

**CITY OF CORNING
CITY COUNCIL AGENDA**

**TUESDAY, FEBRUARY 26, 2008
CITY COUNCIL CHAMBERS
794 THIRD STREET**

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

B. ROLL CALL:

Council:	Hill
	Dickison
	Zuniga
	Turner
Mayor:	Strack

C. INVOCATION AND PLEDGE OF ALLEGIANCE:

D. PROCLAMATIONS, RECOGNITION'S, APPOINTMENTS:

- 1. March 9th – 15th, 2008 Girl Scout Week in the City of Corning.**
Wini Peterson will be present to accept the Proclamation.

E. 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, give your name and address, 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.

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

- 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. February 20, 2008 Claim Warrant - \$155,318.79.**
- 4. February 20, 2008 Business Licenses.**
- 5. January 2008 Building Permits - \$233,510.44.**
- 6. Award Palm Tree Pruning Bid to Bill's Tree Service for \$16,448 (\$32 per tree) and authorize pruning of additional City trees at various intersections for safety purposes utilizing the remaining budgeted \$13,552.**
- 7. Ordinance No. 630; Prezone 2007-2; Corning Airport Area Annexation; City of Corning; APN's 67-260-77, 79, 80, 81, 82 and 75-020-04 & 23; 149.58 acres. (Second Reading)**
- 8. Approve Resolution No. 02-26-08-01 authorizing the Tehama County Sanitary Landfill Agency to submit a Regional Tire Recycling Grant Application.**

THE CITY OF CORNING IS AN EQUAL OPPORTUNITY EMPLOYER

9. Approve Solid Waste Franchise Extension for Corning Disposal Company.

G. **ITEMS REMOVED FROM THE CONSENT AGENDA:**

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

10. Public Hearing; Fiscal Year 2008-09 Community Development Block Grant (CDBG) Application.

11. Request for Disposal Service Rate Increase Public Hearing and Action. (Continued from the February 12, 2008 City Council Meeting)

I. **REGULAR AGENDA:** All items listed below are in the order which we believe are of most interest to the public at this meeting. However, if anyone in the audience wishes to have the order of the Agenda changed, please come to the podium, state your name and address, and explain the reason you are asking for the order of the Agenda to be changed.

12. Consider and Approve Amendment 1 for the Sewer Maintenance and Wastewater Contract with Southwest Water Company (SWWC) Services Inc. and authorize the City Manager to sign Amendment 1.

J. **ITEMS PLACED ON THE AGENDA FROM THE FLOOR:**

K. **COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:**

L. **REPORTS FROM MAYOR AND COUNCIL MEMBERS:**

13. Hill:

14. Dickison

15. Zuniga:

16. Turner

17. Strack:

M. **ADJOURN TO CLOSED SESSION:**

PUBLIC EMPLOYMENT Pursuant to section 54957:

Results of Recreation Supervisor and Fire Chief Recruitment

N. **RECONVENE AND REPORT ON CLOSED SESSION:**

O. **ADJOURNMENT!:**

POSTED: FEBRUARY 22, 2008

PROCLAMATION
MARCH 9TH - 15TH 2008 AS
GIRL SCOUTS WEEK
IN THE CITY OF CORNING

WHEREAS, March 12th, marks the 96th anniversary of Girl Scouts of the USA, founded by Juliette Gordon Low in 1912 in Savannah, Georgia; and

WHEREAS, throughout its distinguished history, Girl Scouting has inspired millions of girls and women with the highest ideals of courage, confidence, and character; and

WHEREAS, through the Girl Scout leadership experience girls develop the skills and lessons that will serve them a lifetime so that they may contribute to their communities; and

WHEREAS, Girl Scouting takes an active role in increasing girls' awareness of the opportunities available to them today in math, science, sports, technology and other fields that can expand their horizons; and

WHEREAS, more than 3 million current Girl Scout members nation wide will be celebrating (96) years of this American tradition, with nearly 50 million women who are former Girl Scouts and living proof of the impact of this amazing movement; and



NOW, THEREFORE I, GARY R. STRACK, AS MAYOR OF THE CITY OF CORNING, DO HEREBY APPLAUD THE COMMITMENT GIRL SCOUTING HAS MADE TO SUPPORT THE LEADERSHIP DEVELOPMENT OF AMERICA'S GIRLS AND PROCLAIM THE WEEK OF MARCH 9 - 15, 2008 AS GIRL SCOUT WEEK IN THE CITY OF CORNING.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the City of Corning to be affixed this 26th day of February 2008.

GARY R. STRACK, MAYOR

ATTEST:

LISA M. LINNET, CITY CLERK



MEMORANDUM

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: LORI SIMS
ACCOUNTING TECHNICIAN

DATE: February 20, 2008

SUBJECT: Cash Disbursement Detail Report for the
Tuesday, February 26, 2008 Council Meeting

PROPOSED CASH DISBURSEMENTS FOR YOUR APPROVAL CONSIST OF THE FOLLOWING:

A.	Cash Disbursements	Ending	02-20-08	\$	112,653.07
B.	Payroll Disbursements	Ending	02-13-08	\$	42,665.72
GRAND TOTAL				\$	<u>155,318.79</u>

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Description
005725	02/08/08	ALL01	ALLISON, MELVIN	107.62	.00	107.62	070207	FICA
005726	02/08/08	ATK01	DON ATKINS	430.41	.00	430.41	070207	FICA
005727	02/08/08	HEN01	ROBERT HENRY	154.63	.00	154.63	080207	CONF/MTGS-PW ADMIN
005728	02/08/08	HOO01	TERRY HOOFFARD	141.40	.00	141.40	080206	CONF/MTGS-PW ADMIN
005729	02/08/08	KAI10	KAIN, DAVID	430.57	.00	430.57	070207	FICA
005730	02/08/08	KIM01	KIMBROUGH, STEPHEN J.	207.36	.00	207.36	070207	CONF/MTGS-CITY ADMIN
005731	02/08/08	PET03	PETTY CASH	225.81	.00	225.81	080208	PROF SERV-CONF/MTGS
005732	02/08/08	SCH05	SCHLERETH, DAYMON	430.54	.00	430.54	070207	FICA
005733	02/08/08	SIM03	SIMS, LORI	430.55	.00	430.55	070207	FICA
005734	02/08/08	WAT02	WATSON, THOMAS J.	137.28	.00	137.28	080207	WALMART GRANT-POLICE
005735	02/12/08	AME15	AMERIGAS	297.18	.00	297.18	010058466	NATURAL GAS-ACO
005736	02/12/08	BAL01	BALDWIN CONTRACTING, INC	752.95	.00	752.95	82787	MAT & SUPPLIES-STR
005737	02/12/08	COR11	CORNING SAFE & LOCK	7.51	.00	7.51	2019	MAT & SUPPLIES-POLICE
005738	02/12/08	DEP03	DEPT OF TRANS/CAL TRANS	557.37	.00	557.37	02012618	Equip.Maint. St&Trf Light
005739	02/12/08	EXC00	EXCHANGE CLUB OF CORNING	210.00	.00	210.00	080211	PROF. SVCS-POLICE
005740	02/12/08	GRA02	GRAINGER, W.W., INC	18.08	.00	18.08	955571048	MAT & SUPPLIES-BLD. MAINT
				104.74	.00	104.74	955572418	MAT & SUPPLIES-BLD. MAINT
			Check Total.....:	122.82	.00	122.82		
005741	02/12/08	JES10	JESSEE HEATING & AIR, INC	688.00	.00	688.00	45171	MAT & SUPPLIES-BLD. MAINT
005742	02/12/08	NEX01	NEXTEL COMMUNICATIONS	458.95	.00	458.95	080129	COMMUNICATIONS-
005743	02/12/08	PGE03	PGE6E	35.32	.00	35.32	080131	Mat/Supplies PoliceService
005744	02/12/08	QUI02	QUILL CORPORATION	246.65	.00	246.65	4646077	MACH/EQUIP-FINANCE
005745	02/12/08	RED07	REDDING OIL COMPANY	2322.22	.00	2322.22	080131	VEH OP/MAINT-POLICE
005746	02/12/08	RED13	RED BLUFF POWER EQUIPMENT	740.01	.00	740.01	000323	MAT & SUPPLIES-STR
				46.25	.00	46.25	000570	MAT & SUPPLIES-STR
			Check Total.....:	786.26	.00	786.26		
005747	02/12/08	SCH01	LES SCHWAB TIRE CENTER	279.92	.00	279.92	373800	Veh REPLAC-POLICE

REPORT.: Feb 20 08 Wednesday
 RUN....: Feb 20 08 Time: 12:15
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 02-08 Bank Account.: 1020

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

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description	Payment Information
005748	02/12/08	SUB01	SUBURBAN PROPANE	583.09	.00	583.09	163527	PROPANE-AIRPORT	
005749	02/12/08	SUN01	SUNRISE ENVIRONMENTAL	178.27	.00	178.27	73579	MAT & SUPPLIES-PARKS	
005750	02/12/08	TEH20	TEHAWA CO DISTRICT ATTY	200.70	.00	200.70	080206	ProfServices PoliceServic	
005751	02/12/08	THO01	THOMES CREEK ROCK CO	1041.11	.00	1041.11	080131	Mat/Supplies-	
005752	02/12/08	UNI02	UNIFORMS, TUXEDOS & MORE	450.13	.00	450.13	75054	CADET PROGRAM-POLICE	
005753	02/12/08	UNI07	UNION BANK OF CALIF	2945.00	.00	2945.00	080125	SWR DEET-SWR IMPROV	
005754	02/13/08	HEN01	ROBERT HENRY	30.81	.00	30.81	080213	CONF/MTGS-PW ADMIN	
005755	02/14/08	CAL09	CALIF PEACE OFFICERS ASSN	484.00	.00	484.00	080213	Training/Educ.-DISPATCH	
005756	02/15/08	TEH30	TEHAWA CNTY AIR POLLUTION	945.00	.00	945.00	080215	MAT & SUPPLIES-	
005757	02/19/08	AIR00	AIRGAS NCN	35.62	.00	35.62	102427196	MAT & SUPPLIES-FIRE	
005758	02/19/08	APP01	APPLY-A-LINE INC.	528.00	.00	528.00	39920	Thermo Plastic Streets	
005759	02/19/08	ARA02	ARAMARK UNIFORM SRV. INC.	44.60	.00	44.60	3993380	Mat/Supplies-	
005760	02/19/08	ATT01	AT&T	559.30	.00	559.30	080203	Communications-	
005761	02/19/08	ATT10	AT&T	1279.36	.00	1279.36	T7565543	COMMUNICATIONS-	
005762	02/19/08	BAL01	BALDWIN CONTRACTING, INC	1452.92	.00	1452.92	82968	MAT & SUPPLIES-STR	
005763	02/19/08	BAS01	BASIC LABORATORY, INC	707.00	.00	707.00	0710443	ProfServices Water Dept	
				86.00	.00	86.00	0801177	ProfServices Water Dept	
				86.00	.00	86.00	0801417	ProfServices Water Dept	
				879.00	.00	879.00			
			Check Total.....:	879.00	.00	879.00			
005764	02/19/08	CAM02	CAMELLIA VALLEY SUPPLY	643.50	.00	643.50	0663851	MAT & SUPPLIES-WTR	
005765	02/19/08	CHE02	CHEM QUIP, INC.	597.40	.00	597.40	2034700IN	MAT & SUPPLIES-WTR	
005766	02/19/08	CIT12	CITY OF REDDING	2715.02	.00	2715.02	080208	OTS GRANT-OTHER DIRECT CO	
005767	02/19/08	CLA01	CLARKS DRUG STORE	43.16	.00	43.16	28109	MAT & SUPPLIES-POLICE	
005768	02/19/08	COM01	COMPUTER LOGISTICS, INC	53.61	.00	53.61	39120	COMP/EQUIP/SOFT-FIRE	
				15.00	.00	15.00	39180	Equip.Maint.-GEN. CITY	
				24.00	.00	24.00	39350	COMMUNICATIONS-FIRE	
				24.00	.00	24.00	39353	Equip.Maint.-GEN. CITY	

REPORT.: Feb 20 08 Wednesday
 RUN...: Feb 20 08 Time: 12:15
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 02-08 Bank Account.: 1020

PAGE: 003
 ID #: PY-DP
 CTL.: COR

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
Check Total.....				116.61	.00	116.61		
005769	02/19/08	COR13	CORNING VOLUNTEER FIRE	284.31	.00	284.31	4484	EQUIP REPLAC-FIRE CAP REP
				121.50	.00	121.50	27713	EQUIP REPLAC-FIRE CAP REP
				223.33	.00	223.33	080208	EQUIP REPLAC-FIRE CAP REP
				1641.69	.00	1641.69	85893A	COMMUNICATIONS-FIRE
Check Total.....				2270.83	.00	2270.83		
005770	02/19/08	DAY03	DAY WIRELESS SYSTEMS	234.71	.00	234.71	943274	COMMUNICATIONS-FIRE
005771	02/19/08	DEP12	DEPT OF JUSTICE	258.00	.00	258.00	663420	PROF SVCS-POLICE
005772	02/19/08	EDD02	EMPLOYMENT DEVELOPMENT	5531.00	.00	5531.00	080208	UNEMPLOYMENT INS-GEN. CIT
005773	02/19/08	ENP01	ENPLAN	5259.00	.00	5259.00	010819402	GIS SUPPORT-PLANNING
005774	02/19/08	ENT01	ENTENMANN-ROVIN CO.	135.84	.00	135.84	0037693IN	MAT & SUPPLIES-POLICE
005775	02/19/08	FGL00	FGL ENVIRONMENTAL	1736.00	.00	1736.00	870590A	PROF SERV/WTR ENT FUND
005776	02/19/08	GAL02	GALL'S INC	359.22	.00	359.22	592202510	SAFETY ITEMS-POLICE
005777	02/19/08	GRA02	GRAINGER, W.W., INC	10.41	.00	10.41	956191638	MAT & SUPPLIES-BLD MAINT
005778	02/19/08	LAB01	LAB. CORP. OF AMERICA	160.50	.00	160.50	24259723	PROF SVCS-POLICE
005779	02/19/08	LIN02	LINNETS TIRE SHOP	98.65	.00	98.65	47208	Veh Opr/Maint-POLICE
005780	02/19/08	OFF01	OFFICE DEPOT	8.17	.00	8.17	418405280	Office Supplies Policedis
				11.79	.00	11.79	418732271	Office Supplies Policedis
Check Total.....				19.96	.00	19.96		
005781	02/19/08	PGE04	PGE&E	32.72	.00	32.72	080212	TranspFacility-GAS (SUITE)
005782	02/19/08	SWM00	SMMC SERVICES, INC.	45609.65	.00	45609.65	159333	PROF SVCS-WWTP
				2479.45	.00	2479.45	15935	PRETREATMENT PROJ/SWR
				265.00	.00	265.00	15967	PROF SVCS-WWTP
Check Total.....				48354.10	.00	48354.10		
005783	02/19/08	UNI02	UNIFORMS, TUXEDOS & MORE	19.20	.00	19.20	77486	CADET PROGRAM-POLICE
005784	02/19/08	USA01	USA BLUE BOOK	66.21	.00	66.21	535292	MAT & SUPPLIES-WTR
005785	02/19/08	USA03	USA MOBILITY WIRELESS, INC	26.82	.00	26.82	R0159912B	COMMUNICATIONS-POLICE

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Description
005786	02/19/08	VER04	VERIZON BUSINESS	45.96	.00	45.96	61705040	COMMUNICATIONS-
005787	02/20/08	ATT09	AT&T	55.76	.00	55.76	080207	COMMUNICATIONS-GEN. CITY
005788	02/20/08	BAL01	BALDWIN CONTRACTING, INC	713.21	.00	713.21	83079	MAT & SUPPLIES-STR
005789	02/20/08	COM01	COMPUTER LOGISTICS, INC	2000.00	.00	2000.00	38161	COMMUNICATIONS-POLICE
				116.67	.00	116.67	39173	COMMUNICATIONS-POLICE
				19.00	.00	19.00	39184	COMMUNICATIONS-POLICE
			Check Total.....	2135.67	.00	2135.67		
005790	02/20/08	COR13	CORNING VOLUNTEER FIRE	762.71	.00	762.71	080219	TRAINING/ED-FIRE
005791	02/20/08	JES10	JESSEE HEATING & AIR, INC	202.00	.00	202.00	45224	BLD. MAINT-TRANS FAC
				160.00	.00	160.00	45230	MAT & SUPPLIES-BLD. MAINT
			Check Total.....	362.00	.00	362.00		
005792	02/20/08	JOH06	JOHNSON'S TURBO CLEAN	792.87	.00	792.87	1811	MAT & SUPPLIES-BLD. MAINT
005793	02/20/08	NEX02	NEXTEL	320.65	.00	320.65	086319075	COMMUNICATIONS-POLICE
005794	02/20/08	PGE01	PG&E	17282.80	.00	17282.80	080212	Electricity General City
005795	02/20/08	REI10	REILLY'S MUFFLERS	75.08	.00	75.08	8755	MAT & SUPPLIES-STR
005796	02/20/08	RIN01	RINGSIDE, INC.	56.94	.00	56.94	965431A	MAT & SUPPLIES-PAL
				74.97	.00	74.97	965431B	MAT & SUPPLIES-PAL
			Check Total.....	131.91	.00	131.91		
005797	02/20/08	STA11	STATE OF CALIFORNIA	85.00	.00	85.00	080220	TRAINING/ED-POLICE
005798	02/20/08	TRI02	TRI-COUNTY NEWSPAPERS	66.60	.00	66.60	036264190	Print/Advert. City Clerk
005799	02/20/08	WES02	WESTERN BUSINESS PRODUCTS	35.76	.00	35.76	011270	Equip.Maint.-FIRE
			Cash Account Total.....	112653.07	.00	112653.07		
			Total Disbursements.....	112653.07	.00	112653.07		
			Cash Account Total.....	.00	.00	.00		

