



**CITY OF CORNING
CLOSED SESSION AGENDA
TUESDAY, DECEMBER 13, 2011
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

Council:

**Toni Parkins
John Leach
Darlene Dickison
Dave Linnet**

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. PUBLIC COMMENTS:

D. ADJOURN TO CLOSED SESSION:

CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO SECTION 54957.6:

Agency Negotiator: William May, Labor Relations Consultant

Management, Dispatch and Public Safety Employees Bargaining Units

E. RECONVENE SPECIAL MEETING AND REPORT ON CLOSED SESSION:

F. ADJOURN TO REGULAR MEETING OF THE CITY COUNCIL:

POSTED: FRIDAY, DECEMBER 9, 2011

THE CITY OF CORNING IS AN EQUAL OPPORTUNITY EMPLOYER



**CITY OF CORNING
CITY COUNCIL AGENDA**

**TUESDAY, DECEMBER 13, 2011
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

Council:

**Toni Parkins
John Leach
Darlene Dickison
Dave Linnet
Gary Strack**

Mayor:

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

D. INVOCATION: Led by Councilman John Leach.

Persons of no religious persuasion will not be expected in any manner to stand or to participate other than to remain quiet out of respect for those who do choose to participate.

E. PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, PRESENTATIONS:

Presentation of Business/Employer of the Month Awards:

BUSINESS OF THE MONTH:

Ron's Body Shop

EMPLOYER OF THE MONTH:

Save-Mor Foods

1. Announcement by Am Vets Commander Mike Clay on the Toys for Tots Program in Corning.

F. BUSINESS FROM THE FLOOR: If there is anyone in the audience wishing to speak on items not already set on the Agenda, please come to the podium, and briefly identify the matter you wish to have placed on the Agenda. The Council will then determine if such matter will be placed on the Agenda for this meeting, scheduled for a subsequent meeting, or recommend other appropriate action. If the matter is placed on tonight's Agenda, you will have the opportunity later in the meeting to return to the podium to discuss the issue. The law prohibits the Council from taking formal action on the issue, however, unless it is placed on the Agenda for a later meeting so that interested members of the public will have a chance to appear and speak on the subject.

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

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

3. Waive the Reading and Approve the Minutes of the November 22, 2011 Regular City Council Meeting with any necessary corrections:

4. December 7, 2011 Claim Warrant - \$255,573.14.

5. December 7, 2011 Business License Report.

6. November 2011 Treasurer's Report.

7. November 2011 Wages and Salaries - \$412,996.68.

8. November 2011 Building Permit Valuation Report - \$102,570.

9. City of Corning Wastewater Operations Summary Report – November 2011.

10. Approve Contract Change Order No. 3 to increase project costs by \$6,733.78, and Progress Pay Estimate No. 5 in the amount of \$6,238.51 to Trent Construction for the Clark Park Municipal Water Well Project, total project costs will be \$613,337.78.
11. Approve Cancellation of the December 27, 2011 City Council Meeting due to the Christmas Holiday.
12. Approve Resolution No. 12-13-2011-04, a Resolution accepting dedication of Public Property from Maria Martha Sanchez and Jose Luis Damian for Phase 2 of the South Avenue Interchange Project.
13. Approve Contract Change Order No. 1 in the amount of \$6,211.20 and Progress Pay Estimate No. 1 in the amount of \$206,389.08 for the 2011 Street Paving Project.

H. ITEMS REMOVED FROM THE CONSENT AGENDA:

I. PUBLIC HEARINGS AND MEETINGS:

J. REGULAR AGENDA:

14. Adopt Resolution 12-13-2011-02, a Resolution adopting a Labor Compliance Program for the City of Corning for projects subject to prevailing wage requirements.
15. Appoint Vice Mayor and City Representatives to the various Commissions and Committees.
16. Ratify the one-year Memorandum of Understanding between the City and the Corning Management Association and approve the Furlough Side Letter.
17. Ratify the one-year Memorandum of Understanding between the City and the Corning Dispatchers Association and approve the Furlough Side Letter.
18. Ratify the one-year Memorandum of Understanding between the City and the Corning Public Safety Unit and approve the Furlough Side Letter.
19. Adopt Resolution 12-13-2011-01 Authorizing the submittal of an application for the Solano Street Streetscape Transportation Enhancement (TE) Project.
20. Adopt Resolution No. 12-12-2011-05 Approving an Amended and Restated Valic Deferred Comp. Plan.
21. Adopt Resolution No. 12-13-2011-03, A Resolution of Intention to Approve an Amendment to the Contract between the Board of Administration of the California Public Employees Retirement System and the City Council, and Introduce Ordinance 649, and Ordinance to Amend the Retirement Contract for Newly Hired Police Officers and Miscellaneous Employees.

K. ITEMS PLACED ON THE AGENDA FROM THE FLOOR:

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:

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

Parkins:

Leach:

Dickison:

Linnet:

Strack:

N. ADJOURNMENT!:



The City of Corning

Recognizes

RON'S BODY SHOP

as

BUSINESS OF THE MONTH

FOR

December 2011

In recognition of your continued support of various community youth sport programs, the local Work Experience Program and the Fire Department.

Gary R. Strack, Mayor

Lisa M. Linnet, City Clerk



The City of Corning

Recognizes

Sav-Mor Foods

as

EMPLOYER OF THE MONTH

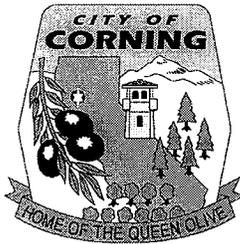
FOR

December 2011

In recognition of your efforts to hire locally and your continued sponsorship of local Youth Activity Groups, Community Events and the Fire Department.

Gary R. Strack, Mayor

Lisa M. Linnet, City Clerk



**CITY OF CORNING
CLOSED SESSION MINUTES
TUESDAY, NOVEMBER 22, 2011
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

Council:

**Toni Parkins
John Leach
Darlene Dickison
Dave Linnet
Gary Strack**

Mayor:

All members of the City Council were present.

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. PUBLIC COMMENTS: None.

D. ADJOURN TO CLOSED SESSION: 6:30 p.m.

CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO SECTION 54957.6:

Agency Negotiator: William May, Labor Relations Consultant

Management, Dispatch and Public Safety Employees Bargaining Units

E. RECONVENE SPECIAL MEETING AND REPORT ON CLOSED SESSION: 7:30 p.m.

Mayor Strack announced that the Council has obtained agreement with the Dispatch and Management Units. He further stated that after meeting and conferring in good faith, the City and the Public Safety Unit has come to an impasse. Having exhausted the Impasse Resolution Procedures set forth in the Employer-Employee Relations Code, the City will now move to implement its Last, Best and Final Offer as permitted under Government Code Section 3505.4, which will be set forth as an Agenda Item for adoption on December 13, 2011.

F. ADJOURN TO REGULAR MEETING OF THE CITY COUNCIL: 7:30 p.m.

Lisa M. Linnet, City Clerk



**CITY OF CORNING
CITY COUNCIL MINUTES**

**TUESDAY, NOVEMBER 22, 2011
CITY COUNCIL CHAMBERS
794 THIRD STREET**

A. CALL TO ORDER: 7:31 p.m.

B. ROLL CALL:

Council:

**Toni Parkins
John Leach
Darlene Dickison
Dave Linnet
Gary Strack**

Mayor:

All members of the City Council were present.

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

D. INVOCATION: Led by Mayor Gary Strack.

Persons of no religious persuasion will not be expected in any manner to stand or to participate other than to remain quiet out of respect for those who do choose to participate.

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

F. BUSINESS FROM THE FLOOR:

Chamber of Commerce Manager Valanne Cardenas announced that the Hometown Christmas parade will be at 5:30 p.m. on Saturday, December 3rd. She also stated that banners and trees will go up on the light posts next week. She encouraged all businesses to put up their lights.

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

1. **Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
2. **Waive the Reading and Approve the Minutes of the November 8, 2011 Closed Session and Regular City Council Meeting with any necessary corrections:**
3. **November 16, 2011 Claim Warrant - \$121,278.19.**
4. **November 16, 2011 Business License Report.**
5. **Recommend Appointment of Chris Copley to the City's Recreation Commission.**
6. **Approve Progress Pay Estimate No. 4 in the amount of \$44,256.28 for the Clark Park Municipal Water Well Project.**
7. **Authorize Eagle Scout Candidate Wyatt Haywood to install picnic tables with benches, plant trees and repaint the Wellhouse at Children's Memorial Park on Edith Avenue.**

Councilor Linnet asked to pull Consent Item No.5 for an explanation of Mr. Copley's eligibility to serve on the Recreation Commission as he resides outside the City Limits. Councilor Parkins asked to pull Consent Item No. 7 for further discussion.

With no further comments, Council Parkins moved to approve Consent Items 1-4 and 6. Councilor Linnet seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed: None. Absent/Abstain: None. Motion was approved by a 5-0 vote.**

H. ITEMS REMOVED FROM THE CONSENT AGENDA:

5. Recommend Appointment of Chris Copley to the City's Recreation Commission.

Mayor Strack explained that the City had set the policy a few years ago which allowed individuals not residing within the City Limits to serve on the Recreation Commission, however the majority of the Commissioners must be City residents. Assistant City Attorney Jody Burgess explained that as the Recreation Commission is an advisory Commission only, being a City resident was not required. With no more discussion, Councilor Linnet moved to approve the appointment of Mr. Chris Copley to the City's Recreation Commission for a four-year term. Councilor Leach seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed: None. Absent/Abstain: None. Motion was approved by a 5-0 vote.**

7. Authorize Eagle Scout Candidate Wyatt Haywood to install picnic tables with benches, plant trees and repaint the Wellhouse at Children's Memorial Park on Edith Avenue.

Mayor Strack asked Mr. Haywood if he would describe his proposed project and state his rank in the scouts. Mr. Haywood stated that he plans on planting three sycamore trees, installing three picnic tables, painting the well house and repairing the fence. Following Mr. Haywood's project description and some discussion of the project, Councilor Parkins stated he was taking on a big project and that she is very proud of him. With no further discussion, Councilor Parkins moved to authorize Eagle Scout candidate Wyatt Haywood and other volunteers to complete improvements to Children's Memorial Park, including picnic tables, planting trees and painting the well house, with the positions of tables and trees, tree species and size, and the paint color of the well house subject to the approval by the Public Works Director or City Manager. Councilor Leach seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed: None. Absent/Abstain: None. Motion was approved by a 5-0 vote.**

I. PUBLIC HEARINGS AND MEETINGS: None.

J. REGULAR AGENDA:

8. Ordinance No. 648, An Ordinance amending existing City Purchasing Procedures. (Second Reading and Adoption.)

With no discussion, Councilor Linnet moved to introduce by short title and adopt Ordinance 648, an Ordinance proposing to amend the City's existing Purchasing and Procedures Ordinance. Mayor Strack announced the upcoming Special Recreation Commission Meetings on November 28th and 29th at 6:00 p.m. at which time representatives from three different playground equipment companies will present their products and designs for consideration for the new park. Councilor Parkins seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed: None. Absent/Abstain: None. Motion was approved by a 5-0 vote.**

9. Set Public Hearing Date of January 24, 2012 for Proposed Annual Rate Increase for Corning Disposal Service.

Mayor Strack introduced this item by title and City Manager Stephen Kimbrough explained that Waste Management/Corning Disposal are asking, as they are entitled to per their Franchise Agreement, for a 3.76% CPI and 1.47% Fuel Factor rate increase which would take the residential rate from \$19.73 to \$20.76. He explained that our agreement provides that Council shall not unreasonably withhold a rate increase, and we established a procedure which was by CPI only because there is really no effective way to look at a Corporation's books and know whether or not they need a rate increase or not when they ask for it. So, this agreement limits them to no more than the CPI and a fuel factor that was added to the agreement about six years ago when we were experiencing the dramatic increase in fuel costs. He stated that he has already been told by a couple of people, including the City Clerk, that they don't consider it appropriate to consider an

increase at this time. Mr. Kimbrough stated however, that we do need to move forward and set the date for the public hearing. Councilor Leach asked when the contract will come back up for renewal; Mr. Kimbrough stated he believed it would be in 2018. Mr. Kimbrough explained that this is still the best service agreement in the valley for the service that our residents receive.

Councilor Leach asked what the savings was to Waste Management for the City handling the billing for residential customers; Mr. Kimbrough stated it really doesn't save them much and doesn't cost the City much more other than the time spent by Finance Employees to sign up new accounts because the billing is attached to our existing water bills. He further explained that the City however, earns about \$3,000 to \$5,000 interest on the funds that we hold for about two months before we pay them their quarterly payment. Mayor Strack stated that at the time we did this, the City was able to hold the rate down by about 2% which was a savings at that time that has compounded. Following some other discussion, Councilor Parkins moved to set January 24, 2012 for the Public Hearing on the proposed rate increase. Councilor Dickison seconded the motion. **Ayes: Strack, Parkins, Leach, Dickison and Linnet. Opposed: None. Absent/Abstain: None. Motion was approved by a 5-0 vote.**

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

L. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION: None.

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

Parkins: Reported on attendance at the Tehama County Sanitary Landfill Meeting which meets every other month. She stated that the drug "Take-Back" day yielded 116 pounds of prescription drugs through our Police Department, stating her appreciation to the Chief, Police Department Staff, and especially to Laura Calkins for her efforts in organizing this event. She further stated that this action keeps these drugs out of our grey water system.

Leach: Reported on his attendance at the Senior Center Meeting.

Dickison: Stated that she missed the Fair Booth Meeting where they were to discuss funding.

Linnet: Reported that the Downtown Beautification Committee, with assistance from the Tehama Job Training Center, painted the "Golden Rooster" (former orange building on Solano Street). Monday, Mayor Strack cleaned our block and the Tea Party cleaned the next block. Fire Dispatcher & Volunteer Frank Rua and his son Jimmy cleaned the show-house block on Sunday. Monday night he stated he went out with his leaf blower and got the leaves out in the Street for the Street Sweeper that comes on Tuesday morning. He also reported on the graffiti removal at the various locations that have been recently hit.

Strack: Reported on his attendance at the Transportation Commission meeting today stating that RTIP (Regional Transportation Improvement Plan) approved the Corning Streetscape funding as the number one on the list. They also approved the December 16th lighted tour. Mayor Strack announced that the Recreation Commission will hold two Special Meetings on Monday, November 28th, and Tuesday, November 29th at 6:00 p.m. here to discuss playground equipment for the new park with various company representatives.

N. ADJOURNMENT!: 7:53 p.m.,

Lisa M. Linnet, City Clerk



MEMORANDUM

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: LORI SIMS
ACCOUNTING ASSISTANT

DATE: December 7, 2011

SUBJECT: Cash Disbursement Detail Report for the
Tuesday, December 13, 2011 Council Meeting

PROPOSED CASH DISBURSEMENTS FOR YOUR APPROVAL CONSIST OF THE FOLLOWING:

A.	Cash Disbursements	Ending 11-23-11	\$134,849.34
B.	Payroll Disbursements	Ending 11-23-11	\$22,355.23
C.	Cash Disbursements	Ending 11-29-11	\$22,667.67
D.	Cash Disbursements	Ending 12-07-11	\$75,700.90
GRAND TOTAL			<u>\$255,573.14</u>

REPORT.: Nov 23 11 Wednesday
 RUN...: Nov 23 11 Time: 16:41
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 11-11 Bank Account.: 1020

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

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Payment Information	
							Invoice #	Description
013432	11/22/11	PGE01	PG&E	29553.21	.00	29553.21	111110	Electricity General City-
013433	11/22/11	RAR01	ROLLS, ANDERSON & ROLLS	3588.50	.00	3588.50	8893	PROP 84/NON CONSTR-PARK D
013434	11/22/11	SWR01	SWRCB/AFRS	1521.00	.00	1521.00	WD0067279	Annual Permit WWTP
013435	11/22/11	Sww00	SWWC SERVICES, INC.	2106.23	.00	2106.23	18076	PROF SVCS-WWTP
				6039.95	.00	6039.95	18083	PROF SVCS-WWTP
				47784.17	.00	47784.17	100000014	PROF SVCS-
Check Total.....:				55930.35	.00	55930.35		
013436	11/23/11	TRE00	TRENT CONSTRUCTION	44256.28	.00	44256.28	11-1122	CLARK PARK WELL-WTR CIP
Cash Account Total.....:				134849.34	.00	134849.34		
Total Disbursements.....:				134849.34	.00	134849.34		
Cash Account Total.....:				.00	.00	.00		

REPORT.: Nov 23 11 Wednesday
 RUN....: Nov 23 11 Time: 16:41
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report - Payroll Vendor Payment(s)
 Check Listing for 11-11 Bank Account.: 1025

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

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
5281	11/23/11	AFL01	AMERICAN FAMILY LIFE	1920.12	.00	1920.12	B11130	AFLAC INS.PRE TAX
				118.72	.00	118.72	1B11130	AFLAC INS.AFTER TAX
Check Total.....:				2038.84	.00	2038.84		
5282	11/23/11	BLU02	BLUE SHIELD OF CALIFORNIA	7962.72	.00	7962.72	B11130	MEDICAL INSURANCE
5283	11/23/11	CIT01	CITY OF CORNING	6.00	.00	6.00	B11130	CHGS FOR WAGE ATCHMT
5284	11/23/11	OEU01	OPERATING ENGINEERS #3	5708.00	.00	5708.00	B11130	MEDICAL INSURANCE
5285	11/23/11	OEU02	OPERATING ENG. (DUES)	343.00	.00	343.00	B11130	UNION DUES MGMNT
				564.00	.00	564.00	1B11130	UNION DUES POLICE
				294.00	.00	294.00	2B11130	UNION DUES DISPATCH
				520.00	.00	520.00	3B11130	UNION DUES-MISC
Check Total.....:				1721.00	.00	1721.00		
5286	11/23/11	PRI04	PRINCIPAL	3191.20	.00	3191.20	B11130	DENTAL INSURANCE
				649.47	.00	649.47	1B11130	VISION INSURANCE
Check Total.....:				3840.67	.00	3840.67		
5287	11/23/11	TRA03	TRANSAMERICA LIFE INS CO.	1078.00	.00	1078.00	B11130	LIFE INSURANCE
Cash Account Total.....:				22355.23	.00	22355.23		
Total Disbursements.....:				22355.23	.00	22355.23		

REPORT.: Nov 29 11 Tuesday
 RUN....: Nov 29 11 Time: 12:02
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 11-11 Bank Account.: 1020

PAGE: 001
 ID #: PY-DP
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
013437	11/28/11	ACI01	ACI SPECIALTY BENEFITS	324.00	.00	324.00	12336	WorkmensComp. General Cit
013438	11/28/11	ATT13	AT&T	720.50	.00	720.50	111121	COMMUNICATIONS-
013439	11/28/11	BAS01	BASIC LABORATORY, INC	86.00	.00	86.00	1111146	ProfServices Water Dept
				80.00	.00	80.00	1111225	ProfServices Water Dept
			Check Total.....	166.00	.00	166.00		
013440	11/28/11	BEN01	BENBOW, W.B.	8587.18	.00	8587.18	186	WELL TELEMETRY-WTR
013441	11/28/11	CAM02	FERGUSON ENTERPRISES INC.	455.79	.00	455.79	0786008	MAT & SUPPLIES-WTR
				116.80	.00	116.80	0786712	MAT & SUPPLIES-WTR
			Check Total.....	572.59	.00	572.59		
013442	11/28/11	CAS07	CASE POWER & EQUIPMENT,	288.01	.00	288.01	867116	MAT & SUPPLIES-
013443	11/28/11	CLA01	CLARKS DRUG STORE	11.17	.00	11.17	27039	MAT & SUPPLIES-POLICE
013444	11/28/11	CLE04	CLEMENTI, MARK A., PH.D.	585.00	.00	585.00	11-15-11	ProfServices-POLICE
013445	11/28/11	CON07	CONEXIS	23.68	.00	23.68	10110R348	MEDICAL INS-COBRA
013446	11/28/11	COR05	CORNING AUTO CENTER	158.40	.00	158.40	2988	VEH OP/MAINT-
				39.90	.00	39.90	2990	VEH OP/MAINT-
				39.90	.00	39.90	2993	VEH/OP MAINT-
			Check Total.....	238.20	.00	238.20		
013447	11/28/11	DEP03	DEPT OF TRANS/CAL TRANS	364.13	.00	364.13	12002030	Equip.Maint. St&Trf Light
013448	11/28/11	FRE03	FREIGHTLINER, INC.	193.11	.00	193.11	F417946	VEH OP/MAINT-
013449	11/28/11	GAL02	GALLS, AN ARAMARK COMPANY	131.99	.00	131.99	511765976	VEHICLE REPLAC-POLICE
013450	11/28/11	HUP00	HUPP NEON LLC	277.39	.00	277.39	12254	MARQUEE-RODGERS THEATRE
013451	11/28/11	JES10	JESSEE HEATING & AIR, INC	145.00	.00	145.00	052947	MAT & SUPPLIES-BLD MAINT
013452	11/28/11	LOD00	LODI IRRIGATION	111.51	.00	111.51	6007	MAT & SUPPLIES-L&L 4 (SAL
013453	11/28/11	MAY01	MAY, WILLIAM L.	4956.10	.00	4956.10	10-101520	EE RELATIONS-LEGAL
013454	11/28/11	NEX02	NEXTEL	122.18	.00	122.18	086319120	COMMUNICATIONS-POLICE
013455	11/28/11	NOR01	NORTH VALLEY BARRICADE IN	317.03	.00	317.03	14718	SAFETY ITEMS-PW ADMIN
				106.18	.00	106.18	14719	SMALL TOOLS-

REPORT.: Nov 29 11 Tuesday
 RUN....: Nov 29 11 Time: 12:02
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 11-11 Bank Account.: 1020

PAGE: 002
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
Check Total.....:				423.21	.00	423.21		
013456	11/28/11	OFF01	OFFICE DEPOT	91.64	.00	91.64	586777676	Office Supplies-POLICE
				134.83	.00	134.83	587044859	Office Supplies-POLICE
Check Total.....:				226.47	.00	226.47		
013457	11/28/11	PGE2A	PG&E	48.99	.00	48.99	111116	ELECT-BLUE HERON CT
013458	11/28/11	QUI02	QUILL CORPORATION	52.72	.00	52.72	8079518	Office Supplies-POLICE
				67.28	.00	67.28	8079965	Office Supplies-POLICE
Check Total.....:				120.00	.00	120.00		
013459	11/28/11	SCH01	LES SCHWAB TIRE CENTER	73.36	.00	73.36	611000026	MAT & SUPPLIES-BLD MAINT
013460	11/28/11	SWR01	SWRCB/AFRS	1359.00	.00	1359.00	SW-004214	Annual Permit-WWTP
013461	11/28/11	VAL07	VALLEY VETERINARY CLINIC,	139.96	.00	139.96	14413	K-9 PROGRAM-POLICE
013462	11/28/11	WAR05	WARREN, DANA KARL	509.20	.00	509.20	111121	REC INSTRUCTOR-REC
013463	11/29/11	ACC00	ACCESS INFORMATION	84.00	.00	84.00	N097974	EQUIP MAINT-
013464	11/29/11	CAM02	FERGUSON ENTERPRISES INC.	134.20	.00	134.20	0786749	MAT & SUPPLIES-WTR
013465	11/29/11	CCA01	CITY CLERKS ASSOC OF CA	80.00	.00	80.00	2012	Assoc.Dues City Clerk
013466	11/29/11	FAS02	FASTENAL COMPANY	26.60	.00	26.60	CAREB5717	MAT & SUPPLIES-SWR
013467	11/29/11	GRA02	GRAINGER, W.W., INC	200.70	.00	200.70	969075186	MAT & SUPPLIES-PARKS
013468	11/29/11	PAC16	PACIFIC TELEMANAGEMENT SE	38.00	.00	38.00	315296	COMMUNICATIONS-GEN CITY
013469	11/29/11	RED07	REDDING OIL COMPANY	528.44	.00	528.44	23422	VEH OP/MAINT-
013470	11/29/11	RON03	RON DUPRATT FORD	182.07	.00	182.07	687963	VEH OP/MAINT-
				.00	.00	.00	688045	VEH OP/MAINT-
				169.73	.00	169.73	688512	VEH OP/MAINT-
Check Total.....:				351.80	.00	351.80		
013471	11/29/11	SAN01	SANTA ROSA JUNIOR COLLEGE	23.00	.00	23.00	111129	TRAINING/ED-POLICE
013472	11/29/11	STA03	SHAC	62.00	.00	62.00	111128	TRAINING/ED-ACO
013473	11/29/11	UNI01	UNIGARD INSURANCE COMP.	421.00	.00	421.00	112811	Gen.Insurance General Cit
Cash Account Total.....:				22667.67	.00	22667.67		
Total Disbursements.....:				22667.67	.00	22667.67		

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REPORT.: Dec 07 11 Wednesday
 RUN....: Dec 07 11 Time: 12:21
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 12-11 Bank Account.: 1020

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

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
013484	12/01/11	COR07	CORBIN WILLITS SYSTEMS	729.72	.00	729.72	000B112011	Finance Dept.
013485	12/01/11	COR09	CORNING CHAMBER OF COMM.	1000.00	.00	1000.00	000B112011	CngChamberComm. Economic
013486	12/01/11	FIT01	FITZPATRICK LAW OFFICES	3575.00	.00	3575.00	000B112011	Consulting Serv LegalServ
013487	12/01/11	HAL05	HALL, ROBERT	104.70	.00	104.70	000B112011	ProfServices FireDepartme
013488	12/01/11	KEN00	KEN VAUGHAN & SONS	950.00	.00	950.00	000B112011	LANDSCAPE MAINT-
013489	12/01/11	MAI00	MAIRE & BURGESS	2025.00	.00	2025.00	000B112011	CONSULTING SVCS-LEGAL SVC
013490	12/01/11	PIT01	PITNEY BOWES	192.92	.00	192.92	000B112011	Rents/Leases Finance Dept
013491	12/01/11	S&L00	S & L BREWER ENTERPRISES	200.00	.00	200.00	000B112011	K-9 PROGRAM-POLICE
013492	12/01/11	TLD01	TEDC	208.33	.00	208.33	000B112011	Economic Development
013493	12/01/11	TOM03	TOMLINSON JR., ROBERT L.	54.70	.00	54.70	000B112011	PROF. SVCS-FIRE DEPT
013494	12/01/11	WHI05	WHITE GLOVE CLEANING SERV	2800.00	.00	2800.00	000B112011	JANITORIAL SVCS-
013495	12/01/11	AND04	ANDERSON, IAN MATTHEW	222.70	.00	222.70	111130	TRAINING/ED-POLICE
013496	12/01/11	SCH02	SCHMIDT, RALPH	53.66	.00	53.66	111201	Traing/Educ. PoliceServic
013497	12/05/11	ACT02	ACTION SPORT DEVELOPMENT,	15086.00	.00	15086.00	603	PROP 84 PARK-PROP 84
013498	12/05/11	PGE2B	PG&E	7426.28	.00	7426.28	112311	ELECT-WWTP
013499	12/05/11	ARA02	ARAMARK UNIFORM SRV. INC.	39.41	.00	39.41	1359319	MAT & SUPPLIES-
				39.41	.00	39.41	1369292	MAT & SUPPLIES-
				39.41	.00	39.41	1379344	MAT & SUPPLIES-
				39.41	.00	39.41	1388204	MAT & SUPPLIES-
			Check Total.....	157.64	.00	157.64		
013500	12/05/11	ASS11	ASSOC. OF PUBLIC-SAFETY C	250.00	.00	250.00	WPM\$5136	COMMUNICATIONS-POLICE
				630.00	.00	630.00	WPM\$2EDC.	MAT & SUPPLIES-
				100.00	.00	100.00	WPM\$6B60.	MAT & SUPPLIES-
				100.00	.00	100.00	WPM\$716D.	MAT & SUPPLIES-
			Check Total.....	1080.00	.00	1080.00		
013501	12/05/11	ATT14	AT&T	161.18	.00	161.18	111123	COMMUNICATIONS-FIRE
013502	12/05/11	BAS01	BASIC LABORATORY, INC	114.00	.00	114.00	1111330	ProfServices Water Dept
013503	12/05/11	COM01	COMPUTER LOGISTICS, INC	1679.86	.00	1679.86	54117	EQUIP MAINT-POLICE

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CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 12-11 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 #	Description
013503	12/05/11	COM01	COMPUTER LOGISTICS, INC	21.00	.00	21.00	54546	EQUIP MAINT-GEN CITY
				26.00	.00	26.00	54547	COMMUNICATIONS-POLICE
				116.67	.00	116.67	54548	COMMUNICATIONS-POLICE
				1840.00	.00	1840.00	54574	EQUIP MAINT-
			Check Total.....:	3683.53	.00	3683.53		
013504	12/05/11	COR01	CORNING VETERINARY CLINIC	483.35	.00	483.35	32658	ProfServices ACO/CSO
				70.00	.00	70.00	32661	SPAY/NEUTER PROG-ACO
			Check Total.....:	553.35	.00	553.35		
013505	12/05/11	COR08	CORNING LUMBER CO INC	228.13	.00	228.13	111129	SMALL TOOLS-
013506	12/05/11	DAY03	DAY WIRELESS SYSTEMS {04}	97.41	.00	97.41	970731	COMMUNICATIONS-POLICE
013507	12/05/11	DEP12	DEPT OF JUSTICE	175.00	.00	175.00	880798	PROF SVCS-POLICE
013508	12/05/11	FIT01	FITZPATRICK LAW OFFICES	4437.00	.00	4437.00	111205	Consulting Serv LegalServ
013509	12/05/11	JES10	JESSEE HEATING & AIR, INC	95.00	.00	95.00	052969	MAT & SUPPLIES-BLD MAINT
013510	12/05/11	LAB01	LAB. CORP. OF AMERICA	193.50	.00	193.50	36314152	PROF SVCS-POLICE
013511	12/05/11	MCC01	MCCOY'S HARDWARE & SUPPLY	85.20	.00	85.20	111125	MAT & SUPPLIES-
013512	12/05/11	NAP01	NAPA AUTO PARTS	510.46	.00	510.46	111122	MAT & SUPPLIES-
013513	12/05/11	NOR25	NORTHERN LIGHTS ENRGY, INC	2284.35	.00	2284.35	53031	VEH OP/MAINT-POLICE
				2802.85	.00	2802.85	53073	MAT & SUPPLIES-
				166.07	.00	166.07	53074	VEH/OP MAINT-FIRE
			Check Total.....:	5253.27	.00	5253.27		
013514	12/05/11	NOR31	NORM'S PRINTING	139.64	.00	139.64	010632	OFFICE SUPPLIES-FINANCE
013515	12/05/11	PGE01	PG&E	141.91	.00	141.91	111128	ELECT-STR & TRF LIGHTS
				282.35	.00	282.35	111129	ELECT-SWR
			Check Total.....:	424.26	.00	424.26		
013516	12/05/11	PGE2A	PG&E	219.84	.00	219.84	111130	ELECT-
				22.09	.00	22.09	111201	ELECT-MARTINI PLAZA
			Check Total.....:	241.93	.00	241.93		
013517	12/05/11	RED14	RED BLUFF OUTDOOR POWER,	15.42	.00	15.42	014581	MAT & SUPPLIES-
013518	12/05/11	RON03	RON DUPRATT FORD	36.52	.00	36.52	588905	VEH/OP MAINT-FIRE

REPORT.: Dec 07 11 Wednesday
 RUN....: Dec 07 11 Time: 12:21
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CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 12-11 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 #	Description
013518	12/05/11	RON03	RON DUPRATT FORD	81.38	.00	81.38	688904	VEH/OP MAINT-FIRE
				73.47	.00	73.47	688965	VEH/OP MAINT-FIRE
				35.20	.00	35.20	689287	VEH/OP MAINT-POLICE
			Check Total.....:	226.57	.00	226.57		
013519	12/05/11	SCH01	LES SCHWAB TIRE CENTER	486.34	.00	486.34	AG173780	Veh Opr/Maint-POLICE
013520	12/05/11	TEH08	COUNTY OF TEHAMA	24.00	.00	24.00	111205	MAT & SUPPLIES-
013521	12/05/11	THO01	THOMES CREEK ROCK CO	136.02	.00	136.02	111201	MAT & SUPPLIES-WTR
013522	12/05/11	UNI02	UNIFORMS, TUXEDOS & MORE	566.87	.00	566.87	110453	UNIFORMS/CLOTH-POLICE
013523	12/05/11	USA01	USA BLUE BOOK	95.45	.00	95.45	542290	MAT & SUPPLIES-WTR
				62.75	.00	62.75	543862	MAT & SUPPLIES-WTR
			Check Total.....:	158.20	.00	158.20		
013524	12/05/11	USB01	US BANCORP EQUIPMENT FINA	899.96	.00	899.96	191201706	RENT/LEASES-GEN CITY
013525	12/05/11	XER00	XEROX CORPORATION	234.63	.00	234.63	058850075	EQUIP MAINT-POLICE
013526	12/07/11	AND01	ED ANDERSON	7380.00	.00	7380.00	11-1205	ProfServices-
013527	12/07/11	ATT02	AT&T	1085.97	.00	1085.97	111125	COMMUNICATIONS-
013528	12/07/11	ATT14	AT&T	182.03	.00	182.03	111123P	COMMUNICATIONS-POLICE
013529	12/07/11	BAS01	BASIC LABORATORY, INC	114.00	.00	114.00	1111438	ProfServices Water Dept
013530	12/07/11	BAT01	BATTERIES PLUS	30.89	.00	30.89	147504	MAT & SUPPLIES-POLICE
013531	12/07/11	CME00	CMESA CONSULTING MADE EAS	1732.50	.00	1732.50	1003	PROP 84 PARK-PROP 84 NONC
013532	12/07/11	COR22	CORNING MEDICAL ASSOC	196.00	.00	196.00	111130	PROF SVCS-POLICE
013533	12/07/11	FAS02	FASTENAL COMPANY	105.48	.00	105.48	CAREB5747	MAT & SUPPLIES-SWR
013534	12/07/11	FIR02	FIRST NATIONAL BANK	1260.84	.00	1260.84	111129	TRAINING/ED-POLICE
013535	12/07/11	NOR31	NORM'S PRINTING	122.24	.00	122.24	010645	OFFICE SUPPLIES-FINANCE
013536	12/07/11	PAT02	PATTERSON ELECTRIC, INC.	1948.97	.00	1948.97	2462	MAT & SUPPLIES-AIRPORT
				275.84	.00	275.84	2520	MAT & SUPPLIES-AIRPORT
			Check Total.....:	2224.81	.00	2224.81		
013537	12/07/11	PGE04	PG&E	115.30	.00	115.30	111201	TranspFacility-

REPORT.: Dec 07 11 Wednesday
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CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 12-11 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 #	Description
013537	12/07/11	PGE04	PG&E	442.38	.00	442.38	111201A	TranspFacility-
Check Total.....:				557.68	.00	557.68		
013538	12/07/11	PGE05	PG&E	916.47	.00	916.47	111201	FIRE-ELECT & GAS
013539	12/07/11	PGE2A	PG&E	28.11	.00	28.11	111202	ELECT-CLELAND PROP
013540	12/07/11	SUN01	SUNRISE ENVIRONMENTAL	146.27	.00	146.27	12505	BLD MAINT-FIRE
013541	12/07/11	TRI02	TRI-COUNTY NEWSPAPERS	235.09	.00	235.09	128500	Print/Advert. City Clerk
				123.09	.00	123.09	129740	Print/Advert. City Clerk
Check Total.....:				358.18	.00	358.18		
013542	12/07/11	UNI07	UNION BANK OF CALIF	2260.00	.00	2260.00	7137	Bond Trustee-
013543	12/07/11	WAR05	WARREN, DANA KARL	428.45	.00	428.45	111206	REC INSTRUCTOR-REC
013544	12/07/11	HAT10	HATFIELD'S	748.71	.00	748.71	121125	Mat/Supplies-
013545	12/07/11	HUP00	HUPP NEON LLC	277.39	.00	277.39	111130	THEATER MARQUEE-RODGERS T
013546	12/07/11	MCD01	MCDANIEL SIGN COMPANY	402.19	.00	402.19	3254	VEH REPLAC-POLICE
013547	12/07/11	NOR31	NORM'S PRINTING	61.67	.00	61.67	010656	PRINTING/ADV-POLICE
013548	12/07/11	TEH15	TEHAMA CO SHERIFF'S DEPT	73.50	.00	73.50	111206	PROF SVCS-
Cash Account Total.....:				75700.90	.00	75700.90		
Total Disbursements.....:				75700.90	.00	75700.90		

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Date.: Dec 7, 2011
Time.: 12:39 pm
Run by: LORI

CITY OF CORNING
NEW BUSINESSES FOR CITY COUNCIL

Page.: 1
List.: NEWB
Group: WTFMB

Business Name	Address	CITY/STATE/ZIP	Contact Name	Business Desc. #1	Business Start Date	Primary Teleph
CORNING SHELL	2176 SOLANO ST	CORNING, CA 96021		FASTBRE SHELL CONVENIENCE STORE & CAR WASH	12/01/11	(530)824-3413
COVERT WINDOW TINTIN 764	VIRGINIA ST	CHICO, CA 95928	ELLIOTT TIM	MOBILE WINDOW TINTING	11/21/11	(775)576-9236
HOUSE OF BREWS SPECL 615	FOURTH ST	CORNING, CA 96021	PENDERGRAFT JAMES	COFFEE SHOP; SERVING COFFEE, PASTRIES, E	11/21/11	(530)824-9000

ITEM NO.: G-5

CITY OF CORNING**NOVEMBER 2011****TREASURERS REPORT**

AGENCY	BALANCE	RATE	MATURES ON
LOCAL AGENCY INVESTMENT FUND	1,264,133.54	.38	
PREMIER WEST BANK	199,537.26	.45	03/28/12
PREMIER WEST BANK	179,055.89	.45	04/20/12
TRUST ACCOUNTS			
PREMIER WEST BANK RIDELL TRUST	212,663.78	.90	12/13/11

Respectfully Submitted

Pala Cantrell
City Treasurer

CITY OF CORNING
PERMITS ISSUED (sort by Permit #)

For the Period 11/1/2011 thru 11/30/2011

Owner and Address	Parcel Number	Issued On	Valuation
GARY GRAJCYK 1600 COLUSA ST CORNING CA 96021 Permit Description: CHANGE OUT HVAC	7104207 Site Street Address: 1600 COLUSA ST	11/3/2011	6,890.00
JOYCE SCOTT 1413 NORTH ST CORNING CA 96021 Permit Description: ADD GAS LINE TO RELOCATE METER	7104506 Site Street Address: 1413 NORTH ST	11/2/2011	1,000.00
CITY OF CORNING 815 HWY 99W CORNING CA 96021 Permit Description: INSTALL NEW WAYFINDING SIGN	7114036 Site Street Address: 815 HWY 99W	11/10/2011	4,000.00
ROSEMARY MESKER 510 SIXTH ST CORNING CA 96021 Permit Description: TEAR OFF, RESHEAT, & REROOF	7110509 Site Street Address: 510 SIXTH ST	11/7/2011	7,980.00
GARY WOMACK 617 FIFTH ST CORNING CA 96021 Permit Description: UPGRADE TO 200 AMP ELECT. SERVICE	7111409 Site Street Address: 617 FIFTH ST	11/8/2011	450.00
LOVES TRAVEL STOPS 2116 SOUTH AVE CORNING CA 96021 Permit Description: INSTALL NEW WAYFINDING SIGN	8705069 Site Street Address: 2116 SOUTH AVE	11/10/2011	4,000.00
ART PATTERSON 703 FOURTH ST CORNING CA 96021 Permit Description: ADD 100 AMP ELECT. & GAS METER	7113501 Site Street Address: 703 FOURTH ST	11/16/2011	250.00

CITY OF CORNING

PERMITS ISSUED (sort by Permit #)

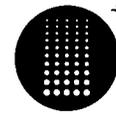
For the Period 11/1/2011 thru 11/30/2011

Owner and Address	Parcel Number	Issued On	Valuation
TRAVEL CENTERS OF AMERICA 2041 SOUTH AVE CORNING CA 96021 Permit Description: DEMO BUILDINGS & ABANDON ALL UTIATIES	8710043 Site Street Address: 2041 SOUTH AVE	11/21/2011	50,000.00

CRANE MILLS 2120 LOLETA AVE CORNING CA 96021 Permit Description: ADD METAL CANOPY	7130026 Site Street Address: 2120 LOLETA AVE	11/21/2011	28,000.00
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9 Permits Issued from 11/1/2011 Thru 11/30/2011 OR A TOTAL VALUATION OF \$ 102,570.00

*** END OF REPORT ***



**CITY OF CORNING
WASTEWATER OPERATION SUMMARY REPORT
NOVEMBER 2011**

Below is a summary of the Monthly Operations Report that will be available for City review on December 2011

- 1) Filled out monthly reports.
- 2) Performed weekly Operator 10 maintenance on all plant equipment.
- 3) Changed flow disk.
- 4) Sent vehicle report to Texas.
- 5) Wasted to thickener
- 6) Staff meeting on plant operations and issues.
- 7) Changed chart on So3 analyzer.
- 8) Safety meeting.
- 9) Collected priority pollutants sample
- 10) Inspected eyewash and emergency showers.
- 11) Unloaded chlorine truck.
- 12) Cleaned So2 pump.
- 13) Checked storm water discharge sites at WWTP and airport.
- 14) Cleaned distiller.
- 15) Tested all chlorine and So2 sensors

DEC 05 2011

- 16) Cleaned probe at lift station.
- 17) Tested alarms with Fire Dept.
- 18) Secured irrigation water line and drained back flow valve.
- 19) TelStar performed annual flow meter calibration.
- 20) Collected sample and ran Colilert test on eye wash station.
- 21) Exercised emergency generator.
- 22) Held employee training.
- 23) IIPP plant inspection
- 24) Revised SOP for chemical cylinder inspection.
- 25) Checked all fire extinguishers.
- 26) Picked up fish for bioassay test
- 27) Downloaded data logger from effluent chart recorder
- 28) Completed SSO report
- 29) Collected River samples
- 30) Mowed lawns.
- 31) Performed maintenance on service truck, hydro-jet and back hoe.
- 32) Northern Fire Protection held annual fire safety training

NOVEMBER 2011

Domestic Flow Monthly Average = 679,700 GPD

**ITEM NO: G-10
 APPROVE PROGRESS PAY ESTIMATE
 NO. 5 IN THE AMOUNT OF \$6,238.51 AND
 APPROVE CONTRACT CHANGE ORDER
 NO. 3 TO INCREASE THE PROJECT COST
 TO \$613,337.78 FOR THE CLARK PARK
 MUNICIPAL WATER WELL PROJECT**

DECEMBER 13, 2011

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

**FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
 JOHN L. BREWER, AICP; DIRECTOR OF PUBLIC WORKS
 ED ANDERSON, CITY ENGINEER**



SUMMARY:

Attached for City Council review is a copy of Partial Pay Estimate No. 5 requesting payment of \$6,238.51 for the Clark Park Municipal Water Well Project. The Pay Estimate lists the original contract amount, any change orders/adjustments, work completed to date, retention amount and current amount due to Trent Construction.

Also attached for Council review is a copy of Contract Change Order No. 3 requesting an increase of \$6,733.78 for a total project cost of \$613,337.78. The reasons for the change order are listed under "Justifications" in the Contract Change Order document.

Contract Change Order #3:

Description of Changes	DECREASE In Contract Price	INCREASE In Contract Price
1. Increase in cost of pump/motor and pump shaft since bid opening		\$5,152.56
2. Increase in cost of well chlorinator since bid opening		\$ 754.75
3. Decrease in cost of generator since bid opening	\$ 866.85	
4. Increase in cost for greater length of transducer wire		\$ 180.00
5. Install 1-inch telephone conduit in UG power cable trench		\$ 200.00
6. Re-weld stilling well pipe onto well casing		\$ 435.00
	Total: <u>-\$ 866.85</u>	<u>+\$6,722.31</u>
		Net Change: +5,855.46
		15% OH&P <u>\$ 878.32</u>
		Net Change in Contract Price: +\$6,733.78

The following is a summary of the project costs to date:

Original Construction Contract	\$ 594,089.00
Contract Change Order #1	\$ 7,619.00
Contract Change Order #2	\$ 4,896.00
Proposed Contract Change Order #3	<u>\$ 6,733.78</u>
Total Adjusted Contract Amount	\$ 613,337.78

Progress Payment Estimate #5:

Kendal Trent has submitted a Partial Payment request for work recently completed, including clean-up around the building and disposal of drilling mud, and work on the wellhouse and totaling \$6,238.51. The Director of Public Works and the City Engineer have reviewed and approved this payment request.

<u>PPE No. 1</u>	<u>\$ 56,753.94</u>
Work completed	\$ 40,984.50
Stored Materials	\$ 15,769.44
Retention to be held (10%)	<u>\$ (5,675.40)</u>
Amount paid to Contractor	\$ 51,078.54

<u>PPE No. 2</u>	
Work Completed to date	\$ 205,608.50
Retention to be held (10%)	\$ (20,560.85)
Amount previously paid	<u>\$ (51,078.54)</u>
Amount paid to Contractor	\$ 133,969.11

<u>PPE No. 3</u>	
Work Completed to date	\$ 240,797.61
Retention to be held (10%)	\$ (24,079.77)
Amount previously paid	<u>\$ (185,047.65)</u>
Amount paid to Contractor	\$ 31,670.19

<u>PPE No. 4</u>	
Work Completed to date	\$ 289,971.25
Retention to be held (10%)	\$ (28,997.13)
Amount previously paid	<u>\$ (216,717.84)</u>
Amount paid to Contractor	\$ 44,256.28

<u>PPE No. 5</u>	
Work Completed to date	\$ 296,902.92
Retention to be held (10%)	\$ (29,690.29)
Amount previously paid	<u>\$ (260,974.12)</u>
Amount due to Contractor	\$ 6,238.51

Funding for this project is provided by FY 11/12 budget line number 384-9275-7420 (Clark Park Water Well/Water Improvements).

BACKGROUND:

The Clark Park Municipal Water Well Project contract was awarded to Trent Construction of Gerber, CA at the May 24, 2011 Regular City Council Meeting. The new water well is currently under construction at Estil Clark Park located on Fig Lane in Corning.

RECOMMENDATION:

That the Mayor and Council:

- 1. Approve Progress Pay Estimate No. 5 in the amount of \$6,238.51 to Trent Construction for the Clark Park Municipal Water Well Project and,**
- 2. Approve Contract Change Order No. 3 increasing the Project Cost to \$613,337.78**

CONTRACT CHANGE ORDER

Order No. 3

Date: November 16, 2011

Contract for: Clark Park Water Well, Pump Station, Water Line, and related work

Owner: City of Corning, 794 Third Street, Corning, CA 96021

To: Trent Construction, 8270 Truckee Avenue, Gerber, CA 96035

You are hereby requested to comply with the following changes from the contract plans and specifications.

Description of Changes	DECREASE In Contract Price	INCREASE In Contract Price
1. Increase in cost of pump/motor and pump shaft since bid opening		\$5,152.56
2. Increase in cost of well chlorinator since bid opening		\$ 754.75
3. Decrease in cost of generator since bid opening	<u>\$ 866.85</u>	
4. Increase in cost for greater length of transducer wire		\$ 180.00
5. Install 1-inch telephone conduit in UG power cable trench		\$ 200.00
6. Re-weld stilling well pipe onto well casing		<u>\$ 435.00</u>
	Total: -\$ 866.85	+\$6,722.31
	Net Change:	+5,855.46
	15% OH&P	<u>\$ 878.32</u>
	Net Change in Contract Price:	+\$6,733.78

JUSTIFICATIONS:

1, 2, 3 & 4: The contract documents provide for a price adjustment of those components dependent upon the characteristics of the well following its development, pumping level and yield determination. Additionally, a price adjustment in the cost of the related equipment is eligible because of the time delay between the bid opening and the final development of the well. The size of the pump/motor, generator and related components that were estimated to be needed in the contract documents has changed. The pump/motor and other related components are smaller than specified; however, there has been an approximate 10% price increase since the bid opening. Consequently, even though the pump/motor and well chlorinator are smaller in size, the cost increase slightly outweighs the savings. However, the generator cost is actually a little less, because of the size reduction. Additionally, the pump bowl assembly has been set at 250-feet, verses the estimated 175-feet in the bid documents, requiring a longer pump shaft and stilling well cable. The reason for the greater depth is because of the lower pumping water level at the desired pumping rate of 1,000 gallons per minute.

5. PG&E requested the installation of a 1-inch conduit in the power trench between the transformer power pole and the main power panel on the building to facilitate their remote meter reading equipment.

6. The length of the stilling well transducer is longer than anticipated and consequently it will not fit through the 2-inch pipe originally welded onto the well casing as designed because of the angle, without interfering with the 8-inch pump column. The pipe must be cut from the casing and re-welded at a steeper angle to allow entry of the transducer into the well.

7. A time extension is requested as a result of the delays in ordering the pump and other components related to the depth of the well and pumping requirements as well as the normal delays expected during the holiday season. The estimated completion date is being extended to March 3, 2012

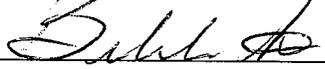
The contract total including this and previous change orders will be: \$ 613,337.78

The contract completion duration will increase to: 270 days, (Est. Mar. 03, 2012)

This document will become a supplement to the Contract and all provisions will apply hereto.

Requested: _____ Date: _____
City of Corning

Recommended: J. E. (Ed) Anderson Date: _____
J.E. (Ed) Anderson, City Engr.

