



**CITY OF CORNING
SPECIAL CLOSED MEETING SESSION**

**TUESDAY, APRIL 27, 2010
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

Council:	Vacant
	Ross Turner
	Toni Parkins
	John Leach
Mayor:	Gary Strack

The **Brown Act** requires that the Council provide the opportunity for persons in the audience to briefly address the Council on the subject(s) scheduled for tonight's closed session. Is there anyone wanting to comment on the subject(s) the Council will be discussing in closed session? If so, please come to the podium, identify yourself and give us your comments.

C. ADJOURN TO CLOSED SESSION:

**CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO SECTION 54957.6:
Agency Negotiator: William May, Labor Relations Consultant
Management, Miscellaneous, Dispatch and Public Safety Employees
Bargaining Units**

D. RECONVENE SPECIAL MEETING AND REPORT ON CLOSED SESSION:

E. ADJOURN TO REGULAR MEETING: 7:30 P.M.



**CITY OF CORNING
CITY COUNCIL AGENDA
TUESDAY, APRIL 27, 2010
CITY COUNCIL CHAMBERS
794 THIRD STREET**

F. PLEDGE OF ALLEGIANCE:

G. PROCLAMATIONS, RECOGNITION'S, APPOINTMENTS, PRESENTATIONS:

- 1. Proclamation: American Cancer Society's 13th Annual Relay for Life on May 15th and 16th, 2010 at Vista School.** Present to accept the Proclamation will be Jean Anderson, Corning's Relay Representative and Richard Scheuler, Event Coordinator.
- 2. Proclamation: May 12, 2010 "Tehama County Peace Officers' Memorial Day".** Present to accept the Proclamation will be Sgt. Richard Knox, President of the Tehama County Peace Officer's Association.

H. BUSINESS FROM THE FLOOR: If there is anyone in the audience wanting to speak on an item not already on tonight's Agenda, please come to the podium, identify yourself and briefly present your information to the Council. If an item is already on the agenda,

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please wait until that item comes up for discussion and then obtain the Mayor's attention so you will be allowed to speak. **A three-minute time limit will apply unless the Council makes an exception due to special circumstances.** If your matter will require more time or formal action by the Council, the law requires that it be placed on the printed Agenda for a future meeting so that interested members of the public will have the chance to appear and speak on the subject.

- I. **CONSENT AGENDA:** It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience requests separate discussion and/or action.
 - 3. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.
 - 4. Waive the reading and approve with any necessary corrections the Minutes of the following City Council Meetings:
 - a. March 23, 2010 Meeting; and
 - b. April 13, 2010 Meeting.
 - 5. April 21, 2010 Claim Warrant - \$147,831.04.
 - 6. April 21, 2010 Business License Report.
 - 7. Declare Rodger's Theatre Seats as Surplus for Disposal.
 - 8. Consideration, Approval and Authorization for Mayor to Sign Agreement for Legal Services.
- J. **ITEMS REMOVED FROM THE CONSENT AGENDA:**
- K. **REGULAR AGENDA:**
 - 9. City Program Reductions Needed to Balance the Budget: Discussion and Action.
- L. **ITEMS PLACED ON THE AGENDA FROM THE FLOOR:**
- M. **COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:**
- N. **REPORTS FROM MAYOR AND COUNCIL MEMBERS:**
 - 10. Turner:
 - 11. Parkins:
 - 12. Leach:
 - 13. Strack:
- O. **ADJOURNMENT!:**

POSTED: THURSDAY, APRIL 22, 2010

PROCLAMATION
MAY 2010
RELAY FOR LIFE MONTH
IN THE CITY OF CORNING

WHEREAS, people are alive today because the fight against cancer has caused a declining cancer rate and a declining mortality rate for diagnosed cases; and

WHEREAS, the American Cancer Society is the nationwide community-based voluntary health organization dedicated to eliminating cancer through research, education, advocacy and patient services, and

WHEREAS, the American Cancer Society has become the world's largest non governmental source for cancer research funding; and

WHEREAS, "Relay for Life" is the national signature event of the of the American Cancer Society; and

WHEREAS, "Relay for Life" is unique in this Community in that it blends fundraising, cancer awareness and prevention activities, fellowship and support for cancer survivors and family members; and

WHEREAS, the Tehama County Unit of the American Cancer Society will hold its 13th annual "Relay for Life" on May 15th and 16th, 2010, honoring over 200 cancer survivors, and

NOW, THEREFORE I, GARY R. STRACK, AS MAYOR OF THE CITY OF CORNING, DO HEREBY PROCLAIM THE CITY OF CORNING TO BE AN OFFICIAL "RELAY FOR LIFE" CITY, AND FURTHER PROCLAIM THE MONTH OF MAY 2010 TO BE "RELAY FOR LIFE" MONTH IN THE CITY OF CORNING AS WE JOIN THE AMERICAN CANCER SOCIETY IN THE FIGHT AGAINST CANCER.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Corning to be affixed this 27th day of April 2010.

GARY R. STRACK, MAYOR

PROCLAMATION
MAY 12, 2010
TEHAMA COUNTY PEACE OFFICERS'
MEMORIAL DAY

WHEREAS, of all the promises America offers, none is more precious or more elusive than the right to be free from crime and violence; and

WHEREAS, the dedicated men and women who have chosen Law Enforcement as a career face extraordinary risk and danger in preserving our freedom and security; and

WHEREAS, in conjunction with this important observance, May 12, 2010 will be observed as Tehama County Peace Officers' Memorial Day in commemoration of those noble Officers who have tragically sacrificed their lives in the line of duty; and

WHEREAS, these special observances provide all Citizens of Tehama County with the opportunity to appreciate the heroic men and women who have dedicated their lives to preserving public safety.

NOW, THEREFORE, I, Gary R. Strack, as Mayor of the City of Corning do hereby proclaim, in conjunction with National Police Officer Week and California Peace Officers' Memorial Day, **Wednesday, May 12, 2010** shall be observed in the City of Corning as: **TEHAMA COUNTY PEACE OFFICERS' MEMORIAL DAY.**

I DO FURTHER PROCLAIM that the City Hall and Transportation Center flags will be flown at half-staff on this day in honor of all peace officers killed in the line of duty, and that this Proclamation will be posted at the Corning Police Department for all to see.

**IN WITNESS WHEREOF, I have hereunto
set my hand and caused the Great Seal of
the City of Corning to be affixed this 27th
day of April 2010.**

Gary R. Strack, Mayor



**CITY OF CORNING
CITY COUNCIL MINUTES**

**TUESDAY, MARCH 23, 2010
CITY COUNCIL CHAMBERS
794 THIRD STREET**

A. CALL TO ORDER: 7:30 p.m.

B. ROLL CALL:

Council:	Vacant
	Ross Turner
	Toni Parkins
	John Leach
Mayor:	Gary Strack

All members of the Council are present with one vacant position remaining on the Council.

C. PLEDGE OF ALLEGIANCE: City Manager Kimbrough led the Pledge of Allegiance.

D. PROCLAMATIONS, RECOGNITION'S, APPOINTMENTS:

1. Proclamation: April 2010 as Sexual Assault Awareness Month.

Ms. Tremmal, a representative from the Rape Crisis Intervention and Prevention Program for Tehama, Butte, and Glenn Counties accepted the Proclamation from Mayor Strack and outlined the various activities planned in support of Sexual Assault Awareness Month.

2. Proclamation: April 2010 as National Volunteer Month in the City of Corning.

Mayor Strack presented the Proclamation to Corning Senior Center Manager Linda Lima and Volunteers from the Center. Linda recognized and thanked the Center's Volunteers.

E. BUSINESS FROM THE FLOOR:

A member of the audience requested that the City find some way to keep the Recreation Supervisor. John Richards, Corning Bike and Skateboard Park Association read a letter in support of Recreation Supervisor Kimberly Beck. The letter also stated their opposition to a reduction of her hours.

On another subject, Mr. Richards stated some concerns in relation to actions of the Building Official.

Councilor Turner addressed a previous quote from the City Manager in relation to the information received from the Gridley on costs paid to CalFire for Fire Department Services.

Councilor Leach announced that he has been working with a couple of CPA's on ideas to assist the City in budget savings.

City Manager Kimbrough announced that budget discussions will begin in April, announcing that the City should have some of the revenue figures at that time.