CITY OF CORNING
 Cash Disbursement Detail Report - Payroll Vendor Payment(s)
 Check Listing for 02-08 Bank Account.: 1025

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
3360	02/13/08	BA03	POLICE OFFICER ASSOC.	180.00	.00	180.00	A80212	POLICE OFFICER ASSOC
3361	02/13/08	CIT01	CITY OF CORNING	497.94	.00	497.94	A80212	2006 SDI EE PAY BACK
3362	02/13/08	EDD01	EMPLOYMENT DEVELOPMENT	3513.08	.00	3513.08	A80212	STATE INCOME TAX
				871.88	.00	871.88	1A80212	SDI
			Check Total.....:	4384.96	.00	4384.96		
3363	02/13/08	ICM01	ICMA RETIREMENT TRUST-457	425.00	.00	425.00	A80212	ICMA DEF. COMP
3364	02/13/08	OE03	OPERATING ENGINEERS	800.00	.00	800.00	A80212	CREDIT UNION SAVINGS
3365	02/13/08	PERS1	PUBLIC EMPLOYEES RETIRE	27905.03	.00	27905.03	A80212	PERS PAYROLL REMITTANCE
3366	02/13/08	PERS4	Cal Pers 457 Def. Comp	275.00	.00	275.00	A80212	PERS DEF. COMP.
3367	02/13/08	PRE03	PREMIER WEST BANK	6733.11	.00	6733.11	A80212	HSA DEDUCTIBLE
3368	02/13/08	STA04	STATE OF CALIFORNIA	414.68	.00	414.68	A80212	WAGEASN 549-82-6524
3369	02/13/08	VAL06	VALIC	1050.00	.00	1050.00	A80212	AIG VALIC P TAX

Cash Account Total.....: 42665.72
 Total Disbursements.....: 42665.72

Date.: Feb 20, 2008
Time.: 12:36 pm
Run by: LORI

CITY OF CORNING
NEW BUSINESSES FOR CITY COUNCIL

Page.: 1
List.: NEWS
Group: WIFME

Business Name	Address	CITY/STATE/ZIP	Contact Name	Business Desc. #1	Business Start Date	Primary Telept
ELEGANT CLUTTER IRONWOOD DEVELOPMENT 236	1307 SOLANO ST W. EAST AVE	CORNING, CA 96021 CHICO, CA 95926	W. AULABAUGH SANDRA HILLER	ANTIQU & HOUSEWARES & CONSIGNMENT STORE BRANDON CONTRACTOR - TYPE B	02/11/08 02/12/08	(530)824-4410 (530)892-2776

2/13/2008
9:21:27AM

CITY OF CORNING
PERMITS ISSUED (sort by Permit #)
For the Period 1/1/2008 thru 1/31/2008

Owner and Address	Parcel Number	Issued On	Valuation
BLUE BEACON INT'L 2041 SOUTH AVE. CORNING CA 96021 Permit Description: INSTALL NEW DRYING BEDS. 20'X72'	8710043 Site Street Address: 2041 SOUTH AVE.	1/14/2008	32,000.00
ELAINE GRAYSON 1408 SIXTH STREET CORNING CA 96021 Permit Description: REPLACE WALL HEATER.	7126301 Site Street Address: 1408 SIXTH STREET	1/2/2008	1,255.44
JOHN BARLOW 383 LA MESA CT. CORNING CA 96021 Permit Description: REPAIR FIRE DAMAGE AND REROOF COMPLET	7135015 Site Street Address: 383 LA MESA CT.	1/3/2008	7,500.00
EAUSTINO OCAMPO 1660 ALGER AVE. CORNING CA 96021 Permit Description: NEW PATIO ADDITION 16X18	7122305 Site Street Address: 1660 ALGER AVE.	1/2/2008	1,125.00
RUBY NEUHARDT 1478 FIFTH STREET CORNING CA 96021 Permit Description: INSTALL NEW GAS LINE.	7127106 Site Street Address: 1478 FIFTH STREET	1/3/2008	1,800.00
BUD GOTT 2124 DONNOVAN AVE. CORNING CA 96021 Permit Description: CHANGE HVAC PACKAGE UNIT.	7120116 Site Street Address: 2124 DONNOVAN AVE.	1/8/2008	5,000.00
DAVE LANNOY 1603 SOLANO STRET CORNING CA 96021 Permit Description: REROOF, TORCH DOWN, SOUTH HALF.	7112205 Site Street Address: 1603 SOLANO STRET	1/11/2008	8,995.00

CITY OF CORNING
PERMITS ISSUED (sort by Permit #)
For the Period 1/1/2008 thru 1/31/2008

Owner and Address	Parcel Number	Issued On	Valuation
JACK OLIVERA 960 BUTTE STREET CORNING CA 96021 Permit Description: REROOF WITH COMPS.	7304307 Site Street Address: 960 BUTTE STREET	1/14/2008	3,600.00
JERRY DUNHAM 2128 COLUSA STREET CORNING CA 96021 Permit Description: REPLACE SEWER MAIN.	7106106 Site Street Address: 2128 COLUSA STREET	1/14/2008	4,800.00
MATT SISNEROS 2008 NORTH STREET CORNING CA 96021 Permit Description: REPLACE HEATING FURNACE.	7132006 Site Street Address: 2008 NORTH STREET	1/15/2008	2,410.00
DAVE LEANNEY 1603 SOLANO STREET CORNING CA 96021 Permit Description: REPLACE WATER HEATER, TANKLESS	7112205 Site Street Address: 1603 SOLANO STREET	1/15/2008	5,555.00
CODY McCOY 660 EDITH AVE. CORNING CA 96021 Permit Description: TENANT IMPROVEMENT, INSTALL NEW WASHI	6926057 Site Street Address: 660 EDITH AVE.	1/17/2008	20,000.00
LUCAS ALEXANDER 1414-1425 FIFTH STREET CORNING CA 96021 Permit Description: NEW DUPLEX RESIDENCE.	7127241 Site Street Address: 1414-1425 FIFTH STREET	1/17/2008	125,000.00
DAVIS VARGAS 1312 SOLANO STREET CORNING CA 96021 Permit Description: INSTALL AUTOMATIC GAS STANDBY GENERA.	7113106 Site Street Address: 1312 SOLANO STREET	1/17/2008	5,950.00
BILL ELLIOTT 1424 BUTTE STREET CORNING CA 96021 Permit Description: TEAR OFF AND REROOF WITH COMPS.	7110522 Site Street Address: 1424 BUTTE STREET	1/17/2008	6,520.00

PERMITS ISSUED (sort by Permit #)
For the Period 1/1/2008 thru 1/31/2008

Owner and Address	Parcel Number	Issued On	Valuation
NATHAN ARROWSMITH 1905 SOLANO STREET CORNING CA 96021 Permit Description: REPLACE SEWER MAIN LINE.	7115107 Site Street Address: 1905 SOLANO STREET	1/21/2008	500.00
LANCE JONES 1429 MARIN STREET CORNING CA 96021 Permit Description: DEMO RESIDENCE.	7116402 Site Street Address: 1429 MARIN STREET	1/21/2008	1,500.00
17 Permits Issued from		1/1/2008 Thru 1/31/2008	FOR A TOTAL VALUATION OF \$ 233,510.44
*** END OF REPORT ***			

**ITEM NO: F-6
AWARD THE BID FOR THE PRUNING
OF 514 PALM TREES TO BILL'S TREE
SERVICE IN THE AMOUNT OF \$32 PER
TREE, TOTALING \$16,448 AND
AUTHORIZE PRUNING OF ADDITIONAL
CITY TREES
FEBRUARY 26, 2008**

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

**FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
TOM RUSS, PUBLIC WORKS DIRECTOR** *Tom*

STEVE

SUMMARY:

Staff received four bids for the pruning of 514 Palm Trees. Please find attached the Bid Summary of the February 19, 2008 bid opening. Bill's Tree Service was the lowest bidder at a cost of \$32 per tree for a total cost of \$16,448.

BACKGROUND:

Staff recommends that Bill's Tree Service be awarded the Bid for the pruning of 514 Palm Trees and that additional City trees of various species be added to the Bid. The award of this Bid for tree pruning services will leave sufficient funds to include other City trees at various street intersections throughout the City. The trimming of these trees will enhance the appearance of our streets as well as alleviate any concerns for public safety.

The 2007/2008 City Budget has allowed for a total of \$30,000 to fund the pruning of City trees. The funding is budgeted under Public Works Street Projects, Tree Trimming item numbers 001-8002-3001 (\$12,000) and 114-8002-3001 (\$18,000).

RECOMMENDATION:

MAYOR AND COUNCIL AWARD THE BID FOR THE PRUNING OF 514 PALM TREES TO BILL'S TREE SERVICE IN THE AMOUNT OF \$32 PER TREE, TOTALING \$16,448 AND AUTHORIZE THE PRUNING OF ADDITIONAL CITY TREES UNDER BUDGET ITEM NUMBERS 001-8002-3001 AND 114-8002-3001.

**CITY OF CORNING
PALM TREE PRUNING
BID SUMMARY
FEBRUARY 19, 2008 AT 2:00PM**

<u>Company Name</u>	<u>Amount Per Tree</u>
Bill's Tree Service P.O. Box 894 Anderson, CA 96007 530/527-2008 or 800/790-8733	\$32.00
North Valley Tree Service Attn: Tom Bettencourt 3882 Esplanade Chico, CA 95973 530/521-3877	\$74.00
Nor Cal Tree Expert Attn: Eric Larsen P.O. Box 9404 Red Bluff, CA 96080 530/527-2844	\$34.00
Fallen Leaf Tree Service Attn: Terry Monahan 9510 Jackson Road Sacramento, CA 95827 916/447-8733	\$90.00

**ITEM NO: F-7
SECOND READING; ORDINANCE NO. 630;
PREZONE 2007-2; CORNING AIRPORT
AREA ANNEXATION; CITY OF CORNING;
APN'S 67-260-77, 79, 80, 81, 82 AND 75-020-
04 & 23; 149.58 ACRES**

FEBRUARY 26, 2008

TO: CITY COUNCIL OF THE CITY OF CORNING
FROM: JOHN L. BREWER, AICP; PLANNING DIRECTOR



PROJECT DESCRIPTION:

On February 12, 2008, the City Council waived the first reading and introduced Ordinance No. 630. If adopted the ordinance will "prezone" approximately 149.58 acres of City-owned property in the vicinity of the airport. A Prezone is a rezone completed prior to an annexation. The proposed rezone area is shown on the attached Sectional District Map. These properties are also the subject of an annexation application that's pending approval by the Tehama County Local Agency Formation Commission (LAFCo).

It is now appropriate to adopt the ordinance that will complete the prezone

STAFF AND PLANNING COMMISSION RECOMMENDATION:

The Planning Commission considered this matter at a duly noticed public hearing conducted on October 17, 2007, and recommended approval. Staff recommends:

THAT THE CITY COUNCIL:

WAIVE THE SECOND READING AND ADOPT ORDINANCE NO. 630 TO ENACT PREZONE NO. 2007-2, THEREBY PREZONING CITY-OWNED PROPERTIES IN THE VICINITY OF THE AIRPORT TO "A-V"; AVIATION DISTRICT.

**ORDINANCE NO. 630
PREZONE NO. 2007-2**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORNING
AMENDING TITLE 17 ZONING OF THE CITY OF CORNING MUNICIPAL CODE**

WHEREAS, the Zoning Ordinance of the City of Corning was adopted in 1959, (Ordinance 153) and subsequently amended; and

WHEREAS, the City has acquired certain unincorporated properties totaling 149.58 acres in the vicinity of the Corning Municipal Airport and has submitted an annexation application with the Tehama County Local Agency Formation Commission (LAFCo) in order to make those properties part of the City, and,

WHEREAS, the unincorporated properties are currently zoned EA, EA-AP and M-1-H:25, and must be prezoned prior to completion of the annexation, and,

WHEREAS, the intended use of the properties is for airport and airport related open space, and,

WHEREAS, the appropriate City zoning designation for airport and airport related uses is A-V; Aviation district, and,

WHEREAS, the City Council by Resolution 02-12-08-01 approved a general plan amendment that added the subject 149.58 acres to the City's Land Use Diagram with the "Public/Municipal" Land Use Designation, and the proposed pre zoning is consistent with that revised general plan; and

WHEREAS, a Mitigated Negative Declaration was adopted by the City Council at its meeting of February 12, 2008 to address any environmental issues identified as being associated with this project; and

WHEREAS, the Planning Commission reviewed the proposed zoning ordinance amendment at their regular meeting of October 16, 2007, and recommended that the City Council amend the Zoning Ordinance to reflect the proposed changes.

NOW, THEREFORE, the City Council of the City of Corning does ordain as follows:

1. This rezone is consistent with the Corning General Plan, as amended pursuant to Resolution No. 02-12-08-01;
2. The Mitigated Negative Declaration is adopted and meets the requirements of CEQA and its Guidelines; and
3. The City-owned properties depicted in the attached Sectional District Map No. 210, is hereby zoned "A-V; Aviation District".

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Corning held on February 12, 2008, and adopted at a regular meeting of the City Council of the City of Corning held on _____, by the following vote:

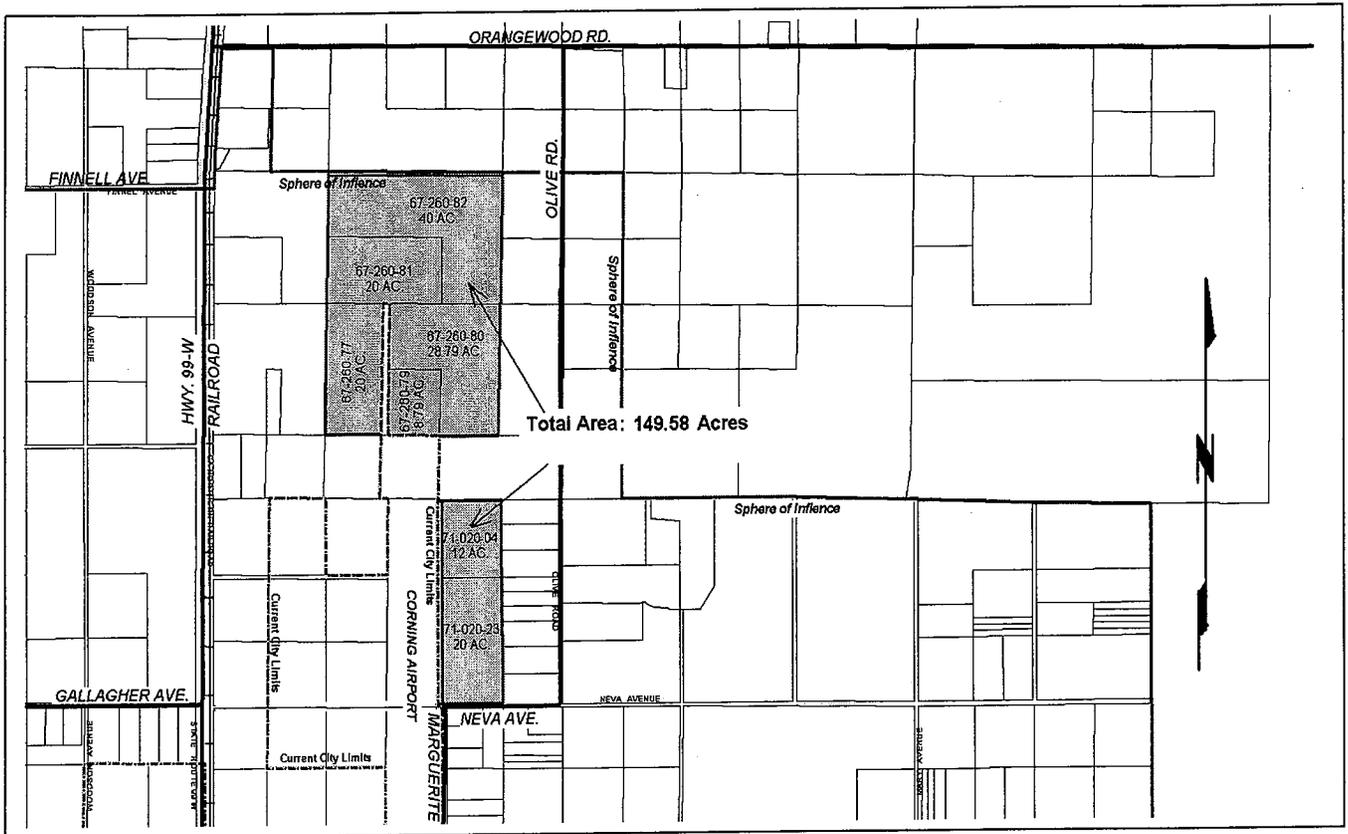
AYES:
NOES:
ABSTAIN:
ABSENT:

Gary R. Strack, Mayor

ATTEST:

Lisa Linnet, City Clerk

City of Corning-Ordinance No. 630
Rezone No. 2007-2; Sectional District Map No. 210
Being a Portion of Corning City Code Section 17.080.020 (210)



A-V AVIATION ZONING DISTRICT

Approved and Adopted by action of the Corning City Council on

_____.

ITEM NO.: F-8
APPROVE RESOLUTION NO. 02-26-08-01
AUTHORIZING THE TEHAMA COUNTY SANITARY
LANDFILL AGENCY TO SUBMIT A REGIONAL TIRE
RECYCLING GRANT APPLICATION.
FEBRUARY 26, 2008

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER

STEVE

SUMMARY:

The City of Corning is fortunate that the Tehama County Sanitary Landfill Agency acts as our regional partner in coordinating Solid Waste and Recycling issues and programs throughout the County. The Agency receives no direct funding through the City Budget.