Accepted:  Date: 11-29-11
Trent Construction

Approved: _____ Date: _____
USDA-Rural Development

Progress Estimate

Contractor's Application

For Estil Clark						Application #				
Park Project						Five				
Application						Application Date:				
Period 11/1/11 to 11/30/11						Nov. 30, 2011				
A			B	C	D	E	F		G	
Item		Bid Quantit y	Unit Price	Bid Value	Estimated Quantity Installed	Value	Materials Presently Stored (not in C)	Total Completed and Stored to Date (D + E)	% (F) B	Balance to Finish (B - F)
Bid Item No.	Description									
1	Mob & Demo of eq. site work cleanup, water & mud disposal, complete in place.	Lump sum	\$27,045.00	\$27,045.00	100%	\$27,045.00		\$27,045.00	100.0%	\$0.00
2	Drilling & electric logging test bore, complete in place.	400 lf	\$41.30	\$16,520.00	400	\$16,520.00		\$16,520.00	100.0%	\$0.00
3	Reaming test bore to 2" diameter, complete in place.	400 lf	\$73.16	\$29,264.00	400	\$29,264.00		\$29,264.00	100.0%	\$0.00
4	Furnish & install 14" well screen, complete in place.	300 lf	\$35.20	\$10,560.00	300	\$10,560.00		\$10,560.00	100.0%	\$0.00
5	Furnish & install 14" well screen, complete in place.	100 lf	\$117.60	\$11,760.00	100	\$11,760.00		\$11,760.00	100.0%	\$0.00
6	Furnish & install cement grout sanitary seal including 2" gravel fill pipe, complete in place.	50	\$60.00	\$3,000.00	50	\$3,000.00		\$3,000.00	100.0%	\$0.00
7	Furnish & install continuous pour gravel pack, complete in place.	350 lf	\$29.50	\$10,325.00	350	\$10,325.00		\$10,325.00	100.0%	\$0.00
8	Furnish, install & remove test pump, complete	Lump sum	\$7,200.00	\$7,200.00	100%	\$7,200.00		\$7,200.00	100.0%	\$0.00
9	Operate test pump & dispose of water, complete	24 hrs	\$210.00	\$5,040.00	100%	\$5,040.00		\$5,040.00	100.0%	\$0.00
10	Obtain water sample & provide complete mineral analysis per DPHS requirements, complete	Lump sum	\$1,800.00	\$1,800.00	100%	\$1,800.00		\$1,800.00	100.0%	\$0.00
11	Disinfect & cap well, complete in place.	Lump sum	\$1,320.00	\$1,320.00	100%	\$1,320.00		\$1,320.00	100.0%	\$0.00
12	Abandonment of test bore, if required, complete in place.	Lump sum	\$1,200.00	\$1,200.00	100%	\$1,200.00		\$1,200.00	100.0%	\$0.00
13	Furnish & install a complete pumping unit consisting of 150-HP DWT pump & motor, column, bowls, VFD unit, 1" chlorine injection pipe, sounding pipe, & all related electrical & mechanical controls, piping, chlorinator, & all related misc. work, complete in place.	Lump sum	\$125,410.00	\$125,410.00	0%	\$0.00		\$0.00	0.0%	\$125,410.00
14	Furnish & install a 200 KW, Diesel Generator, Auto transfer switch, & all required electrical components complete in place.	Lump sum	\$95,993.00	\$95,993.00	0%	\$0.00		\$0.00	0.0%	\$95,993.00

15	Construct slump block building, including electrical, air conditioning, structural, louvers, concrete, mechanical, & all related work, complete in place.	Lump sum	\$143,746.00	\$143,746.00	43%	\$60,373.32	\$60,373.32	43.0%	\$83,372.68
	Foundation		\$8,969.39						
	Block		\$22,166.69						
	Framing		\$7,056.79						
	Doors & Hardware		\$5,914.15						
	Paint		\$7,540.59						
	Plumbing		\$5,463.79						
	Trench for Electrical		\$2,390.68						
	Electrical		\$60,888.00						
	Trusses		\$918.04						
	Roof		\$4,130.00						
	HVAC		\$18,308.88						
16	Furnish & install 10" PVC, CI.50 water main, complete in place.	\$60.00	\$118.00	\$7,080.00	57	\$6,726.00	\$6,726.00	95%	\$354.00
17	Furnish & install 10" gate valve, w/valve box & concrete collar, complete in place.	1 ea.	\$4,344.00	\$4,344.00	1	\$4,344.00	\$4,344.00	100%	\$0.00
18	Connect 10" PVC to existing 8" PVC with CI tee & fittings, complete in place.	1 ea.	\$3,300.00	\$3,300.00	1	\$3,300.00	\$3,300.00	100%	\$0.00
19	Furnish & install 8" PVC, CI.150 water main, complete in place.	930lf	\$67.30	\$62,589.00	600	\$62,589.00	\$62,589.00	100%	\$0.00
20	Connect new 8" PVC water main to existing 8" PVC water main, complete in place.	4 ea.	\$1,450.00	\$5,800.00	4	\$5,800.00	\$5,800.00	100%	\$0.00
21	Furnish & install 8" gate valve, w/valve box & concrete collar, complete in place.	3 ea.	\$2,870.00	\$8,610.00	3	\$8,610.00	\$8,610.00	100%	\$0.00
22	Culvert crossing on Marguerite Ave. Complete in place.	Lump sum	\$4,328.00	\$4,328.00	100%	\$4,328.00	\$4,328.00	100%	\$0.00
23	Furnish & install 8" double saddle & corporation stop on new 8" PVC water main, complete in place.	8 ea.	\$285.00	\$2,280.00	8	\$2,280.00	\$2,280.00	100%	\$0.00
24	Traffic control, complete	Lump sum	\$3,000.00	\$3,000.00	100%	\$3,000.00	\$3,000.00	100%	\$0.00
25	Prepare, obtain & implement a SWPP from the CRWQCB & pay the permit fee (estimated \$317.00 & install all required drainage protection facilities to comply with the permit requirements, complete in place.	Lump sum	\$2,000.00	\$2,000.00	100%	\$2,000.00	\$2,000.00	100%	\$0.00
26	Furnish & install a 4' x 8' project sign, in accordance with the sign parameters, complete in place.	Lump sum	\$575.00	\$575.00	100%	\$575.00	\$575.00	100%	\$0.00

Contract Amount			\$594,089.00		\$288,959.32	\$288,959.32		\$305,129.68
Change Order #1		\$7,619.00	\$7,619.00	40%	\$3,047.60	\$3,047.60		\$4,571.40
Change Order #2								
Line #1 increase		\$16,511.70	\$16,511.70	100%	\$16,511.70	\$16,511.70	100%	\$0.00
Line #2 increase		\$8,687.15	\$8,687.15	100%	\$8,687.15	\$8,687.15	100%	\$0.00
Line #3 increase		\$6,234.15	\$6,234.15	100%	\$6,234.15	\$6,234.15	100%	\$0.00
Line 4 Decrease (Sv#19)		(\$22,209.00)	(\$22,209.00)	100%	(\$22,209.00)	(\$22,209.00)	100%	\$0.00
Line 5 Decrease (SV#22)		(\$4,328.00)	(\$4,328.00)	100%	(\$4,328.00)	(\$4,328.00)	100%	\$0.00
Change Order #3		\$6,733.78	\$6,733.78	\$0.00	\$0.00	\$0.00	0%	\$6,733.78
New Contract Amount			\$613,337.78		\$296,902.92	\$0.00	\$296,902.92	\$316,434.86

**ITEM NO: G-11
APPROVE CANCELLATION OF THE
DECEMBER 27, 2011 CITY COUNCIL
MEETING DUE TO THE CHRISTMAS
HOLIDAY
DECEMBER 13, 2011**

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

**FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
LISA M. LINNET, CITY CLERK**

SUMMARY:

Staff seeks City Council approval to cancel the December 27, 2011 City Council Meeting due to the Christmas Holidays.

BACKGROUND:

City Hall is closed on December 23rd and 26th for the Christmas Holidays. City Council traditionally cancels the second regularly scheduled Council Meeting in December, which falls on December 27th this year, due to the Holidays.

RECOMMENDATION:

MAYOR AND COUNCIL APPROVE CANCELLATION OF THE DECEMBER 27, 2011 REGULARLY SCHEDULED CITY COUNCIL MEETING DUE TO THE HOLIDAYS.

**ITEM NO. G-12
RESOLUTION NO. 12-13-2011-04; ACCEPTING
DEDICATION OF PUBLIC PROPERTY FROM
MARIA MARTHA SANCHEZ AND JOSE LUIS
DAMIAN FOR PHASE 2 OF SOUTH AVENUE
INTERCHANGE PROJECT.**

DECEMBER 13, 2011

TO: CITY COUNCIL OF THE CITY OF CORNING, CALIFORNIA

**FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
JOHN L. BREWER, AICP; PUBLIC WORKS DIRECTOR**



SUMMARY:

The second phase South Avenue interchange project requires acquisition of additional properties for right of way along the interchange and at the adjacent street intersections. Caltrans Right of Way Agents are working to acquire those properties. Based on their locations, some of the properties will be acquired as State R/W, and some as City R/W.

State law requires public agencies to "accept" property offered for dedication. We have a Cooperative Agreement (dated October 25, 2010) with Caltrans to "accept" the properties that'll become City street R/W. The attached deed from Maria Martha Sanchez and Jose Luis Damian to the City is a property that'll become City R/W. The deed grants the City of Corning a small (0.09 ac.) piece of property along the south side of South Avenue and west of the future intersection of realigned Barham Avenue.

Note that this is one of twelve such properties to be acquired as part of the second phase of the interchange improvement project. The Mayor is authorized to execute (sign) deeds on behalf of the City, per Resolution 05-22-07-01 (attached). However, the City Attorney recently reviewed our policy for accepting properties and recommends that the Council adopt a resolution of acceptance. Resolution No. 12-13-2011-04 is offered for that purpose.

**RECOMMENDATION:
That the City Council;**

- **ADOPT RESOLUTION NO. 12-13-2011-04; A RESOLUTION TO ACCEPT THE 0.09 ACRE PROPERTY OFFERED ON THE DEED FROM MARIA MARTHA SANCHEZ AND JOSE LUIS DAMIAN, DATED NOVEMBER 30, 2011.**

RESOLUTION NO. 12-13-2011-04

**A RESOLUTION AOF THE CITY COUNCIL OF THE CITY OF CORNING CCEPTING
PROPERTY FOR ADDITIONAL STREET RIGHT OF WAY FOR PHASE 2 OF THE SOUTH
AVENUE INTERCHANGE IMPROVEMENT PROJECT**

WHEREAS, the City of Corning supports the construction of Phase 2 of the South Avenue Interchange Improvement Project, and,

WHEREAS, unexpended funds from Phase 1 of the South Avenue Interchange Project are available for purchase of properties necessary for the development of Phase 2 of the South Avenue Interchange Improvement Project, and

WHEREAS, those additional properties necessary for the street right of way are identified on the Caltrans Right of Way Map No. 370702.102, and,

WHEREAS, the City has entered into an agreement with the California Department of Transportation (Caltrans) to accept properties offered as street right of way to facilitate development of Phase 2 of the South Avenue Interchange Improvement Project, and

WHEREAS, Caltrans has prepared the attached Highway Easement Deed dated November 30, 2011 which offer a portion of APN 87-090-50 for street right of way purposes.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Corning does hereby accept said property offered by Maria Martha Sanchez and Jose Luis Damien as described on the attached Highway Easement Deed and directs the Mayor to sign the certificate accepting said property.



The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Corning on December 13, 2011 by the following vote:

AYES:

NOES:

ABSENT OR ABSTAIN:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk

RESOLUTION NO. 05-22-07-01

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORNING
AUTHORIZING THE CITY MAYOR TO EXECUTE AND ACCEPT
DEEDS**

WHEREAS, the City from time to time decides to convey interests in real property from the City to others and accept property from others to the City; and

WHEREAS, these property conveyances and acceptances may constitute grants in fee title, easements, rights-of-way, encroachments, licenses and other types of real property interests; and

WHEREAS, the County Recorder's Office requires that the recording of such deeds be accompanied by a Resolution of the City of Corning authorizing the conveyance and/or acceptance.

NOW, THEREFORE, BE IT RESOLVED that:

1. The Mayor of the City of Corning is hereby authorized to execute deeds of interests in real property on behalf of the City of Corning conveying any interests owned by the City to persons and entities other than the City; and
2. The Mayor of the City of Corning is hereby authorized on behalf of the City of Corning to execute documents accepting any interests in real property conveyed by persons and entities to the City of Corning; and
3. The Recorder's Office of the County in which such real property is situated is hereby authorized to accept and record such deeds, if accompanied by a Certificate duly executed by the Mayor of the City of Corning, as sufficient documentation that the City of Corning has duly authorized each such conveyance and/or acceptance.

The foregoing resolution was passed by the City Council of the City of Corning, this 22nd day of May 2007.

AYES: Strack, Hill, Dickison, Zuniga and Turner

NOES: None.

ABSENT: None.

ABSTAINING: None.



Gary R. Strack, Mayor

ATTEST:



Lisa M. Linnet, City Clerk

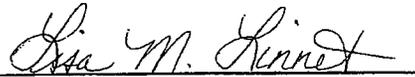
STATE OF CALIFORNIA)

COUNTY OF TEHAMA) SS

CITY OF CORNING)

I, Lisa M. Linnet, City Clerk of the City of Corning, do hereby certify that the foregoing is a true and correct copy of Resolution No. 05-22-07-01 adopted by the City Council of the City of Corning at the May 22, 2007 regular City Council meeting by the votes listed on the attached copy of the Resolution.

ATTEST:



Lisa M. Linnet
Lisa M. Linnet, City Clerk

APN 87-090-50(Portion)

Space above this line for Recorder's Use

**HIGHWAY EASEMENT
DEED
(INDIVIDUAL)**

District	County	Route	Postmile	Number
02	TEH	5	7.5	13553

Maria Martha Sanchez, a single woman, and Jose Luis Damian, a single man, as Joint Tenants

Grant, convey and dedicate to the CITY OF CORNING the right of way and incidents thereto for a public highway upon, over and across that certain real property, in the unincorporated territory of the County of Tehama,

State of California, described as:

That portion of the lands conveyed to Maria Martha Sanchez and Jose Luis Damian, by deed recorded May 4, 2007 as Document Number 2007008203, Official Records of Tehama County, being a portion of Parcel 1 of Parcel Map No. 79-66 filed May 1, 1980 in Book 6 of Parcel Maps at page 172, Tehama County Records, described as follows:

Commencing at a 5/8-inch rebar with cap stamped "LS 5712" set at a point lying 77.66 feet westerly of the northeast corner of Lot 7 of Block 219, Maywood Colony No. 25, as shown on the Record of Survey filed March 18, 1996 in Book Y of Maps at page 42, Tehama County Records, from which a 5/8-inch rebar with cap stamped "LS 5712", as shown on said Record of Survey, bears S 89°00'15" E, 671.45 feet;

thence, S 24°34'34" W, 717.82 feet;

thence, S 0°02'58" E, 50.00 feet to a point hereinafter referred to as Point A;

thence, N 89°53'52" E, 141.88 feet, to a point on the east line of Parcel 2 of said Parcel Map No. 79-66, being the TRUE POINT OF BEGINNING;

thence, continuing N 89°53'52" E, 138.33 feet to a point that is 280.21 feet from said Point A;

Parcel 13553
Page 2

thence, S 86°28'31" E, 96.78 feet to a point on the east line of said Parcel 1;

thence, northerly along said line 20.30 feet to the south line of the "10 foot dedication for road and public utilities" shown on said Parcel Map No. 79-66;

thence, westerly along said south line to its intersection with the east line of said Parcel 2;

thence, southerly along said east line to the TRUE POINT OF BEGINNING.

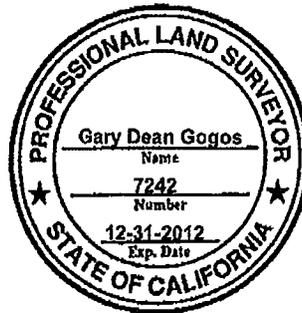
Containing 0.09 acres, more or less.

Bearings and distances are based on the California Coordinate System of 1983(1991.35), Zone 1. Divide distances by 1.00001940 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

Signature Gary D. Gogos
Professional Land Surveyor

Date 8/11/11



Subject to all matters of record.

The grantor hereby further grants to grantee all trees, growths (growing or that may hereafter grow), and road building materials within said right of way, including the right to take water, together with the right to use the same in such manner and at such locations as said grantee may deem proper, needful or necessary, in the construction, reconstruction, improvement or maintenance of said highway.

The grantor, for the grantor and the grantor's successors and assigns, hereby waives any claim for any and all damages to grantor's remaining property contiguous to the right of way hereby conveyed by reason of the location, construction, landscaping or maintenance of said highway.

(As used above, the term "grantor" shall include the plural as well as the singular number.)

Dated this 30th day of November, 2011

Maria M. Sanchez
Maria Martha Sanchez

Jose Luis Damian
Jose Luis Damian

STATE OF CALIFORNIA }
County of Tehama } SS

PERSONAL ACKNOWLEDGMENT

On this the 30th day of November 2011, before me, Jason Richard Verduzco, Notary Public,
Name, Title of Officer-E.G., "Jane Doe, Notary Public"

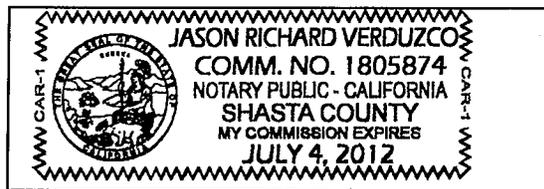
personally appeared Maria M. Sanchez and Jose Luis Damian
Name(s) of Signer(s)

- personally known to me
- 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.

WITNESS my hand and official seal.

[Signature]
(Notary Public's signature in and for said County and State)



(for notary seal or stamp)

THIS IS TO CERTIFY, That the City of Corning, hereby accepts for public purposes the real property described in the within deed and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20 _____

City of Corning

By _____
Gary R. Strack, Mayor

**ITEM NO. G-13
APPROVE PROGRESS PAY ESTIMATE NO. 1 IN
THE AMOUNT OF \$206,389.08 AND CONTRACT
CHANGE ORDER NO. 1 IN THE AMOUNT OF
\$6,211.20 FOR THE 2011 STREET PAVING
PROJECT INCREASING THE PROJECT COST
TO \$239,227.95**

DECEMBER 13, 2011

TO: CITY COUNCIL OF THE CITY OF CORNING, CALIFORNIA
FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
JOHN L. BREWER, AICP; PUBLIC WORKS DIRECTOR
ED ANDERSON, CITY ENGINEER



SUMMARY:

We're very happy to have the 2011 Street Paving Project essentially completed. As of this writing (Thursday Dec. 8), only pavement marking work remains uncompleted. It may actually be completed by the meeting date.

Attached for City Council review is a copy of Progress Pay Estimate No. 1 and Change Order No. 1 for the 2011 Street Paving Project which is nearing completion. Staff recommends approval of both the Partial Pay Estimate and Change Order.

BACKGROUND:

The 2011 Street Paving Project was awarded to Knife River Construction on October 25, 2011. The street improvement project includes the repaving of three sub-segments of Solano Street, totaling nearly half a mile, as well as short segments of 6th and Pear Streets.

CHANGE ORDER NO. 1.

Attached for Council review is a copy of Contract Change Order No. 1 requesting an increase of \$6,211.20 for a total project cost of \$239,227.95. The reasons for the change order are described under "Justifications" in the Contract Change Order document. The additional \$6,211.20 is covered by the \$17,759.25 that we have as a contingency reserve for this project.

PROGRESS PAYMENT ESTIMATE NO. 1:

Knife River Construction has submitted a partial payment request for \$206,389.08 for the 2011 Street Paving Project. The Pay Estimate lists the original contract amount, any change orders/adjustments, work completed to date, retention amount and current amount due to Knife River Construction

FINANCIAL:

The following is a summary of the project costs to date:

Original Construction Contract	\$ 233,016.75
Proposed Contract Change Order #1	\$ 6,211.20
Total Adjusted Contract Amount	\$ 239,227.95

<u>PPE No. 1</u>	
Work completed	\$ 229,321.20
Retention to be held (10%)	\$ (22,932.12)
Amount due to Contractor	\$ 206,389.08

The various City of Corning Budget Materials and Supplies Street Projects funds allot a total of \$250,776 for the 2011 Street Paving Project.

An additional \$20,000, which is separate from this contract, was allocated at the November 8, 2011 to fund traffic signal camera and loop detector installation at the Toomes Avenue and Solano Street Traffic Signal.

RECOMMENDATION:

That the Mayor and City Council:

- 1. Approve Progress Payment Estimate No. 1 in the amount of \$206,389.08, and**
- 2. Approve Contract Change Order No. 1 in the amount of \$6,211.20 increasing the project cost to \$239,227.95 for the 2011 Street Paving Project.**

CONTRACT CHANGE ORDER

Order No. 1

Date: December 07, 2011

Contract for: 2011 Street Improvement Project

Owner: City of Corning, 794 Third Street, Corning, CA 96021

To: Knife River Construction Co., 1764 Skyway, Chico, CA 95928

You are hereby requested to comply with the following changes from the contract plans and specifications.

Description of Changes	DECREASE In Contract Price	INCREASE In Contract Price
1. Additional paving on Toomes Ave. S. of Solano (2,590 s.f. @ \$1.00) (Bid item #2)		\$ 2,590.00
2. Additional cold plane grinding on Solano W. of 99W and Toomes Ave. S. of Solano. (21,790 s.f. @ \$0.40) (Bid item #12) + 770 s.f. @ \$0.40)		\$ 9,024.00
3. Additional grinding on Solano between Toomes and Edith (5400 s.f. @ \$0.40)		\$ 2,160.00
4. Cold plane grinding at 6 th & Yolo Sts. and at the alley (3,272 + 1056 @ \$0.40)		\$ 1,731.20
5. Additional grinding at Solano and Railroad (1,540 s.f. \$ 40.40)		\$ 616.00
6. Delete paving at Pear/Almond intersection (7,670 s.f. @ \$1.00) (Bid item #4)	\$ 7,670.00	
7. Delete edge grinding on Solano St. (4,000 s.f. @ \$0.40) (Bid item #11)	\$ 1,600.00	
8. Reduce number of manholes to be raised from 12 to 9 (3 @ \$1,200.00)	\$ 3,600.00	
9. Reduce number of water valves to be raised from 19 to 7 (12 @ \$500.00)	\$ 6,000.00	
8. Detour and traffic control expenses at the Corning Rd. exit ramp per Caltrans Encroachment Permit requirements.		\$ 6,000.00
9. Overtime charges for additional grinding requirements		\$ 1,620.00
10. Overtime charges for grinder and vacuum sweeper	_____	\$ 1,340.00
Totals:	-\$ 18,870.00	+\$25,081.20
Net Change:		+\$6,211.20

JUSTIFICATIONS:

1-5. During the pre-construction field review with city staff and the contractor it became apparent that additional grinding and paving on Toomes Ave. south of Solano would enhance the overall intersection safety and appearance. Additional grinding on Solano W. of 99W (Edith Ave.) prior to paving is also recommended and supported by Caltrans. Additional grinding was also authorized at several locations to enhance the final paving work. The favorable bid price received for the paving and grinding also support this extra work.

6. The Pear/Almond intersection paving was completed by city crews in conjunction with the recent concrete valley gutter installations and grading. This work was decided to be done prior to the contractor starting work because of the detour inconvenience encountered by motorists at the intersection and the time lag prior to the contractor starting the contract work. Edge of pavement grinding on Solano St. was eliminated as a result of the additional grinding over the entire roadway as noted under items 1&2 above.

8. During the encroachment permit application process with Caltrans, the need to provide additional traffic control and detour facilities was requested by Caltrans. Although the Solano Street over-crossing of the freeway is within the city limits as a result of prior annexation, Caltrans continues to have jurisdiction and responsibility in regards to traffic entering and exiting I-5 at the interchange. This additional costs is a direct result of the need to comply with the Caltrans Encroachment Permit.

9-10. The City (and adjoining business owners as well) desired that the work be completed in the shortest time possible in order to minimize disruption to adjoining businesses and to have the work completed this year prior to pending colder and inclement weather, which inhibits a good paving result.

Page 3
Contract Change Order No. 1
Corning 2011 Street Reconstruction Project

The original contract total (\$233,016.75) including this and previous change orders will be increased by \$ 6,211.20 for a new total of: \$ 239,227.95

The contract completion date will remain at: 60-days

This document will become a supplement to the Contract and all provisions will apply hereto.

Requested: _____ Date: _____
City of Corning

Recommended: J. E. (Ed) Anderson Date: December 07,
2011
J.E. (Ed) Anderson

Accepted: KS Todd L M Date: 12/7/11
Knife River Construction Co.

PARTIAL PAYMENT ESTIMATE

Corning; 2011 Street Reconstruction Project

Progress Payment Estimate No. 1

OWNER:

CONTRACTOR:

PERIOD OF ESTIMATE:

City of Corning

Knife River Construction

FROM: 12-05-2011 to 12-13, 2011

CONTRACT CHANGE ORDER SUMMARY

ESTIMATE

No.	Approval Date	Amount	
		Additions	Deductions
1	12-13-11	\$6,211.20	
TOTALS		\$ 6,211.20	
NET CHANGE		+ \$ 6,211.20	

1. Original Contract.....	\$233,016.75
2. Change Orders.....	\$ 6,211.20
3. Revised Contract (1+2).....	\$239,227.95
4. Work Completed (96%).....	\$ 229,321.20
5. Stored Materials	0
6. Subtotal (4+5).....	\$229,321.20
7. Retainage 10%.....	\$ 22,932.12
8. Previous Payments.....	\$ 0
9. Amount Due (6-7-8).....	\$206,389.08

CONTRACT TIME

Original (days) 60
 Revised 0
 Remaining 30

On Schedule Yes
 No

Starting Date 12-05-11
 Projected Completion 12-13-11

CONTRACTOR'S CERTIFICATION:

The undersigned Contractor certifies that to the best of their knowledge, information and belief the work covered by this payment estimate has been completed in accordance with the contract documents, that all amounts have been paid by the contractor for work for which previous payment estimates was issued and payments received from the owner, and that current payment shown herein is now due.

ARCHITECT OR ENGINEER'S CERTIFICATION:

The undersigned certifies that the work has been carefully inspected and to the best of their knowledge and belief, the quantities shown in this estimate are correct and the work has been performed in accordance with the contract documents.

Contractor Knife River Construction, Inc

Engineer Ed Anderson, City Engineer

By KS Todd Chm

By J. E. (Ed) Anderson

Date 12/7/11

Date: January 13, 2011

APPROVED:

Owner City of Corning

By _____

Date _____

Baldwin Contracting Company, Inc., dba



Knife River Construction
 Northern California Division - Chico
 1764 Skyway, Chico, CA 95928
 Phone (530) 891-6555

Contract Billing		
Contract No. 2211037	Project No. 2211037	Invoice No. 124703
Job Description 2011 ST. IMPROVEMENTS-CORNING SOLANO STREET		
Invoice Date 12/07/11	Appl No. 1	Adjust No.
From Date: 11/01/11	To Date: 12/07/11	Cust Ref No.

Customer: 11206
 CORNING, CITY OF
 794 THIRD ST
 CORNING CA 96021

C/O	Bid Item	Description	Units	UM	Unit Price	Extension	Total Units To Date	Total Billing	Previous Units To Date	Previous Billing	Current Units	Current Billing
	1	2" AC SOLANO ST	18,750.00	SF	1.00	18,750.00	18,750.00	18,750.00	0.00	0.00	18,750.00	18,750.00
	2	2" AC SOLANO ST	87,360.00	SF	1.00	87,360.00	87,360.00	87,360.00	0.00	0.00	87,360.00	87,360.00
	3	2" AC SOLANO ST	33,600.00	SF	1.00	33,600.00	33,600.00	33,600.00	0.00	0.00	33,600.00	33,600.00
	4	1-1/2" AC PEAR ST	33,750.00	SF	1.00	33,750.00	33,750.00	33,750.00	0.00	0.00	33,750.00	33,750.00
	5	1-1/2" AC SIXTH ST	12,190.00	SF	1.00	12,190.00	12,190.00	12,190.00	0.00	0.00	12,190.00	12,190.00
	6	X-WALKS STRIPING	600.00	SF	4.25	2,550.00	0.00	0.00	0.00	0.00	0.00	0.00
	7	X-WALKS STRIPING	400.00	SF	4.25	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
	8	STRIPING	1,935.00	LF	1.05	2,031.75	0.00	0.00	0.00	0.00	0.00	0.00
	9	X-WALKS STRIPING	500.00	SF	4.25	2,125.00	0.00	0.00	0.00	0.00	0.00	0.00
	10	STRIPING	3,000.00	LF	0.50	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
	11	GRINDING	27,600.00	SF	0.40	11,040.00	27,600.00	11,040.00	0.00	0.00	27,600.00	11,040.00
	12	GRINDING	6,300.00	SF	0.40	2,520.00	6,300.00	2,520.00	0.00	0.00	6,300.00	2,520.00
	13	ADJ MANHOLES	12.00	EA	1,200.00	14,400.00	12.00	14,400.00	0.00	0.00	12.00	14,400.00
	14	ADJ VALVES BOXES	19.00	EA	500.00	9,500.00	19.00	9,500.00	0.00	0.00	19.00	9,500.00
		Total Original Amount:			\$	233,016.75	\$	223,110.00	\$	0.00	\$	223,110.00
001	801	TRAFFIC DETOUR & CHANGED LIMIT	1.00	LS	6,211.20	6,211.20	100.00 %	6,211.20	0.00 %	0.00	100.00 %	6,211.20
		Total CCO#1			\$	6,211.20	\$	6,211.20	\$	0.00	\$	6,211.20
		Subtotal Amount:			\$	239,227.95	\$	229,321.20	\$	0.00	\$	229,321.20
RETN		RETAINAGE						(22,932.12)		0.00		(22,932.12)
		Total Invoice Amount:			\$		\$	206,389.08	\$	0.00	\$	206,389.08

Baldwin Contracting Company, Inc., dba



Knife River Construction
 Northern California Division - Chico
 1764 Skyway, Chico, CA 95928
 Phone (530) 891-6555

Customer: 11206
 CORNING, CITY OF
 794 THIRD ST
 CORNING CA 96021

Contract Billing		
Contract No. 2211037	Project No. 2211037	Invoice No. 124703
Job Description 2011 ST. IMPROVEMENTS-CORNING SOLANO STREET		
Invoice Date 12/07/11	Appl No. 1	Adjust No.
From Date: 11/01/11	To Date: 12/07/11	Cust Ref No.

C/O	Bid Item	Description	Units	UM	Unit Price	Extension	Total Units To Date	Total Billing	Previous Units To Date	Previous Billing	Current Units	Current Billing
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Previous Invoices:	\$	0.00
Current Invoices:	\$	206,389.08
Total Amount Billed to Date:	\$	206,389.08
Total Payments Received to Date:	\$	0.00
Total Outstanding	\$	206,389.08

NOTICE: THIS INVOICE IS PAYABLE AT THE OFFICE OF KNIFE RIVER CONSTRUCTION, IN CHICO, CALIFORNIA.

Under the Mechanics' Lien Law (California Code of Civil Procedure, Section 1181 et seq.) any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his work or supplies has the right to enforce claim against your property. This means that, after a court hearing, your property could be sold by a court office and the proceeds of the sale be used to satisfy the indebtedness. This can happen even if you have paid your own contractor in full, if the subcontractor, laborer or supplier remains unpaid.

TERMS: NET CASH - ALL ACCOUNTS ARE DUE AND PAYABLE TENTH OF THE MONTH FOLLOWING DATE OF PURCHASE. 1.5% PER MONTH (18% PER ANNUM) SERVICE CHARGE WILL BE CHARGED ON OVERDUE ACCOUNTS.

ITEM NO.: J-14

**RESOLUTION 12-13-2011-02, ADOPT LABOR
COMPLIANCE PROGRAM FOR PROJECTS
SUBJECT TO PREVAILING WAGE
REQUIREMENTS.
DECEMBER 13, 2011**

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**FROM: STEVE KIMBROUGH, CITY MANAGER
JOHN BREWER, PUBLIC WORKS DIRECTOR
JOHN STOUFER, PLANNING DIRECTOR**

BACKGROUND:

Pursuant to the Grant Administration Guide for Grants awarded through Proposition 84 the City of Corning must adopt, and have approved by the Department of Industrial Relations, a Labor Compliance Program (LCP). Public Resources Code § 75075 requires that on-site construction related work on public works projects, performed by a contractor, must have an approved LCP. The purpose of the LCP is to ensure that contractors comply with the prevailing wage and other applicable labor laws, and that payroll records follow generally accepted accounting practices.

In creating the LCP for the City of Corning staff reviewed guidance information provided by the Department of Industrial Relations, and reviewed LCP's adopt by other public agencies. The LCP must be adopted by resolution. Once adopt by the Council staff will send a copy to the Department of Industrial Relations for review and hopefully their approval. If changes to the LCP are required staff will bring the amended LCP back to the Council for adoption.

RECOMMENDATION:

**MAYOR AND COUNCIL ADOPT RESOLUTION NO. 12-13-2011-02, A
RESOLUTION ADOPTING A LABOR COMPLIANCE PROGRAM FOR THE CITY OF
CORNING.**

RESOLUTION NO.: 12-13-2011-02
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF CORNING
ADOPTING A LABOR COMPLIANCE PROGRAM
FOR THE CITY OF CORNING.

WHEREAS, Public Resources Code § 75075 requires that on-site construction related work on public works projects, performed by a contractor, must have an approved LCP, and

WHEREAS, the City of Corning received a grant from the Statewide Park Development and Community Revitalization Program for the development of a Community Park, and

WHEREAS, the Grant Administration Guidelines for grants awarded from the Statewide Park Development and Community Revitalization Program requires the City to have a Labor Compliance Program that is certified by the Department of Industrial Relations, and

WHEREAS, a Labor Compliance Program will ensure that contractors comply with the prevailing wage and other applicable labor laws, and that payroll records follow generally accepted accounting practices.



NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Corning hereby adopts Resolution No. 12-13-2011-02 adopting a Labor Compliance Program for consideration of approval by the Department of Industrial Relations.

PASSED AND ADOPTED by the City Council of the City of Corning on December 13, 2011 by the following vote:

AYES:

NOES:

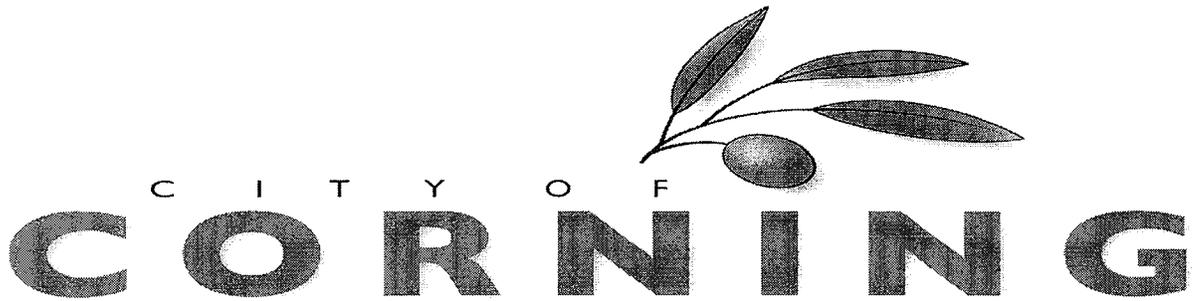
ABSENT:

ABSTAIN:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk



City of Corning Labor Compliance Program

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SECTION I - PUBLIC WORKS SUBJECT TO PREVAILING WAGE LAWS

State prevailing wage rates apply to all public works contracts as set forth in Labor Code Sections 1720 et seq. and include, but are not limited to, such types of work as construction, alteration, demolition, repair, or maintenance work. The Division of Labor Statistics and Research (DLSR) predetermines the appropriate prevailing wage rates for particular construction trades and crafts by county.

A. Types of Contracts to Which Prevailing Wage Requirements Apply

As provided in Labor Code Section 1771 et seq., a Labor Compliance Program as described in subdivision (b) of section 1771.5 of the Labor Code shall be initiated and enforced on all applicable public works projects. Upon approval by the Director of the Department of Industrial Relations, this LCP shall apply to all statutes that require Awarding Bodies to have a LCP to which the payment of prevailing wages apply as a condition of project authorization, project funding, or use of specified contracting authority. The Department of Industrial Relations' website shall maintain a list of statutes requiring LCP oversight.

B. Applicable Dates for Enforcement of the LCP

The applicable dates for enforcement of awarding body Labor Compliance Programs is established by Section 16422 of the California Code of Regulations. Contracts are not subject to the jurisdiction of the Labor Compliance Program until after the program has received approval.

SECTION II - COMPETITIVE BIDDING ON PUBLIC WORKS CONTRACTS

All bid advertisements (or bid invitations) and public works contracts shall contain appropriate language concerning the requirements of the Labor Code. Notice of approval of an Awarding Body's Labor Compliance Program shall be given in the Call for Bids and in the contract or purchase order and shall also be posted at the job site. The Notice of an approved Labor Compliance Program shall contain, at the minimum, the effective date of the Director's initial or final approval, a statement whether the limited exemption from prevailing wages pursuant to Labor Code Section 1771.5(a) applies to contracts under the jurisdiction of the LCP, a telephone number to call for inquiries, questions, or assistance with regard to the LCP, and the name of the agent or office administering the LCP.

SECTION III - CONTRACTOR RESPONSIBILITIES, RULES & REGULATIONS

After the award of a public works contract, prior to the commencement of any type of construction activity, and throughout construction of a project the prime contractor and all subcontractor duties shall consist of:

1. The contractor's duty to pay prevailing wages (Labor Code §1770 et seq.);
2. The contractor's duty to employ registered apprentices on public works projects (Labor Code §1777.5);
3. The requirement to maintain and submit copies of certified payroll records, on a weekly basis, as required (Labor Code §1776), and penalties for failure to do so (Labor Code §1776(g)); the requirement includes and applies to all subcontractors performing work on projects even if their portion of the work is less than one half of one percent of the total amount of the contract.
4. The requirement to list all subcontractors that are performing one-half of one percent of the total amount of the contract (Public Contract Code Section 4100 et seq.);

5. The requirement to be properly licensed and to require all subcontractors to be properly licensed, and the penalty for employing workers while unlicensed (Labor Code §1021 and under California Contractors License Law. Also, see Business and Professions Code §7000, et seq);
6. The requirement that the contractor and subcontractor be properly insured for Workers' Compensation (Labor Code §1861);
7. The requirement that the contractor abide by the Occupational Safety and Health laws and regulations that apply to the particular public works project.
8. The requirement to secure proof of eligibility/citizenship from all project workers due to the federal prohibition against hiring undocumented workers.
9. The requirement to provide itemized wage statements to project employees under Labor Code §226.

And be subject to the following rules and regulations:

1. The penalties for failure to pay prevailing wages and to employ apprentices, including forfeitures and debarment (Labor Code §1775, §1777.7, and §1813);
2. The prohibition against employment discrimination (Labor Code §1735 and §1777.6; the Government Code; and Title VII of the Civil Rights Act of 1964, as amended);
3. The prohibition against taking or receiving a portion of an employee's wages (Labor Code §1778) (kickback);
4. The prohibition against accepting fees for registering any person for public works (Labor Code §1779) or for filing work orders on public works (Labor Code §1780);
5. The prohibition against unfair competition (Business and Professions Code §17200-17208);
6. The prohibition against employment discrimination (Labor Code §1735 and §1777.6; the Government Code; and Title VII of the Civil Rights Act of 1964, as amended)

It will be the prime contractor's responsibility to provide copies of the LCP requirements to all listed subcontractors and to any substituted subcontractors.

SECTION IV – MONITORING PAYMENT OF PREVAILING WAGES

A. Certified Payroll Records Required

The prime contractor and each subcontractor shall maintain payrolls and basic records (timecards, canceled checks, cash receipts, trust fund forms, accounting ledgers, tax forms, superintendent and foreman daily logs, etc.) during the course of the work, and shall preserve them for a period of three (3) years thereafter, for all trade workers working on projects which are subject to the LCP. Such records shall include the name, address, and social security number of each worker, his or her classification, a general description of the work each employee performed each day, the rate of pay (including rates of contributions, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, and actual wages paid.

1. Submittal of Certified Payroll Records:

The prime contractor and each subcontractor shall maintain weekly certified payroll records for submittal as required. The contractor shall be responsible for the submittal of payroll records for itself and all its subcontractors to the City of Corning within 10 days of the end of each designated payroll period. All certified payroll records shall be accompanied by a statement of compliance signed by the contractor or each subcontractor, indicating that the payroll records are correct and complete, that the wage rates contained therein are not less than those determined by the Director of the Department of Industrial Relations, and that the classifications set forth for each employee conform with the work performed.

2. Full Accountability:

Each individual, laborer or craftsperson working on a public works contract must appear on the payroll. The basic concept is that the employer who pays the trade worker must report that individual on its payroll. This includes individuals working as apprentices in an apprenticeable trade. Owner operators are to be reported by the contractor employing them; rental equipment operators are to be reported by the rental company paying the workers' wages.

Sole owners and partners who work on a contract must also submit a certified payroll record listing the days and hours worked, and the trade classification descriptive of the work performed. The contractor shall provide the records required under this section within ten (10) days of each payday and make them available for inspection by the Department of Industrial Relations, and shall permit representatives of the city and/or State to interview trades workers during working hours on the project site.

3. Responsibility for Subcontractors:

The prime contractor shall be responsible for ensuring adherence to labor standards provisions by its subcontractors. Moreover, the prime contractor is responsible for Labor Code violations of its subcontractors in accordance with Labor Code Section 1775.

4. Payment to Employees

Employees must be paid unconditionally, the full amounts that are due and payable for the period covered by the particular pay period. Thus, an employer must establish a fixed workweek (Sunday through Saturday, for example) and a date that the employee's will be paid for the days worked in that work week or weeks. On each and every payday, each worker must be paid all sums due as of the end of the preceding workweek or weeks and must be provided with an itemized wage statement as required by Labor Code §226.

If an individual is called a subcontractor, whereas, in fact, he/she is merely a journey level mechanic supplying only his/her labor, such an individual would not be deemed a bona fide subcontractor and must be reported on the payroll of the prime contractor as a trade worker. Moreover, any person who does not hold a valid contractor's license cannot be a subcontractor, and anyone hired by that person is the worker or employee of the general contractor for purposes of prevailing wage requirements, certified payroll reporting and workers' compensation laws.

The worker's rate for straight time hours must equal or exceed the rate specified in the contract by reference to the "Prevailing Wage Determinations" for the class of work actually performed. Any work performed on Saturday, Sunday, and/or on a holiday, or portion thereof, must be paid the prevailing rate established for those days regardless of the fixed workweek. The hourly rate for hours worked in excess of 8 hours in a day and 40 hours in a workweek shall be at a rate established by law. All work performed on Saturday, Sunday and holidays shall be paid pursuant to the Prevailing Wage determination.

B. Audit of Certified Payroll Records

Regular audits shall be conducted by and under the direction of the City of Corning Staff, and shall also be conducted if and when requested by the Labor Commissioner to determine whether all trades workers on project sites have been paid according to the prevailing wage rates. Payroll records, once furnished by the contractors, shall be reviewed by the City of Corning Staff or a designee as promptly as practicable after receipt, but in no case not more than 30 days after receipt.

For each month in which a contractor reports having workers employed on the project, the City of Corning will undertake random confirmation of payroll records for at least one worker for at least one weekly period within that reporting month.

C. On-Site Employee Interviews

Pursuant to California Code of Regulations §16432(d), in order to confirm the payment of prevailing wages for the appropriate work classification performed by workers on the project, City staff will conduct on-site project visits to interview project workers to determine compliance with the LCP.

D. Worker Complaints

In addition to monitoring all certified payroll records provided by the contractors, worker complaints of underpayment of prevailing wage rates must be investigated. Employees will be informed that the filing of the complaint is confidential, and that his or her identity will be disclosed to the contractor or subcontractor only after an investigation has occurred and only within the context of an audit worksheet.

Once the City of Corning is notified of a complaint, a written acknowledgement that the complaint has been received must be sent promptly to both the complaining party and the responsible contractor. The acknowledgement must state the name, mailing address and telephone number of the city staff assigned to the complaint. Within 10 days of receiving the complaint, both the complaining party and the responsible contractor must be notified in writing of the resolution or of the status of the complaint and the reason the complaint has not been resolved. The complaining party and the responsible contractor must be notified in writing at least once every 30 days of the status of an unresolved complaint.

SECTION V - APPRENTICE REQUIREMENTS

A. Use of Apprentices

Apprentices shall be permitted to work as such only when they are registered, individually, under a bona fide apprenticeship program registered and approved by the State Division of Apprenticeship Standards. The allowable ratio of apprentices to journeypersons in any craft/classification shall not be greater than the ratio permitted to the contractor as to its entire workforce under the registered program.

Any worker listed on a payroll at an apprentice wage rate who is not registered shall be paid the journey level wage rate determined by the Department of Industrial Relations for the classification of the work he/she actually performed. Pre-apprentice trainees, trainees in non-apprenticeable crafts, and others who are not duly registered will not be permitted on public works projects unless they are paid full prevailing wage rates as journeypersons.

Compliance with California Labor Code Section 1777.5 requires all public works contractors and subcontractors to:

1. Submit contract award information to the apprenticeship committees for each apprenticeable craft or trade in the area of the Project. Must send the DAS-140 form to all apprenticeship committees, unless the contractor is registered with a particular one;
2. Request dispatch of apprentices from the applicable Apprenticeship Program(s) and employ apprentices on public works projects in a ratio to journeypersons which in no case shall be less than one (1) hour of apprentice work to each five (5) hours of journey person work; and

3. Contribute to the applicable Apprenticeship Program(s) or the California Apprenticeship Council in the amount identified in the prevailing wage rate publication for journeypersons and apprentices. If payments are not made to an Apprenticeship Program, they shall be made to the California Apprenticeship Council.

If the contractor is registered to train apprentices, it shall furnish written evidence of the registration (i.e., Apprenticeship Agreement or Statement of Registration), of its training program and apprentices, as well as the ratios allowed and the wage rates required to be paid there under for the area of construction, prior to using any apprentices in the contract work. It should be noted that a prior approval for a separate project does not confirm approval to train on any project. The contractor/subcontractor must check with the applicable Joint Apprenticeship Committee to verify status.

B. Apprentice hours-to-Journeyman hours (Ratios)

Unless a collective bargaining agreement specifies a different ratio, the typical ratio of apprentice hours to journeyman hours is one to five; in other words, apprentices in an apprenticeable trade should typically work 20 percent of total hours worked. The Division of Apprenticeship Standards maintains a list of all trades and their applicable specified apprenticeship ratios.

If the City of Corning determines that at the end of a contractor or subcontractor's work on the public works contract that the contractor was in violation of the apprentice-to-journeyman ratio, the City will require that the regular prevailing wage rate be paid to any worker who is not a duly registered apprentice and for any hours in excess of the maximum ratio permitted under Labor Code Section 1777.5(g).

SECTION VI - REPORTING WILLFUL VIOLATIONS TO THE LABOR COMMISSIONER

If an investigation reveals that a willful violation of the Labor Code has occurred, the City of Corning Staff will make a written report to the Labor Commissioner reflecting prevailing wage deficiencies for each underpaid worker, and including any penalties to be assessed under Labor Code sections 1775 and 1813, as determined by the LCP after consideration of the best information available as to actual hours worked, amounts paid, and classifications of workers employed in connection with the public works project. Such available information may include, but is not limited to, worker interviews, complaints from workers or other interested persons, all time cards, bank certified cancelled checks, cash receipts, trust fund forms, books, documents, schedules, forms, reports, receipts or other evidences which reflect job assignments, work schedules by days and hours, and the disbursement by way of cash, check, or in whatever form or manner, of funds to a person(s) by job classification and/or skill pursuant to a public works project.

Labor Code Section 1777.1 states:

"A willful violation occurs when the contractor or subcontractor knew or reasonably should have known of his or her obligations under the public works law and deliberately fails or refuses to comply with its provisions."

Six (6) types of willful violations are reported:

- A. Failure to Comply with Prevailing Wage Rate Requirements

Whenever it is determined that a willful violation has occurred in failing to comply with prevailing wage rate requirements (as set forth in the Labor Code and public works contracts) by paying less than the stipulated basic hourly rate to trades workers, or if overtime, holiday rates, fringe benefits, and/or employer payments are paid at a rate less than stipulated, it shall be reported to the Labor Commissioner upon completion of an investigation and audit.

B. Falsification of Payroll Records, Misclassification of Work, and/or Failure to Accurately Report Hours of Work

Falsification of payroll records and failure to accurately report hours of work is characterized by deliberate underreporting of hours of work; underreporting the headcount; stating that the proper prevailing wage rate was paid when, in fact, it was not; clearly misclassifying the work performed by the worker; and any other deliberate and/or willful act which results in the falsification or inaccurate reporting of payroll records.

C. Failure to Submit Certified Payroll Records

Whenever it is determined that a willful violation has occurred by the contractors and/or subcontractors not having responded to the 10-day notification by the LCO to comply with the requirement of submittal of weekly certified payroll records and/or to correct inaccuracies or omissions that have been detected, it shall be reported to the Labor Commissioner upon completion of an investigation and audit.

D. Failure to Pay Fringe Benefits (Employer Contributions)

Fringe benefits are defined as the amounts stipulated for employer payments or trust fund contributions and are determined to be part of the required prevailing wage rate. Whenever it is determined that a willful violation has occurred by failure to pay or provide fringe benefits and/or make trust fund contributions on a timely basis, which is equivalent to payment of less than the stipulated wage rate, it shall be reported to the Labor Commissioner upon completion of an investigation and audit.

E. Failure to Pay the Correct Apprentice Rates and/or Misclassification of Workers as Apprentices

Failure to pay the correct apprentice rate or classifying a worker as an apprentice when he/she is not properly registered is equivalent to payment of less than the stipulated wage rate and shall be reported to the Division of Apprenticeship Standards as a willful violation, upon completion of an investigation and audit.

