS (\$8200)</u>	x	8 EA	=	\$ <u>65600</u>
26	Hot Tap Fire Hydrant and Lateral Assembly, for the price each of <u>TEN THOUSAND FIVE HUNDRED DOLLARS (\$10500)</u>	x	5 EA	=	\$ <u>52500</u>
27	Remove and Salvage Existing Fire hydrant, for the price each of <u>ONE THOUSAND DOLLARS (\$1000)</u>	x	13 EA	=	\$ <u>13000</u>
28	6" Main Line Gate Valve, for the price each of <u>ONE THOUSAND FIVE HUNDRED FIFTY DOLLARS (\$1450)</u>	x	19 EA	=	\$ <u>27550</u>
29	8" Main Line Gate Valve, for the price each of <u>ONE THOUSAND SEVEN HUNDRED DOLLARS (\$1700)</u>	x	8 EA	=	\$ <u>13600</u>
30	Remove Tees and Install Spools & Fittings 6" and 12", for the lump sum price of <u>SIX THOUSAND FIVE HUNDRED DOLLARS (\$6500)</u>	x	1 LS	=	LUMP SUM PRICE \$ <u>6500</u>

31	Cut In 12"x12"x8" Tee W/ 2-12" Gate Valves and 1-8" Gate Valve, for the price each of <u>SEVENTEEN THOUSAND DOLLARS (\$17000⁻)</u>	x	1 EA	=	\$ <u>17000⁻</u>
32	Cut In 12"x12"x6" Tee W/ 2-12" Gate Valves and 1-6" Gate Valve, for the price each of <u>FIFTEEN THOUSAND FIVE HUNDRED DOLLARS (\$15500⁻)</u>	x	2 EA	=	\$ <u>31000⁻</u>
33	Cut In 6"x6"x6" Tee W/ 3-6" Gate Valves, for the price each of <u>TWELVE THOUSAND DOLLARS (\$12000⁻)</u>	x	2 EA	=	\$ <u>24000⁻</u>
34	Cut In 6" Cross W/ 4-6" Gate Valves, for the price each of <u>THIRTEEN THOUSAND DOLLARS (\$13000⁻)</u>	x	1 EA	=	\$ <u>13000⁻</u>
35	Cut In 8"x8"x6"x6" Cross W/ 2-8" Gate Valves and 2-6" Gate Valves, for the price each of <u>THIRTEEN THOUSAND FIVE HUNDRED DOLLARS (\$13500⁻)</u>	x	1 EA	=	\$ <u>13500⁻</u>
36	Re-Connect 4" Fire Service Line, for the price each of <u>FIVE THOUSAND THREE HUNDRED DOLLARS (\$5300⁻)</u>	x	1 EA	=	\$ <u>5300⁻</u>
37	Re-Connect 6" Fire Service Line, for the price each of <u>FIVE THOUSAND SIX HUNDRED DOLLARS (\$5600⁻)</u>	x	1 EA	=	\$ <u>5600⁻</u>
38	Abandon or Remove Water System Components, for the lump sum price of <u>THREE THOUSAND FIVE HUNDRED DOLLARS (\$3500⁻)</u>	x	1 LS	=	LUMP SUM PRICE \$ <u>3500⁻</u>
39	Lead Joint Removal, for the price each of <u>FIVE HUNDRED DOLLARS (\$500⁻)</u>	x	5 EA	=	\$ <u>2500⁻</u>
40	Temporary Blow Off, for the price each of <u>ONE THOUSAND TWO HUNDRED DOLLARS (\$1200⁻)</u>	x	18 EA	=	\$ <u>21600⁻</u>

41	Water Main Tie In, for the price each of <u>THREE THOUSAND TWO HUNDRED DOLLARS (\$ 3200⁻)</u>	x	18 EA	=	\$ <u>57600⁻</u>
42	Adjust Manhole to Grade, for the price each of <u>SIX HUNDRED DOLLARS (\$ 600⁻)</u>	x	9 EA	=	\$ <u>5400⁻</u>
43	Adjust Valve Box to Grade, for the price each of <u>THREE HUNDRED FIFTY DOLLARS (\$ 350⁻)</u>	x	4 EA	=	\$ <u>1400⁻</u>
44	Relocate Sign, for the price each of <u>THREE HUNDRED DOLLARS (\$ 300⁻)</u>	x	5 EA	=	\$ <u>1500⁻</u>
45	Pedestrian Push Button and Post, for the price each of <u>FOUR THOUSAND DOLLARS (\$ 4000⁻)</u>	x	2 EA	=	\$ <u>8000⁻</u>
46	Traffic Stripes and Pavement Markings, for the lump sum price of <u>FOUR THOUSAND EIGHT HUNDRED FIFTY DOLLARS (\$ 4850⁻)</u>	x	1 LS	=	LUMP SUM PRICE \$ <u>4850⁻</u>
47	Construction Staking, for the lump sum price of <u>TWENTY THOUSAND FIVE HUNDRED DOLLARS (\$ 20500⁻)</u>	x	1 LS	=	LUMP SUM PRICE \$ <u>20500⁻</u>
48	Public Notification, for the lump sum price of <u>TWO THOUSAND FIVE HUNDRED DOLLARS (\$ 2500⁻)</u>	x	1 LS	=	LUMP SUM PRICE \$ <u>2500⁻</u>

TOTAL BASE BID AMOUNT IN FIGURES →	
Total Base Bid amount in words: <u>THREE MILLION SIX HUNDRED THIRTY NINE</u> Dollars <u>THOUSAND THREE HUNDRED FIFTY NINE</u>	<u>3,639,359⁻</u>

We, the undersigned, acknowledge that the City Council has reserved the right to reject any or all bids and to determine which proposal is, in its opinion, the lowest responsible bid of a responsible bidder and that which it deems in the best interest of the City to accept. We, the undersigned, further agree, if this proposal shall be accepted, to sign the agreement and to furnish the required bonds with satisfactory surety, or sureties, within fifteen (15) calendar days after written notice that the contract is ready for signature; and, if the undersigned shall fail to contract, as aforesaid, it shall be understood that he or she has abandoned the contract and that, therefore, this proposal shall be null and void and the proposal guaranty accompanying this proposal, or the amount of said guaranty, shall be forfeited to and become the property of the City. Otherwise, the proposal guaranty accompanying this proposal shall be returned to the undersigned.

Witness our hands this day of November 29, 2016.

Licensed in accordance with an act providing for the registration of California Contractors License No. 171432, expiration date 12/31/17.

THE CONTRACTOR'S LICENSE NUMBER AND EXPIRATION DATE STATED HEREIN ARE MADE UNDER PENALTY OF PERJURY.

Department of Industrial Relations Public Works Contractor Registration Number: 1000002969

Signature of bidder or bidders, with business name, address, phone number and fax number:



Michael A. Smith VP

Argonaut Constructors P.O. Box 639 Santa Rosa, CA 95402

707-542-4862/707-542-4897

Notice: In the case of a corporation, give below the addresses of the principal office thereof and names and addresses of the President, Secretary, Treasurer.

1236 Central Avenue Santa Rosa, CA 95401

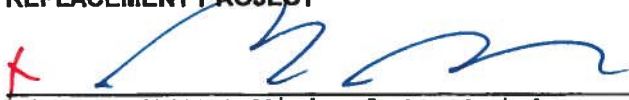
Michael D. Smith Pres. Michael A. Smith Sec./Tres.

FAIR EMPLOYMENT PRACTICES CERTIFICATION

TO: City of Santa Rosa

The undersigned, in submitting a bid for performing the following work by Contract, hereby certifies that he or she has or will meet the standards of affirmative compliance with the Fair Employment Practices requirements of the Special Provisions contained herein.

**2016 SEWER & WATER
REPLACEMENT PROJECT**


(Signature of Bidder) Michael A. Smith VP

Business Mailing Address:

P.O. Box 639 Santa Rosa, CA 95402

Business Location:

1236 Central Avenue Santa Rosa, CA 95401

(The bidder shall execute the certification of this page prior to submitting his or her proposal.)

WORKER'S COMPENSATION CERTIFICATE

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Worker's Compensation or undertake self-insurance in accordance with the provisions of that code and I will comply with such provisions before commencing the performance of the work of this contract.

Witness my hand this 29 day of November, 20016

Signature of Bidder, with Business Address:

_____

Michael A. Smith VP

1236 Central Avenue

Santa Rosa, CA 95401

CERTIFICATION OF NONDISCRIMINATION IN EMPLOYMENT

The bidder represents that he or she has/has not, participated in a previous contract or subcontract subject to either the equal opportunity clause herein or the clause contained in Section 301 of Executive Order 10925; that he or she has/has not, filed all required compliance reports; and that representations indicating submission of required compliance prior to subcontract awards.

Signature and address of Bidder:

 Date 11/29/16

Michael A. Smith VP

1236 Central Avenue

Santa Rosa, CA 95401

(This certification shall be executed by the bidder in accordance with Section 60-1.6 of the Regulations of the President's Committee on Equal Employment Opportunity for implementing Executive Orders 10925 and 11114.)

LIST OF PROPOSED SUBCONTRACTORS

In compliance with the provisions of Sections 4100-4108 of the California Public Contract Code and any amendments thereof, each bidder shall set forth (a) the name and location of the place of business of each subcontractor who will perform work or labor or render service in or about the construction site or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications in an amount in excess of one-half of 1 percent of the total bid and (b) the California Contractor License Number for each subcontractor, and (c) the portion of the work to be done by each subcontractor. (See General Conditions Section 1-09.) Include with the name of each sub-contractor their Department of Industrial Relations Public Works Contractor Registration Number.