The proposed Resolution authorizes the "JPA 1" to act for the City of Corning in applying for a California Integrated Waste Management Board (CIWMB) Tire Recycling Grant and authorizes them to enter into a Grant Agreement with CIWMB for implementation of Grant. Upon approval of the Resolution, the Tehama County Sanitary Landfill Agency will submit a Grant application in the amount of \$29,369 to the CIWMB for the Fiscal Year 2007/2008 Local Government Waste Tire Cleanup and/or Tire Collection Event Grant.

The Agency proposes to hold two coupon redemption events, each two weeks long, one in late winter (most likely February 2009) and one in late summer (most likely September 2008) for agricultural and equipment tires. Coupons will be good for the disposal of two large-sized tires and will be made available through the Agricultural Commissioner's office, the Tehama County/Red Bluff Landfill, the Tehama County Farm Bureau office, and at Corning City Hall. A limit of three coupons per address, for a total disposal of six tires per address is proposed for each event. Coupons and tires are surrendered at the Landfill and Waste Tire Products collects the tires for processing at the end of the period.

The Agency has been using these tire abatement funds to target large concentrations of tires in order to get the tires, as a nuisance removed. The City of Corning is eligible for the funding but has no farm or ranch concentrations of tires; we are passing the funds on to the Agency for use in the greater Corning Community.

RECOMMENDATION:

MAYOR AND COUNCIL APPROVE:

- 1. RESOLUTION NO. 02-26-08-01, A RESOLUTION OF THE CITY OF CORNING AUTHORIZING THE TEHAMA COUNTY SANITARY LANDFILL AGENCY TO SUBMIT A REQUEST FOR STATE RECYCLING FUNDS**

RESOLUTION NO. 02-26-08-01

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORNING
AUTHORIZING THE TEHAMA COUNTY SANITARY LANDFILL AGENCY
TO SUBMIT A REGIONAL GRANT APPLICATION
TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
TIRE RECYCLING GRANT PROGRAM**

WHEREAS, Public Resources Code (PRC) sections 42800 et seq. established the waste tire program for the State of California and assigns responsibility for its implementation to the California Integrated Waste Management Board (CIWMB); and

WHEREAS, PRC Section 42889(e) allows the CIWMB to expend available money in the California Tire Recycling Management Fund to pay the costs of cleanup, abatement, or other remedial action related to the disposal of used whole tires; and

WHEREAS, the CIWMB allocated two million dollars (\$2,000,000) for the Fiscal Year 2007/2008 Local Government Waste Tire Cleanup Grant Program and the Tire Collection Event Program; and

WHEREAS, procedures established by the CIWMB require the jurisdiction-applicant to certify by Resolution the approval of the jurisdiction's governing authority for submittal of a grant application before submission of said application to the CIWMB; and

WHEREAS, if successful, the Tehama County Sanitary Landfill Agency will enter into a Grant Agreement with the CIWMB for implementation of said Grant(s).

NOW, THEREFORE, BE IT RESOLVED that the City of Corning authorizes the Tehama County Sanitary Landfill Agency to submit an application to the CIWMB for the Fiscal Year 2007/2008 Local Government Waste Tire Cleanup and/or Tire Collection Event Grant; and

BE IT FURTHER RESOLVED that the Solid Waste Director of the Tehama County Sanitary Landfill Agency, or his/her designee, is hereby authorized and empowered to execute in the name of the City of Corning all necessary applications, contracts, agreements and amendments hereto for the purposes of securing grant funds to implement and carry out the purpose specified in the grant application.

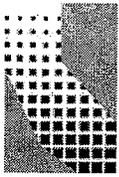
The foregoing Resolution was passed and adopted by the City Council of the City of Corning this 26th day of February 2008 by the votes listed below.

**AYES:
OPPOSED:
ABSENT:
ABSTAIN:**

Gary R. Strack, Mayor

ATTEST:

Lisa M. Linnet, City Clerk



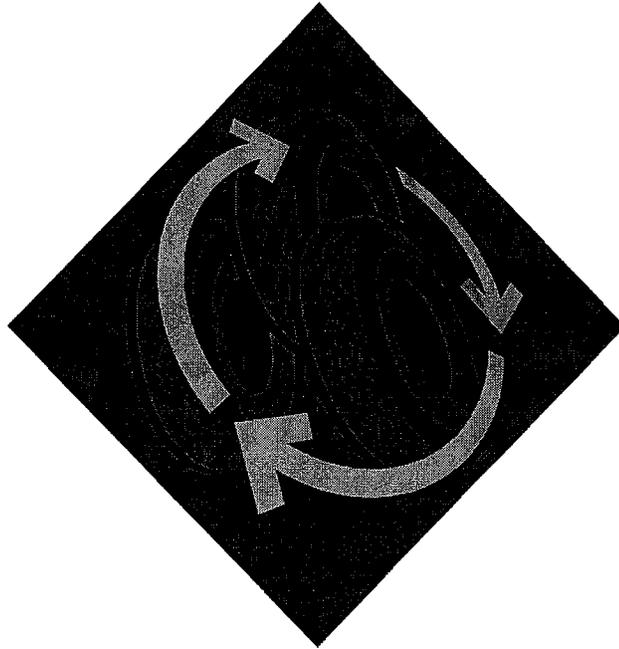
December 2007

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

Integrated Waste Management Board (CIWMB)

**LOCAL GOVERNMENT WASTE TIRE CLEANUP AND
AMNESTY EVENT GRANT PROGRAMS
APPLICATION**

3rd Cycle (TCA3) – FISCAL YEAR (FY) 2007/08



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Applications sent by U.S. Postal Service or a commercial delivery service should be sent in a manner that allows for tracking by the sender and that provides an addressed and dated receipt. Failure to do so is at the risk of the applicant and if delivery is delayed or the application is lost by the Post Office or delivery service, the burden is on the applicant to demonstrate timely mailing or delivery of the application.

**LOCAL GOVERNMENT WASTE TIRE CLEANUP AND AMNESTY EVENT
GRANT PROGRAMS – TCA3 (FY 2007/08)**

Complete and submit all sections.

APPLICANT / ORGANIZATION INFORMATION			
APPLICANT / ORGANIZATION NAME: TEHAMA COUNTY SANITARY LANDFILL AGENCY		CLEANUP PROJECTS AMOUNT:	
PARTICIPATING JURISDICTIONS (FOR REGIONAL PROGRAMS ONLY): County of Tehama City of Tehama City of Red Bluff City of Corning		AMNESTY EVENTS AMOUNT:	\$29,369.13
		REQUESTED TOTAL AMOUNT: <small>(ROUND AMOUNTS TO THE NEAREST WHOLE DOLLAR)</small>	\$29,369.00
MAILING ADDRESS: 19995 Plymire Rd.		PROJECT ADDRESS: 19995 Plymire Rd.	
CITY: Red Bluff		CITY: Red Bluff	
COUNTY: Tehama	ZIP CODE: 96080	COUNTY: Tehama	ZIP CODE: 96080
PRIMARY CONTACT NAME: Kristina Miller	SIGNATURE AUTHORITY NAME: <small>(AS AUTHORIZED IN RESOLUTION)</small> Alan Abbs	AUTHORIZED DESIGNEE NAME: <small>(IF APPLICABLE, AS AUTHORIZED IN LETTER OF AUTHORIZATION-LOA, SEE APPENDIX A FOR MORE INFO.)</small>	
TITLE: Solid Waste Program Manager	TITLE: Solid Waste Director	TITLE:	
TELEPHONE NUMBER: (530) 528-1103	TELEPHONE NUMBER: (530) 527-3717	TELEPHONE NUMBER:	
FAX NUMBER: (530) 528-9304	FAX NUMBER: (530) 528-9304	FAX NUMBER:	
EMAIL ADDRESS: recycle@clearwire.net	EMAIL ADDRESS: aabbs@tehcoapcd.net	EMAIL ADDRESS:	
INDICATE WHICH TYPE OF ENTITY YOU ARE (CHECK ONLY ONE):			
<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> CITY & COUNTY <input type="checkbox"/> QUALIFYING INDIAN TRIBE <input checked="" type="checkbox"/> OTHER (LIST TYPE) Regional Agency (Joint Powers Authority)			
LEGISLATIVE DISTRICT NUMBERS (TO FIND YOUR DISTRICT, USE MAILING ADDRESS ABOVE AND GO TO www.ciwmb.ca.gov/Profiles/Juris/)		FEDERAL TAX IDENTIFICATION NUMBER:	
ASSEMBLY: 2	SENATE: 4	94-6000543	

WASTE TIRE CLEANUP PROJECT(S) DESCRIPTION

Provide the location, parcel number and a description of each site, which includes proximity to populated areas or sensitive environments, number of tires, proposed method of remediation, and end use. Photographs should also be included. If there are more than 500 tires on private property and the owner is not responsible for the illegal disposal of the tires, then an affidavit for each site must be included with the application. *See Appendices - Appendix C for the affidavit form.*

WASTE TIRE AMNESTY EVENT(S) DESCRIPTION

Provide a description of the amnesty event(s), including the estimated cost per tire for each event (grant amount divided by number of tires to be collected). Please include a quote from a registered waste tire hauler to justify the estimated cost per tire.

The Tehama County Sanitary Landfill Agency plans a total of four collection events upon receipt of a Notice to Proceed.

The Tehama County Sanitary Landfill Agency (Agency) proposes three passenger and light truck tires amnesty events to be scheduled for late October 2008, January 2009, and early April of 2009. The amnesty events will be one day events held at four locations within Tehama County. While locations are yet to be finalized, past events have been held at the Tehama County Landfill, at the Los Molinos transfer station in Los Molinos, and at one of several other sites including Cottonwood, Rancho Tehama, or the mountain communities.

The Tehama County Sanitary Landfill Agency contracts with Waste Tire Products of Orland for staging, transport, and recycling of tires collected at these events. Waste Tire Products is a CIWMB certified tire hauler and recycler. In most cases 100% of the collected tires are recycled into new products or crumb rubber. Waste Tire Products charges \$1.25 per passenger tire. The Agency is billed after the tires are collected and returned to their facility for processing. An estimate of costs for Waste Tire Products services is attached (please see Attachment 1). We maintain a list of customers that includes the number of tires they report to be collecting for backup purposes. Agency staff distribute educational materials, manage traffic, and collect data.

Tehama County is a rural County with over 1,000,000 harvested acres. Like many rural counties, Tehama County is also below the state average in per capita income. For this reason, the Agency feels strongly about the need to provide at least two tire events dedicated to the agricultural community, although this negatively affects our overall cost per tire.

The Agency proposes to hold two coupon redemption programs for agricultural and equipment tires. Coupons are good for the disposal of two large-sized tires and will be made available through the Agricultural Commissioner's office, the Tehama County/Red Bluff Landfill, the Tehama County Farm Bureau office, and at Corning City Hall. A limit of three coupons per address, for a total disposal of six tires per address is proposed for each event. Tractor, grader, and backhoe tires up to 19.5-24 and farm tires with numbers ending with 38,40,42 will be collected. The agricultural tire events are proposed for a two week period in late winter and late summer in order to allow ranchers time to finish harvest, roundups, and other seasonal activities. The event is most likely to occur during the first two weeks of February 2009 and September 2008. Coupons and tires are surrendered at the Landfill and Waste Tire Products collects the tires for processing at the end of the period.

Waste Tire Products charges by weight for large-sized tires. Their invoice is supported by surrendered coupons and scale tickers from the landfill. During the Agricultural Tire Collection held in 2006, the cost averaged \$23.00 per tire. An estimate of cost from Waste Tire Products is attached.

Is there a current Waste Tire Enforcement Grant awarded that covers applicant's jurisdiction? Yes No

ENVIRONMENTAL JUSTICE CERTIFICATION	
<p><i>CIWMB Grantees must in the performance of the Grant Agreement conduct their programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the State. (Govt. Code §65040.12(e) and Public Resources Code §71110(a))</i></p>	
Must check box	
<input checked="" type="checkbox"/>	We acknowledge that our organization will comply with these principles of Environmental Justice.
RESOLUTION or (LETTER OF COMMITMENT) REQUIREMENT	
<p>Submit either an approved Resolution or Letter of Commitment, valid up to 5 years, with your application or the following acknowledgement <i>(If applicable, submit a current Letter of Authorization (LOA) for signature designee)</i></p>	
Must check one	
<input type="checkbox"/>	We acknowledge that an approved Resolution and, if applicable, LOA designating additional signature authority signatory is enclosed in the application.
<input checked="" type="checkbox"/>	We acknowledge that our approved Resolution must be received by the CIWMB no later than March 14, 2008 . We further acknowledge that if our Resolution is received after this date, our application will be disqualified.

Note: See Application Instructions for Resolution and Letter of Authorization (LOA) information and examples

ENVIRONMENTALLY PREFERABLE PURCHASES AND PRACTICES POLICY	
<p>Acknowledgement that your organization has an Environmentally Preferable Purchases & Practices Policy</p>	
Must check one	
<input checked="" type="checkbox"/>	Yes, our organization has an Environmentally Preferable Purchases and Practices Policy. Date adopted: 01/15/2002
<input type="checkbox"/>	No, our organization does not have an Environmentally Preferable Purchases and Practices Policy. We acknowledge that our organization must adopt one and send notification (see Application Instructions for Notification Form) to the CIWMB of such adoption by March 14, 2008 , or our application will be disqualified.

Note: See Application Instructions for Environmentally Preferable Purchases and Practices Policy example and Notification Form

APPLICATION CERTIFICATION	
<p>Certification: I declare, under penalty of perjury under the laws of the State of California, that all information submitted for CIWMB's consideration for award of grant funds is true and accurate to the best of my knowledge.</p>	
X	
<i>Signature Authority - as authorized in Resolution or Letter of Commitment; or Authorized Designee - as authorized in submitted Letter of Authorization</i>	<i>Date</i>
Alan Abbs	Solid Waste Director
<i>Print Name</i>	<i>Print Title</i>

Work Statement

2007/08 LOCAL GOVERNMENT WASTE TIRE CLEANUP PROJECT(S)

GRANT APPLICANT NAME:

PROPOSED PROJECT NAME(S):

Task #	Description of Task(s)	Budget	Product/Results	Staff/Contractor	Time Period (Dates)

Work Statement
2007/08 LOCAL GOVERNMENT WASTE TIRE AMNESTY EVENT(S)

GRANT APPLICANT NAME: Tehama County Sanitary Landfill Agency		PROPOSED EVENT NAME(S): Tehama County Waste Tire Amnesty Collection Events
-----------------------------------------------------------------	--	-------------------------------------------------------------------------------

Task #	Description of Task(s)	Budget	Product/Results	Staff/Contractor	Time Period (Dates)
1	Schedule date, time, and locations	\$217.68	Advertisable dates and Agreement with Hauler/Recycler	Solid Waste Program Manager 8 hours @ \$27.21	Upon receipt of Notice to Proceed
2	Prepare press releases and advertising materials; determine ad schedule and sizes; place ads	\$217.68 \$3,627.40	Daily News and Corning Observer Publish event	Solid Waste Program Manager 8 hours @ \$27.21	September 15, 2008 January 1, 2009 February 5, 2009 April 1, 2009
3	Contact Waste Tire Products of Orland, CA	\$108.84	Schedule trucks, crew, and pricing	Solid Waste Program Manager 4 hours @ \$27.21 per hour	September 16, 2008 January 2, 2009 February 6, 2009 April 2, 2009
4	Hold event	\$9,375.00	Collect 2,500 tires per event @ \$1.25 per tire	Waste Tire Products	October 18, 2008 January 17, 2009 February 9-23, 2009 Ag April 11, 2009
5	Analyze data; Prepare grant reports	\$408.15 \$291.30	Data Collection, outreach, and traffic control	SW Program Manager 5 hours @ \$27.21 per hour/ event Recycling Coordinator 5 hours @ \$19.42 per hour/ event	
6	Edit Ag Tire Vouchers to new dates;	\$217.68 \$132.00 \$163.26	Grant deliverables are documented for payment 250 Original coupons	Solid Waste Program Manager 8 hours @ \$27.21 per hour SW Director 2 hours @ \$66.00 per hour SW Program	April 20, 2009 January 16, 2009

7	print, number, and sign coupons, distribute to remote offices Prepare press release for Farm Bureau newsletter and other local publications; advertise event	<p>\$50.00</p> <p>\$54.42</p> <p>\$25.00</p> <p>\$2,293.20</p> <p>\$375.20</p>	available to farm and ranch customers at several locations Office Supplies Event is published in Farm Bureau newsletter prior to each event	Manager 3 hours @ \$27.21 per hour per event SW Program Manager 2 hours @ \$27.21 Office supplies Daily News Coming Observer	August 20, 2008 January 25, 2009
8	Begin event; collect vouchers, match with scale ticket, document number of tires redeemed Close event; pay WTP invoice	<p>\$108.84</p> <p>\$17,250.00</p>	Number and weight of tires redeemed; validate documentation Based on 75% redemption of vouchers @ 2 tires each with avg. price of \$23/ tire per event (2006 avg. price)	Scale attendant SW Program Manager 4 hours @ \$27.21 per hour	September 8-22, 2008 February 9-23, 2009
9	Prepare final grant report	<p>\$217.68</p> <p>\$132.00</p>	Document that grant objectives are satisfied; submit payment request	SW Program Manager 8 hours @ \$27.21 SW Director 2 hrs @ \$66.00 per hour	March 1, 2009

Budget
 2007/08 LOCAL GOVERNMENT WASTE TIRE CLEANUP PROJECT(S)

GRANT APPLICANT NAME:
 Tehama County Sanitary Landfill Agency

Line Item	Title/Classification	No. Of Hours	Salary Rate	Benefit %	Total	Total Funds
Personnel						
Contracts (removal, transportation, disposal)						
Materials & Supplies						
Equipment Rental						
PROJECT GRAND TOTAL:						\$

Budget
2007/08 LOCAL GOVERNMENT WASTE TIRE AMNESTY EVENT(S)

GRANT APPLICANT NAME: Tehama County Sanitary Landfill Agency							Grant \$	Total \$
Line Item	Title/Classification	No. Of Hours	Salary Rate	Benefit %	Match \$	Grant \$	Total \$	
Personnel (project/grant oversight)*	Solid Waste Director SW Program Manager Recycling Coordinator	4 63 15	\$66.00/hour \$27.21/hour \$19.42/hour	0% 51% 51%		\$264.00 \$1,714.23 \$291.30	\$264.00 \$1,714.23 \$291.30	
Labor (handling tires)					0	0	0	
Contracts (removal, transportation, disposal) 3 Passenger Tire Collection Events and 2 Agricultural Tire Collection Events Waste Tire Products 3820 Highway 99W Orland, CA					0	\$9,375.00	\$9,375.00	
Equipment Rental none						\$17,250.00	\$17,250.00	
Materials & Supplies Office supplies, printer services, copy charges, internet fees, postage					\$75.00	0	\$75.00	

Education & Advertising* Red Bluff Daily News Corning Observer	Description: Ads running in Daily News and Corning Observer twice per event	\$5,821.20	\$474.60	\$6,295.80
Totals:		\$5,896.20	\$29,369.13	\$35,265.33
Grant Amount	Estimated Number of Tires Collected	=	Cost Per Tire	
\$29,369.13	8,250	=	\$3.56	

* Project oversight, education, and advertising expenses are only reimbursable up to 25% of the total grant amount.