F. Taking or Receiving a Portion of an Employee's Wages (Kickbacks)

Accepting or extracting kickbacks from employee wages under Labor Code Section 1778 constitutes a felony and may be prosecuted by the appropriate enforcement agency. After the Labor Compliance Program has determined that violations of the prevailing wage laws have resulted in the underpayment of wages and an audit has been prepared, prior to a determination of the amount of forfeiture by the Labor Commissioner, notification shall be provided to the contractor and affected subcontractor of an opportunity to resolve the wage deficiency pursuant to CCR§16432(f). The contractor and affected subcontractor may, within 10 days after notification of the wage deficiency, submit to the Labor Compliance Program for consideration exculpatory information consistent with the "good faith mistake" factors set forth in Labor Code Section 1775(a)(2)(A)(i) and (ii). The Labor Compliance Program shall not be required to request the Labor Commissioner for a determination of the amount of penalties to be assessed under Labor Code Section 1775 if, (a) based upon the contractor's submission, the Labor Compliance Program reasonably concludes that the failure to pay the correct wages was a good

faith mistake, and has no knowledge that the contractor and affected subcontractor have a prior record of failing to meet their prevailing wage obligations, and (b) the underpayment of wages to workers is promptly corrected and proof of such payment is submitted to the Labor Compliance Program.

SECTION VII - ENFORCEMENT ACTION

A. Duty of the Awarding Body

The City of Corning, as the entity having an approved LCP, has a duty to the Director of the Department of Industrial Relations to enforce Labor Code Section 1720 et seq. and the procedural regulations of the Department of Industrial Relations in a manner consistent with the practice of DLSE and regulations found at Title 8, California Code Regulations, Section 16000 et seq.

**ITEM NO: J-15
APPOINT THE VICE MAYOR AND CITY
REPRESENTATIVES TO VARIOUS
COMMISSIONS AND COMMITTEES
DECEMBER 13, 2011**

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

**FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
LISA M. LINNET, CITY CLERK**

SUMMARY:

Vice Mayor:

Councilperson Toni Parkins is currently the Council appointed Vice-Mayor. The City's approved "City Council Procedures for Meetings" states that the Council shall select a Vice-Mayor from its membership with the position being held for a one-year term. This selection shall be held annually at the regular Council meeting held on the first Tuesday in December. Vacancies in the Vice-Mayor position shall be filled in the same manner for the unexpired portion of any term.

Commission/Committee Representatives:

The Mayor makes unilateral appointments to various local Commissions and Committees subject to Council approval or disapproval. Currently the following elected officials serve as City Representatives on these Commissions/Committees:

Mayor Strack: Tehama County Transportation Commission, Tehama Economic Development Corporation, Shasta College District, and the Tehama County Indian Gaming Local Community Benefit Committee.

Councilor Parkins: Tehama County Indian Gaming Local Community Benefit Committee and Tehama County Sanitary Landfill Agency (JPA).

Councilor Leach: 3 Core, Tripartite Board and Senior Center Board.

Councilor Dickison: LAFCO (Tehama County Local Agency Formation Commission), the Corning Community Foundation, and the State Fair Exhibit Committee.

City Treasurer Pala Cantrell: Tehama County Indian Gaming Local Community Benefit Committee.

BACKGROUND:

The City Council amended the "General Procedures of the Council" portion of the City Council Procedures for Meetings on March 24, 2009 by a unanimous vote of the Council. The amended section now states the following:

The Council shall select a Vice-Mayor from its membership with the position being held for a one-year term. Although the same person may be selected to serve more than once, the Council's preference is to attempt to select one of its members who has not previously served in that capacity. The selection shall be held annually at the regular Council meeting held on the first Tuesday in December. Vacancies in the Vice-Mayor position shall be filled in the same manner for the unexpired portion of any term.

RECOMMENDATION:

MAYOR AND COUNCIL DISCUSS AND APPOINT A VICE MAYOR AND THE NEW CITY REPRESENTATIVES TO THE ABOVE LISTED COMMITTEES, COMMISSIONS AND BOARDS.

**ITEM NO.: J-16
RATIFY THE ONE-YEAR MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY AND THE
CORNING MANAGEMENT ASSOCIATION AND
APPROVE FURLOUGH SIDE LETTER
December 13, 2011**

**TO: HONORABLE MAYOR AND COUNCIL MEMBERS
FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
LISA M. LINNET, CITY CLERK**

SUMMARY:

A one-year mediated Agreement, dated November 18, 2011, has been reached between the City of Corning "Management Association" Bargaining Unit and the City of Corning. Attached is the complete Agreement, known under California Law as a "Memorandum of Understanding" which will be in effect from January 1, 2012 through December 31, 2012. Also attached is "Furlough Side Letter" which extends furloughs for this Unit through December 31, 2012.

The Management Unit has again forgone any pay increase as the economic recession continues, and in a separate side letter, the employees have continued to work with the City by continuing to accept a ten percent reduction in pay and hours through "furloughs".

The City Council set the limits of the bargaining and agreed that the continuation of the terms of the furloughs would contain a clause promising no lay-offs. The Council has repeatedly expressed their appreciation to the City Employees for their commitment to reducing City costs by cutting pay by 10% during what is now called "The Great Recession".

BACKGROUND:

The new proposed Agreement will become effective on January 1, 2012 and expire on December 31, 2012. This Agreement represents the positions of Fire Chief, Public Works Director, Assistant Public Works Director, Planning Director, Building Official and Police Administrative Services Manager. The Association also represents the classification of Police Chief however the Chief retired on March 1, 2011 and is working under a part-time contract with the City therefore this MOU will not apply to his benefits and terms of employment.

Here are the key elements of the proposed new Agreement:

- **Term:** This is a 1-Year Agreement - January 1, 2012 through December 31, 2012.
- **Seniority Performance Incentive Pay:** 2.5% after 10 years (was 15 years); 5% after 15 years (was 20 years) and not compounded with the 2.5%. Both become effective the first pay-period after the employment anniversary date.
- **Administrative Leave:** Administrative Leave time may be carried into the following year, but at no time can it exceed 150 hours, (was 100 hours). Administrative Leave in excess of 150 hours shall be paid.
- **Vacation:** The maximum number of vacation hours employees may carry over, or have in a vacation account at the start of each new calendar year is 150 hours (was 120 hours). Vacation Leave in excess of 150 hours will be paid out at the close of each calendar year.
- **Furloughs:** Furloughs are to continue through December 31, 2012.

RECOMMENDATION:

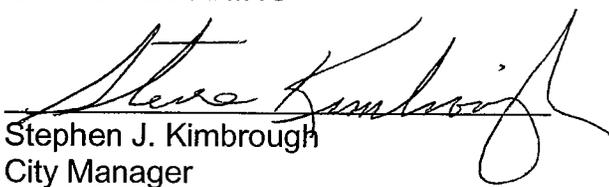
MAYOR AND COUNCIL RATIFY THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE CORNING MANAGEMENT ASSOCIATION AND APPROVE THE FURLOUGH SIDE LETTER.

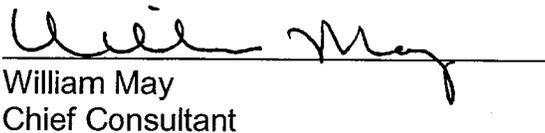
CONTINUATION OF SIDE LETTER OF AGREEMENT
BETWEEN
CITY OF CORNING
AND
MANAGEMENT UNIT
Re: Furloughs
October 11, 2011

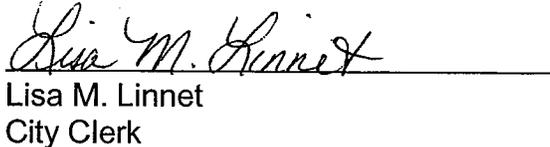
Furloughs began on October 4, 2009 and would have ended June 30, 2010. Prior to expiration the parties met and agreed to continue the furloughs through June 30, 2011. Prior to expiration the parties again met and agreed to continue the furloughs through June 30, 2012. This new side letter extends furloughs through December 31, 2012. The City and the Management Unit agree to staff furloughs as follows:

1. All regular full-time members of the Management Unit shall be furloughed eight (8) hours each pay period with a corresponding loss of pay.
2. Furloughs will continue beginning July 1, 2012 and run through December 31, 2012.
3. Should the City lay off any regular full time City employee in the bargaining unit, furloughs will be discontinued and hours and salaries will be adjusted back to their normal pre-furlough hours and salaries effective the start of the pay period closest to the date the lay off(s) actually occur.
4. Management Unit employees have the flexibility to provide their own scheduling, subject to City Manager and/or his designee review and concurrence, so long as they reduce their schedule by the required eight (8) hours per pay period.

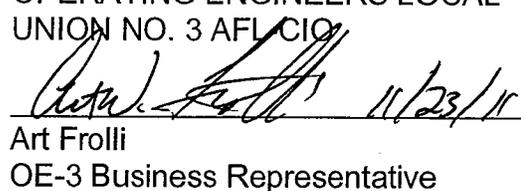
CITY OF CORNING

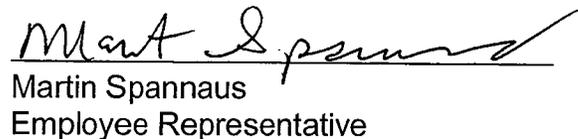

Stephen J. Kimbrough
City Manager

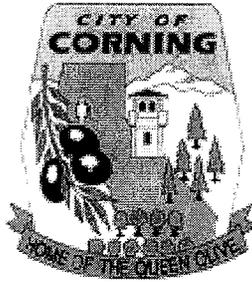

William May
Chief Consultant


Lisa M. Linnet
City Clerk

OPERATING ENGINEERS LOCAL
UNION NO. 3 AFL CIO


Art Frolli
OE-3 Business Representative


Martin Spannaus
Employee Representative



MEMORANDUM OF UNDERSTANDING

Between

CITY OF CORNING

And

**THE CITY OF CORNING
MANAGEMENT ASSOCIATION**

For

Management Employees

Effective:

January 1, 2012 – December 31, 2012

**Agreement January 1, 2012
Ratified by City Council December 13, 2011**

THIS MEMORANDUM OF UNDERSTANDING is made and entered into between the **MANAGEMENT ASSOCIATION**, hereinafter referred to as "**Association**", and the designated representatives of the **CITY OF CORNING**, hereinafter referred to as the "**City**", pursuant to the provisions of the Meyers-Milias-Brown Act (Government Code Sections 3500, et seq.).

ARTICLE 1

GENERAL PROVISIONS – DEFINITIONS:

1.1 A. Employer: The term "Employer", as used herein, shall refer to the City of Corning.

B. Association: The term "Association", as used herein, shall refer to the City of Corning Management Association.

C. Employee: The term "Employee", as used herein, shall mean all Employees of the Management Unit as designated under the provisions of the Employee Relations Policy of the City of Corning.

D. Employee Anniversary Date: The term "employment anniversary date", as used herein, shall mean the anniversary date of the employee's employment with the City.

E. Step Anniversary Date: The term "step anniversary date", as used herein, shall mean the date upon which an employee has finished serving the requisite amount of time in order to be eligible for a salary step increase. A new time period for such requisite service shall commence upon the occurrence of any of the following events: promotion; reclassification; implementation of a Memorandum of Understanding provision, or Side Letter of Understanding specifying a movement into a new step or an increase in the rate paid for the step currently held by the employee.

ARTICLE 2

RECOGNITION:

2.1 The Employer hereby recognizes the Association as the only organization entitled to meet and confer on matters within the scope of representation.

ARTICLE 3

HIRING PROVISIONS:

3.1 No Employee covered by this Memorandum of Understanding shall be discriminated against by the Employer, or by the Association, by reason of race, color, religion, sex, age or national origin.

3.2 The Employer shall not discharge, or otherwise discriminate against any employee by reason of Association activities not interfering with the proper performance of his work.

ARTICLE 4

MANAGEMENT RIGHTS:

4.1 The Employer retains the exclusive right to manage the City. All the rights, powers, functions and authority of the Employer, which it had prior to the time the Association became certified as representative of the Employees of the Employer, and which are not limited or modified by specific provisions of the Memorandum are retained by the Employer. The Employer specifically retains the right to manage and supervise its Employees as follows:

(1) To hire, promote, transfer, assign, classify positions, retain employees, and to suspend, demote, discharge or take other disciplinary action against employees.

(2) To lay-off or demote employees from duties because of lack of work, lack of funds, in the interest of economy, or other legitimate reasons.

(3) To determine the policies, standards, procedures, methods, means and personnel by which City operations are to be conducted.

(4) To take whatever actions may be necessary to carry out the City in situations of emergency.

(5) To limit or prohibit the right of Employees in certain positions or classes of positions from forming, joining, or participating in employee organizations as provided in the California Government Code, and designating such employees in the current Schedule of Department and Authorized Positions adopted by resolution.

(6) Nothing in this policy shall be construed to interfere with the City's right to manage its operations in the most economical and efficient manner consistent with the best interests of all citizens, taxpayers, and employees of the City.

ARTICLE 5 ASSOCIATION RIGHTS:

5.1 The Association recognizes its obligation to cooperate with the Employer to assure maximum service of the highest quality and efficiency to the citizens of the City of Corning consistent with its obligations to the Employees it represents.

5.2 Employer and Association affirm the principle that harmonious employer-employee relations are to be promoted and furthered. When a person is hired in any of the covered job classifications, the City shall notify that person that the Association is the certified representative for the Employees and shall notify the Association of such hiring.

5.3 The Employer shall provide the Association space to erect a bulletin board in each area where Employees covered by this Memorandum are assigned.

5.4 Association President shall have access to any Employee or Employees presenting a grievance; and Employees have the right to have the Association represent the Employee at all stages of disciplinary action.

ARTICLE 6 PEACEFUL PERFORMANCE:

6.1 The parties to this Memorandum of Understanding recognize and acknowledge that the services performed by the City Employees covered by this Memorandum of Understanding are essential to the public health, safety and general welfare of the residents of the City of Corning. The Association agrees that under no circumstances will the Association recommend, encourage, cause or permit its members to initiate, participate in, nor will any member of the bargaining unit take part in, any strike, sit-down, stay-in, sick-out, slow-down or picketing (hereinafter collectively referred to as work-stoppage), in any office or department of the City, nor to curtail any work or restrict any production, or interfere with any operation of the City. In the event of any such work stoppage by any member of the bargaining unit, the City shall not be required to negotiate on the merits of any dispute, which may have given rise to such work stoppage until said work stoppage has ceased.

6.2 In the event of any work stoppage during the term of this Memorandum of Understanding, whether by the Association or by any member of the bargaining unit, the Association, by its officers, shall immediately declare in writing and publicize that such action is illegal and unauthorized, and further direct its members in writing to cease the said conduct and resume work. Copies of such written notice shall be served upon the City. If in the event of any work stoppage, the Association promptly and in good faith, performs the obligations of this paragraph, and providing the Association has not otherwise authorized, permitted or encouraged such work stoppage, the Association shall not be liable for any damages caused by the violation of this provision. However, the City shall have the right to discipline, including discharge, any employee who instigates, participates in, or gives leadership to, any work stoppage activity herein prohibited, and the City shall also have the right to seek full legal redress including damages, as against any such employee.

**ARTICLE 7
PAYMENTS:**

7.1 This Memorandum is intended to cover all aspects of wages, hours, and working conditions for Employees covered herein; therefore, nothing in this Memorandum shall prevent the Employer from modifying any fringe benefits or benefit plans not specifically provided for in this Memorandum such as retirement plans, salary continuation plans, etc., subject to meet and confer.

7.2 If an Employee covered by this Memorandum is permanently assigned work of a substantially new or different nature so as to constitute a new job classification, the Employer and the Association shall determine the wage rate through the established procedures.

**ARTICLE 8
PREVAILING RIGHTS:**

8.1 This Memorandum of Understanding contains all of the covenants, stipulations and provisions agreed upon by the parties. It is understood that all items relating to Employees' wages, hours, and other terms and conditions of employment not covered in this Memorandum of Understanding shall remain the same, except as specifically mentioned in this Memorandum of Understanding; therefore, for the life of this Memorandum of Understanding, neither party shall be compelled to bargain with the other concerning any mandatory bargaining issues, whether specifically bargained about prior to the execution of this Memorandum of Understanding or which may have been omitted in the bargaining which led up to the execution of this Memorandum of Understanding, except by mutual agreement of the parties or as specifically mentioned in this Memorandum of Understanding.

**ARTICLE 9
CLASSIFICATIONS AND WAGES:**

9.1 For the period of this agreement, Employees will be paid in accordance with the monthly salary schedule and effective dates as shown in Exhibit "A". Employees will be eligible for step increases on their step anniversary dates. Employees may advance to the next step in the pay schedule upon satisfactory completion of the required time in the lower step. The time required between step A and B shall be (6) six months. Advancement from step B to C, C to D and D to E shall be (12) twelve months between each step.

**ARTICLE 10
HEALTH AND WELFARE INSURANCE:**

10.1 Currently the City offers a choice of four (4) Health and Safety Insurance Policies; (1) Operating Engineers Public Employees' Health and Welfare Plan; and (3) different tier Blue Shield Health Savings Account Plans. All Employees and their eligible dependents may participate in the Plans, with the City contributing to the cost of such plans up to \$1,134 per month towards the rate. The employee shall pay any remaining costs of insurance.

Future increases shall be divided equally between the City and the employee.

10.2 The City shall pay the fee for Employees who are not members of the Operating Engineers Local No. 3 Union in order to participate in the Union's Health and Welfare Plan.

10.3 The City shall continue to pay the Life and Disability Insurance premiums. Life Insurance for Employees shall be seventy thousand dollars (\$70,000).

10.4 The City shall have the option of replacing the Operating Engineers Public Employees Health and Welfare Plan with a plan of the City's choosing. If the City exercises this option, the City shall maintain coverage that is comparable and substantially equivalent to that provided currently under the present plan.

**ARTICLE 11
ADMINISTRATIVE LEAVE:**

11.1 Each Employee in the Unit shall receive eighty (80) hours Administrative Leave per year credited on July 1 of each year.

11.2 Administrative Leave time may be carried into the following year, but at no time can it exceed one hundred fifty (150) hours.

11.3 Administrative Leave in excess of one hundred fifty (150) hours shall be paid.

11.4 Employees shall be allowed to convert up to fifty (50%) percent of Administrative Leave hours each fiscal year to paid days. Department heads shall plan for such conversion in their annual budget proposals.

11.5 Unused Administrative Leave shall be paid upon termination.

**ARTICLE 12
SICK LEAVE:**

12.1 Sick leave is available to an employee to use in case of illness, bodily injury, exposure to a contagious disease, medical or dental appointment or attendance upon seriously ill member of employee's immediate family, as defined by these rules. An employee may take paid sick leave after the first month of employment. Every effort by the employee shall be made to schedule appointments during non-work hours.

12.2 Sick leave with pay shall be granted to all Employees. Sick leave shall be accumulated at the rate of one (1) day per calendar month of service, not to exceed a total accumulation of two hundred forty (240) days. An employee with 20 years service to the City will be allowed unlimited sick leave accrual above the 240-day cap only for the exclusive purpose of converting to pre-paid health insurance after retirement.

12.3 **Family Leave.** Family Leave shall be administered in accordance with applicable State and Federal Law.

12.4 **Bereavement Leave.** In the event of a death in the immediate family, the Employee may take off up to four (4) days. The immediate family shall be defined as husband, wife, child, mother, father, brother, sister, grandparents and grandchildren. Such leave shall be charged to sick leave.

12.5 Employees who have less than thirty-six (36) days of sick leave accumulated may, in lieu of taking vacation, bank said vacation time under sick leave.

12.6 **On-The-Job Injuries.** When an employee is off work as a result of a valid on-the-job injury sustained in the service of the City, the employee is entitled to use their accrued Sick Leave during the period of disability to make up the difference between their regular pay and the Workers Compensation Temporary Disability Payments. The City shall pay only that amount necessary to make up the difference between the employee's monthly rate and the amount payable to the employee as temporary disability payments from the Worker's Compensation Insurance Plan of the City. To take advantage of this benefit, the employee must forward their temporary disability check to the City.

12.7 The City may require verification of the necessity for sick leave. Such verification may be in the form of a written statement from a doctor or a personal affidavit from the Employee. The City reserves the right to specify which of the two verification procedures will be required in any particular situation. If the City requires verification from a physician, the City shall pay for the cost of such verification to the extent such cost is not reimbursed by the Employee's health insurance.

12.8 If the City determines that an Employee has abused the provisions of the sick leave policy, the Employee shall be subject to disciplinary action.

12.9 **Sick Leave Credit Upon Retirement.** The Employer agrees to pay fifty percent (50%) of Employee's unused accumulated sick leave upon retirement or death. Upon reduction in force, the City shall pay twenty-five percent (25%) of Employee's unused accumulated sick leave.

12.10 **Sick Leave Conversion Upon Retirement.** In lieu of a cash out of sick leave, an employee, upon retirement under PERS, may choose as an option to convert a percentage of the dollar value of the sick leave at the employee's current hourly base rate of pay as of the date of retirement, to pay the pre-paid health insurance premium up for a period of time up to age 65 according to the following conversion plan.

<u>Employee's years of service with City</u>	<u>Percentage value of employee's accrued Sick Leave</u>
Through 15 years	50%
16 through 19 years	70%
20 or more years	80%

(a) Following is the procedure to account for the percentage value of converted sick leave. At the written request of the retiring employee, the City Staff will compute the dollar value of the accrued sick leave according to the percentages shown above and maintain an accounting in the employee's name deducting the amount of monthly City health insurance premium from the "balance".

(b) The value of sick leave does not accrue in a cash fund for each employee, therefore no actual funds are held in trust. The City simply agrees to pay the retiree's premium for a period of time until the balance value of the conversion is depleted.

(c) Should a retired employee want to stop their insurance premium payments under the Section, the employee must notify the City Manager in writing, giving the date payments should end, and City Staff will do an accounting of the percent (50%) value provided for in the sick leave payoff provisions of this MOU and the actual dollar amount already paid out. Should this amount still be less than the fifty percent provided for in Section 17.2, the balance will be paid to the employee.

(d) Should a retired employee die prior to fully using this benefit, any dependents covered under the health insurance may, if permitted to continue insurance coverage by the insurance carrier, receive the continuation of this benefit until fully expended. The benefit shall have no cash value to the employee's estate nor can the City accept any claim for payoff by heirs.

(e) Employees not choosing to remain in the City's offered health plan may utilize the benefits set out in these sections to be applied to the cost of a private health plan. The retired employee will be reimbursed, on a quarter year basis, such amounts as provided in these sections, upon submission of a written claim and proof of a paid premium by the retired employee. The form, manner of claim and proof, will be as prescribed by the City.

ARTICLE 13 UNIFORM ALLOWANCE:

13.1 The City agrees to furnish, at no cost to the Employees, necessary foul weather gear and safety items required and determined by the City. In addition, thereto, the Employer may furnish two (2) coveralls per week to each Employee desiring coveralls. Upon City determination, the City agrees to provide either short or long sleeve safety shirts, rubber boots, safety boots and gloves.

13.2 The City shall provide a Uniform Allowance of \$600 per year to the Police Chief and \$300 per year for the Fire Chief.

**ARTICLE 14
HOLIDAYS AND HOLIDAY PAY:**

14.1 The employees shall receive the following scheduled holidays off with pay:

(1)	January 1	New Year's Day
(2)	February 20th	President's Day
(3)	May, last Monday	Memorial Day
(4)	July 4	Independence Day
(5)	September, 1st. Monday	Labor Day
(6)	November 11	Veteran's Day
(7)	November 22	Thanksgiving Day
(8)	November, 23	Post Thanksgiving Day
(9)	December 24	Christmas Eve Day
(10)	December 25	Christmas Day

In addition to the scheduled holidays above, each employee shall be credited with 14 hours of floating holidays on January 1, and July 1 of each year. Floating holidays shall be taken in the calendar year credited, at a time and manner mutually agreed to by the employee and the Department Head.

14.2 An Employee who is regularly scheduled to work on a holiday shall be granted a day off at a time mutually agreeable to the Employee and the Employer.

14.3 If a holiday falls on an Employee's day off, the Employer shall compensate the Employee by either eight (8) hours compensatory time off, or eight (8) hours straight-time pay, at the Employee's option.

14.4 The holiday of November 11 will be celebrated on the nearest Monday or Friday, which will create a three-day weekend. The Christmas Eve holiday will be celebrated either on Christmas Eve or the day after Christmas, whichever will create a four-day weekend.

**ARTICLE 15
RETIREMENT:**

15.1 For existing Management Employees, the City provides retirement benefits under a contract with the California Public Employee Retirement System (PERS) as follows:

15.2 For PERS Miscellaneous Members, the City will continue the 2% at 55 Plan and will pay 7% of the "Employee Contribution".

15.3 For PERS Safety Members, the City will continue the 3% at 50 Plan and will pay 9% of the "Employee Contribution".

15.4 The City and the Association agree to implement the following changes for new hires as soon as administratively feasible under PERS procedures after the City Council approves the Memorandum of Understanding (MOU).

(a) For PERS Miscellaneous members the City will provide the 2% at 60 formula with three (3) year average salary.

(b) For PERS Safety members the City will provide the 3% at 55 formula with three (3) year average salary.

(c) For Management employees hired after the date the City Council approves the Memorandum of Understanding (MOU), new Miscellaneous Members will pay 3.5% of the 7% employee share of the retirement cost, and Safety members will pay 4.5% of the 9% of the employee share of retirement cost.

**ARTICLE 16
VACATION:**

16.1 Employees shall earn vacation according to the following:

(a) Employees shall earn vacation with pay at the rate of one hundred twenty (120) hours per year after one (1) year and during the first seven (7) years of City employment.

(b) Employees shall earn vacation with pay at the rate of one hundred sixty (160) hours per year after completion of seven (7) years of City employment.

(c) Employees shall earn vacation with pay at the rate of two hundred (200) hours per year after twelve (12) years of City employment.

(d) The maximum number of vacation hours employees may carry over or have in a vacation account at the start of each new calendar year is one hundred fifty (150) hours.

(e) Employees who have more than one hundred fifty (150) hours in their vacation account will have the excess vacation time paid off at the close of each calendar year.

16.2 The Employee shall have the option of converting up to fifty percent (50%) of unpaid accumulated vacation to cash payment in lieu of taking vacation. Employees may exercise the payoff option only one (1) time per fiscal year with five (5) working days notice to payroll.

**ARTICLE 17
PROBATION PERIOD AND EVALUATION:**

17.1 All Employee evaluations should be made by the City Manager or the Employee's Department Head when applicable. The City reserves the right to conduct formal evaluation summaries every six (6) months. Nothing contained herein should be construed to limit the right of the City to continually monitor and assess Employee performance and provide feedback to the Employee regarding the Employee's performance.

17.2 All new, promoted, and reclassified Employees are on probation for six (6) months except Safety Employees who shall serve a one (1) year probation period. Current City Employees accepting a promotion to a higher classification retain the right to return to their former classification if the City determines they are unable to satisfy the requirements of the new classification.

17.3 Management employees will be eligible for seniority performance incentive pay increase under the following conditions:

(a) An annual performance evaluation will be required to receive and maintain a seniority performance pay increase.

(b) The performance evaluation will be made 30 days before the employee's anniversary date, by the City Manager each year.

(c) Approved employees will receive a performance incentive pay increase to be added to their base salary rate as follows:

A. 2.5% after 10 years, effective first pay period after anniversary date.

B. 5% after 15 years, effective first pay period after anniversary date, (not to be compounded with 2.5%).

(d) This plan will be implemented for all eligible, 30 days after ratification of MOU, to allow for an initial evaluation increase to be effective the first pay period following the 30-day period. Such increase will remain in effect to the employee's next anniversary date prior to which time a reevaluation is required.

**ARTICLE 18
SAVINGS CLAUSE:**

18.1 If any Article section, subsection, paragraph, sentence, clause or phrase of this Memorandum of Understanding shall, for any reason, be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portion of the Memorandum, it being expressly provided that this Memorandum and each Article section, subsection, paragraph, sentence, clause or phrase hereof would have been adopted irrespective of the fact that any one or more articles, sections, subsections, paragraphs, sentences, clauses or phrases shall be declared invalid or unconstitutional.

**ARTICLE 19
TERM OF AGREEMENT:**

19.1 This Memorandum of Understanding shall be effective January 1, 2012 upon adoption by the City Council of the City of Corning and shall remain in effect until December 31, 2012.

19.2 This Memorandum of Understanding may be extended by mutual agreement of the parties if additional time is required to consummate a new Memorandum.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this 13th day of December 2011.

CITY OF CORNING:

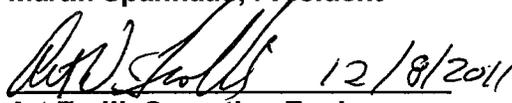
Stephen J. Kimbrough, City Manager

William L. May, Chief Negotiator

MANAGEMENT ASSOCIATION:



Martin Spannaus, President



Art Froli, Operating Engineers
Business Representative

ITEM NO. J-17
RATIFY MEMORANDUM OF UNDERSTANDING
BETWEEN CITY AND CORNING DISPATCHER'S
ASSOCIATION BARGAINING UNIT AND APPROVE
FURLOUGH SIDE LETTER.
DECEMBER 13, 2011

TO: HONORABLE MAYOR AND COUNCIL MEMBERS
FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
LISA M. LINNET, CITY CLERK

SUMMARY:

A one year mediated Agreement, dated November 10, 2011, has been reached between the City of "Corning Dispatchers Association" bargaining unit and the City of Corning. This Unit represents the Police and Fire Dispatchers. It is ready for City Council ratification. The term of the agreement is January 1, 2012 through December 31, 2012.

The Public Safety Dispatch Employees have forgone any pay increase as the economic recession continues. Employees have worked with the City by continuing to accept a ten percent reduction in pay and hours through "furloughs". The agreement also reduces retirement benefits for newly hired employees.

BACKGROUND:

The key elements of the new Agreement provide for the following:

- **Longevity Performance Pay:** 2.5% after 10 years (was 13 years); 5% after 15 years (18 years) and not compounded with the 2.5%. Both become effective the first pay-period after the employment anniversary date.
- **Vacation:** Effective December 25, 2011, the City raises the limit on accrued hours from 120 hours to 150 hours. All hours in excess of the 150-hour carryover will be paid off at the close of each calendar year. This allows employees to hold more vacation hours "on the books" in case of emergency, but still caps the amount to prevent the growth of a future financial liability for the City.
- **Compensatory Time (CT):** CT is time off (leave) given in lieu of paid overtime for public employees according to the Federal "Fair Labor Standards Act". Members of the Bargaining Unit are currently allowed to accrue up to a maximum of 100 hours annually upon the Fire or Police Chief's discretionary authority. CTO time may be carried into the following year, but at no time can it exceed the 100 hours. The intent is to limit the amount of CT on the books for each employee. The City agrees to raise the cap from 100 hours to 150 hours effective 12-25-2011.
- **Retirement:** The following sections have been added, with the changes not affecting employees hired prior to January 1, 2012:
 - 20.2: For PERS Miscellaneous members the 2% @ 60 formula with three (3) year average salary. **All current miscellaneous members are participating in the PERS 2% at 55 Retirement Formula.**
 - 20.3: Miscellaneous Employee members hired after the date the City Council approves the Memorandum of Understanding (MOU), will pay one half 3.5% of the employees share of retirement costs which is 7% for Miscellaneous.
- **Furloughs:** Furloughs are to continue from January 1, 2012 through December 31, 2012.

RECOMMENDATION:

MAYOR AND COUNCIL RATIFY THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CORNING AND THE CITY OF CORNING DISPATCH ASSOCIATION AND APPROVE THE FURLOUGH SIDE LETTER.

**CONTINUATION OF SIDE LETTER OF AGREEMENT
BETWEEN
CITY OF CORNING
AND
DISPATCHER UNIT
Re: Furloughs
October 18, 2011**

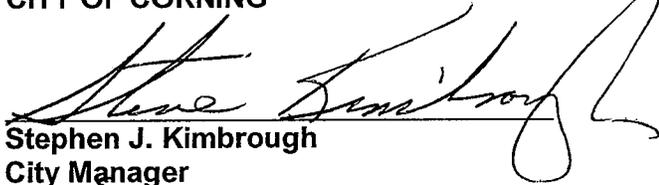
Furloughs began on October 4, 2009 and would have ended June 30, 2010. The parties met and agreed to continue the furloughs through June 30, 2011. Prior to expiration, the parties met and agreed to continue the furloughs through December 31, 2011. This new side letter extends furloughs through December 31, 2012. The City and the Dispatcher Unit agree to staff furloughs as follows:

1. All regular full-time members of the Dispatcher Unit shall be furloughed eight (8) hours each pay period with a corresponding loss of pay.
2. Furloughs will continue beginning January 1, 2012 and run through December 31, 2012.
3. Should the City lay off any regular full time City employee, furloughs will be discontinued and hours and salaries will be adjusted back to their normal pre-furlough hours and salaries effective the start of the pay period closest to the date the layoff(s) actually occur.

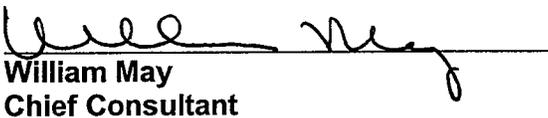
Regular full time City employees who are actually laid off shall receive one month's severance pay at their normal pre-furlough rate.

4. All hours worked over seventy-two (72) hours in a pay period will be compensated at the time and one half (1.5) rate.
5. Current Police Dispatcher and Fire Dispatcher schedules will continue during the term of this side letter.

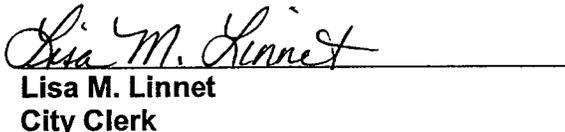
CITY OF CORNING



Stephen J. Kimbrough
City Manager



William May
Chief Consultant



Lisa M. Linnet
City Clerk

**OPERATING ENGINEERS LOCAL
UNION NO. 3 AFL-CIO**



Art Frolli
OE-3 Business Representative



Carla Schutter
Employee Representative



Frank Rua
Employee Representative



MEMORANDUM OF UNDERSTANDING

Between

CITY OF CORNING

And the

**CITY OF CORNING DISPATCHERS
ASSOCIATION**

For

DISPATCHER UNIT

Effective:

January 1, 2012 – December 31, 2012

**Agreement January 1, 2012
Ratified by City Council December 13, 2011**

THIS MEMORANDUM OF UNDERSTANDING is made and entered into between **CITY OF CORNING DISPATCHERS ASSOCIATION**, hereinafter referred to as "Association", and the designated representatives of the **CITY OF CORNING**, hereinafter referred to as the "City", pursuant to the provisions of the Meyers-Milias-Brown Act (Government Code Sections 3500, et seq.).

ARTICLE 1 DEFINITIONS

1.1 DEFINITIONS:

A. City: The term "City", as used herein, shall refer to the City of Corning.

B. Association: The term "Association", as used herein, shall refer to the City of Corning Dispatchers Association.

C. Employee: The term "Employee", as used herein, shall mean an employee filling a regularly budgeted position in a City classification which has been designated to the Dispatchers Unit under the Employee Relations Policy of the City of Corning.

D. Employee Anniversary Date: The term "employment anniversary date", as used herein, shall mean the anniversary date of the employee's most recent employment with the City.

E. Step Anniversary Date: The term "step anniversary date", as used herein, shall mean the date upon which an employee has finished serving the requisite amount of time in order to be eligible for a salary step increase. A new time period for such requisite service shall commence upon the occurrence of any of the following events: promotion; reclassification; implementation of a Memorandum of Understanding provision or Side Letter of Understanding specifying a movement into a new step, or an increase in the rate paid for the step currently held by the employee.

ARTICLE 2 RECOGNITION

2.1 The City hereby recognizes the Association as the bargaining representative for the purpose of meeting and conferring on matters within the scope of representation.

ARTICLE 3 NON-DISCRIMINATION

3.1 No Employee covered by this Memorandum of Understanding shall be discriminated against by the City, or by the Association, by reason of race, color, religion, sex, age or national origin.

3.2 The City shall not discharge, or otherwise discriminate against any Employee by reason of Association activities not interfering with the proper performance of his/her work.

**ARTICLE 4
PAY ROLL DEDUCTIONS**

4.1 The City agrees to deduct from the wages of its Employees, Association Fees and Dues, and to transmit the monies so deducted to the responsible financial representative designated by the Association. An Employee desiring such deduction or deductions shall sign a proper assignment form authorizing the deductions and present the completed form to the City Payroll Office. The Association shall hold harmless the City in all transactions associated with such deductions.

4.2 The City agrees to deduct from the wages of its Employees, Credit Union deductions, and to transmit the monies so deducted to the Credit Union. An Employee desiring to have such a deduction or deductions made shall sign a proper assignment form authorizing such deduction.

4.3 Such deductions shall not be made more often than once per month.

**ARTICLE 5
MANAGEMENT RIGHTS**

5.1 The City retains the exclusive right to manage the City. All the rights, powers, functions and authority of the City, which it had prior to the time the Association became certified as representative of the Employees of the City, and which are not limited or modified by specific provisions of the Memorandum, are retained by the City. The City specifically retains the right to manage and supervise its Employees as follows:

(A) To hire, promote, transfer, assign, classify positions, retain employees, and to suspend, demote, discharge or take other disciplinary action against employees.

(B) To lay-off or demote Employees from duties because of lack of work, lack of funds, in the interest of economy, or other legitimate reasons.

(C) To determine the policies, standards, procedures, methods, means and personnel by which City operations are to be conducted.

(D) To take whatever actions may be necessary to carry out the City in situations of emergency.

(E) To limit or prohibit the right of Employees in certain positions or classes of positions from forming, joining, or participating in employee organizations as provided in the California Government Code, and designating such employees in the current Schedule of Department and Authorized Positions adopted by Resolution.

(F) Nothing in this policy shall be construed to interfere with the City's right to manage its operations in the most economical and efficient manner consistent with the best interests of citizens, taxpayers, and employees of the City.

**ARTICLE 6
ASSOCIATION RIGHTS**

6.1 The Association recognizes its obligation to cooperate with the City to assure maximum service of the highest quality and efficiency to the citizens of the City of Corning consistent with its obligations to the Employees it represents.

6.2 City and Association affirm the principle that harmonious City-Employee relations are to be promoted and furthered. When a person is hired in any of the covered job classifications, the City shall notify that person that the Association is the certified representative for the Employees and shall notify the Association of such hiring.

6.3 The City shall provide the Association space to erect a bulletin board in each area where Employees covered by this Memorandum are assigned.

6.4 The City Manager shall be notified in advance by the Association President of the name of any official representative designated by the Association. Such representative shall have reasonable access to Employees within the Unit to insure compliance with the provisions of this Memorandum of Understanding, provided such access does not interfere with City business. Solicitation for membership shall not be conducted during working time.

6.5 The officially designated representative of the Association shall have access to any Unit Employee or Employees presenting a grievance, and Employees have the right to have the representative represent them at all formal stages of disciplinary action.

6.6 The Association may designate one (1) employee as Association Steward. The Association President shall notify the City Manager of such designation.

6.7 In addition to regularly assigned work, the Association Steward shall be permitted reasonable time during working hours to notify the Association President, or any official representative designated by the Association of any violations of this Memorandum. Employees are authorized to contact their Association Steward during working hours to report a grievance or violation of this Memorandum.

ARTICLE 7 PEACEFUL PERFORMANCE

7.1 The parties to this Memorandum of Understanding recognize and acknowledge that the services performed by the City Employees covered by this Memorandum of Understanding are essential to the public health, safety and general welfare of the residents of the City of Corning. The Association agrees that under no circumstances will the Association recommend, encourage, cause or permit its members to initiate, participate in, nor will any member of the Bargaining Unit take part in, any strike, sit-down, stay-in, sick-out, slow-down or picketing (hereinafter collectively referred to as work-stoppage), in any office or department of the City, nor to curtail any work or restrict any production, or interfere with any operation of the City. In the event of any such work stoppage by any member of the Bargaining Unit, the City shall not be required to negotiate on the merits of any dispute, which may have given rise to such work stoppage until said work stoppage has ceased.

7.2 In the event of any work stoppage during the term of this Memorandum of Understanding, whether by the Association or by any member of the Bargaining Unit, the Association, by its officers, shall immediately declare in writing and publicize that such action is illegal and unauthorized, and further direct its members in writing to cease the said conduct and resume work. Copies of such written notice shall be served upon the City. If in the event of any work stoppage, the Association promptly and in good faith, performs the obligations of this paragraph, and providing the Association has not otherwise authorized, permitted or encouraged such work stoppage, the Association shall not be liable for any damages caused by the violation of this provision. However, the City shall have the right to discipline, including discharge, any employee who instigates, participates in, or gives leadership to, any work stoppage activity herein prohibited, and the City shall also have the right to seek full legal redress including damages, as against any such employee.

ARTICLE 8 PAYMENTS

8.1 This Memorandum is intended to cover all aspects of wages, hours, and working conditions for Employees covered herein; therefore, nothing in this Memorandum shall prevent the City from modifying any employee benefits or benefit plans not specifically provided for in this Memorandum such as retirement plans, salary continuation plans, etc., subject to meet and confer.

8.2 If an Employee covered by this Memorandum is permanently assigned work of a substantially new or different nature so as to constitute a new job classification, the City and the Association shall consult to determine the wage rate through the established procedures.

8.3 Employees will be paid bi-weekly, no later than five (5) days following the end of the preceding payroll period. If the fifth day is a holiday, Employees will be paid on the preceding day.

ARTICLE 9 PREVAILING RIGHTS

9.1 This Memorandum of Understanding contains all of the covenants, stipulations and provisions agreed upon by the parties. It is understood that all items relating to Employees' wages, hours, and other terms and conditions of employment not covered in this Memorandum of Understanding shall remain the same, except as specifically mentioned in this Memorandum of Understanding; therefore, for the life of this Memorandum of Understanding, neither party shall be compelled to bargain with the other concerning any mandatory bargaining issues, whether specifically bargained about prior to the execution of this Memorandum of Understanding or which may have been omitted in the bargaining which led up to the execution of this Memorandum of Understanding, except by mutual agreement of the parties or as specifically mentioned in this Memorandum of Understanding.

**ARTICLE 10
CLASSIFICATIONS AND WAGES**

10.1 For the period of this agreement, Association Members will be paid in accordance with the monthly salary schedule and effective dates as shown in Exhibit "A". Employees will be eligible for step increases on their step anniversary dates. Employees may advance to the next step in the pay schedule upon satisfactory completion of the required time in the lower step. The time required between step A and B shall be (6) six months. **For Employees hired after adoption of this Memorandum of Understand (MOU), the advancement from step B to C shall be twelve months. Advancement from C to D, and D to E shall be (12) twelve months between each step.**

10.2 Employees may be appointed to a classification at any step, A through E, as determined by the City Manager.

10.3 **Longevity Pay:** Employees will be eligible for longevity performance incentive pay under the following conditions:

(A) Annual satisfactory performance evaluations will be required to receive and maintain annual pay increase.

(B) A performance evaluation will be made 30 days before the employee's anniversary date.

(C) **Effective January 1, 2012**, qualifying employees will receive a longevity performance incentive pay increase to be added to their base rate as follows:

1. Two and one half (2.5%) percent **after ten (10) years**, effective the first pay period after anniversary date.
2. Five (5%) percent **after fifteen (15) years**, effective the first pay period after anniversary date, (not compounded with the 2.5%).

(D) In the event the employee is denied a longevity performance incentive pay increase, the employee may request the City Manager for review and to make final determination. The matter may not be filed under any other grievance procedure.

(E) This plan will be implemented for all eligible employees **effective January 1, 2012**. The initial performance increase will be effective the first pay period following a satisfactory performance evaluation. The initial evaluation is to be made in the month of January **2012**. Such increase will remain in effect to the employee's next anniversary date prior to which time a reevaluation is required.

10.4 Bi-lingual Pay: Effective the pay-period closest to the date the City Council ratifies the MOU, the City agrees to provide an additional two and one-half (2.5%) base pay to qualified employees for the incidental duties related to the assignment under the following conditions:

(A) An employee must be certified as bi-lingual.

(B) The City Manager will establish standards for qualifying employees and for an ongoing review of skills. The City Manager will require that employees demonstrate the ability to converse in Spanish sufficient to serve the needs of the City.

(C) The City Manager shall terminate the assignment if the ongoing use of the bi-lingual skills are no longer required and/or the employee fails to perform the duties at a skill level which meets the established standards.

10.5 P.O.S.T. Dispatcher Certification Pay: Effective the pay period closest to the date the City Council ratifies the Memorandum of Understanding (MOU):

(A) Employees who possess a P.O.S.T. Dispatcher Intermediate Certificate will receive an additional two and one-half (2.5%) percent of base pay.

(B) Employees who possess a P.O.S.T. Dispatcher Advanced Certificate will receive an additional five (5%) percent of base pay.

(C) The maximum P.O.S.T. Dispatcher Certificate pay that employees can earn is five (5%) percent.

10.6 Shift Differential: If any other bargaining unit within the City of Corning receives any Shift Differential compensation, this bargaining unit shall receive the same compensation as the other bargaining unit. It is the intent of this language that parity will be achieved either by flat rate, or percentage of salary based on the actual salary of bargaining unit members.

10.7 Training Officer Pay: Effective the pay period closest to the date the City Council ratifies the Memorandum of Understanding (MOU), Fire and Police Dispatchers, when assigned in writing by the Fire Chief or Police Chief shall receive, in addition to regular pay, a two and one-half (2.5%) percent premium for serving as Training Officers for the period so assigned.

ARTICLE 11 OUT OF CLASSIFICATION PAY

11.1 Any Employee who works out of classification shall be paid at the higher wage rate if the Employee works out of classification for four (4) hours or more and the City shall pay for the entire day.

ARTICLE 12 HEALTH AND WELFARE INSURANCE

12.1 Currently the City offers a choice of four (4) Health and Safety Insurance Policies; (1) Operating Engineers Public Employees' Health and Welfare Plan; and (3) different tier Blue Shield Health Savings Account Plans. All Employees and their eligible dependents may participate in the Plans, with the City contributing to the cost of such plans up to \$1,134 per month towards the rate. The employee shall pay any remaining costs of insurance.

Future increases shall be divided equally between the City and the employee.

12.2 Employees who are not members of the Union are required to pay a service fee in the same amount as the monthly Union Dues in order to participate in the Union's Health and Welfare Plan.

12.3 The City shall **provide** life insurance **in the amount of** seventy thousand dollars (\$70,000) and continue to pay the life and disability insurance premiums. Life insurance for Employee shall be seventy thousand dollars (\$70,000).

12.4 The City shall have the option of replacing the Operating Engineers Public Employees Health and Welfare Plan with a plan of the City's choosing. If the City exercises this option, the City shall maintain coverage that is comparable and substantially equivalent to that provided currently under the present plan.

12.5 A Health Plan Review Committee, consisting of one employee from each bargaining unit, has been established and coordinated by the City Manager to review alternate health plans. This committee will study both the health plan and the short-term disability plan.

ARTICLE 13 WORKDAY AND WORKWEEK

13.1 The regular workday for Association Members shall be either eight (8) hours, or twelve (12) hours, inclusive of mealtime. The regular work period consists of eighty (80) hours in any two-week pay period on duty except in an emergency or when the normal scheduled rotation requires a different duty arrangement.

13.2 Shifts, schedules, rotations and assignments, including weekends and holidays shall be the sole prerogative of the City. The City will give fifteen (15) day written notice of change to the affected employees.

13.3 The City may institute an optional work schedule to the (5-8, 3-12, or 4-12) shift by giving the Association and the affected employees a (30) thirty days written notice. Should optional work schedule hours be different than a regular eight hours per day (example: 9, 10 or 12 hour days), the optional hours shall constitute a "regular workday", for the purpose of daily overtime pay as defined in section 14.1.

ARTICLE 14 OVERTIME

14.1 All time worked in excess of the "regular workday" either over 8 hours, or over 12 hours, depending on the schedule, or over (80) eighty hours per two-week pay period shall be considered over-time. Overtime shall be compensated therefore at the rate of time and one-half the Employee's regular pay rate, which will be paid in the same manner as other wages.

14.2 The Employee shall, on termination of employment, be entitled to be paid all accumulated overtime, together with the Employee's normal wage.

14.3 All payments for overtime worked will be made with the regular salary check for the pay period in which it was earned.

14.4 **Compensatory Time in lieu of overtime (CTO):** Members of the Bargaining Unit may accrue up to a maximum of **one hundred fifty (150) hours annually** upon the Fire or Police Chief's discretionary authority. CTO time may be carried into the following year, **but at no time can it exceed the one hundred fifty (150) hours.** Management shall approve when employees can take time off, taking into consideration the desire of the employees and the operational needs of the department. The Fire Chief or Police Chief and employees may mutually agree to pay out any or all CTO time. All unused CTO shall be paid upon termination. **All CTO in excess of one hundred fifty (150) hours shall be paid.**

ARTICLE 15 STAND-BY COMPENSATION

15.1 When the City requires an Employee to remain available for call back at any time, the Employee shall receive stand-by pay.

15.2 When an Employee is required to stand-by, such employee shall be compensated for such stand-by time at the rate of two (2) hours of straight-time compensation for each accumulated eight (8) hours of stand-by.

15.3 The City reserves the right to close any facility, if the City determines in its sole discretion that the facility needs not be open. The Association acknowledges that Employees do not have the right or privilege to stand-by at non-public City facilities without the express consent of the City.

ARTICLE 16 CALLBACK COMPENSATION

16.1 When the City requires an Employee to return to work other than his regularly scheduled workday, the Employee shall be entitled to call-back compensation.

16.2 The City shall compensate the Employee a minimum of two (2) hours of overtime compensation irrespective of the actual time worked when an Employee is called back to perform an emergency task. In the event the task exceeds two (2) hours duration, the total overtime compensation shall be for the hours actually worked.