CLSB# DIR#

AC GRINDING DELTA GRINDING CO ANTIOLH, CA 736914 100005958

CONCRETE DEVINCENZI CONCRETE CO SANTA ROSA, CA 326998 1000001188

STRIPING STRIPING GRAPHICS COTTI, CA 516756 1000006495

STATEMENT OF EXPERIENCE OF BIDDER

The bidder is required to state below what work of similar magnitude or character he or she has done and to give references that will enable the City Council to judge of his or her experience, skill and business standing and his or her ability to conduct work as completely and rapidly as required under the terms of the contract.

See attached partial list

Owners Name	Contact	Phone #	Job#	Project Name	Value of Work	Type of Work	% Complete	NOC Filed
Private			N19	Carriage Lane Subdivision		Subdivision	0%	
County of Marin	Eric Miller	415-473-7877	N18	Lucas Valley Road Grindouts	\$173,735.00	Roadway Improvements	0%	
City of Santa Rosa	Danny Chen	707-543-3911	N17	Downtown Santa Rosa Streetscape	\$641,788.00	Streetscape pproject	0%	
Private			N16	Vast Oak Backbone/Utilities		Underground utilities	0%	
Private			N15	Ridley Avenue Subdivision		New subdivision	0%	
City of Santa Rosa	Chris Catbagan	707-543-4521	N14	Fountain grove water main up-size	\$252,100.00	upgrade water pipe line	0%	
Caltrans	Dan Russell	510-774-6297	N13	Emergency road repairs Bolinas Bay	\$1,100,000.00	Roadway repairs	25%	
Town of Yountville	John Draper	707-948-2602	N12	2016 Yountville cross road street reconstruction	\$751,000.00	Street & pedestrian improvements	30%	
Private			N11	Victory Station		Subdivision	25%	
County of Marin	Edgar Garcia	415-306-1031	N10	2016 Pavement rehabilitation central region	\$2,091,045.00	Roadway pavement overlay	35%	
City of Sonoma	Dan Takasugi	707-933-2230	N09	2016 Street Rehabilitation Project	\$485,678.00	Street repaving	40%	
City of Santa Rosa	Tracy Duenas	707-543-3952	N08	Laguna treatment plant pavement rehabilitation	\$249,889.00	Parking lot and road repairs	75%	
City of Santa Rosa	Fred Browne	707-543-4528	N07	Foxwood PwPost Ct sewer & water	\$455,360.00	New sewer & water pipelines	75%	
CDOT 04-3J4704	Dan Russell	510-774-6297	N06	Cold plane AC place HMA Type A	\$933,180.00	repave existing roadway	35%	
Private			N04	Wildwood Subdivision		Subdivision	25%	
SCWA	Lori Soto	707-547-1913	N03	Fifth street east recycled water pipeline	\$2,080,043.00	Recycled water pipelinr	45%	
Private			N02	Sandalwood Subdivision		Subdivision	45%	
City of Cotati	Jennifer O'Hagen	707-665-3637	N01	Old Redwood Highway Improvement Project	\$571,608.00	Street repairs	45%	
City of Sebastopol	Henry Mikus	707-823-2151	M21	2015 Local street repairs	\$238,507.00	Street repairs	100%	
City of Vallejo	Joshua Sanchez	707-648-5229	M20	Santa Clara Street Rehabilitation Project	\$1,051,956.00	Street improvements	95%	
Private			M19	Kawana Springs Subdivision-Phase 1		Subdivision	25%	
City of Santa Rosa	Danny Chen	707-543-3911	M18	Mohawk street LS and forcemain realignment	\$1,222,670.00	Lift station and sewer force main	95%	10/5/2016
City of Santa Rosa	Andy Witt	707-543-4519	M17	Jennings Avenue Sewer & Water Improvements	\$954,710.00	Sewer & water pipelines	100%	
Caltrans	Walid Khalife	650-222-7513	M16	04-OK1704 culvert replacement	\$700,000.00	Emergency Culvert Replacement	100%	
City of Santa Rosa	Fred Browne	707-543-4528	M15	Illinois Street sewer & water	\$1,479,701.00	Sewer & water pipelines	100%	
Private			M14	Avila Ranch Subdivision		Subdivision	60%	
City of Calistoga	Derek Rayner	707-942-2789	M13	Grant Avenue Drainage Improvements	\$938,000.00	Drainage Improvements	100%	
County of Sonoma	Ray Glanton	707-565-2814	M12	Russell Avenue street & utility improvements	\$408,000.00	Street improvements	75%	
City of Petaluma	Kent Cruthers	707-778-4580	M11	East Washington Street 18" water main	\$1,639,277.00	New water pipeline	95%	
City of Rohnert Park	Jennifer O'Hagen	707-665-3637	M10	Rohnert Park Rehabilitation Project	\$1,289,908.00	Street paving	100%	
City of Sonoma	Dan Takasugi	707-933-2230	M09	Napa Road reehabilitation project	\$568,996.00	Street rehabilitation	100%	
MMWD	Jake Miller	415-945-1580	M08	Larkspur replacement project	\$392,860.00	New water pipelines	100%	
Town of Yountville	Matt Schobel	510-208-1720	M07	Hopper Creek Improvement Project	\$2,518,578.00	Street improvements	100%	
City of Cotati	Jay Allen	916-965-0010	M06	Downtown Specific Plan Area Revitalization	\$2,317,849.00	Downtown street scapes	55%	
Caltrans	Hal Streeter	707-249-9601	M05	Rubber Ac overlay hwy121 Schellville	\$2,298,615.00	Highway overlay	99%	
Private			M04	Skyhawk 9 & 10 Yerba Buena Rd EVA		Subdivision/ new street	70%	
City of Vallejo	Joshua Sanchez	707-648-5229	M03	Sereno Drive pavement rehabilitation	\$842,995.00	Street resurfacing	100%	
City of Santa Rosa	Greg Dwyer	707-543-3838	M02	Silva & king street sewer & water	\$1,863,310.00	sewer/water street improvements	100%	
City of Santa Rosa	Lori Urbanek	707-543-3854	M01	Scott st sewer & water and street improvements	\$451,365.00	sewer/water street improvements	100%	
City of Santa Rosa	Fred Browne	707-543-4528	L27	Brigham Ave/Gordon Ln sewer & water	\$1,614,285.50	New sewer & water pipelines	100%	
City of Santa Rosa	Lori Urbanek	707-543-3854	L26	King Street Sewer & Water Improvements	\$2,370,254.00	New sewer & water pipelines	100%	
Private			L25	Brookfield Homes Offsite		Sewer/Water/storm drain pipeline	100%	
Town of Windsor	Jim Smith	707-838-5343	L24	Oak creek water services replacement	\$278,225.00	Replace residential water services	100%	
Private			L23	Tapestry Subdivision		Subdivision	90%	
City of Clearlake	Doug Herron		L22	Thompson Redbud Parking lot	\$899,000.00	Parking lot repaving	100%	
City of San Rafael	Jeff Stutsman	415-485-3355	L21	Street Resurfacing	\$874,750.00	Street resurfacing	100%	
Private			L20	1143 Briggs Avenue		Pave lot	100%	
City of Healdsburg	Mario Landeros	707-431-3335	L19	Terrace Street sewer replacement	\$163,850.00	Sewer Pipeline	100%	
Novato Sanitary District	Steve Krauthelm	415-892-1694	L17	Olive Parallel force main	\$1,245,680.00	Sewer pipeline	100%	
City of Sonoma	Dan Takasugi	707-933-2230	L16	2014 Road Rehabilitation and water services	\$736,823.00	Road paving and water services	100%	
Marin Municipal Water District	Steve Suskind	415-945-1517	L15	Sleepy Hollow pipeline Replacement	\$493,335.00	water pipeline	100%	
Private			L14	Walnut Meadow Subdivision		Subdivision	100%	
County of Marin	Anthony Lum	415-473-7108	L13	Pacific Way (Muir Beach) & Loma Verde Improvements	\$677,475.00	Street improvements	100%	
City of Healdsburg	Mario Landeros	707-431-3335	L12	March Ave/Rivers Bend road reconstruction	\$209,000.00	road reconfiguration	100%	
Ryder Homes	Don Reindahl	707-310-2024	L11	Yarberry Lane Subdivision		Subdivision	100%	
City of Rohnert Park	Pat Barnes	707-588-2234	L10	Rohnert Park Expressway 16" Transmission Main	\$1,492,027.00	new sewer line	100%	
Napa Sanitation District	Todd Herrick	707-258-6000	L09	Browns Valley Road Sewer Improvement	\$758,080.00	New sewer pipeline	100%	
City of Lafayette	Farzaneh Sanders	925-299-3209	L08	2014 Pavement Rehabilitation Project	\$1,999,000.00	Street paving	100%	
City of Santa Rosa	Tracy Duenas	707-543-3952	L07	6th street & Wilson street sewer & water	\$590,990.00	sewer & water improvements	100%	
County of Napa	Mark Andrilla	707-257-9520	L06	Devlin Road Transfer Station Road rehab	\$836,653.00	Pavement Rehabilitation	100%	
City of Sonoma	Dan Takasugi	707-933-2230	L05	Church St /Curtain Ln sewer & water impvmts	\$376,105.00	Sewer & water improvements	100%	
City of Santa Rosa	Tracy Duenas	707-543-3952	L04	West End Neighborhood Sewer & Water	\$865,357.00	Sewer & water improvements	100%	
City of Santa Rosa	Tanya Mokvys	707-543-3958	L03	Oakmont Pump Station 17 Improvements	\$158,000.00	Pump Station up-Grade	100%	
City of Healdsburg	Mario Landeros	707-431-3335	L02	Foss Creel Pathway Segment 6	\$1,303,304.00	pedestrian pathway	100%	
Caltrans	PROJECT	CANCELLED	L01	Culvert replacement Hwy 101 North of Willits		Culvert replacement project	0%	
City of Santa Rosa	Fred Browne	707-543-4526	K11	Industrial Dr to Piner Rd Sewer & Water	\$726,780.00	Sewer & water pipeline	100%	
City of Santa Rosa	Clay Thistle	707-543-3855	K10	Ventura Dr Sewer & Water Improvements	\$843,467.00	Sewer & water pipelie	100%	
Caltrans	Emron Fazal	707-834-1151	K09	Culvert Replacement Hwy 128	\$3,939,000.00	Culvert & hwy Work	98%	
City of Santa Rosa	Jesus McKeag	707-543-4516	K08	Orchard/Arbor/Beaver/Dexter st sewer & water	\$1,372,040.00	Sewer & water pipeline	100%	
City of St Helena	John Ferons	707-968-2558	K07	R71 Street Repair and Rehabilitation 2013	\$1,011,262.00	street repaving and microsurfacing	100%	
Homestake Mining Company	Peggy King	707-995-0080	K06	Homestake mine closure project	\$460,000.00	Erosion repair	100%	
County of Marin	Fred Raltmanian	415-473-4552	K05	2013 Novato Blvd Resurfacing Project	\$1,926,609.00	Roadway Improvements	100%	
Town of Windsor	Carl Euphrat	707-838-1212	K04	West Trunk Sewer Final Phase	\$527,905.00	New sewer pipeline	100%	
County of Sonoma	Bryan Albee	707-585-7516	K03	Cotati Intermodal Facility Phase 1	\$1,637,871.40	parking lot/street extension	100%	
City of Benicia	Nouze Vue	707-746-4228	K02	2013 Asphalt Overlay	\$598,546.00	HMA Overlay	100%	
City of Santa Rosa	Norm Amidon	707-543-3449	K01	Montgomery Village Sewer & Water	\$1,905,805.00	Sewer & water pipeline	100%	
City of Santa Rosa	Tracy Duenas	707-543-3952	J18	Sonoma Ave/Shortt Rd Sewer & Water	\$1,186,979.00	Sewer & water pipeline	100%	
North Marin Water District	Dave Jackson	415-897-4133	J17	Recycled water south phase 2	\$1,441,750.00	Recycled water pipeline	100%	
City of Ukiah	Rick Seanor	707-463-6296	J16	Gobbi st/State st Street & Utility Improvements	\$724,865.00	Street & Utility improvements	100%	
City of Santa Rosa	Otto Bertolero	707-543-3878	J15	Middle Rincon Road Sewer & Water	\$2,359,335.00	Sewer/Water Road Reconstruct	100%	
City of Fairfield	Peter Wright	707-428-7784	J14	Fairfield Various Street Overlays	\$2,674,209.00	Asphalt overlays	100%	
City of Willits	Brandy Buttness	707-459-7127	J13	Center Street Rehabilitation	\$1,101,764.00	Street rehabilitation	100%	
City of Napa	Anthony		J12	Saratoga Dr GBI JV	\$1,579,652.00	Street extension	100%	JV
City of Santa Rosa	Tetyana Mokvys	707-543-3958	J11	Nordyke/Oliver/Victor Sewer & Water	\$1,137,393.00	New sewer and water pipelines	100%	
Caltrans	Ragu	707-496-0437	J10	01-0A8004 HMA Overlay Hwy 128 Boonville	\$1,472,415.00	Hwy 128 overlay	100%	
Marin Municipal Water Dist.	Kevin Mc Donnell	415-945-1476	J09	Ross Sausalito pipeline relocation	\$361,027.00	New water pipeline	100%	JV
Caltrans	Grant Krueger	707-498-3067	J08	01-0A7302 HMA overlay Hwy 20 Ft Bragg	\$2,806,529.00	Hwy 20 overlay	100%	JV
Town of Windsor	Carl Euphrat	707-838-1212	J06	West Trunk Sewer Main	\$325,038.00	New sewer pipeline	100%	JV
City of Sonoma	Toni Bertalero	707-523-1010	J05	Este Madera Road Rehabilitation	\$302,485.00	Road Rehabilitation	100%	JV
City of Santa Rosa	Fred Browne	707-543-4528	J04	Poplar street water & sewer	\$498,000.00	Water & sewer line	100%	JV
Wright Construction	Bill Lonigan	707-528-1172	J03	Logan Place	\$1,000,000.00	Apartment Complex	100%	
Stacy/Whitbeck			J02	Smart IOS Phase 1	\$1,000,000.00	SMART RrR Crossings	0%	
MMWD	Kevin Mc Donnell	415-954-1576	J01	San Anselmo Pipeline Replacement	\$537,411.00	Water pipeline	100%	
Wright Contracting	Bill Lonigan	707-528-1172	H16	Lake Center	\$1,250,000.00	New community college campus	100%	
PNE Corp.	Jake Jabusch	360-957-0906	H15	Robinson Ranch/Hwy 20 Improvements	\$280,190.00	Turn lane	100%	
Town of Windsor	Carl Euphrat	707-838-1212	H14	Pond 5 outlet piling	\$398,000.00	water pipeline	100%	
Caltrans	Al Ortiz	707-962-0691	H13	Rubberized HMA overlay	\$2,563,510.00	Repave existing roadway	100%	
City of Santa Rosa	Norm Amidon	707-543-3449	H12	Bobelaine sewer & water	\$551,993.00	Water/Sewer Line	100%	
County of Sonoma	Iveta Moor	707-565-2546	H11	Western Avenue bike shoulder widening	\$736,636.00	widen shoulder of roadway	100%	
County of Yolo	Olesya Tribukait	530-666-8844	H10	CR 22 rehabilitation and overlay	\$1,691,612.00	Repave existing roadway	100%	
City of Fort Bragg	Dave Goble	707-961-2823	H09	2011 Structural street repairs	\$429,065.00	Digout and overlay	100%	
Caltrans	Dan Kraft	707-994-5074	H08	CIP recycling & HMA overlay	\$3,239,757.00	CIP and Overlay	100%	
County of Lake	Steve Phillips	707-263-2341	H07	Bottlelock Road pavement overlays	\$388,131.00	HMA Overlay	100%	
County of Sonoma	Iveta Moor	707-565-2546	H06	Arnold Drive shoulder widening & overlay	\$780,000.00	Shoulder improvements	100%	
Caltrans	Katharine Kleiber	707-485-5913	H05	Slide repairs Hwy 101	\$980,000.00	Slide removal	100%	
City of Santa Rosa	Fred Browne	707-543-4528	H04	Olive street sewer & water	\$549,705.00	Water/Sewer Line	100%	
City of Santa Rosa	Bernie Alabano	707-543-3839	H03	3rd street sewer & water	\$2,542,343.00	Water/Sewer Line	100%	
City of Petaluma	Pat Gotthard	707-778-3672	H01	10 th Street Water & Sewer Main	\$161,570.00	Water/Sewer Line	100%	
City of Santa Rosa	Fred Browne	707-543-4528	G01	Utility Patch Paving	\$403,939.00	Patch paving	100%	
City of Santa Rosa	Norm Amidon	707-543-3449	G02	Abandon existing sewer line	\$194,480.00	Sewer line	100%	
City of Clearlake	Robert Galusha	707-994-8201	G03	Collector Street Rehabilitation	\$498,816.00	Street Paving	100%	