APPLICATION CHECKLIST

This application checklist is provided for your convenience and is not intended to be all inclusive. You are responsible for completing and submitting all required documentation.

Grant Application Form	
<input checked="" type="checkbox"/>	All applicable information and documents are provided; applicable boxes are checked.
<input type="checkbox"/>	Application Certification is signed by the: 1) Signature Authority as authorized in Resolution, or 2) Authorized Designee. <i>Authorized Designee may sign only if the Letter of Authorization has been submitted to the CIWMB.</i>
<input checked="" type="checkbox"/>	A registered waste tire hauler quote is included
<input type="checkbox"/>	If applicable, Property Access Authorization and Responsibility Affidavit For Private Property is included. <i>See Application Instructions for more information.</i>
Environmental Justice Certification	
<input checked="" type="checkbox"/>	Box is checked.
Resolution or (Letter of Commitment) Requirement— <i>See Application Instructions for Resolution, Letter of Commitment, and Letter of Authorization (LOA) information and examples</i>	
<input type="checkbox"/>	Approved Resolution is included with Application; box is checked, or
<input checked="" type="checkbox"/>	If applicable, approved Resolution not submitted with Application but will be submitted to the CIWMB for receipt by March 14, 2008 ; box is checked.
<input type="checkbox"/>	If applicable, Letter of Authorization (LOA) is included with Application. <i>A LOA is not required to be submitted with the Application; however, it must be submitted prior to Designee's exercise of his/her authority.</i>
Environmentally Preferable Purchases and Practices Policy— <i>See Application Instructions for example & notification.</i>	
<input checked="" type="checkbox"/>	Signature Authority has certified that Applicant has an Environmentally Preferable Purchases and Practices Policy (EPPP Policy); box is checked, or
<input type="checkbox"/>	Applicant does not have an EPPP Policy but will adopt one and submit a Notification Form to the CIWMB for receipt by March 14, 2008 ; box is checked.
Application Format & Submittal	
<input type="checkbox"/>	Copies: One application with original signature (blue ink preferred), and two copies
<input type="checkbox"/>	Paper: 8½ X 11, printed double-sided, single spaced, on 100% post consumer fiber, and numbered consecutively
<input type="checkbox"/>	Stapled, not bound: upper left-hand corner
<input type="checkbox"/>	Font: Comparable to 12 pt. Times New Roman
<input type="checkbox"/>	Addressed to the appropriate mailing address of the CIWMB

ITEM NO: F-9
APPROVE SOLID WASTE FRANCHISE EXTENSION
FOR CORNING DISPOSAL COMPANY
FEBRUARY 26, 2008

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER

STEVES

SUMMARY:

At the Council Meeting on January 23, 2008, the City Council asked Vice Mayor Becky Hill and Councilor Darlene Dickison to meet with Staff and representatives of Corning Disposal Company to resolve the remaining issues of disagreement in the Proposed Refuse Franchise Agreement. At a meeting on Wednesday January 30, the City Councilors made the City's concerns clear to the Refuse Company and reached agreement or compromise on each of the issues.

The City Council as reviewed these terms at its meeting on February 12, 2008, and asked for one addition to the service; the Council asked Corning Disposal to accept Bulky Items once per month at the Company's offices on Hwy 99W. The Company agreed. This has now been included in the terms. The attached final Franchise document includes all these terms listed below.

The Company Attorney agreed to eliminate a previous "side agreement" about Proposition 218, that acknowledged the City's commitment to mail public notices to all property owners. The company insisted however in retaining language from that agreement that permits the company to withdraw from the agreement if a majority of property owners successfully protested and stopped a proposed rate increase.

RECOMMENDATION:

MAYOR AND COUNCIL APPROVE THE PROPOSED SOLID WASTE FRANCHISE EXTENSION FOR CORNING DISPOSAL COMPANY.

SUMMARY OF ISSUES:

Senior Rate: *The Company sought to increase the age form 60 to 65 years old. Following discussions, the City and Company agreed to:*

- Define senior as age 62 not 65 as proposed by the garbage company.
- Set the senior rate at 50% of the residential rate not at a higher factor of \$9 less; this was an important issue with the Council and prevents the senior rate from increasing faster than the regular rate.
- Grandfather all existing senior service.

Recycling Containers: *Both the City and the Company agree that service and recycling participation will be improved by:*

- Delivering 64 gallon recycling cart to all residents
- Providing 32 gallon carts only under special circumstances to seniors if they have a small amount of recycling.
- Providing a visual sticker or molded in instructions designating acceptable items

Fuel Formula: *The Company absorbs fuel increases during the contract year, but needs to receive an increase in rates to offset increases even if the rate increase comes a year late; the City and Company agreed to:*

- Clarify that the fuel formula would only apply to past year and not "catch up". The Company confirmed that proposed increase was needed and the city after considerable discussion accepted the percentage as fair.
- The fuel adjustment language can be included in the franchise contract.

Bulky Waste: *The Company sought to eliminate the monthly curbside pickup of appliances and furniture, because they believe it to be too expensive to continue; The Company explained that they spend about \$12,000 per year on removal of refrigerant and micro switches and other restricted components. The current cost of the 12 pickups per year is about \$9,400 per year. The City Council objected to the total elimination of the bulky item service, and ultimately this compromise was reached:*

- Curbside pickup will be continued and limited to 4 times per year for all residential customers in single family or 4 unit apartments or less. Each customer may put out furniture each time, but only 3 appliances per resident per year will be accepted.
- Customers are required to call in to the call-center one week in advance of pickup.
- For residents who want a pickup at their convenience on other than one of the scheduled days, a \$65 fee will be charged.
- The Company will receive Bulky Waste at the offices on Hwy 99W once each month.

Wood Waste Site: *This service was not a Franchise service available to residents, but a provision for the City to dispose of tree and grass cuttings. The City Public Works Department originally opened the site for landscapers, gardeners and residents who picked up the key at City Hall. This City service ended when the City repeatedly found illegal waste dumped at the site. The Company took over the site at no additional cost to the City and operated it to receive yard waste and opened the site one a month for residents. The company found the same problems of dumping of illegal waste and can not longer operate it with just one employee on duty for safety reasons. As a compromise, the City and Company agreed that the Wood Waste Site:*

- Will remain available for large generators of wood waste such as local arborists and landscapers, but for city people not county, because Corning Disposal must pay to have the brush chipped now. The old free arrangement with Rusty Justice ended after a 2" diameter piece of steel bar did \$10,000 damage to his tub grinder. One of our citizens had disposed of it with their wood waste.
- Must close on weekends. There are no facilities for shelter of the worker on site including shade, no restroom and two employees would not be required for safety.
- Corning disposal will continue to pay for grinding of waste.
- Site still available to Corning Public Works.

Street Sweeping: *The Company proposes no changes in the street sweeping service, however they do request a provision for extraordinary increases in sweeping costs under Section 8.5 "Uncontrollable Circumstances".*

- Corning disposal will continue to provide street sweeping twice a month in residential areas and once a week in all commercial areas including Marin and Yolo Streets with in the commercial area.
- There will be no increase requested this April for increased sweeping costs but company may need to make such a request with its next rate request.
- Include extraordinary cost language acceptable to the City.

BACKGROUND:

The current Franchise (Service Contract) with Corning Disposal Incorporated expires March 31, 2008. The Franchise Agreement includes a provision for the Disposal Company to seek an extension of the Franchise, but leaves final control with the City Council. This gives the City a simple way to reject a service extension if the Community was not satisfied with the quality of service or the rate. In the case of Corning Disposal, the City of Corning has the highest level of service and one of the lowest residential service fees in the region.

State Law authorizes local governments to issue "Franchises" to private service providers in order to deliver municipal services such as garbage service. The City takes advantage of this opportunity by packaging all residential and commercial pick-up and disposal under a single Franchise in order to get the best rate possible.

As shown in the attached survey of refuse service fees, Corning has one of the lowest rates in the region. Only the City of Anderson, Willows and Orland have lower rates. Anderson is fortunate to have the Anderson landfill for disposal, and it has lower rates than Tehama County due to volume. Orland and Willows make use of the Glenn County Dump which is partially funded by a dedicated property tax rate in Glenn County.

Corning Disposal is seeking to clarify the computation of the senior rate. In 1998, the senior rate of \$5.50 per month was first established for a small 32-gallon roller cart. At that time, the senior rate was approximately one half the regular rate. When the City entered into the new Franchise in 1998, the residential rate was \$13.55 reduced to \$10.94 per month as a condition of the new Franchise. Commercial rates at that time were also frozen until April 1, 2000 (commercial rates had not increased since October 1, 1994). In this way, the new Franchise provided residential users with a 19% decrease in their rates and froze commercial rates for over 5 ½ years.

Because the rates have increased at a straight percentage, the current residential rate is \$17.43, but the senior rate is only \$7.70. The proposed formula will always set the senior rate at \$9.00 per month less than the regular 96-gallon cart rate.

Another change in the Franchise pertains to bulky waste collection. The term "Bulky Goods" is defined in the Franchise as discarded large and small household appliances and furniture. When the Franchise began according to the Company, "bulky waste was landfilled and one driver was used. With the passage of legislation to remove freon from refrigerators and now remove mercury

switches from appliances, a second truck is operated to separately handle these appliances. We then ship them to a processor to comply with the law. This costs in round numbers \$18,000 per year and we receive a credit of \$6,000 for recycling the metal for a net cost of \$12,000 disposal." The Company goes on to say: " If we could just landfill the bulky items we would not run a second truck and man (\$9,400) and our total disposal would be \$4,400 for everything. Under the current system landfilling of non-appliances is about \$1,500 in addition to the \$12,000 for appliances."

The last change in the Franchise Agreement clarifies how fuel costs would be passed on in the rate each year. Currently the Franchise provides for an "Uncontrollable Circumstances Adjustment" to cover fuel. The City position has been that fuel costs are normally covered by the increase in the Consumer Price Index (CPI). Staff and the City Council have also recognized however that during periods of extraordinary increases in fuel costs, an increase in the disposal rate may be justified. Corning Disposal's methodology is provided in the current proposed rate increase. It establishes a formula that provides no increase if fuel costs remain within the CPI. Council might recall that a previous review of the CPI indicates that only a small portion of the index provides for increases in fuel costs because the CPI is actually designed for the typical consumer "Shopping Basket". Enterprises such as the Disposal Company or the City operate large fleets of vehicles where fuel becomes a much higher proportion of the overall costs.

CONSIDERED REQUESTS FOR PROPOSALS:

The City has periodically discussed seeking proposals from other solid waste companies to see if rates could be improved. The survey of surrounding rates in other local governments however, has shown that Corning already has the best possible rate and a higher level of service.

The City by practice avoids frequent change of service providers in order to provide a continuity of service and ensure that contract service providers know the City of Corning and its needs. The City already contracts for the operation of the Wastewater Treatment Plant and cleaning of all of the sewer lines. The City also contracts for janitorial and landscape maintenance service, though one Public Works Employee maintains all of the City Parks. The City issued its first Franchise for electric and natural gas service over 90 years ago.

CITY PROVIDES RESIDENTIAL BILLING SERVICE

In 2004, the City took over the residential billing for all single family and apartments up to four units. City Staff wanted to control the billing in order to reduce the number of unpaid refuse bills that required collection action through property tax liens. The City offered the billing service in order to offset a proposed "Extraordinary" rate increase of 3% due to increased costs of street sweeping. The action saved the commercial customers a total of \$11,000 per year and saved residential customers a total of \$9,000 per year. For residential customers, the savings was 46 cents per month.

As a result of this action which combined the refuse bill with the water and sewer bill, the City has eliminated the need to place liens on properties. For City customers, it prevented a rate increase which would have cost the customers \$20,000 per year more on their refuse bills, every year after that!

**AMENDED AND RESTATED
REFUSE COLLECTION AGREEMENT
BETWEEN THE
CITY OF CORNING AND USA WASTE OF CALIFORNIA, INC.,
DBA CORNING DISPOSAL**

THIS AMENDED AND RESTATED AGREEMENT is entered into as of the latest date executed as set forth on the signature page hereto, by and between THE CITY OF CORNING, a Municipal corporation ("CITY") and USA WASTE OF CALIFORNIA, INC. dba Corning Disposal (successor to Corning Disposal, Inc.) ("CONTRACTOR"). CITY and CONTRACTOR may be referred to herein collectively as the "Parties" or individually as a "Party."

WITNESSETH

WHEREAS the CITY and CONTRACTOR are parties to that certain Refuse Collection Agreement executed March 30, 1998 (the "Original Agreement"), and the parties desire to supersede, amend and restate the Original Agreement on the terms and conditions provided herein,

WHEREAS the CITY desires to provide for mandatory garbage collection services and to implement curbside recycling and green waste collection services in accordance with the authority granted to the CITY by Public Resources Code Section 49300 and Chapter 8.06 of the Corning Municipal Code, and

WHEREAS the CONTRACTOR possesses the equipment, skill and expertise to provide the necessary services.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained herein, the parties mutually agree to the following terms and conditions.

1. Definitions.

"**AB 939**" means the California Integrated Waste Management Act of 1989, (Public Resources Code, Section 40,000 *et. seq.* AB 939 mandates that, by the year 2000, California cities and counties must divert fifty percent (50%) of their solid waste stream from landfill disposal through source reduction, recycling, and composting activities. The State Integrated Waste Management Board may, with justification, grant exemptions or extensions to this mandate.

"**Bulky Goods**" means discarded large and small household appliances and discarded furniture, not to exceed in aggregate 4 cubic yards per load and limited to three large appliances (such as refrigerators, washers, dryers, dishwashers, water heaters) per year for each customer.

1 COUNCILORS
THE SIDE AGREE-
MENT LANGUAGE IS STILL
BEING WRITTEN WHEN
WE SENT THIS
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“Force Majeure” means acts of God including landslides, lightning, forest fires, storms, floods, freezing and earthquakes, civil disturbances, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, public riots, breakage, explosions, accident to machinery, pipelines or materials, governmental restraint or other causes, whether of the kind enumerated or otherwise, which are not reasonably within the control of CONTRACTOR.

“Green Waste” means grass clippings, leaves, hedge trimmings, small branches and similar vegetative waste generated from residential property or landscaping activities, but does not include stumps or similar bulky wood materials.

“Hazardous Waste” means (i) all waste defined or characterized as hazardous by the federal Solid Waste Disposal Act (42 U.S.C. §§ 3251 et seq.), as amended, including the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §§ 6901 et seq.) and all future amendments thereto, or regulations promulgated thereunder and (ii) all waste defined or characterized as hazardous by the principal agencies of the State of California having jurisdiction (including without limitation the Department of Health Services, the Regional Water Quality Control Board and the Integrated Waste Management Board.

“Recyclable” or **“Recyclable Material”** means a material or group of materials that can be processed into a form suitable for reuse through reprocessing or remanufacture consistent with the requirements of AB 939.