Dean Cofer acknowledged that the proposals presented tonight by Councilor Leach are in fact the result of a collaborative effort of between Councilors Leach and Turner. He emphasized that the minimal savings would be \$412,103. Mr. Cofer then provided some budgetary saving suggestions from "Concerned Citizens".

3. Red Cross Presentation by Charles McCaul, Emergency Services Manager for the Three Counties for the Red Cross.

Mr. McCaul stated that Red Cross would like to establish a presence in the City of Corning emphasizing that it is a Volunteer Agency providing disaster assistance free of charge. He

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informed the Council that he is the only paid staff for 8 Counties, all other members within this area are Volunteers. He would like to establish a disaster assistance team in Corning. Informational brochures and applications will be available at the Fire Department and the Chamber of Commerce for those interested in joining the Red Cross. The required training courses necessary to become a volunteer are available on CD should anyone be interested. Mr. McCaul stated that he is looking for a volunteer manager for Tehama County (job is without pay) and is willing to train anyone interested.

- F. **CONSENT AGENDA:** It is recommended that items listed on the Consent Agenda be acted on simultaneously unless a Councilmember or members of the audience requests separate discussion and/or action.
4. **Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
 5. **Waive the Reading and Approve the Minutes of the March 9, 2010 City Council Meeting with any necessary corrections:**
 6. **March 17, 2010 Claim Warrant - \$71,594.73.**
 7. **Business License Report – March 17, 2010.**

Councilor Leach moved to approved Consent Agenda Items 4-7. Councilor Parkins seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy on the Council.**

G. **ITEMS REMOVED FROM THE CONSENT AGENDA:** None.

H. **PUBLIC HEARINGS AND MEETINGS:** Any person may speak on items scheduled for hearing at the time the Mayor declares the Hearing open. **ALL LEGAL NOTICES PUBLISHED IN ACCORDANCE WITH LAW.**

8. **Adopt Resolution 03-23-10-01 Approving the Community Development Block Grant Program Income Reuse Plan for the City of Corning.**

Mayor Strack introduced this item by title stating that the changes in the Plan allows homes built prior to 1978 (the prior Plan did not) and provides for a First Time Home Buyers Program when funding becomes available. Mayor Strack then opened the public hearing. With no comments he closed the public hearing.

Councilor Turner moved to, having conducted the Public Hearing, adopt Resolution 03-23-10-01 approving the City of Corning CDBG Program Income Reuse Plan. Councilor Leach seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy on the Council.**

I. **REGULAR AGENDA:**

9. **Resolution No. 03-23-10-02 Authorizing the Imposition of After-Hour “Water Turn-on” Fees to Recover Staff Costs.**

Mayor Strack introduced this item by title and Public Works Director John Brewer clarified that this Resolution relates to fee recovery costs for emergency after hour water turn on service by the City.

Councilor Parkins moved to adopt Resolution 03-23-10-02 authorizing imposition and collection of an “After Hours Water Service Turn-On Fee” in the City of Corning. Councilor Leach seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a vote of 4-0 with one vacancy on the Council.**

10. Request Council Direction: To Reschedule, or Cancel the June 8, 2010 City Council Meeting to Allow Use of the City's Council Chambers as an Established Polling Place for the Primary Election.

Councilor Turner moved to reschedule the Meeting to Monday, June 18, 2010. Councilor Leach seconded the motion. **Ayes: Strack, Turner and Leach. Opposed: Parkins. Absent/Abstain: None. Motion was approved by a vote of 3-1 with Parkins opposing and one vacancy on the Council.**

Dean Cofer asked if the previous item, the "After Hour Water Turn-on Fee" required a public hearing; City Attorney Michael Fitzpatrick responded stating no it did not.

11. Policy Statement Regarding Public Works Department Removal of Curbside Prunings, Clippings and Bulky Items.

Mayor Strack introduced this item by title and Public Works Director John Brewer explained that the curbside is becoming a depository for everything, and with reduction in staffing and employee furloughs it is becoming a problem. To deal with this, Staff is asking approval of the proposed policy statement. Councilor Leach asked how the City would police this proposed policy; Mr. Brewer responded stating that when oak clippings are noticed on the street and there is no oak tree along the street, only ash trees, you know the clippings came from private property. A member of the audience suggested the City charging a fee and was informed that there are private contractors for this; the City just doesn't have the staffing resources to provide this service. Dean Cofer asked if the City would continue to pick up tree limbs blown down during storms within City right-of-way; he was informed yes.

Councilor Parkins requested education, via website, water bills, possibly mailers, to inform the public of the policies and clarification of City services. Councilor Turner asked that the mailer language be brought back for Council approval and suggested that it should be bilingual. At that time a cost can be reported prior to Council approval. **No Action at this time.**

12. Report Regarding Annual Municipal Swimming Pool Operations and Maintenance Costs.

Mayor Strack introduced this item by title stating that he doesn't want to close the pool because it provides a place for the children to go. Councilor Leach asked if there are any cost savings that could be utilized, such as cost for chemicals, etc. Public Works Assistant Director Carl Crain responded stating that over the years many things have been tried such as letting the pool go green during the winter to reduce the chemical cost. This in turn increased the maintenance costs in dealing with damages from algae. He stated that the filters must run 24-7 in order to reduce the algae. Councilor Leach asked if the City currently bids out the Chemicals; he was informed no, that the City utilizes one company which delivers on an as needed basis. Councilor Turner asked if the City has investigated using a pool cover and was informed that the City had used this in the past, however it increases maintenance for keeping debris (leaves, etc.) off the pool cover.

Councilor Turner stated that had the City not committed the \$46,000 + for the City Attorney retirement, it could have made up part of the \$50,000 cost of the pool. Mayor Strack stated he did not want to go there, noting that the Council had already acted on this.

An audience member asked if the fees could be raised to help reduce the cost or if the number of Lifeguards could be reduced. Mayor Strack stated that possibly the Lifeguards could be reduced by one. Three members of the Council stated that they are opposed to closing the pool. Councilor Parkins stated that of course she is opposed to closing the pool, however she emphasized that during a budget crisis everything needs to be considered.

Mayor Strack stated that he has been discussing the possibility of the Recreation Director taking over the pool responsibilities and running the pool program. Councilor Turner stated that the residents of the City are subsidizing the pool and the residents of the County only pay the gate fees.

A member of the audience questioned the Recreation Supervisor taking over the pool, citing isn't that her busiest time of the year? Mayor Strack confirmed with John Brewer that this would be placed on the April 13th City Council Agenda along with a report addressing the questions asked tonight.

J. ITEMS PLACED ON THE AGENDA FROM THE FLOOR:

Joe DeScala asked about the set backs for the wall on Toomes and Fig Lane. City Manager Kimbrough explained the reasoning for this wall noting that it was part of a planned development. Mayor Strack stated that he would get the name of the property owner and talk to him.

K. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None

L. REPORTS FROM MAYOR AND COUNCIL MEMBERS:

13. **Turner:** Announced that he brought in a check for the County's State Fair Booth.
14. **Parkins:** None.
15. **Leach:** Announced that he also brought in his check for the County's State Fair Booth. He also announced that he served as "Chair" at the last Tripartite Board Meeting.
16. **Strack:** Announced that he gave the City Clerk his donation for the County's State Fair booth the morning after the last meeting. Mayor Strack announced that he and Councilor Turner would be scheduling a meeting with City Attorney Michael Fitzpatrick to discuss his contract.

M. ADJOURNMENT!: 9:05 p.m

Lisa M. Linnet, City Clerk



**CITY OF CORNING
SPECIAL CLOSED MEETING SESSION
and
REGULAR COUNCIL MEETING MINUTES
TUESDAY, APRIL 13, 2010
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

	Council:	Vacant
		Ross Turner
		Toni Parkins
		John Leach
	Mayor:	Gary Strack

All members of the Council were present with one vacancy remaining on the Council.

No one was present in the audience to comment.

C. ADJOURN TO CLOSED SESSION: 6:31 p.m.

**CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO SECTION 54957.6:
Agency Negotiator: William May, Labor Relations Consultant
Management, Miscellaneous, Dispatch and Public Safety Employees
Bargaining Units**

D. RECONVENE REGULAR MEETING AND REPORT ON CLOSED SESSION: 7:30 p.m.

Mayor Strack reported that the Council met in closed session with the City's Labor Negotiator and would be meeting with him again in the near future.