Owners Name	Contact	Phone #	Job#	Project Name	Value of Work	Type of Work	% Complete	NOC Filed
City of Fortuna	Merritt Perry	707-443-8326	G04	Fortuna Blvd Pavement Rehabilitation	\$819,444.00	Street Paving	100%	
Marin Municipal Water Dist	Jeffery Ohmart	415-945-1574	G05	Larkspur/Corte Madera Pipeline Project	\$359,638.00	4"-12" WSP water line	100%	
Caltrans	Hal Streeter	707-249-9601	G06	Construct drainage & HMA paving	\$406,298.00	Roadway section repair	100%	
City of Santa Rosa	Tanya Mokvys	707-543-3958	G07	Bishop, Brookside, Hoen Sewer & Water	\$1,773,653.00	8" sewer main	100%	
City of Suisun	Lee Evans	707-421-7343	G08	Main Street Rehabilitation Project	\$627,202.00	Street reconstruction	100%	
City of Napa	Neil Mathiesen	707-257-9683	G09	East Avenue Rehabilitation	\$1,762,784.00	Street reconstruction	100%	
City of Santa Rosa	Norman Amidon	707-543-3449	G10	Urban Reuse Extension Project	\$1,301,014.00	18-24" Recycled water line	100%	
City of Sonoma	Russ Hooper	707-933-2207	G11	Heather lane and vicinity paving	\$405,360.00	Street paving	100%	
City of Ukiah	Ben Kageyama	707-463-6284	G12	Clara avenue reconstruction-phase 1	\$894,687.00	12-18" storm drain/paving	100%	
City of Sebastopol	Sue Kelly	707-823-2251	G13	Prop 1B Street rehabilitation	\$295,085.00	Street paving	100%	
AP Construction ()	Aaron Arellanes	310-793-2310	G14	Cainquapin water system Yosemite NP	\$753,165.00	Utility/site work	100%	
City of Sacramento	Mike Waldron	916-808-1495	F01	Doeanne Avenue Improvements	\$1,125,063.00	street/Utilities	100%	
City of Rohnert Park	Johnny Chung	707-588-2244	F02	Lancaster Drive Rehab	\$521,112.00	street paving	100%	
Millview Water District	Tim Bradley	707-462-7229	F03	North State Street Water Line	\$1,055,999.00	water line in street	100%	
California DOT	Carl Butters	707-428-2060	F04	Hwy 12 Pavement replacement	\$520,521.00	Repave Hwy	100%	
County of Sacramento	William Au	916-875-2725	F05	Bradshaw/Gerber Intersection Improvements	\$1,589,680.00	Street/Utilities	100%	
County of Solano	Robert Liu	707-784-6074	F06	Vacaville/Dixon Bike Path	\$469,595.00	Bike path	100%	
City of St Helena	Jon Lander	707-968-2658	F09	St Helena Flood Protection-Phase 1	\$737,264.00	levees, walls, basins	100%	
Caltrans	Jeffrey Hamm	916-263-5653	F10	CDOT 03-388004 Hwy 50 @ Harbor Blvd	\$16,354,189.00	New on/off ramps & bridge widening	100%	
City of Napa	Gary Dietrich	707-257-9306	F11	Solan Avenue North Water Main	\$128,000.00	water line	100%	
County of Lake	Eric Seely	707-263-2580	F12	Upperlake Main Street Rehabilitation	\$1,429,867.00	Street improvements	100%	
County of Sonoma	Sarah Fredericks	707-565-2597	F15	Fulton Road Sidewalk Improvements	\$306,054.00	Street improvements	100%	
California DOT	Oungkar Narine	707-279-2468	F16	Left turn lane & lighting	\$792,117.00	Intersection Improvements	100%	
California DOT	Katherine Kleiber	707-485-5913	F17	Hwy 162 reconstruction	\$864,361.00	Roadway repairs	100%	
County of Yolo	James Flynn	707-684-7074	F18	Road 18 rehabilitation	\$733,669.00	Roadway repairs	100%	
City of Napa	Mark Tomko	707-257-9408	F20	Soscol and Browns Valley Road Rehab	\$1,596,176.00	Roadway repairs	100%	
City of Vallejo	Aldrich Bautista	707-648-5306	F21	Serenio Dr & Tennessee Street Paving	\$1,373,563.00	Street Paving	100%	
Matole Band of Pomo Indians	Sherry Treppa	707-275-0737	F22	R/H turn lane & improvements	\$267,600.00	Turn lane	100%	
City of Yuba City	Diana Langley	530-822-4792	F23	Walton & Franklin Road Improvements	\$1,974,619.00	Water/sewer street improvements	100%	
County of Marin	Fred Rahmanian	415-499-7877	F24	ARRA County roads resurfacing	\$1,650,351.00	Road resurfacing	100%	
Caltrans	Darin Kishiyama	707-436-2210	F25	CDOT 01-462304 Roadway Realignment	\$12,228,302.00	Road realignment	90%	
City of Rio Dell	Merritt Perry	707-443-8326	E01	Ridwell 3rd & 4th Street Rehab	\$655,493.00	sewer/water	100%	
Caltrans	Oungkar Narine	707-279-2468	E02	CDOT 01-461604 Channelize Intr	\$911,687.03	Paving	100%	
Caltrans	Oungkar Narine	707-279-2468	E03	CDOT 01-462304 Rancheria Rd	\$858,691.56	Paving	100%	
City of Cloverdale	Paul Wade	707-894-1701	E05	Jefferson Street Sewer-Chvrd	\$337,480.00	Utilities	100%	
City of Santa Rosa	Greg Dwyer	707-543-3838	E06	2007 Annual Overlay	\$2,232,769.00	Paving	100%	
Caltrans	Kelly Timmons	707-725-1081	E07	CDOT 01-4293U4 Laytonville	\$1,595,530.38	curve align	100%	
County of Sacramento	William Au	916-875-2725	E08	Berendo/Sierra Storm Drain	\$642,340.00	Utilities	100%	
City of Napa	Anthony Morales	707-259-8373	E09	Conn Creek Cl II Bike Lane	\$216,873.19	Bike Path	100%	
Caltrans	Scott Baker	707-274-9457	E11	CDOT 01-399304 Blue Lake Hwy20	\$8,150,908.18	Paving	100%	
City of Santa Rosa	Tracy Duenas	707-543-3952	E12	Todd Rd Trunk Sewer	\$3,036,396.28	sewer main	100%	
Esparto CSD	Dave Daurvalder	916-641-9131	E13	Esparto Waste Water System	\$1,214,301.00	sewer plant	100%	
Caltrans	Scott Baker	707-274-9457	E14	CDOT 01-432504 Robinson Ranch	\$6,614,208.67	Paving	100%	
Caltrans	Dave deRosier	707-961-5403	E17	CDOT 01-466904 Grind/Pave Hwy1	\$1,999,066.53	Paving	100%	
City of Santa Rosa	Glen Wright	707-543-3948	E18	West College Utilities Facility	\$8,646,747.13	facilities bldgs	100%	
City of Cloverdale	Mike Janet	707-571-8005	E19	Clark Ave 27" Sewer Main	\$621,727.39	sewer main	100%	
City of Santa Rosa	Tanya Mokvys	707-543-3958	E20	Hewitt, Madison & Polk S&W	\$632,251.00	sewer/water	100%	
City of Napa	Todd Herrick	707-258-6000	E21	East Spring/Montecito Sewer	\$175,466.17	sewer	100%	
County of Sonoma	Sarah Fredericks	707-565-2597	E22	Sonoma Min Rd Slide Repair	\$827,120.50	slide repair	100%	
City of Santa Rosa	Dave Vandebeker	707-543-4521	E23	Airfield Park	\$1,126,462.00	construct park	100%	
City of Sonoma	Russ Hooper	707-523-1010	E26	Sonoma Water Laterals	\$343,105.00	water laterals	100%	
City of Benicia	Scott Rovnpera	707-746-4393	E27	Benicia Raw Water Transm Line	\$213,000.00	raw water line	100%	
Caltrans	Dan Kraft	530-458-3080	E28	CDOT 01-468204 Hwy29 Slide Rpr	\$296,153.00	Paving	100%	
City of Lakeport	Scott Harder	707-263-5614	E30	S. Main Drainage Lakeport	\$239,334.00	storm drain	100%	