“Refuse” means any and all putrescible and non-putrescible solid and semi-solid waste, including garbage, refuse or rubbish resulting from industrial, commercial, residential or community activities, any other waste that is “solid waste” as defined in 23 California Code of Regulations (“CCR”), Section 2523 and 14 CCR, Section 17225.69. The term “Refuse” as used herein does not include: Hazardous Waste; designated waste or contaminants which may be injurious to personnel engaged in solid waste handling, including but not limited to infectious waste, acids, explosives, radioactive material and septic tank pumping; dead animals; large mechanical devices; nor any materials that are, or in the future become, prohibited from receipt, handling or disposal by state, federal or local law, regulation, rule, code, ordinance, order, permit or permit condition. If the Parties agree, the term Refuse may include waste or other materials which may require special handling at a disposal facility, including but not be limited to, clean soil, non-hazardous contaminated soil, construction, demolition and land-clearing debris, and non-friable asbestos provided that CONTRACTOR, either itself or through a subcontractor, has the capability of handling such special waste or materials.

“Senior Citizen” shall mean an individual aged sixty-two (62) years or older; provided, however, that all individuals aged sixty (60) or older as of the date of this Agreement who received discounted senior citizen rates under the Original Agreement, shall continue to be Senior Citizens for purposes of this Agreement.

2. Exclusive Right. The CITY does hereby grant to CONTRACTOR and CONTRACTOR shall have the exclusive duty, right and privilege to collect and dispose

or otherwise handle all Refuse, Recyclable Materials, Bulky Goods and Green Waste generated, deposited or otherwise coming to exist in the incorporated area of the CITY. All commercial and residential premises within the incorporated area of the CITY shall be required by CITY to utilize the collection services of CONTRACTOR provided hereunder. In return for the exclusive rights set forth herein and other consideration provided for herein, CONTRACTOR shall provide services in accordance with the terms of this Agreement. Nothing in this Agreement shall prevent any owner, occupant or tenant of premises from handling, hauling, or transporting Solid Waste or Recyclables generated by or from his/her own residence or business operations for purposes of disposing of the same at an authorized disposal area or transfer station in accordance with Corning Municipal Code Section 8.06.130.

3. Franchise Fee. To reimburse the CITY for its cost of monitoring CONTRACTOR compliance and administering the solid waste collection system, CONTRACTOR shall pay to the CITY Three Thousand Dollars and No/100 (\$3,000.00) per month during the initial ten-year term of this Agreement. Such fee shall be paid by CONTRACTOR to the CITY on or before the tenth (10th) day of each month during the term of this Agreement. The CITY shall have the right to re-negotiate such fee prior to approving any extension option under this Agreement.

4. Contractor Services.

4.1. Refuse Collection; Old Transfer Station.

4.1.1 CONTRACTOR shall furnish all labor, materials and equipment required to collect and dispose of all Refuse and shall collect all Refuse within the present or future incorporated limits of the CITY and dispose of the same. CONTRACTOR shall dispose of all Refuse only at a place or sites where such disposal is lawful and the CITY shall not be liable for the disposal of same or to provide sites or places for the disposal of same. CONTRACTOR shall dispose of all Refuse and Green Waste collected from within the City of Corning only at the Tehama County Landfill, unless another location is approved by the CITY Council. If the tipping fees or the fees charged CONTRACTOR at such landfill increase, CONTRACTOR may request a rate adjustment in accordance with the procedures set forth in paragraph 8.5 of this Agreement.

4.1.2 CONTRACTOR may use the CITY's old transfer station site for disposal of Green Waste, including for Green Waste collected within the City by large commercial generators of Green Waste. CONTRACTOR may take appropriate measures to restrict or eliminate public access to the site, and CITY will cooperate with CONTRACTOR in implementing and enforcing such measures. CONTRACTOR may discontinue use of the site if it determines that it is impractical to control public access or the site is otherwise undesirable for CONTRACTOR's purposes; provided, however, that the site will remain available for the CITY's Public Works Department. CONTRACTOR shall pay for grinding of Green Waste.

4.2 Containers. CONTRACTOR shall make best efforts to provide each residential customer in the CITY with one (1) 96-gallon roller cart or, for each Senior Citizen customer only and in lieu of a 96-gallon roller cart, one (1) 32-gallon roller cart, in which to discard Refuse and, commencing April 1, 2008, one (1) 64-gallon container (containing a sticker or molded-in instructions for acceptable Recyclable Materials) for each customer for placement of Recyclable Materials. CONTRACTOR shall provide up to one (1) additional 64-gallon Recyclable Materials container at no additional charge upon the request of any residential customer that produces a high volume of Recyclables.

4.3 Discontinuing Service Upon Vacancy. The owner, tenant or occupant of any premises required to subscribe to CONTRACTOR's refuse collection service under Corning Municipal Code Section 8.06.030 may discontinue service for one or more months when such premises are vacant or the occupant is traveling out of town. The owner, tenant or occupant shall submit written notice of such vacancy to CONTRACTOR. The rates charged under Section 8.1 shall continue to accrue until such time as notice is received by CONTRACTOR. In the event of a dispute arising under this Section, such dispute shall be reviewed as set forth in Section 8.3 of this Agreement.

4.4 Other Collection and Drop-Off Services.

4.4.1 CONTRACTOR shall furnish all labor, materials and equipment to collect and shall collect Recyclables from the curbside of residences in the CITY in accordance with the schedule set forth herein.

4.4.2 CONTRACTOR shall maintain a drop-off site for Bulky Goods at CONTRACTOR's business located at 3281 Highway 99W, Corning CA 96021. Each residential customer may drop-off Bulky Goods at CONTRACTOR's drop-off site, provided a residential customer's Bulky Goods load may not exceed 4 cubic yards and no residential household may, in combination with Bulky Goods curbside pickups, dispose of more than 3 large appliances (such as refrigerators, washers, dryers, dishwashers, water heaters) per year. Each residential household will be allowed to make one drop-off trip to the site each month on a day to be designated by CONTRACTOR (provided that no day will be scheduled for drop-offs in months in which CONTRACTOR provides curbside pickup) and will be requested to provide proof of residency such as a water bill, power bill or phone bill or otherwise be confirmed to be a resident by the City of Corning. Bulky Goods drop-off times will be Monday and Friday every week between 7:30 a.m. and 3:30 p.m. and one Saturday each month from 10 a.m. to 2 p.m., excluding holidays. CONTRACTOR shall conduct four (4) curbside pickup events per year, on days scheduled by Contractor, of Bulky Goods for residential customers living in single family homes or multi-family residences consisting of four units or less, provided such customer notifies CONTRACTOR's call center at least one week in advance of the pickup. Such customer's Bulky Goods may not exceed 4 cubic yards per pick-up or, in combination with Bulky Goods drop-offs at CONTRACTOR's drop-off site, exceed more than 3 large appliances (such as

refrigerators, washers, dryers, dishwashers, water heaters) per year. CONTRACTOR will provide additional on-call Bulky Goods pick-up at a residential customer's house for an additional charge as specified in Exhibit C, subject to adjustment as provided in Section 8.

4.1.3 Recyclable Material placed at the curbside for collection shall be deemed the property of CONTRACTOR.

4.1.4 CONTRACTOR shall furnish all labor, materials and equipment to collect and shall collect Green Waste from the curbside of residences in the CITY in accordance with the schedule set forth herein. Without limiting the generality of the foregoing, CONTRACTOR shall provide each residential customer in the CITY with one (1) 96-gallon roller cart in which to discard Green Waste.

4.2. Collection Schedule. Refuse shall be collected at least once each week from residences. Recyclable Materials and waste oil and oil filters shall be collected every other week from residences. Upon commencement of the service, Green Waste shall be collected every other week (on alternating weeks with Recyclables collection) from residences. All Refuse and Recyclables collections shall be on weekdays (i.e., Monday through Friday, inclusive) and shall be on the same day of the week. All residential collection shall be between the hours of 6:00 a.m. and 5:00 p.m. No residential collection shall be made on Saturday or Sunday, except as may be necessary for holiday collection as provided herein. The schedule for residential collection may be changed by CONTRACTOR upon providing at least ten (10) days' notice to the CITY and seven (7) days' notice to the affected residential customers. Notwithstanding the foregoing, collections may be made at any time in response to complaints or emergency situations. The frequency of commercial and industrial collection will be in accordance with the agreement between the commercial or industrial customer and the CONTRACTOR based on volume needs and in compliance with the Corning Municipal Code. When a normal collection day falls on January 1st, Memorial Day, 4th of July holiday, Labor Day, Thanksgiving Day or December 25, collection shall be provided as follows: (a) on the holiday, (b) one day prior to the holiday, or (c) one day after the holiday, in which case collection may be made one day later than the regularly scheduled day during the remainder of the week. CONTRACTOR shall notify the CITY two weeks in advance of any changes in collection schedules occasioned by holidays.

4.3. Publication of Schedule. CONTRACTOR shall print and distribute to all customers, at least once annually, a schedule of collection and street sweeping days for all service.

4.4. Contractor Services to City.

4.4.1 Street Sweeping. At no additional cost to CITY, CONTRACTOR shall provide to the CITY street sweeping services to the CITY's reasonable satisfaction twice per month in residential areas and once per week in commercial areas. CONTRACTOR reserves the right in its discretion to perform such

street sweeping services itself or through a subcontractor. Exhibit A sets forth the required street sweeping schedule for residential and commercial areas. Exhibit B sets forth the required street sweeping service standards and equipment standards.

4.4.2 Bulky Items. At no cost to CITY, CONTRACTOR shall provide to the CITY:

(i) at CONTRACTOR's facility a drop box in which the CITY may discard Bulky Goods and other large items collected by CITY along CITY streets and

(ii) a location for the disposal of Green Waste, which currently is CITY's old transfer station.

4.4.3 CITY Refuse. At no cost to CITY, CONTRACTOR shall pick up and remove from each CITY site all Refuse generated at CITY premises, excluding schools within CITY limits.

4.5. AB 939 Requirements. CONTRACTOR shall guarantee CITY's compliance with the AB 939 diversion requirements. In order to encourage participation in the curbside recycling program provided to residents hereunder, CONTRACTOR shall transmit educational materials to residents summarizing the recycling program, as well as the residents' respective collection dates. CITY and CONTRACTOR recognize that attaining AB 939 goals requires the mutual cooperation of CONTRACTOR, CITY and its citizens. CITY agrees to consider the implementation of such changes to the recycling or solid waste program as may be reasonably requested by CONTRACTOR as necessary to achieve the waste diversion requirements of AB 939.

5. Failure-To-Serve Tag. It is understood that the CONTRACTOR is not required to and is not authorized to collect and transport Hazardous Waste, restricted or other waste that is not acceptable or permitted for disposal at a transfer station or disposal site. CONTRACTOR shall not take title to any Hazardous Waste collected in the course of its performance of its obligations under this Agreement. Regardless of the reason, when any Refuse or other material is not collected by CONTRACTOR, CONTRACTOR shall leave a tag on the Refuse or other material stating the reasons for CONTRACTOR's refusal to collect the same. Adequate records of the tags shall be maintained by CONTRACTOR and shall be available to the CITY for inspection upon reasonable notice during business hours. CONTRACTOR shall immediately notify the County Environmental Health Department and report suspected Hazardous Waste. CONTRACTOR shall notify the Corning Police Department Animal Control and report dead animals and the location of the container, if any.

6. Failure to Collect. Except in the event of Force Majeure, should CONTRACTOR fail to collect and dispose of Refuse as provided herein, and fail to correct the situation within three (3) business days after receiving written notice thereof from the CITY, the CITY may collect and dispose of the same and CONTRACTOR shall be liable for the expenses incurred by the CITY therefor.

7. Standards for Collection and Operation.

7.1. Compliance with Law. CONTRACTOR shall comply with all laws and regulations applicable to CONTRACTOR's operations, including laws, ordinance, rules and regulations of the United States, the State of California, the County of Tehama, the City of Corning and the City and County of the location at which Refuse may be transported or disposed of hereunder.

7.2. Equipment. CONTRACTOR shall possess or demonstrate to the CITY's reasonable satisfaction that it has available to it adequate equipment and vehicles, including reserve or replacement vehicles and equipment, sufficient to perform the services required of CONTRACTOR herein. CONTRACTOR shall maintain all trucks and equipment used within the CITY in good mechanical condition and the same shall be clean, numbered and uniformly painted. Each vehicle used by CONTRACTOR shall carry at all times a broom and shovel or other item appropriate for use in the prompt removal of any spilled material. All vehicles used by CONTRACTOR shall have adequate coverage at all times to prevent the spillage of Refuse.

7.3. Vehicle Storage. If CONTRACTOR wishes to store and service its vehicles within the CITY, these vehicles shall be stored in accordance with laws and requirements of the CITY and the Fire Department.

7.4. Collection Operations. CONTRACTOR shall make all collections of Refuse, Recyclables and Green Waste from the curb along the street in front of each resident's premises. CONTRACTOR shall return emptied refuse containers to the sidewalk or, where no sidewalk exists, CONTRACTOR shall ensure that the container is so placed at the edge of the roadway as to not interfere with vehicular traffic. CONTRACTOR shall conduct its operation so as to minimize as practicable any obstruction and inconvenience to public traffic or disruption of the peace and quiet of the area within which collection occurs. CONTRACTOR shall replace at its cost CONTRACTOR-owned containers damaged by the negligent acts or willful misconduct of its employees and through ordinary wear and tear of use, but shall not be responsible for free replacement of containers which become damaged or unusable as a result of the negligent acts or willful misconduct of other parties. CONTRACTOR shall have the right to bill the parties whose negligence or misconduct causes damage for the replacement costs of the damaged containers.

7.5. Business Office. CONTRACTOR shall maintain a business phone that can be called by customers without paying a toll charge. The phone shall be answered during normal working hours. CONTRACTOR shall also maintain a log of service complaints, including the time of complaint and manner of disposition. A copy of the log shall be available to the CITY upon reasonable advance notice.

8. Rates and Rate Adjustments.

8.1. Rates. Effective April 1, 2008, CONTRACTOR shall charge and collect from residential and commercial customers the rates set forth on Exhibit C attached hereto.

8.2. Billing for Services. In 2004, the CITY assumed responsibility for the billing of residential customers in all single family dwellings and apartment units up to four (4) units on a property. The CITY initiates and terminates residential service as part of the CITY water and sewer utility billing process in accordance with City Code and adopted "Administrative Policy For Utility Billing". The CITY prepares a list of all billed residential properties and shares such list with CONTRACTOR as changes occur. The City pays the CONTRACTOR at the end of each calendar quarter for all residential customers listed on such list, even if such customers are delinquent. The foregoing procedures will continue to be followed. CONTRACTOR shall be responsible for billing all other Refuse collection subscribers. In the event that CONTRACTOR has delinquent accounts for its services hereunder, it may submit those accounts to the CITY for the purposes of collection. The CITY shall then, pursuant to the authority contained in Government Code Section 38790.1, use its best efforts to collect such delinquent fees in the manner described in Government Code Section 25831. Subject to dispute resolution in accordance with Section 8.3, CONTRACTOR shall not cease to provide service for properties that have delinquent accounts.

8.3. Rate and Service Dispute Resolution. Because the rates are based upon volume collected and the level of service must be determined through agreement between the CONTRACTOR and the customer, disagreements may from time to time occur between these parties. Therefore, the customer or CONTRACTOR may present a dispute about level of service or payment of rates, including delinquent accounts, to the CITY Director of Public Works for resolution. The circumstances of the dispute shall be presented in letter form, clearly stating the issues disagreed upon and the solution sought. The Director of Public Works shall review the disputed issue and make a determination which shall be final. The authority of the Director of Public Works to administratively resolve disputes in the foregoing manner does not include authority to approve adjustments in the rates themselves which are charged for differing service levels and types of service.

8.4. Annual CPI Rate Adjustment. Commencing on April 1, 2009, and on April 1 annually thereafter, the residential and commercial rates set forth on Exhibit C may, subject to CITY Council review and approval, which approval shall not be unreasonably withheld, be adjusted by a percentage equal to one hundred percent (100%) of the increase in the Consumer Price Index ("CPI"), All Urban Consumers, West-C, for the 12-month period ending on the prior September 30. Not later than November 30 of each year, CONTRACTOR shall notify the CITY of its intent to increase the rate and provide the rate computations and a proposed new schedule. The CITY Manager shall promptly schedule the request for a rate adjustment on the next CITY Council agenda at which action could be taken in accordance with all applicable laws and regulations.

8.5. Fuel Cost Adjustment. In addition to the CPI and other rate adjustments provided by this Section 8, the rates in Schedule C may be further adjusted for changes in fuel costs associated with performance of the services hereunder in the manner provided below.

8.5.1 Not later than November 30 of each year, CONTRACTOR shall notify the CITY of any intent to seek a fuel cost adjustment. CITY may also by such date each year notify CONTRACTOR of its intent to seek a fuel cost adjustment. CONTRACTOR, on its own initiative or at the request of the CITY, shall then submit to CITY a written proposal for a fuel cost rate adjustment, including a report detailing the calculations in accordance with the formula agreed to below. Within thirty (30) days after CONTRACTOR provides the CITY with such proposal and report, the CITY shall notify the CONTRACTOR in writing as to whether the CITY accepts such information as complete or specifying any respect in which the CITY deems such information incomplete or deficient. CITY shall attempt in good faith to review such information and complete all its deliberations in connection therewith within ninety (90) days from the date of submittal of the proposal and report to the CITY. The effective date for any such increase, if approved, shall be April 1.

8.5.2 The fuel cost adjustment shall be calculated by the following formula:

$$(1 + [(Fuel\ Cost\ Change - CPI\ Change) \times Fuel\ Percentage]) \times Old\ Rate = New\ Rate$$

The terms used in the preceding formula shall have the following meanings:

“Fuel Cost Change” means, for No. 2 diesel fuel, the average price for California No. 2 diesel fuel for the most recently completed calendar year divided by such average price for the calendar year preceding the most recent calendar year. The price used to compute the Fuel Cost Change shall be the price reported by the United States Department of Energy, Energy Information Administration. In the event that price is no longer reported, the parties will designate a new methodology for determining the price based on comparable data. For fuels other than No. 2 diesel, the Contractor shall calculate the change in fuel cost using the same time periods and a reasonably comparable fuel price index.