ARTICLE 17 SICK LEAVE

17.1 Sick leave is available to an employee to use in case of illness, bodily injury, exposure to a contagious disease, medical or dental appointment or attendance upon seriously ill member of employee's immediate family, as defined by these rules. An employee may take paid sick leave after the first month of employment. Every effort by the employee shall be made to schedule appointments during non-work hours.

(A) Sick leave with pay shall be granted to all Employees. Sick leave shall be earned at the rate of (8) eight hours per calendar month of service, not to exceed a total maximum accumulation of (1920) nineteen hundred twenty hours. No sick leave shall be earned once the maximum accrual is reached.

17.2 The City agrees to pay fifty percent (50%) of Employee's unused accumulated sick leave upon retirement or death. Upon reduction in force, the City shall pay twenty-five percent (25%) of Employee's unused accumulated sick leave.

17.3 Family Leave: Employees with approval of the Department Head may use up to three (3) days accumulated sick leave per year for purpose of attending to immediate family during difficult or extended illness. Alternatives for care of family members should be pursued prior to requesting leave under this provision, and the Supervisor that stipulates to the necessity for such care and attendance may request a copy of a written confirmation from the attending physician.

17.4 Bereavement Leave: In the event of a death in the immediate family, the Employee may take off up to four (4) days. The immediate family shall be defined as husband, wife, child, mother, father, brother, sister, grandparents and grandchildren. Such leave shall be charged to sick leave.

17.5 When an employee is off work as a result of a valid on-the-job injury sustained in the service of the City, the employee is entitled to use their accrued Sick Leave during the period of disability to make up the difference between their regular pay and the Workers Compensation Temporary Disability Payments. The City shall pay only that amount necessary to make up the difference between the employee's monthly rate and the amount payable to the employee as temporary disability payments from the Worker's Compensation Insurance Plan of the City. To take advantage of this benefit, the employee must forward their Temporary disability check to the City.

17.6 The City may require verification of the necessity for sick leave. Such verification may be in the form of a written statement from a doctor or a personal affidavit from the Employee. The City reserves the right to specify which of the two verification procedures will be required in any particular situation. If the City requires verification from a physician, the City shall pay for the cost of such verification to the extent such cost is not reimbursed by the Employee's health insurance.

17.7 If the City determines that an Employee has abused the provisions of the sick leave policy, the Employee shall be subject to disciplinary action.

17.9 Sick Leave Conversion Upon Retirement: In lieu of a cash-out of sick leave, an employee upon retirement under PERS, may choose as an option to convert a percentage of the dollar value of the sick leave, at the employee's current hourly base rate of pay as of the date of retirement, to pay the pre-paid health insurance premium for a period of time up to age 65 according to the following conversion plan.

<u>Employee's years of Service with City:</u>	<u>Percentage value of employee's accrued Sick Leave:</u>
Through 15 years	50%
16 through 19 years	70%
20 or more years	80%

(A) Following is the procedure to account for the percentage value of converted sick leave. At the written request of the retiring employee, the City Staff will compute the dollar value of the accrued sick leave according to the percentages shown above and maintain an accounting in the employee's name deducting the amount of monthly City health insurance premium from the "balance".

(B) The value of sick leave does not accrue in a cash fund for each employee, therefore no actual funds are held in trust. The City simply agrees to pay the retiree's premium for a period of time until the balance value of the conversion is depleted.

(C) Should a retired employee want to stop their insurance premium payments under the Section, the employee must notify the City Manager in writing, giving the date payments should end, and City Staff will do an accounting of the actual dollar amount already paid out. Should this amount still be less than the fifty percent (50%) value provided for in the sick leave payoff provisions of this MOU (Section 17.2), the balance will be paid to the employee.

(D) Should a retired employee die prior to fully using this benefit, any dependents covered under the health insurance may, if permitted to continue insurance coverage by the insurance carrier, receive the continuation of this benefit until fully expended. The benefit shall have no cash value to the employee's estate nor can the City accept any claim for payoff by heirs.

ARTICLE 18 UNIFORM ALLOWANCE

18.1 The City agrees to furnish, at no cost to the Employees, necessary safety items required and determined by the City.

18.2 The City agrees to provide Fire and Police Dispatchers one summer and one winter uniform upon completion of the initial training period.

18.3 In addition:

- (A) Police Dispatchers will receive \$625 per year Uniform Allowance; and
- (B) Fire Dispatchers will receive \$525 per year Uniform Allowance.

ARTICLE 19 HOLIDAYS AND HOLIDAY PAY

19.1 Association members shall receive "Holiday in Lieu Pay". The amount shall annually be equal to (126) one hundred twenty-six hours pay. The annual payment is to be made on the last pay period in November. This Holiday in Lieu Pay provision for Association Members replaces all previous policies and resolves any and all previous Holiday Pay issues.

ARTICLE 20 RETIREMENT

20.1 The City provides retirement benefits under a contract with the Public Employees' Retirement System (PERS). **The City confirms that all current Miscellaneous Employees are in the PERS 2% @ 55 Retirement Formula. The City will continue to pay those employees 7% share of Retirement.**

The City will add the following section for new hires as soon as administratively feasible under PERS procedures after the City Council approves the Memorandum of Understanding (MOU).

20.2: For PERS Miscellaneous Members the new retirement tier formula of 2% at 60 based upon three (3) year average salary for employees hired after January 1, 2012.

The City also adds the following change for new hires as soon as administratively feasible after the City Council approves the Memorandum of Understanding (MOU):

20.3: PERS Miscellaneous Member Employees hired after the date the City Council approves the Memorandum of Understanding (MOU) will pay one half (3.5%) of the employees share of retirement cost which is 7% for Miscellaneous.

ARTICLE 21 VACATION

21.1 Employees shall earn vacation according to the following:

(A) Employees shall earn vacation with pay at the rate of eighty (80) hours per year after one (1) year of City employment.

(B) Employees shall earn vacation with pay at the rate of one hundred twenty (120) hours per year after five (5) years of City employment.

(C) Employees shall earn vacation with pay at the rate of one hundred sixty (160) hours per year after ten (10) years of City employment.

(D) Effective January 1, 2009, employees shall earn vacation with pay at the rate of two hundred (200) hours per year after fifteen (15) years of City employment.

(E) The maximum number of vacation hours employees may carry over or have in a vacation account at the start of each new calendar year is one hundred fifty (150) hours.

(F) Employees who have more than one hundred fifty (150) hours in their vacation account will have the excess vacation time paid off at the close of each calendar year.

21.2 The Employee shall have the option of converting up to fifty percent (50%) of unpaid accumulated vacation to cash payment in lieu of taking vacation. Employees may exercise the payoff option only one (1) time per fiscal year with five (5) working days notice to payroll.

ARTICLE 22 PROBATION PERIOD AND EVALUATION

22.1 All Employee evaluations will be made by the Employee's immediate Supervisor or the Employee's Department Head annually prior to the employee's anniversary date. In the event the immediate supervisor or Department Head is unable to complete the evaluation, the City Manager may complete the evaluation. The City reserves the right to conduct formal evaluation summaries every six (6) months. Nothing contained herein should be construed to limit the right of the City to continually monitor and assess Employee performance and provide feedback to the Employee regarding the Employee's performance.

22.2 All new, promoted, and reclassified Employees are on probation for twelve (12) months. Current City Employees accepting a promotion to a higher classification retain the right to return to their former classification if the City determines during the probation period that they are unable to satisfy the requirements of the new classification.

ARTICLE 23 LAY-OFF POLICY

23.1 The City may lay off Employees whenever it becomes necessary because of lack of work or funds, or whenever it is deemed advisable in the interests of economy to reduce the force in a department or office.

23.2 Persons shall be laid off in the following order:

(A) All extra help, temporary and provisional Employees in the same department and within the same job classification shall be laid off before any regular Employee is laid off.

(B) When it becomes necessary to reduce the force in any department or office by lay-off of regular Employees, seniority shall be the determining factor. In the case where seniority is equal, ability shall govern. The determination of ability shall be the exclusive responsibility of the Department Head, provided that in making such determination, consideration shall be given to skill, efficiency, knowledge, physical fitness, training and attitude toward fellow Employees.

23.3 Seniority shall be measured from the Employee's most recent initial appointment to City service, but shall not include any period during which such Employee was on leave without pay, or not actually in City employment because of the Employee's voluntary termination, lay-off or other cause; provided that, for any Employee who is re-employed after being discharged, seniority shall be measured from the date of the Employee's most recent appointment.

23.4 The City shall send written notice by certified mail, postage prepaid, return receipt requested, and correctly addressed to the last known mailing address of the Employee as found in the Employee's personnel file. In lieu of the above, the City may serve notice by personal service. Notice of lay-off shall be made at least thirty (30) days prior to the effective date of the action.

23.5 In lieu of being laid off, a regular Employee may elect demotion and displacement in the same department to a classification previously held by said Employee with substantially the same or lower salary step and/or to a classification in which said Employee meets the minimum qualifications. Demotion and displacement rights to specific classifications shall be applicable only within the department and subject to lay-off list provisions in this Article based on seniority and ability. Employees wishing demotion and displacement in lieu of lay-off must notify the City Manager in writing of this election no later than seven (7) calendar days after receiving notice of layoff.

**ARTICLE 24
SAVINGS CLAUSE**

24.1 If any Article section, subsection, paragraph, sentence, clause or phrase of this Memorandum of Understanding shall, for any reason, be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portion of the Memorandum, it being expressly provided that this Memorandum and each Article section, subsection, paragraph, sentence, clause or phrase hereof would have been adopted irrespective of the fact that any one or more Articles, sections, subsections, paragraphs, sentences, clauses or phrases shall be declared invalid or unconstitutional.

**ARTICLE 25
FULL UNDERSTANDING, MODIFICATION AND WAIVER**

25.1 This Memorandum sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved by the City Council.

The waiver of any breach, term or condition of this Memorandum by either party shall not constitute a precedent in the future enforcement of all its terms and conditions.

**ARTICLE 26
TERM OF AGREEMENT**

26.1 This Memorandum of Understanding shall be effective January 1, 2012, upon adoption by the City Council of the City of Corning and shall remain in effect until the 31st day of December 2012.

26.2 This Memorandum of Understanding may be extended by mutual agreement of the parties if additional time is required to consummate a new Memorandum.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this 13th day of December 2011.

CITY OF CORNING

CITY OF CORNING
DISPATCHERS ASSOCIATION

Stephen J. Kimbrough
City Manager



Carla Schutter
Association Representative

William "Bill" May
Chief Negotiator



Frank Rua
Association Representative

Lisa M. Linnet,
City Clerk



Art Frolii,
OE-3 Business Representative

Ratified By the Corning City Council December 13, 2011

ITEM NO. J-18
RATIFY MEMORANDUM OF UNDERSTANDING
BETWEEN CITY AND CORNING PUBLIC SAFETY
BARGAINING UNIT AND APPROVE FURLOUGH SIDE
LETTER.
DECEMBER 13, 2011

TO: HONORABLE MAYOR AND COUNCIL MEMBERS
FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
LISA M. LINNET, CITY CLERK

SUMMARY:

A one year mediated Agreement, dated November 10, 2011, has been reached between the City's "Public Safety" bargaining unit and the City of Corning. This Unit represents the Police Officers, Sergeants and Police Detective. It is ready for City Council ratification. The term of the agreement is January 1, 2012 through December 31, 2012.

The Public Safety Employees have forgone any pay increase as the economic recession continues. Employees have worked with the City by continuing to accept a ten percent reduction in pay and hours through "furloughs". The agreement also reduces retirement benefits for newly hired employees.

BACKGROUND:

The key elements of the new Agreement provide for the following:

- **Vacation:** Effective December 25, 2011, the City raises the limit on accrued hours from 120 hours to 150 hours. All hours in excess of the 150-hour carryover will be paid off at the close of each calendar year. This allows employees to hold more vacation hours "on the books" in case of emergency, but still caps the amount to prevent the growth of a future financial liability for the City.
- **Compensatory Time (CT):** CT is time off (leave) given in lieu of paid overtime for public employees according to the Federal "Fair Labor Standards Act". Members of the Bargaining Unit are currently allowed to accrue up to a maximum of 100 hours annually upon the Police Chief's discretionary authority. CTO time may be carried into the following year, but at no time can it exceed the 100 hours. The intent is to limit the amount of CT on the books for each employee. The City agrees to raise the cap from 100 hours to 150 hours effective 12-25-2011.
- **Retirement:** The following sections have been added, with the changes not affecting employees hired prior to January 1, 2012:
 - 25.3: For PERS Safety members the 3% @ 55 formula with three (3) year average salary. **All current Safety members are participating in the PERS 3% at 50 single highest year Retirement Formula.**
 - 25.4: PERS Safety members hired after the date the City Council approves the Memorandum of Understanding (MOU), will pay one half (4.5%) of the employees share of retirement costs which is 9% for Safety.
 - 25.5: The City agrees that the retirement tier changes in 25.3 and 25.4 will not affect employees hired prior to January 1, 2012.
- **Furloughs:** Furloughs are to continue from January 1, 2012 through December 31, 2012.

RECOMMENDATION:

MAYOR AND COUNCIL RATIFY THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CORNING AND THE CITY OF CORNING PUBLIC SAFETY UNIT AND APPROVE THE FURLOUGH SIDE LETTER.

**CONTINUATION OF SIDE LETTER OF AGREEMENT
BETWEEN
CITY OF CORNING
AND
PUBLIC SAFETY UNIT
Re: Furloughs
October 18, 2011**

Furloughs began on October 4, 2009 and would have ended June 30, 2010. The parties met and agreed to continue the furloughs through June 30, 2011. Prior to expiration, the parties met and agreed to continue the furloughs through December 31, 2011. This new side letter extends furloughs through December 31, 2012. The City and the Public Safety Unit agree to staff furloughs as follows:

1. All regular full-time members of the Public Safety Unit shall be furloughed eight (8) hours each pay period with a corresponding loss of pay.
2. Furloughs will continue beginning January 1, 2012 and run through December 31, 2012.
3. Should the City lay off any regular full time City employee, furloughs will be discontinued and hours and salaries will be adjusted back to their normal pre-furlough hours and salaries effective the start of the pay period closest to the date the layoff(s) actually occur.

Regular full time City employees who are actually laid off shall receive one month's severance pay at their normal pre-furlough rate.

4. All hours worked over seventy-two (72) hours in a pay period will be compensated at the time and one half (1.5) rate.
5. Current Public Safety Unit schedules will continue during the term of this side letter.

CITY OF CORNING

Stephen J. Kimbrough
City Manager

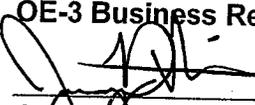
William May
Chief Consultant

Lisa M. Linnet
City Clerk

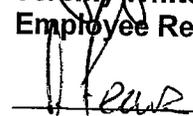
**OPERATING ENGINEERS LOCAL
UNION NO. 3 AFL-CIO**



Art Frolli
OE-3 Business Representative



Jeremy White
Employee Representative



Jeremiah Fears
Employee Representative



MEMORANDUM OF UNDERSTANDING

Between

CITY OF CORNING

and

OPERATING ENGINEERS UNION LOCAL NO. 3

of the

**INTERNATIONAL
UNION OF OPERATING ENGINEERS
AFL-CIO**

for

PUBLIC SAFETY EMPLOYEES

Effective:

January 1, 2012 – December 31, 2012

**Agreement January 1, 2012
Ratified by City Council December 13, 2011**

**City Of Corning
And The
Operating Engineers Local Union No. 3
Of The International Union Of Operating Engineers AFL-CIO
For Public Safety Employees
Effective: January 1, 2012 – December 31, 2012**

This Memorandum of Understanding is made and entered into between the Operating Engineers Local No. 3 of the International Union of Operating Engineers, AFL-CIO, hereinafter referred to as "**Union**", and the designated representatives of the CITY OF CORNING, hereinafter referred to as the "**City**", pursuant to the provisions of the Meyers-Milias-Brown Act (Government Code Section 3500, et seq.). This Memorandum of Understanding supersedes and replaces all previous Memorandum of Understandings between the parties.

**ARTICLE 1
GENERAL PROVISIONS - DEFINITIONS**

1.1 DEFINITIONS:

- A. Employer:** The term "Employer", as used herein, shall refer to the City of Corning.
- B. Union:** The term "Union", as used herein, shall refer to the Operating Engineers Local No. 3 of the International Union of Operating Engineers, AFL-CIO.
- C. Employee:** The term "Employee", as used herein, shall mean all Employees of the Peace Officer Unit as established under the provisions of the Employer-Employee Relation Policy of the City of Corning.
- D. Employment Anniversary Date:** The term "employment anniversary date", as used herein, shall mean the anniversary date of the employee's employment with the City.
- E. Step Anniversary Date:** The term "step anniversary date", as used herein, shall mean the date upon which an employee has finished serving the requisite amount of time in order to be eligible for a salary step increase. A new time period for such requisite service shall commence upon the occurrence of any of the following events: Promotion, reclassification, implementation of a Memorandum of Understanding provision or Side Letter of Understanding specifying a movement into a new step or an increase in the rate paid for the step currently held by the employee.

**ARTICLE 2
RECOGNITION**

- 2.1** The Employer hereby recognizes the Union as the only organization entitled to meet and confer on matters within the scope of representation.

**ARTICLE 3
HIRING PROVISIONS**

- 3.1** No Employee covered by this Memorandum of Understanding shall be discriminated against by the Employer or by the Union by reason of race, color, religion, sex, age or national origin.
- 3.2** The Employer shall not discharge, or otherwise discriminate against any Employee by reason of Union activities not interfering with the proper performance of his work.

**ARTICLE 4
CHECK OFF**

- 4.1 The Employer agrees to deduct from the wages of its Employees' initiation fees and dues and transmit the moneys so deducted to the Financial Secretary of the Union. An Employee desiring to have such deduction or deductions made shall sign a proper assignment form authorizing such deductions.
- 4.2 The Employer agrees to deduct from the wages of its Employees' Operating Engineers Local Union No. 3 Credit Union deductions and to transmit the moneys so deducted to the Credit Union. An Employee desiring to have such a deduction or deductions made shall sign a proper assignment form authorizing such deductions.
- 4.3 Such deductions shall not be made more often than once per month.

**ARTICLE 5
MANAGEMENT RIGHTS**

- 5.1 The Employer retains the exclusive right to manage the City. All the rights, powers, functions and authority of the Employer, which it had prior to the time the Union became certified as representative of the Employees of the Employer, and which are not limited or modified by specific provisions of the Memorandum, are retained by the Employer. The Employer specifically retains the right to manage and supervise its Employees as follows:
 - 1. To hire, promote, transfer, assign, classify positions, retain employees, and to suspend, demote, discharge or take other disciplinary action against Employees.
 - 2. To lay-off or demote Employees from duties because of lack of work, lack of funds, in the interest of economy, or other legitimate reasons.
 - 3. To determine the policies, standards, procedures, methods, means and personnel by which City operations are to be conducted.
 - 4. To take whatever actions may be necessary to carry out the mission of the City in situations of emergency.
 - 5. To limit or prohibit the right of Employees in certain positions or classes of positions from forming, joining, or participating in employee organizations as provided in the California Government Code, and designating such employees in the current schedule of Departments and Authorized Positions adopted by resolution.
 - 6. Nothing in this policy shall be construed to interfere with the City's right to manage its operations in the most economical and efficient manner consistent with the best interests of all citizens, taxpayers, and employees in the City.

**ARTICLE 6
UNION RIGHTS**

- 6.1 The Union recognizes its obligation to cooperate with the Employer to assure maximum service of the highest quality and efficiency to the citizens of the City of Corning consistent with its obligations to the Employees it represents.
- 6.2 Employer and Union affirm the principle that harmonious Employer-Employee relations are to be promoted and furthered. When a person is hired in any of the covered job classifications, the City shall notify that person that the Union is the certified representative for the Employees and shall notify the Union of such hiring.
- 6.3 The Employer shall provide the Union space to erect a bulletin board in each area where Employees covered by this Memorandum are assigned.

- 6.4 Business Representatives of the Union shall have reasonable access to Employees, provided such access does not interfere with City business. Department Heads and First-Line Supervisors will be notified by the Employer of the provisions of this Section. Solicitation for membership shall not be conducted during working time.
- 6.5 Business representatives of the Union shall have access to any Employee or Employees presenting a grievance; and Employees have the right to have the Union Business Representative represent him or her at all stages of disciplinary action.
- 6.6 The Union may select one (1) Employee as Union Steward.
- 6.7 In addition to his regularly assigned work, the Union Steward shall be permitted reasonable time during working hours to notify the Business Representative of any violations of this Memorandum. Employees are authorized to contact their Union Steward during working hours to report a grievance or violation of this Memorandum.

**ARTICLE 7
PEACEFUL PERFORMANCE**

- 7.1 The parties to this Memorandum of Understanding recognize and acknowledge that the services performed by the City Employees covered by this Memorandum are essential to the public health, safety and general welfare of the residents of the City of Corning. The Union agrees that under no circumstances will the Union recommend, encourage, cause or permit its members to initiate, participate in, nor will any member of the bargaining unit take part in, any strike, sit-down, stay-in, sick-out, slow-down or picketing (hereinafter collectively referred to as work stoppage), in any office or department of the City, nor to curtail any work or restrict any production, or interfere with any operation of the City. In the event of any such work stoppage by any member of the bargaining unit, the City shall not be required to negotiate on the merits of any dispute, which may have given rise to such work stoppage until said work stoppage has ceased.
- 7.2 In the event of any work stoppage during the term of this Memorandum of Understanding, whether by the Union or by any member of the bargaining unit, the Union, by its officers, shall immediately declare in writing and publicize that such action is illegal and unauthorized, and further direct its members in writing to cease the said conduct and resume work. Copies of such written notice shall be served upon the City. If in the event of any work stoppage the Union promptly and in good faith performs the obligations of this paragraph, and providing the Union has not otherwise authorized, permitted or encouraged such work stoppage, the Union shall not be liable for any damages caused by the violation of this provision. However, the City shall have the right to discipline, including discharge, any Employee who instigates, participates in, gives leadership to, any work stoppage activity herein prohibited, and the City shall also have the right to seek full legal redress including damages, as against any such Employee.

**ARTICLE 8
PAYMENTS**

- 8.1 This Memorandum is intended to cover all aspects of wages, hours, and working conditions for Employees covered herein, therefore, nothing in this Memorandum shall prevent the Employer from modifying any fringe benefits or benefit plans not specifically provided for in this Memorandum such as retirement plans, salary continuation plans, etc., subject to meet and confer.
- 8.2 If an Employee covered by this Memorandum is permanently assigned work of a substantially new or different nature so as to constitute a new job classification, the Employer and the Union shall determine the wage rate through the established procedures.
- 8.3 Effective 6/24/01 in accordance with the City's Standard Bi-weekly Pay Plan, the pay period for all employees covered by this MOU will be bi-weekly. Initial bi-weekly payment to be made 7/12/01 and every other week after that date in the same manner and time as all other City employees.

This transition will allow employees to receive a modified semi-monthly paycheck for work performed in the portion of the last period of June 2001 (between 6/16/01 and 6/23/01) in the same manner and time as previously scheduled.

The work period will be the 80 hours bi-weekly allowed under the provisions of the FLSA 7K exemption for Safety employees.

ARTICLE 9 PREVAILING RIGHTS

- 9.1** This Memorandum of Understanding contains all of the covenants, stipulations and provisions agreed upon by the parties. It is understood that all items relating to Employees' wages, hours, and other terms and conditions of employment not covered in this Memorandum of Understanding shall remain the same, except as specifically mentioned in this Memorandum; therefore, for the life of this Memorandum, neither party shall be compelled to bargain with the other concerning any mandatory bargaining issues, whether specifically bargained about prior to the execution of this Memorandum or which may have been omitted in the bargaining which led up to the execution of this Memorandum of Understanding, except by mutual agreement of the parties or as specifically mentioned in this Memorandum.

ARTICLE 10 WAGES

- 10.1** *For the period of this agreement, Employees will be eligible for merit step increases in accordance with section 10.2.*
- 10.2** Employees may advance to the next step in the pay schedule upon satisfactory completion of the required time in the lower step. The time required to advance from step A to B, and B to C is currently six (6) months. For employees hired after July 1, 2005, the time required between step A and B shall remain six (6) months. For employees hired after July 1, 2005 advancement from step B to C, C to D and D to E shall be twelve (12) months between each step.
- 10.3** Employees transferring into the unit from other public agencies or from other departments within the City shall be placed on whatever salary step the City determines is appropriate based on their qualifications. However, an Employee receiving a promotion within the department shall not be placed in a step requiring a lower salary than was earned in the previous position.
- 10.4** **Longevity Pay:** Employees will be eligible for longevity performance incentive pay under the following conditions:
- A.** Annual satisfactory performance evaluations will be required to receive and maintain annual pay increase.
 - B.** A performance evaluation will be made 30-days before the employee's anniversary date.
 - C.** Qualifying employees will receive a longevity performance incentive pay increase to be added to their base rate as follows:
 - 1.** 3% after 10 years, effective the first pay period after anniversary date.
 - 2.** 6% after 15 years, effective the first pay period after anniversary date, (not compounded with the 3%).
 - D.** In the event the employee is denied a longevity performance incentive pay increase, the employee may request the City Manager for review and to make final determination. The matter may not be filed under any other grievance procedure.

- E. The plan will be implemented for all eligible employees effective the pay period closest to the date the City Council ratifies the Memorandum of Understanding (MOU). The initial performance increase will be effective the first pay period following a satisfactory performance evaluation. The initial evaluation is to be made as soon as administratively feasible following the adoption of the MOU. Such increase will remain in effect to the employee's next anniversary date prior to which time a reevaluation is required.

**ARTICLE 11
HEALTH AND WELFARE INSURANCE**

- 11.1 ***Currently the City offers a choice of four (4) Health and Safety Insurance Policies: (1) Operating Engineers Public Employees' Health and Welfare Plan; and (3) different tier Blue Shield Health Savings Account Plans. All Employees and their eligible dependents may participate in the Plans, with the City contributing to the cost of such plans up to \$1,134 per month towards the rate. The employee shall pay any remaining costs of insurance.***
- Future increases shall be divided equally between the City and the employee.***
- 11.2 The City shall pay the fee for Employees who are not members of the Operating Engineers Local Union No. 3 in order to participate in the Union's Health and Welfare Plan.
- 11.3 The City shall increase the life insurance from twenty thousand dollars (\$20,000) to seventy thousand dollars (\$70,000) as soon as administratively feasible and continue to pay the life and disability insurance premiums. Life insurance for Employees shall be seventy thousand dollars (\$70,000).
- 11.4 The City shall have the option of replacing the Operating Engineers Public Employees Health and Welfare Plan with a plan of the City's choosing. If the City exercises this option, the City shall maintain coverage that is comparable and substantially equivalent to that provided currently under the present plan.
- 11.5 A Health Plan Review Committee consisting of one employee from each bargaining unit will be established and coordinated by the City Manager to review alternate health plans. A non-binding Committee Report will be made to the City and the Union. The committee will study both the health plan and the short-term disability and "cafeteria" plans. Upon receipt of the committee's report, the City or the Union, upon the request of either, will meet and confer on the recommendations of the committee.

**ARTICLE 12
WORKDAY AND WORKWEEK**

- 12.1 The regular workday shall be eight (8) hours, inclusive of mealtime. The regular workweek shall not exceed forty (40) hours per week on duty. Workweeks shall be scheduled by the Employer to provide for five (5) consecutive days on duty and two (2) consecutive days off duty. All time worked in excess of the regular workday or workweek shall be considered overtime.
- 12.2 The City may institute an optional work schedule to the (5-8) shift. If another shift is considered, it is the understanding that management retains the right to schedule in the best interests of the department, and for the safety of the citizens of Corning.

**ARTICLE 13
OVERTIME**

- 13.1 Overtime shall be compensated at the rate of time and one-half, which will be paid in the same manner as other wages, except C.T.O.
- 13.2 An Employee shall, upon termination of employment, be entitled to be paid all unpaid accumulated overtime together with the Employee's normal wages.

- 13.3 All cash payments for overtime worked will be made on the regular salary check in which it was earned. The only exception is holiday pay. (See Article 19 regarding holidays.)
- 13.4 All overtime worked shall be first approved by the Chief or Shift Sergeant.
- 13.5 **Compensatory Time in lieu of overtime (CTO):** *The City will allow members of the Bargaining Unit to accrue up to a maximum of one hundred fifty (150) hours annually upon the Police Chief's discretionary authority. CTO time may be carried into the following year, but at no time can it exceed the one hundred fifty (150) hours. The Police Chief shall approve when employees can take time off, taking into consideration the desire of the employees and the operational needs of the department. The Police Chief and employees may mutually agree to pay out any or all CTO time at any time. All unused CTO shall be paid upon termination. All CTO in excess of one hundred fifty (150) hours shall be paid.*

**ARTICLE 14
SPECIALTY PAY**

- 14.1 Employees in the classification of Police Officer shall receive in addition to regular pay a 5% premium when assigned, in writing by the Police Chief, to serve and perform as a Field Training Officer (FTO).
- 14.2 **Out of Class Pay.** An Employee who is temporarily assigned, in writing, the duties of a supervising position for fifteen (15) cumulative days shall receive premium pay of no more than five percent (5%) above his/her present salary beginning on the sixteenth (16th) day.
- 14.3 Officers assigned by the Chief of Police to the K-9 Unit shall receive one hundred fifty dollars (\$150) per month for the incidental duties related to the assignment effective June 24, 2001.
- 14.4 Officers certified and assigned by the Chief of Police as bi-lingual shall receive an additional 2.5% pay for the incidental duties related to the assignment. The Police Chief shall establish reasonable standards to qualifying Officers and for on going review of skills.

**ARTICLE 15
STAND-BY COMPENSATION**

- 15.1 When the Employer requires an Employee to remain available for call back at any time, the Employee shall receive stand-by pay.
- 15.2 When an Employee is required to stand by, he shall be compensated for such stand-by at the rate of two (2) hours of straight time compensation by cash for each accumulated eight (8) hours of stand-by.

**ARTICLE 16
CALL-BACK COMPENSATION**

- 16.1 When the City requires an employee to return to work other than his regularly scheduled workday, or for hours that are not contiguous to the beginning or end of an employee's normal shift, the employee shall be entitled to call-back compensation.
- 16.2 The City shall compensate the employee a minimum of two (2) hours of overtime compensation irrespective of the actual time worked when an employee is called back to work. In the event the task exceeds two (2) hours duration, the total overtime compensation shall be for the hours actually worked.

**ARTICLE 17
SICK LEAVE**

- 17.1 Sick leave is available to an employee to use in case of illness, bodily injury, exposure to a contagious disease, medical or dental appointment or attendance upon seriously ill member of employee's immediate family, as defined by these rules. An employee may take paid sick leave after the first month of employment. Every effort by the employee shall be made to schedule appointments during non-working hours.
- 17.2 Sick leave with pay shall be granted to all employees. Sick leave shall be earned at the rate of eight (8) hours per calendar month of service, not to exceed a total maximum accumulation of one thousand four hundred forty (1440) hours. No sick leave shall be earned once the maximum accrual is reached.
- 17.3 The City agrees to pay forty-five percent (45%) of Employee's unused accumulated sick leave upon retirement or death. Upon reduction in force, the City shall pay twenty-five (25%) of Employee's unused accumulated sick leave.
- 17.4 Employees who have less than thirty-six (36) days of sick leave accumulated may, in lieu of taking vacation, bank said vacation time under sick leave.
- 17.5 Family Leave shall be administered in accordance with applicable State and Federal law.
- 17.6 Bereavement Leave - In the event of a death in the immediate family, the Employee may take off up to four (4) days. The immediate family shall be defined as husband, wife, child, step child, mother, father, brother, sister, grandparents, and grandchildren. Such leave shall be charged to sick leave.
- 17.7 When an employee is off work as a result of a valid on-the-job injury sustained in the service of the City, the employee is entitled to use their accrued Sick Leave during the period of disability to make up the difference between their regular pay and the Workers Compensation Temporary Disability Payments. The City shall pay only that amount necessary to make up the difference between the employee's monthly rate and the amount payable to the employee as temporary disability payments from the Worker's Compensation Insurance Plan of the City. To take advantage of this benefit, the employee must forward their Temporary check to the City.
- 17.8 The City may require verification of the necessity for sick leave. Such verification may be in the form of a written statement from a doctor or a personal affidavit from the Employee. The City reserves the right to specify which of the two verification procedures will be required in any particular situation. If the City requires verification from a physician, the City shall pay for the cost of such verification to the extent such cost is not reimbursed by the Employee's health insurance.
- 17.9 If the City determines that an Employee has abused the provisions of the sick leave policy, the Employee shall be subject to disciplinary action.
- 17.10 **Sick Leave Conversion Upon Retirement:** In lieu of a cash out of sick leave, an employee, upon retirement under PERS, may choose as an option, to convert a percentage of the dollar value of the sick leave at the employee's current hourly base rate of pay as of the date of retirement, to pay the pre-paid health insurance premium up for a period of time up to age 65 according to the following conversion plan:

<u>Employee's year of Service with City</u>	<u>Percentage value of employee's accrued Sick Leave</u>
Through 15 years	50 %
16 through 19 years	70 %
20 or more years	80 %

The following is the procedure to account for the percentage value of converted sick leave:

- (A) At the written request of the retiring employee, the City Staff will compute the dollar value of the accrued sick leave according to the percentages shown above, and maintain an accounting in the employees name, deducting the amount of monthly City health insurance premium for the "balance".
- (B) The value of sick leave does not accrue in a cash fund for each employee, therefore no actual funds are held in trust. The City simply agrees to pay the retiree's premium for a period of time until the balance value of the conversion is depleted.
- (C) Should a retired employee want to stop their insurance premium payments under this Section, the employee must notify the City Manager in writing, giving the date payments should end, and City Staff will do an accounting of the actual dollar amount paid out. Should this amount still be less than the fifty percent (50%) value provided for in the sick leave payoff provisions of this MOU, Section 17.3 the balance will be paid to the employee.
- (D) Should a retired employee die prior to fully using this benefit, any dependents covered under the health insurance may, if permitted to, continue insurance coverage by the insurance carrier and receive the continuation of this benefit until fully expended. The benefit shall have no cash value to the employee's estate nor can the City accept any claim for payoff by heirs.
- (E) Employees' not choosing to remain in the City's offered health plan may use the benefits set out in these sections, to be applied to the cost of a private health plan. The retired employee will be reimbursed on a quarter year basis, such amounts as provided in these sections, upon submission of a written claim and proof of a paid premium by the retired employee. The form, manner of claim, and proof will be as prescribed by the City.

ARTICLE 18 UNIFORM ALLOWANCE

- 18.1 Effective January 1, 2009 the City agrees to pay all members of the Public Safety Employees Bargaining Unit covered by this Memorandum of Understanding, a uniform allowance, also to include Body Armor Shell, of nine hundred dollars (\$900) per year, payable on the Employee's employment anniversary date. Notwithstanding the foregoing, the City reserves the option to implement a system by which the City will purchase and maintain the uniforms required of Employees at City's expense in lieu of providing the aforementioned uniform allowance.
- 18.2 The Employer agrees to replace, at no cost to the Employee, any item of uniform clothing damaged in the line of duty.

ARTICLE 19 HOLIDAYS & HOLIDAY PAY

- 19.1 Members of the bargaining unit shall receive "Holiday in Lieu". The amount shall annually be equal to one hundred eight (108) hours pay.
- 19.2 Employees hired into full time positions during each calendar year shall have their Holiday in Lieu pay prorated based on the number of full months worked in relationship to twelve (12) months. This section applies only to initial hires by the City, not employees who promote during the year.
- 19.3 Annual payment is to be made on the last pay period in November.

ARTICLE 20 EDUCATIONAL INCENTIVE PAY

- 20.1 The Employer agrees to provide Incentive Pay for all Peace Officers at the following rates:
 - A. All Employees to receive, monthly, two and one-half percent (2 1/2%) above base monthly pay for possession of a POST Intermediate Certificate or an Associate of Arts Degree.

- B. All Employees to receive, monthly, five percent (5%) above base monthly pay for possession of a POST Advanced Certificate or a Bachelors Degree.

ARTICLE 21 VACATION TIME

- 21.1 Employees shall earn vacation according to the following:
 - A. Employees shall earn vacation with pay at the rate of one hundred twenty (120) hours per year after one (1) year and during the first seven (7) years of City employment.
 - B. Employees shall earn vacation with pay at the rate of one hundred sixty (160) hours per year after completion of seven (7) years of City employment.
 - C. Effective January 1, 2009, employees shall earn vacation with pay at the rate of two hundred (200) hours per year after fifteen (15) years of City employment.
 - D. *The maximum number of vacation hours employees may carry over or have in a vacation account at the start of each new calendar year is one hundred fifty (150) hours.*
 - E. *Employees who have more than one hundred fifty (150) hours in their vacation account will have the excess vacation time paid off at the close of each calendar year.*
- 21.2 The Employee shall have the option of converting up to fifty percent (50%) of unpaid accumulated vacation to cash payment in lieu of taking vacation. The Employee may exercise this payoff option only one (1) time per fiscal year with five (5) working days notice to payroll.

ARTICLE 22 SAFETY

- 22.1 The Employer agrees to furnish, at no cost to the Employee, all items of safety equipment including, but not limited to: weapon, holster, belt with ammo pouches, cuffs, nightstick and rain gear with waterproof boots, plus reflectorized traffic vests and traffic batons for each patrol car.
- 22.2 **Body Armor:** The City shall periodically choose a manufacturer and brand of body armor that meets the "Threat Level III-A" Standard published from time to time by the National Institute of Justice. Each employee represented by the Bargaining Unit will be provided "Threat Level III-A" body armor upon employment. Such body armor shall be replaced every four (4) years. Initial and replacement armor will include both the armor and the shell. The employee is responsible for the periodic replacement of the shell as part of the annual Uniform Allowance, as explained in Article 18. The Employee may select a higher priced unit (meeting this standard) by paying the difference. The body armor will be required to be worn at all times when the Officer is on duty.
- 22.3 **Vehicles:** The City Police Chief will consult with a representative of the Unit and consider Unit input when developing a maintenance inspection program for patrol cars. The program will include routine "certified" vehicle inspections at specific mileage and following an accident or high-speed chase involving the vehicle.
- 22.4 **Manning:** The Police Chief will consult with a representative of the Unit and consider Unit input when developing a plan for the scheduling and deployment of available staff to best meet the needs of the Department and the City population.
- 22.5 **Ammunition:** City will provide all duty ammunition and range qualification and ammunition for all City duty issued weapons.
- 22.6 A Physical Fitness Plan Committee, consisting of one employee from the bargaining unit and the Police Chief, will be established and coordinated by the City Manager to review physical fitness plans.
- 22.7 Employees who qualify under the physical fitness incentive plan shall receive a total of five percent (5%) pay increase.

- 22.7 Employees who qualify under the physical fitness incentive plan shall receive a total of five percent (5%) pay increase.

ARTICLE 23 LAY-OFF POLICY

- 23.1 The City may lay-off Employees whenever it becomes necessary because of lack of work or funds, or whenever it is deemed advisable in the interests of the economy to reduce the force in a department or office.

- 23.2 Persons shall be laid off in the following order:

1. All extra help, temporary and provisional Employees in the same department and within the same job classification shall be laid off before any regular Employee is laid off.
2. When it becomes necessary to reduce the force in any department or office by lay-off of regular Employees, seniority shall be the determining factor. In the case where seniority is equal, ability shall govern.

The determination of ability shall be the exclusive responsibility of the department head, provided that in making such determination, consideration shall be given to skill, efficiency, knowledge, physical fitness, training and attitude toward fellow Employees.

- 23.3 Seniority shall be measured from the Employee's initial appointment to City service, but shall not include any period during which such Employee was on leave without pay, or not actually in City employment because of the Employee's voluntary termination, lay-off or other cause; provided that, for any Employee who is reemployed after being discharged, seniority shall be measured from the date of the Employee's most recent appointment.

- 23.4 The City shall send written notice by certified mail, postage prepaid, return receipt requested, and correctly addressed to the last known mailing address of the Employee as found in the Employee's personnel file. In lieu of the above, the City may serve notice by personal service. Notice of lay-off shall be made at least (30) thirty-days prior to the effective date of the action.

- 23.5 In lieu of being laid off, a regular Employee may elect demotion and displacement in the same department to a classification previously held by said Employee with substantially the same or lower salary step and/or to a classification in which said Employee meets the minimum qualifications. Demotion and displacement rights to specified classifications shall be applicable only within the department and subject to layoff list provisions in this Section based on seniority and ability. Employees wishing demotion and displacement in lieu of layoff must notify the City Manager in writing of this election no later than seven (7) calendar days after receiving notice of layoff.

ARTICLE 24 PROBATION PERIOD AND EVALUATION

- 24.1 All Employee evaluations should be made by the Employee's immediate Supervisor or the Employee's Department Head when possible. In the event the immediate Supervisor or Department Head is unable to complete the evaluation, the City Manager may complete the evaluation. The City reserves the right to conduct formal evaluation summaries every six (6) months. Nothing contained herein should be construed to limit the right of the City to continually monitor and assess Employee performance and provide feedback to the Employee regarding the Employee's performance.

- 24.2 All new, promoted and reclassified Employees are on probation for one (1) year. The Police Chief may extend a probation period for a worker, on a day for day basis, which has been on a limited duty assignment or on leave, either compensated or non-compensated in excess of ten (10) days.

**ARTICLE 25
RETIREMENT**

- 25.1 Eligible employees are covered by a State of California Public Employee's Retirement System Program pursuant to an existing contract between the Public Employee's Retirement System and the City of Corning. The City will pay in full both the City's and the Employees P.E.R.S. contribution.
- 25.2 The City will implement the CalPERS "3% @ 50 formula" safety retirement including the "single highest year" option to be effective no later than June 30, 2002. The City assumes responsibility for all costs associated with buying back past service as well as assuming all costs associated with maintaining said monthly benefit.

The City will add the following section for new hires as soon as administratively feasible under PERS procedures after the City Council approves the Memorandum of Understanding (MOU):

- 25.3 ***For PERS Safety Members the 3% @ 55 formula with three (3) year average salary.***

The City also adds the following change for new hires as soon as administratively feasible after the City Council approves the Memorandum of Understanding (MOU):

- 25.4 ***PERS Safety Members hired after the date the City Council approves the Memorandum of Understanding (MOU) will pay one half (4.5%) of the employees share of retirement cost which is 9% for Safety.***
- 25.5 ***The City agrees that the retirement tier changes in 25.3 and 25.4 will not affect employees hired prior to January 1, 2012.***

**ARTICLE 26
SAVINGS CLAUSE**

- 26.1 If any Article, Section, subsection, paragraph, sentence, clause or phrase of this Memorandum of Understanding shall, for any reason, be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portion of this Memorandum, it being expressly provided that this Memorandum and each section, subsection, paragraph, sentence, clause, or phrase hereof would have been adopted irrespective of the fact that any one or more sections, subsections, paragraphs, sentences, clauses or phrases shall be declared invalid or unconstitutional.

**ARTICLE 27
TERM OF AGREEMENT**

- 27.1 This Memorandum of Understanding shall be effective January 1, 2012, upon adoption by the City Council of the City of Corning and shall remain in effect until the 31st day of December 2012.
- 27.2 Either party may, in writing, notify the other party within 120 days of the terminated date of this Memorandum of Understanding after start to negotiate a new Memorandum.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding this 13th day of December 2011.

CITY OF CORNING

Stephen J. Kimbrough
City Manager

William L. "Bill" May
Chief Negotiator

**OPERATING ENGINEERS LOCAL
UNION NO. 3 AFL-CIO**

Art Frolli 12/8/2011

Art Frolli
Chief Negotiator

[Signature]

Jeremy White
POA Representative

[Signature]

Jeremiah Fears
POA Representative

**ITEM NO.: J-19
APPROVE RESOLUTION NO. 12-13-2011-01 AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR THE SOLANO STREET STREETScape TRANSPORTATION ENHANCEMENT (TE) PROJECT**

DECEMBER 13, 2011

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
ED ANDERSON, CITY ENGINEER
JOHN L. BREWER, AICP; DIRECTOR OF PUBLIC WORKS**



SUMMARY:

Attached is Resolution No. 12-13-2011-01 for your consideration. If approved, it will authorize the submittal a Transportation Enhancement Project application (also attached) for the Solano Streetscape Improvement Project. The project would add streetscape improvements including decorative crosswalks and sidewalks, streetlights, street furniture, pedestrian bulbs, repaving, etc., along about a four block stretch of Solano Street, from City Hall through the West Street intersection. See the map that's included within the application.

SOLANO STREET LANES:

Note that this application also includes restriping Solano Street in the downtown area from the current four lanes with parallel parking to three lanes; one in each direction, a median turn lane, parallel parking with two bike lanes. See the drawings on page 5 of the application. The lane changes may facilitate concurrent (and funded) repaving of the street outside the decorative crosswalks. Repaving is normally not "fundable" through the TE program. But, revising the lanes and adding bike lanes, the repaving may qualify for funding.

BACKGROUND:

This Transportation Enhancement (TE) project was initially approved in 2005. That project included funding for environmental analysis and plan preparation, plus funding for two blocks of construction. We utilized the funding to complete some environmental analysis and to prepare the plans. A reduced scale copy of the plans is attached to the application.

However, several complications arose that kept the 2005 project from occurring. Those complications included the untimely illness of former Public Works Director Tom Russ, the inability to include repaving Solano Street concurrently with the beautification project, and unclear directives and objectives associated with the NEPA (National Env. Policy Act) process.

Those prior complications have largely been resolved thanks in great degree to the efforts of Barbara O'Keeffe, Adam Hansen and Sean Harrasser of the Tehama County Transportation Commission staff, who are assisting with the completion of the NEPA process on our behalf. They've also assisted to compile a project description that can facilitate concurrent

repaving of Solano Street through the four block project limits. Additionally, Mr. Kurt Lervold of Caltrans in Redding has been quite helpful throughout the application preparation process.

COUNTY TRANSPORTATION COMMISSION:

The Tehama County Transportation Commission has included this project in its recently approved regional Transportation Improvement Program (RTIP). That listing is a prerequisite to funding by the California Transportation Commission. See the attached copy of the Tehama County Transportation Commission Resolution No. 17-2011 and the spreadsheet that lists the project and the funding amount of \$2.195 million. Note also that the project is the regional priority No. 1 for the Tehama County RTIP.

CEQA:

Minor alterations to City streets within the existing street right of way are exempt from the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15301(c). See the attached CEQA Guidelines Section.

FUNDING:

If ultimately approved by the California Transportation Commission, funding for the completion of the project would be through use of federal Transportation Enhancement (TE) funds which is a funding source of the State Transportation Improvement Program (STIP). The likely earliest date for funding of this important project would be Fiscal Year 2014-2015.

STAFF RECOMMENDATION:

City Staff recommend Council approval of Resolution No. 12-13-2011-01 authorizing submittal of the Solano Streetscape Transportation Enhancement (TE) Project and authorize the City Manager and Public Works Director to sign and execute the application and any agreements related to the application on behalf of the City of Corning.

- **FIND THAT THE SOLANO STREETScape PROJECT IS EXEMPT FROM CEQA PURSUANT TO CEQA GUIDELINES SECTION 15301(C).**
- **ADOPT RESOLUTION NO. 12-13-2011-01; A RESOLUTION TO APPROVE THE APPLICATION FOR THE SOLANO STREET STREETScape TRANSPORTATION ENHANCEMENT PROJECT APPLICATION.**

RESOLUTION NO. 12-13-2011-01

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORNING,
AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR THE SOLANO STREET
STREETSCAPE TRANSPORTATION ENHANCEMENT (TE) PROJECT**

WHEREAS, the City of Corning is eligible to receive Federal and/or State Funding for certain Transportation Projects, through the California Department of Transportation; and

WHEREAS, the City of Corning possesses legal authority to nominate this transportation enhancement project and to finance, acquire, and construct the proposed project; and

WHEREAS, the Tehama County Transportation Commission adopted the 2012 Regional Transportation Improvement Program (RTIP), by Resolution No. 17-2011 by formal action on November 22, 2011, and

WHEREAS, the RTIP includes the Solano Street Streetscape Improvement Project, and

WHEREAS, project plans have been completed and are attached to the application packet, and,

WHEREAS, the City of Corning Public Works Director is the designated City Official that is fully authorized to execute and process all required STIP/TE project documents and agreements; and

NOW, THEREFORE, BE IT RESOLVED by resolution that the City of Corning hereby approves the submittal of application for the Solano Streetscape Transportation Enhancement Project.

BE IT FURTHER RESOLVED that the Director of Public Works or the City Manager are authorized to sign and execute the application and any agreements related to the application on behalf of the City of Corning.

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Corning on December 13, 2011 by the following vote:

AYES:

NOES:

ABSENT OR ABSTAIN:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk

Transportation Enhancement (TE) Application (PSR Equivalent)

TE funds are federal funds and must follow federal funding guidelines and environmental (NEPA) processes.
All projects must have an approved eligible application prior to programming in the RTIP.

PART ONE: GENERAL PROJECT INFORMATION

RTIP TE ITIP TE Is the project within Caltrans Right of Way? Yes No

Are you using Recovery Act TE funds? Yes No -

Does this project partner with or commit to employ the services of a Community Conservation Corps or the California Conservation Corps? Yes No

If you answered yes to the above question please list the contact information for the corps.

Corps Name: _____ Contact Name: _____ Phone number: _____

PROJECT TITLE: City of Corning Solano Street Mobility, Safety, Traffic Calming Transportation Enhancements

IMPLEMENTING AGENCY Administrator/person with day-to-day responsibility for implementing project (Name, title, agency, address, phone, fax, email)

John Brewer, AICP
Public Works Director
City of Corning
794 Third Street
Corning, CA 96022
(530) 824-7029
fax (530) 824-2489

jbrewer@corning.org

(Round dollars to nearest thousands)

TE FUNDS REQUESTED

\$ 1,943,233

-

State Match (11.47%)

\$ 251,766

Local Match (if Required)

\$ _____

TOTAL TE PROJECT COST

\$ 2,195,000

- TE is a stand-alone project.
 TE is part of a larger project.