City of Fort Bragg	Dave Goble	707-961-1592	E31	Fort Bragg Downtown Streetscap	\$1,874,738.00	street improve	100%	
Napa Sanitary Dist	Jim Winter	707-523-1010	D01	Napa San. - Stonecrest Pump St	\$2,109,159.00	sewer	100%	
City of Santa Rosa	James Cameron	707-543-4275	D02	BRYDEN LANE RECONSTRUCTION	\$779,314.00	reconst street	100%	
City of Santa Rosa	Tanya Mokvys	707-543-3958	D04	HIDDEN VALLEY DR WATER MAIN	\$710,477.00	water	100%	
City of Santa Rosa	Rich Hovden	707-543-3775	D05	A PLACE TO PLAY	\$6,367,051.00	utilities/site	100%	
City of Santa Rosa	James Cameron	707-543-4275	D06	McDonald Sewer & Water	\$1,251,517.00	sewer/water	100%	
County of Napa	Matt Tuggle	707-784-6074	D07	Brown Valley Rd Overlay, Co Of	\$785,252.00	intersection	100%	
Caltrans	Scott Baker	707-274-9457	D08	CDOT 01-452614 HWY 53 PAVING	\$1,110,005.00	Paving	100%	
City of Pittsburg	Sean Williams	925-252-4904	D09	Pittsburg/DDSD Recycled Water	\$4,995,371.00	raw water line	100%	
Caltrans	Ragu	707-465-6307	D10	CDOT 01-292004 HWY 20 WIDENING	\$4,997,506.00	Paving	100%	
City of Santa Rosa	Steve Dittmer	707-543-3847	D11	VALLEJO/CLARK ST SEWER & WATER	\$2,659,331.00	sewer/water	100%	
City of American Canyon	Cynthia Ripley	707-647-4331	D12	Veterans Memorial Park	\$1,594,279.00	construct park	100%	
City of Santa Rosa	Pat Gothard	707-543-3800	D13	VALLEJO ST PEDESTRIAN FLASHER	\$120,572.00	walkway/lighting	100%	
Town of Corte Madera	Tony Gokoffski	415-927-5057	D14	High Canal West Bank Stabiliza	\$359,968.05	rip rap canal wall	100%	
Covelo CSD	John Franklin	707-459-4518	D15	Covelo Ph. 1 ONLY, Sewer Rehab	\$1,787,235.00	sewer	100%	
National Parks Service	Lorraine Parsons	415-464-5193	D16	GIACOMINI WETLAND RESTORTION	\$1,303,983.00	wetland restor	100%	
City of San Rafael	Diane Decilio	415-485-3360	D17	LAS GALLINAS STREET RESURFACE	\$1,071,526.00	paving	100%	
City of Santa Rosa	Rita Miller	707-543-3897	D18	Railroad Square Drainage Ph. 2	\$608,275.00	storm drain	100%	
City of Sonoma	Engineering	707-938-3794	C01	FIRST ST. WEST CONDUIT	\$525,519.00	water line	100%	
Caltrans	Dave deRosier	707-961-5403	C02	CDOT 01-307904 ROADWAY REALIGN	\$2,156,423.00	Paving	100%	
City of Santa Rosa	Lori Urbanek	707-543-3854	C03	ASHBURY, CORLANO, LEE S & W	\$1,416,470.00	sewer/water	100%	
Caltrans	Dan Kraft	530-458-3080	C08	CDOT 01-471604 SLIDE REPAIR	\$892,886.00	slide repair	100%	
Caltrans	Leonard Branjicoff	707-566-3949	C09	CDOT 04-A2625 SLIDE REPAIR	\$564,338.00	slide repair	100%	
City of Santa Rosa	Tracy Duenas	707-543-3952	C11	FARMERS LANE WATER IMPROVEMENT	\$361,181.00	water line	100%	
Caltrans	Leonard Branjicoff	707-566-3949	C12	CDOT 04-04A2628 SLIDE REPAIR	\$456,894.00	slide repair	100%	
City of Santa Rosa	Rich Hovden	707-543-3775	C13	FOUNTAIN GROVE COMMUNITY PARK	\$940,377.00	construct park	100%	
City of Sonoma	Engineering	707-938-3794	C14	06-07 STREET/WATER IMPROVEMENT	\$4,754,849.01	water line	100%	
Marin Municipal Water Dist	Steve Suskind	415-945-1517	C15	MMWD ROSS/SAUSALITO TRANS LINE	\$721,291.00	water line	100%	
Town of Windsor	Gene Harris	707-571-8005	C17	BELL & JOHNSON ROAD	\$541,510.00	intersection	100%	
City of Santa Rosa	Norman Amidon	707-543-3449	C18	PARSONS & TERRACE SEWER/STREET	\$1,565,346.00	sewer/water	100%	
City of Santa Rosa	Tracy Duenas	707-543-3952	C19	SCOTLAND DR WATER MAIN	\$260,930.00	water	100%	
City of Napa	Jeff Atteberry	707-257-9520	C20	REHABILITATION OF 3RD NAPA	\$2,053,050.00	street improve	100%	
Caltrans	Hal Streater	707-781-2640	C22	CDOT 04-A2696 SLIDE REPAIR	\$877,683.56	slide repair	100%	
City of Vallejo	Sam Kumar	707-648-4432	C23	Vallejo Various St Overlay	\$845,270.00	paving	100%	
City of Santa Rosa	Danny Chen	707-543-3911	C24	2006 FEDERAL OVERLAY	\$3,190,355.00	paving	100%	
Caltrans	Dan Kraft	530-458-3080	C25	CDOT 01-4145V4 Curve Realign Lake County	\$16,327,046.00	curve align	100%	
City of Willits	Dave Madrigal	707-459-4605	C26	06-04 OVERLAYS WILLITS	\$634,486.00	paving	100%	
City of Willits	Dave Madrigal	707-459-4605	C27	06-05 WATER/SEWER/CHIP SEAL	\$1,146,990.00	water/sewer	100%	
City of Cloverdale	Mike Janet	707-571-8005	C29	Cloverdale R1 Downtown Reconst	\$4,244,017.00	street improve	100%	
City of Fort Bragg	Dave Goble	707-961-1592	C30	FRANKLIN STREET PHASE 2 OAK TO	\$3,386,498.00	street improve	100%	
City of Rohnert Park	Darin Jenkins	707-588-2243	B01	ROHNERT PARK OVERLAYS 2004	\$529,262.04	paving	100%	
City of Sonoma	Engineering	707-938-3794	B02	CAPITAL IMPROVEMENT - SONOMA	\$1,577,435.50	water line	100%	
Caltrans	Guy Preston	707-961-5403	B03	CDOT 01-452804 FL BRAGG PAVING	\$556,880.78	Paving	100%	
City of Santa Rosa	Dennis Daley	707-543-3801	B04	NORTH ST /FRANKLIN BIKE LANE	\$59,344.15	Bike Path	100%	
Bellevue Union School Dist	Gwin Stimbough	707-525-5616	B06	KAWANA SPRINGS E S PARKING LOT	\$375,473.00	Parking lot	100%	
Marin Municipal Water Dist	Steve Suskind	7415-945-1517	B07	MMWD FAIRFAX MANOR WATER REPLC	\$650,437.57	water line	100%	
Lake Co Sanit District	Jim Libby	707-523-1010	B08	KELSEVILLE-FINELY WATERLINE	\$3,154,591.00	water line	100%	
County of Sonoma	Paul Bellomo	707-562-2642	B09	SO COUNTY AIRPORT SERVICE ROAD	\$232,610.25	access road	100%	
Marin Municipal Water District	Steve Suskind	7415-945-1517	B10	MMWD BAY ROAD TANK	\$382,700.00	water/tank	100%	
City of American Canyon	Ed Blank	707-647-4587	B12	NAPA RIVER TIDAL SLOUGH	\$1,235,431.54	wetland restor	100%	
County of Solano	Matt Tuggle	707-784-315	B13	ROCKVILLE/ABERNATHY ROADS	\$498,763.14	intersection	100%	
City of Santa Rosa	Steve Schram	707-571-8005	B15	COLLEGE/MENDOCINO SEWER & WATER	\$2,031,355.00	sewer/water	100%	
City of Calistoga	Jim Smith	707-942-2828	B17	KIMBALL/MYRTLEDALE/GRANT WATER	\$1,667,155.00	water line	100%	
Caltrans	Wes Kohler	707-994-4578	B18	CDOT-01-455104 ROAD WIDENING	\$717,048.00	Paving	100%	
City of Santa Rosa	Dennis Daley	707-543-3801	B19	WEST 9TH STREET RECONSTRUCTION	\$1,647,937.02	street improve	100%	
City of Fort Bragg	Dave Goble	707-961-1592	B20	FRANKLIN STREET RECONSTRUCTION	\$1,438,191.43	street improve	100%	
City of Santa Rosa	Dennis Daley	707-543-3801	B22	WEST STEELE LN WIDENING	\$3,341,377.00	street improve	100%	