“CPI Change” means the average Consumer Price Index, All Urban Consumers, West-C for the most recently completed calendar year divided by such average price for the calendar year preceding the most recent calendar year.

“Fuel Percentage” means the CONTRACTOR’s total cost for diesel fuel (or such other fuel as is employed by CONTRACTOR) incurred during the most recent calendar year divided by CONTRACTOR’s total operating revenue for such calendar year, in both cases calculated for

CONTRACTOR's operations district that includes the CITY.

"Old Rate" means each of the rates on Exhibit B, as they may have been previously adjusted or amended.

"New Rate" means the new rate calculated pursuant to the preceding formula that will replace the Old Rate.

8.5.3 This rate adjustment for fuel costs shall be in addition to, and not in lieu of, any other rate increase to which CONTRACTOR may be entitled under this Agreement. Under no circumstances may an adjustment for fuel costs reduce a rate below the base rates as specified in Exhibit C, as increased for changes pursuant to this Section 8. Adjustments for fuel costs shall only be made to increase or reduce (but not below zero) prior adjustments for fuel costs. In addition to the preceding limitations on fuel cost adjustments, the percentage increase or decrease in the New Rate from the Old Rate in any single adjustment for fuel costs shall not exceed 2%.

8.6. Uncontrollable Circumstances Adjustment. In addition to the above, at any time during the term of this Agreement, CONTRACTOR may request in writing to the CITY Manager a rate increase in an amount sufficient to compensate CONTRACTOR for increases in costs that are beyond the control of CONTRACTOR. Such changes would include, but not be limited to, changes in federal, state or local laws regulating the work performed by CONTRACTOR (including without limitation changes in law regarding air quality, waste handling and hazardous waste issues with respect to street sweeping), changes in the tipping fees, processing fees or handling fees charged to CONTRACTOR for the disposal of Refuse, or recycling or handling of Green Waste and Recyclable Materials and percentage increases in subcontractor charges for street sweeping that exceed the percentage increase from the annual rate adjustment. The CITY Manager shall promptly schedule any request for a rate increase on the next CITY Council agenda at which action can be taken in accordance with all applicable laws and regulations. Any proposed rate increase shall be conditioned upon CITY Council approval, which shall not be unreasonably withheld. Any such rate increase, if approved, would take effect within three (3) months after CONTRACTOR's written request for such increase.

8.7. Records. CONTRACTOR shall make available to CITY for review monthly and annual reports regarding the number of customers. The CITY shall have the right, during normal business hours and upon reasonable advance notice given to CONTRACTOR by the CITY, to inspect the books of CONTRACTOR for purposes of determining the number of customers served by CONTRACTOR or for purposes of verifying increased costs warranting a rate increase as provided in Section 8.5.

9. Term of Agreement. The Original Agreement commenced on April 1, 1998. This Amended and Restated Agreement shall commence on April 1, 2008. The initial term shall expire at midnight on March 31, 2018. Prior to the expiration of the initial term, CONTRACTOR shall have the right to request a renewal of this Agreement for an additional five (5) year term commencing on the expiration of the initial term.

Thereafter, the CITY may grant additional extensions at five (5) year intervals. The decision whether to grant any extension in the term of this Agreement shall be in the sole discretion of the CITY Council then in office.

10. Hold Harmless. The CITY shall not, nor shall any officer, employee or agent of the CITY, be liable or responsible for any accident, loss, or damage caused as a result of CONTRACTOR's negligent performance of services under this Agreement and CONTRACTOR shall defend, indemnify and hold CITY, its officers, employees and agents, free and harmless from any and all liability from any accident, loss or damage arising out of the negligent performance of services by CONTRACTOR pursuant to this Agreement. Notwithstanding the foregoing, CONTRACTOR shall not be responsible for and shall have no obligation to indemnify hereunder for claims or liability resulting from acts or omissions of the CITY or its officers, employees or agents.

11. Insurance.

11.1. Coverage. CONTRACTOR shall secure and maintain continuously in full force and effect during the term of this Agreement, and any extensions hereof, insurance policies from companies and in forms acceptable to CITY which will protect CONTRACTOR, CITY and CITY's officers and employees from claims from bodily injury, death or property damage which may arise from CONTRACTOR's activities or operations under this Agreement. Said policies shall be for not less than the amounts listed below:

Workers' Compensation: Statutory

General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage.

Vehicle Liability: \$1,000,000 per accident for bodily injury and property damage.

Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by CITY.

Other Insurance Provisions: The CITY, its officers, officials, employees and volunteers are to be covered as insureds with respect to liability arising out of vehicles owned, leased, hired or borrowed by or on behalf of CONTRACTOR, and with respect to work or operations performed by or on behalf of the CONTRACTOR including materials, parts or equipment furnished in connection with any such work or operations.

Primary Coverage: For any claims arising out of CONTRACTOR's activities hereunder, the CONTRACTOR's insurance shall be primary and not secondary to any coverage available through CITY.

Non-Cancellation: Each insurance policy provided to CITY by CONTRACTOR shall be endorsed to state that coverage shall not be

canceled by either party, except after a thirty (30) day prior written notice provided to the CITY.

Waiver of Subrogation: CONTRACTOR agrees to waive subrogation which any insurer may require of CONTRACTOR by virtue of payment of any loss. CONTRACTOR agrees to obtain any endorsement which may be needed by CITY to effect this waiver. The Worker's Compensation policy shall also be endorsed with a waiver of subrogation in favor of CITY for all work performed by the CONTRACTOR, its employees, agents and subcontractors.

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

Verification of Coverage: CONTRACTOR shall provide verification of coverage as described herein prior to commencement of the extended term of this agreement.

Subcontractors: CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all requirements set forth above. Proof thereof shall be provided to CITY prior to commencement of any work by subcontractors.

11.2. Additional Insured; Certificate. The liability insurance policies shall name the CITY and its officers and employees, and the authorized agents of any of them, as additional insureds. CONTRACTOR shall provide the CITY with a Certificate of Insurance duly executed by CONTRACTOR's insurance carrier which shall serve as evidence of the continued existence of CONTRACTOR's insurance policies required hereunder and which shall contain a provision that the coverage thereunder will not be canceled or materially changed without thirty (30) days prior written notice given CITY.

11.3. Subcontractor Insurance. Before permitting any subcontractors to perform work under this Agreement, CONTRACTOR shall require subcontractors to furnish satisfactory proof that insurance has been taken out and is maintained meeting all of the foregoing insurance requirements in respect to subcontractor's work.

11.4. Workers' Compensation. In all operations connected with the services herein specified, CONTRACTOR shall observe the provisions of the Workers' Compensation Laws of the State of California and shall use all of the accepted and best safety practices for the public and CONTRACTOR's employees.

12. Performance Bond. CONTRACTOR shall secure a surety bond in the penalty sum of \$50,000.00 conditioned upon the faithful performance of this Agreement, which bond in a form and with an company acceptable to CITY shall be delivered to the CITY and kept in full force at all times during the term of this Agreement.

13. Default, Termination.

13.1. Default. In the event of any material failure or refusal of CONTRACTOR to comply with any obligation or duty imposed on CONTRACTOR under this Agreement, the CITY and CONTRACTOR shall meet and confer in good faith in an effort to agree on a resolution and cure of the breach. If the Parties are unable to agree on the informal resolution or cure of the breach, the CITY shall have the right to terminate this Agreement if:

13.1.1 the CITY shall have given prior written notice to CONTRACTOR specifying that a particular default or defaults exist which will, unless corrected, constitute a material breach of this Agreement on the part of CONTRACTOR, and

13.1.2 CONTRACTOR has not corrected such default or has not taken reasonable steps to commence to correct the same within thirty (30) days from the date of the notice given by CITY or thereafter does not diligently continue to take reasonable steps to correct such default.

13.1.3 CONTRACTOR (without any 30 day correction period) has not immediately corrected any such default that adversely affects the public's health and safety.

13.2. Termination. Upon the occurrence of a material breach, failure to cure and the declaration of termination of this Agreement by the CITY as provided above, CONTRACTOR shall have no further right to perform the services described in the Agreement, unless the CITY elects to terminate only a portion of the services set forth herein and maintain the remainder of the Agreement.

13.3. Force Majeure. The performance of this Agreement may be discontinued or temporarily suspended and CONTRACTOR shall not be deemed to be in default hereunder if performance under this Agreement is prevented or delayed by Force Majeure.

14. Attorneys' Fees. In the event of any litigation to interpret or enforce the terms of this Agreement, the prevailing Party shall be entitled to an award of reasonable attorney fees and costs, both at trial and on appeal.

15. Independent Contractor. CONTRACTOR is an independent contractor and shall not be deemed an employee of the CITY.

16. Assignment. Neither this Agreement nor any portion thereof may be assigned or subcontracted without the written consent of the City Manager upon the express authority of the City Council. Notwithstanding the foregoing, CONTRACTOR shall have the right, without seeking or obtaining approval or authority from the CITY, to subcontract for street sweeping services under this Agreement.

17. **Taxes.** CONTRACTOR shall pay all real and personal property taxes and possessory interest taxes as may be applicable to its performance of services under this Agreement.

18. **Waiver.** Failure of the CITY or CONTRACTOR to insist upon strict performance of any or all of the terms of this Agreement in any given instance, shall not be considered to be a waiver of the right to assert such term or condition of this Agreement at a later time in respect to future events.

19. **Sale of Recyclable Material.** This Agreement is not intended to and shall not affect or limit the right of any person to sell any Recyclable Material to any person lawfully engaged in business in the CITY or to donate Recyclable Material to any bona fide charity, provided that all such Recyclable Material is separated at the source by the generator.

20. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of California.

21. **Complete Agreement.** This writing constitutes the full and complete Agreement and understanding between the CONTRACTOR and the CITY. All previous agreements, including without limitation the Original Agreement, are hereby superseded.

IN WITNESS WHEREOF, this Agreement is effective as of the latest date set forth below.

THE CITY OF CORNING, CALIFORNIA

Date: _____

By: _____
Stephen J. Kimbrough
City Manager

Attest:

APPROVED AS TO FORM:

Lisa M. Linnet
City Clerk

By: _____
Michael C. Fitzpatrick
City Attorney

**USA WASTE OF CALIFORNIA, INC.
dba Corning Disposal**

Date: _____

By _____
Alex Oseguera
Market Area Vice President

EXHIBIT A
STREET SWEEPING SCHEDULE

1. CONTRACTOR, or its subcontractor, shall provide Residential street sweeping twice per month, Monday through Friday, 6:00 a.m. to 5:00 p.m.
2. CONTRACTOR shall provide Commercial street sweeping once per week, Monday through Friday, 3:00 a.m. to 7:00 a.m.
3. Commercial areas defined are:
 - a. Solano Street from Eastern City limits, to west side of Barham Road , Edith Avenue intersection, and each block North and South of Solano Street from Third Street to Houghton Avenue, and Yolo and Marin Streets from Third Street to Houghton Avenue.
 - b. Third Street from North City limits, to Solano Street.
 - c. Edith Avenue from Solano Street to Colusa Street, and Short Drive cul-de-sac, West of Edith Avenue.
 - d. Highway 99-W from Solano Street to Southern City limits, and Sunrise Way Cul-de-sac west of Highway 99-W.
 - e. South Avenue from Eastern City limits, to west side of South Avenue and the Barham Ave. intersection.
4. Sweeping Contractor shall have free use of City water for sweeping operations, and all sweepers shall be equipped with the proper spanner wrench for the opening and closing of all Hydrants.
5. Sweeping debris shall be dumped in areas designated by the Public Works Department, and all debris will be picked up and disposed of by the City Public Works Department. Leaves picked up during the Fall leaf season, by the City shall be disposed of at the Corning Disposal Yard.
6. Fall leaf Season times and dates, shall be coordinated between the City of Corning, and CONTRACTOR. It is estimated that sweeping for leaves will require 2 1/2 times more sweeping hours, over and above the normal sweeping schedule. During the Fall leaf season the entire paved section of the street shall be swept, if needed, by direction of the Public Works Director, to insure complete removal of all fallen leaves, and debris.
7. When a normal collection day falls on January 1st, Memorial Day, 4th of July holiday, Labor Day, Thanksgiving Day or December 25, sweeping shall be provided as follows: (a) on the holiday, (b) one day prior to the holiday, or (c) one day after the holiday, in which case sweeping may be made one day later than the regularly scheduled day during the remainder of the week. Contractor shall

notify the City two weeks in advance of any changes in sweeping schedules occasioned by holidays.

8. All City residents, and Commercial businesses shall receive a street sweeping schedule from CONTRACTOR that shows the dates and times their area will be swept, and also to request that vehicles be removed from the curb and gutter area, so that the frontage of their home or business may be properly cleaned.

EXHIBIT B
STREET SWEEPING SERVICE
AND
EQUIPMENT REQUIREMENTS

1. CONTRACTOR shall provide street sweeping services, including all necessary labor, materials and equipment, for all City streets with or without curb and gutter. All employees assigned to street sweeping operations shall be fully capable, experienced and trained in the work they are to perform. All street sweeping services shall be conducted in a workmanlike manner and in accordance with recognized industry standards, and to the reasonable satisfaction of the Public Works Director.
2. Street sweeping of private streets is not included in this franchise. However, nothing in this franchise shall prevent CONTRACTOR from entering into contracts with the owners of private drives, and parking lots.
3. CONTRACTOR, or its subcontractor, shall perform all street sweeping services in accordance with the schedule set forth in Exhibit A.
4. All street sweeping equipment shall meet each of the following standards:
 - a. Equipment shall be heavy duty, vacuum, or broom type sweeping equipment, equipped with dual gutter brooms and designed to clean the streets of paper, dirt, rocks, leaves and other debris.
 - b. It shall be equipped with an efficient water spray system for dust control.
 - c. It shall be capable of sweeping a minimum one-pass width of eight feet.
 - d. It shall conform to all applicable safety standards.
 - e. It shall be properly registered in the State of California, and insured in accordance with the laws of the State of California.
 - f. It shall have the name and local telephone number of CONTRACTOR displayed thereon in letters no smaller than two and one half inches in height. The name of the City or City logo shall not be displayed on the sweeping equipment.
 - g. The sweeping equipment shall be kept clean and well-maintained, and in proper adjustment to ensure proper sweeping operations and that the equipment is without oil leaks. CONTRACTOR shall make sure that the sweeping contractor maintains a sufficient supply of spare tires, brooms and other parts, to ensure the timely and continuous provision of services. The equipment shall be subject to inspection and approval of the CITY's Public Works Director, or his Assistant.

Before the effective date of the Franchise agreement, CONTRACTOR shall furnish the City with Liability, and Worker Compensation Insurance Certificates from the Sub-Contractor, under the Insurance requirements Item Eleven, Page Seven of the Franchise Agreement.

5. Sweeping Contractor shall immediately clean-up and/or report to the City any and all conditions related to street sweeping which may tend to create unsafe or hazardous conditions.
6. Sweeping Contractor shall submit such reports as may be requested by the City concerning street sweeping schedules, frequency of service and the collection and disposal of debris. And to notify the Public, and the City at least once a year or prior to any changes in the sweeping schedule.