N/A

Person who can answer questions about this application (Name, title, phone, fax, email)

Dawn Grine
Public Works Secretary
City of Corning
794 Third Street
Corning, CA 96022
(530) 824-7029
fax (530) 824-2489
dgrine@corning.org

PARTNER(S) (Name, title, agency, address, phone, fax)

Tehama County Transportation Commission (TCTC)
9380 San Benito Ave. Gerber, CA 96035
530-385-1462 ext. 3017
bokeeffe@tcpw.ca.gov

IF TE IS AN ENHANCEMENT TO A LARGER PROJECT, DESCRIBE LARGER PROJECT (if larger project is programmed, provide PPNo, EA, Project Title; if not currently programmed, describe the project)

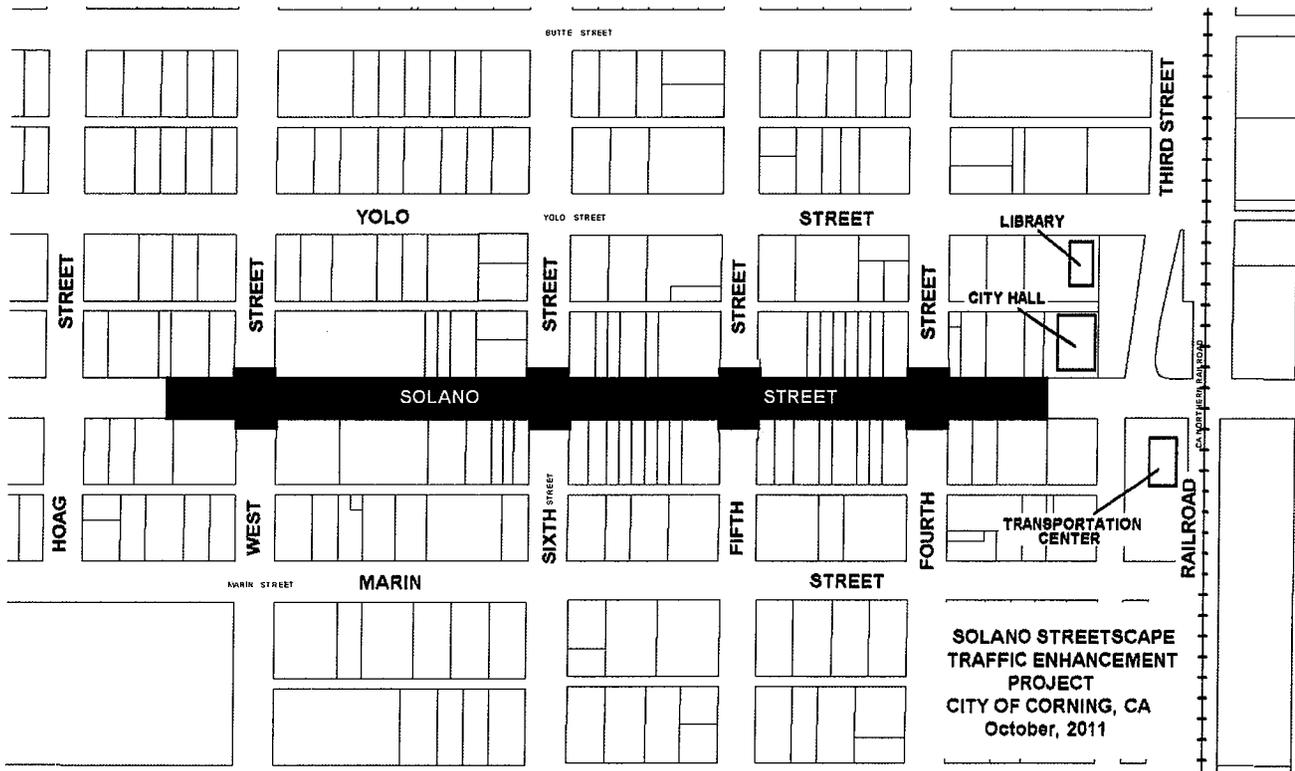
No, this is a stand alone TE project that the City of Corning and TCTC want to deliver to improve the mobility, safety, access and aesthetic of Solano Street, which is Corning's main street.

Total Project Cost \$ 2,195,000.

PROJECT SCOPE OF PROPOSED TRANSPORTATION ENHANCEMENT ACTIVITIES

(Describe the project's location, limits of work, size, etc. *Not* the justification or benefits).

The project is located within the "core" area of downtown Corning California. Corning is located on the east side of Interstate 5, in southern Tehama County. Chico is about 25 miles southeast, and Redding is nearly 50 miles north. See the inset map below for the project limits.



The project will affect Solano Street, Corning's "Main Street", within the area shown in red above. The project length is about 1,723 feet. The Solano Street R/W width is 80 feet throughout the project limits. The curb face to curb face width is about 60 feet. The street has four travel lanes, two in each direction and curbside parallel parking lanes. Just to the east, across the tracks, the street transitions to two lanes, one in each direction, with curbside parking.

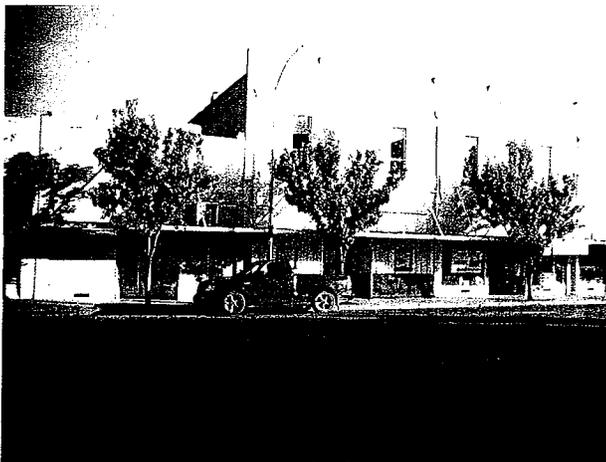
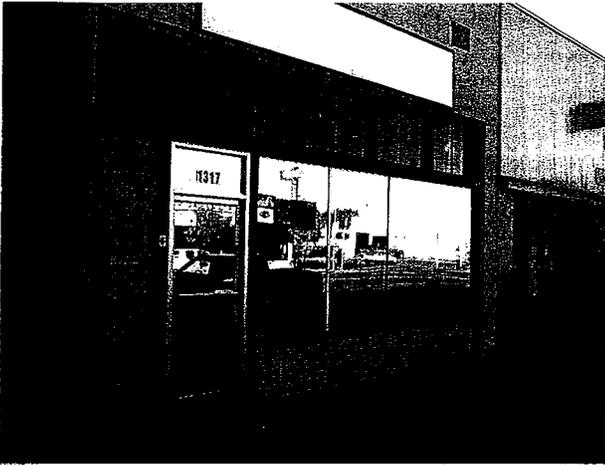
In addition to the physical streetscape improvements proposed for Solano Street, identification of the off-ramp to Corning's Main Street at Interstate 5 is important. Currently the signage and offramps at Interstate 5 reference only the County road (Corning Road) that extends west from the interstate on the same alignment as Solano Street. We wish to merely add the name "Solano Street (a city street) to the I-5 offramp signage.

NEED AND PURPOSE (Describe how is project above and beyond a standard transportation project)

Un-employment in Corning and parts of Tehama County continue to exceed 15 percent compared to the statewide average of 11.9%, which is just one reason why Corning and all of Tehama County have been identified as an Economically Depressed Area (EDA).

Solano Street is Corning's "Main Street". Before the construction of Interstate 5, the portion of Solano Street through the downtown area was a state highway (Hwy. 99-W). Today that route is designated as a "historic highway".

Corning's downtown commercial area struggles with a high vacancy rate. In addition to the difficult economic conditions that many communities are currently experiencing, Corning's downtown has some physical characteristics that further limit reoccupation and investment downtown. Improving conditions downtown can increase employment. Increased employment means more shopping and service opportunities that increases shoppers and visitors downtown.



Examples of empty storefronts along Solano Street in the downtown area of Corning.

Among the limiting physical characteristics are, **limited** parking, narrow curbside parking lanes, speeding traffic, broken sidewalk, patched asphalt, and a **design** that's really oriented to vehicles instead of pedestrians, including students cycling to and from school or customers. We wish to "restore" downtown Corning to make it the vibrant, desirable place to shop, do business, dine and congregate, that it once was-only better. See the photos below:



The City has recently developed an urban park (Martini Plaza) and is refurbishing its historic downtown theater. Completing streetscape pavement, decorative lighting, and furniture improvements that are attractive and functional that inspire residents and visitors alike to come downtown is the next logical step toward restoring the downtown to its former prominence.



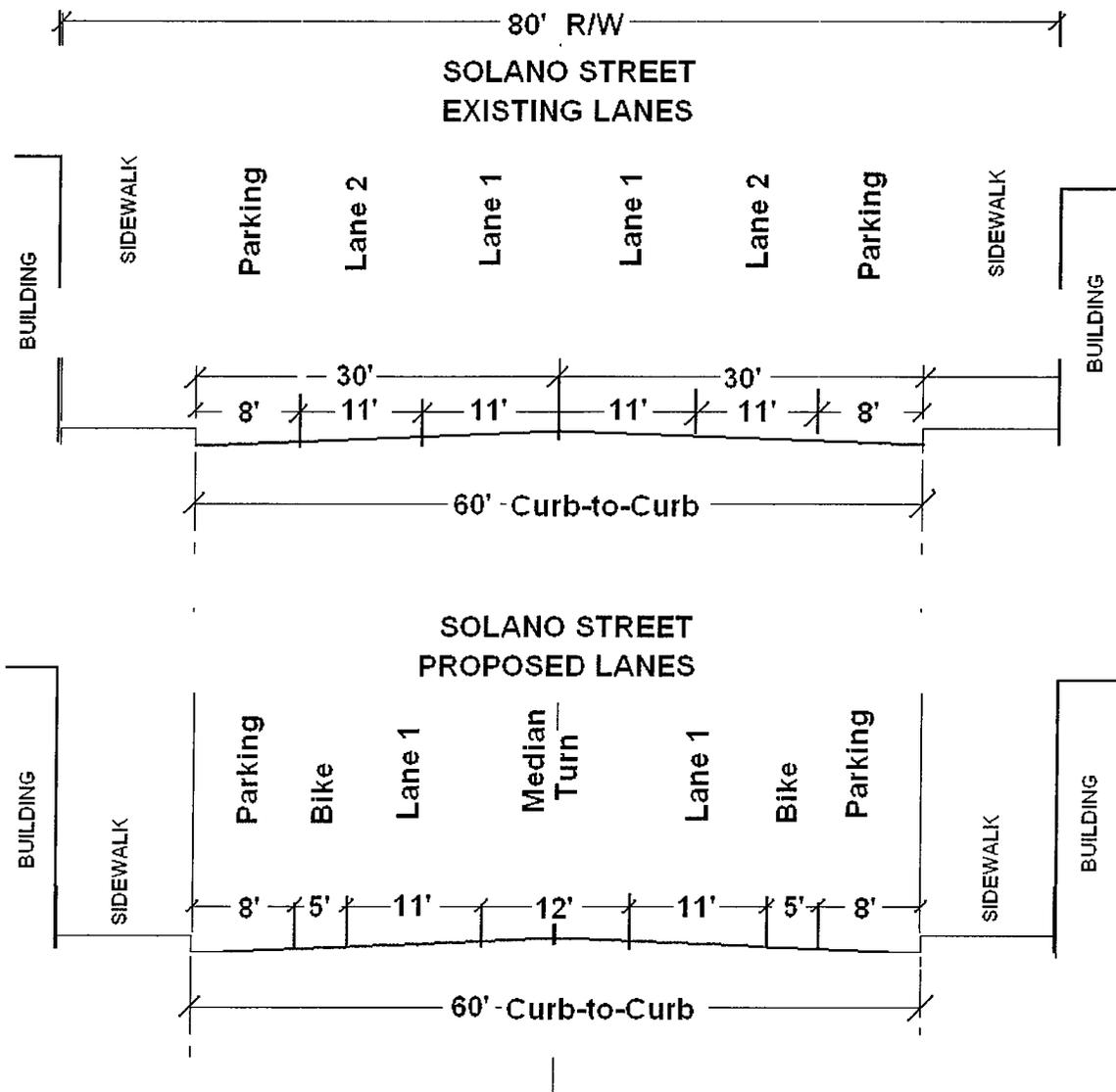
Martini Plaza



Northside Solano St. from east project limit

Downtown visitors need to safely disembark from vehicles without the potential of being struck by traffic in the adjacent traffic lane. Bicyclists (including students) currently do not feel safe sharing the road with vehicles and a bike lane is needed.

Our first step to improve those conditions is to change the Solano Street traffic lane configuration from four travel lanes to two travel lanes with a median left turn lane, two bike lanes and two parallel parking lanes. See the drawing below:

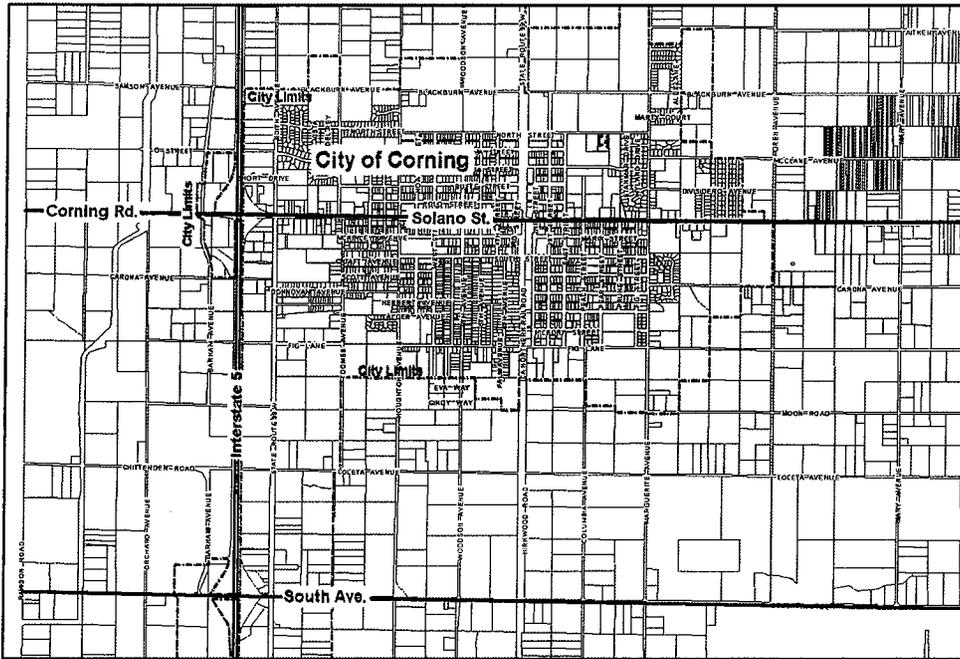


Reducing the number of travel lanes will improve public safety and reduce the anxiety pedestrians currently experience when crossing four travel lanes. In addition, we wish to install pedestrian bulbs, new sidewalk pavements, decorative stamped crosswalks, bollards, street furniture (benches, trash and recyclable receptacles), street trees and tree grates, bike racks, and decorative lighting fixtures which will further improve pedestrian access and enhance the appearance of downtown. The reconfigured lanes will also better facilitate parallel parking, with a wider parking lane and additional maneuver room afforded by the bike lanes. With the additional width, motorists will feel safer opening their car doors and therefore, be more apt to parallel park in the downtown area. Improving the sense safety is critical to the City's senior population. The addition of bike lanes and bike racks will encourage bicyclists to ride through and visit downtown. These measures will attract interest, increase pedestrian and bicyclist traffic, and ultimately

make downtown a more desirable place to shop, do business and congregate while at the same time facilitating safer bike commuting to schools and parks.

Interstate 5 Off Ramp Signage:

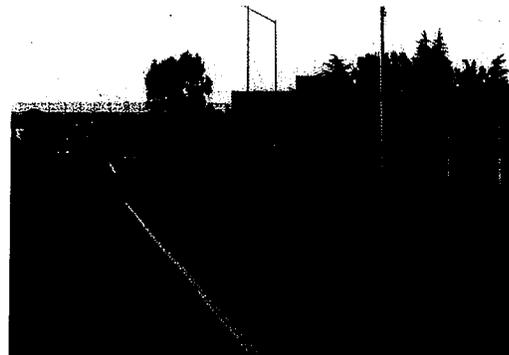
See the map and photos below. Direct access to the City of Corning is provided at two offramps, South Avenue and Corning Road.



Solano Street is Corning's "Main Street". It terminates at the western City limits. From that point westerly the road is known as "Corning Road"; a County maintained road. See the map below. The current signage identifies only Corning Road, a county road. Identifying Corning's Main Street is important for the community and for local businesses. For that reason, we propose to add "Solano Street" to the exit signage.



Northbound I-5 Offramp Signage



Southbound I-5 Offramp Signage

Plans:

See the attached copies of the streetscape improvement plans.

Also, please note examples of similar improvements which have been implemented by the Tehama County Transportation Commission and Caltrans District 2 in Phase 1 of the Los Molinos Bond Project on State Route 99 in the photo to the right.

Note that this project is also consistent with the County-wide "Branding" effort which is a business community lead and funded effort to improve the quality of local life and the local economy by making



local communities more accessible and livable. For further information please see the following website: <http://destinationtehama.wordpress.com/>

Demographics:

The 2010 population of Corning was 7,663. That includes a significant minority (Hispanic) population of 3,271, or 42.7% of the overall population. The median household income (in 2009 inflation adjusted dollars) for the City was \$31,282, just 60.8% of the US median household income of \$51,425. The lower household income means fewer automobiles. As a result, more people walk to access shopping and services in the downtown area. Because this project will improve pedestrian and bicycle access downtown, it provides context sensitive transportation solutions.

RELATIONSHIP (TE projects must have a relationship to surface transportation; describe relation to surface transportation)

The project will improve surface conditions on Solano Street. Traffic lanes will be reconfigured as noted above. Pedestrian bulbs and decorative pavement treatment at crosswalks will work as traffic calming features to slow Solano Street motorists. The new bike lanes will attract bicyclists to the downtown area, and provide safer bike access through the downtown area. The pedestrian bulbs will effectively shorten the walk across Solano Street, and the reduced lanes will reduce the likelihood of vehicle vs. pedestrian collision, and allow motorists to safely disembark from parked vehicles.

CONFORMANCE (Describe conformance with Route Concept Report or Transportation Corridor Report and District System Management Plan - ITIP projects only)
(Not applicable)

CONTEXT SENSITIVE SOLUTIONS (Describe how project reflects Director's policy - ITIP projects only)
(Not applicable)

ALTERNATIVES CONSIDERED

The City of Corning has been working to improve aesthetic and economic conditions within the downtown area for some time, often with partners such as the Chamber of Commerce, and the Business Improvement District. Examples of actions taken include a Downtown Façade Improvement Program, a Street Tree Planting Project, development of the Martini Plaza public park, holiday displays, flag displays, parade & event sponsorship and coordination, Construction of the Corning Transportation Center, implementation of diagonal parking to increase downtown parking on side streets, Rodger's Theater refurbishment, and graffiti removal actions.

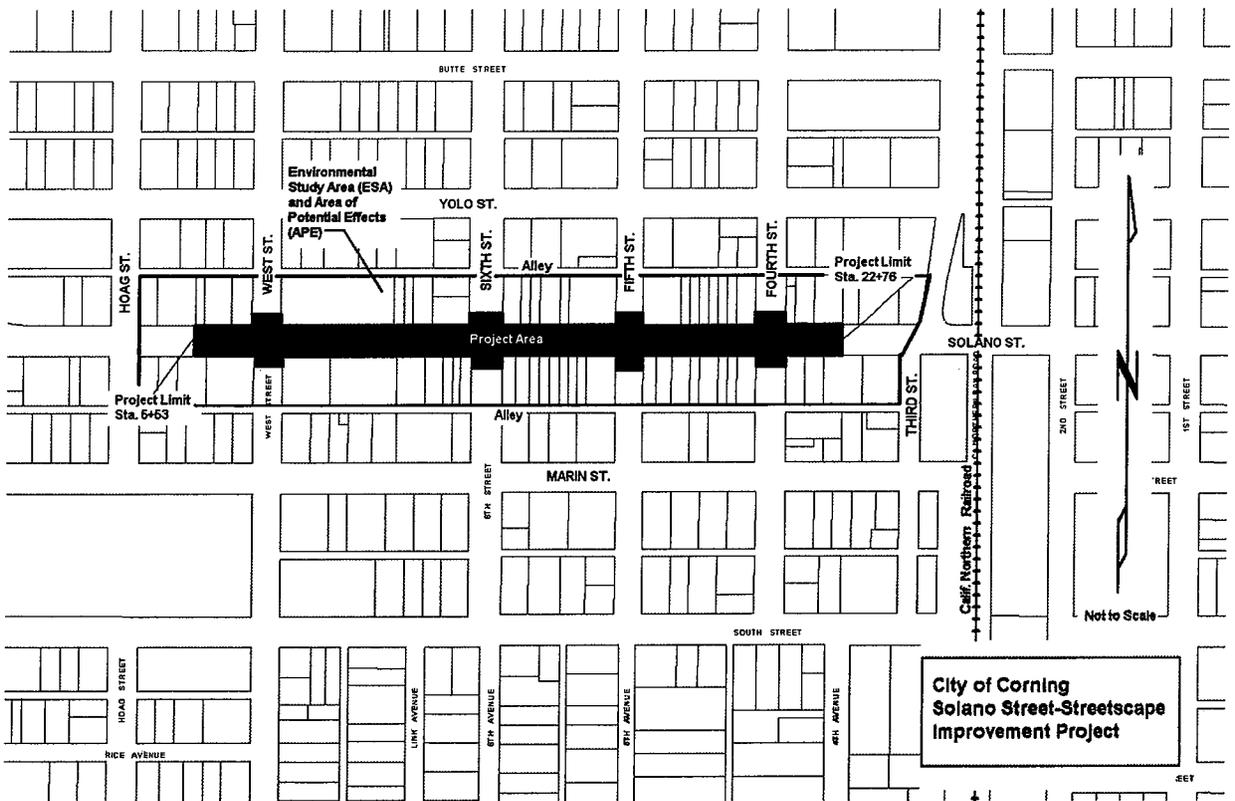
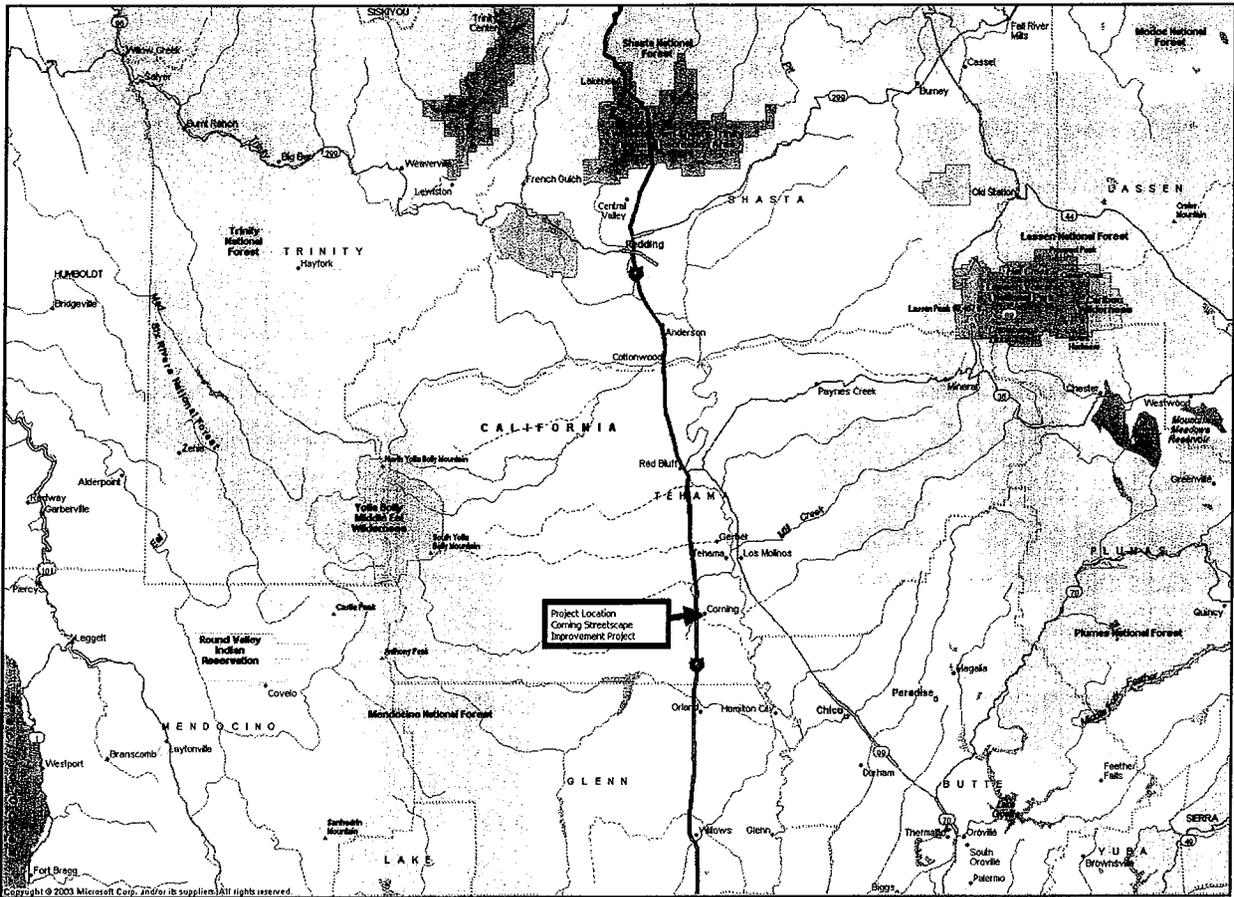
Most recently, a Downtown Beautification Group has formed. They are currently meeting about every other week and are focusing on regular sidewalk sweeping, street tree maintenance, graffiti and trash removal.

However, despite these efforts, the downtown continues to be plagued by commercial vacancies. We believe this streetscape improvement project, in conjunction with the proposed Solano Street lane revisions, and the other activities occurring downtown, will attract public interest, and draw people downtown. We hope the renewed interest will create a synergy that attracts visitors, who'll need services, which will generate additional interest, etc. and ultimately attract re-investment downtown.

WHICH OF THE 12 TE CATEGORIES DOES THE PROJECT ENCOMPASS? (May be more than one.)
<http://www.dot.ca.gov/hq/TransEnhAct/TransEnact.htm>

1. Provision of facilities for pedestrians and bicycles
2. Provision of safety and educational activities for pedestrians and bicyclists.
3. Acquisition of scenic easements and scenic or historic sites (including historic battlefields).
4. Scenic or historic highway programs (including the provision of tourist and welcome center facilities).
5. Landscaping and other scenic beautification.
6. Historic preservation.
7. Rehabilitation and operation of historic transportation buildings, structures, or facilities (including historic railro facilities and canals).
8. Preservation of abandoned railway corridors (including the conversion and use of the corridors for pedestrian or bicycle trails).
9. Inventory, control, and removal of outdoor advertising.
10. Archaeological planning and research.
11. Environmental mitigation
 - (i) To address water pollution due to highway runoff; or
 - (ii) Reduce vehicle-caused wildlife mortality while maintaining habitat connectivity.
12. Establishment of transportation museums.

PROJECT LOCATION MAPS (Provide Location Map of project in State/Region and Area Specific Map)



PART TWO: FUNDING

Prepared by John L. Brewer Title Public Works Director

City City of Corning Phone -530-824-7025 FAX 530-824-2489

PROJECT COMPONENT COSTS (round to nearest \$1,000s)

	RTIP	ITIP	OTHER
• E&P (PA&ED)	\$ _____	\$ _____	\$ _____
• PS&E	\$ _____	\$ _____	\$ _____
• Right of Way Capital	\$ _____	\$ _____	\$ _____
• Right of Way Support*	\$ _____	\$ _____	\$ _____
• Construction Support*	\$ <u>289,000</u>	\$ _____	\$ _____
Construction Capital	\$ <u>1,906,000</u>	\$ _____	\$ _____

TOTAL PROJECT COSTS \$ 2,195,000

*Right of way and construction support are for Caltrans implemented projects only

PRELIMINARY ITEM ESTIMATE - CONSTRUCTION CONTRACT ITEMS

Item	Description	Unit	Quantity	Unit Price	Amount
1.	Pear Trees	Ea.	17	\$ 70.00	\$ 1,190.00
2.	Palm Trees	Ea.	6	\$ 2,100.00	\$ 12,600.00
3.	Sidewalk Lights	Ea.	69	\$ 5,600.00	\$386,400.00
4.	Area Lights	Ea.	9	\$ 4,500.00	\$ 40,500.00
5.	Flagpoles	Ea.	13	\$ 4,900.00	\$ 63,700.00
6.	Benches	Ea.	15	\$ 1,800.00	\$ 27,000.00
7.	Bollards	Ea.	130	\$ 1,100.00	\$143,000.00
8.	Trash Receptacles	Ea.	19	\$ 2,100.00	\$ 39,900.00
9.	Planters	Ea.	14	\$ 700.00	\$ 9,800.00
10.	Fountains	Ea.	1	\$14,000.00	\$ 14,000.00
11.	Bicycle Racks	Ea.	5	\$ 1,400.00	\$ 7,000.00
12.	Tree Guards	Ea.	6	\$ 300.00	\$ 1,800.00
13.	Tree Grates	Ea.	6	\$ 800.00	\$ 4,800.00
14.	Special Band Paving	SF	7,450	\$ 10.50	\$ 78,225.00
15.	Intersection Curb Bulbs	SF	8,140	\$ 10.50	\$ 85,470.00
16.	Mid-block Curb Bulbs	SF	4,560	\$ 10.50	\$ 47,880.00
17.	Intersection Cobbles	SF	11,110	\$ 12.00	\$133,320.00
18.	Ramps	SF	2,480	\$ 17.00	\$ 42,160.00
19.	Sidewalk, Remove-Replace	SF	34,100	\$ 12.00	\$409,200.00
20.	Curb/Gutter, R-R	LF	3,440	\$ 31.00	\$106,640.00
21.	Asphalt Grinding	SF	96,600	\$ 1.00	\$ 96,600.00
22.	Asphalt Paving	SF	96,600	\$ 1.25	\$120,750.00
23.	Paving Striping	LF	10,000	\$ 0.60	\$ 6,000.00
24.	Pavement Markings	Ea.	32	\$ 400.00	\$ <u>12,800.00</u>
				Subtotal:	\$1,890,735.00

INDIRECT COSTS:

25.	Contingency (10%)	Lump Sum	\$ 189,073.50
26.	CE (Contract Admin & Insp.)	Lump Sum	\$ <u>100,000.00</u>
		Subtotal	\$ 289,073.50

27. I-5 Offramp Signs Ea. 2 \$7,500.00 \$ 15,000.00

Total Estimated Project Cost: \$2,194,808.50

Rounded: **\$2,195,000.00**

MAINTENANCE (The enhancement must be maintained in a functional and operational manner as its intended purpose for the expected life cycle for the type of project. If it is not maintained in such a manner, reimbursement of all or a portion of the enhancement funds may be required).

Will maintain? City of Corning Public Works Dept.

What is the source of maintenance funds? General Fund, Fuel Tax Funds.

If project is within Caltrans right of way, must be signed by Deputy District Director, Maintenance. N/A

DDD Maintenance: _____ Date: _____

PART THREE: INFORMATION AND ASSURANCES

Please note the application must be signed by the TE project sponsor below for the project to be considered for funding. The information below is provided to notify all project sponsors of the criteria that shall be used in the selection of eligible TE projects.

For TE projects proposed for funding from American Recovery and Reinvestment Act of 2009

Assembly Bill X3-20 added Sections 2420-2423 to the Streets and Highways Code which requires that transportation projects proposed for transportation enhancement activities using federal funds provided specifically by the American Recovery and Reinvestment Act of 2009 be programmed and allocated based on the following priorities:

- (1) In programming and allocating these funds, the department and the metropolitan planning organizations, county transportation commissions, and regional transportation agencies shall give priority to the sponsors of eligible projects that partner with, or commit to employ the services of, a Community Conservation Corps or the California Conservation Corps to construct or undertake the project, provided those projects meet the requirements of the American Recovery and Reinvestment Act of 2009.
- (2) After all eligible projects have been selected pursuant to paragraph (1), the department and the metropolitan planning organizations, county transportation commissions, and regional transportation agencies shall next give priority to projects that provide facilities for pedestrians and bicyclists, provided those projects meet the requirements of the American Recovery and Reinvestment Act of 2009.
- (3) After all eligible projects have been selected pursuant to paragraph (2), the department and the metropolitan planning organizations, county transportation commissions, and regional transportation agencies may fund any project eligible in accordance with paragraph (35) of subdivision (a) of Section 101 of Title 23 of the United States Code.

For projects proposed for funding with all federal TE funds

Senate Bill 286 (Chapter 373, Statutes of 2008) added Sections 2370-2374 to the Streets and Highways Code which requires the selection of all TE projects to be based on projects which partner with, or commit to employ the services of a Community Conservation Corps or the California Conservation Corps. The department, in consultation with Community Conservation Corps, the California Conservation Corps, the commission, regional transportation planning agencies, county transportation commissions or authorities, and congestion management agencies, developed the following criteria that give priority in the selection of TE projects. The information below is provided to project sponsors to assist them in understanding how projects will be selected. Regional transportation planning agencies, county transportation commissions or authorities, and congestion management agencies, when selecting candidates for transportation enhancement projects, shall utilize the selection criteria below.

The RTPAs are required to use the following criteria in prioritizing and selecting TE projects for programming in the Regional Transportation Improvement Programs (RTIP):

- (1) TE eligible projects whose sponsor is partnering with, or has agreed to employ the services of a Community Conservation Corps or the California Conservation Corps (collectively referred to as corps), shall be selected first for funding (the scope of the work performed by the corps will be identified in page 6 of the TE application);
- (2) After all TE eligible projects described in paragraph (1) have been selected for funding; the remaining eligible TE projects may be selected.

TE Project candidates that meet the following specific categories are exempt from the above selection criteria and may compete on an equal basis with all project candidates in category (1) above:

- (a) Projects that have been selected and programmed in a RTIP prior to June 25, 2009.
- (b) Projects for which no corps will partner with the sponsor or agree to provide services. A project sponsor can request this exemption only by certifying on the TE Application, with the concurrence of the California Conservation Corps and the California Association of Local Conservation Corps, which the sponsor notified both organizations about the available project, but that no corps in the state was prepared to serve as a partner or provide services.

The department, regional transportation planning agencies, county transportation commissions or authorities, or congestion management agencies shall be authorized to enter into cooperative agreements, grant agreements, or procurement contracts with Community Conservation Corps pursuant to the simplified contract requirements authorized by Section 18.36(j) of Title 49 of the Code of Federal Regulations in order to enable community conservation corps to utilize transportation enhancement project funds.

Section 2370(a) of the Streets and Highways Code is specific as to which organizations can be considered as a Community Conservation Corps or the California Conservation Corps. "Community Conservation Corps" shall have the same meaning as defined in Section 14507.5 of the Public Resources Code. Information regarding these organizations is available on the internet at:
<http://www.consrv.ca.gov/dor/grants/Pages/lccc.aspx>
<http://www.ccc.ca.gov/PARTNER/PARTNERS.HTM>
www.calcc.org

For the RTPA: Conservation Corps Partner Contact use only:

A corps can participate on the following items of work: _____

Name of corps: _____ and the contact for the corps is: _____
 _____ (Name)
 _____ (Phone number)

This project is exempt under category (b) above. This exemption allows the project to compete on an equal basis with all other project candidates in the region. Concurred in by:

California Conservation Corps contact (Print Name)	(Signature)	Date
California Association of Local Conservation Corps contact (Print Name)	(Signature)	Date

**RTPA Conservation Corps Partner Contacts
For Transportation Enhancement Projects**

AGENCY	CCC Contact Name	Phone Number	Email Address
California Conservation Corps	Regional Deputy for Region 2 Virginia Clark	916-341-3147	virginia.clark@ccc.ca.gov
California Association of Local Conservation Corps (representing the Community Conservation Corps)	Association Manager Scott Dosick	916-285-8743	manager@calcc.org

Project Implementing Agency possesses legal authority to nominate this transportation enhancement and to finance, acquire, and construct the proposed project; and by formal action (e.g., a resolution) the Implementing Agency's governing body authorizes the nomination of the transportation enhancement, including all understanding and assurances contained therein, and authorizes the person identified as the official representative of the Implementing Agency to act in connection with the nomination and to provide such additional information as may be required.

Project Implementing Agency will maintain and operate the property acquired, developed, rehabilitated, or restored for the life of the resultant facility (ies) or activity. With the approval of the California Department of Transportation, the Implementing Agency or its successors in interest in the property may transfer the responsibility to maintain and operate the property.

Project Implementing Agency will give the California Department of Transportation's representative access to and the right to examine all records, books, papers, or documents related to the transportation enhancement activity.

Project Implementing Agency will comply where applicable with provisions of the California Environmental Quality Act, the National Environmental Policy Act, the Americans with Disabilities Act, the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation, CTC Guidelines, FHWA Transportation Enhancement Guidance and any other federal, state, and/or local laws, rules and/or regulations.

If TE funds or projects are used for other than the intended enhancement purposes as defined by federal or state regulations or guidelines, the implementing agency may be required to remit all state and federal enhancement funds back to the state. I certify that the information contained in this transportation enhancement activity application, including required attachments, is accurate and that I have read and understand the important information and agree to the assurances on this form.

Signed



Date Nov. 30, 2011

(TEA Administering Agency Representative)

Printed (Name and Title)

John L. Brewer, Public Works Director

Administering Agency

City of Corning

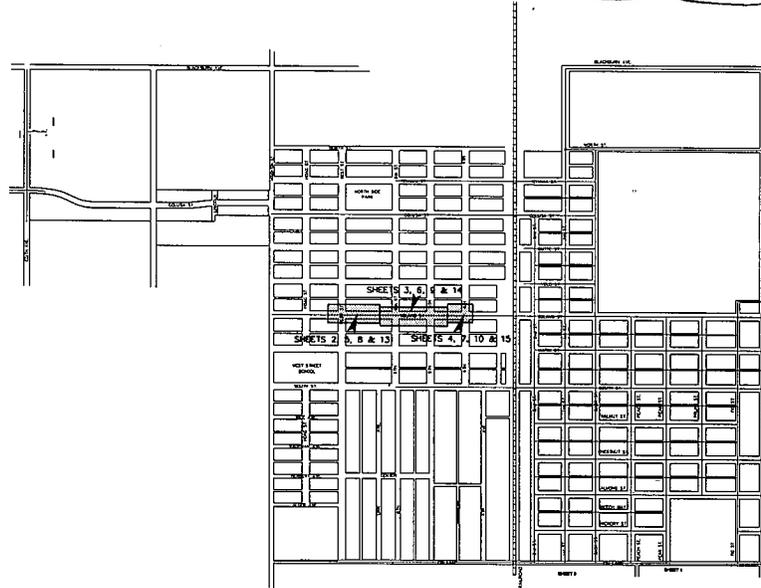
For State Projects:

Upon receiving an eligibility determination, a Project Nomination Sheet must be submitted to the District for programming.

CITY OF CORNING DOWNTOWN TRANSPORTATION ENHANCEMENT PROJECT SOLANO STREET (Third St. to West St.)

old #

Project # 02-TEH-O-CNG; RPSTPLE-5161(013); EA:02-456084; PPNO:02-2401



LEGEND

SHEETS 2, 5, 10 & 13 DEMOLITION, CONSTRUCTION, GRADING & ORIGINAL TOPO SHEET LOCATIONS

SHEET INDEX

- SHEET 1 TITLE SHEET
- SHEET 2 SOLANO STREET-DEMOLITION SHEET
CL STA 5+50 TO 12+10
- SHEET 3 SOLANO STREET-DEMOLITION SHEET
CL STA 12+10 TO 18+45
- SHEET 4 SOLANO STREET-DEMOLITION SHEET
CL STA 18+45 TO 23+00
- SHEET 5 SOLANO STREET-CONSTRUCTION SHEET
CL STA 5+50 TO 12+10
- SHEET 6 SOLANO STREET-CONSTRUCTION SHEET
CL STA 12+10 TO 18+50
- SHEET 7 SOLANO STREET-CONSTRUCTION SHEET
CL STA 18+50 TO 23+00
- SHEET 8 SOLANO STREET-GRADING SHEET
CL STA 5+50 TO 12+10
- SHEET 9 SOLANO STREET-GRADING SHEET
CL STA 12+10 TO 18+50
- SHEET 10 SOLANO STREET-GRADING SHEET
CL STA 18+50 TO 23+00
- SHEET 11 DETAILS
- SHEET 12 DETAILS
- SHEET 13 SOLANO STREET-ORIGINAL TOPO
CL STA 5+50 TO 12+10
- SHEET 14 SOLANO STREET-ORIGINAL TOPO
CL STA 12+10 TO 18+45
- SHEET 15 SOLANO STREET-ORIGINAL TOPO
CL STA 18+45 TO 23+00

GENERAL NOTES:

1. BID QUANTITIES SHOWN MAY VARY DURING CONSTRUCTION FIELD STAKING, AND/OR AS A RESULT OF REMOVAL OF THE OLD AND BROKEN CONCRETE.
2. CITY WILL DELINEATE ACTUAL AMOUNT OF CONCRETE TO BE REMOVED PRIOR TO THE START OF CONSTRUCTION.
3. REMOVAL AND REPLACEMENT OF EXISTING DRIVEWAYS SHALL HAVE A DEPRESSED CURB AND SHALL CONFORM TO THE EXISTING DRIVEWAY GRADE.

LOCATION MAP
AND SHEET INDEX

J. E. ANDERSON, RCE 18151 DATE _____

Designed JEA	Approved	Revisions	Date	By
Drawn RAP				
Checked JEA	Date JUNE, 2008			

CITY OF CORNING

Ed Anderson
CIVIL ENGINEER

P.O. Box 608
Corning, CA 96027

TITLE SHEET

Project Number	Drawing Number
Scale: 1" = 600'	
Sheet 1	Of 15

P:\land\proj\02-TEH-O-CNG\02-TEH-O-CNG-TITLE-SHT.dwg 4/20/08 8:58:31 PM DWG TO PDF.plt

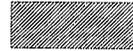


DEMOLITION LEGEND

- 1 SAWCUT 12X3 LF± EX. STRUCTURAL SECTION & SIDEWALK TOTAL THIS SHEET.
- 2 REMOVE 100 SF± EX. CONCRETE SURFACE, TOTAL THIS DWG.
- 3 REMOVE & REPLACE EX. SIGN, 6 PLACES THIS DWG.
- 4 REMOVE EX. ST. LIGHT, 4 PLACES THIS DWG.
- 5 ADJUST EX. ELECT. BOX OR UTILITY BOX OF WATER VALVE FLUSH W/NEW SURFACE.
- 6 REMOVE 320 LF± EX. CURB & GUTTER, TOTAL THIS PAGE.
- 7 REMOVE 374 LF± EX. CURB, TOTAL THIS PAGE.
- 8 REMOVE 10,180 SF± EX. ST. STRUCTURAL SECTION, TOTAL THIS PAGE.
- 9 REMOVE 14615 SF± EX. SIDEWALK, TOTAL THIS PAGE.
- 10 REMOVE EX. TREE GRATE HARDWARE (WILL BE REPLACED W/NEW), 34 PLACES, TOTAL THIS SHEET.
- 11 REMOVE & REINSTALL EX. PLANT URN, 10 PLACES THIS DWG.
- 12 ADJUST EX. GRATE FLUSH W/NEW SURFACE, 4 PLACES THIS SHEET. NOTE: THESE GRATES ARE AIR VENTS FOR EXIST. BLDG.
- 13 JOINT POLE W/UTILITY BOX TO REMAIN IN PLACE WHEN INSTALLING NEW SIDEWALK.
- 14 PROTECT EXISTING DOWNSPOUT LOCATIONS WHEN INSTALLING NEW SIDEWALK.
- 15 REMOVE & REINSTALL EX. BIKE RACK.
- 16 REMOVE & REINSTALL EX. PHONE BOOTH.
- 17 REMOVE & REINSTALL EX. BENCHES.
- 18 EXISTING TRAFFIC SIGNAL POLE TO REMAIN.



EXISTING CONCRETE TO BE REMOVED.



EXISTING STREET STRUCTURAL SECTION TO BE REMOVED.



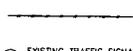
EXISTING SIDEWALK TO BE REMOVED.



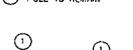
2" OF EXISTING SURFACE TO BE REMOVED.



EXISTING CURB & GUTTER TO BE REMOVED.



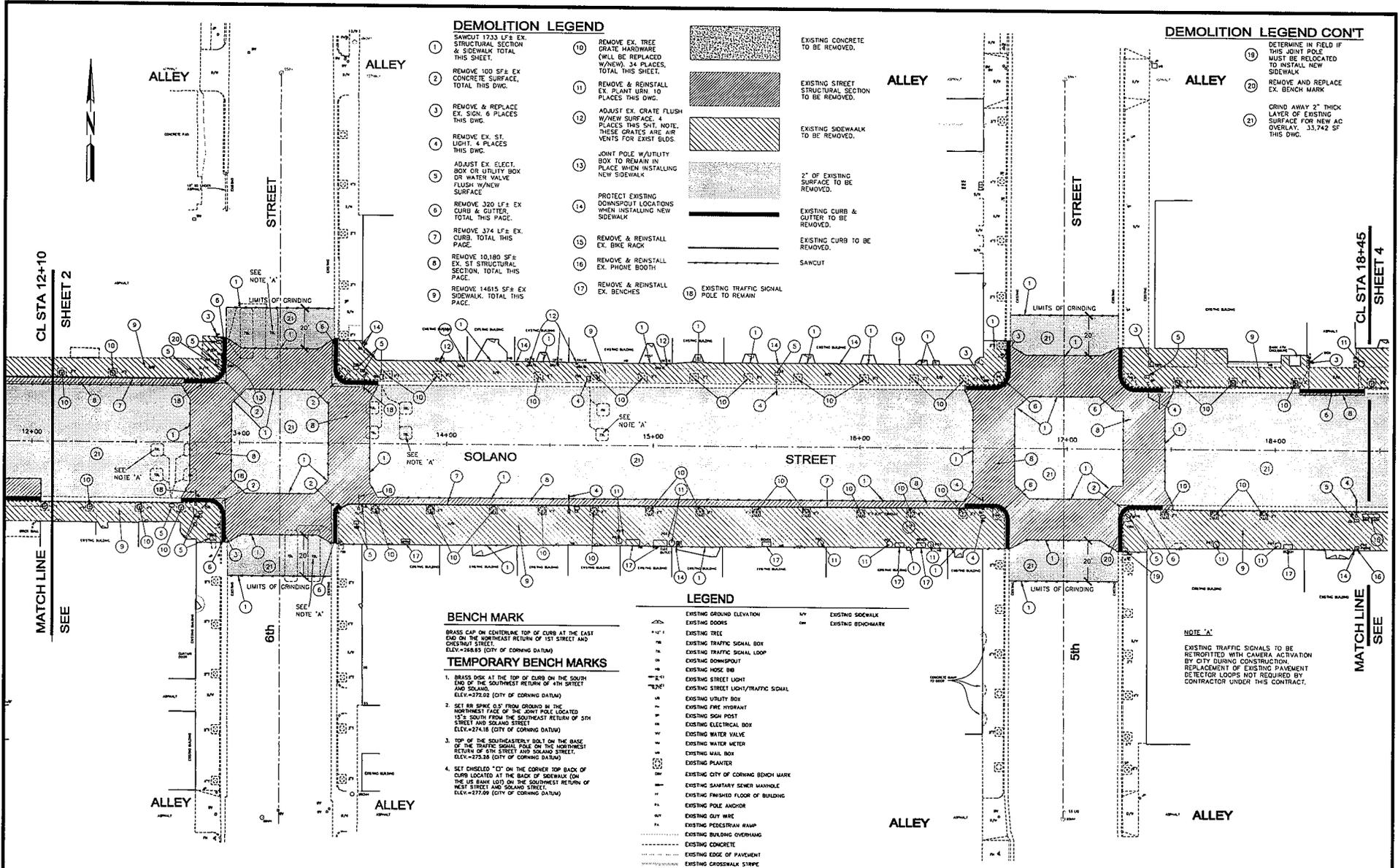
EXISTING CURB TO BE REMOVED.



SAWCUT

DEMOLITION LEGEND CONT'

- 19 DETERMINE IN FIELD IF THIS JOINT POLE MUST BE RELOCATED TO INSTALL NEW SIDEWALK.
- 20 REMOVE AND REPLACE EX. BENCH MARK.
- 21 GRIND AWAY 2" THICK LAYER OF EXISTING SURFACE FOR NEW AC OVERLAY, 33,742 SF THIS DWG.