Owners Name	Contact	Phone #	Job#	Project Name	Value of Work	Type of Work	% Complete	NOC Filed
City of Calistoga	Jim Smith	707-942-2828	B24	GRANT STREET RECONSTRUCTION	\$372,759.00	street improve	100%	
Marin Municipal Water Dist	Steve Suskind	415-945-1517	B25	ELDRIDGE AVE PIPELINE	\$631,624.00	water line	100%	
City of American Canyon	Cheryl Brautik	707-647-4562	B26	AMERICAN CANYON RD WIDENING	\$8,339,869.00	road widening	100%	
Varenda @ Fountaingrove	Steve Gallaher	707-568-6999	B27	VARENNA @ FOUNTAIN GROVE	\$11,839,510.00	site/utilities	100%	
City of Ukiah			B31	UKIAH AIRPORT IMPROVEMENTS	\$736,534.00	access road	100%	
			B33	KENT WOODLANDS PIPELINE	\$537,440.00	water line	100%	
			A01	FURLONG TURF TRACK	\$1,163,177.00	horse track	100%	
			A02	CDOT 04-131244 116 OCCIDENTAL	\$3,779,113.95	Paving	100%	
			A03	WEST CITY RECL WATER INTERTIES	\$885,716.61	water line	100%	
			A04	PEDESTRIAN WALKWAYS	\$206,988.64	pathways	100%	
			A05	LAKESHORE BLVD REHAB	\$597,479.19	street improve	100%	
			A06	CDOT 01-296204 HWY 20 NICE	\$3,911,178.66	Paving	100%	
			A07	W COLLEGE RECL LINE UPGRADE	\$256,156.70	water line	100%	
			A08	2003 PAVEMENT MAINTENANCE	\$839,129.69	paving	100%	
			A09	WILSON ST. PEDESTRIAN LINKAGE	\$417,243.90	pathways	100%	
			A10	SANDHOLM LANE & FOOTHILL BLVD	\$894,833.67	street improve	100%	
			A11	MOORE VILLAGE AT WILDHORSE	\$643,585.95	subdivision	100%	
			A12	PEORIA/MIDWAY DR SEWER & WATER	\$789,364.65	sewer/water	100%	
			A13	BRIARWOOD SUBDIVISION	\$485,159.14	subdivision	100%	
			A14	DUTTON & GOODMAN SEWER WATER	\$954,138.93	sewer/water	100%	
			A15	MEASURE 'B' PAVEMENT REHAB	\$808,837.04	paving	100%	
			A16	MOHAWK LIFT STA WATER & SEWER	\$1,544,238.27	sewer & P/S	100%	
			A17	W COLLEGE UTILITIES, PHASE I	\$3,520,101.78	building site	100%	
			A18	TOWN GREEN VILLAGE PHASE 3	\$570,285.55	street improve	100%	
			A19	SORRENTO SUBDIVISION	\$684,820.48	subdivision	100%	
			A20	KENILWORTH JR. HIGH SCHOOL	\$2,383,799.00	site work	100%	
			A21	CDOT 04-0C3504 OVERLAY JENNER	\$962,446.75	Paving	100%	
			A22	WINDSOR RD MITCHELL TO REIMAN	\$1,398,648.51	street improve	100%	
			A23	MAGNOLIA PARK APARTMENTS	\$571,920.47	subdivision	100%	
			A24	PINER COURT SUBDIVISION	\$332,132.64	subdivision	100%	
			A25	RAILROAD SQUARE DRAINAGE IMP	\$980,276.40	storm drain	100%	
			A26	WINDSOR RIVER RD WIDENING	\$1,197,050.27	road widening	100%	
			A27	ROCKRIDGE POINT SUBDIVISION	\$5,239,199.00	subdivision	100%	
			A28	CUTTINGS WHARF BICYCLE LANE	\$304,163.90	Bike Path	100%	
			A29	WEST WIND BUSINESS PK, BLDG Y	\$552,265.39	site work	100%	
			A30	WINDSOR INTERMODAL FACILITY, 1	\$532,343.00	site work	100%	
			A31	WOODLAND STAR CHARTER SCH, P1	\$1,050,302.42	site/utilities	100%	
			A32	SKYFARM @ FOUNTAIN GROVE, 2A	\$4,927,684.00	subdivision	100%	
			A33	VILLAGE STATION SUBDIVISION	\$668,713.73	subdivision	100%	
			Z01	HIDDEN GLEN SUBDIVISION	\$1,662,998.81	subdivision	100%	
			Z02	SHO KA WAH EMPLOYEE PARKING	\$229,428.45	parking lot	100%	
			Z03	FRANKLIN & CARR SEWER	\$391,968.63	sewer	100%	
			Z04	THE SUMMIT AT FOUNTAIN GROVE	\$2,588,166.00	subdivision	100%	
			Z05	DENBESTE CORNER INDUSTRIAL BLD	\$94,869.59	site work	100%	
			Z06	QUINN ROAD REALIGNMENT	\$1,505,203.65	road widening	100%	
			Z07	LEVELLING AVENUE OUTFALL	\$664,478.10	storm drain	100%	
			Z08	SOLANOLINDA VISTA PAVING	\$420,640.50	paving	100%	
			Z09	2002 STREET RESURFACING	\$317,028.98	paving	100%	
			Z10	SWEETWATER W T & D	\$2,586,415.00	water line	100%	
			Z11	BETHARDS WATER TRANSMISSION	\$690,073.99	water line	100%	
			Z12	COTATISEBASTOPOL OVERLAY	\$149,555.84	paving	100%	
			Z13	OVERLAY - CYCLE II	\$803,517.20	paving	100%	
			Z14	SIGNAL & PAVE CDOT 01-426904	\$380,283.29	Paving	100%	
			Z15	ROUTE 29 ROAD WIDENING	\$424,772.33	road widening	100%	
			Z16	THE LAKES AT FOUNTAIN GROVE	\$3,123,294.00	subdivision	100%	
			Z17	MENDOCINO MARKET APARTMENTS	\$278,412.11	parking lot	100%	
			Z18	SUMMERFIELD ROAD WATER	\$169,098.58	road widening	100%	
			Z19	2002-03 CAPITAL IMPROVEMENTS	\$557,860.41	water line	100%	
			Z20	SPRING STREET SEWER & WATER	\$1,278,467.94	sewer/water	100%	
			Z21	FARMERS LANE SEWER	\$197,090.67	sewer	100%	
			Z22	STRATFORD PLACE/ZINFANDEL	\$570,519.96	subdivision	100%	
			Z23	CDOT REHAB 113, DIXON TO 12	\$1,617,069.28	Paving	100%	
			Z24	GEYSERS RECHARGE PAVING	\$1,037,247.99	paving	100%	
			Z25	SKYFARM SUBDIVISION UNIT 2C	\$1,302,001.03	subdivision	100%	
			Z26	KAWANA SPRINGS FIVE	\$1,008,712.20	subdivision	100%	
			Z27	TOWN GREEN VILLAGE PHASE 4	\$177,624.04	subdivision	100%	
			Z28	KAWANA SPRINGS SEWER REPLACE	\$631,719.15	sewer	100%	
			Z29	WINDSOR CREEK BYPASS CHANNEL	\$260,289.00	wetland restor	100%	
			Z30	WEST COLLEGE PLANT RD REPAIR	\$102,916.80	road widening	100%	
			Z31	BIKE LANES REDWOOD VALLEY	\$284,748.52	Bike Path	100%	
			Z32	BONFINI SUBDIVISION	\$311,228.41	subdivision	100%	
			Z33	WEST COUNTY TRAIL PHASE 10	\$219,509.47	Bike Path	100%	
			Z34	MUNI SERV CENTER N. PARKING LO	\$224,483.34	parking lot	100%	
			Y01	VILLAGE SQUARE UNIT 1	\$392,689.42	subdivision	100%	
			Y02	ATHERTON RANCH SUBDIVISION	\$5,305,677.00	subdivision	100%	
			Y03	BELLEVUE RANCH PH 9	\$240,433.21	subdivision	100%	
			Y04	CASCADE AREA PIPELINE	\$405,909.38	water line	100%	
			Y05	GRANT ST. BIKE LANE	\$116,310.23	Bike Path	100%	
			Y06	FEIGE CANYON PHASE II	\$389,948.42	water line	100%	
			Y07	MORGAN WOODS SUBDIVISION	\$181,363.78	subdivision	100%	
			Y08	HOEN AVENUE WATER	\$188,769.83	water line	100%	
			Y09	PIETA CREEK PAVING	\$596,588.49	paving	100%	
			Y10	FULTON ROAD LEFT TURN LANE	\$218,073.92	road widening	100%	
			Y11	SEBASTOPOL RD WIDENING	\$901,114.28	road widening	100%	
			Y12	PEACH STREET SEWER	\$382,991.68	sewer	100%	
			Y13	SLATER/NORTH SEWER REPLACEMENT	\$695,149.22	sewer	100%	
			Y14	UPPER TOYON PIPELINE	\$437,369.98	water	100%	
			Y15	COLGAN CREEK TRAIL	\$280,805.65	Bike Path	100%	
			Y16	CARNEROS BUSINESS PARK	\$3,867,441.85	subdivision	100%	
			Y17	BOAS VILLAGE SUBDIVISION	\$764,757.53	subdivision	100%	
			Y18	CLOVERWEST COLLEGE SEWER	\$213,230.00	sewer	100%	
			Y19	CDOT RUBBERIZED OVERLAY	\$750,318.30	Paving	100%	
			Y20	SUNNYSIDE/KEATON/MICHAEL WTR M	\$568,355.30	water	100%	
			Y21	RIPLEYLINCOLN/10 ST SWR/WTR	\$1,009,550.23	sewer/water	100%	
			Y22	BELLEVUE COMMONS	\$371,777.40	subdivision	100%	
			Y23	COLLEGE AVE SEWER & WATER	\$2,214,613.29	sewer/water	100%	
			Y24	NOVA RD 3	\$202,693.67	subdivision	100%	
			Y25	SONOMA COUNTY AIRPORT OL	\$731,815.97	airport overlay	100%	
			Y26	MARV'S MEADOWS NORTH	\$446,303.41	subdivision	100%	
			Y27	WILLITS 2002 STREET REHAB	\$429,312.09	subdivision	100%	
			Y28	SUNNYVALE/PANORAMA OVERLAY	\$518,485.04	paving	100%	
			Y29	TAMALPAIS HILLS SUBDIVISION	\$1,938,618.00	paving	100%	
			Y30	TAMARA WAY LEFT TURN LANE	\$73,151.40	subdivision	100%	
			Y31	SAN RAFAEL/TIBURON PIPELINE	\$325,339.38	road widening	100%	
			Y32	HEALDSBURG AVE OL & BIKE LANE	\$465,427.31	water	100%	
			Y33	KAISER MEDICAL BUILDING	\$1,310,463.74	Bike Path	100%	
			Y34	OPEN GRADE A.C /REEVES CANYON	\$513,366.93	site work	100%	
			Y35	TOWN GREEN VILLAGE - BLDG D&E	\$226,827.06	paving	100%	
			Y36	SONOMA COAST SLOPE REPAIR	\$707,651.66	subdivision	100%	
			Y37	LAKEPORT BOULEVARD PAVING	\$420,876.69	slide repair	100%	
						Paving	100%	