E. PLEDGE OF ALLEGIANCE: Led by City Manager Stephen Kimbrough.

F. PROCLAMATIONS, RECOGNITION'S, APPOINTMENTS, PRESENTATIONS:

1. Proclamation: Public Safety Telecommunications Week, April 11 – 17, 2010.

Mayor Strack presented Proclamations to Chief Tony Cardenas on behalf of the Police Department Dispatchers and Chief Martin Spannaus on behalf of the Fire Dispatchers.

2. Proclamation: April 24, 2010 as General Federation of Women's Clubs Federation Day in the City of Corning and acknowledgement of the 100th Anniversary of the Corning Maywood Women's Clubhouse.

Mayor Strack presented the Proclamation to Wini Peterson and members of the Maywood Women's Club. A member of the Women's Club read a statement from Club President Linda Lima Daniels who was at a Regional Women's Club Meeting in Susanville.

3. Proclamation: April 2010 "Child Abuse Prevention Month in the City of Corning.

Mayor Strack presented the Proclamation to LaVonne Fawver, Tehama County Child Abuse Prevention Council.

G. BUSINESS FROM THE FLOOR:

Mayor Strack then introduced Attorney Jody Burgess who is sitting in tonight for City Attorney Mike Fitzpatrick. He then announced that in light of the number of individuals obviously present tonight for the budget discussion, by consensus of the Council, Item No. 17, "City Program

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Reductions Needed to Balance the Budget” would be moved to the beginning of the Regular Agenda.

John Richards, (Corning Skate and Bike Park Association) thanked Councilors Leach and Turner for their donation towards Insurance coverage for the Skate and Bike Park Association skateboard demonstration during the upcoming May Madness Car Show.

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

4. **Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
5. **April 7, 2010 Claim Warrant - \$380,977.26.**
6. **April 7, 2010 Business License Report.**
7. **March 2010 Wages and Salaries - \$343,759.22.**
8. **March 2010 – Treasurer’s Report.**
9. **March 2010 Building Permit Valuation - \$97,441.99.**
10. **City of Corning Wastewater Operation Summary Report – March 2010.**
11. **Waive Recreational Use Fee for the 3rd Annual Westside American Legion Fundraiser.**

Councilor Turner moved to approve Consent Items 4-11. Councilor Parkins seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position vacant.**

I. **ITEMS REMOVED FROM THE CONSENT AGENDA:** None

J. **PUBLIC HEARINGS AND MEETINGS:** None.

K. **REGULAR AGENDA:**

17. City Program Reductions Needed to Balance the Budget.

City Manager Kimbrough presented a Powerpoint Presentation on the reductions needed to balance the Budget. Following the City Manger’s presentation, the Police and Fire Chiefs both provided budget presentations for their departments. Mayor Strack then opened the floor to the public for comments.

Dean Cofer: Thanked Staff, the Police Chief and the Planning Director for their contributions towards the budget cuts. He stated that the “devil is in the details” and asked whether the move of the two fire dispatchers to Public Works is an additional cost; City Manager Kimbrough responded stating no, these positions are currently funded. He also asked what benefits the Police Chief, City Manager and Planning Director would retain under their proposed hourly cuts; City Manager Kimbrough responded stating that the City would continue to pay FICA, SDI and COBRA. Mr. Cofer then referred to the proposed budget cuts previously presented by Councilors Leach and Turner asking the status of some of those proposals. He announced that Concerned Citizens are against a reduction in Police Officers and Fire Dispatchers.

Teresa Smith: Asked if the City Manager would go from an “At-Will Employee” to a “Contract Employee”, she was informed yes, however whether an “At-will or Contract Employee” there would be a termination clause provided in the contract. Ms. Smith made the statement that if

the Council starts messing with the Fire Department it will "stir up a hornet's nest". She further stated her belief that there are other positions within the City that could be cut back before focusing on the Fire Department.

Gary Kreamer (Fire Chief - Orland Fire Department): Stated that station record keeping and maintenance will fall behind should Corning Fire Dispatch be dismantled, also there will be no administrative time to seek grants. He also stressed that in the event that both police and fire simultaneously have an incident, it is natural for police dispatchers to favor the police dispatching needs over the fire.

Bill Boot: Stated that he recently needed to call the Fire Department and they responded within minutes, he would hate to see the Fire Department lose that.

A member of the audience and county resident commended the City's Fire Department and stated she does not favor cuts in Police or Fire Dispatch.

Councilor Leach: Stated that the presentation was a lot to digest tonight and he does not want to lose any Police Officers or the Fire Dispatchers.

Councilor Turner: Thanked Staff for their suggestions and stated that he believes the Council needs to look through this proposal and the economics will have to be defined.

Councilor Parkins: Thanked Tony Cardenas, John Stoufer and Steve Kimbrough, acknowledging that their contribution is huge. She stated that she could go along with all of this except the reduction of Fire Dispatch. She asked the City Manager if there was any other way; City Manager Kimbrough stated in order to stay out of the red, these proposed cuts would need to be made.

Strack: Acknowledged and credited Staff for their proposals. He stated that he doesn't want to lose Police Officers, Fire Dispatch or Recreation, however he fills that we need to move forward with the proposals presented tonight and if we can change it in June, then all the better. He stated his belief that this is something that we have to look towards in order to move forward.

Councilor Leach asked Chief Cardenas whether the City could save by cutting one Officer, or would it cost more in the long run in overtime. Chief Cardenas responded stating that it would cost more in overtime.

Councilor Parkins asked for a Council Consensus for no deletion of Officers at this time, and for Chief Cardenas to move to part-time. She also proposed dropping the Recreation Program in favor of our Fire Dispatchers as much as she hates it. Councilor Turner stated he thinks no decisions should be made tonight, that the proposals presented need to be reviewed further. Mayor Strack stated that he didn't want to throw out any of the proposals presented.

Doug Oiler: Asked how much remained in the reserve budget; he was informed \$800,000. He then asked why don't we use that.

Mr. Kimbrough stated that Staff didn't expect Council to make a decision based upon an oral presentation tonight. He did state that Staff would like some direction. Councilor Turner asked if it would be possible to hold a special meeting to discuss only the budget, rather than discussing it at the next meeting on April 27th. After some discussion, Council decided that the items to be listed on the April 27th Council Meeting Agenda would be the Proclamations, Consent Agenda and the Budget only.

A motion was made to move the meeting up to 7:00 p.m. by Councilor Turner and seconded by Councilor Leach. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position**

vacant. No final decisions were made on the budget, discussion is carried over to the April 27, 2010 City Council Meeting.

12. Public Invitation to attend the Saturday, May 15th Airport Re-Dedication Event and acknowledgement of \$1,000 donation from Wadell Engineering Corporation for Re-Dedication Event.

Mayor Strack introduced this item by title and Barbara Boot outlined the activities planned stating there will be a pancake breakfast prepared by the Corning Fire Department and in conjunction with "Learn to Fly Day", there will be free flights (with parental permission) offered for youngsters ages 8-17. Public Works Director John Brewer stated that he wouldn't be surprised if Teichert Construction also made a donation. Council also discussed, and by consensus, stated that they had no problem with RV's parked at the Airport during the event.

Councilor Parkins moved to accept the donation by Wadell Engineering with the City reimbursing the local Experimental Aircraft Association (EAA) for approved expenditures associated with the re-dedication event. Councilor Turner seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position vacant.**

13. Comprehensive Economic Development Strategy (CEDS) 2010-2015 Five-Year CEDS Plan Update: Establish priority projects to be included in the 3CORE Economic Development District's Comprehensive Economic Development Strategy.

Councilor Turner moved to approve the CEDS Priority Project List as recommended by Staff. Councilor Parkins seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position vacant.**

14. Approve Purchase Agreement to sell a portion of City owned property at 1558 Houghton Avenue, consider Optional Agreement for the City to purchase property at 1485 Toomes Avenue and authorize the Mayor to:

- a. **Sign Residential Purchase Agreement for the sale of a portion of the property located at 1558 Houghton Avenue, and**
- b. **Sign the Optional Agreement for the City to purchase the property located at 1485 Toomes Avenue.**

Mayor Strack introduced this item by title. Planning Director John Stoufer stated Staff is proposing to sell 1.72 acres of the property located at 1558 Houghton Avenue (including the existing residence and the two outbuildings) to Paul and Patricia Seligman for \$125,000 (offsetting the purchase price of the entire parcel purchased by the City in December of 2009) while retaining 2.13 acres of this property for possible future extension of Fig Lane or for park property. The Optional Agreement would allow for the City to purchase the Seligman's 7.15-acre parcel that is contiguous to the western property line of the City owned parcel contingent upon the City's receipt of Prop. 84 Grant Funding.