EXHIBIT C
CITY OF CORNING RATE SCHEDULE FOR CORNING DISPOSAL
Effective April 1, 2008

RESIDENTIAL RATES

		2.51%	2.47%	
	<u>Current Rate</u>	<u>CPI Adjustment</u>	<u>Fuel Adjustment</u>	<u>New Rate</u>
Roller Carts (96-Gallon)	\$ 17.43	\$ 0.44	\$ 0.43	\$ 18.30
Senior Citizen Roller Cart (32-Gallon)	\$ 7.70			\$ 9.15

COMMERCIAL RATES

<u>Container Size</u>	<u>Frequency</u>	<u>Current Rate</u>	<u>CPI Adjustment</u>	<u>CPI Adjustment</u>	<u>New Rate</u>
1 96-Gallon Roller Cart	1X Week	\$ 17.43	\$ 0.44	\$ 0.43	\$ 18.30
1 Yard	1X Week	\$ 56.11	\$ 1.41	\$ 1.39	\$ 58.91
1 Yard	Extra Pickup	\$ 12.27	\$ 0.31	\$ 0.30	\$ 12.88
1.5 Yard	1X Week	\$ 78.38	\$ 1.97	\$ 1.94	\$ 82.29
1.5 Yard	2X Week	\$ 143.25	\$ 3.60	\$ 3.54	\$ 150.39
1.5 Yard	Extra Pickup	\$ 17.15	\$ 0.43	\$ 0.42	\$ 18.00
2 Yard	1X Week	\$ 100.75	\$ 2.53	\$ 2.49	\$ 105.77
2 Yard	2X Week	\$ 198.23	\$ 4.98	\$ 4.90	\$ 208.11
2 Yard	3X Week	\$ 252.35	\$ 6.34	\$ 6.23	\$ 264.92
2 Yard	Extra Pickup	\$ 22.04	\$ 0.55	\$ 0.54	\$ 23.13
3 Yard	1X Week	\$ 143.25	\$ 3.60	\$ 3.54	\$ 150.39
3 Yard	2X Week	\$ 255.91	\$ 6.43	\$ 6.32	\$ 268.66
3 Yard	3X Week	\$ 330.59	\$ 8.31	\$ 8.17	\$ 347.07
3 Yard	Extra Pickup	\$ 31.34	\$ 0.79	\$ 0.77	\$ 32.90
4 Yard	1X Week	\$ 187.91	\$ 4.72	\$ 4.64	\$ 197.27
4 Yard	2X Week	\$ 320.09	\$ 8.04	\$ 7.91	\$ 336.04
4 Yard	3X Week	\$ 432.08	\$ 10.86	\$ 10.67	\$ 453.61
4 Yard	4X Week	\$ 585.60	\$ 14.72	\$ 14.46	\$ 614.78
4 Yard	Extra Pickup	\$ 41.11	\$ 1.03	\$ 1.02	\$ 43.16
6 Yard	1X Week	\$ 255.91	\$ 6.43	\$ 6.32	\$ 268.66
6 Yard	2X Week	\$ 432.10	\$ 10.86	\$ 10.67	\$ 453.63
6 Yard	3X Week	\$ 608.19	\$ 15.28	\$ 15.02	\$ 638.49
6 Yard	4X Week	\$ 765.42	\$ 19.24	\$ 18.91	\$ 803.57
6 Yard	Extra Pickup	\$ 55.99	\$ 1.41	\$ 1.38	\$ 58.78

BIN RATES

	<u>608.19</u>	<u>CPI Adjustment</u>	<u>CPI Adjustment</u>	<u>New Rate</u>
4 Yard "BIN-A-DAY" 3 DAY RENTAL	\$ 79.01	\$ 1.99	\$ 1.95	\$ 82.95
Basic rate for Temporary Drop Box Service				
20 Yard	\$ 374.59	\$ 9.41	\$ 9.25	\$ 393.25
30 Yard	\$ 417.08	\$ 10.48	\$ 10.30	\$ 437.86

*** Seniors get a \$9 discount from the base rate.

On-call curbside Bulky Waste Pick up \$65.00

**ITEM NO: H-10
PUBLIC HEARING; FISCAL YEAR 2008-
09 COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) APPLICATION**

FEBRUARY 26, 2008

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
JOHN L. BREWER, AICP; PLANNING DIRECTOR



BACKGROUND:

This is the first of two required Public Hearings on the Fiscal year 2008-2009 Community Development Block Grant program and to solicit citizen input.

Maximum award limits include a total of \$1,000,000 per year from the General and Economic Development Components combined. Up to \$500,000 per application per year may be awarded from the General and Economic Development Components. Grants up to \$35,000 per year from the General Planning and Technical Assistance allocation and \$35,000 per year for Economic Development Planning and Technical Assistance allocation may be awarded and do not count toward the \$800,000.

Major activity categories are Housing - New Construction, Housing Acquisition, Housing Rehabilitation, Community Facilities/Public Services, Public Works, and Economic Development. Projects funded with CDBG allocations must carry out at least one of three National Objectives, as follows: benefit to Targeted Income Group (TIG) persons, elimination of slums and blight, or meeting urgent community development needs. The City anticipates applying for the maximum grant amount of \$800,000 under the General and Economic Development Components and Reservation of Funds for small business loans as well as the maximum grant amount of \$70,000 from the General and Economic Development Planning and Technical Assistance Components.

ALTERNATIVES/OPTIONS:

This is an on-going State/Federal program that offers the City the opportunity to apply annually for community development grant funds, or apply on behalf of a single business (Over-the Counter Application). There are other project specific or targeted grant programs available from the Department of Housing & Community Development. The City may not qualify for all programs, or rank well for limited competitive funding.

RECOMMENDATION/REQUESTED ACTION:

Discussion only, no action is required. This public hearing is the first of two required by the State Department of Housing & Community Development (H & CD) prior to submittal of a grant application.

ITEM NO. H-11
REQUEST FOR DISPOSAL SERVICE RATE
INCREASE PUBLIC HEARING AND ACTION
FEBRUARY 26, 2008

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: STEPHEN J. KIMBROUGH, CITY MANAGER

SUMMARY:

The City Council scheduled February 12, 2008 as the time for a Public Hearing on a **proposed refuse increase totaling 4.98%** requested by Corning Disposal Service Incorporated and Waste Management Inc.

BACKGROUND:

The current and proposed Corning rates along with surrounding areas are shown on the attached rate comparison sheet. Surveys show Corning rates are still among the lowest of the Communities surveyed. Six are higher and three are lower. The three lowest all have lower land fill fees, and do not include street sweeping as a part of the service.

The Refuse Collection Agreement between the City of Corning and Corning Disposal provides for an annual rate increase equal to the Consumer Price Index for the year preceding September 2008. The Consumer Price Index (CPI) **inflation for this period is 2.51%**. The disposal company is **also requesting** an "Uncontrollable Circumstances Adjustment" of **2.47% for diesel fuel costs** that exceed the CPI.

The residential rate, if approved, would rise from \$17.43 to \$18.30, an 87 cent per month increase.

The Company proposes that the Senior Citizen rate for the 32-gallon roller cart increase by \$1.60 from the current rate of \$7.70 to a new rate of \$9.30 which would be \$7 less than the residential rate. **The City Council objected to the Company's proposal**, because it would cause the senior rate to increase in the future at a percentage faster than the regular rate. The Council suggested that the senior rate be set annually at only one half the regular rate. As part of the Franchise renewal meetings, the Company has agreed; **this year the senior rate will be \$9.15 if approved following the Public Hearing.**

Notices have been sent to all property owners in accordance with Prop. 218, the "Right to Vote on Taxes Act". All protests are attached. Written protests are accepted through the close of the Public Hearing.

Staff recommends that the Mayor and City Council open the advertised Public Hearing on the proposed refuse rate increase to be effective April 1, 2008 for residential and commercial refuse accounts in the City of Corning. Because the extension of the Franchise Agreement will not receive final consideration until February 26, 2008, City Council has determined to open the hearing tonight and continue the hearing and the final decision on the rate increase to the same meeting.

RECOMMENDATION:

MAYOR AND COUNCIL, HAVING OPENED THE PUBLIC HEARING AND RECEIVED ANY PROTESTS, CONTINUE THE PUBLIC HEARING FOR THE PROPOSED RATE INCREASE OF 4.98% TO THE REGULAR MEETING ON FEBRUARY 26, 2008 AT 7:30 PM.

RATES IN THE SURROUNDING AREAS

Service	City of Anderson				Green Waste of Tehama County				City of Red Bluff				Colusa County		City of Willows		City of Orland		Current City of Corning Rates		Proposed City of Corning Rates		
	City of Anderson	Chico	Chico Outskirts	City of Paradise	City of Tehama County	City of Red Bluff	Colusa County	City of Willows	City of Orland	City of Red Bluff	Colusa County	City of Willows	City of Orland	City of Willows	City of Orland	City of Willows	City of Orland	City of Willows	City of Orland	City of Willows	City of Orland	City of Willows	City of Orland
Residential Curbside Trash Collection																							
32 gal Senior Rate 32 gal	\$4.43			\$20.15	\$11.66	\$11.09	\$14.81																
Customer Owned 32 gal		\$11.00	\$17.54		\$8.31																		
64 gal	\$15.04	\$17.45	\$21.11	\$26.19	\$16.73	\$15.97																	
96 gal	\$16.20	\$21.90	\$23.68	\$29.21	\$20.52	\$18.41	\$26.49																
Greenwaste Curbside Collection																							
small	Included	Extra Charge	NONE	Included	Included	Included	NONE																
medium		\$3.89																					
large		\$4.80		X																			
		\$5.68																					
Recycle Curbside Collection																							
Customer Owned 32 gal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
64 gal Baskets/Cubes																							
Bulky Item/Appliance Curbside Collection																							
1 per yr	1 per yr	1 per yr	None	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr	1 per yr
NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Street Sweeping																							
Note:	Tehama County, Red Bluff, Anderson, Paradise and Corning provide every-other-week service for green waste and recycle.																						
	Chico provides weekly collection of green waste and recycle																						
	Red Bluff and Corning both have street sweeping - RB does 1x month residential Corning has 2																						
	Franchise fee for Red Bluff = 6% and Corning \$36,000 per year.																						
	Corning only City with monthly Bulky clean up and second lowest senior rate (261 participating seniors) - age is 60 vs 65 at others																						
	Landfill rates for Willows, Orland = \$30.00 per ton, Chico and Paradise = \$32.00 per ton; Anderson = \$37.50 per ton; and Tehama County = \$42.05 per ton.																						



CORNING DISPOSAL
3281 HIGHWAY 99 W
CORNING, CA 96021

November 6, 2007

Steven J. Kimbrough
City Manager
City of Corning
994 3rd Street
Corning, CA 96021

Dear Mr. Kimbrough,

This letter is to request a rate increase in accordance with Section 8.4 (Annual Rate Adjustment) and an additional fuel rate adjustment in accordance with Section 8.5 (Uncontrollable Circumstances Adjustment) of the Refuse Collection Agreement between Waste Management and the City of Corning. The diesel increase is to compensate for past diesel costs not accounted for in the current rates.

The CPI rate increase has been calculated using the All Urban Consumers, West-C index for the 12-month period ending on the prior September 30 and is 2.51%. The U.S. Department of Energy fuel index was used to calculate a 2.47% fuel adjustment. The combined rate increase request is 4.98% (2.51% plus 2.47%). The attached documents show the new rates and rate calculations.

Thank you for considering this rate request. We hope this will meet with your approval.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Fryer".

Matt Fryer
District Manager

Enclosures

**CITY OF CORNING
RATE SCHEDULE
2008 CPI AND FUEL FROM 99-04**

RESIDENTIAL RATES

		2.51%	2.47%	
	<u>Current Rate</u>	<u>CPI Adjustment</u>	<u>Fuel Adjustment</u>	<u>New Rate</u>
Roller Carts (96-Gallon)	\$ 17.43	\$ 0.44	\$ 0.43	\$ 18.30
Senior Citizen Roller Cart (32-Gallon)	\$ 7.70			\$ 9.30 ***

COMMERCIAL RATES

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4 Yard	3X Week	\$ 432.08	\$ 10.86	\$ 10.67	\$ 453.61
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6 Yard	Extra Pickup	\$ 55.99	\$ 1.41	\$ 1.38	\$ 58.78

BIN RATES

	<u>608.19</u>	<u>CPI Adjustment</u>	<u>CPI Adjustment</u>	<u>New Rate</u>
4 Yard "BIN-A-DAY" 3 DAY RENTAL	\$ 79.01	\$ 1.99	\$ 1.95	\$ 82.95
Basic rate for Temporary Drop Box Service				
20 Yard	\$ 374.59	\$ 9.41	\$ 9.25	\$ 393.25
30 Yard	\$ 417.08	\$ 10.48	\$ 10.30	\$ 437.86

*** Seniors get a \$9 discount from the base rate.

Important Information

City of Corning
794 Third Street
Corning, Ca 96021

Notice to Property Owners Proposed Annual CPI Increase for Disposal Service

Each year Corning Disposal Company may request a Refuse Customer rate increase limited to the past year's Consumer Price Index.

February 12, 2008, is the Public Hearing on their proposed rate increase of 4.98%, including an increase for fuel. The proposed increase is 87 cents per month on a residential bill. The Senior Rate is set at half of the residential rate.

The Hearing gives the City Council and the Public the opportunity to discuss and object to the rate increase, but "the City Council shall not unreasonably withhold" the rate increase.

The Corning Disposal Service monthly rate includes the services of yard waste pickup, twice a month residential street sweeping and Fall leaf pick-up, weekly commercial street sweeping, recycling, and monthly large household item pickup at no additional cost!

For your information, surveys have shown that Corning still has one of the best rates and most service in the area.

The Monthly Service Charge for both Residential and Commercial customers is proposed to increase by 4.98%.

<u>Current Monthly Rate</u>	<u>Proposed Rate Effective April 1, 2008</u>
\$17.43 with 96 gal. Roller Cart	\$18.30 (87 cents)
\$ 7.70 with 32 gal Senior Citizen Cart	\$ 9.30 (\$1.60)

Commercial Rates will go up by 4.98%. The Commercial 96 gal roller cart will also be set at \$18.30.

Rates are proposed to be effective April 1, 2008, if approved.

Because the City Code requires everyone to take the disposal service and to pay the fee, the City believes it must inform every property owner and conduct a public hearing to receive protests. Please feel comfortable in contacting City Hall at 530-824-7029 or 824-7034, if you have questions.

Only Written Protests filed by Property Owners **will be counted**, and if a majority so protests, the Rate will not be enacted. You must Protest in writing to the City Clerk, 794 Third St, Corning, Ca 96021, or personally deliver the written protest to the Hearing. Your protest **must** include your name, the address and Assessor's Parcel Number of your property within the City (found on your tax bill). If sent by mail, the City Clerk must receive the written protest by February 12, 2008 to be presented to the City Council during the Public Hearing.

Notice of Public Hearing

The City Council encourages you to attend the Public Hearing, Tuesday, February 12, 2008 at 7:30 PM, to be held in the City Council Chambers, 794 Third Street, Corning, California.

January 2, 2008

RECEIVED

JAN 03 2008

CORNING CITY CLERK

City Clerk
794 Third Street
Corning, CA 96021

Re: CPI Increase for Disposal Services

Dear Distinguished Members of the City Council:

I am in receipt of your postcard postmarked December 27, 2007, relating to the annual CPI increase for disposal services and based on the dialog in the postcard, let this serve as my protest for that annual CPI increase. The annual average for CPI increase is based on many determining factors, i.e., landfill rates, truck costs, fuel costs, etc. Annual averages are between 2.5 and 2.75%, therefore the 4.98% far exceeds the national average of CPI increases for disposal services.

Also, I would like to make a note that at my personal residence at 1745 Toomes Avenue, in the last 6 years that I have owned this property, I have never seen a street sweeper on Toomes Avenue in front of my residence. I am also repeatedly calling the Waste Management Corning Disposal phone number and having my calls re-routed to Sacramento on missed pickups for my solid waste and yard waste. Therefore, I strongly protest and oppose any type of a rate increase for Waste Management Corning Disposal. I would not be opposed to the rate increase if they, meaning Corning Disposal Waste Management would take a pro-active approach as it relates to recycling services for the commercial businesses and residences, more so the tax paying residents of our fine city.

I have several different ideas that I have discussed with Mr. Kimbrough and Mr. Strack as it relates to promoting recycling services within the City of Corning and reduction of solid waste cost by Corning Disposal that could be implemented and I would not be opposed to sharing these ideas with the City Council.

If any of you have any questions please do not hesitate to give me a call.

Sincerely,



DAN O'CONNOR
1745 Toomes Avenue
Corning, CA 96021
530-824-9857 (Residence)

RECEIVED

JAN 07 2008

Stefan & Joy Wawrzyszewski CORNING CITY CLERK 2008

parcel # 071-162-09-17

1639 South St, Corning, CA. 96021

Lots 4 & 5 BIK 2 OLIVE Add

Dear City Clerk,

I am writing to protest
the increase in rates for
Disposal Service.

In this time of hardship,
one more rate increase might
break the Camels Back.

With gasoline high, P&E high,
food high, please reconsider your
increase. It makes it hard for
a young family to absorb all these
rate increases.

Thank you

Joy Wawrzyszewski

RECEIVED

JAN 23 2008

City Clerk
794 Third St.
Corning, CA
96021

CORNING CITY CLERK

Janet Zunter
1279 Peach St.
Corning, CA 96021
Parcel #073-144-08-1

January 20, 2008

This is to protest the rate increases to residents and commercial services. It may be the only objection you will receive so I hope you will forgive its length. Perhaps people think it's not worth a 4¢ cent stamp to fight it. Or they may think 'oh well, it's only a few cents or dollars a month so why bother. To those who feel that way I would suggest relocating to a town named Sleepy Hollow or maybe Suckers Haven.

Raising the rates last year and receiving only 2 objections, gave Green Waste an open door. It was so easy last year, why not do it again this year and on a larger scale.

Yes gas went up. Last year in January, it was \$2.63.9 a gallon. On January 19th this year, I topped off my tank at \$3.04.9 a gallon. That's a difference of 36 cents. The increase last year was much more than enough to cover cost and still make a substantial profit. Lets keep in mind Green Waste is no small outfit. The owner is no fool. You can bet he is going to get his gas wholesale.

Are we being duped? Most likely.

Have you asked yourself or even given a thought as to how many miles one truck can go in an eight hour day? I have. Even if that truck only gets 4 miles to the gallon and has to stop and go repeatedly, traveling at the legal speed limit, it won't put on as many miles in an 8 hour day as one might think. With the size of their gas tank they can travel much farther than you or I, even if they only get 4 miles to a gallon.

There are well over 1500 renters in Corning, most of who, pay their own utility bill. Why are they not given the right to voice their protest? Why not support our local Post Office and send all rate payers a notice.? Only a select number are given the opportunity to respond and yet every person who pays a trash bill is affected. Surly Green Waste has nothing to worry about. If they did notify everyone, they might get 3 responses this year.

There are more than 5,500 households in town alone, according to the last census. There are over 1,100 housing units and more than 1,500 rural households in Corning. 30% or more of these households are seniors with a fixed income. Many of whom are before 401K or any kind of retirement supplement. How just is it to give them the highest price hike? Or is it the businesses of Corning that will be taking it in the shorts? They will be paying nearly 5% more. You can get a home loan cheaper than that today.

So has anyone figured out just how much revenue this increase will generate for Green Waste? Or does anyone really care?

This is still a depressed area, even though more jobs have been generated, thanks to Rolling Hills. Maybe people of Corning don't mind being nickel and dimed to death,, But for myself, I have to make every penny count just to keep my head above water.

Sincerely, Jan Zunter

P.S. Our roads haven't changed much this past year. It's still like traveling in the BACK COUNTRY.

RECEIVED
FEB 05 2008
CORNING CITY CLERK

Otilia S. Garcia
Daniel Garcia Gonzalez
808 Almond St.
Corning, CA 96021
Parcel# 073-135-051

City Clerk
794 Third St.
Corning, CA 96021

To the city clerk,

I am writing in protest to the monthly rate increases for the Corning disposal services. Although gas prices have risen the quality of service from the Corning disposal service has not. I have requested recycling bins in more than one occasion and was informed they did not have any and did not offer any other alternatives to have my recycling materials put on the curb. I still do not have recycling bins for my residence. In addition, their monthly rate includes monthly large household item pick up, but yet I find numerous appliances sitting on the curb for months at a time around my neighborhood. Not only does it make it an eye sore for the neighborhood, but simply shows the lack of service from the disposal service. That is why I disagree with the rate increase for homeowners.

Attentively,



Otilia S. Garcia

ITEM NO: F-12
CONSIDER AND APPROVE AMENDMENT
NO. 1 FOR THE SEWER MAINTENANCE
AND WASTEWATER CONTRACT WITH
SOUTHWEST WATER COMPANY SERVICES,
INC. (FORMERLY ECO RESOURCES, INC.)
AND TO HAVE CITY MANAGER SIGN THE
AMENDMENT
FEBRUARY 26, 2008

TO: HONORABLE MAYOR AND COUNCILMEMBERS
OF THE CITY OF CORNING

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
TOM RUSS, DIRECTOR OF PUBLIC WORKS

STEVE

SUMMARY:

The City Council pulled this proposed amendment from the Council agenda on February 12, 2008, and asked Councilor Darlene Dickson and Vice Mayor Becky Hill to meet with the Company to discuss the proposal and especially the proposed 12% increase. SWWC has been evaluating the contract terms and is asking for several changes some of which will cost the City and some of which will benefit the City.

On Friday February 22, 2008, the City representatives met with Southwest Water Company (SWWC) Services. The changes were reviewed in order to understand why they were in the interest of the City and why the costs needed to increase by a projected \$46,527. If approved, the Company will receive a 12% increase in its income, but this includes a 3% CPI increase due last November 2007. The actual increased costs to the City were determined to be 8% by the conclusion of the meeting.

The City has been very satisfied with the performance of SWWC and their strong working relationship with the City. In the past, as a form of "profit sharing", they have donated \$50,000 towards the modifications to the head works at the plant, they funded \$40,000 towards the upgrade of the City Lift Station and they purchased and installed the \$5,000 City of Corning concrete monument sign at the entrance of the plant. As proven by the award SWWC is presented each year as Plant of the Year, they are operating our plant up to and above all the State and Federal Requirements.

BACKGROUND:

Southwest Water Company (SWWC) Services, Inc formerly ECO Resources has requested that an Amendment (Amendment No. 1) be included with the current Contract. The current Contract began on June 1, 2003 and expires on November 14, 2015. SWWC has been under contract with the City of Corning since 1990.

There have been numerous changes over the past (17) years which have included Regulatory and Compliance requirements, employee job training with certification, employee safety training required by the State and Federal Government, new water quality standards, providing help with the new WWTP expansion, sludge removal, storm water regulations, pretreatment regulations, air quality requirements and hazardous material plans to name just a few. SWWC has completed all of the required State and Federal applications pertaining to new codes and standards. They have completed these applications for the City at no cost to us.

The SWWC contract always included certain budget items such as electricity costs, sludge removal costs, collection system cleaning, and additional sewer line cleaning costs. Set out as separate costs in the contract are industrial waste monitoring and biotoxicity testing. If any of

these costs exceeded the contract agreement, SWWC was to pass the extra cost on to the City, but as good contractors, SWWC has absorbed the additional costs themselves over the years.

The Agreement also prevents SWWC from charging an overhead fee when they purchase repair parts, equipment or chemicals. The Contract also calls for SWWC to provide pretreatment inspections and City Code Enforcement for the businesses discharging potential pollutants into the sewer system.

SWWC has absorbed the sewer line cleaning over the years of added line from new development without increasing the contract. They are willing to continue to clean the existing line to date at the current rate of 22 cents per lineal foot and all new line after January 1, 2008, for 42 cents per lineal foot.

SWWC Services will remain the same with the exception of Amendment No. 1 to be added to the current Contract. The current Contract provides an automatic C.P.I. escalator, limiting the amount of rate increase they can receive.

CONTRACT CHANGES:

SWWC proposes to remove electricity from the contract and for the City to pay it directly. Since the City is obligated to pay any costs over the amount set aside in the contract, the City is better off receiving the billing directly from PG&E. The existing contract base fee currently includes \$92,315 for electricity; analysis by SWWC Regional Manager Kathy Stone indicates that the actual cost should only be about \$80,000. The electricity budget had been escalating annually at a rate greater than the current cost of electricity. This change saves the City about \$12,000, and offsets the impact of the proposed increase.

At the Friday February 22, 2008, meeting with SWWC's Kathy Stone, the Councilors and Staff reviewed the methodology used by SWWC to compute the 12% increase. Once again SWWC used a methodology that favored the City. Instead of applying the proposed 12% increase to the current annual lump sum of \$547,314.60, SWWC first backed out the electrical budget of \$92,057 and the current "M/R" (maintenance and repairs) budget of \$31,520.52. The 12% was then applied to this reduced base. Then the increased "M/R" budget of \$39,356.76 was added back in to produce the proposed new "annual base lump sum cost of \$513,942.28".

The impact of this is to increase the annual base from \$547,314.60 to \$513,942.28 plus the electricity budget of \$80,000 to a new total of \$593,314.60. This is an actual increase to the city budget of \$46,000, that is 8%! This 8% increase includes a 3% CPI increase not applied when normally due last November!

FINANCIAL IMPACT

To cover potential changes previously discussed with SWWC Management, sufficient funds were budgeted in the contract services account to cover what at budget time was an unknown increase. Here are the changes needed in the Budget.

<i>Account</i>	<i>Description</i>	<i>Budget</i>	<i>Change to</i>	<i>+ (-)</i>
610-6300-5200	SWWC Contract	\$598,000	\$513,942	(84,058)
610-6410-5000	Electricity	5,000	85,000	80,000
	TOTAL	\$603,000	\$598,942	down \$4,058

The total projected revenue this fiscal year is for the Sewer Enterprise Fund # 610 is \$1,264,285. The attached budget spread sheet (presented in the Mid-Year Budget Report) shows that the actual revenue last year was \$1,184,901. Out of this revenue comes operating costs, including city employees and the SWWC contract and bond debt service and capital replacement set asides. As you can see from the spread sheet, the Sewer Enterprise is nearing a positive cash flow

PROPOSED CHANGES IN CONTRACT LANGUAGE:

➤ **Section 3.6 Maintenance: The section now reads:**

3.6a Wastewater Treatment Plant fund \$21,491.28 per year.

3.6b Sewer Collection System fund \$2,865.48 per year.

3.6c Sludge Removal fund \$7,163.76 per year.

Amended contract shall read:

3.6a Wastewater Treatment Plant fund \$21,491.28 per year.

3.6b Sewer Collection System fund \$2,865.48 per year.

3.6c Sludge Removal fund \$15,000 per year.

➤ **Section 5.2 Payment: The current contract reads:** "The City shall pay annually to Southwest Water as compensation for services performed, an annual base lump sum cost of \$547,314.60. Monthly payments of 1/12th the annual base sum cost, equals \$45,609.55."

➤ **The Amended contract shall read:** "The City shall pay annually to Southwest Water, as compensation for services performed, an annual base lump sum cost of \$513,942.28. Monthly payments of 1/12th the annual base sum cost, equals \$42,828.52."

➤ **Section 3.11 Additional Sewer Line footage:**

The first paragraph shall be changed to read:

"During the term of this contract, should the City add additional lineal footage to its present sewer collection system, SWWC shall clean and maintain the current footage at **(\$0.22)** per lineal foot. For New Additional footage the lineal foot fee will increase to **(\$0.42)**."

➤ **Section 3.5 Scope:**

The first paragraph item (5) of the current contract reads, "(5) utilities and," it shall now read "(5) utilities, except electricity, and"

➤ **Section 7.8 Notices:**

Shall be changed to read: Thomas O'Neill
SWWC Service, Inc.
2230 E. Bidwell St. Suite 200
Folsom, Ca 95630

➤ **Attachment "A" Item "B":**

Shall be removed entirely from the Contract.

All other Contract Terms and Conditions shall remain unchanged.

This Amendment No.1 is pending review and comments from NCCSIF and the City Attorney.

SWWC Services will remain the same with the exception of Amendment No. 1 to be added to the current Contract. The current Contract provides an automatic C.P.I. escalator, limiting the amount of rate increase they can receive. In lieu of the C.P.I. increase in 2008, the contract shall increase by twelve (12) percent, which will be invested in employee training and certification.

RECOMMENDATION:

MAYOR AND COUNCIL APPROVE AMENDMENT NO. 1 FOR THE SEWER MAINTENANCE AND WASTEWATER CONTRACT WITH SOUTHWEST WATER COMPANY SERVICES, INC. (FORMERLY ECO RESOURCES, INC.) AND TO HAVE CITY MANAGER SIGN THE AMENDMENT.

SEWER ENTERPRISE SYSTEM

The Following Table Illustrates the Effects of Bell Carter withdrawing as a Sewer Service Customer. A Nominal 3% Inflation rate is built into both Revenue & Expenditures of the Sewer Enterprise System.

	CURRENT PROJECTED												
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Sewer System Revenues													
Service Charges (1)	980,023	1,018,176	1,036,819	1,051,670	932,698	1,054,360	1,169,717	1,252,685	1,365,427	1,406,389	1,448,581	1,492,039	1,536,800
Annual Rate Change	3%	3%	3%	3%	9%	9%	9%	9%	9%	3%	3%	3%	3%
Connection Fees	2,620	2,955	5,020	13,861	26,449	2,620	8,030	3,000	3,000	3,000	3,000	3,000	3,000
Interest Income	14,857	4,099	6,019	3,266	2,159	0	0	5,000	5,000	5,000	5,000	5,000	5,000
Other Revenues	6,807	7,000	3,676	4,912	11,037	0	7,154	3,600	3,600	3,600	3,600	3,600	3,600
Total Revenues	1,004,300	1,039,813	1,051,534	1,073,709	972,343	1,056,980	1,184,901	1,264,285	1,377,027	1,417,989	1,460,181	1,503,639	1,548,400
Sewer System Operation and Maintenance Expenses (2) (Exclusive of Capital Expenditures and Depreciation)	823,537	909,055	856,642	939,926	971,199	1,005,577	1,113,426	1,101,444	1,156,516	1,214,342	1,275,059	1,338,812	1,405,753
Net Revenues from Sewer Enterprise System (Total Net Revenues Available for Installment Payments)	180,763	130,758	194,892	133,783	1,144	51,403	71,475	162,841	220,510	203,647	185,122	164,827	142,647
1997 COP (3)	39,617	40,234	39,810	39,370	39,370	Paid Off	98,694	99,220	99,195	99,211	99,220	99,195	99,211
1999 COP - USDA (4)	98,804	98,779	98,804	98,749	98,742	47,443	37,820	37,435	37,994	38,482	37,922	37,322	37,653
Sewer & Equip Replacement Trnsf (5)	30,000	30,000	35,000	35,000	40,000	40,000	45,000	50,000	50,000	50,000	55,000	55,000	60,000
WWTP Repl. Fund Transfer	12,342	(38,255)	21,278	(39,336)	(192,768)	(151,036)	(89,019)	(3,679)	53,515	36,137	12,102	(8,768)	(36,564)
Annual Net Income * Required Adjustments (6)	417,409	366,820	365,504	313,758	149,950	(7,098)	(72,567)	(76,246)	(22,731)	13,406	25,507	16,739	(19,825)
Net Operating Reserve **	71,916	73,734	75,101	76,146	403,500	417,444	438,374						
Sewer Stabilization Fund Reserve	4,921	10,303	11,255	55,742	82,845	107,978	132,279						
Sewer Capital Improvement	199,398	94,202	67,227	53,245	42,173	59,876	49,753						
WWTP Expansion Fund (Net of Loan)	384,225	428,496	245,736	85,282	(17,194)	(33,200)	145,051						
WWTP Capital Replacement Fund	247,770	237,590	171,756	206,547	246,138	271,199	327,375						
New WWTP Expansion Project													

1) First rate change funding the sewer line Replacement Project occurred 04/01/97 (decrease by 5%) and appeared in the 1996-97 column and continues through 4/1/03 (+3%) in seven year rate plan ending in the 2002-2003 column. Three percent (3%) inflationary rate increases are forecasted beginning 4/1/04 and continuing. First yr of Bell Carter Withdrawal is 2004-2005; loss will be \$240,000 per yr; Revenue - 1,068,000 - 240,000 X 1.09= 902,250 income after loss.
Beginning with Council approval, add 6%(total 9%) will offset the loss of Bell-Carter as a customer and implemented an 11 yr series of rate increases.

2) Operation & Maintenance is projected to increase at an inflationary rate of 5% per year

3) 1997 COP for 3,500,000 Wedbush Morgan through the City of Corning Public Finance Corporation funded Phase 1 of the Water and Sewer Line Replacement 80% Water - 20% Sewer

4) Total Debt \$2,042,000 including H99 Sewer (322,000) at 4.375% interest

5) Sewer & Equipment Replacement is funded this year for the first time. Set aside for Equipment Replacement was suspended until the first 7 year series of rate increases was done.

6) Adjustment required to bring reserves to its modified balance due to prior period adjustments, and interfund activity.

* Net income per general ledger less principal loan payments
** Net Operating Reserve will not equal Fund Balance. Consists of Operating Fund (610) Cash and Accounts Receivable
Less Accounts Payable and Interest Payable only. All other Assets and Liabilities not included.

THIS AMENDMENT #1 (hereinafter called AGREEMENT) is entered into this 1st day of January 2008, by and between the City of Corning (hereinafter called CLIENT) and SWWC Services, Inc. (hereinafter called Southwest Water), under the circumstances stated herein.

WHEREAS both the CLIENT and Southwest Water desire to amend the CONTRACT as set forth herein:

NOW, THEREFORE, in consideration of the promises and terms contained herein, both parties agree to amend CONTRACT as follows:

1. SECTION 3.6 – MAINTENANCE: The third paragraph of the current contract reads:

3.6a	Wastewater Treatment Plant	\$21,491.28
3.6b	Sewer Collection System	\$ 2,865.48
3.6c	Sludge Removal	\$ 7,163.76

SECTION 3.6 - MAINTENANCE: The third paragraph shall be amended to read:

3.6a	<i>Wastewater Treatment Plant</i>	<i>\$21,491.28 per year +</i>
3.6b	<i>Sewer Collection System</i>	<i>\$2865.48 per year +</i>
3.6c	<i>Sludge Removal</i>	<i>\$15,000 per year +</i>

2. SECTION 5.2 – PAYMENT: The first paragraph of the current contract reads:

The CITY shall pay annually to Southwest Water as compensation for services performed, an annual base lump sum cost of \$547,314.60. Such payment shall be made in monthly installments on the first day of the month of service at a rate of 1/12th the annual base lump sum cost, which equals monthly payment of \$45,609.55

SECTION 5.2 - PAYMENT: The first paragraph shall be amended to read:

The CITY shall pay annually to Southwest Water as compensation for the services performed, an annual base lump sum cost of \$513,942.28. Such payment shall be made in monthly installments on the first day of the month of service as a rate of 1/12th the annual base lump sum cost, which equals monthly payment of \$42,828.52.

3. SECTION 3.11 ADDITIONAL SEWER LINE FOOTAGE: The first paragraph shall be changed to read:

During the term of this CONTRACT, should the CITY add additional lineal footage to its present sewer collection system, Southwest Water shall clean and maintain the new footage on the same basis as the original footage noted in Section 3.10 above. For additional footage, the CITY shall pay Southwest Water the rate of forty cents (\$0.42) per lineal foot per year for the additional cleaning.

4. SECTION 3.5 SCOPE: The first paragraph item (5) of the current contract reads:

(5) utilities and,

SECTION 3.5 SCOPE: The first paragraph item (5) shall read:

(5) utilities, except electricity, and,

5. SECTION 7.8 NOTICES: shall be changed to read:

*Thomas O'Neill
SWWC Services, Inc.
2230 E. Bidwell St. Suite 200
Folsom, Ca 95630*

6. ATTACHMENT "A" ITEM A: Shall be changed to read:

This CONTRACT will be reviewed annually, starting January 1, 2009 for compensation increase or decrease, based on the San Francisco-Oakland-San Jose CPI Index as published by the Bureau of Labor Statistics. The annual average increase or decrease reported will be utilized to increase or decrease the compensation of the year following the reported year.

7. ATTACHMENT "A" ITEM B: Shall be removed entirely.

All other contract terms and conditions shall remain unchanged.

Electricity in the annual amount of \$92,057.00 has been deducted from the CITY's annual base lump sum cost. The CITY will now be directly responsible for electricity costs.

In witness whereof, Southwest Water and Client have caused this CONTRACT ADJUSTMENT to be executed by their duly authorized officers.

For the CITY OF CORNING

SWWC SERVICES, INC

BY: _____

BY: _____

Its: _____

Its: Vice President, Western Region

DATE: _____

DATE: January 1, 2008

ATTEST:

BY: _____

DATE: _____