SIGNATURE(S) OF BIDDER

Accompanying this proposal is "Bidders Bond"
(insert the words "cash (\$)", "cashier's check" or "bidder's bond", as the case may be) in an amount equal to at least 10 percent of the bid.

The names of all persons interested in the foregoing proposal as principals are as follows:

IMPORTANT NOTICE: If bidder or other interested person is a corporation, provide the legal name of corporation and also the names of the president, secretary, treasurer and manager thereof. If a co-partnership, provide the true name of firm and also the names of all individual co-partners composing the firm. If bidder or other interested person is an individual, provide the first and last names in full.

Argonaut Constructors

Michael D. Smith President

Michael A. Smith Sec./Tres./Mgr.

Licensed in accordance with an act providing for the registration of Contractors:

License No. 171432, License Expiration Date 12/31/17.

Signature(s) of Bidder: 

Michael A. Smith VP

Argonaut Constructors

NOTE: If bidder is a corporation, the legal name of the corporation shall be set forth above together with the signature of the officer or officers authorized to sign contracts on behalf of the corporation; if bidder is a co-partnership, the true name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts in behalf of the co-partnership; and if bidder is an individual, his or her signature shall be placed above. If a member of a partnership, a Power of Attorney must be on file with the Department prior to opening bids or submitted with the bid; otherwise, the bid will be disregarded as irregular and unauthorized.

Business address: P.O. Box 639 Santa Rosa, CA 95402

Place of residence: Santa Rosa

Dated: 11/29/16

CITY OF UKIAH
Mendocino County, California

BIDDER'S BOND

KNOW ALL MEN BY THESE PRESENTS,

That we, Argonaut Constructors, Inc.

_____, as PRINCIPAL and

Travelers Casualty and Surety Company of America

_____, as SURETY,

are held and firmly bound unto the City of Ukiah in the penal sum of 10 PERCENT OF THE TOTAL AMOUNT OF THE BID of the Principal above named, submitted by said Principal to the City of Ukiah, as the case may be, for the work described below, for the payment of which sum in lawful money of the United States, well and truly to be made, to the City Clerk to which said bid was submitted, we bind ourselves, our heirs, executors, administrators and successors jointly and severally, firmly by these presents. In no case shall the liability of the surety hereunder exceed the sum of \$ Ten Percent (10%) of the Total Amount Bid---

THE CONDITION OF THIS OBLIGATION IS SUCH,

That whereas the Principal has submitted the above mentioned bid to the City of Ukiah, as aforesaid, for certain construction specifically described as follows, for which bids are to be opened at the Office of the City Clerk, Ukiah Civic Center, Ukiah, California, on November 29, 2016 for 2016 SEWER & WATER REPLACEMENT PROJECT

NOW, THEREFORE, If the aforesaid Principal is awarded the contract and, within the time and manner required under the specifications, after the prescribed forms are presented to him or her for signatures, enters into a written contract, in the prescribed form, in accordance with the bid and files two bonds with the City of Ukiah, one to guarantee faithful performance and the other to guarantee payment for labor and materials, as required by law, then this obligation shall be null and void; otherwise, it shall be and remain in full force and virtue.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this 21st day of November, A.D. 2016.

Argonaut Constructors, Inc. (Seal)

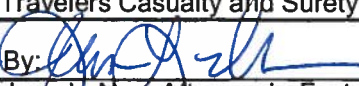
By:  (Seal)

Michael A. Smith, Vice President

(Seal)

Principal

Travelers Casualty and Surety Company of America (Seal)

By:  (Seal)

Jean L. Neu, Attorney-in-Fact

(Seal)

Surety

Address: 100 California Street, Suite 300

San Francisco, CA 94111

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

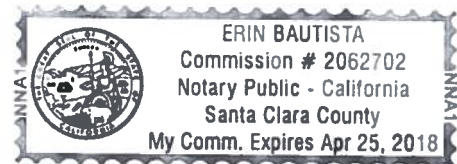
On NOV 21 2016 before me, Erin Bautista, Notary Public
(insert name and title of the officer)

personally appeared Jean L. Neu,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Erin Bautista* (Seal)





POWER OF ATTORNEY

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 St. Paul Fire and Marine Insurance Company
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 230923

Certificate No. 006829697

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Stephen Leveroni, Bryan D. Martin, Jean L. Neu, Erin Bautista, and Scott Gaddy

of the City of San Mateo, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 7th day of June, 2016.

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 St. Paul Fire and Marine Insurance Company
 St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company



State of Connecticut
 City of Hartford ss.

By: Robert L. Raney
 Robert L. Raney, Senior Vice President

On this the 7th day of June, 2016, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
 My Commission expires the 30th day of June, 2021.



Marie C. Tetreault
 Marie C. Tetreault, Notary Public

NON-COLLUSION AFFIDAVIT

Note: Bidder shall execute the affidavit on this page prior to submitting his or her bid.

To City Council, City of Ukiah:

The undersigned in submitting a bid for performing 2016 SEWER & WATER REPLACEMENT PROJECT by contract, being duly sworn, deposes and says:

that he or she has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with such contract.

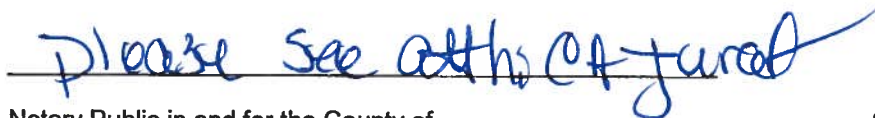
X  _____
Signature(s) of Bidder MICHAEL A. SMITH V/P

Business Address: 1236 CENTRAL AVENUE
SANTA ROSA, CA 95401

Place of Residence: SANTA ROSA, CA

NOTARIZATION

Subscribed and sworn to before me this _____ day of _____, 20____.



Notary Public in and for the County of _____, State of California.

My Commission Expires _____, 20____.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sonoma

Subscribed and sworn to (or affirmed) before me on this 21st
day of Nov, 2016, by Michael A. Smith

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature

Sharon Lemos

IRAN CONTRACTING ACT CERTIFICATION
(Public Contract Code Section 2200 et seq.)

As required by California Public Contract Code Section 2204, the Contractor certifies subject to penalty for perjury that the Contractor is not:

- (i) identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203; or
- (ii) a financial institution that extends, for 45 days or more, credit in the amount of \$20,000,000 or more to any other person or entity identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203, if that person or entity uses or will use the credit to provide goods or services in the energy sector in Iran.

Signed 
Titled Michael A. Smith VP
Firm Argonaut Constructors
Date 11/29/16

Note: In accordance with Public Contract Code Section 2205, false certification of this form shall be reported to the California Attorney General and may result in civil penalties equal to the greater of \$250,000 or twice the Contract amount, termination of the Contract and/or ineligibility to bid on contracts for three years.

Q4: Since we do not have a soils report, could you provide any information as to the existence of ground water within the project limits?

A4: The City has no knowledge of ground water within the project limits.

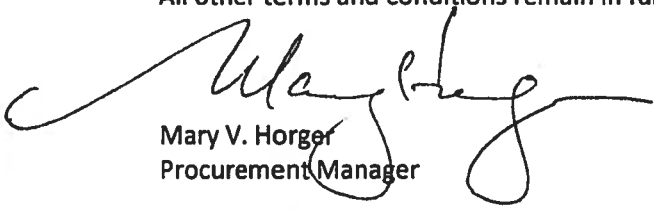
Q5: There does not appear to be an Order of Work section in the specifications. In order to complete the project within the specified time frame of 180 days, will we be allowed to work in all locations simultaneously? There is no order of work specified due to the complexity of the water main tie ins.

A5: The specifications allow the contractor to work at multiple locations if he conforms to section 12.10, "Traffic Control" of the specifications.

Q6: Can you provide a detail for the valley gutter construction? We cannot find it in your standard plans.

A6: The valley gutter detail is on Sheet 3 of the plans.

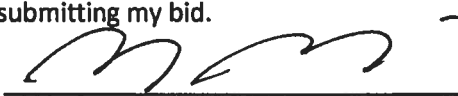
All other terms and conditions remain in full force and effect.



Mary V. Horgar
Procurement Manager

ACKNOWLEDGMENT

I hereby acknowledge that I have received this Addendum No. 1 and have reviewed and considered it before submitting my bid.

Signed: 
Michael A. Smith VP

Date: 11.29.16

Company Name: Argonaut Constructors

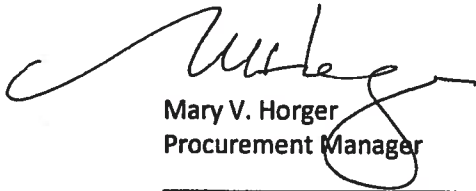
Q3: Is the contractor required to furnish an onsite construction office?

A3: Please refer to section 14.01, "Provisions to be excluded from General Conditions", this section lists the onsite construction office as excluded from the general conditions. Therefore the onsite construction office is not required by the Contract Special Provisions.

II. The following is a revision to the specifications:

In addition to the above questions and answers, the following is hereby incorporated in the specifications. Delete the second sentence of the third paragraph of section 13-09, "Earthwork" on page 29 of the Contract Special Provisions which reads as follows: "The Engineer shall provide reference points and cut sheets for excavation of the roadway."

All other terms and conditions remain in full force and effect.



Mary V. Horger
Procurement Manager

ACKNOWLEDGMENT

I hereby acknowledge that I have received this Addendum No. 2 and have reviewed and considered it before submitting my bid.

Signed:



Michael A. Smith VP

Date: 11.29.16

Company Name: Argonaut Constructors



**2016 SEWER & WATER REPLACEMENT PROJECT
SPEC. NO. 16-10**

Addendum No. 3
November 23, 2016

The following is Addendum No. 3 to SPEC. NO. 16-10 – 2016 SEWER & WATER REPLACEMENT PROJECT.

IF YOU SUBMIT A BID, ACKNOWLEDGMENT OF THIS ADDENDUM MUST BE SHOWN ON THIS ADDENDUM. IN ADDITION, THIS SIGNED ACKNOWLEDGMENT MUST BE SUBMITTED WITH YOUR BID, OR YOUR BID MAY BE DEEMED AS NON-RESPONSIVE.

This Addendum is hereby made part of the Contract Documents to the same extent as though it were originally included therein.

I. The following is a question asked, and the corresponding answer:

Q1: I have a question about the water main pipe called out CL200, does this mean DR14 C900 Pressure class 305 or DR18 pressure class 235?

A1: The water pipe shall be DR 14, pressure class 305 and shall conform to AWWA C-900 Water Distribution Pipe Specification.

All other terms and conditions remain in full force and effect.


Mary V. Horger
Procurement Manager

ACKNOWLEDGMENT

I hereby acknowledge that I have received this Addendum No. 3 and have reviewed and considered it before submitting my bid.

Signed: 
Michael A. Smith VP

Date: 11/29/16

Company Name: Argonaut Constructors



ITEM NO.: 13a

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT**SUBJECT: DISCUSSION AND POSSIBLE ACTION REGARDING CANCELLATION OF EITHER THE DECEMBER 21, 2016, OR THE JANUARY 4, 2017, CITY COUNCIL MEETING**

Summary: Council will consider cancelling either the December 21, 2016, or the January 4, 2017, meeting due to a light number of business items scheduled over the holidays.

Discussion: The City Clerk's office has the following items currently scheduled for the upcoming meetings:

Proclamations/Introductions/Presentations:

- Status Report, Discussion and Possible Action Regarding the Ukiah Valley Sanitation District's Litigation Against the City of Ukiah Related to the Operation of the Sanitary Sewer System.

Approval of Minutes:

- Minutes of December 7, 2016, a Regular Meeting.

Consent Calendar:

- Approval of Disbursements for the Month of November

New Business:

- Appointment and Discussion Regarding 2017 Council Assignments.

Following the December 7th meeting, there could also be possible adoptions of two ordinances, which can be done at either the December 21st or January 4th meeting.

Due to the light number of business items scheduled over the holidays, staff is recommending the cancellation of either the December 21st or January 4th meeting. The January 4th meeting date would give City staff additional time to bring forward business that is not currently scheduled, making December 21st the preferred date to cancel.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

RECOMMENDED ACTION(S): Cancel the _____ regular City Council meeting.**ALTERNATIVES:** Keep both regular Council meetings as scheduled.

Citizens advised: N/A
Requested by: Administration.
Contact / Prepared by: Kristine Lawler, City Clerk.
Coordinated with: Sage Sangiacomo, City Manager.
Presenter: Kristine Lawler, City Clerk.
Attachment: N/A

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____**RECORDS APPROVED:** ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____*Note: Please write Agreement No. in upper right corner of agreement when drafted.*

Approved: 
Sage Sangiacomo, City Manager



ITEM NO.: 13b
MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: ADOPTION OF RESOLUTION APPOINTING REPRESENTATIVES TO REPRESENT AND VOTE ON BEHALF OF THE CITY AT THE LEAGUE OF CALIFORNIA CITIES, REDWOOD EMPIRE DIVISION BUSINESS MEETINGS AND DIVISION LEGISLATIVE COMMITTEE MEETINGS

Summary and Discussion: City Council will consider adopting a resolution appointing Councilmember Mulheren as the voting delegate for the Redwood Empire Division meetings and the Division Legislative Committee meetings

The Division's Legislative Committee serves as the Division's united voice on legislative issues of concern to the League and our region. As outlined in Division by-laws, ARTICLE III, Section 3, reads, "...The representatives of each member city shall cast one roll call vote by city. When more than one officer is present from the same city, a majority of those present shall decide the way the city will vote on the issue..."

Councilmember Mulheren has been the voting delegate since 2014; therefore, Staff is recommending that Council continue with Councilmember Mulheren's representation as the Primary voting delegate for the 2017 Redwood Empire Division Business Meetings and Legislative Committee; and recommends for Council to nominate an Alternative delegate, and then adopt the resolution making the appointments.

FISCAL IMPACT:				
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required	Previous Contract or Purchase Order No.
N/A	N/A	N/A	Yes ☐ No ☒	N/A

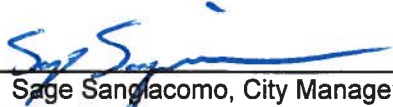
Recommended Action(s): Adopt resolution appointing Councilmember Mulheren as the Primary and _____ as an Alternate to represent and vote on behalf of the City at the League of California Cities, Redwood Empire Division business meetings and division legislative committee meetings.

Alternative Council Option(s): Take no action.

Citizens advised: N/A
Requested by: League of California Cities
Prepared by: Kristine Lawler, City Clerk
Coordinated with: Sage Sangiacomo, City Manager
Attachments: 1. Resolution

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Approved: 
Sage Sangiacomo, City Manager

RESOLUTION NO. 2016-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH APPOINTING REPRESENTATIVES TO REPRESENT AND VOTE ON BEHALF OF THE CITY AT THE LEAGUE OF CALIFORNIA CITIES, REDWOOD EMPIRE DIVISION BUSINESS MEETINGS AND DIVISION LEGISLATIVE COMMITTEE MEETINGS.

WHEREAS, the City is a member of the League of California Cities, an association of California city officials who work together to enhance their knowledge and skills, exchange information, and combine resources so that they may influence policy decisions that affect cities, and

WHEREAS, mayors, council members and other officials set League policies and priorities from member cities who serve on the League Board of Directors, League policy committees, regional division boards, departments, caucuses, and task forces where League policies and priorities are formulated and set, and

WHEREAS, the City is an active member of the Redwood Empire Division, League of California Cities, and

WHEREAS, the Redwood Empire Division By-laws, Article III, Section 3, states representatives of each member city shall cast one vote by city, and

WHEREAS, the Redwood Empire Division By-laws, Article VIII, creates a Redwood Empire Division Legislative Committee to review and respond to bills that impact Redwood Empire Cities, and

WHEREAS, the City must appoint one elected official to attend and represent the city at Division Business meetings who can vote on behalf of the city, and

WHEREAS, the City must appoint one elected official to attend and represent the city at Legislative Committee meetings who can vote on behalf of the city, and

WHEREAS, an alternate elected official should be appointed to represent the city in the event the regular member is not available to attend, and

WHEREAS, appointments should be reviewed and updated annually.

NOW, THEREFORE, BE IT RESOLVED that the 2017 appointment for the Redwood Empire Division are as follows:

Division Business Meeting Primary: _____

Division Business Meeting Alternate: _____

Legislative Committee Primary: _____

Legislative Committee Alternate: _____

It is hereby certified that the foregoing Resolution No. 2016-____ was duly introduced and adopted by the City Council of the City of Ukiah at its regular meeting held on the 7th day of December 2016 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved:

Attested:

, Mayor

Kristine Lawler, City Clerk



ITEM NO.: 13c

MEETING DATE: December 7, 2016

AGENDA SUMMARY REPORT

SUBJECT: AUTHORIZATION FOR THE UKIAH VALLEY TRAIL GROUP TO PROCEED WITH THE PRE-DEVELOPMENT STAGES OF A PUBLIC TRAIL ON CITY-OWNED PROPERTY NEAR THE LANDFILL

Summary: The Council will consider authorizing the Ukiah Valley Trail Group to utilize \$25,000 in grant funding to develop a three-to-four-mile public trail on City-owned property near the landfill.

Background and Discussion: The Ukiah Valley Trail Group is a volunteer organization comprised of individuals and participating organizations dedicated to preserving, enhancing, and establishing trails in the Inland of Mendocino County. They promote trail work and recruit volunteers, help plan and coordinate projects with land managers and partners, and train crews and crew leaders. Through trail stewardship, the organization helps to keep Ukiah's existing trails open and well maintained, as well as opening new trails in undeveloped lands whenever possible. Their work can be seen on the City View Trail at Low Gap Park, around Lake Mendocino, and in many other areas in the valley.

As part of their efforts to expand the valley's trail network, the UVTG recently applied for and was awarded a \$25,000 grant for the possible development of a new public trail on the City-owned property adjacent to the former landfill (Attachment 1).

The State Farm Neighborhood Assist program awards \$1,000,000 annually to nonprofits through a competitive process. Neil Davis, Executive Director of UVTG, spearheaded the grant application efforts. Once the project received top-200 status, it became a voting contest, with the top-40 vote earners being awarded grants. The UVTG used social media and email campaigns to encourage local support for the project and voting and, on November 30th, received word that the project had won an award.

According to the grant application, the project would utilize a combination of paid and volunteer labor to create a parking lot and three to four miles of hiking and mountain biking trail. The actual landfill area, soon to be capped, would remain off limits, but the adjacent City-owned land has adequate acreage to allow for a small trail system in a passive use park. An existing dirt road would be used to allow trail users to climb to a viewpoint with vistas out across the valley. A new loop trail would be built as a secondary route to the top and a loop trail would be built around the perimeter of the property.

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RECOMMENDED ACTION(S): Authorize the Ukiah Valley Trail Group to proceed with the vetting stages of a public trail system on the City-owned property near the landfill.

ALTERNATIVES: Provide alternate direction to UVTG/Staff.

Citizens advised: n/a
Requested by: Ukiah Valley Trail Group
Prepared by: Tim Eriksen, Public Works Director and Shannon Riley, Senior Management Analyst
Coordinated with: Neil Davis, Executive Director of UVTG
Presenters: Tim Eriksen, Public Works Director
Attachments: Aerial view of proposed trail site

COUNCIL ACTION DATE: _____: ☐ Approved ☐ Continued to _____ ☐ Other _____

RECORDS APPROVED: ☐ Agreement: _____ ☐ Resolution: _____ ☐ Ordinance: _____

Note: Please write Agreement No. in upper right corner of agreement when drafted.

Approved: 
Sage Sangiacomo, City Manager

The Ukiah Valley Trail Group would provide volunteer labor and trail design and maintenance expertise. The local chapters of the CA Native Plant Society and the Audubon Society would help provide verbiage for educational signs that would be placed along the trails.

Before the new trails could be constructed, an environmental impact report (EIR) would need to be performed. The UVTG has experience in this area and considers this to be part of the grant-funded project. There would also need to be coordination with the impending landfill closure work, which will also require an EIR, and the surrounding neighbors.

This grass-roots effort, which received tremendous community support during the voting process, presents an opportunity to expand Ukiah's outdoor recreational options and offers a beneficial use on an otherwise underutilized property.

At this time, the UVTG is requesting Council's authorization to proceed with the vetting stage of the project, which would include coordination with City Staff, outreach to the surrounding neighbors, and environmental studies.

FISCAL IMPACT:			
Budgeted Amount in 16-17 FY	New Appropriation Source of Funds (Title & No.)	Account Number	Budget Amendment Required
N/A	N/A	N/A	Yes ☐ No ☒