BENCH MARK

BRASS CAP ON CENTERLINE TOP OF CURB AT THE EAST END ON THE NORTHEAST RETURN OF 1ST STREET AND GREENBUSH STREET.
ELEV.=268.83 (CITY OF CORNING DATUM)

TEMPORARY BENCH MARKS

1. BRASS DISK AT THE TOP OF CURB ON THE SOUTH END OF THE SOUTHWEST RETURN OF 4TH STREET AND SOLANO STREET.
ELEV.=272.02 (CITY OF CORNING DATUM)
2. SET BR SPIKE 6" FROM GROUND ON THE NORTHEAST FACE OF THE JOINT POLE LOCATED 15'-3" SOUTH FROM THE SOUTHWEST RETURN OF 5TH STREET AND SOLANO STREET.
ELEV.=274.16 (CITY OF CORNING DATUM)
3. TOP OF THE SOUTHWESTERLY BOLT ON THE BASE OF THE TRAFFIC SIGNAL POLE ON THE NORTHEAST RETURN OF 5TH STREET AND SOLANO STREET.
ELEV.=275.26 (CITY OF CORNING DATUM)
4. SET CHISELED "C" ON THE CORNER TOP BACK OF CURB LOCATED AT THE BACK OF SIDEWALK (ON THE US BANK LOT) ON THE SOUTHWEST RETURN OF WEST STREET AND SOLANO STREET.
ELEV.=277.00 (CITY OF CORNING DATUM)

LEGEND

- EXISTING GROUND ELEVATION
- EXISTING DOORS
- EXISTING TREE
- EXISTING TRAFFIC SIGNAL BOX
- EXISTING TRAFFIC SIGNAL LOOP
- EXISTING DOWNSPOUT
- EXISTING HOSE REEL
- EXISTING STREET LIGHT
- EXISTING STREET LIGHT/TRAFFIC SIGNAL
- EXISTING UTILITY BOX
- EXISTING FIRE HYDRANT
- EXISTING SIGN POST
- EXISTING ELECTRICAL BOX
- EXISTING WATER VALVE
- EXISTING WATER METER
- EXISTING MAIL BOX
- EXISTING PLANTER
- EXISTING CITY OF CORNING BENCH MARK
- EXISTING SANITARY SEWER MANHOLE
- EXISTING FINISHED FLOOR OF BUILDING
- EXISTING POLE ANCHOR
- EXISTING GUY WIRE
- EXISTING PEDESTRIAN RAMP
- EXISTING BUILDING OVERHANG
- EXISTING CONCRETE
- EXISTING EDGE OF PAVEMENT
- EXISTING CROSSWALK STRIPE
- EXISTING SIDEWALK
- EXISTING SIDEWALK

NOTE 'A'
EXISTING TRAFFIC SIGNALS TO BE RETROFITTED WITH CAMERA ACTIVATION BY CITY DURING CONSTRUCTION. REPLACEMENT OF EXISTING PAVEMENT DETECTOR LOOPS NOT REQUIRED BY CONTRACTOR UNDER THIS CONTRACT.

Designed	JEA	Approved		Revisions	Date	By
Drawn	RAP					
Checked	JEA	Date	JUNE, 2008			

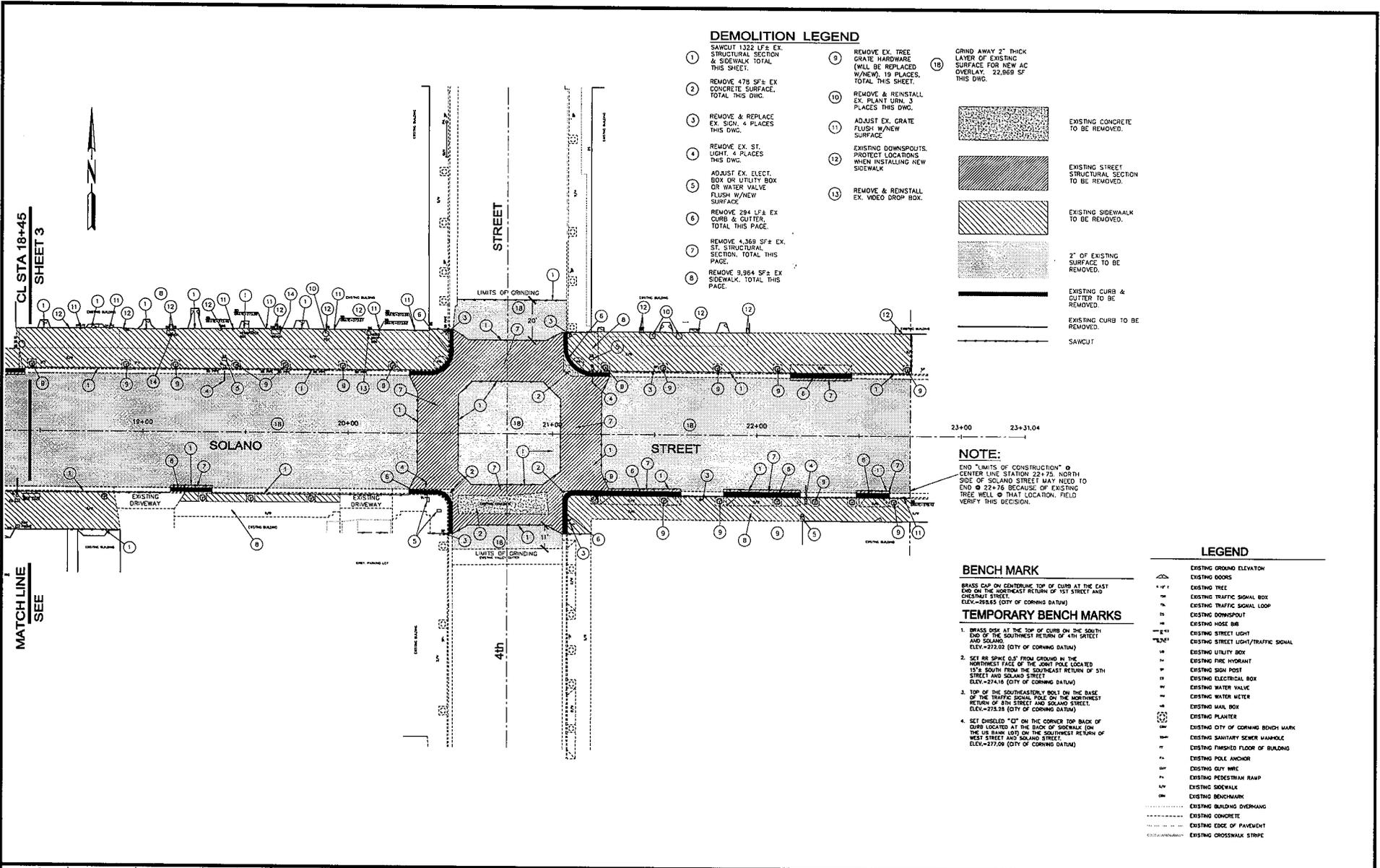
CITY OF CORNING

Anderson
CIVIL ENGINEER

P.O. Box 688
Corning, CA 96027

SOLANO STREET-DEMOLITION SHEET
CL STA 12+10 TO 18+45

Project Number _____ Drawing Number _____
Scale: 1" = 20'
Sheet 3 of 15



DEMOLITION LEGEND

- 1 SAWCUT 1322 LF± EX. STRUCTURAL SECTION & SIDEWALK TOTAL THIS SHEET.
- 2 REMOVE 478 SF± EX. CONCRETE SURFACE, TOTAL THIS DWG.
- 3 REMOVE & REPLACE EX. SIGN, 4 PLACES THIS DWG.
- 4 REMOVE EX. ST. LIGHT, 4 PLACES THIS DWG.
- 5 ADJUST EX. ELECT. BOX OR UTILITY BOX OR WATER VALVE FLUSH W/NEW SURFACE
- 6 REMOVE 294 LF± EX. CURB & CUTTER, TOTAL THIS PAGE.
- 7 REMOVE 4,368 SF± EX. ST. STRUCTURAL SECTION, TOTAL THIS PAGE.
- 8 REMOVE 9,964 SF± EX. SIDEWALK, TOTAL THIS PAGE.
- 9 REMOVE EX. TREE GRATE HARDWARE (WILL BE REPLACED W/NEW), 19 PLACES, TOTAL THIS SHEET.
- 10 REMOVE & REINSTALL EX. PLANT URN, 3 PLACES THIS DWG.
- 11 ADJUST EX. GRATE FLUSH W/NEW SURFACE
- 12 EXISTING DOWNSPOUTS, PROTECT LOCATIONS WHEN INSTALLING NEW SIDEWALK
- 13 REMOVE & REINSTALL EX. VIDEO DROP BOX.
- 14 GRIND AWAY 2" THICK LAYER OF EXISTING SURFACE FOR NEW AC OVERLAY, 22,859 SF THIS DWG.

- EXISTING CONCRETE TO BE REMOVED.
- EXISTING STREET STRUCTURAL SECTION TO BE REMOVED.
- EXISTING SIDEWALK TO BE REMOVED.
- 2" OF EXISTING SURFACE TO BE REMOVED.
- EXISTING CURB & CUTTER TO BE REMOVED.
- EXISTING CURB TO BE REMOVED.
- SAWCUT

NOTE:

END "LIMITS OF CONSTRUCTION" @ CENTER LINE STATION 22+75. NORTH SIDE OF SOLANO STREET MAY NEED TO END @ 22+76 BECAUSE OF EXISTING TREE WELL @ THAT LOCATION. FIELD VERIFY THIS DECISION.

LEGEND

- BENCH MARK**
BRASS CAP ON CENTERLINE TOP OF CURB AT THE EAST END ON THE NORTHEAST RETURN OF 1ST STREET AND CHESTNUT STREET.
ELEV.=55.55 (CITY OF CORNING DATUM)
- TEMPORARY BENCH MARKS**
- BRASS DISK AT THE TOP OF CURB ON THE SOUTH END OF THE SOUTHWEST RETURN OF 4TH STREET AND SOLANO.
ELEV.=273.02 (CITY OF CORNING DATUM)
 - SET AS SPINE 0.5' FROM GROUND IN THE NORTHWEST FACE OF THE JOINT POLE LOCATED 15' SOUTH FROM THE SOUTHWEST RETURN OF 5TH STREET AND SOLANO STREET.
ELEV.=274.18 (CITY OF CORNING DATUM)
 - TOP OF THE SOUTHEASTERLY BOLT ON THE BASE OF THE TRAFFIC SIGNAL POLE ON THE NORTHWEST RETURN OF 5TH STREET AND SOLANO STREET.
ELEV.=273.28 (CITY OF CORNING DATUM)
 - SET CHISELED "C" ON THE CORNER TOP BACK OF CURB LOCATED AT THE BACK OF SIDEWALK ON THE US BANK LOT# ON THE SOUTHWEST RETURN OF WEST STREET AND SOLANO STREET.
ELEV.=277.09 (CITY OF CORNING DATUM)
- EXISTING GRADING ELEVATION
 - EXISTING DOORS
 - EXISTING TREE
 - EXISTING TRAFFIC SIGNAL BOX
 - EXISTING TRAFFIC SIGNAL LOOP
 - EXISTING DOWNSPOUT
 - EXISTING HOSE BIB
 - EXISTING STREET LIGHT
 - EXISTING STREET LIGHT/TRAFFIC SIGNAL
 - EXISTING UTILITY BOX
 - EXISTING FIRE HYDRANT
 - EXISTING SIGN POST
 - EXISTING ELECTRICAL BOX
 - EXISTING WATER VALVE
 - EXISTING WATER METER
 - EXISTING MANHOLE
 - EXISTING PLANTER
 - EXISTING CITY OF CORNING BENCH MARK
 - EXISTING SANITARY SEWER MANHOLE
 - EXISTING FINISHED FLOOR OF BUILDING
 - EXISTING POLE ANCHOR
 - EXISTING GUY WIRE
 - EXISTING PEDESTRIAN RAMP
 - EXISTING SIDEWALK
 - EXISTING BENCHMARK
 - EXISTING BUILDING OVERHANG
 - EXISTING CONCRETE
 - EXISTING EDGE OF PAVEMENT
 - EXISTING CROSSWALK STRIPE

Designed	JEA	Approved		Revisions		Date		By	
Drawn	RAP								
Checked	JEA	Date	JUNE, 2008						

CITY OF CORNING

Ed Anderam
CIVIL ENGINEER

P.O. Box 408
Corning, CA 96007

SOLANO STREET-DEMOLITION SHEET
CL STA 18+45 TO 23+00

Project Number		Drawing Number	
Scale	1" = 20'	Sheet	1 OF 15

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CONSTRUCTION LEGEND

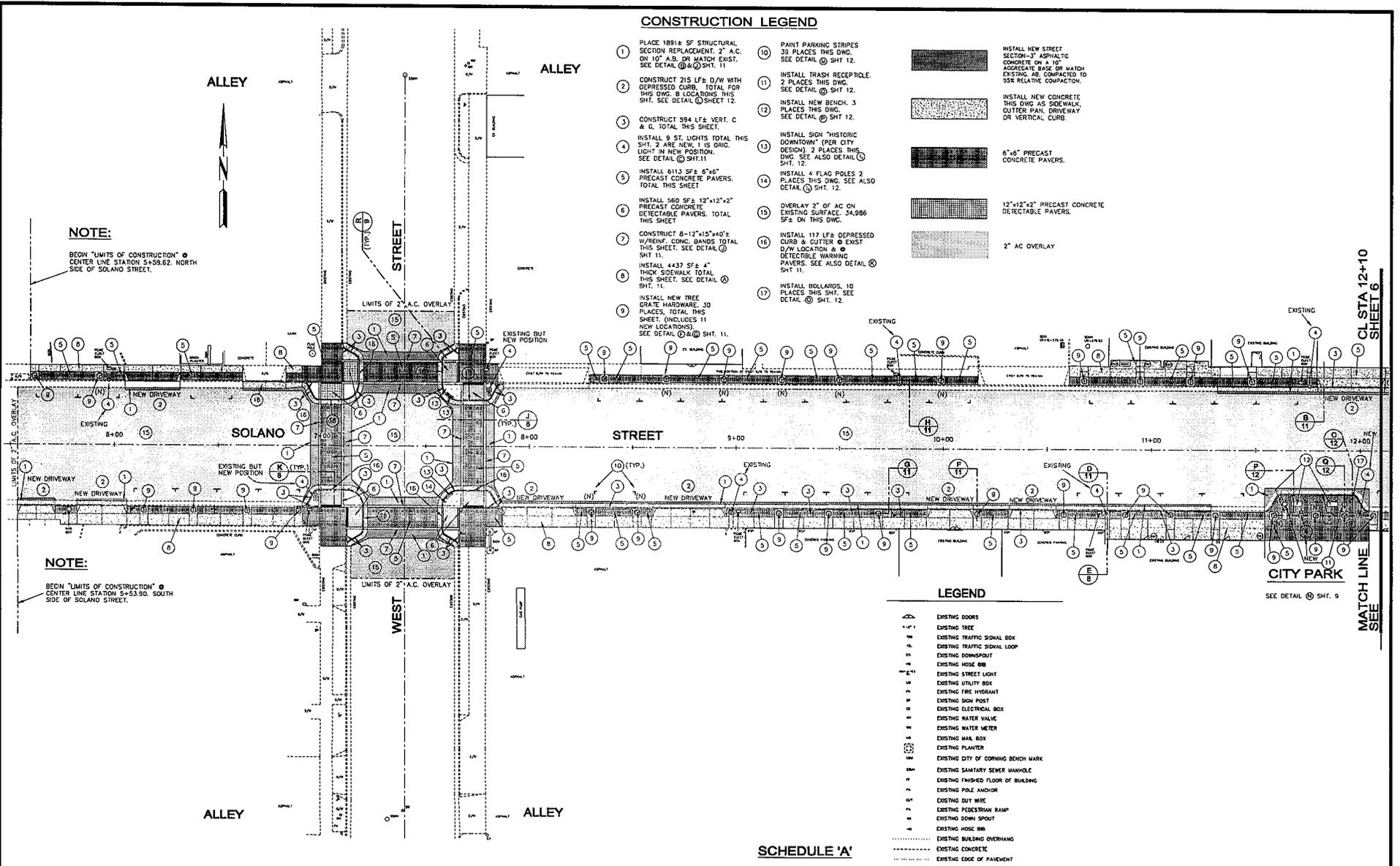
- | | | |
|--|---|---|
| <p>1 PLACE 1891 SF STRUCTURAL SECTION REPLACEMENT, 2" A.C. ON 10" A.B. OR MATCH EXIST. SEE DETAIL @ & SHT. 11</p> <p>2 CONSTRUCT 215 LF± D/W WITH DEPRESSED CURB. TOTAL FOR THIS DWG. 8 LOCATIONS THIS SHT. SEE DETAIL @ SHT. 12</p> <p>3 CONSTRUCT 994 LF± VERT. C & G. TOTAL THIS SHEET.</p> <p>4 INSTALL 9 ST. LIGHTS TOTAL THIS SHT. 2 ARE NEW, 1 IS ORIG. LIGHT IN NEW POSITION. SEE DETAIL @ SHT. 11</p> <p>5 INSTALL 6113 SF± 6"x6" PRECAST CONCRETE PAVERS. TOTAL THIS SHEET</p> <p>6 INSTALL 560 SF± 12"x12"x2" PRECAST CONCRETE DETECTABLE PAVERS. TOTAL THIS SHEET</p> <p>7 CONSTRUCT 8-12"x15"x40"± W/REINF. CONC. BANDS TOTAL THIS SHEET. SEE DETAIL @ SHT. 11</p> <p>8 INSTALL 4437 SF± 4" THICK SIDEWALK TOTAL THIS SHEET. SEE DETAIL @ SHT. 11</p> <p>9 INSTALL NEW TREE GRATE HARDWARE, 30 PLACES. TOTAL THIS SHEET. INCLUDES 11 NEW LOCATIONS. SEE DETAIL @ & SHT. 11.</p> | <p>10 PAINT PARKING STRIPES 39 PLACES THIS DWG. SEE DETAIL @ SHT. 12.</p> <p>11 INSTALL TRASH RECEPTACLE 2 PLACES THIS DWG. SEE DETAIL @ SHT. 12.</p> <p>12 INSTALL NEW BENCH, 3 PLACES THIS DWG. SEE DETAIL @ SHT. 12.</p> <p>13 INSTALL SIGN "HISTORIC DOMINATION" (PER CITY DESIGN) 2 PLACES THIS DWG. SEE ALSO DETAIL @ SHT. 12.</p> <p>14 INSTALL 4 FLAG POLES 2 PLACES THIS DWG. SEE ALSO DETAIL @ SHT. 12.</p> <p>15 OVERLAY 2" OF AC ON EXISTING SURFACE, 34,986 SF± ON THIS DWG.</p> <p>16 INSTALL 117 LF± DEPRESSED CURB & CUTTER @ EXIST. D/W LOCATION & @ DETECTIBLE WARNING PAVERS. SEE ALSO DETAIL @ SHT. 11.</p> <p>17 INSTALL BOLLARDS, 10 PLACES THIS SHT. SEE DETAIL @ SHT. 12.</p> | <p>INSTALL NEW STREET SECTION-3" ASPHALTIC CONCRETE ON A 10" AGGREGATE BASE OR MATCH EXISTING. ALL COMPACTED TO 5% RELATIVE COMPACTION.</p> <p>INSTALL NEW CONCRETE THIS DWG AS SIDEWALK, GUTTER PAN, DRIVEWAY OR VERTICAL CURB.</p> <p>6"x6" PRECAST CONCRETE PAVERS.</p> <p>12"x12"x2" PRECAST CONCRETE DETECTABLE PAVERS.</p> <p>2" AC OVERLAY</p> |
|--|---|---|

NOTE:

BEGIN "LIMITS OF CONSTRUCTION" @ CENTER LINE STATION 5+59.62, NORTH SIDE OF SOLANO STREET.

NOTE:

BEGIN "LIMITS OF CONSTRUCTION" @ CENTER LINE STATION 5+53.90, SOUTH SIDE OF SOLANO STREET.



LEGEND

- EXISTING DOORS
- EXISTING TREE
- EXISTING TRAFFIC SIGNAL BOX
- EXISTING TRAFFIC SIGNAL LOOP
- EXISTING DOWNPOUT
- EXISTING HOSE BIB
- EXISTING STREET LIGHT
- EXISTING UTILITY BOX
- EXISTING FIRE HYDRANT
- EXISTING SIGN POST
- EXISTING ELECTRICAL BOX
- EXISTING WATER VALVE
- EXISTING WATER METER
- EXISTING MAIL BOX
- EXISTING PLANTER
- EXISTING CITY OF CORNING BENCH MARK
- EXISTING SANITARY SEWER MANHOLE
- EXISTING FINISHED FLOOR OF BUILDING
- EXISTING POLE ANCHOR
- EXISTING GUY WIRE
- EXISTING PEDESTRIAN RAMP
- EXISTING DOWN SPOUT
- EXISTING HOSE BIB
- EXISTING BUILDING OVERHANG
- EXISTING CONCRETE
- EXISTING EDGE OF PAVEMENT

SCHEDULE 'A'

Designed JEA	Approved	Revisions	Date	By
Drawn RAP				
Checked JEA	Date JUNE, 2008			

CITY OF CORNING

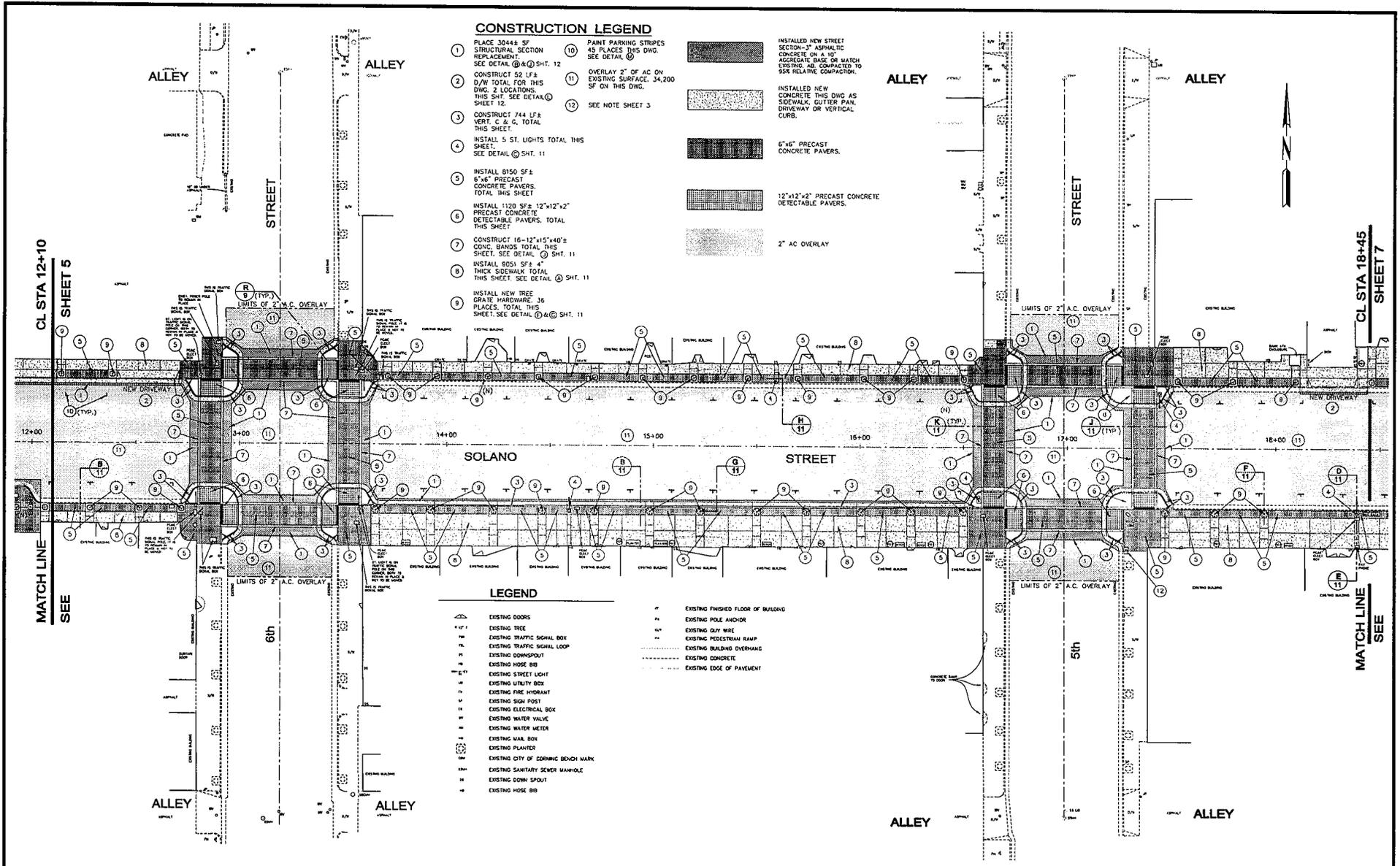
Ed Anderson
 CIVIL ENGINEER
 P.O. Box 899
 Corning, CA 96301

SOLANO STREET-CONSTRUCTION SHEET
 CL STA 5+50 TO 12+10

Project Number	Drawing Number
Scale: 1" = 20'	Sheet 5 OF 15

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MATCH LINE SEE SHEET 6
 CL STA 12+10



CONSTRUCTION LEGEND

- | | | | |
|---|--|--|---|
| ① PLACE 3044± SF STRUCTURAL SECTION REPLACEMENT. SEE DETAIL @ SHT. 12 | ⑩ PAINT PARKING STRIPES 45 PLACES THIS DWG. SEE DETAIL @ | | INSTALLED NEW STREET SECTION - 3" ASPHALTIC CONCRETE ON A 10" AGGREGATE BASE OR MATCH EXISTING, AD. COMPACTED TO 50% RELATIVE COMPACTION. |
| ② CONSTRUCT 52 LF± 6" W/ TOTAL FOR THIS DWG. 2 LOCATIONS. THIS SHIT. SEE DETAIL @ SHEET 12. | ⑪ OVERLAY 2" OF AC ON EXISTING SURFACE, 34,200 SF ON THIS DWG. | | INSTALLED NEW CONCRETE THIS DWG AS SIDEWALK, GUTTER PAN, DRIVEWAY OR VERTICAL CURB. |
| ③ CONSTRUCT 744 LF± VERT. C, G, TOTAL THIS SHEET. | ⑫ SEE NOTE SHEET 3 | | 6"x6" PRECAST CONCRETE PAVERS. |
| ④ INSTALL 5 ST. LIGHTS TOTAL THIS SHEET. SEE DETAIL @ SHT. 11 | | | 12"x12"x2" PRECAST CONCRETE DETECTABLE PAVERS. |
| ⑤ INSTALL 0150 SF± 6"x6" PRECAST CONCRETE PAVERS. TOTAL THIS SHEET | | | 2" AC OVERLAY |
| ⑥ INSTALL 1120 SF± 12"x12"x2" PRECAST CONCRETE DETECTABLE PAVERS. TOTAL THIS SHEET | | | |
| ⑦ CONSTRUCT 16-12"x15"x40"± CONC. BANDS TOTAL THIS SHEET. SEE DETAIL @ SHT. 11 | | | |
| ⑧ INSTALL 8051 SF± 4" THICK SIDEWALK TOTAL THIS SHEET. SEE DETAIL @ SHT. 11 | | | |
| ⑨ INSTALL NEW TREE GRAPE HARDWARE, 36 PLACES. TOTAL THIS SHEET. SEE DETAIL @ SHT. 11 | | | |

LEGEND

- | | | | |
|--|---------------------------------------|--|-------------------------------------|
| | EXISTING DOORS | | EXISTING FINISHED FLOOR OF BUILDING |
| | EXISTING TREE | | EXISTING POLE ANCHOR |
| | EXISTING TRAFFIC SIGNAL BOX | | EXISTING GULLY RISE |
| | EXISTING TRAFFIC SIGNAL LOOP | | EXISTING PEDESTRIAN RAMP |
| | EXISTING DOWNSPOUT | | EXISTING BUILDING OVERHANG |
| | EXISTING HOSE BIB | | EXISTING CONCRETE |
| | EXISTING STREET LIGHT | | EXISTING EDGE OF PAVEMENT |
| | EXISTING UTILITY BOX | | |
| | EXISTING FIRE HYDRANT | | |
| | EXISTING SIGN POST | | |
| | EXISTING ELECTRICAL BOX | | |
| | EXISTING WATER VALVE | | |
| | EXISTING WATER METER | | |
| | EXISTING MAN BOX | | |
| | EXISTING PLANTER | | |
| | EXISTING CITY OF CORNERING BENCH MARK | | |
| | EXISTING SANITARY SEWER MANHOLE | | |
| | EXISTING DOWN SPOUT | | |
| | EXISTING HOSE BIB | | |

Designed JEA	Approved	Revisions	Date	By
Drawn RAP				
Checked JEA	Date JUNE, 2008			

CITY OF CORNING

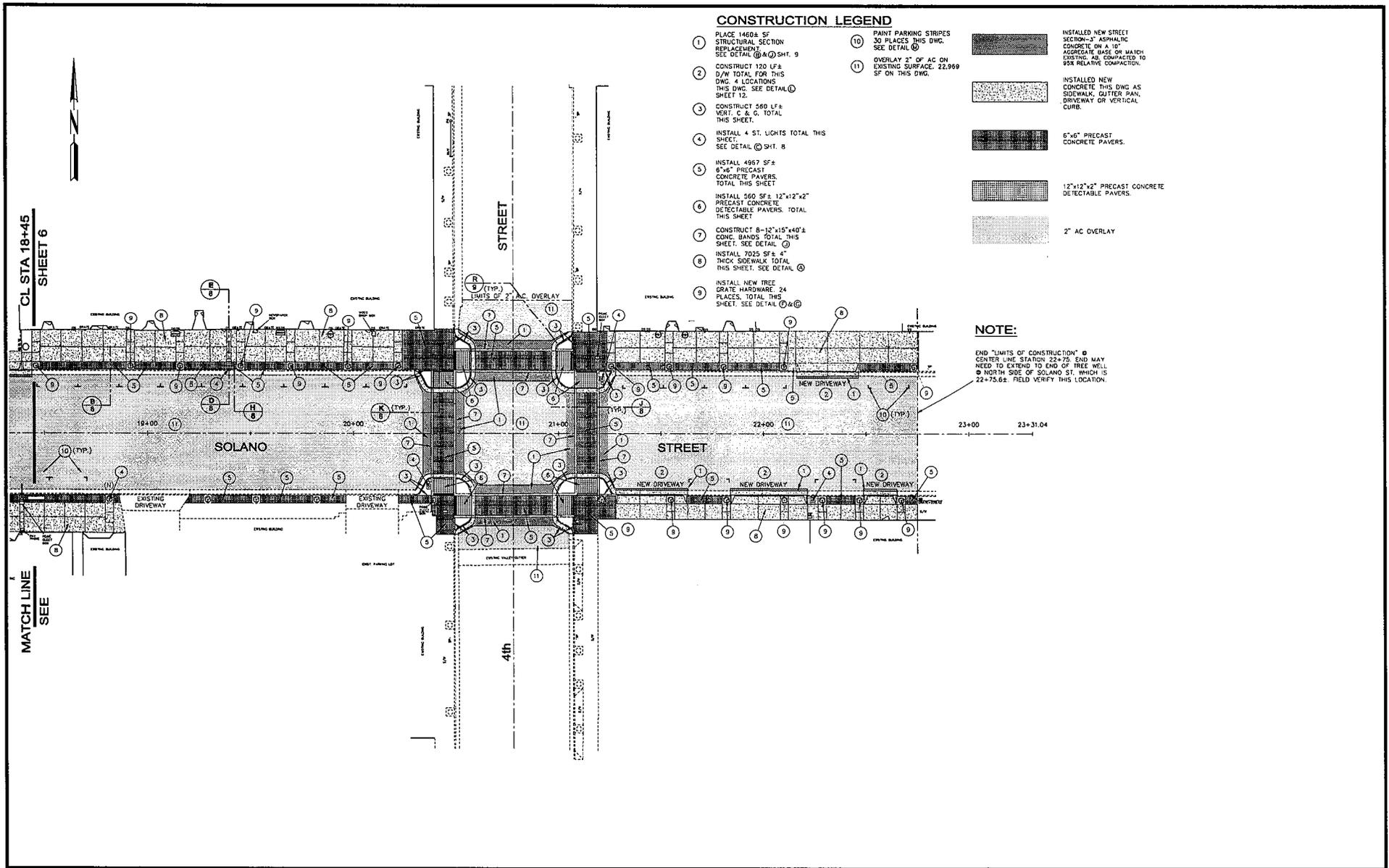
Ed Anderson
 CIVIL ENGINEER
 P.O. Box 808
 Corning, CA 96027

SOLANO STREET-CONSTRUCTION SHEET
 CL STA 12+10 TO 18+45

Project Number	Drawing Number
Scale: 1" = 20'	Sheet 5 Of 15

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CONSTRUCTION LEGEND

- ① PLACE 1460± SF STRUCTURAL SECTION REPLACEMENT. SEE DETAIL (A) & (D) SHT. 9
- ② CONSTRUCT 120 LF± D/W TOTAL FOR THIS DWG. & LOCATIONS THIS DWG. SEE DETAIL (C) SHEET 12.
- ③ CONSTRUCT 560 LF± VERT. C & G. TOTAL THIS SHEET.
- ④ INSTALL 4 ST. LIGHTS TOTAL THIS SHEET. SEE DETAIL (C) SHT. 8
- ⑤ INSTALL 4967 SF± 6"x6" PRECAST CONCRETE PAVERS. TOTAL THIS SHEET
- ⑥ INSTALL 560 SF± 12"x12"x2" PRECAST CONCRETE DETECTABLE PAVERS. TOTAL THIS SHEET
- ⑦ CONSTRUCT 8-12"x15"x40"± CONE BANDS TOTAL THIS SHEET. SEE DETAIL (C)
- ⑧ INSTALL 2025 SF± 4" THICK SIDEWALK TOTAL THIS SHEET. SEE DETAIL (A)
- ⑨ INSTALL NEW TREE GRATE HARDWARE 24 PLACES. TOTAL THIS SHEET. SEE DETAIL (C) & (E)
- ⑩ PAINT PARKING STRIPES 30 PLACES THIS DWG. SEE DETAIL (D)
- ⑪ OVERLAY 2" OF AC ON EXISTING SURFACE. 22,999 SF ON THIS DWG.

NOTE:

END "LIMITS OF CONSTRUCTION" @ CENTER LINE STATION 22+75. END MAY NEED TO EXTEND TO END OF TREE WELL @ NORTH SIDE OF SOLANO ST. WHICH IS 22+72.6±. FIELD VERIFY THIS LOCATION.

Designed	JEA	Approved		Revisions		Date		By	
Drawn	RAP								
Checked	JEA	Date	JUNE, 2008						

CITY OF CORNING

Ed Anderson
 P.O. Box 899
 Corning, CA 96027
 CIVIL ENGINEER

SOLANO STREET-CONSTRUCTION SHEET
 CL STA 18+45 TO 23+00

Project Number		Drawing Number	
Scale	1" = 20'	Sheet	2 Of 15

ALLEY

ALLEY



GRADING LEGEND

- FLOW LINE ELEVATION.
- CENTERLINE LINE ELEVATION.
- TOP OF CONCRETE ELEVATION.
- DIRECTION OF SURFACE WATER FLOW

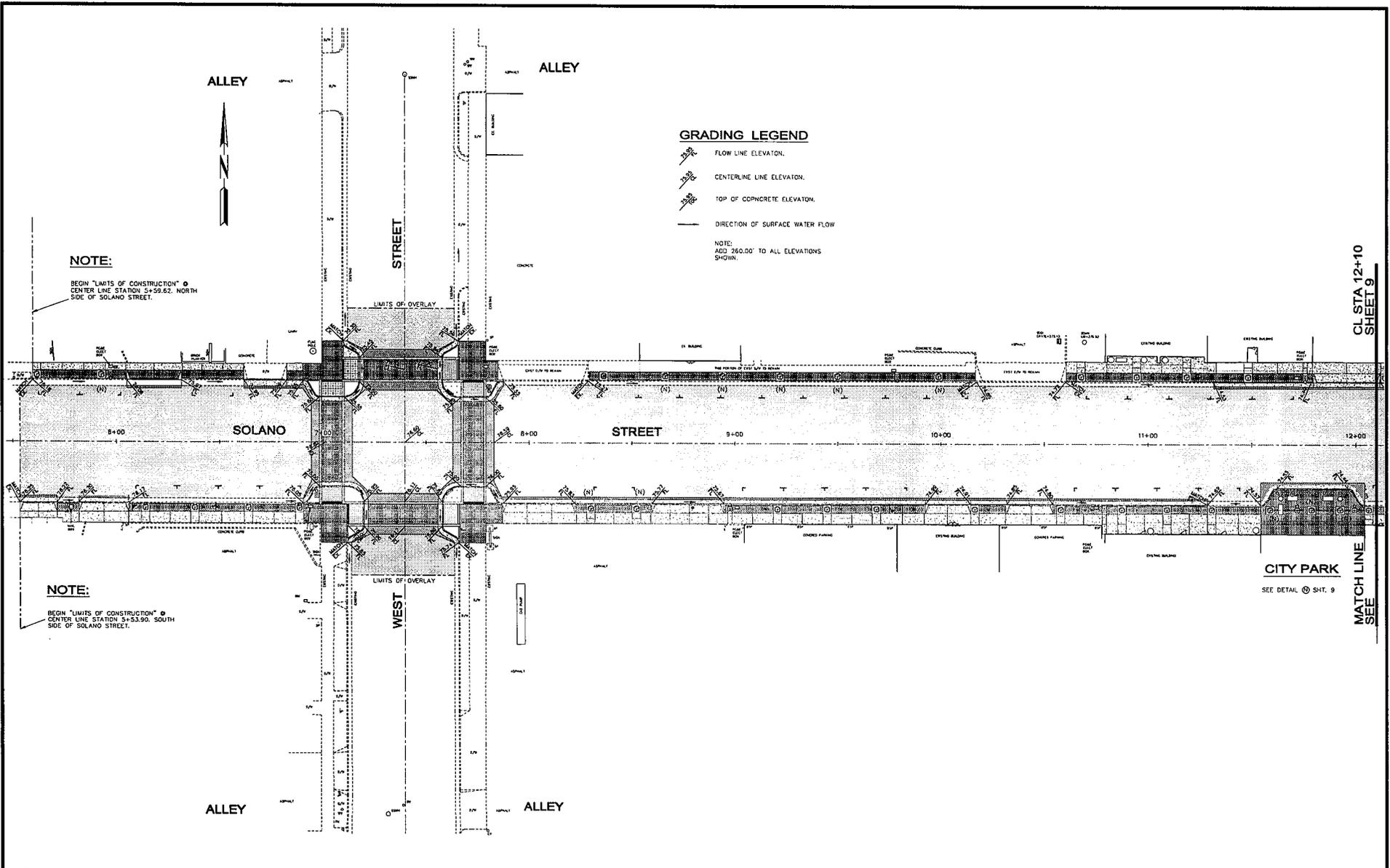
NOTE:
ADD 260.00' TO ALL ELEVATIONS SHOWN.

NOTE:

BEGIN "LIMITS OF CONSTRUCTION" @ CENTER LINE STATION 5+59.62, NORTH SIDE OF SOLANO STREET.

NOTE:

BEGIN "LIMITS OF CONSTRUCTION" @ CENTER LINE STATION 5+53.90, SOUTH SIDE OF SOLANO STREET.



CL STA 12+10
SHEET 9

MATCH LINE
SEE SHEET 8

CITY PARK

SEE DETAIL @ SHT. 9

Designed	Approved	Revisions	Date	By
JEA				
RAP				
JEA			JUNE, 2008	

CITY OF CORNING

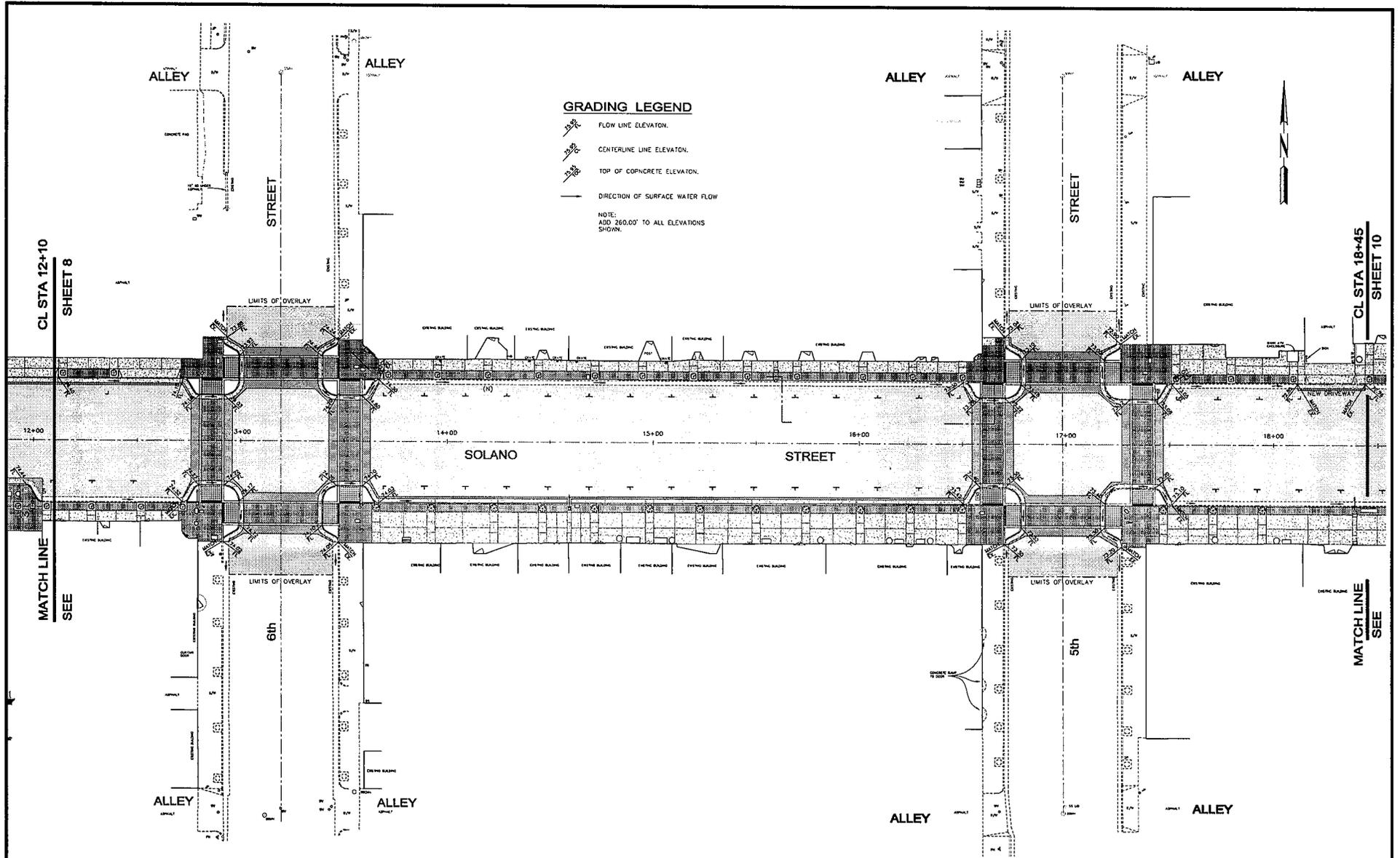
Ed Anderson
CIVIL ENGINEER

P.O. Box 658
Corning, CA 96027

SOLANO STREET-GRADING PLAN
CL STA 5+50 TO 12+10

Project Number	Drawing Number
Scale: 1" = 20'	Sheet 8 of 15

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GRADING LEGEND

- FLOW LINE ELEVATION.
- CENTERLINE ELEVATION.
- TOP OF CONCRETE ELEVATION.
- DIRECTION OF SURFACE WATER FLOW

NOTE:
ADD 260.00' TO ALL ELEVATIONS SHOWN.

Designed	JEA	Approved		Revisions	Date	By
Drawn	RAP					
Checked	JEA	Date	JUNE, 2008			

CITY OF CORNING

Ed Anderson
CIVIL ENGINEER

P.O. Box 888
CORNING, PA 16607

SOLANO STREET-GRADING SHEET
CL STA 12+10 TO 18+45

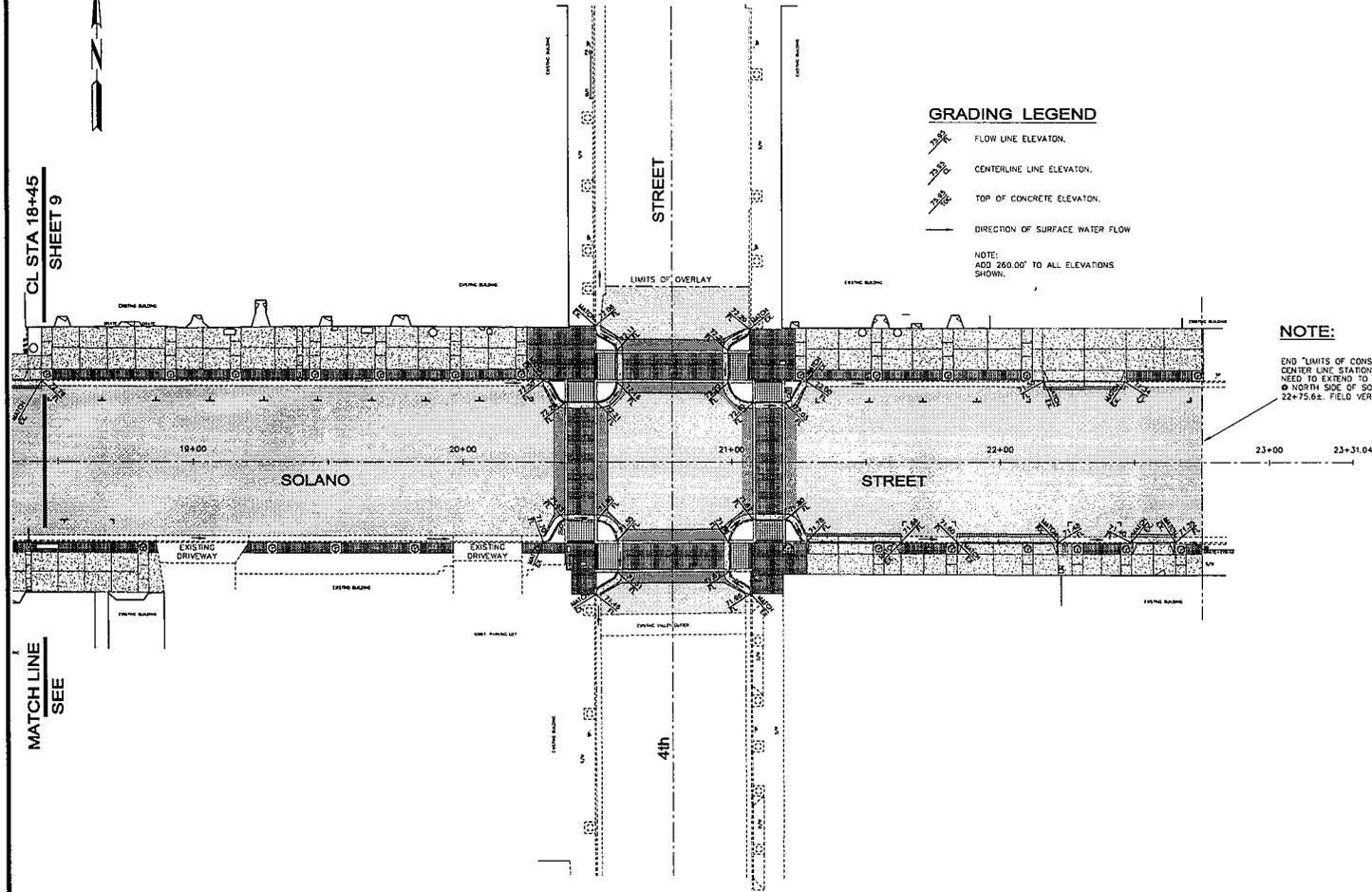
Project Number	Drawing Number
Sheet	Sheet 9 Of 15
SCALE: 1" = 20'	

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CL STA 18+45
SHEET 9

MATCH LINE
SEE



GRADING LEGEND

- FLOW LINE ELEVATION.
- CENTERLINE LINE ELEVATION.
- TOP OF CONCRETE ELEVATION.
- DIRECTION OF SURFACE WATER FLOW

NOTE:
ADD 260.00' TO ALL ELEVATIONS
SHOWN.

NOTE:

END "LIMITS OF CONSTRUCTION" @
CENTER LINE STATION 22+75. END MAY
NEED TO EXTEND TO END OF TREE WELL
@ NORTH SIDE OF SOLANO ST. WHICH IS
22+75.6. FIELD VERIFY THIS LOCATION.