Councilor Parkins moved to approve the Residential Purchase Agreement for the sale of a portion of the property located at 1558 Houghton Avenue and authorize the Mayor to sign the Option Agreement for the City to purchase the property located at 1485 Toomes Avenue. Councilor Leach seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position vacant.**

John Richards asked Mr. Stoufer about the status of the Prop. 84 Grant Application. Mr. Stoufer stated that the only information he has received to date is the number of applications the State received. Mr. Richards asked if there would be any Park Development Fee Fund Revenue for construction after the purchase of the property should no Prop 84 funds come through? He was

informed that it was unknown at this time how much revenue would remain in the account following the purchase of the property.

Councilor Leach complimented the Skateboard Park Committee and Mr. Richards for their commitment to this project.

15. Policy Statement Regarding Public Works Department Removal of Curbside Prunings, Clippings, and Bulky Items.

Mayor Strack introduced by title. After some discussion, Councilor Parkins moved to:

- Adopt the "Greenwaste and Bulky Appliance" Policy Statements and direct Staff to advise the public via the one page policy insert (printed on blue paper with one side in English and the other in Spanish) that will be inserted for mailing to all residents in the Yearly Annual Water Report; and
- This will go into effect on July 1, 2010.

Councilor Leach seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position vacant.**

16. Request to Reduce Day Use Fees for Yost Park Ballfield.

Mayor Strack introduced by title and City Manager Kimbrough briefly outlined the proposed fees. Councilor Turner moved to set the interim Yost Park Fees at \$30 per day with a \$75 refundable Clean-up Deposit and a \$25 refundable Key Deposit. Councilor Leach seconded the motion. **Ayes: Strack, Turner, Parkins and Leach. Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one Council position vacant.**

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

M. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:

City Clerk Lisa Linnet read a thank you card to the City Council, Planning Commission, and City Staff that was received from Michael and Leslie Moller of Moller Realty for the Easement Improvements at 2001 and 2003 Solano Street. Mayor Strack also announced that the City had received two letters requesting that the Council not consider closing the City Pool this summer, and one in support of the Recreation Department.

N. REPORTS FROM MAYOR AND COUNCIL MEMBERS:

- 18. **Turner:** Reported on the Women's Club Clubhouse dedication on April 10th.
- 19. **Parkins:** Nothing
- 20. **Leach:** Nothing
- 21. **Strack:** Thanked the three Staff members (City Manager Kimbrough, Police Chief Cardenas and Planning Director John Stoufer) for their contribution and all of the City Staff for fulfilling his faith in them, stating that they came through for us (Council).

O. ADJOURNMENT!: 10:13 p.m.

Lisa M. Linnet, City Clerk



MEMORANDUM

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: LORI SIMS
ACCOUNTING TECHNICIAN

DATE: April 21, 2010

SUBJECT: Cash Disbursement Detail Report for the
Tuesday, April 27, 2010 Council Meeting

PROPOSED CASH DISBURSEMENTS FOR YOUR APPROVAL CONSIST OF THE FOLLOWING:

A.	Cash Disbursements	Ending	04-21-10	\$	103,168.04
B.	Payroll Disbursements	Ending	04-20-10	\$	44,663.00

GRAND TOTAL \$ 147,831.04

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 04-10 Bank Account.: 1020

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
010443	04/14/10	ARA02	ARAMARK UNIFORM SRV. INC.	31.42	.00	31.42	0502146	Mat/Supplies-
				31.42	.00	31.42	0512104	Mat/Supplies-
				31.42	.00	31.42	0522064	Mat/Supplies-
			Check Total.....:	94.26	.00	94.26		
010444	04/14/10	ATT09	AT&T	64.68	.00	64.68	100407	MAT & SUPPLIES-WTR
010445	04/14/10	BAS01	BASIC LABORATORY, INC	86.00	.00	86.00	1003339	ProfServices Water Dept
010446	04/14/10	COM01	COMPUTER LOGISTICS, INC	24.00	.00	24.00	48308	COMMUNICATIONS-
				278.00	.00	278.00	48310	COMMUNICATIONS-
			Check Total.....:	302.00	.00	302.00		
010447	04/14/10	COR11	CORNING SAFE & LOCK	22.57	.00	22.57	2745	MAT & SUPPLIES-BLD MAINT
010448	04/14/10	COR12	CORNING FORD MERCURY, INC	1238.38	.00	1238.38	122846	Veh Opr/Maint-POLICE
010449	04/14/10	DEP12	DEPT OF JUSTICE	32.00	.00	32.00	783920	CADET PROGRAM-POLICE
010450	04/14/10	DEP16	DEPT OF PUBLIC HEALTH	830.80	.00	830.80	1050683	PERMITS/STATE REQ-WTR MAI
010451	04/14/10	FIT01	FITZPATRICK LAW OFFICES	193.95	.00	193.95	100407	City Attny Srvs Legalserv
010452	04/14/10	GAL02	GALLS, AN ARAMARK COMPANY	17.11	.00	17.11	510426894	OFFICE SUPPLIES-FIRE
010453	04/14/10	LIN01	LINCOLN EQUIPMENT, INC.	477.74	.00	477.74	SI134796	MAT & SUPPLIES-PARKS
010454	04/14/10	LNCO1	LN CURTIS & SONS	14392.92	.00	14392.92	118735401	EQUIP REPLAC-FIRE CAP IMP
				7.36	.00	7.36	119068201	EQUIP MAINT-FIRE
			Check Total.....:	14400.28	.00	14400.28		
010455	04/14/10	NAP01	NAPA AUTO PARTS	2.03	.00	2.03	100323F	Veh Opr/Maint-FIRE
010456	04/14/10	NOR14	NORTHWOOD BACKFLOW SERV	554.51	.00	554.51	10933	PROF SVCS-WTR
010457	04/14/10	PGE03	PG&E	16.26	.00	16.26	100402	Mat/Supplies PoliceServic
010458	04/14/10	PGE2A	PG&E	26.38	.00	26.38	100402	ELECT-CLELAND PROP
010459	04/14/10	REX01	REXEL INC.	82.29	.00	82.29	800951440	MAT & SUPPLIES-PARKS
010460	04/14/10	SWR01	SWRCB/APRS	1008.00	.00	1008.00	SW0022388	Annual Permit WWTP
010461	04/14/10	SWW00	SWC SERVICES, INC.	44465.28	.00	44465.28	17167	PROF SVCS-WWTP
				2659.15	.00	2659.15	17168	PRETREATMENT PROG-SWR