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Designed	JEA	Approved		Revisions	Date	By
Drawn	RAP					
Checked	JEA	Date	JUNE, 2008			

CITY OF CORNING

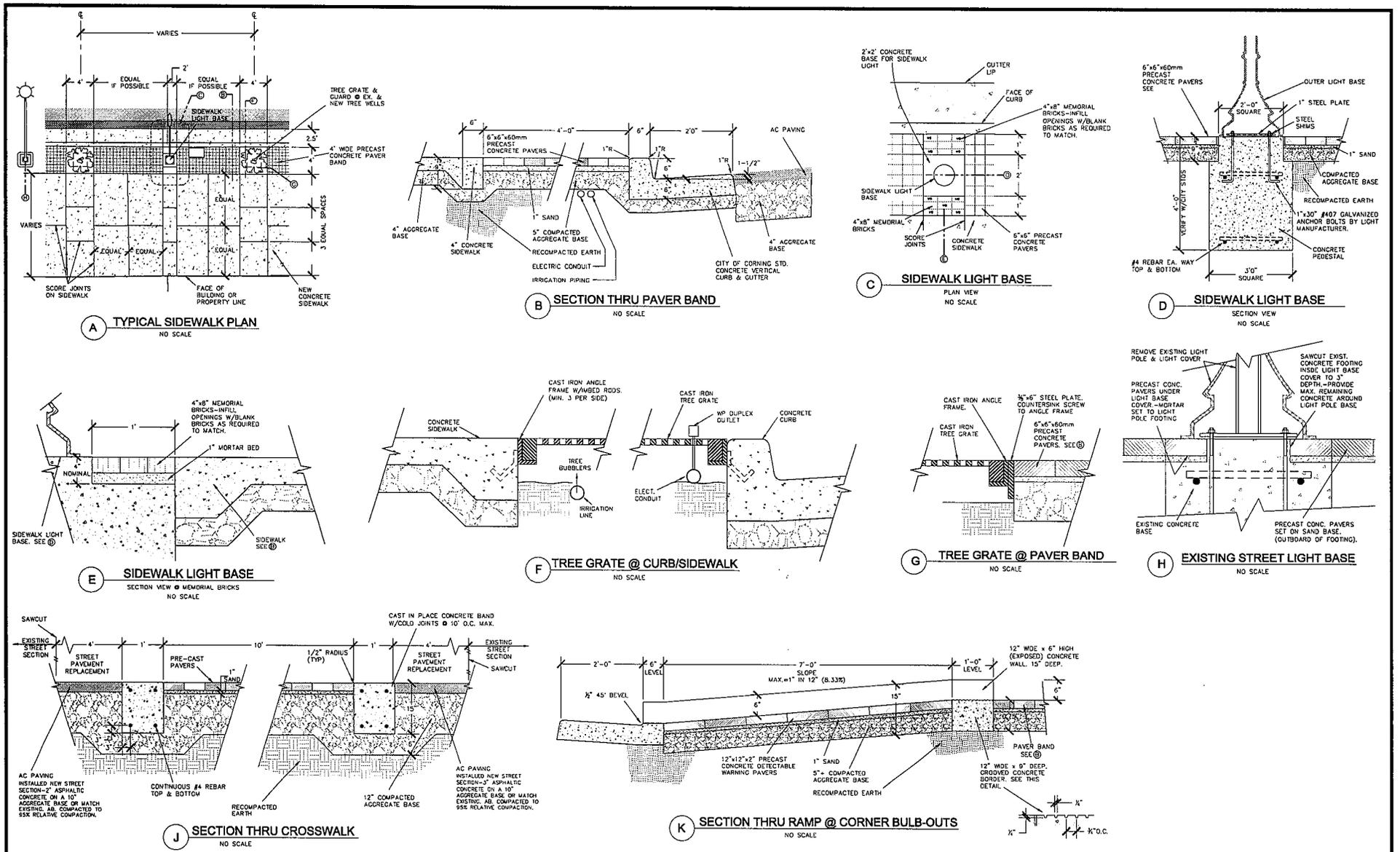
Ed Anderson
CIVIL ENGINEER



P.O. BOX 839
CORNING, CA 95927

SOLANO STREET-GRADING SHEET
CL STA 18+45 TO 23+00

Project Number	Drawing Number
Scale	Sheet 10 Of 15
SCALE: 1" = 20'	



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Checked	JEA	Date	JUNE, 2008						

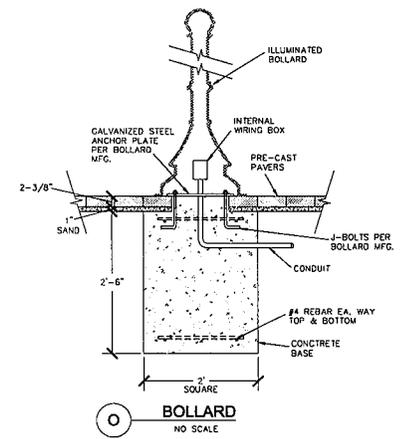
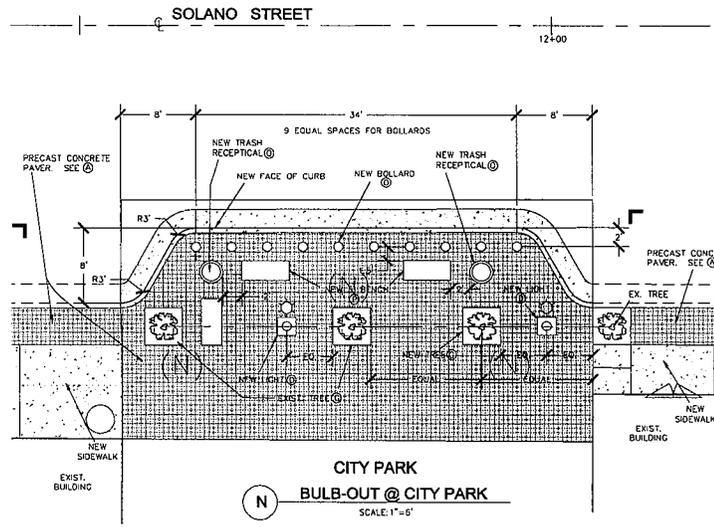
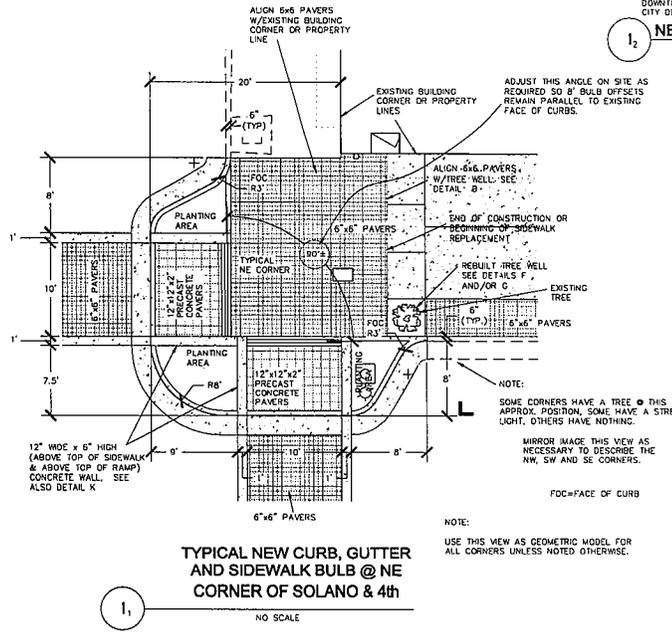
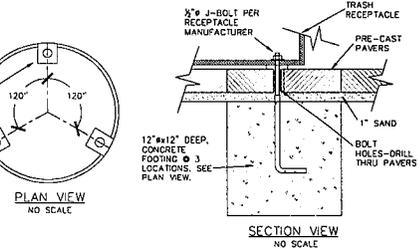
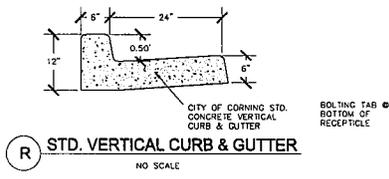
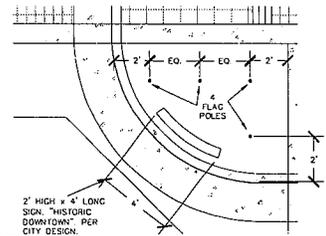
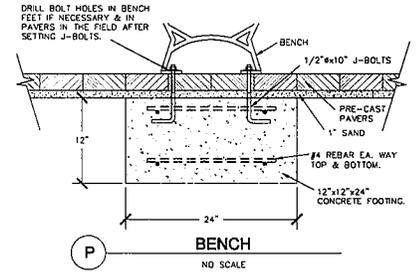
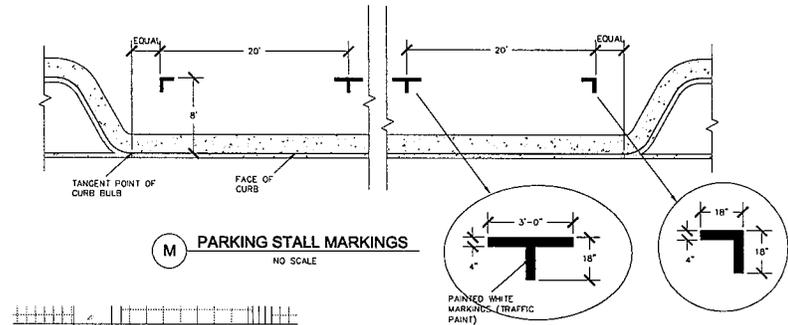
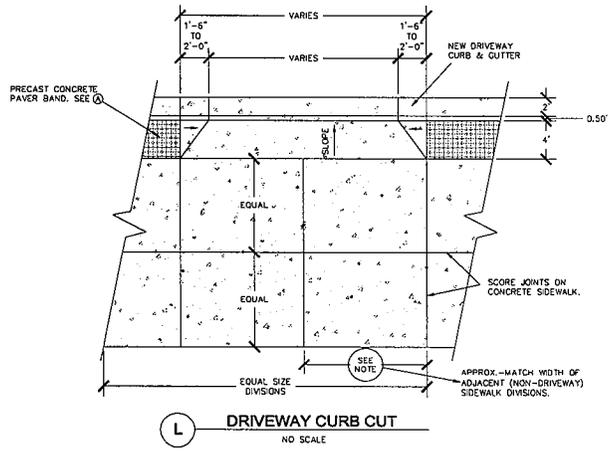
CITY OF CORNING

Ed Anderson
CIVIL ENGINEER

P.O. BOX 878
CORNING, OH 44601

DETAILS

Project Number	NO SCALE	Drawing Number	Sheet 11 OF 15
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Designed	Approved	Revisions	Date	By
JEA				
RAP				
JEA				

CITY OF CORNING

Ed Anderson
 CIVIL ENGINEER
 P.O. Box 828
 Corning, CA 96301

DETAILS

Project Number	Drawing Number
NO SCALE	Sheet 12 Of 15

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LEGEND

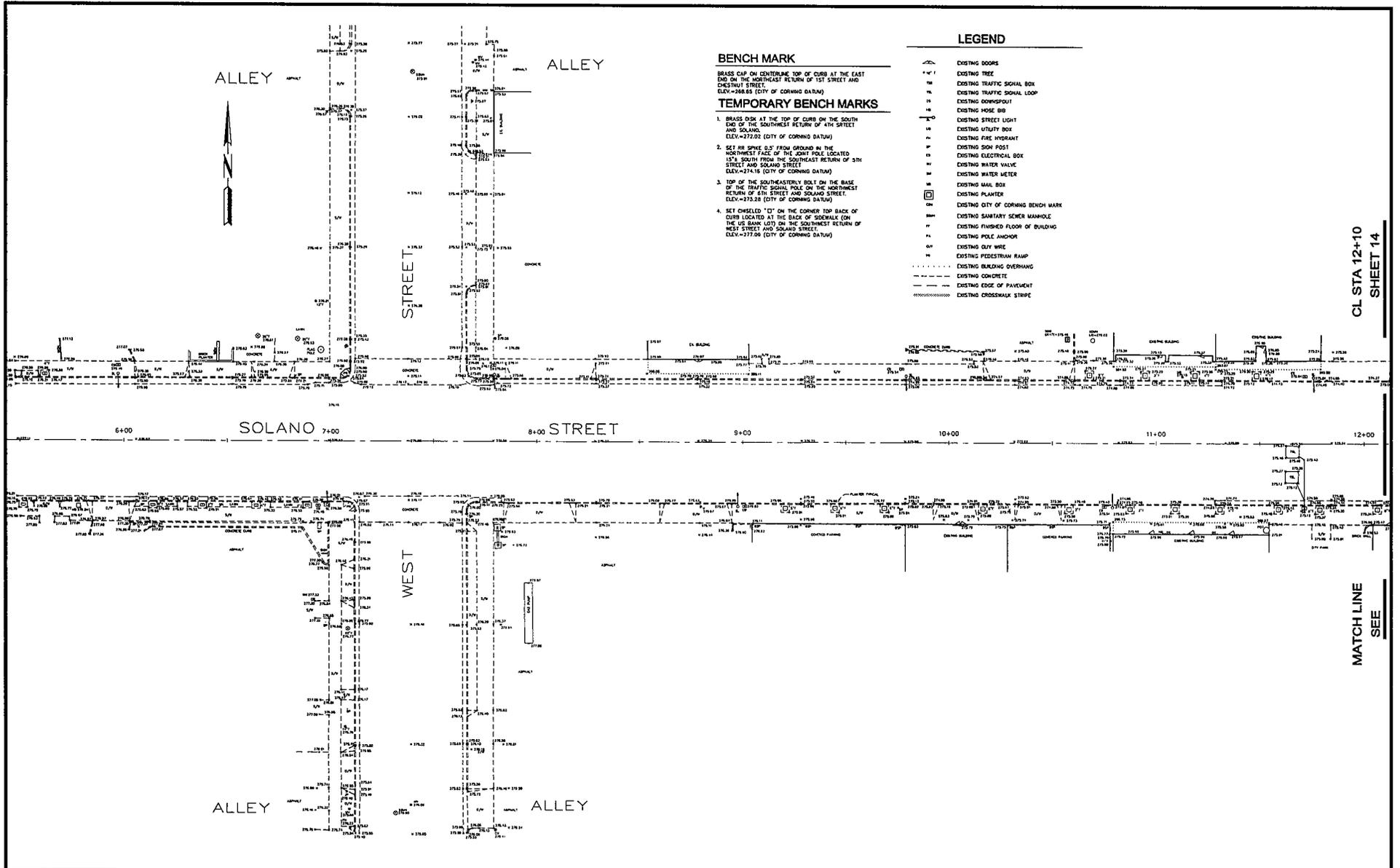
- EXISTING DOORS
- *—*— EXISTING TREE
- T—T— EXISTING TRAFFIC SIGNAL BOX
- TL—TL— EXISTING TRAFFIC SIGNAL LOOP
- H— EXISTING HOSE BIB
- L— EXISTING LIGHT
- E— EXISTING ELECTRICAL BOX
- V— EXISTING VALVE
- M— EXISTING MAIL BOX
- P— EXISTING PLANTER
- C— EXISTING CITY OF CORNING BENCH MARK
- S— EXISTING SANITARY SEWER MANHOLE
- F— EXISTING FINISHED FLOOR OF BUILDING
- A— EXISTING POLICE ANCHOR
- W— EXISTING CITY WIRE
- R— EXISTING PEDESTRIAN RAMP
- O— EXISTING OVERHANG
- C— EXISTING CONCRETE
- E— EXISTING EDGE OF PAVEMENT
- S— EXISTING SIDEWALK STRIP

BENCH MARK

BRASS GIP ON CENTRAL TOP OF CURB AT THE EAST END OF THE NORTHWEST RETURN OF 1ST STREET AND CHESTNUT STREET.
ELEV.=368.65 (CITY OF CORNING DATUM)

TEMPORARY BENCH MARKS

1. BRASS PIN AT THE TOP OF CURB ON THE SOUTH END OF THE SOUTHWEST RETURN OF 4TH STREET AND SOLANO STREET.
ELEV.=372.02 (CITY OF CORNING DATUM)
2. SET AN IRON SPIKE 0.5' FROM GROUND ON THE NORTHWEST FACE OF THE SHORT POLE LOCATED 15' SOUTH FROM THE SOUTHWEST RETURN OF 5TH STREET AND SOLANO STREET.
ELEV.=374.16 (CITY OF CORNING DATUM)
3. TOP OF THE SOUTHEASTERN BOLT ON THE BASE OF THE TRAFFIC SIGNAL POLE ON THE NORTHWEST RETURN OF 6TH STREET AND SOLANO STREET.
ELEV.=373.22 (CITY OF CORNING DATUM)
4. SET CHISELED "C" ON THE CORNER TOP BACK OF CURB LOCATED AT THE BACK OF SIDEWALK ON THE 12 BANK LOTS ON THE SOUTHWEST RETURN OF WEST STREET AND SOLANO STREET.
ELEV.=377.06 (CITY OF CORNING DATUM)



CL STA 12+10
SHEET 14

MATCH LINE
SEE

Designed	Approved	Revisions	Date	By
JEA	RAP			
JEA	JEA		JUNE, 2008	

CITY OF CORNING



SOLANO STREET-ORIGINAL TOPO
CL STA 5+50 TO 12+10

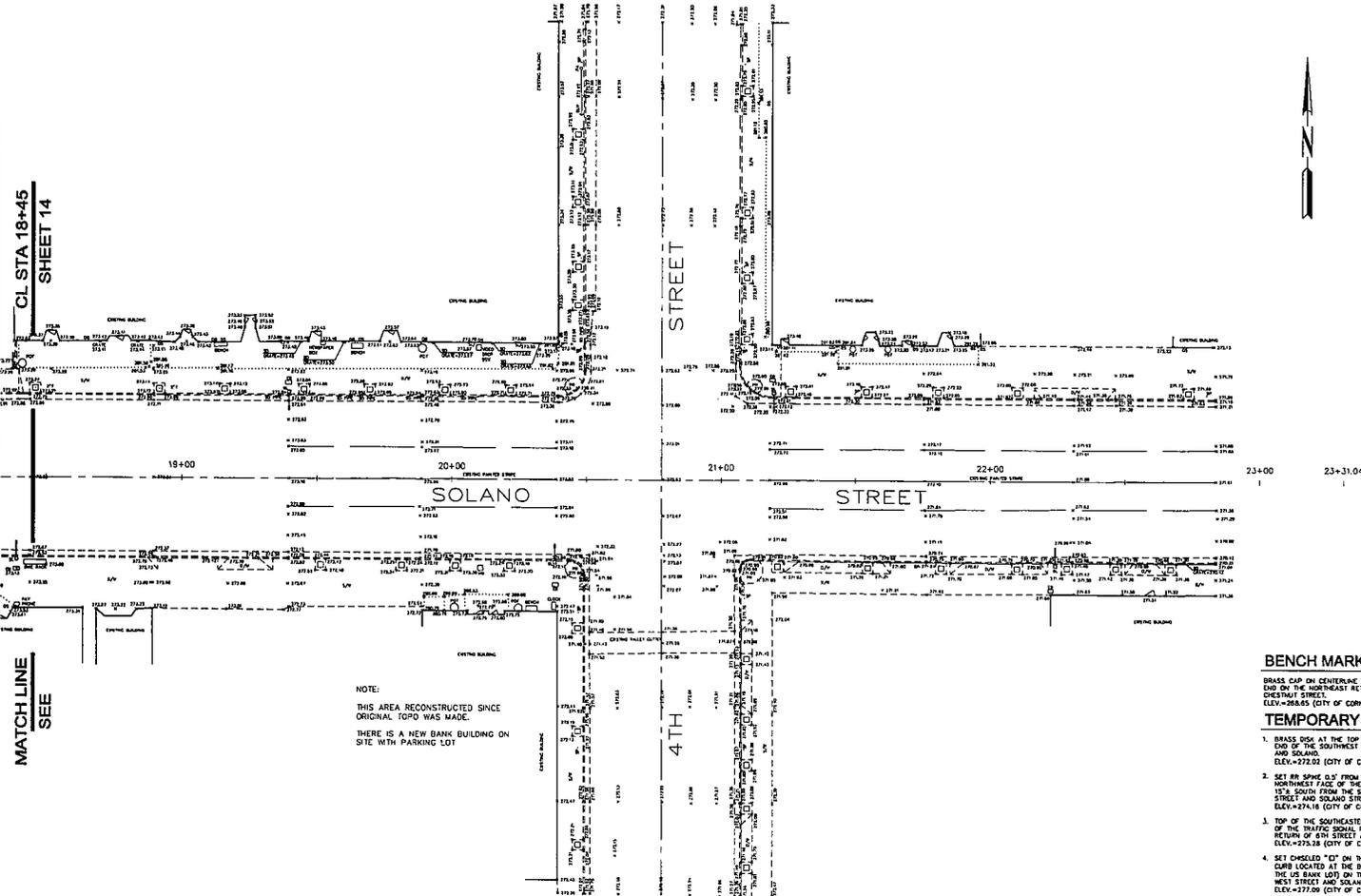
Project Number	Drawing Number
Scale: 1" = 20'	Sheet 13 Of 15

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CL STA 18+45
SHEET 14

MATCH LINE
SEE

NOTE:
THIS AREA RECONSTRUCTED SINCE
ORIGINAL TOPO WAS MADE.
THERE IS A NEW BANK BUILDING ON
SITE WITH PARKING LOT



LEGEND

BENCH MARK

BRASS CAP ON CENTERLINE TOP OF CURB AT THE EAST
END OF THE NORTHEAST RETURN OF 1ST STREET AND
CORNSTREET.
ELEV.=268.65 (CITY OF CORNING DATUM)

TEMPORARY BENCH MARKS

- BRASS RISE AT THE TOP OF CURB ON THE SOUTH
END OF THE SOUTHWEST RETURN OF 4TH STREET
AND SOLANO.
ELEV.=272.02 (CITY OF CORNING DATUM)
- SET IR SPIN ODY FROM CORNER IN THE
NORTHWEST FACE OF THE JOINT POLE LOCATED
15' SOUTH FROM THE SOUTHWEST RETURN OF 5TH
STREET AND SOLANO STREET.
ELEV.=274.16 (CITY OF CORNING DATUM)
- TOP OF THE SOUTHWESTERLY BOLT ON THE BASE
OF THE TRAFFIC SIGNAL POLE ON THE NORTHWEST
RETURN OF 5TH STREET AND SOLANO STREET.
ELEV.=275.28 (CITY OF CORNING DATUM)
- SET CHISELED "C" ON THE CORNER TOP BACK OF
CURB LOCATED AT THE BACK OF SIDEWALK ON
THE US BANK LOT) ON THE SOUTHWEST RETURN OF
WEST STREET AND SOLANO STREET.
ELEV.=277.06 (CITY OF CORNING DATUM)

- EXISTING DOORS
- EXISTING TREE
- EXISTING TRAFFIC SIGNAL BOX
- EXISTING TRAFFIC SIGNAL LOOP
- EXISTING DOWNSPOUT
- EXISTING HOSE BIB
- EXISTING STREET LIGHT
- EXISTING UTILITY BOX
- EXISTING FIRE HYDRANT
- EXISTING SIGN POST
- EXISTING ELECTRICAL BOX
- EXISTING WATER VALVE
- EXISTING WATER METER
- EXISTING MAIL BOX
- EXISTING PLANTER
- EXISTING CITY OF CORNING BENCH MARK
- EXISTING SANITARY SEWER MANHOLE
- EXISTING FINISHED FLOOR OF BUILDING
- EXISTING POLE ANCHOR
- EXISTING UTILITY WIRE
- EXISTING PEDESTRIAN RAMP
- EXISTING BUILDING OVERHANG
- EXISTING CONCRETE
- EXISTING EDGE OF PAVEMENT
- EXISTING CROSSWALK STRIPE

Designed	JEA	Approved		Revisions		Date		By	
Checked	RAP	Date	JUNE, 2008						

CITY OF CORNING

Bd Anderson
CIVIL ENGINEER

P.O. BOX 232
CORNING, OH 44601

SOLANO STREET-ORIGINAL TOPO
CL STA 18+45 TO 23+00

Project Number		Drawing Number	
Scale	1" = 20'	Sheet	15 OF 15

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**TEHAMA COUNTY TRANSPORTATION COMMISSION
RESOLUTION 17-2011**

2012 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM (RTIP)

WHEREAS, the Tehama County Transportation Commission (TCTC) is the Regional Transportation Planning Agency (RTPA) for the County of Tehama and the incorporated cities of Corning, Red Bluff, and Tehama; **and**

WHEREAS, the Tehama County Transportation Commission is responsible for the preparation of the Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP); **and**

WHEREAS, the regional projects programmed in the RTIP are consistent with the RTP; **and**

WHEREAS, the regional projects programmed in the RTIP were reviewed and reflect the recommendations by consensus of the RTIP/STIP Technical Advisory Committee (TAC); **and**

WHEREAS, the RTIP projects: leverage federal and seismic dollars to replace bridges, improve State Route (SR 99) the main street of Los Molinos, considers South Red Bluff Interchange, improves 99W (I-5 alternate route) through the Flores Avenue project, and provides for the program, planning, and monitoring of the RTIP.

NOW THEREFORE BE IT RESOLVED, that the Tehama County Transportation Commission does hereby approve the list of regional projects identified in the November 22, 2011 TCTC agenda Item # 7 as directly attached here within, as the 2012 Regional Transportation Improvement Program (RTIP).

BE IT FURTHER RESOLVED, that the Executive Director and Staff of the Tehama County Transportation Commission are authorized and directed to complete and submit all necessary documents, including but not limited to project programming requests, an evaluation of performance measurement and cost effectiveness, cover letters, and programming spreadsheets to the California Transportation Commission (CTC).

BE IT FURTHER RESOLVED, that the Executive Director and Staff are authorized to respond to California Transportation Commission (CTC) on programming and capacity matters.

The foregoing Resolution was offered by Commissioner Russell, seconded by Commissioner Strack, at a regular meeting in Red Bluff California on November 22, 2011, and adopted by the following vote:

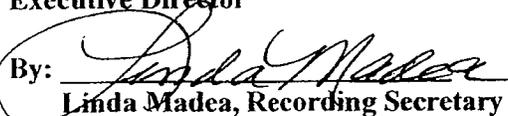
AYES: Commissioners'; Schmid; Russell; Williams; Warner; Christison; Strack

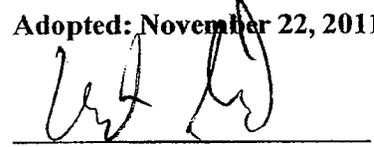
NOES: None

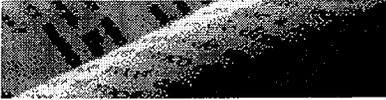
ABSENT OF NOT VOTING: None

ATTEST: Gary Antone, P.E., P.L.S.
Executive Director

Adopted: November 22, 2011

By: 
Linda Madea, Recording Secretary


Chairperson



Welcome to the online source for the California Code of Regulations

14 CA ADC § 15301
§ 15301. Existing Facilities.

14 CCR § 15301

Cal. Admin. Code tit. 14, § 15301

Barclays Official California Code of Regulations Currentness

Title 14. Natural Resources

Division 6. Resources Agency

Chapter 3. Guidelines for Implementation of the California Environmental Quality Act

Article 19. Categorical Exemptions

→ § 15301. Existing Facilities.

Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The types of "existing facilities" itemized below are not intended to be all-inclusive of the types of projects which might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of an existing use.

Examples include but are not limited to:

(a) Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances;

(b) Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services;

→ (c) Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety).

(d) Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as earthquake, landslide, or flood;

(e) Additions to existing structures provided that the addition will not result in an increase of more than:

(1) 50 percent of the floor area of the structures before the addition, or 2,500 square feet, whichever is less; or

(2) 10,000 square feet if:

(A) The project is in an area where all public services and facilities are available to allow for maximum development permissible in the General Plan and

(B) The area in which the project is located is not environmentally sensitive.

(f) Addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational

CEQA EXEMPTION

Notice of Exemption

To: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

From: (Public Agency) City of Corning
794 Third St.
Corning, CA 96021

County Clerk
County of Tehama

Project Title: Solano Streetscape Improvement Project

Project Location - Specific: Solano Street between Third St. and Hoag St.

Project Location - City: Corning, CA Project Location - County: Tehama

Description of Nature, Purpose, and Beneficiaries of Project:
Streetscape enhancements including demolition, installation of
street furniture, new sidewalk, pedestrian bulbs, decorative
pavements, streetlights, street trees, etc.

Name of Public Agency Approving Project: City of Corning

Name of Person or Agency Carrying Out Project: John L. Brewer

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Alteration of existing facilities
per Sec. 15301(c)
- Statutory Exemptions. State code number:

Reasons why project is exempt: Street improvements, minor alterations

Lead Agency

Contact Person: John L. Brewer Area Code/Telephone/Extension: (530) 824-7029

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: 12/7/2011 Title: Public Works Director

- Signed by Lead Agency
 - Signed by Applicant
- Date received for filing at OPR:

**ITEM NO: J-20
ADOPT RESOLUTION NO. 12-12-2011-05
APPROVING AN AMENDED AND
RESTATED VALIC DEFERRED COMP
PLAN**

December 13, 2011

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

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER

BACKGROUND:

The City of Corning has for several years had a deferred compensation plan through VALIC (Variable Annuity Life Insurance Company) available to its employees for those who choose to use it. The purpose of the plan is to provide tax benefits to participants by allowing them to divert otherwise taxable income into a tax deferred plan which can then be accessed by them during their retirement years when they usually are in a lower tax bracket.

DISCUSSION:

There have been changes in the law since the City initially adopted this particular plan and the Council is being requested to adopt an amended plan (a plan "restatement") to conform to those changes.

The Pension Protection Act of 2006 ("PPA"), the Heroes Earnings Assistance and Relief Tax Act of 2008 (the "HEART Act"), the Worker, Retiree and Employer Recovery Act of 2008 ("WRERA") and the Small Business Jobs Act of 2010 (the "Jobs Act") is the legislation which necessitates these changes.

Some of the changes the Council will be making if it adopts this amended plan are:

1. These kinds of plans generally prohibit distributions unless a participant has separated from employment or reached age 70 ½. The amended plan would permit individuals who still are employed by the City but on military assignment and/or leave to elect to receive distributions.
2. This revised Plan will allow contributions to be designated as Roth contributions and will allow Roth conversions.
3. This Plan as revised would allow an eligible retired Public Safety Employee to elect to have up to \$3000 of any Plan distributions paid directly to the provider of an accident or health insurance plan or a qualified long-term care insurance contract and exclude such payments from the participant's gross income.

RECOMMENDATION:

**MOVE TO ADOPT RESOLUTION 12-13-2011-05 AMENDING AND ADOPTING A
RESTATEMENT OF THE VALIC DEFERRED COMPENSATION PLAN OF THE CITY OF
CORNING.**

RESOLUTION NO. 12-13-11-05

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORNING
AUTHORIZING AMENDMENT OF THE VALIC DEFERRED
COMPENSATION PLAN OF THE CITY OF CORNING**

WHEREAS, the City of Corning (the "EMPLOYER") has a deferred compensation plan through the Variable Annuity Life Insurance Company ("VALIC"); and

WHEREAS, recent changes in the law require the City to review and amend its plan to ensure its compliance with current laws and regulations; and

WHEREAS, the needed amendments can be accomplished by means of the "Restatement" of an amended plan to take effect on January 1, 2012;

NOW, THEREFORE, BE IT RESOLVED that the EMPLOYER hereby amends and restates the Plan in the form of the Plan attached hereto; and

BE IT FURTHER RESOLVED, that the Mayor of the City of Corning is hereby authorized to execute the amendment and restatement of the Plan and the Adoption Agreement effective January 1, 2012.



The foregoing Resolution was passed and adopted by the City Council of the City of Corning this 13th day of December, 2011 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

GARY R. STRACK, MAYOR

ATTEST:

LISA M. LINNET, CITY CLERK



The Variable Annuity Life Insurance Company
P.O. Box 15648
Amarillo, TX 79105

VALIC Specimen Governmental Section 457(b) Plan Document Changes

The following summary highlights the material changes made to the VALIC specimen governmental 457(b) plan document:

Separate Adoption Agreement. The elections that were formerly in Article II (and several new elections) are now set forth in a separate Adoption Agreement. The specimen plan now includes both an Adoption Agreement and a Basic Plan Document.

Section 2.06, Compensation. This new definition replaces the former definition of Normal Compensation. For years beginning after 2008, "Compensation" also includes "differential wage payments" (as defined in Section 2.17).

Section 2.09, Designated Roth Contributions. This section defines Roth (after-tax) contributions, which the Employer may elect to permit for years after 2010 (see Item 3 of the Adoption Agreement).

Section 2.13, Employee. Under the HEART Act, for years beginning after 2008, the term "Employee" also includes an individual (on military leave) who is receiving "differential wage payments" (as defined in Section 2.17).

Section 2.14, Eligible Employee. This is an Employee who, based on the Employer's elections in the Adoption Agreement, is eligible to participate in the Plan.

Section 2.16, Employer Contribution. This is a new defined term for amounts (other than Employee Elective Deferral Contributions or Designated Roth Contributions) that the Employer elects to contribute to the Plan as additional Deferred Compensation (based on the Employer's elections in the Adoption Agreement).

Section 2.17, Includible Compensation. Under the HEART Act, for years beginning after 2008, Includible Compensation must include "differential wage payments" (payments by the Employer to Participants on active duty in the uniformed services.)

Section 2.18, Maximum Limitation. The Applicable Dollar Amount and the Age-Based Catch-Up amounts were updated to reflect the 2011 limits (\$16,500 and \$5,500, respectively).

Section 2.22, Severance from Employment. Under the HEART Act, for years after 2008, for purposes of the withdrawal restrictions under Section 457(b) (which normally prohibit distributions before severance from employment or attainment of age 70½), an individual is "treated" as having a severance from employment during any period the individual is performing service in the uniformed services.

Sections 4.08 and 4.09, Deferrals of Sick, Vacation and Back Pay and Deferrals of Amounts Paid after Severance from Employment. *Before* a Severance from Employment, Participants may elect to defer accumulated sick, accumulated vacation, and back pay if an agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available. *After* a Severance from Employment, deferrals may be made for former Employees for certain types of Compensation. Payments for accrued bona fide sick, vacation or other leave may be deferred if such amounts are paid by the later 2½ months after severance, or the end of the year in which the agreement to defer these amounts is entered into before the beginning of the month in which the amounts are paid, and the Employee would have been able to use the leave if employment had continued. Deferrals may also be made for former Employees for Compensation paid to permanently and totally disabled Participants, and for Compensation related to qualified military service

Section 4.10, Designated Roth Contributions. This section describes how (if the Employer elects in the Adoption Agreement) Participants may designate that some or all of their elective contributions to the Plan be treated as after-tax Roth contributions. It also describes how such amounts must be separately accounted for, and how distributions may be made from this separate account.



The Variable Annuity Life Insurance Company
P.O. Box 15648
Amarillo, TX 79105

VALIC Specimen Section 457(b) Plan Document Changes (Continued)

Section 6.05, 2009 Required Minimum Distributions ("RMDs"). This section was added to reflect the optional waiver of the minimum distribution requirements (under Code Section 401(a)(9)) for the 2009 calendar year. The Employer must elect (in the Adoption Agreement) how the Plan handled required minimum distributions for 2009, and what distributions were eligible for direct rollover.

Section 6.08, Unforeseeable Emergency Withdrawals. The Employee may elect (in Item 6 of the Adoption Agreement) whether to allow unforeseeable emergency withdrawals under the Plan, and if so, whether to allow such distributions based on a severe financial hardship of the Participant's primary Beneficiary.

Section 6.12, In-Plan Roth Conversions. The Employer may elect (in Item 10 of the Adoption Agreement) to allow in-plan conversion of pre-tax amounts to taxable Roth contributions. However, such conversions are limited to amounts (such as rollover contributions) that are distributable under the terms of Code Section 457(b) and the terms of the Plan and the Employer must also elect to allow designated Roth contributions (see Item 3 of the Adoption Agreement).

Section 6.13, Distributions to Individuals Performing Service in the Uniformed Services. The Employer may elect (in item 9 of the Adoption Agreement) to allow distributions by individuals on military leave, but participants who elect such distributions (if allowed) will be subject to a 6 month suspension of pre-tax and Roth after tax deferrals.

Section 6.14, Eligible Retired Public Safety Officer Distribution Deduction Election. Unless the Employer elects otherwise (in Item 11 of the Adoption Agreement), a Participant who qualifies as an eligible retired public safety officer may elect to have up to \$3,000 of an otherwise taxable distribution withheld and paid directly to the provider of an accident or health insurance plan or qualified long-term care insurance contract and exclude any amount paid from gross income.

Section 8.03, Non-spousal Beneficiary Rollovers. Under the Pension Protection Act of 2006, plans had the option to allow a non-spouse beneficiary to make a direct rollover to an "inherited" IRA (for distributions after 2006). Under later legislation, this provision became mandatory (for distributions after December 31, 2009). The Employer may elect (in Item 12 of the Adoption Agreement) to allow such rollovers by non-spouse Beneficiaries as of a date earlier than January 1, 2010 (but not earlier than January 1, 2007).

Article XIV, Participating Employers. This article sets forth the conditions under which the plan may be adopted by more than one employer. Each Participating Employer must execute a separate Participation Agreement (the last two pages of the Adoption Agreement).

ADOPTION AGREEMENT
SECTION 457(b) DEFERRED COMPENSATION PLAN
(Governmental)

The undersigned employer hereby adopts or restates, as applicable, this Plan. This Plan shall comprise both (1) this Adoption Agreement and (2) the Basic Plan Document. Article and section references in this Adoption Agreement refer to articles and sections of the Basic Plan Document unless otherwise indicated.

Employer Name: City of Corning
Employer Address: 794 Third St.
Corning, CA 96021

Plan Name: VALIC DEFERRED COMPENSATION PLAN

1. Plan Effective Date. ("Effective Date.") (Check one.)

- This Plan is being established by the Employer as a new Plan, effective _____, _____.
- This Plan amends and restates the Plan previously established by the Employer and is effective 1/1, 2012. The Plan was originally established by the Employer effective _____, _____.

2. Eligible Employees. (Check one.)

- All Employees shall be eligible to participate.
- The Employer, in its sole discretion, shall determine each Plan Year which Employees shall be eligible to participate in the Plan.
- All Employees shall be eligible to participate except the following Employees (specify which Employees shall not be allowed to participate in the Plan):
- _____
- _____

3. Roth Contributions. (Check one.)

- Designated Roth Contributions are not permitted, and Section 4.10 shall not apply to this Plan.
- Participants may make Designated Roth Contributions (as described in Section 4.10) in lieu of or in addition to pre-tax Elective Deferral Contributions, effective 1/1, 2012 (insert date not earlier than the later of January 1, 2011 or the date of the Employer's resolution adopting Designated Roth Contributions).

4. Employer Contributions. (Check one.) Note: Employer Contributions are combined with Elective Deferral Contributions and Designated Roth Contributions in applying the contribution limits described in Section 2.18.

- There shall be no Employer Contributions under this Plan.
- Discretionary Employer Contribution. The Employer may, in its absolute discretion, make an Employer Contribution to the Plan, and may determine, in its absolute discretion, how any such Employer Contribution shall be allocated among Plan Participants. This Discretionary Employer Contribution may be a matching or non-matching contribution.
- FICA Opt-out Contribution. As described in Section 4.11, the Employer shall make FICA Opt-out Contributions (contributions other than Elective Deferral Contributions or Designated Roth Contributions) on behalf of the following Employees in lieu of paying/withholding FICA taxes for such Employees and in the amounts indicated below (check applicable box and fill in blanks for required contribution percentages):
- All Employees
- Part-time, seasonal and temporary Employees only

Other (indicate which Employees shall be eligible for the FICA Opt-out Contributions):

The required FICA Opt-out Contribution shall consist of the following types of contributions (which must total 7.5% or more of the Participant's Compensation):

- Employer Contribution = _____% of Compensation
- Mandatory Employee Contribution = _____% of Compensation

Other: _____

5. Loans. (Check one.)

- Yes, loans are allowed and Article IX shall apply to this Plan.
- No, loans are not allowed and Article IX shall not apply to this Plan.

6. Unforeseeable Emergency Withdrawals. (Check one.)

- Yes. Withdrawals under Section 6.08 shall be available under this Plan. (Check one.)
- Withdrawals on account of an illness, accident or need to pay for the funeral expenses of the Participant's primary Beneficiary shall be available effective the later of (a) August 17, 2006, (b) the original effective date of the Plan or, if applicable, (c) 1/1, 2012 (insert date that this option was first available, if such date was later than August 17, 2006).
- Withdrawals on account of an illness, accident or need to pay for funeral expenses of the Participant's primary Beneficiary shall not be available.
- No. Withdrawals under Section 6.08 shall not be available under this Plan.

7. Participant's Election to Receive In-Service Distribution. A Participant may elect to receive an in-service distribution of his account balance as described in Section 6.10. (Check one.)

- Yes, if the total amount payable to a Participant under the Plan does not exceed the dollar amount under Code Section 411(a)(11)(A) (currently \$5,000).
- No. Section 6.10 shall not apply to this Plan.

8. Distribution without Participant's Consent. Small accounts of certain inactive Participants may be distributed without the Participant's consent as described in Section 6.11. (Check one.)

- Yes, if the total amount payable to a Participant under the Plan does not exceed \$1,000. Such amount will be paid in cash to the Participant.
- No. Section 6.11 shall not apply to this Plan.

9. Distributions to Individuals in Uniformed Services. (Check one.)

- The Plan does not permit distributions to individuals who are deemed to have a Severance from Employment solely on account of their performing services in the uniformed services and Section 6.13 shall not apply to this Plan.
- Participants who are deemed to have a Severance from Employment on account of their performing services in the uniformed services for a period of 30 days or more may elect to receive a distribution of all or a portion of their Account (subject to the post-distribution restrictions described in Section 6.13).

10. In-plan Roth Conversions. (Check one.) (Note: Employer cannot allow in-plan Roth conversions unless it also elects to allow Designated Roth Contributions under Section 3, above, of this Adoption Agreement.)

- In-plan Roth conversions are not permitted, and Section 6.12 shall not apply to this Plan.
- Participants may convert certain pre-tax amounts to Roth contributions in an "in-plan" rollover/conversion described in Section 6.12, but only if such amounts are currently distributable under the terms of the Plan, effective 1/1, 2012 (insert date not earlier than the later of January 1, 2011 or the date of the Employer's resolution adopting in-plan Roth conversions).

11. Deductions from Distributions to Eligible Retired Public Safety Officers. (Check one.)
- For distributions after December 31, 2006, an Eligible Retired Public Safety Officer may elect, pursuant to Section 6.14, to have up to \$3,000 of the distribution deducted and paid directly to the provider of an accident or health insurance plan or qualified long-term care insurance plan.
 - The Plan does not allow elections by Eligible Retired Public Safety Officers under Section 6.14.
12. Non-spousal Beneficiary Rollovers. As described in Section 8.03, non-spousal Beneficiary rollovers are allowed after December 31, 2006, unless elected otherwise below. (Note: Such distributions are required by law to be allowed after December 31, 2009.)
- Non-spousal Beneficiary rollovers are not allowed prior to January 1, 2010.
 - Non-spousal Beneficiary rollovers are allowed effective 1/1, 2007 (insert date not earlier than January 1, 2007 and not later than December 31, 2009).
13. Required Minimum Distributions for 2009. (Check one of the boxes in each of subsections (a) and (b) below. If none of the boxes in a subsection is checked, the first option shall apply to the Plan.)
- (a) For purposes of 2009 required minimum distributions:
- This option reflects VALIC standard operations during 2009.** The provisions of Section 6.05(a) apply (Required Minimum Distributions continue in accordance with the terms of the Plan for Participants or Beneficiaries receiving installment payments unless such Participant or Beneficiary elects otherwise, whereas Required Minimum Distributions are suspended for all other Participants and Beneficiaries).
 - The provisions of Section 6.05(b) apply (Required Minimum Distributions continue in accordance with the terms of the Plan for all Participants and Beneficiaries, unless otherwise elected by a Participant or Beneficiary).
 - The provisions of Section 6.05(c) apply (Required Minimum Distributions continue in accordance with the terms of the Plan for all Participants and Beneficiaries, but only Participants or Beneficiaries receiving installment payments may elect otherwise).
 - Other: _____

 - Not applicable (Plan established as a new Plan after 2009). (Do not complete subsection (b) below.)
- (b) For purposes of Section 6.05(d), the Plan will treat the following as eligible rollover distributions in 2009:
- This option reflects VALIC standard operations during 2009.** A direct rollover option shall be offered only for distributions that would be eligible rollover distributions without regard to Code Section 401(a)(9)(H).
 - Eligible rollover distributions shall include 2009 Required Minimum Distributions and installment payments that include 2009 Required Minimum Distributions.
 - Eligible rollover distributions shall include 2009 Required Minimum Distributions, but only if paid with an additional amount that is an eligible rollover distribution without regard to Code Section 401(a)(9)(H).
14. Optional Benefit Accruals under HEART Act. (Check one.)
- The optional benefit accrual provisions described in Section 4.12 for individuals who die or become disabled while performing qualified military service shall not apply.
 - The optional benefit accrual provisions described in Section 4.12 for individuals who die or become disabled while performing qualified military service shall apply effective 1/1, 2012 (insert date not earlier than first day of 2007 Plan Year).
15. Governing Law. This Plan shall be construed under the laws of the State/~~Commonwealth~~ of CALIFORNIA (insert State/Commonwealth). This Plan shall be subject to any applicable State, county or local deferred compensation rules and regulations.

The Employer hereby causes this Adoption Agreement to be executed by its duly authorized representative on the date specified below.

Employer (Please Print): CITY OF CORWING

Employer's Signature: _____

Name (Please Print): _____

Title: _____ Date: _____

BASIC PLAN DOCUMENT
SECTION 457 (b) DEFERRED COMPENSATION PLAN
(Governmental)

ARTICLE I. INTRODUCTION

This Plan is intended to be an eligible deferred compensation plan under Section 457 of the Internal Revenue Code of 1986, as amended. The primary purpose of this Plan is to attract and retain qualified personnel by permitting them to provide for benefits in the event of their retirement or death. Nothing contained in this Plan shall be deemed to constitute an employment agreement between any Participant and the Employer and nothing contained herein shall be deemed to give any Participant any right to be retained in the employ of the Employer.

ARTICLE II. DEFINITIONS

- 2.01 Account: The account maintained for each Participant reflecting the cumulative amount of each Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Beneficiary and any fees or expenses charged against the Participant's Deferred Compensation.
- 2.02 Adoption Agreement: The separate agreement which is executed by the Employer and sets forth the elective provisions of this Plan as specified by the Employer.
- 2.03 Annuity Contract: If selected by the Employer as an investment option, one or more group fixed, variable or combination fixed and variable annuity contracts issued by The Variable Annuity Life Insurance Company (VALIC) and approved for sale in the Employer's state, or by another insurance company qualified to do business in the Employer's state, which provide for periodic payments at regular intervals, whether for a period certain or during one or more lives, and which are non-transferable.
- 2.04 Beneficiary or Beneficiaries: The person or persons designated by the Participant in his Deferred Compensation Agreement who shall receive any benefits payable hereunder in the event of the Participant's death. If more than one designated Beneficiary survives the Participant, payments shall be made equally to the surviving Beneficiaries, unless otherwise provided in the Deferred Compensation Agreement. If no Beneficiary is designated in the Deferred Compensation Agreement or if no designated Beneficiary survives the Participant, then the estate of the Participant shall be the Beneficiary. However, a Participant may designate a contingent Beneficiary (or Beneficiaries) who shall become the primary Beneficiary (or Beneficiaries) under this Plan in the event that no primary Beneficiary survives the Participant.
- 2.05 Code: The Internal Revenue Code of 1986, as amended, and regulations thereunder.
- 2.06 Compensation: The amount of compensation that would be payable to a Participant by the Employer if no Deferred Compensation Agreement were in effect to defer compensation under this Plan. The term Compensation includes amounts that are excludable from an Employee's gross income and that are contributed by the Employer at the Employee's election to a cafeteria plan, qualified transportation fringe benefit plan, a Section 401(k) arrangement, a SARSEP, a Section 403(b) arrangement, a SIMPLE plan or another Section 457(b) plan of the Employer. For years beginning after 2008, Compensation shall include "differential wage payments," as that term is defined in Section 2.17 (Includible Compensation).
- 2.07 Deferred Compensation: The amount of Compensation otherwise payable to the Participant that the Participant elects to defer hereunder (as either pre-tax Elective Deferral Contributions or after-tax Designated Roth Contributions), any amount credited to a Participant's Account by reason of a transfer under Section 8.01, or any other amount that the Employer agrees to credit to a Participant's Account (as an Employer Contribution) and that does not exceed the Maximum Limitation.
- 2.08 Deferred Compensation Agreement: An agreement entered into between a Participant and the Employer and any amendments or modifications thereof, which agreement shall fix the amount of pre-tax Elective Deferral and/or after-tax Designated Roth Contributions, if applicable, that the Participant elects to defer; specify the Participant's investment selection with respect to his Deferred Compensation; designate the Participant's Beneficiary or Beneficiaries; and incorporate the terms, conditions, and provisions of this Plan by reference.
- 2.09 Designated Roth Contribution: The amount of a Participant's Compensation that he elects to defer to the Plan (as Deferred Compensation) on an after-tax basis.

- 2.10 Elective Deferral Contribution: The amount of a Participant's Compensation that he elects to defer to the Plan (as Deferred Compensation) on a pre-tax basis.
- 2.11 Eligible Retirement Plan: A plan described in Code Section 402(c)(8)(B) to which an Eligible Rollover Distribution may be transferred pursuant to Code Section 457(e)(16).
- 2.12 Eligible Rollover Distribution: A qualifying distribution to a Participant, or to a spousal Beneficiary of a deceased Participant, that is described in Code Section 402(c)(4).
- 2.13 Employee: Any individual, whether appointed, elected or under contract, providing services for the Employer for which compensation is paid. For years beginning after December 31, 2008, the term Employee also includes an individual receiving "differential wage payments," as that term is defined in Section 2.17 (Includible Compensation), from the Employer.
- 2.14 Eligible Employee: An Employee who, based on the Employer's elections in the Adoption Agreement, is eligible to participate in the Plan.
- 2.15 Employer: The entity identified in the Adoption Agreement, which entity is a State, political subdivision of a State, or an agency or instrumentality of a State or political subdivision of a State.
- 2.16 Employer Contribution: The amount (if any) that the Employer contributes to the Plan (as Deferred Compensation) that does not reduce (on a pre-tax or an after-tax basis) the Participant's Compensation for the Plan Year.
- 2.17 Includible Compensation: For a taxable year, the Participant's compensation, as defined in Code Section 415(c)(3), for services performed for the Employer. For years beginning after 2008, Includible Compensation shall include "differential wage payments," as defined in Code Section 3401(h)(2) (a payment by the Employer to an individual with respect to any period during which the individual is performing service in the uniformed services while on active duty for a period of more than 30 days, and which payment represents all or a portion of the wages the individual would have received from the Employer if the individual were performing service for the Employer). The amount of Includible Compensation shall be determined without regard to any community property laws.
- 2.18 Maximum Limitation: The maximum amount that may be deferred under this Plan (other than rollover amounts described in Section 8.02) for the taxable year of a Participant. Such amount shall be either the Normal Limitation or Catch-Up Limitation, whichever is applicable.
- (a) Normal Limitation: The maximum amount deferred shall not exceed the lesser of the Applicable Dollar Amount (as described in Section 2.18(c) below) or 100% of the Participant's Includible Compensation, as adjusted by Section 2.18(d) below. Notwithstanding the preceding provisions of this paragraph, for calendar years prior to 2002, the maximum amount deferred shall not exceed such limit or limits in effect for the applicable year pursuant to Code Section 457.
- (b) Catch-Up Limitation: For each one of the last three (3) taxable years of a Participant ending before the Participant's attainment of Normal Retirement Age, the maximum amount deferred for each such year shall be the lesser of:
- (1) twice the Applicable Dollar Amount (as described in Section 2.18(c) below); or
 - (2) the sum of the Normal Limitation, plus that portion of the Normal Limitation not used in each of the prior taxable years of the Participant commencing after 1978 in which (i) the Participant was eligible to participate in this Plan or another eligible plan of the Employer, and (ii) compensation deferred under this Plan (or such other plan) was subject to the deferral limitations set forth in this section.
- A Participant may utilize the Catch-Up Limitation only if the Participant has not previously utilized it with respect to a different Normal Retirement Age under this Plan or any other plan.
- For years prior to 2002, the limit under this paragraph (b) for any year shall not exceed \$15,000.
- (c) Applicable Dollar Amount: For contributions in 2006 and subsequent years, the Applicable Dollar Amount shall be \$15,000 as adjusted for cost-of-living increases in accordance with Code Section 457(e)(15). The Applicable Dollar Amount for the 2011 calendar year is \$16,500 and for the 2012 calendar year is \$17,000.
- (d) Coordination with Other Plans: For contribution years prior to 2002, the amount excludible from a Participant's gross income for any taxable year under this Plan or any other plan under Code Section 457(b) shall not exceed \$7,500 (as adjusted for cost-of-living increases in accordance with Code Section 457(e)(15)) or such greater amount allowed under paragraph (b) of this section, less any amount excluded from gross income under Code Section 403(b), 402(e)(3), or 402(h)(1)(B) or (k), or any amount with respect to which a deduction is allowable by reason of a contribution to an organization under Code Section 501(c)(18).