REPORT.: Apr 21 10 Wednesday
 RUN....: Apr 21 10 Time: 11:55
 Run By.: LORI

CITY OF CORNING

Cash Disbursement Detail Report
 Check Listing for 04-10 Bank Account.: 1020

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 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
			Check Total.....	47124.43	.00	47124.43		
010462	04/14/10	WAR05	WARREN, DANA KARL	383.80	.00	383.80	100412	REC INSTRUCT-REC
010463	04/15/10	BAS01	BASIC LABORATORY, INC	399.00	.00	399.00	1003488	ProfServices Water Dept
010464	04/15/10	COR20	CORNING ELECTRONICS	21.63	.00	21.63	10087655	COMMUNICATIONS-POLICE
010465	04/15/10	GAY02	GAYNOR TELESYSTEMS, INC	1737.10	.00	1737.10	000014498	COMMUNICATIONS-POLICE
010466	04/15/10	HOL04	HOLIDAY MARKET #32	9.98	.00	9.98	36843	Mat/Supplies BuildingMain
010467	04/15/10	LIN02	LINNETS TIRE SHOP	298.74	.00	298.74	51989	Veh Opr/Maint-POLICE
			Check Total.....	411.30	.00	411.30	52006	Veh Opr/Maint-POLICE
010468	04/15/10	NOR31	NORM'S PRINTING	300.89	.00	300.89	008199	OFFICE SUPPLIES-
010469	04/15/10	PAT02	PATTERSON ELECTRIC, INC.	108.96	.00	108.96	1924	MAT & SUPPLIES-BLD MAINT
			Check Total.....	416.79	.00	416.79	1925	MAT & SUPPLIES-WTR
010470	04/15/10	PUR02	PURCHASE POWER	5018.99	.00	5018.99	100407	COMMUNICATIONS-GEN CITY
010471	04/15/10	WAV00	WAVING AT YOU.COM	194.85	.00	194.85	10974A	MAT & SUPPLIES-BLD MAINT
010472	04/20/10	AND03	ANDERS, JOANN	70.00	.00	70.00	10-2019	PROF SVCS-HOUSING REHAB
010473	04/20/10	BAS01	BASIC LABORATORY, INC	86.00	.00	86.00	1003623	ProfServices Water Dept
			Check Total.....	768.00	.00	768.00	1003731	ProfServices Water Dept
010474	04/20/10	CAM02	CAMELLIA VALLEY SUPPLY	123.27	.00	123.27	0739325	MAT & SUPPLIES-WTR
010475	04/20/10	DEP12	DEPT OF JUSTICE	210.00	.00	210.00	788283	PROF SVCS-POLICE
010476	04/20/10	FED01	FEDERAL EXPRESS	16.23	.00	16.23	705836645	OFFICE SUPPLIES-CITY CLER
010477	04/20/10	KNI00	KNIFE RIVER CONSTRUCTION	1795.23	.00	1795.23	106646	MAT & SUPPLIES-STR
010478	04/20/10	LAR01	LARRY'S PEST & WEED,	4667.00	.00	4667.00	31050	WEED/TREE SPRAY-STR
010479	04/20/10	NEX02	NEXTEL	345.87	.00	345.87	086319101	COMMUNICATIONS-POLICE

REPORT.: Apr 21 10 Wednesday
 RUN...: Apr 21 10 Time: 11:55
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 04-10 Bank Account.: 1020

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 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
010480	04/20/10	PGE01	PGE&E	18507.20	.00	18507.20	100419	Electricity General City
010481	04/20/10	RED15	RED TRUCK ROCK YARD, LLC	92.01	.00	92.01	001125	MAT & SUPPLIES-STR
010482	04/20/10	WAY00	WAVING AT YOU.COM	194.85	.00	194.85	11071	MAT & SUPPLIES-BLD MAINT
010483	04/21/10	ATT13	AT&T	721.56	.00	721.56	100411	COMMUNICATIONS-
010484	04/21/10	CON07	CONEXIS	30.00	.00	30.00	03100R340	MEDICAL INS-COBRA
010485	04/21/10	HOL04	HOLIDAY MARKET #32	50.82	.00	50.82	31969	Mat/Supplies-ACO
010486	04/21/10	UNI01	UNIGARD INSURANCE COMP.	108.00	.00	108.00	100413	Gen.Insurance General Cit
Cash Account Total.....:				103168.04	.00	103168.04		
Total Disbursements.....:				103168.04	.00	103168.04		
Cash Account Total.....:				.00	.00	.00		

CITY OF CORNING
 Cash Disbursement Detail Report - Payroll Vendor Payment(s)
 Check Listing for 04-10 Bank Account.: 1025

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
4467	04/20/10	BAN03	POLICE OFFICER ASSOC.	350.00	.00	350.00	B00420	POLICE OFFICER ASSOC
4468	04/20/10	CAL37	CALIFORNIA STATE DISBURSE	138.46	.00	138.46	B00420	WITHHOLDING ORDER
4469	04/20/10	EDD01	EMPLOYMENT DEVELOPMENT	3907.66	.00	3907.66	B00420	STATE INCOME TAX
				1096.77	.00	1096.77	1B00420	SDI
			Check Total.....	5004.43	.00	5004.43		
4470	04/20/10	ICM01	ICMA RETIREMENT TRUST-457	651.00	.00	651.00	B00420	ICMA DEF. COMP
4471	04/20/10	OEU03	OPERATING ENGINEERS	625.00	.00	625.00	B00420	CREDIT UNION SAVINGS
4472	04/20/10	PERS1	PUBLIC EMPLOYEES RETIRE	28226.67	.00	28226.67	B00420	PERS PAYROLL REMITTANCE
4473	04/20/10	PERS4	Cal Pers 457 Def. Comp	225.00	.00	225.00	B00420	PERS DEF. COMP.
4474	04/20/10	PRE03	PREMIER WEST BANK	7867.44	.00	7867.44	B00420	HSA DEDUCTIBLE
4475	04/20/10	STRA04	STATE OF CALIFORNIA	550.00	.00	550.00	B00420	WAGEASN 1107012828
4476	04/20/10	VAL06	VALIC	1025.00	.00	1025.00	B00420	AIG VALIC P TAX
Cash Account Total.....				44663.00	.00	44663.00		
Total Disbursements.....				44663.00	.00	44663.00		

Date.: Apr 21, 2010
 Time.: 12:00 pm
 Run by: LORI

CITY OF CORNING
 NEW BUSINESSES FOR CITY COUNCIL

Page.: 1
 List.: NEW
 Group: WTPA

Business Name	Address	CITY/STATE/ZIP	Contact Name	Business Desc. #1	Business Start Date	Primary Telef
COMFORT LODGE OF COR 910	HIGHWAY 99W	CORNING, CA 96021	PATEL	SURISH MOTEL - 60 UNITS	04/13/10	(530) 824-5200
CORNING FAMILY RESOU 1498	SOUTH ST	CORNING, CA 96021	CURRY	CAROL 501(C) (3) NON-PROFIT FAMILY RESOURCE	04/19/10	(530) 824-7670
PENHALL COMPANY, 8416	SPECIALITY CIR	SACRAMENTO, CA 95828	HALL	C.	04/12/10	(714) 772-6450
ROYALTY HAIR SALON 1410	SOLANO ST	CORNING, CA 96021	HERNANDEZ	DOMINGA BEAUTY SALON	04/16/10	(530) 824-1738
SANCHEZ YARD CARE 22630	RICE CREEK LN	CORNING, CA 96021	SANCHEZ	RAUL LAWN SERVICES, SPRINKLERS, YARD CARE	04/08/10	(530) 521-3450

**ITEM NO: I-7
RODGER'S THEATRE SEATS AS
SURPLUS FOR DISPOSAL
APRIL 27, 2010**

**TO: HONORABLE MAYOR AND COUNCILMEMBERS
OF THE CITY OF CORNING**

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER

SUMMARY:

The "Friends of Rodger's Theatre", Corning Community Foundation, and Community Volunteers are working closely with Corning Public Works Department to prepare the roof and air conditioning bid package for submittal to the City Council in May. In the meantime, the seats are going to need to be removed for disposal.

As City property, the seats can be given to the Corning Community Foundation if they want them, recycled, or thrown in the trash. The City Council must declare them surplus.

The decision by the City Council will allow the Volunteers to develop a plan to dispose of the seats either through sale, or by disposal. The remaining seats are in good mechanical condition in most cases, but the upholstery ranges in age from 10 years to 50 years old.

This does not affect the 89 seats donated in July of 2009 by the Western Star Lodge #2 F&AM (Masonic Lodge) of Shasta, California.

If Council declares the seats surplus, Collectors interested in purchasing seats should send their offers in writing to: Theatre Seats, Corning Community Foundation, 794 Third Street, Corning, CA.

RECOMMENDATION:

MAYOR AND CITY COUNCIL DECLARE THE RODGER'S THEATRE SEATS TO BE SURPLUS AND PLACE THEM UNDER THE CONTROL OF THE CORNING COMMUNITY FOUNDATION FOR DISPOSAL AS THE FOUNDATION SEES FIT.

**ITEM NO: I-8
CONSIDERATION OF ENTERING INTO
AGREEMENT FOR LEGAL SERVICES
APRIL 27, 2010**

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

FROM: MIKE FITZPATRICK, CITY ATTORNEY

RE: REVERTING TO INDEPENDENT CONTRACTOR STATUS FOR CITY ATTORNEY

SUMMARY:

This matter would, if approved by the Council, change the arrangement with its City Attorney from an employee status to an independent contractor status.

BACKGROUND:

After working as an independent contractor for the City of Corning for many years, the City Attorney back in 2005 asked the Council to consider making him an employee of the City so that he could begin acquiring some retirement benefits through PERS. The Council agreed to this, understanding the benefit of having its costs controlled, both for litigation and regular legal services, by a "fixed price" arrangement. When PERS determined that the City Attorney was not eligible to participate in PERS, this arrangement was reconsidered and a new employee contract was entered into with the City Attorney, effective January 1, 2010.

Now it has been suggested that the City might be able to save money on its legal services by reverting to the earlier arrangement where the City is billed by the hour for its legal services whether they involve "office time" or "court time." If the City decides to make this change, it may prove to be cost-effective for the City if it avoids time consuming litigation and personnel issues or it may become more costly to the City should such issues arise.

The City Attorney is receptive to either arrangement where he would work for the City as its employee or on an hourly basis as an independent contractor. The hourly charges in the attached agreement for the upcoming fiscal year are at the level they were five (5) years ago and well below what most attorneys are currently charging their public entity clients but are acceptable to the City Attorney, at least for the fiscal year 2010-11, as the City goes through the current economic recession.

RECOMMENDATION:

MOVE THAT THE CITY REVERT TO THE PREVIOUS ARRANGEMENT WITH THE CITY'S ATTORNEY FOR WORK ON A CONTRACT BASIS AS PROPOSED AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT EFFECTIVE JULY 1, 2010.

**CITY OF CORNING
AGREEMENT FOR
LEGAL SERVICES**

THIS AGREEMENT, made and entered into this 27th day of April 2010, is by and between the City of Corning, hereinafter referred to as "CITY" and MICHAEL C. FITZPATRICK, an individual, hereinafter referred to as "FITZPATRICK."

RECITALS

WHEREAS, CITY desires to continue using the professional services of a qualified person to perform the duties and responsibilities of City Attorney for the City of Corning; and

WHEREAS, CITY, knowing that FITZPATRICK is qualified and experienced and has the specialized skills to perform the legal services required for the CITY, now wants to proceed with contracting with FITZPATRICK as its City Attorney, and FITZPATRICK is ready, willing and able to perform such services for the CITY,

NOW THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein the parties agree as follows:

SERVICES: FITZPATRICK will provide to the CITY all necessary professional, administrative, and managerial services to perform the duties and responsibilities of the office of City Attorney to the satisfaction of the CITY, as set forth below. Such services shall include, but not be limited to the following:

To exercise the powers, have the privileges and immunities, and to perform the functions and duties of City Attorney as set forth and enumerated in the laws of the State of California and the ordinances of the CITY. The primary duties include managing the legal affairs of the CITY, working with the City Manager and department heads in addressing the legal issues related to City business, reviewing all City contracts, assisting in the preparation of City ordinances and resolutions, monitoring the administration of claims being handled by City claims administrators, advising the City Council on legal matters, engaging in preventive law to avoid City liability for its activities, participating in activities which promote projects designed to improve City government and representing the City in court on issues which don't require the involvement of outside specialized legal counsel. Except for meetings from which he has been excused from attending by the Mayor or Council or when a personal

scheduling conflict arises, FITZPATRICK, or an associated qualified legal counsel designated by him, will attend all regular City Council meetings (2nd and 4th Tuesdays of each month) of the CITY. FITZPATRICK shall be the primary person advising and assisting the CITY on legal issues.

FITZPATRICK, or an associated qualified legal counsel designated by him, will represent the CITY in litigation before the local and appellate courts on all matters within his expertise. Outside legal counsel may still be engaged at CITY expense, separate and apart from this agreement, when, in FITZPATRICK's judgment, the matter being handled is beyond his field of expertise or, for other reasons, specialized counsel are needed.

WORK DAYS AND HOURS: FITZPATRICK will work on an hourly basis for the City of Corning and such work will be performed at various locations in City Hall, in FITZPATRICK'S private offices, in court as required and in other locations appropriate to the tasks being performed. The actual amount of time required of FITZPATRICK will vary from time to time depending on the projects and assignments which arise.

REPORTING RELATIONSHIP: FITZPATRICK shall report directly to the City Council.

COMPENSATION: CITY, for and in consideration of the promises, covenants, conditions and stipulations of FITZPATRICK set forth herein, hereby agrees to provide, as total compensation to FITZPATRICK, the following:

Hourly Compensation: FITZPATRICK will provide invoices to CITY on a monthly basis and shall charge the following rates for all work performed on behalf of CITY:

FITZPATRICK	\$120.00 per hour
ASSOCIATED COUNSEL	\$110.00 per hour
LEGAL ASSISTANT	\$80.00 per hour

Compensation as agreed shall be paid to FITZPATRICK with payment made monthly within thirty days of CITY's receipt of an invoice.

FITZPATRICK will also receive the amount of \$910.00 per month as compensation for attending the two City Council meetings per month referenced above. No travel time will be charged to CITY for travel to and from City Council meetings. Travel to and from other activities for CITY will be charged to CITY at the hourly rates specified above and mileage at the then current IRS rate per mile.

Retirement: FITZPATRICK shall not receive PERS entitlements or other retirement benefits from CITY.

REIMBURSEMENT OF EXPENSES: FITZPATRICK shall be entitled to the same reimbursement for lodging, meals and other out-of-pocket expenses incurred during travel on CITY business as authorized for employees of the CITY while traveling on CITY business. CITY will reimburse FITZPATRICK a reasonable amount (not to exceed \$150 per month without prior CITY approval) for administrative expenses (telephone, stationary, computer research costs, etc.) he incurs on behalf of CITY. FITZPATRICK shall be entitled to attend at CITY expense continuing education classes and events subject to whatever budget constraints are in place annually. FITZPATRICK, or his designated associated legal counsel, is authorized to attend at CITY expense one League of California training event per year, either the annual League meeting or the City Attorney's annual League training event.

TERM: This agreement shall be for a period of time beginning on July 1, 2010 and ending on June 30, 2011 and extends automatically from fiscal year to year thereafter on the same terms and conditions as in the last fiscal year included above unless either party provides the other with notice of termination or a requested adjustment. Either party may terminate this Agreement at-will by providing the other party not less than sixty (60) calendar days written notice of termination. The termination shall become effective upon the 60th or later designated day following delivery of written notice thereof. FITZPATRICK shall be compensated for all services performed to the effective date of termination.

PERFORMANCE STANDARDS: FITZPATRICK agrees that he will at all times faithfully, industriously, and to the best of his ability, experience and talent, perform all of the duties and functions that may be required of or from him pursuant to all terms of this Agreement in a manner reasonably satisfactory to the CITY, and in accordance with the standards reasonably expected of a professional person so engaged.

MALPRACTICE INSURANCE: FITZPATRICK shall provide errors and omissions insurance through his private practice which extends coverage to CITY and a copy of such policy shall be placed on file with CITY. The cost of such policy shall be solely borne by FITZPATRICK unless there are added costs to provide coverage to CITY.

FITZPATRICK AS INDEPENDENT CONTRACTOR: It is understood that FITZPATRICK is an

independent contractor and not an employee of CITY.

ENTIRE AGREEMENT; MODIFICATION: This Agreement embodies the whole Agreement between the parties hereto and there are no inducements, promises, terms, conditions or obligations made or into by CITY or FITZPATRICK other than those contained herein. No modification, alteration, or variation in the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or Agreement not incorporated herein shall be binding on any of the parties hereto. Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service, addressed to the parties as follows:

- a. To CITY: **Stephen J. Kimbrough, City Manager**
City of Corning
794 Third Street
Corning, CA 96021

- b. To FITZPATRICK: **MICHAEL C. FITZPATRICK**
c/o Maire & Beasley
2851 Park Marina Drive, Suite 300
Redding, CA 96001

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF CORNING:

FITZPATRICK:

by _____
Gary R. Strack, Mayor

Michael C. Fitzpatrick

ITEM NO: K-9
CITY PROGRAM REDUCTIONS NEEDED TO
BALANCE THE BUDGET: DISCUSSION AND
ACTION
APRIL 27, 2010

TO: HONORABLE MAYOR AND COUNCILMEMBERS
OF THE CITY OF CORNING

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER

STBE

SUMMARY:

The City Council, at its meeting on April 13, 2010, received a presentation from City Staff on the proposed plan to reduce expenditures to within revenues for those programs funded by the General Fund. The City Council seemed receptive to the plan and directed that it be brought back for further discussion and Council decision on April 27, 2010.

The Situation: The City has used ALL of its "Available Reserve" to carry City Programs and Services through the first year and a half of the Economic Recession. All that remains is the \$800,000 "Operating Reserve" which carries monthly expenditures while awaiting the arrival of the Property Taxes, Sales Taxes, and other income. At any time during the year, the City may expend \$650,000 of this reserve while awaiting the arrival of the tax income.

The Plan proposes drastic measures and has multiple objectives which are:

- ✓ **General Fund expenditures must be reduced to match revenues anticipated during this continued economic recession;**
- ✓ **Essential services must be protected;**
- ✓ **The City Employees, which are the City Government's greatest asset, must be retained if at all possible.**

The current recession continues to cancel out our budget cuts; since the last report, the City Manager and the City's outside CPA have considered the latest revenue information and applied all the supplies, services and equipment replacement cuts to the current year budget and next year's budget.

The City received some good news since the last Report on April 13, 2010. On Thursday April 15th, the City Manager attended the Northern California Cities Self-Insurance Fund meeting and received **the announcement of a special dividend** resulting from the low amount of insurance claims; the city is to receive \$152,625 back from NCCSIF as a one-time dividend. This money has NOT been received but has been included at the end of these calculations.

Even after applying this "found money", the City needs another \$186,602 to save Fire Dispatch and the jobs of the four dispatchers, Frank Rua, Daymon Schlereth, Troy Gaubatz and Rocky Peterson! If we lose Fire Dispatch, Staff will ask Council to approve the transfer in-lieu of layoffs to the vacant Public Works Maintenance Worker positions which remain "frozen".

The **City Recreation Program** has already **been eliminated** just to get to this point. To save the Recreation Program and our outstanding Recreation Supervisor Kimberly Beck, the City needs another \$74,000, or Kimberly will be laid off on July 1, 2010.

There also needs to be an immediate recognition of the financial sacrifice made by all the City full-time Employees who have voluntarily cut their pay by 10% saving \$213,000 during the past year and a proposed \$284,000 for the coming year.

FINANCIAL SUMMARY:

Most of the revenues available for the funding of city services and projects are by law restricted to specific uses. Though the total dollars projected to be available to the City in the current fiscal year beginning July 1, 2009, through June 30, 2010, is \$11,216,000; only \$3,738,000 of those funds are unrestricted and available in the City's "General Fund". The "General Fund" funds Police and Fire Services

Even the General Fund has some restrictions by State Law; over \$164,000 of the General Fund must be spent on street repairs and improvements, or the City loses \$71,000 of its road funds. Also in this General Fund amount is \$175,000 in restricted grant funds which fund the Police Detective and the Police Officer working with the Schools. The General Fund also funds City Planning Services and Building and Safety in addition to the City Manager's and the City Clerk's functions.

Some of the services seen in City Hall are not even funded by the General Fund. For example: Public Works has the \$164,000 required by law to spend on streets and an additional amount of General Fund for parks maintenance, but the Public Works Director, Public Works Administrative Secretary, and the Assistant Public Works Director (who manages all field operations) are not funded by the General Fund at all. The Building Official has generated over \$32,000 in Building Fees this year (\$24,166 last year) paid into the General Fund, but the General Fund is only being charged for \$17,492 of his salary cost. In the Finance Department, the Staff is mostly funded by the Water and Sewer Funds which they bill for and collect.

BRIEF SUMMARY OF THE PLAN:

Here is a quick review of next year's estimated General Fund budget and of all of the reductions in cost recommended by your City Staff at the last Council Meeting.

A number of changes have been made to update the information presented last meeting and currently appearing on the City website. More information has come in confirming the estimates of lower income from Sales Tax, Property Tax, Vehicle License Fees and the Motel Tax. The expenditures expected for the remainder of this fiscal year and the budget cuts listed in the April 13, 2010, report have now been incorporated as savings in the 2010-2011 budget. The shortfall for next year has grown by another \$100,000.

2010-2011 BUDGET YEAR PLAN TO REDUCE BUDGET EXPENDITURES

The City appears, at this point in time, to be ending the 2009-10, fiscal year with all \$620,148 in "Available Reserve" expended and dipping into the \$800,000 "Operating Reserve" by \$56,000 leaving \$744,000 to cover cash flow next year (this is slightly better than the presented numbers last meeting)¹.

Current Revenue Estimate (refined down \$145,000 since last meeting):	\$3,325,000
Projected Budget (including all budget cuts but before the personnel cuts):	\$4,374,000
Shortfall:	\$1,049,000

¹ Last meeting Staff feared that the City would dip into the Operating Reserve by \$200,000. The General Fund balance can be confirmed in the Annual City Audit.

What actions are needed to reduce next year's budget without losing jobs?

Implement these temporary solutions for three years until the economic recession passes.

	Savings	Cumulative
✓ Furloughs for one full year predicated upon no layoffs	<u>\$284,876</u>	\$284,876

• In General City Services:

	Savings	Cumulative
✓ City Manager cuts hours to part-time under contract:	\$ 93,321	\$378,197
✓ Planning Director cuts hours to part-time under contract:	\$ <u>65,165</u>	\$443,362
✓ Two Council Members voluntarily cut \$300 mo. pay by 10%	\$ <u>720</u>	\$444,082

Budget Cuts (\$16,600 *misc. cuts already included in projected budget*)

Total Reduction in General City: (saves \$175,806) **\$444,082**

• In City Attorney Services:

✓ Contract for Services savings over prior years may be (\$54,263 - \$45,440 net to Gen. Fund) City Attorney Agreement for services replaces the part-time salary with Contract Services at \$910/mo. and \$120/hour for additional legal services. Current-year Part-time (total cost \$75,366, less 10% Furlough) \$67,829, less apportionment to Water and Sewer, totals \$54,263; based upon on prior contract cost before part-time employment, next year may cost \$56,800 plus unknown legal costs if we go to court.	\$ <u>8,823</u>	\$452,905
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• In Police Services:

	Savings	Cumulative
✓ Police Chief cuts hours to part-time under contract:	\$ <u>97,585</u>	\$550,490
✓ CSO's take over Water Meter Reading (half-time contract with Water Dept. frees Maintenance Worker for full-time work in Public Works):	\$ <u>30,837</u>	\$581,327
✓ NO Police Equipment Replacement Funding including Vehicles and Asbestos removal, plus eliminating Take Home Vehicle Program (except K-9), eliminating Chief's car allowance, cutting Safety Items to minimum, reducing number of cell phones cutting the funds set aside for removal of vehicles and nuisances (total <i>already included in projected budget</i> <u>\$113,310</u>)		

Total Reduction In Police Costs: (saves \$241,732) **\$581,327**

The Police Chief has made these recommendations in order to prevent both sworn and non-sworn personnel cuts in the Police department.

In Public Works Services:

	Savings	Cumulative
✓ Equipment Replacement Fund: return fund balance	\$ 46,186	\$627,513
✓ Library: eliminate painting and repairs	\$ 1,000	
✓ Parks: eliminate Weed Control and fertilizer	\$ 4,000 (<i>already included</i>)	

As City Council knows, there is very little General Fund support for the Public Works Operations. The City cannot cut the General Fund support of Street Maintenance any further without losing the Proposition 42 funding ("State Traffic Congestion Relief Act"). Corning must maintain at least \$164,337 in funding of Street repairs and improvements. The Equipment Replacement Fund is a one-time dollar amount with the Public Works Department returning the entire fund balance of it's Equipment Replacement savings to get the City through the next year.

• In Recreation Services:

At City Council direction three years ago, the City undertook to build a Recreation Program. The Council specified that the Program should serve both Youth and Adults.

City Council Members stated many times that the Police Services and the Fire Dispatch service must take priority over a Recreation Program. The Council has proposed to reduce the Recreation Program to either half-time or three-quarter time which would provide full time employment for the Recreation Supervisor in the summer and half time in the winter.

City Staff has explained that trying to run a program at less than full is not practical. Our experience has taught us that a successful Recreation Program in Corning requires a full-time commitment.

Recreation Program Fee Based Classes recover most of their Program cost. The income is the gross income for the year. The expense includes all costs except Recreation Supervisor direct cost; in other words, all materials and supplies, program refunds, Instructor costs, telephone, mileage and vehicle operation.

	Income	Program Cost
First year 2007-08	\$ 4,890	\$ 2,086
Second year 2008-09	\$11,791	\$13,622
Current year 2009-10	\$13,536	to the end of March 2010 \$16,832

This year the City budgeted \$86,942, for the Recreation Program including the Recreation Supervisor total compensation cost of \$79,335. These costs have also been updated since the last report.

	Savings	Cumulative
✓ Reduce Recreation to half-time with half benefits as is customary for professional positions (loss of Prog. fees unknown)	\$ 39,668	
<i>or</i>		
✓ Eliminate Recreation (\$86,942 less loss of Prog. Income)	\$ 73,706	\$ 701,219

Saving Recreation:

If the Council decides to save the Recreation Program, the Park Volunteers Fund 353 still has \$15,993 left in it. These funds are pure General Funds set aside by the City Council several years ago for allocation by the Volunteers. The Cost difference between half and full time \$ 39,668.

Less	\$ <u>15,993</u>	OR \$15,993
Leaves this remainder to find	\$ 23,675	\$57,713

• **In Fire Department Services:**

The savings below have been proposed by the Fire Chief. However aside from the Chief and four dispatchers, there is very little operating expense. Naturally the Chief can not support the elimination of Fire Dispatch Service.

Over the years, the 32 Volunteer Fighters have asked only for the dedicated Dispatch Service to support their volunteer service to the Corning Community. The volunteers receive no pay.

	Savings	Cumulative
NO Fire Equipment Replacement Funding (only \$22,000 remains to cover cost of Ladder Truck purchase)	\$ -0-	
Fire Department returning Dispatch Contract Income received and dedicated to Fire Equipment replacement. \$33,285 is the current balance available in the Fire Equipment Fund. The annual income has been \$19,425 in FY 08-09 and to date in FY 09-10, \$ 13,860.	\$ 33,285	\$734,504
Department Budget Cuts: there is not much General Fund besides the Chief, and four dispatchers in the Fire Budget, but these cuts include small tools, communications, natural gas and safety items.	\$ 5,950	\$740,454

Not recommended by the Chief but worth consideration is voluntary suspension of the "Annual Fire Fee" given by the City to the non-profit "Corning Volunteer Fire Department".

Suspend Annual Fire Fee:	\$ 9,500	<u>\$749,954</u>
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The following proposal of eliminating Fire Dispatch is not desired by anyone but must be considered. Following this are several alternatives for the City Council consideration.

Reorganize Fire Dispatch; retain one dispatcher (\$72,027 - 10%), transfer other shifts to Police Dispatch; offer three Dispatchers the vacant Maintenance Worker positions in Public Works	\$192,606	\$942,560
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Apply Workers' Compensation one-time dividend:	\$ 61,867	\$1,004,427
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Apply Liability Insurance one-time dividend:	\$ 59,986	<u>\$1,064,413</u>
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FUNDS in excess of \$1,049,000 Shortfall		\$ 15,413
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Funds needed to save Fire Dispatch (\$192,606 less \$15,413)	\$177,193	
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Saving Fire Dispatch:

The added funding needed for Fire Dispatch is \$192,606, the cost of the 3 Dispatchers who would be transferred out if the 24 hour Dispatch is closed.

Now is also the time for the Fire Chiefs to evaluate the fees from Orland and Capay Fire as provided for in the contract. Chief Spannaus is already doing this. Corning may begin to receive more, or we may need to reduce our charges based on the agreed-to methodology.

As City Manager, I recognize that the City Council wants to retain the Fire Dispatch Service. I also recognize the City does not have the annual revenue to sustain the service even after cutting many other programs. By long standing Council Budget Policy, the City has minimized the use of reserves (the savings account) for funding ongoing services. When Insurance refunds have been received, the refunds have been used to repair sidewalk and streets to eliminate hazards which reduce liability for the City.

The economic recession is not over and may not be over for some time. If the Council decides to retain the Fire Dispatch Service, a stable income must be assured for next fiscal year or we will be in the same predicament next April!

Consider that California Law has provided a means for the People to support a needed municipal service through the Community Facilities District Law which with two thirds voter approval can allow a pre-determined annual special tax to be levied on properties that receive a benefit from the service. The special tax goes on the County Property Tax Roll. The popular name is "CFD" or "Mello-Roos District". The provision is made for a specific period of time for the tax to exist in order to guarantee that the Voters remain in control. Other district funding methods will also be explored.

Here is how it might be done: The City has about 2,950 residential units and 245 commercial/institutional/heavy commercial businesses for a total 3,195. If a \$60 annual special tax were imposed by the voters, it would raise \$191,700 per year to support the Fire Dispatch. Why \$60? Well that makes it \$5 per month!

Why choose the Fire Department's Fire Dispatch Service to put before the voters? Because the Fire Chief, the Fire Volunteers, many citizens and I believe that it is an essential and worthy service. It is a service we want available to us in an emergency. The problem is it is a service that can be performed by the Police Dispatch or CalFire for less money!

I believe that the People and the City Council want the continuation of the Fire Dispatch Service for all the reasons cited by the Chief and Volunteers. However, if it comes down to the "dollars and cents" of cold economics, I would recommend the consolidation of fire and police dispatch. We can not cut Police Officers in the field or we jeopardize their safety by providing no back-up support. There is nothing left to cut.

Alternatives To Consider

Savings

- | | |
|---|-----------|
| ✓ Retain Fire Dispatch Operations as currently organized. | -0- |
| ✓ Close Fire Dispatch and transfer all operations to CalFire at an estimated cost for contract service of \$60,000. Lay-off all Fire Dispatchers. Total compensation savings \$352,657 less \$60,000 | \$292,657 |

- ✓ Reorganize Fire Dispatch by transferring Dispatch to the Police Dispatch Center by retaining only one of the dispatchers and transferring 3 dispatchers to Public Works. \$192,606

- ✓ Create a **Joint Public Safety Dispatch Center** in the Police Department by transferring 3 Fire Dispatchers, to combine the resources of the eight Safety Dispatchers and one Supervisor while operating the two position console already existing in the Police Dispatch Center. Together this team should reduce overtime and improve dispatch effectiveness. To insure Fire Hall office hours, the fourth dispatcher would remain in Fire Dispatch to work during the week, to receive weekday public inquiries, such as burn permits and handle the business traffic of Orland and Capay. Unknown

- ✓ **Retain two Fire Dispatchers** to operate covering the peak activity of the day **Monday through Saturday, 12 hours per day**, 6 days per week and transfer two dispatchers to the Public Works Department. Night time coverage by Police Dispatch Center. Savings is through General Fund salary reduction. \$130,622

One other resource, forgotten about, is the availability of the disabled Fire Dispatcher. He is currently costing the City full pay and benefits while at home on Sick Leave. The City could, with the Fire Chief's input, provide a limited duty position at the Fire Hall doing all the maintenance the day shift Fire Dispatcher could not complete. He could work a cover shift like 1600 to 0400 hours to insure follow-up on maintenance after a night emergency call.

RECOMMENDATION:

MAYOR AND COUNCIL Approve (or modify) the following urgent actions to reduce Annual General Fund budgeted expenditures for fiscal year 2010-2011:

- **Direct City Manager to "Meet and Confer" with four employee bargaining units to implement another year of 10% reduction in employee compensation through Furloughs, continuing the closure of City Hall and City Yard every other Friday.**
- **Approve a City Council Commitment of no employee layoffs in recognition of the City Employees voluntary acceptance of a 10% reduction in compensation through Furloughs.**
- **Accept offer of City Manager Stephen Kimbrough and Police Chief Tony Cardenas to work part-time on contract, no more than 960 hours per year effective in July 2010. Choose a Council team to meet with the employees to prepare contracts for City Council approval.**
- **Accept the offer of Planning Director John Stoufer to provide 20 hours per week in Contract Planning Services to the City. Direct the City Manager and City Attorney to prepare a contract for City Council approval.**

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- **Approve the provision of water meter reading service by the Police Community Services Officers.**
- **Retain the Recreation Program and Recreation Supervisor Kimberly Beck by the transfer of all remaining funds from the Park Volunteer Fund 353 to the General Fund and apply \$57,713 of the “Operating Reserve”.**
- **Retain the Fire Dispatch Center as currently staffed and apply \$192,602 of the “Operating Reserve” to fully fund Dispatch.**
- **Approve the preparation and submittal of a ballot measure on the November 2010 General Election to create a City of Corning Fire Dispatch Service Annual Assessment, and direct city Staff to prepare a report and plan to submit the issue to the voters.**
- **Accept the reduction of the “General Fund Operating Reserve” to \$500,000 in Fiscal Year 2010-2011.**