- (e) Age-Based Catch-Up Contributions: In addition to any other limit set forth in this section, a Participant who will attain age 50 in the calendar year may contribute an additional \$5,000 as adjusted for cost-of-living increases in accordance with Code Section 414(v)(2)(C). The Age-Based Catch-Up limitation for the 2011 and 2012 calendar years is \$5,500.
- (f) Coordination of Catch-Up Contributions: A Participant may not utilize both the Catch-Up Limitation and the Age-Based Catch-Up Contribution in the same year. The Age-Based Catch-Up Contribution shall not apply for any taxable year for which a higher Catch-Up Limitation applies.
- (g) Excess Deferrals: Any amount deferred in excess of the Maximum Limitation or Age-Based Catch-Up Contribution shall be distributed to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral. An excess deferral as a result of a failure to comply with the individual limitation under Treas. Reg. Section 1.457-5 for a taxable year may be distributed to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral.

2.19 Normal Retirement Age: The age that determines the period during which a Participant may utilize the Catch-Up Limitation of Section 2.18(b) hereunder. A Participant's Normal Retirement Age shall be age 70½, unless the Participant has elected an alternative Normal Retirement Age by written instrument delivered to the Employer prior to Severance from Employment.

A Participant's alternative Normal Retirement Age may not be earlier than the earliest date that the Participant shall become eligible to retire and receive unreduced retirement benefits under the Employer's defined benefit plan or money purchase plan covering that Participant and may not be later than the calendar year in which the Participant attains age 70½. If the Participant will not be eligible to receive benefits under a defined benefit plan or money purchase plan maintained by the Employer, the Participant's Normal Retirement Age may not be earlier than attainment of age 65 and may not be later than the calendar year in which the Participant attains age 70½.

If the Participant is a qualified police officer or firefighter as defined under Code Section 415(b)(2)(H)(ii)(I), then such qualified police officer or firefighter may designate an alternative Normal Retirement Age that is between age 40 and age 70½.

Once a Participant has to any extent utilized the Catch-Up Limitation of Section 2.18(b), his Normal Retirement Age may not be changed.

- 2.20 Participant: Any Eligible Employee who has enrolled in this Plan pursuant to the requirements of Article V or who has previously deferred compensation under this Plan and who has not received a distribution of his entire benefit under the Plan.
- 2.21 Plan Year: The 12-month period commencing each January 1st and ending on the following December 31st.
- 2.22 Severance from Employment: Termination of the Participant's employment relationship with the Employer. For years after 2008, solely for purposes of the withdrawal restrictions of Code Section 457(d)(1)(A), an individual shall be treated as having been severed from employment during any period the individual is performing service in the uniformed services, as described in Code Section 3401(h)(2)(A). For years prior to 2002, references in this Plan to Severance from Employment shall mean severance of the Participant's employment with the Employer, within the meaning of Code Section 402(e)(4)(D)(i)(III), rather than termination of the Participant's employment relationship with the Employer.
- 2.23 Service Provider: The Variable Annuity Life Insurance Company (VALIC), VALIC Retirement Services Company or such other entity as the Employer designates to perform administrative services under this Plan.

ARTICLE III. ADMINISTRATION

- 3.01 Plan Administrator. This Plan shall be administered by the Employer or one or more persons designated by the Employer. The Plan Administrator, if other than the Employer, shall act as the agent of the Employer in all matters concerning the administration of this Plan. The Plan Administrator shall have full power to adopt, amend, and revoke such rules and regulations consistent with and as may be necessary to implement, operate and maintain this Plan, to enter into contracts on behalf of the Employer under this Plan, and to make discretionary decisions affecting the rights or benefits of Participants under Section 6.08 of this Plan.
- 3.02 Employee with Administrative Responsibilities. Any Employee who is charged with administrative responsibilities hereunder may participate in the Plan under the same terms and conditions as apply to other Employees. However, he

shall not have the power to participate in any discretionary action taken with respect to his participation under Section 6.08 of this Plan.

- 3.03 Administrative Services. The Employer may enter into an agreement with a Service Provider to provide nondiscretionary administrative services under this Plan for the convenience of the Employer, including, but not limited to, the enrollment of Employees as Participants, the maintenance of Accounts and other records, the making of periodic reports to Participants, and the disbursement of benefits to Participants.

ARTICLE IV. PARTICIPATION IN THE PLAN

- 4.01 Participant. An Eligible Employee becomes a Participant when he has executed and entered into a Deferred Compensation Agreement with the Employer. An Eligible Employee is not precluded from becoming a Participant by reason of having received a pre-1997 cash-out distribution (upon separation from service) of \$3,500 or less from a Code Section 457(b) plan.
- 4.02 Enrollment in the Plan. An Eligible Employee may elect to defer Compensation for a calendar month by entering into a Deferred Compensation Agreement before the first day of the month in which the Compensation is paid or made available. A new Eligible Employee may defer Compensation payable in the calendar month which includes the first day of employment by entering into a Deferred Compensation Agreement on or before the first day of employment.
- 4.03 Minimum Deferral Amount. At the time of entering into or amending a Deferred Compensation Agreement hereunder, an Eligible Employee or Participant must agree to defer a minimum periodic amount as specified by the Plan Administrator.
- 4.04 Change in Amount of Deferred Compensation or Beneficiary. A Participant may not amend or modify an executed Deferred Compensation Agreement to change the amount of Deferred Compensation except with respect to compensation to be earned in the subsequent calendar month and provided that notice is given prior to the beginning of the month for which such change is to be effective. The Employer may suspend a Participant's Elective Deferral Contributions and/or Designated Roth Contributions for up to 6 months in the event a Participant takes a hardship distribution from the Employer's Section 401(k) plan or Section 403(b) arrangement if required under the terms of such plan or arrangement. A Participant may change the Beneficiary designated in his Deferred Compensation Agreement at any time by giving written notice to the Plan Administrator.
- 4.05 Revocation of Deferred Compensation Agreement. A Participant may revoke his Deferred Compensation Agreement and his Compensation shall be restored in the subsequent calendar month, by giving notice to the Employer prior to the beginning of the month for which such revocation is to be effective.
- 4.06 New Deferred Compensation Agreement Upon Return to Service or After Revocation. A Participant who returns to active service with the Employer after a Severance from Employment, or who has revoked his Deferred Compensation Agreement under Section 4.05, may again become an active Participant by executing a new Deferred Compensation Agreement with the Employer prior to the beginning of the calendar month for which it is to be effective.
- 4.07 Leave of Absence: Other Absences. Compensation may continue to be deferred under this Plan with respect to a Participant who is on an approved leave of absence from the Employer with Compensation, and all of the rules of this Article shall apply with respect to making, amending or revoking any Deferred Compensation Agreement for such a Participant.
- 4.08 Deferrals of Sick, Vacation, and Back Pay. Subject to approval of the Employer, an Eligible Employee or Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back pay under this Plan in accordance with the requirements of Code Section 457(b). These amounts may be deferred for any calendar month only if an agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available.
- 4.09 Deferrals of Amounts Paid After Severance from Employment. Subject to the approval of the Employer:
- (a) An Eligible Employee or Participant may elect to defer certain amounts that are paid after Severance from Employment, but only if such amounts are
 - (1) paid by the later of 2½ months after Severance from Employment or the end of the calendar year that includes the date of Severance from Employment, and
 - (2) one of the following types of compensation:

- (i) regular compensation for services rendered by the Eligible Employee or Participant (including base pay, overtime, shift differential, commission, bonus or other similar pay), so long as these amounts would have been paid to the Eligible Employee or Participant prior to termination of employment if the Eligible Employee or Participant had not had a Severance from Employment; or
 - (ii) payments for accrued but unused sick, vacation or other leave, but only if the Eligible Employee or Participant would have been able to use such leave if employment had continued.
 - (b) An Eligible Employee or Participant may also elect to defer amounts paid to the Eligible Employee or Participant during periods when the Eligible Employee or Participant is not performing services for the Employer by reason of qualified military service (as that term is used in Code Section 414(u)(1)), but only to the extent those payments do not exceed the amount the Eligible Employee or Participant would have received if the Eligible Employee or Participant had continued to perform services for the Employer rather than entering qualified military service.
 - (c) An Eligible Employee or Participant may also elect to defer amounts paid to the Eligible Employee or Participant during a period when the Eligible Employee or Participant is not performing services for the Employer because the Eligible Employee or Participant is permanently and totally disabled (as that term is defined in Code Section 22(e)(3)), so long as either:
 - (1) the Eligible Employee or Participant was not a highly compensated employee (as defined in Code Section 414(q)) immediately before becoming permanently and totally disabled, or
 - (2) the plan under which the disability payments are made provides for payments to all Eligible Employees or Participants who are permanently and totally disabled for a fixed or determined period.
- 4.10 Designated Roth Contributions. If elected by the Employer in the Adoption Agreement, the Participant may designate that all or a portion of his/her elective contributions to the Plan be treated as after-tax Roth contributions (referred to herein as "Designated Roth Contributions"). Such designation must be made before the date upon which the amounts designated would otherwise have been payable to the Participant (but for the election to defer), and such designation must be irrevocable on and after that date. Designated Roth Contributions (and the earnings thereon) shall be accounted for separately from all other contributions to the Plan (including rollovers of Roth contributions from other plans and in-plan Roth conversions) and the earnings on those contributions. If a Participant takes a distribution of less than 100% of his Account (including an In-Service Distribution or an Unforeseeable Emergency Withdrawal), the Participant may designate whether such distribution shall be made from the Participant's pre-tax Elective Deferral Contributions or after-tax Designated Roth Contributions.
- 4.11 Employer Contributions. If elected by the Employer in the Adoption Agreement, the Employer may/shall make contributions (that are not part of the Participant's Compensation) to the Plan as additional Deferred Compensation. Employer contributions may, but need not, be accounted for separately from Employee pre-tax Elective Deferral Contributions, but shall be accounted for separately from Designated Roth Contributions, amounts converted to Roth contributions through an in-plan Roth conversion, and rollover contributions (whether from a non-Roth account or a designated Roth account). If the Employer elects in the Adoption Agreement to make contributions in lieu of withholding/paying FICA taxes (hereinafter referred to as "FICA Opt-out Contributions") for some or all Participants for a given pay period, such contributions must total at least 7.5% of the Participant's Compensation for the pay period, and must be 100% vested at all times. If the Employer requires Participants to make mandatory salary reduction (*i.e.*, pre-tax) contributions to the Plan as a condition of employment (hereinafter referred to as "Employee Mandatory Contributions"), such contributions shall be treated as Employer Contributions for all purposes under this Plan (including the 7.5% of Compensation requirement for FICA Opt-out Contributions).
- 4.12 Compliance with HEART Act. In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code Section 414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service), if any, provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. If (and only if) the Employer elects in the Adoption Agreement, then effective as of the date elected in the Adoption Agreement, the Plan shall treat an individual who dies or becomes disabled (as defined in Code Section 72(m)(7)) while performing qualified military service with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under USERRA, on the day preceding death or disability (as the case may be) and terminated employment on the actual date of death or disability. The Plan will determine the amount of Elective Deferral Contributions (or Designated Roth Contributions) of an individual treated as employed under this section for purposes of applying Code Section 414(u)(8)(C) on the basis of the individual's average actual Elective Deferral Contributions (or Designated Roth Contributions) for the lesser of (i) the 12-month period of service

with the Employer immediately prior to the qualified military service or (ii) the actual length of continuous service with the Employer.

ARTICLE V. INVESTMENT OF DEFERRED COMPENSATION

- 5.01 Annuity Contracts and Other Plan Investments. For the purposes of satisfying its obligation to provide benefits under this Plan, the Employer shall invest the amount of compensation deferred by each Participant in Annuity Contracts and other Plan investments as specified in the Participants' Deferred Compensation Agreements. Amounts deferred under this Plan must be transferred to a trust, custodial account or annuity contract described in Section 5.02 within a period that is not longer than is reasonable for the proper administration of the Participant Accounts. Responsibility for the selection of investment alternatives for Plan assets shall be retained by the Employer, and the Employer shall have the right to modify the selection of investment alternatives from time to time. However, Participants and Beneficiaries may allocate amounts held in their Accounts or otherwise credited for their benefit under the Plan among the investment alternatives selected by the Employer, and the Employer shall cause such amounts to be so allocated within a reasonable time after the receipt of Participant instructions, or may instruct the issuer, trustee, or custodian to accept such allocation instructions directly from Participants and Beneficiaries as representatives of the Employer.
- 5.02 Exclusive Benefit. Notwithstanding any provision of the Plan to the contrary, all amounts held under the Plan, including amounts deferred and earnings or other accumulations attributable thereto, shall be held for the exclusive benefit of Plan Participants and Beneficiaries (i) in annuity contracts or (ii) in trust or in one or more custodial accounts pursuant to one or more separate written instruments. Any such annuity contract, trust, or custodial account must satisfy the requirements of Code Section 457(g)(1). The annuity contract, trust or custodial account must make it impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the annuity contract, trust or custodial account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries. For purposes of this section, the terms Participant and Beneficiary shall also include contingent beneficiaries and/or spouses, former spouses, or children of Participants for whose benefit amounts are being held under the Plan pursuant to the terms of a domestic relations order which has been recognized under the terms of the Plan. Any discretionary authority reserved to the Employer (or to any administrator or administrative committee) under the Plan or under any investment held under the Plan, to the extent the exercise thereof would otherwise be inconsistent with this section, shall be exercised for the exclusive benefit of Plan Participants and Beneficiaries. Any issuer of an annuity contract or trustee or custodian of other investments held under the Plan shall have no authority to pay any amounts from such Plan investments to any creditor of the Employer, and shall have no duty to inquire into the validity of any request by the Employer or by an administrator or administrative committee for distribution of amounts for the benefit of a Participant or a Beneficiary under the Plan.
- 5.03 Benefits Based on Participant's Account Value. The benefits paid to a Participant or Beneficiary pursuant to Article VI of this Plan shall be based upon the value of the Participant's Account. In no event shall the Employer's liability to pay benefits exceed the value of the Participant's Account, and the Employer shall not be liable for losses arising from depreciation or other decline in the value of any investments acquired under this Plan.
- 5.04 Periodic Reports. Each Participant shall receive periodic reports, not less frequently than annually, showing the then-current value of his Account.
- 5.05 Employer-Directed Accounts. Notwithstanding any provision of the Plan to the contrary, the Employer shall direct the issuer, trustee or custodian with respect to the investment of any contributions that are forwarded to the issuer, trustee or custodian prior to the date on which the Participant or Beneficiary completes the necessary paperwork with the issuer, trustee or custodian (or takes such other action or actions as may be necessary) to direct the investment of such amounts. This direction shall be effective only until such time as the Participant or Beneficiary exercises his right to direct the investment of such amounts in accordance with the terms of the Plan.

ARTICLE VI. BENEFITS

- 6.01 Distribution of Benefits. Except as otherwise provided in this Article, a Participant's Account shall become distributable upon a Participant's attainment of age 70½ or Severance from Employment. If the Participant has had a Severance from Employment, the distribution of a Participant's Account shall commence no later than April 1st of the calendar year following the year of the Participant's attainment of age 70½. Distributions shall be made in accordance with one of the payment options described in Section 6.03.
- 6.02 Distribution Procedures. The Employer may from time to time establish procedures for Participant distribution elections, provided that such procedures are not inconsistent with the requirements of Section 6.01.

6.03 Payment Options. A Participant (or a Beneficiary as provided in Sections 6.06 or 6.07) may elect to have the value of the Participant's Account distributed in accordance with one of the following payment options provided that such option is available under the investment and consistent with the requirements set forth in Section 6.04:

- (a) life annuity;
- (b) life annuity with 60, 120, or 180 monthly payments guaranteed;
- (c) unit refund life annuity;
- (d) joint and last survivor annuity (spouse only);
- (e) lump sum;
- (f) term certain annuity with 36, 48, 60, 72, 84, 96, 108, 120, 132, 144, 156, 168 or 180 monthly payments guaranteed;
- (g) withdrawals for a specified number of years;
- (h) withdrawals of a specified amount; or
- (i) any other method of payment agreed upon between Participant and Employer and accepted by the investment provider or Service Provider.

If a Participant fails to elect a payment option, any required payments shall be made under a payment option designated by the Employer.

Notwithstanding the options above, any option that involves a life contingency (or a joint life contingency) shall only be available under an Annuity Contract offered or obtained under the terms of the Plan.

6.04 Required Minimum Distributions.

- (a) No payment option may be selected by the Participant (or a Beneficiary) unless it satisfies the requirements of Code Section 401(a)(9) and any additional Code limitations applicable to the Plan. The provisions of this section shall apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year. The requirements of this section shall take precedence over any inconsistent provisions of the Plan. All distributions required under this section shall be determined and made in accordance with the regulations under Code Section 401(a)(9). Notwithstanding the other provisions of this section, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.
- (b) The Participant's entire interest shall be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date. If the Participant dies before distributions begin, the Participant's entire interest shall be distributed, or begin to be distributed, no later than as follows:
 - (1) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then unless the surviving spouse elects to apply the 5-year rule (pursuant to subsection (f), below), distributions to the surviving spouse shall begin by December 31st of the calendar year immediately following the calendar year in which the Participant died, or by December 31st of the calendar year in which the Participant would have attained age 70½, if later.
 - (2) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then unless the designated Beneficiary elects to apply the 5-year rule (pursuant to subsection (f), below), distributions to the designated Beneficiary shall begin by December 31st of the calendar year immediately following the calendar year in which the Participant died.
 - (3) If there is no designated Beneficiary as of September 30th of the year following the year of the Participant's death, the Participant's entire interest shall be distributed by December 31st of the calendar year containing the fifth anniversary of the Participant's death.
 - (4) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this subsection (b), other than paragraph (b)(1), shall apply as if the surviving spouse were the Participant.

For purposes of this subsection (b) and subsection (d), unless paragraph (b)(4) applies, distributions are considered to begin on the Participant's required beginning date. If paragraph (b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under paragraph

(b)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under paragraph (b)(1)), the date distributions are considered to begin is the date distributions actually commence.

Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions shall be made in accordance with subsections(c) and (d) of this section. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder shall be made in accordance with the requirements of Code Section 401(a)(9).

- (c) During the Participant's lifetime, the minimum amount that shall be distributed for each distribution calendar year is the lesser of:
- (1) the quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or
 - (2) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

Required minimum distributions shall be determined under this subsection (c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

- (d) (1) If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:
- (a) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (b) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (c) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
- (2) If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30th of the year after the year of the Participant's death, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
- (3) Except as otherwise elected (pursuant to subsection (f), below), if the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in paragraphs (1) and (2), above.
- (4) If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30th of the year following the year of the Participant's death, distribution of the Participant's entire interest shall be completed by December 31st of the calendar year containing the fifth anniversary of the Participant's death.

- (5) If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under paragraph (b)(1), this subsection (d) shall apply as if the surviving spouse were the Participant.
- (e) Definitions.
- (1) "Designated Beneficiary" means the individual who is designated as the Beneficiary under Section 2.04 of the Plan and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-1, Q&A-4, of the regulations.
- (2) "Distribution calendar year" means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year that contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under subsection (b). The required minimum distribution for the Participant's first distribution calendar year shall be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, shall be made on or before December 31st of that distribution calendar year.
- (3) "Life expectancy" means life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the regulations.
- (4) "Participant's account balance" means the account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
- (5) "Required beginning date" means April 1st of the calendar year following the later of:
- (a) the calendar year in which the Participant attains age 70½; or
 - (b) the calendar year in which the Participant retires.
- (f) Participants or Beneficiaries may elect, on an individual basis, whether the 5-year rule or the life expectancy rule in subsections (b) and (d) applies to distributions after the death of a Participant who has a designated Beneficiary. The election must be made no later than the earlier of September 30th of the calendar year in which distribution would be required to begin under subsection (b), or by September 30th of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, the surviving spouse's) death. If neither the Participant nor the Beneficiary makes an election under this paragraph, distributions shall be made in accordance with subsections (b) and (d).

6.05 2009 Required Minimum Distributions ("RMDs").

- (a) Continuation of RMDs for Participants Receiving Installment Payments Unless Otherwise Elected by the Participant; Suspension of RMDs for All Other Participants. This paragraph applies if elected by the Employer in the Adoption Agreement or if no election is made by the Employer in the Adoption Agreement. Notwithstanding the provisions of Code Section 401(a)(9)(H), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are one or more payments in a series of installments (that include 2009 RMDs), will continue to receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect not to receive the distributions that include 2009 RMDs. For all other Participants and Beneficiaries, the requirement to receive the 2009 RMD shall be suspended in accordance with Code Section 401(a)(9)(H).
- (b) Continuation of RMDs for All Participants Unless Otherwise Elected by the Participant. This paragraph applies if elected by the Employer in the Adoption Agreement. Notwithstanding the provisions of Code Section 401(a)(9)(H), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that

requirement by receiving distributions that are either (1) equal to the 2009 RMDs or (2) one or more payments in a series of installments (that include 2009 RMDs), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

- (c) Continuation of RMDs for All Participants Unless Otherwise Elected by Participants Receiving Installment Distributions. This paragraph applies if elected by the Employer in the Adoption Agreement. Notwithstanding the provisions of Code Section 401(a)(9)(H), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are either (1) equal to the 2009 RMDs or (2) one or more payments in a series of installments (that include the 2009 RMDs), will receive those distributions for 2009. However, Participants and Beneficiaries receiving installments will be given the opportunity to elect not to receive the distributions that include 2009 RMDs.
- (d) Direct Rollovers. Notwithstanding the provisions of the Plan relating to required minimum distributions under Code Section 401(a)(9), and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2009, as elected by the Employer in the Adoption Agreement, will be treated as eligible rollover distributions. If no election is made by the Employer in the Adoption Agreement, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code Section 401(a)(9)(H).

6.06 Post-Retirement Death Benefits. Should the Participant die after he has begun to receive benefits under an annuity payment option, the guaranteed or remaining payments, if any, under the annuity payment option shall be payable to the Participant's Beneficiary commencing with the first payment due after the death of the Participant. If the Beneficiary does not continue to live for the remaining period of payments under the annuity payment option, then the remaining benefits under the annuity payment option shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate. Should the Participant die after he has begun to receive benefits under any other payment option, a death benefit equal to the value of the Participant's Account shall be payable to the Beneficiary. Such death benefit shall be paid in a lump sum unless the Beneficiary elects a different payment option. Should the Beneficiary die before the completion of payments under an annuity payment option or before distribution of the entire Participant Account, then the value of the remaining payments under the annuity payment option, or the value of the Participant Account in a lump sum, respectively, shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate. Payment to the Participant's Beneficiary under this section must comply with Code Section 401(a)(9), and with any additional Code limitations applicable to the Plan. In no event shall the Employer be liable for any payments made in the name of the Participant or a Beneficiary before the Employer or its agent receives proof of the death of the Participant or Beneficiary.

6.07 Pre-Retirement Death Benefits. Should the Participant die before he has begun to receive benefits under Section 6.01, a death benefit equal to the value of the Participant's Account shall be payable to the Beneficiary. Such death benefit shall be paid in a lump sum unless the Beneficiary elects a different payment option. Payment to the Participant's Beneficiary must comply with Code Section 401(a)(9), and with any additional Code limitations applicable to the Plan. Should the Beneficiary die before the completion of payments under an annuity payment option or before distribution of the entire Participant Account, the value of the remaining payments under the annuity payment option, or the value of the Participant Account in a lump sum, shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate.

6.08 Unforeseeable Emergency Withdrawals. If the Employer so elects in the Adoption Agreement, then in the event of an unforeseeable emergency, a Participant may apply to the Employer to receive that part of the value of his Account that is reasonably needed to satisfy the emergency need (including any amounts that may be necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution). If such application for withdrawal is approved by the Employer, the Employer shall direct the issuer, trustee or custodian to pay the Participant such value as the Employer deems necessary to meet the emergency need.

The regulations under Section 457(d)(1)(A)(iii) of the Code define an unforeseeable emergency as a severe financial hardship of the Participant or Beneficiary resulting from an illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Code Section 152, and, for taxable years beginning on or after January 1, 2005, without regard to Code Section 152(b)(1), (b)(2), and (d)(1)(B)); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural

disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary. For example, the imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in Code Section 152, and, for taxable years beginning on or after January 1, 2005, without regard to Code Section 152(b)(1), (b)(2), and (d)(1)(B)) of the Participant or Beneficiary may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 6.08, neither the purchase of a home nor the payment of college tuition is an unforeseeable emergency.

A distribution on account of an unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the Plan.

Unless otherwise elected in the Adoption Agreement, then effective as of August 17, 2006, a Participant's unforeseeable emergency includes a severe financial hardship of the Participant's primary beneficiary under the Plan, that would constitute an unforeseeable emergency if it occurred with respect to the Participant's spouse or dependent as defined under Code Section 152. For purposes of this section, a Participant's "primary beneficiary under the Plan" is an individual who is named as a Beneficiary under the Plan and has an unconditional right to all or a portion of the Participant's account balance under the Plan upon the Participant's death.

- 6.09 Transitional Rule for Annuity Payment Option Elections. If this Plan document constitutes an amendment and restatement of the Plan as previously adopted by the Employer and if a Participant or Beneficiary has commenced receiving benefits under an annuity payment option, that annuity payment option shall remain in effect notwithstanding any other provision of this Plan.
- 6.10 Participant's Election to Receive In-Service Distribution. If the Employer so elects in the Adoption Agreement, a Participant may elect to receive an in-service distribution of the total amount payable to him under the Plan if:
- (a) such amount does not exceed the dollar amount under Section 411(a)(11)(A) of the Code,
 - (b) no amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the distribution, and
 - (c) there has been no prior distribution under the Plan to the Participant under this Section 6.10 or under Section 6.11.
- 6.11 Distribution without Participant's Consent. If the Employer so elects in the Adoption Agreement, the total amount payable to a Participant under the Plan may be distributed to the Participant without his consent if:
- (a) such amount does not exceed \$1,000,
 - (b) no amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the distribution, and
 - (c) there has been no prior distribution under the Plan to the Participant under this Section 6.11 or under Section 6.10.
- 6.12 In-plan Roth Conversions. If the Employer so elects in the Adoption Agreement, Participants may elect to convert certain pre-tax Elective Deferral Contributions, Employer Contributions or rollover contributions to after-tax Roth contributions in an in-plan (taxable) conversion. Such conversion shall be accomplished through a direct rollover from the Participant's applicable pre-tax account to his Roth conversion account (such that there is no actual distribution from the Plan). In-plan Roth conversions are expressly limited to amounts that are currently distributable to the Participant under both Code Section 457(d)(1)(A) and the terms of the Plan. Rollover contributions made on or after January 1, 2006 may be converted at any time. Amounts attributable to Elective Deferral Contributions or Employer Contributions generally cannot be converted before the Participant has attained age 70½ or has had a Severance from Employment. If the Employer elects in the Adoption Agreement to allow in-service distribution of small, inactive accounts, such amounts shall also be eligible for conversion under this section. All in-plan Roth conversions shall be taxable to the Participant in the year of the conversion.
- 6.13 Distributions to Individuals Performing Service in Uniformed Services. If (and only if) elected by the Employer in the Adoption Agreement, a Participant who is deemed to have incurred a Severance from Employment on account of performing services in the uniformed services (as defined in chapter 43 of title 38, United States Code) for a period of active duty of more than 30 days may elect to receive a distribution of all or a portion of the Participant's Account under the Plan. However, the Plan will not distribute the Participant's Account without the Participant's consent.

If the Participant elects to receive a distribution under this provision, the Participant may not make an Elective Deferral Contribution or a Designated Roth Contribution to the Plan during the 6-month period beginning on the date of the distribution.

- 6.14 Eligible Retired Public Safety Officer Distribution Deduction Election. Unless the Employer elects otherwise in the Adoption Agreement, for distributions in taxable years beginning after December 31, 2006, an "Eligible Retired Public Safety Officer" may elect annually for that taxable year to have the Plan (i) deduct an amount from the distribution which the Eligible Retired Public Safety Officer otherwise would receive (and include in income) and (ii) pay such deducted amounts directly to the provider of an accident or health insurance plan or qualified long-term care insurance contract. The amount deducted (and paid to the provider) may not exceed the lesser of \$3,000 or the amount the Participant paid for such taxable year for qualified healthcare premiums, and which otherwise complies with Code Section 402(l). For purposes of this section: (i) an "Eligible Retired Public Safety Officer" is an individual who, by reason of disability or attainment of normal retirement age, has experienced a Severance from Employment as a Public Safety Officer with the Employer, (ii) a "Public Safety Officer" has the same meaning as in Section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968, and (iii) the term "qualified health insurance premiums" means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse and dependents, by an accident or health plan or a qualified long-term care insurance contract (as defined in Code Section 7702B(b)).

ARTICLE VII. NON-ASSIGNABILITY

- 7.01 In General. Except as provided in Section 7.02, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and no Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder or any interest under the Plan, which payments and interests are expressly declared to be non-assignable and non-transferable.
- 7.02 Domestic Relations Orders.
- (a) Allowance of Transfers: Notwithstanding Section 7.01, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to a State domestic relations law ("domestic relations order"), then the amount of the Participant's Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Plan Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order. Where necessary to carry out the terms of such an order, a separate Account may be established with respect to the spouse, former spouse, or child who shall be entitled to make investment selections with respect thereto in the same manner as the Participant.
- (b) Release from Liability to Participant: The Employer's liability to pay benefits to a Participant shall be reduced to the extent that amounts have been paid or set aside for payment to a spouse, former spouse, child, or other dependent pursuant to paragraph (a) of this section. No such transfer shall be effectuated unless the Employer or Service Provider has been provided with satisfactory evidence that the Employer and the Service Provider are released from any further claim by the Participant with respect to such amounts. The Participant shall be deemed to have released the Employer and the Service Provider from any claim with respect to such amounts, in any case in which (i) the Employer or Service Provider has been served with legal process or otherwise joined in a proceeding relating to such transfer, (ii) the Participant has been notified of the pendency of such proceeding in the manner prescribed by the law of the jurisdiction in which the proceeding is pending by service of process in such action or by mail from the Employer or Service Provider to the Participant's last known mailing address, and (iii) the Participant fails to obtain an order of the court in the proceeding relieving the Employer or Service Provider from the obligation to comply with the judgment, decree, or order. The Participant shall also be deemed to have released the Employer or Service Provider if the Participant has consented to the transfer pursuant to the terms of a property settlement agreement and/or a final judgment, decree, or order as described in paragraph (a).
- (c) Participation in Legal Proceedings: The Employer and the Service Provider shall not be obligated to defend against or seek to have set aside any judgment, decree, or order described in paragraph (a) or any legal order relating to the garnishment of a Participant's benefits, unless the full expense of such legal action is borne by the Participant. In the event that the Participant's action (or inaction) nonetheless causes the Employer or Service Provider to incur such expense, the amount of the expense may be charged against the Participant's Account and thereby reduce the Employer's obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Employer and Service Provider shall be authorized to the extent permitted by

applicable laws to disclose information relating to the Participant's Account to the Participant's spouse, former spouse, or child (including the legal representatives of the spouse, former spouse, or child), or to a court.

- (d) Effective April 6, 2007, a domestic relations order will not fail to be a domestic relations order (1) solely because the order is issued after, or revises, another domestic relations order; or (2) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the Participant's death. A domestic relations order described in this paragraph is subject to the same requirements and protections that apply to domestic relations orders.

ARTICLE VIII. TRANSFERS AND ROLLOVERS

8.01 Transfers. This Plan shall accept and allow transfers, pursuant to Code Section 457, of amounts deferred by an individual under this Plan or another eligible deferred compensation plan meeting the requirements of Section 457(g) of the Code, provided the conditions of this Section 8.01 are met.

- (a) Directed by Individual Participant or Beneficiary. A transfer from this Plan to another eligible governmental deferred compensation plan or from another eligible governmental deferred compensation plan to this Plan is permitted only if the transferor plan provides for transfers, the receiving plan provides for the receipt of transfers, the Participant or Beneficiary whose amounts deferred are being transferred shall have an amount deferred immediately after the transfer at least equal to the amount deferred with respect to that Participant or Beneficiary immediately before the transfer, and in the case of a transfer for a Participant, the Participant whose amounts deferred are being transferred has had a severance from employment with the transferring employer and is performing services for the employer maintaining the transferee plan. Upon the transfer of assets from this Plan under this paragraph (a), the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary.

Any such transferred amount shall not be treated as a deferral subject to the limitations of Section 2.18, except that, for purposes of applying the limit of Section 2.18, an amount deferred during any taxable year under the plan from which the transfer is accepted shall be treated as if it had been deferred under this Plan during such taxable year and compensation paid by the transferor employer shall be treated as if it had been paid by the Employer.

- (b) Permissive Service Credit Transfers. Subject to any limitations imposed by an investment provider, if a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account transferred to the defined benefit governmental plan. A transfer under this paragraph (b) may be made before the Participant has had a Severance from Employment.

A transfer may be made under this paragraph (b) only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

8.02 Rollovers. A Participant may elect to roll an Eligible Rollover Distribution to an Eligible Retirement Plan. The Participant shall be provided with a description of available rollover rights and rules in advance of such a distribution. A distribution that is an Eligible Rollover Distribution and that is paid in a form other than a rollover shall be subject to mandatory withholding of 20%, or such other mandatory withholding rate as may be imposed under the Code from time to time. This Plan shall be permitted to accept a rollover distribution from an Eligible Retirement Plan (including a distribution from an IRA) to this Plan, subject to any administrative restrictions imposed by the Plan or by the investment provider. To the extent required under the Code, the Plan shall separately account for any rollover contributions it receives. Rollover contributions to the Plan before January 1, 2006, shall be subject to the same restrictions on distributions applicable to other amounts held under the Plan. Rollover contributions to the Plan on or after January 1, 2006, shall not be subject to the same restrictions on distributions applicable to other amounts held under the Plan, and such rollover contributions may be distributed at any time.

8.03 Non-spousal Beneficiary Rollovers.

- (a) For distributions after December 31, 2009, and unless otherwise elected in the Adoption Agreement, for distributions between January 1, 2007 and December 31, 2009, a non-spouse Beneficiary who is a "designated beneficiary" under Code Section 401(a)(9)(E) and the regulations thereunder, may roll over, by a direct trustee-to-trustee transfer ("direct rollover"), all or any portion of his distribution to an individual retirement account the Beneficiary establishes for purposes of receiving the distribution. In order to roll over the distribution, the distribution otherwise must satisfy the definition of an Eligible Rollover Distribution.

- (b) Although a non-spouse Beneficiary may roll over directly a distribution as provided in paragraph (a) above, any distribution made prior to January 1, 2010, is not subject to the direct rollover requirements of Code Section 401(a)(31) (including Code Section 401(a)(31)(B), the notice requirements of Code Section 402(f) or the mandatory withholding requirements of Code Section 3405(c)). If a non-spouse Beneficiary receives a distribution from the Plan, the distribution is not eligible for an indirect "60-day" rollover.
- (c) If the Participant's named Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a "designated beneficiary" within the meaning of Code Section 401(a)(9)(E).
- (d) A non-spouse Beneficiary may not roll over an amount which is a required minimum distribution, as determined under applicable Treasury regulations and other Internal Revenue Service guidance. If the Participant dies before his required beginning date and the non-spouse Beneficiary rolls over to an IRA the maximum amount eligible for rollover, the Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Section 1.401(a)(9)-3, A-4(c) of the regulations, in determining the required minimum distributions from the IRA that receives the non-spouse Beneficiary's distribution.

ARTICLE IX. LOANS

If the Employer so elects under the Adoption Agreement, loans shall be made available to all Participants on a reasonably equivalent basis, but only to the extent permitted under the Annuity Contract or other Plan investment and the provisions of this Article. No loan shall be made available under this Plan unless it satisfies all of the requirements of Code Section 72(p) and any other applicable regulatory guidance, including the limitations on the total of a Participant's non-taxable loans from all plans of the Employer for treatment as a tax-free loan. The making of loans under this Plan shall be subject to written guidelines set forth in a separate document (or under the Annuity Contract), which guidelines shall govern the availability, terms and procedures for Participants to obtain loans under this Plan. The availability of loans under this Plan may be suspended, terminated or modified at any time.

ARTICLE X. AMENDMENT OR TERMINATION OF PLAN

- 10.01 Amendment or Termination. The Employer may at any time amend this Plan or terminate this Plan and distribute the Participants' Accounts in conformity with the Code; provided, however, that such amendment or termination shall not impair the rights of Participants or their Beneficiaries with respect to any compensation deferred before the date of the amendment or termination of this Plan except as may be required to maintain the tax status of the Plan under the Code. In the event that the Plan is terminated, amounts deferred under the Plan (and all Plan assets) shall be distributed to all Plan Participants and Beneficiaries as soon as administratively practicable after the termination of the Plan.
- 10.02 Amendment and Restatement of Previously Adopted Plan. If this Plan document constitutes an amendment and restatement of the Plan as previously adopted by the Employer, the amendments contained herein shall be effective as of the Effective Date, and the terms of the preceding plan document shall remain in effect through such date.

ARTICLE XI. USERRA

An Employee whose employment is interrupted by qualified military service under Code Section 414(u) or who is on a leave of absence for qualified military service under Code Section 414(u) may defer additional Compensation upon resumption of employment with the Employer equal to the maximum amount of Compensation that could have been deferred during that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption of leave, reduced by the amount of Compensation, if any, actually deferred during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

ARTICLE XII. MISTAKEN CONTRIBUTIONS

If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Plan Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Plan Administrator, to the Employer.

ARTICLE XIII. RELATIONSHIP TO OTHER PLANS

This Plan serves in addition to any other retirement, pension or benefit plan or system presently in existence or hereinafter established.

ARTICLE XIV. PARTICIPATING EMPLOYERS

- 14.01 Adoption of Plan. With the consent of the Employer, the Plan may be adopted by any other governmental entity described in Code Section 457(e)(1)(A), and each such adopting entity shall be known as a Participating Employer. Such adoption of the Plan shall be evidenced by completion of a Participation Agreement signed by both the Employer and the Participating Employer.
- 14.02 Participating Employer's Plan. Each Participating Employer shall be treated as the sponsor of its own separate governmental Code Section 457(b) eligible deferred compensation plan, subject to the terms and conditions of this Plan document. Accordingly, although the assets of the Plan may be held in a single trust (or annuity contract or custodial account that is treated as a trust), the assets attributable to the Employer and to each Participating Employer shall be accounted for separately. Except as provided below, wherever a right or obligation is imposed upon the Employer by the terms of the Plan, the same shall extend to each Participating Employer under the Plan, and shall be separate and distinct from that imposed upon the Employer.
- 14.03 Participating Employer's Participation. Except as otherwise provided below, it is the intention of the Employer that each Participating Employer shall be a party to the Plan and shall be treated in all respects as the Employer thereunder, with its employees to be considered as Employees or Participants, as the case may be, under the Plan. However, the participation of a Participating Employer in the Plan shall in no way diminish, augment, modify, or in any way affect the rights and duties of the Employer or its Employees under the Plan.
- 14.04 Severance from Employment. For purposes of Section 2.22 (Severance from Employment), the term Employer means the governmental entity that the Participant was employed by (or under contract with) at the time of his termination of employment.
- 14.05 Plan Administrator. For purposes of Article III (Administration), each Participating Employer shall serve as (or appoint another person to serve as) the Plan Administrator of such Participating Employer's plan. Each Participating Employer (or the person designated by such Participating Employer as the Plan Administrator of that Participating Employer's plan) shall have full power to adopt, amend, and revoke such rules and regulations consistent with and as may be necessary to implement, operate and maintain its participation in the Plan and to make discretionary decisions affecting the rights or benefits of its own Participants under the Plan.
- 14.06 Investments and Administrative Services. Only the Employer shall have the right to enter into contracts or agreements with investment providers or other companies providing administrative services to the Plan. The Employer shall act as the agent of each Participating Employer with respect to such investment contracts and/or services agreements. The Employer's choice of investment and administrative service providers shall be binding on each Participating Employer and, by signing the Participation Agreement, the Participating Employer agrees to be bound by the terms and conditions of any such investment contracts and/or services agreements.
- 14.07 Amendment or Termination of the Plan. Only the Employer shall have the right to amend or terminate the Plan under Article X. The Employer's amendment or termination of the Plan shall be binding on each Participating Employer and, by signing the Participation Agreement, the Participating Employer agrees to be bound by the terms and conditions of any such amendment or termination of the Plan.
- 14.08 Revocation of Participation. A Participating Employer may at any time (by written notice to the Employer) revoke its participation in the Plan, in which case the Participating Employer must adopt its own plan document and provide its own trust or other funding arrangement for the assets attributable to its Participants. If a Participating Employer revokes its participation in the Plan, the Employer shall direct the Trustee of the Plan's trust (and/or the issuer of any annuity contract or the custodian of any custodial account holding Plan assets) to transfer the Plan assets attributable to the Participating Employer's Participants to such separate funding arrangement as soon as administratively practicable following the Participating Employer's revocation of its participation in the Plan.

**ITEM NO.: J-21
ADOPT RESOLUTION OF INTENT NO.: 12-13-2011-03,
AND CONDUCT FIRST READING OF ORDINANCE NO.
649 TO AMEND THE RETIREMENT CONTRACT FOR
NEWLY HIRED POLICE OFFICERS AND
MISCELLANEOUS EMPLOYEES
December 13, 2011**

**TO: HONORABLE MAYOR AND COUNCIL MEMBERS
FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
LISA M. LINNET, CITY CLERK**

SUMMARY:

In order to reduce future retirement costs to the City of Corning, the City and the Employee Organizations have been working together to modify the Retirement Plan Contract between the City of Corning and the California Public Employees Retirement System (PERS). This action tonight makes two changes in the Retirement Plan for City Safety Employees (Police Officers, Detectives, Sergeants, the Police Chief and the Fire Chief) and Miscellaneous Employees. This action changes the following:

- **Safety Employees:** The existing formula of 3% at 50 to the new formula of 3% at 55 full, and changes the final pay computation from highest single year to highest three years; and
- **Miscellaneous Employees:** The existing formula of 2% at 55 to the new formula of 2% at 60 full, and changes the final pay computation from highest single year to highest three years.

To accomplish this, the City Council must adopt the attached "Resolution of Intention" to approve an amendment to the contract between the Board of Administration, California Public Employees Retirement System and the City Council of the City of Corning, and conduct the first reading of Ordinance 649, an Ordinance authorizing an amendment to the Contract between the City of Corning and the Board of Administration of the California Public Employees Retirement System.

BACKGROUND:

Safety Employees:

The current Retirement Plan, 3% at 50, highest single year can best be explained as a formula. For retirement purposes, PERS takes the highest year of pay, multiplies it by 3%, and multiplies it again by the employee's number of years of service. That equals their gross annual retirement income. Safety Employees are currently eligible to retire at age 50.

The new Plan, 3% at 55, highest three years will require PERS to take the highest three years average, multiply it by 3%, and multiply it again by the employee's number of years of service to produce the annual retirement income. Safety Employees under the new Plan will be eligible to retire at age 55.

Miscellaneous Employees:

The current Retirement Plan, 2% at 55, highest single year can best be explained by utilizing the same formula as stated above, with the exception that it multiplies by 2%. Under the current Plan Miscellaneous employees are currently eligible to retire at age 55.

The new Plan, 2% at 60, highest three years will require PERS to take the highest three years average, multiply it by 2%, and multiply it again by the employee's number of years of service to produce the annual retirement income. Miscellaneous Employees under the new Plan will be eligible to retire at age 60.

FINANCIAL:

The financial benefit to the City is long-term in that it will reduce the cost to the City for future employees hired after the new contract is in place. Currently State law does not allow the modification of Retirement Benefits for existing employees or retirees. It is also generally held under case law in California that Retirement Benefits for current employees and retirees cannot be changed.

RECOMMENDATION:

MAYOR AND COUNCIL:

- ✓ **ADOPT RESOLUTION NO.: 12-13-2011-03, A RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM AND THE CITY COUNCIL OF THE CITY OF CORNING; AND**
- ✓ **CONDUCT FIRST READING OF ORDINANCE NO. 649, AN ORDINANCE TO AMEND THE RETIREMENT CONTRACT FOR NEWLY HIRED POLICE OFFICERS AND MISCELLANEOUS EMPLOYEES.**

RESOLUTION NO.: 12-13-2011-03

**RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
CITY COUNCIL
CITY OF CORNING**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20475 (Different Level of Benefits). Section 21353 (2% @ 60 Supplemental formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract, and

Section 20475 (Different Level of Benefits). Section 21363.1 (3% @ 55 Supplemental formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

By: _____
(Presiding Officer)

Title

Date adopted and approved

(Amendment)
CON-302 (Rev. 4/96)

ORDINANCE NO. 649

AN ORDINANCE OF THE CITY COUNCIL OF CITY OF CORNING
AUTHORIZING AN AMENDMENT TO THE CONTRACT
BETWEEN THE BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
CITY COUNCIL OF THE CITY OF CORNING

The City Council of the City of Corning does ordain as follows:

Section 1: That an amendment to the contract between the City Council of the City of Corning and the Board of Administration, California Public Employee's Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2: The Mayor of the City of Corning is hereby authorized, empowered, and directed to execute said amendment for and on behalf said Agency.

Section 3: This Ordinance shall take effect 30 days after the date of its adoption, and prior to the expiration of 15 days from the passage thereof shall be published at least once in the Corning Observer, a newspaper of general circulation, published and circulated in the City of Corning and thenceforth and thereafter the same shall be in full force and effect.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Corning held on December 13, 2011 and adopted at a regular meeting of the City Council of the City of Corning held on January 10, 2012 by the following vote:

Ayes:

Opposed:

Absent:

Abstain:

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Corning

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective April 1, 1978, and witnessed February 21, 1978, and as amended effective April 28, 1991, August 23, 1996, September 30, 2001 and September 1, 2002 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective September 1, 2002, and hereby replaced by the following paragraphs numbered 1 through 16 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members entering membership in the miscellaneous classification on or prior to the effective date of this amendment to contract, age 60 for local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract, age 50 for local safety members entering membership in the safety classification on or prior to the effective date of this amendment to contract and age 55 for local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

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2. Public Agency shall participate in the Public Employees' Retirement System from and after April 1, 1978 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
 - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
 - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
 - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.
 - (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.

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4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

NO ADDITIONAL EXCLUSIONS

6. Assets heretofore accumulated with respect to local police members in the local retirement system have been transferred to the Public Employees' Retirement System on April 1, 1978 and applied against the liability for prior service incurred thereunder. Assets heretofore accumulated with respect to local miscellaneous members in the local retirement system will be transferred to the Public Employees' Retirement System on April 28, 1991 and will be applied against the liability for prior service incurred thereunder. That portion of the assets so transferred representing the accumulated contributions (plus interest thereof) required of the employees under said local system has been credited to the individual police member's account as of April 1, 1978. That portion of the assets to be transferred which will represent the accumulated contributions (plus interest thereof) required of the employees under said local system has been credited to the individual miscellaneous member's account as of April 28, 1991.
7. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member entering membership in the miscellaneous classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55), supplemental to Federal Social Security.
8. The percentage of final compensation to be provided for each year of credited current service as a local miscellaneous member entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21353 of said Retirement Law (2% at age 60), supplemental to Federal Social Security.

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9. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member entering membership in the safety classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50), supplemental to Federal Social Security.
10. The percentage of final compensation to be provided for each year of credited current service as a local safety member entering membership for the first time in the safety classification after the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55), supplemental to Federal Social Security.
11. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20938 (Limit Prior Service to Members Employed on Contract Date) for local miscellaneous members only.
 - b. Section 21536 (Local System Service Credit Included in Basic Death Benefit) for local miscellaneous members only.
 - c. Section 20042 (One-Year Final Compensation) for those local miscellaneous members and local safety members entering membership on or prior to the effective date of this amendment to contract.
 - d. Section 20475 (Different Level of Benefits). Section 21353 (2% @ 60 Supplemental formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

Section 21363.1 (3% @ 55 Supplemental formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.
12. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
13. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

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- 14. Public Agency shall also contribute to said Retirement System as follows:
 - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
- 15. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 16. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF CORNING

BY _____
DARRYL WATSON, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk