



**CITY OF CORNING
CITY COUNCIL AGENDA
TUESDAY, JUNE 24, 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:

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.

- 1. Waive reading, except by title, of any Ordinance under consideration at this meeting for either introduction or passage, per Government Code Section 36934.**
- 2. June 18, 2008 Claim Warrant - \$249,898.25.**
- 3. Business License Report – June 18, 2008.**
- 4. Resolution No. 06-24-08-02 Calling for the Municipal Election and Request that it be consolidated with the Presidential General Election.**
- 5. Resolution No. 06-24-08-03 Adopting Candidates Statement of Qualifications Fees for the Presidential General Elections.**
- 6. Resolution No. 06-24-08-04 Adopting Revisions to the City's Conflict of Interest Code.**

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.**

7. Public Hearing; Resolution No. 06-24-08-01; A Resolution Ordering Annexation of Salado Orchard Apartments into Landscaping and Lighting District No. 1, Zone 4; Pacific West Communities, Inc.

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.

8. Agreement Regarding Development Impact Fee Reduction, Monitoring, and Potential Additional DIF Payment; AAA Truck Wash; 3525 Highway 99-W.

9. Presentation of 2008-2009 Program of Service and Proposed Annual Budget.

J. ITEMS PLACED ON THE AGENDA FROM THE FLOOR:

K. COMMUNICATIONS, CORRESPONDENCE AND INFORMATION:

L. REPORTS FROM MAYOR AND COUNCIL MEMBERS:

10. Hill:

11. Dickison:

12. Zuniga:

13. Turner:

14. Strack:

M. ADJOURNMENT!:

POSTED: JUNE 20, 2008



MEMORANDUM

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: LORI SIMS
ACCOUNTING TECHNICIAN

DATE: June 18, 2008

SUBJECT: Cash Disbursement Detail Report for the
Tuesday, June 24, 2008 Council Meeting

PROPOSED CASH DISBURSEMENTS FOR YOUR APPROVAL CONSIST OF THE FOLLOWING:

A.	Cash Disbursements	Ending	06-18-08	\$	205,198.44
B.	Payroll Disbursements	Ending	06-04-08	\$	44,699.81
			GRAND TOTAL	\$	<u>249,898.25</u>

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
006230	06/12/08	DEP01	DEPT OF JUSTICE	-200.00	.00	-200.00	080428u	Ck# 006230 Reversed
006505	06/09/08	JON02	JONES INSURANCE	1450.00	.00	1450.00	080529	USDA BOND. ANN.-GEN. CITY
006506	06/10/08	KIM01	KIMBROUGH, STEPHEN J.	106.50	.00	106.50	080609	MAT & SUPPLIES-CITY COUNC
006507	06/10/08	COM01	COMPUTER LOGISTICS, INC	1521.60	.00	1521.60	080610	TRNG/EDU-CITY COUNCIL
006508	06/10/08	WAT02	WATSON, THOMAS J.	149.00	.00	149.00	080610	K-9 PROGRAM-POLICE
006509	06/11/08	SUN01	SUNRISE ENVIRONMENTAL	55678.50	.00	55678.50	22319	2007 ST PAVING/PROP B/STR
			Check Total.....	-55678.50	.00	-55678.50	22319u	Ck# 006509 Reversed
006510	06/11/08	ACT01	ACT ENTERPRISES, INC.	276.75	.00	276.75	7532	WorkmensComp. General Cit
006511	06/11/08	AIR00	AIRGAS NCN	39.61	.00	39.61	102711594	MAT & SUPPLIES-FIRE
006512	06/11/08	AME15	AMERICAS	67.57	.00	67.57	010060104	NATURAL GAS-ACO
006513	06/11/08	ATT01	AT&T	273.80	.00	273.80	080603	Communications-
006514	06/11/08	BAS01	BASIC LABORATORY, INC	86.00	.00	86.00	0804714	ProfServices Water Dept
006515	06/11/08	BAT01	BATTERIES PLUS	169.41	.00	169.41	311-74145	MAT & SUPPLIES-FIRE
			Check Total.....	70.75	.00	70.75	311-74283	COMMUNICATIONS-POLICE
006516	06/11/08	CAM02	CAMELLIA VALLEY SUPPLY	195.36	.00	195.36	0676576	MAT & SUPPLIES-WTR
006517	06/11/08	CHI04	CHICO DRAIN OIL SERV LLC	770.00	.00	770.00	187381	MAT & SUPPLIES-
			Check Total.....	600.00	.00	600.00	187500	MAT & SUPPLIES-
006518	06/11/08	COR02	CORNING OBSERVER	54.19	.00	54.19	080610	COMMUNICATIONS-GEN. CITY
006519	06/11/08	COR20	CORNING ELECTRONICS	37.53	.00	37.53	10073448	MAT & SUPPLIES-FIRE
006520	06/11/08	COR33	CORNING VETERAN'S HALL	12.00	.00	12.00	746189	MAT & SUPPLIES-REC
006521	06/11/08	CPS01	CPS HUMAN RESOURCE SVCS	355.30	.00	355.30	SOP24862	PROF SVCS-PW ADMIN
			Check Total.....	533.50	.00	533.50	SOP24955	PROF SVCS-PW ADMIN

REPORT.: Jun 18 08 Wednesday
 RUN.: Jun 18 08 Time: 12:40
 Run By.: LORI

CITY OF CORNING
 Cash Disbursement Detail Report
 Check Listing for 06-08 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 #	Payment Information-Description
			Check Total.....	888.80	.00	888.80		
006522	06/11/08	DAY03	DAY WIRELESS SYSTEMS	1332.68	.00	1332.68	50264	EQUIP REPLAC-POLICE
006523	06/11/08	DEP03	DEPT OF TRANS/CAL TRANS	114.36	.00	114.36	180977	Equip.Maint. St&Trf Light
006524	06/11/08	DEP12	DEPT OF JUSTICE	20.00	.00	20.00	681546	PROF SVCS-POLICE
006525	06/11/08	FIT01	FITZPATRICK LAW OFFICES	502.75	.00	502.75	080602	City Attny Srvs LegalServ
			Check Total.....	615.75	.00	615.75	080604	CONF/MTGS-LGL SVCS
006526	06/11/08	GRA02	GRAINGER, W.W., INC	72.39	.00	72.39	965700241	MAT & SUPPLIES-STR
			Check Total.....	430.48	.00	430.48	965700242	MAT & SUPPLIES-STR
006527	06/11/08	HEN03	HENRY SCHEIN INC.,	179.34	.00	179.34	307206601	MAT & SUPPLIES-FIRE
006528	06/11/08	KOE01	KOEFRAN	250.00	.00	250.00	497748	PROF SVCS-ACO
006529	06/11/08	LAB01	LAB. CORP. OF AMERICA	183.25	.00	183.25	25529100	PROF SVCS-POLICE
006530	06/11/08	LNC01	LN CURTIS & SONS	100.73	.00	100.73	115255900	MAT & SUPPLIES-FIRE
006531	06/11/08	MAY01	MAY, WILLIAM L.	1960.28	.00	1960.28	200853120	EE RELATIONS-LGL SVCS
006532	06/11/08	PGE01	PG&E	48.95	.00	48.95	080602	ELECT-HOUGHTON SUBDIVISON
006533	06/11/08	PGE03	PG&E	46.14	.00	46.14	080602	Mat/Supplies PoliceServic
006534	06/11/08	PGE04	PG&E	463.09	.00	463.09	080602	TranspFacility-
006535	06/11/08	PGE05	PG&E	1791.78	.00	1791.78	080602	FIRE-ELECT & GAS
006536	06/11/08	PGE2A	PG&E	114.50	.00	114.50	080530	ELECT-MARTINI PLAZA & MCD
006537	06/11/08	RED07	REDDING OIL COMPANY	3246.57	.00	3246.57	080531	VEH OP/MAINT-POLICE
006538	06/11/08	SAN04	SAN DIEGO POLICE EQUIP.	3740.45	.00	3740.45	584255	SAFETY ITEMS-POLICE
006539	06/11/08	SWM00	SWMC SERVICES, INC.	42828.52	.00	42828.52	16167	PROF SVCS-WWTP
			Check Total.....	2561.27	.00	2561.27	16168	PRE-TREATMENT PROG/SWR
			Check Total.....	5575.81	.00	5575.81	16204	PROF SVCS-WWTP
			Check Total.....	50965.60	.00	50965.60		
006540	06/11/08	USA03	USA MOBILITY WIRELESS, INC	29.88	.00	29.88	R0159912F	COMMUNICATIONS-POLICE

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information-Description
006541	06/12/08	AND03	ANDERS, JOANN	1455.00	.00	1455.00	08-105	PROF. SVCS-SALADO HOME
006542	06/12/08	NOR31	NORM'S PRINTING	302.87	.00	302.87	005328	MAT & SUPPLIES-CITY COUNC
006543	06/12/08	SUN11	SUNRISE EXCAVATING, INC.	55678.50	.00	55678.50	22319	2007 ST PAVING/PROP B/STR
006544	06/16/08	ALL11	ALL SPORTS EQUIPMENT &	242.23	.00	242.23	104050	MAT & SUPPLIES-REC
006545	06/16/08	BAS01	BASIC LABORATORY, INC	86.00	.00	86.00	0804996	Profservices Water Dept
006546	06/16/08	CHE02	CHEM QUIP, INC.	159.76	.00	159.76	2040669IN	MAT & SUPPLIES-PARKS
006547	06/16/08	COM01	COMPUTER LOGISTICS, INC	116.67	.00	116.67	41165	COMMUNICATIONS-POLICE
				19.00	.00	19.00	41172	Equip.Maint.-GEN. CITY
				24.00	.00	24.00	41176	COMMUNICATIONS-POLICE
				24.00	.00	24.00	41255	COMMUNICATIONS-FIRE
				24.00	.00	24.00	41258	Equip.Maint.-GEN. CITY &
				100.00	.00	100.00	41265	COMMUNICATIONS-POLICE
				1986.27	.00	1986.27	41285	GIS SUPPORT-PLANNING
			Check Total.....:	2293.94	.00	2293.94		
006548	06/16/08	COR11	CORNING SAFE & LOCK	5.63	.00	5.63	2168	MAT & SUPPLIES-POLICE
006549	06/16/08	COR12	CORNING FORD MERCURY, INC	107.10	.00	107.10	122482	Veh Opr/Maint-POLICE
				464.19	.00	464.19	122703	Veh Opr/Maint-POLICE
				736.86	.00	736.86	122799	Veh Opr/Maint-POLICE
				1089.88	.00	1089.88	122906	Veh Opr/Maint-POLICE
			Check Total.....:	2398.03	.00	2398.03		
006550	06/16/08	ENP01	ENPLAN	4712.50	.00	4712.50	050819402	GIS PLNG & FLOOD PREVENT
006551	06/16/08	HOL04	HOLIDAY MARKET #32	2.10	.00	2.10	13563	Mat/Supplies-PAL
006552	06/16/08	INT2C	INTERSTATE POLICE SUPPLY,	353.88	.00	353.88	47988640	SAFETY ITEMS-POLICE
006553	06/16/08	JOU00	JOURDAN, JUSTIN BRYANT	794.50	.00	794.50	080616	TRAINING/EDUCATION-POLICE
006554	06/16/08	INC01	LN CURTIS & SONS	163.29	.00	163.29	114611200	MAT & SUPPLIES-FIRE
006555	06/16/08	NOR01	NORTH VALLEY BARRICADE	602.75	.00	602.75	10947	STREET BARRICADES-STR PROJ
006556	06/16/08	NOR17	NORTH STATE ELECTRIC	175.00	.00	175.00	A4199	MAT & SUPPLIES-WTR
006557	06/16/08	PGE2A	PG&E	119.70	.00	119.70	080602	ELECTRICITY-CLELAND
006558	06/16/08	QUI02	QUILL CORPORATION	163.20	.00	163.20	7688792	Office Supplies-FIRE

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006558	06/16/08	QUI02	QUILL CORPORATION	32.16	.00	32.16	7713179	Office Supplies-FIRE
				77.20	.00	77.20	7719157	Office Supplies-FIRE
			Check Total.....	272.56	.00	272.56		
006559	06/16/08	TRI02	TRI-COUNTY NEWSPAPERS	49.25	.00	49.25	016501040	PROF. SVCS-FIRE
006560	06/16/08	UNI02	UNIFORMS, TUXEDOS & MORE	776.44	.00	776.44	80585	UNIFORMS/CLOTH-POLICE
				773.22	.00	773.22	80626	UNIFORMS/CLOTH-POLICE
				243.19	.00	243.19	80819	UNIFORMS/CLOTH-POLICE
				274.18	.00	274.18	80826	UNIFORMS/CLOTH-POLICE
			Check Total.....	2067.03	.00	2067.03		
006561	06/17/08	VOID	VOIDED CHECK					
006562	06/17/08	VOID	VOIDED CHECK					
006563	06/17/08	AND04	ANDERSON, IAN MATTHEW	1556.76	.00	1556.76	080620	TRAINING/EDUCATION-POLICE
006564	06/17/08	UNI02	UNIFORMS, TUXEDOS & MORE	627.36	.00	627.36	80780	UNIFORMS/CLOTH-POLICE
				9.60	.00	9.60	80823	UNIFORMS/CLOTH-POLICE
			Check Total.....	636.96	.00	636.96		
006565	06/17/08	MIK01	MIKE'S FENCE COMPANY	1345.00	.00	1345.00	1005	PROF SVCS-ACO
006566	06/18/08	CHE02	CHEM QUIP, INC.	268.01	.00	268.01	2041034IN	MAT & SUPPLIES-PARKS
				854.60	.00	854.60	2041035IN	MAT & SUPPLIES-WTR
			Check Total.....	1122.61	.00	1122.61		
006567	06/18/08	NOR31	NORM'S PRINTING	541.88	.00	541.88	005346	MAT & SUPPLIES-WTR
006568	06/18/08	PG&E	PG&E	29855.76	.00	29855.76	080612	Electricity General City
006569	06/18/08	WAR03	WARD'S CONCRETE, INC	24689.68	.00	24689.68	080618	C,G&S REPLAC-STR
006570	06/18/08	MOR02	RAY MORGAN COMPANY	737.68	.00	737.68	425812	COMMUNICATIONS-RENT/LEASE
			Cash Account Total.....	205198.44	.00	205198.44		
			Total Disbursements.....	205198.44	.00	205198.44		
			Cash Account Total.....	.00	.00	.00		

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
3487	06/04/08	BAN03	POLICE OFFICER ASSOC.	165.00	.00	165.00	A80603	POLICE OFFICER ASSOC
3488	06/04/08	CIT01	CITY OF CORNING	467.50	.00	467.50	A80603	2006 SDI EE PAY BACK
3489	06/04/08	EDD01	EMPLOYMENT DEVELOPMENT	3517.19	.00	3517.19	A80603	STATE INCOME TAX
				867.01	.00	867.01	1A80603	SDI
			Check Total.....:	4384.20	.00	4384.20		
3490	06/04/08	ICM01	ICMA RETIREMENT TRUST-457	1888.75	.00	1888.75	A80603	ICMA DEF. COMP
3491	06/04/08	OEU03	OPERATING ENGINEERS	850.00	.00	850.00	A80603	CREDIT UNION SAVINGS
3492	06/04/08	PERS1	PUBLIC EMPLOYEES RETIRE	29398.88	.00	29398.88	A80603	PERS PAYROLL REMITTANCE
3493	06/04/08	PERS4	Cal Pers 457 Def. Comp	275.00	.00	275.00	A80603	PERS DEF. COMP.
3494	06/04/08	PRE03	PREMIER WEST BANK	6220.48	.00	6220.48	A80603	HSA DEDUCTIBLE
3495	06/04/08	VAL06	VALIC	1050.00	.00	1050.00	A80603	AIG VALIC P TAX
Cash Account Total.....:				44699.81	.00	44699.81		
Total Disbursements.....:				44699.81	.00	44699.81		

Date...: Jun 18, 2008
 Time...: 12:49 pm
 Run by: LORI

CITY OF CORNING
 NEW BUSINESSES FOR CITY COUNCIL

Page.: 1
 List.: NEWS
 Group: WFFV

Business Name	Address	CITY/STATE/ZIP	Contact Name	Business Desc. #1	Business Start Date	Primary Telep
ANN'S DANCE WORKSHOP	1518B SOLANO ST	CORNING, CA 96021	EVERSOLE	ANN MAR DANCE STUDIO OFFERING VARIETY OF CLASSES	06/06/08	(530)526-8569
ANNIES GARDEN FLORIS	1460 PEACH ST	CORNING, CA 96021	BOFFERDING	DARRELL FRESH, DRIED & SILK FLORAL DESIGN ORDERS	06/13/08	(530)824-1786
CHARLES E. THOMAS CO	13701 S. ALMA AVE	GARDENA, CA 90249	THOMAS	JERRY CONTRACTOR - ELECTRICAL	06/13/08	(310)323-6730
LAMBETH CONSTRUCTION	2191 N. BRIARWOOD AVE	FRESNO, CA 93705	LAMBETH	VERLIN CONTRACTOR	06/06/08	(559)237-4335
RIVERA, RAFAEL		CORNING, CA 96021	RIVERA	RAFAEL DRIVER FOR CORNING FORD	06/06/08	(530)510-8007
WOODARD ENTERPRISE	4311 OREN AVE	CORNING, CA 96021	WOODARD	JOHN AUTO TRANSPORTING	06/06/08	(530)586-1687

ITEM NO.: F-4
**RESOLUTION NO. 06-24-08-02, CALLING
FOR THE MUNICIPAL ELECTION AND
REQUESTING THAT IT BE CONSOLIDATED
WITH THE PRESIDENTIAL GENERAL
ELECTION
JUNE 24, 2008**

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

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

STEVE

LML

BACKGROUND

Every two years Cities hold their election for new officers. In 1985, Corning City Council adopted Ordinance No. 428 consolidating our elections with the statewide General Election, which is held on the first Tuesday after the first Monday in November on even numbered years. Each election year the Council adopts a Resolution calling the date of the election and requesting that it be consolidated with the General Election.

The Resolution also requests that the Tehama County Board of Supervisors authorize the County Elections Department to provide services to the City in the conduct of the Election.

RECOMMENDATION:

**MAYOR AND COUNCIL ADOPT RESOLUTION NO. 06-24-08-02, CALLING FOR THE
MUNICIPAL ELECTION AND REQUESTING THAT IT BE CONSOLIDATED WITH THE
PRESIDENTIAL GENERAL ELECTION ON NOVEMBER 4, 2008.**

**ITEM NO.: F-5
RESOLUTION NO. 06-24-08-03,
ADOPTING CANDIDATES STATEMENT
OF QUALIFICATIONS FEES FOR THE
PRESIDENTIAL GENERAL ELECTION
JUNE 24, 2008**

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

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

STEVE

LMV

SUMMARY:

The City Clerk requests Council adopt the fee amount set by the County Elections Board for the City of Corning for Statements of Qualifications in the amount of \$450 (English) and/or \$450 (Spanish) plus \$50 for translation into Spanish. Total cost to print in both English and Spanish would be \$950; English only would be \$450, and Spanish only would be \$500.

BACKGROUND

At tonight's meeting, City Council is being asked to approve Resolution No. 06-24-08-02 calling for the Municipal Election and requesting that it be consolidated with the Presidential General Election on November 4, 2008. This Resolution also requested that the Tehama County Board of Supervisors authorize the County Elections Department to provide Services to the City of Corning in the conduct of the Election.

Candidates have the option of submitting "Statements of Qualifications", for a fee. The fees for the Statement of Qualifications is \$450 (English) and/or \$450 (Spanish) plus the additional \$50 for translation into Spanish and are limited to 200 words. These fees are payable to the County of Tehama. The City Clerk will collect these fees at the time the Candidates file their Statements and transfer fees collected to the County.

RECOMMENDATION:

**MAYOR AND COUNCIL ADOPT RESOLUTION NO. 06-24-08-03, SETTING
FEES FOR CITY CANDIDATES STATEMENT OF QUALIFICATIONS FOR THE
PRESIDENTIAL GENERAL ELECTION.**

ITEM NO.: F-6
RESOLUTION NO. 06-24-08-04
ADOPTING REVISIONS TO THE
CITY'S CONFLICT OF INTEREST
CODE
JUNE 24, 2008

TO: HONORABLE MAYOR AND COUNCILMEMBERS
OF THE CITY OF CORNING

FROM: STEPHEN J. KIMBROUGH, CITY MANAGER
MICHAEL C. FITZPATRICK, CITY ATTORNEY
LISA M. LINNET, CITY CLERK

STEVE

lml

SUMMARY:

Upon review of the existing City of Corning Conflict of Interest Codes the City Attorney, City Council and Staff deem that a revision is necessary to include the Deputy City Clerk, Planning Director, Recreation Supervisor and Assistant Public Work Director positions. Also requiring a revision is the name of the Wastewater Treatment Plant Operator due to a Company name change.

BACKGROUND:

State law requires the City to review its Conflict of Interest Code every two years on even numbered years to ensure that it is current. The last approved revision to the City's Conflict of Interest Code occurred in 2000 through Resolution No. 8-22-00-03. The code was last reviewed and approved with no changes by the City Council in 2004 and 2006.

The proposed revisions to the Code are attached to this report as Appendix A to the Resolution. Appendix B to the Resolution lists disclosure categories. For clarity, a strikeout version of Appendix A is attached as Attachment 2 for your reference.

RECOMMENDATION:

MAYOR AND CITY COUNCIL MOVE TO ADOPT THE REVISIONS TO THE EXISTING CITY OF CORNING CONFLICT OF INTEREST CODES.

RESOLUTION NO.: 06-24-08-04

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF CORNING
ADOPTING REVISIONS TO ITS CONFLICT OF INTEREST CODE**

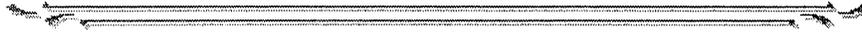
WHEREAS, the Political Reform Act, Government Code Section 81000 et. Seq., requires state and local government agencies to adopt Conflict of Interest Codes and to review those Codes in even-numbered years to ensure that they are current; and

WHEREAS, the Conflict of Interest Code now in effect in the City of Corning has been reviewed and there are revisions needed to reflect current conditions in view of changes in employee titles and positions:

NOW, THEREFORE, BE IT RESOLVED, that:

- I. The list of designated employees required to file Statements of Economic Interest is hereby amended to include all those officers and employees as set forth in "Appendix A", which is attached hereto and incorporated herein by this reference.
- II. Only those officers and employees who are designated in the City's Conflict Of Interest Code for the first time, if any, are required to file an initial statement as defined in the Code.

This Resolution shall take effect upon its adoption.



The foregoing Resolution was passed and adopted at a regular meeting of the City Council of the City of Corning, held on June 24, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

GARY R. STRACK, MAYOR

ATTEST:

LISA M. LINNET, CITY CLERK

APPENDIX A

<u>Category Position</u>	<u>Disclosure</u>
City Manager	Note 1, below
City Attorney	Note 1, below
City Treasurer	Note 1, below
City Clerk	1
Deputy City Clerk *	1
Finance Officer	Note 1, below
Public Works Director	2, 3, 4
Assistant Public Works Director	2, 3, 4
Planning Director *	2, 3, 4
Building Inspector *	2, 3, 4
Wastewater Treatment Plant Operator (SWWC Incorp.) *	2, 3, 4
Police Chief	2, 3
Fire Chief	2, 3
Recreation Supervisor	2, 3
Mayor	Note 1, below
City Council Members	Note 1, below
Planning Commissioners	Note 1, below
Recreation Commissioners	1
Library Commissioners	1
Airport Commissioners	1
Consultants	Note 2, below
Business Improvement District Directors	1

1. Although listed here, this position does not fall into the category of "designated employee" because it is a position identified in Government Code, Section 87200 and the Government Code itself specified the filing requirements for this position.
2. Consultants shall be included in the lists of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The City Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirement. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

APPENDIX B

General Provisions

When a designated employee is required to disclose investments and sources of income, he need only disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction. When a designated employee is required to disclose interests in real property, he need only disclose real property which is located in whole or in part within or not more than two miles outside the boundaries of the jurisdiction or within tow miles of any land owned or used by the local government agency.

Designated employees shall disclose their financial interests pursuant to the appropriate disclosure category as indicated in Appendix A.

DISCLOSURE CATEGORIES

- Category 1:** Officials and employees whose duties are broad and indefinable:
Investments, business positions, and income from sources located in or doing business in the City.
Interests in real property located in the jurisdiction, including property located within a two mile radius of any property owned or used by the City.
- Category 2:** Officials and employees whose duties involve contracting or purchasing:
Investments, business positions, and sources of income of the type which:
Provide services, supplies, materials, machinery or equipment of the type utilized by the City.
- Category 3:** Agencies with regulatory powers:
Investments, business positions, and sources of income of the type which:
Are subject to the regulatory, permit or licensing authority of the City.
- Category 4:** Designated employees whose decisions may affect real property interests:
Investments, business positions, and sources of income of the type which:
Engage in land development, construction or the acquisition or sale of real property.
Interests in real property located within the City, including property located within a two mile radius of any property owned or used by the City.
- Category 5:** Agencies which provide pooled self-insurance benefits:
Interests in real property located within the City, including property located within a two mile radius of any property owned or used by the City.
Investments, business positions, and sources of income of the type which:
The City is empowered to invest its funds.

Provide services, supplies, materials, machinery or equipment of the type utilized by the City.

Engaged in the business of insurance including, but not limited to, insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers and actuaries.

Financial institutions including, but not limited to; Banks, Savings and Loan Associations and Credit Unions.

Have filed a claim, or have a claim pending, against the City.

Category 6: Joint Power Authorities:

Interests in real property located within the City including property located within a two mile radius of any property owned or used by the City.

Investments, business positions, and sources of income from the type which:

The City is empowered to invest its funds.

Contracted with the City to provide services supplies, materials or equipment.

Are Insurance Companies, carriers, holding companies, underwriters, agents, solicitors, or brokers.

Have filed a claim or have a claim pending, against the City.

APPENDIX A

<u>Category Position</u>	<u>Disclosure</u>
City Manager	Note 1, below
City Attorney	Note 1, below
City Treasurer	Note 1, below
City Clerk	1
Deputy City Clerk *	1
Finance Officer	Note 1, below
Public Works Director	2, 3, 4
Assistant Public Works Director	2, 3, 4
Planning Director *	2, 3, 4
Building Inspector *	2, 3, 4
Wastewater Treatment Plant Operator (SWWC Incorp.) *	2, 3, 4
Police Chief	2, 3
Fire Chief	2, 3
Recreation Supervisor	2, 3
Mayor	Note 1, below
City Council Members	Note 1, below
Planning Commissioners	Note 1, below
Recreation Commissioners	1
Library Commissioners	1
Airport Commissioners	1
Environmental Review Committee Members	1
Consultants	Note 2, below
Business Improvement District Directors	1

1. Although listed here, this position does not fall into the category of "designated employee" because it is a position identified in Government Code, Section 87200 and the Government Code itself specified the filing requirements for this position.
2. Consultants shall be included in the lists of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The City Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirement. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

~~Strikeout~~ = Job title removed.

Bold = New/Revised Job title

**ITEM NO. H-7
RESOLUTION NO. 06-24-08-01; A RESOLUTION
ORDERING ANNEXATION OF SALADO
ORCHARD APARTMENTS INTO LANDSCAPING
AND LIGHTING DISTRICT NO. 1, ZONE 4;
PACIFIC WEST COMMUNITIES, INC.**

June 24, 2008

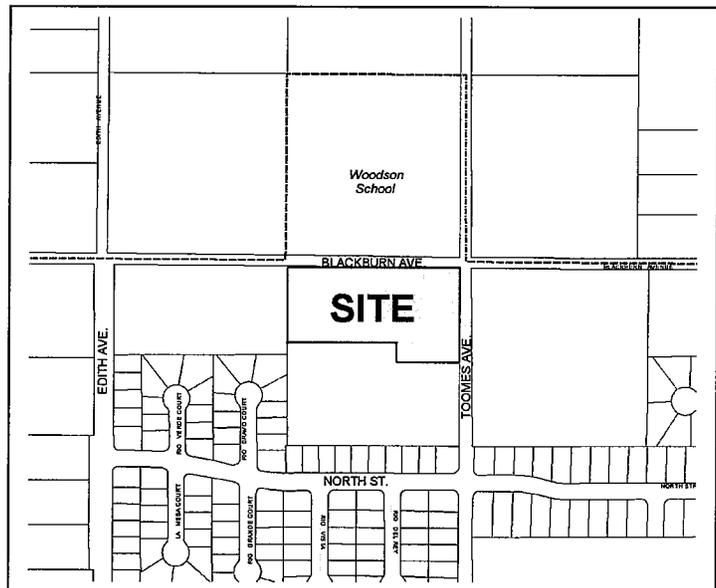
TO: CITY COUNCIL OF THE CITY OF CORNING

FROM: JOHN STOUFER, PLANNING DIRECTOR JS

This is the third and final action required to annex Parcel 1 of Parcel Map 07-1, the Salado Orchards Apartment project, into the City's Landscaping and Lighting District No. 1 that was initially formed in 2005.

On March 20, 2007, the Planning Commission approved Planned Development Use Permit No. 2006-231 to authorize development of the 48 unit "Salado Orchard Apartment Project" on Parcel 1 of Parcel Map 07-1. The Use Permit became effective on April 10, 2007, when the City Council approved Rezone No. 2006-03. The rezone and use permit included 45 Conditions of Approval.

Among those conditions is the requirement to form or annex into a Landscaping and Lighting District. The purpose of such a district is to collect annual assessments to fund certain common or public facilities proposed in and for the benefit of the new housing development. In this case the assessments will pay for maintenance and electrification of streetlights, irrigation and maintenance of landscaping installed within the median planter strip in Blackburn Avenue.



FORMATION PROCESS

The process for forming and annexing into Landscaping and Lighting Districts is included in the State Streets and Highways Code. The process requires three separate Council hearings. This is the third of the three hearings. The first hearing, initiating the annexation, was conducted on June 12, 2007. The second hearing, adopting a Resolution of Intention to annex the project site into Landscaping and Lighting District No. 1 as Zone 4, was conducted on May 27, 2008.

While formation of new districts most-often requires an official "election" (ballot/voting) process, annexations to existing districts can be accomplished without election upon the consent of the affected property owner(s). Pacific West Communities consented to the annexation in their letter dated May 29, 2007 (attached).

RESOLUTION NO. 06-24-08-01

Attached for your consideration is the proposed Resolution to annex the subject property into Landscaping and Lighting District No. 1 as Zone 4.

STAFF RECOMMENDATION:

That the City Council:

- **Adopt Resolution No. 06-24-08-01, the Resolution annexing Parcel 1 of Parcel Map 07-1, Salado Orchard Apartments into the City of Corning Landscaping and Lighting District No. 1, as Zone No. 4.**

RESOLUTION NO. 06-24-08-01
A RESOLUTION ORDERING THE ANNEXATION OF PARCEL 1 OF PARCEL MAP 07-1
(SALADO ORCHARDS APARTMENT) INTO LANDSCAPING AND LIGHTING DISTRICT
NO. 1, AS ZONE NO. 4

WHEREAS, the Landscaping and Lighting Act of 1972 (California Streets and Highways Code Section 22500 et. seq.) provides a process for establishing Landscaping and Lighting Districts, and

WHEREAS, Rezone No. 2006-03 and Tentative Parcel Map 07-1, approved by the Corning City Council on April 10, 2007, and Planned Development Use Permit No. 2006-231, approved by the Corning Planning Commission on March 20, 2007, included a condition of approval requiring the formation or annexation to a Landscaping and Lighting District for the purposes of maintenance and electrification of streetlights, irrigation and maintenance of landscaping installed within the median planter strip in Blackburn Avenue, and

WHEREAS, the City Engineer has filed a report with the City Clerk regarding the improvements with and boundaries of the proposed Landscaping and Lighting District No. 1, Zone 4, and the proposed assessments upon the parcel within the district, and

WHEREAS, the Corning City Council did follow the procedures and approval process set forth in Section 4, of Article XIID, of the California Constitution by conducting a public hearing on June 24, 2008 to consider annexation of Parcel 1 of Parcel Map 07-1, "Salado Orchard Apartments" into Landscaping and Lighting District No. 1, as Zone 4, and

WHEREAS, the annexation was initiated by request of sole property owner Pacific West Communities, by letter dated May 29, 2007, to satisfy Conditions of Approval for Rezone No. 2006-03, Tentative Parcel Map 07-1 and Planned Development Use Permit No. 2006-231, and based on that letter, and in compliance with California Proposition 218, the City Clerk has determined that all of the property owners support annexation of the parcel into Landscape and Lighting District No. 1 as Zone 4.

WHEREAS, notice of the public hearing, regarding the annexation of Parcel 1 of Parcel Map 07-1, (Salado Orchard Apartments) into Landscaping and Lighting District No. 1 as Zone 4, was published in the Corning Daily Observer on Wednesday June 11, 2008 and mailed to the initiating property owner.

=====

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Corning hereby orders the annexation of Parcel 1, as said parcel is shown on that certain Parcel Map 07-1 recorded in the Office of the Recorder of the County of Tehama, State of California, in Book 13 of Parcel Maps, at page 199, on June 26, 2007, into Landscaping and Lighting District No. 1, as Zone 4, as shown on the diagram attached as Exhibit "B", and to levy an annual assessment to each parcel within the district totaling \$4,772.90 for fiscal year 2008-2009.

PASSED, ADOPTED AND APPROVED this _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSENT OR NOT VOTING:

Gary R. Strack, Mayor

ATTEST: _____
Lisa Linnet, City Clerk

**ITEM NO. I-8
AGREEMENT REGARDING DEVELOPMENT
IMPACT FEE REDUCTION, MONITORING,
AND POTENTIAL ADDITIONAL DIF
PAYMENT; AAA TRUCK WASH; 3525
HIGHWAY 99-W**

JUNE 24, 2008

TO: CITY COUNCIL OF THE CITY OF CORNING

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

JS

TR

SUMMARY:

Staff collects Development Impact Fees for new uses before issuing "Certificates of Occupancy" authorizing a new use. Only the City Council is authorized to approve reduced Development Impact Fees.

Attached for your consideration is an agreement to reduce the Development Impact Fees (DIF) initially collected for the new AAA Truck Wash to be located at 3525 Highway 99-W.

Staff supports the agreement to permit occupancy operation of the use upon payment of a reduced DIF so long as:

1. Any reduced DIF is based on their Engineer's Report,
2. Water use and effluent production are monitored for a period of 12 months, and:
3. At the end of that 12-month monitoring period, staff will determine the actual impacts to the City's water and sewer utilities and report the same to AAA.
4. If the quantified impacts exceed the equivalent EDU's for which DIF was previously paid, AAA agrees to pay the City the additional DIF.

The City Attorney has prepared the attached draft agreement for just that purpose.

BACKGROUND:

On Tuesday June 10, staff presented the City Council information regarding a Development Impact Fee (DIF) Reduction request by AAA Truck Wash (hereafter AAA). A copy of that staff report is attached. That June 10th report describes the City's current

DIF fee schedule as it relates to Truck Wash and Carwash uses. In summary, the schedule does not differentiate between truck (or car) wash uses based on size, and anticipates that all such uses will have the impacts of 72 equivalent dwelling units (EDU's). Consequently, a 20 bay truck wash is obligated to pay the same DIF as a 2 bay truck wash. The standard sum of water and sewer DIF for a truck wash is over \$333,000.00.

AAA believes their impacts will be much less and has submitted a letter requesting a reduction of those Development Impact Fees (DIF). Only the City Council may authorize a reduction to DIF.

To better quantify their anticipated impacts, AAA has submitted an engineer's report. According to the report, AAA will have impacts equivalent to 10 EDU's on the sewer system and 20 EDU's on the water system. The water and sewer DIF for uses with those levels of impacts totals about \$60,600.00.

STAFF RECOMMENDATION:

That the City Council authorize the City Manager to sign the attached agreement which will entitle AAA Truck Wash to operate after paying a reduced Development Impact Fee, and subject to the conditions therein.

**CITY OF CORNING
AGREEMENT WITH
AAA TRUCK WASH**

THIS AGREEMENT ("Agreement"), made and entered into this ____ day of June, 2008, is by and between the **CITY OF CORNING**, a California municipal corporation, hereinafter referred to as "**CITY**", and **AAA TRUCK WASH, LLC.**, a **limited liability company**, hereinafter referred to as "**AAA**."

WITNESSETH:

WHEREAS, AAA is the holder of a Conditional Use Permit No. 2008-250 issued by CITY on March 18, 2008 which entitles it to operate within an existing building formerly used as a truck repair shop and located at 3525 Highway 99-W,; and

WHEREAS, AAA is acquiring ownership of that building and will operate a truck wash at that site; and

WHEREAS, the Use Permit requires AAA to abandon the on-site septic system and water well and connect to CITY sewer and water trunk lines; and

WHEREAS, the CITY's standard Development Impact Fees for a truck wash according to its adopted schedule assumes that truck wash sewer and water impacts are the equivalent of 72 dwelling units; and

WHEREAS, AAA has submitted a request for an adjustment in the Development Impact Fee charged them based upon an Engineer's Report demonstrating that the anticipated impacts of their truck wash will be considerably less than those upon which the CITY's fee schedule are based; and

WHEREAS, CITY is willing to adjust the fees as requested subject to later review and further adjustment in the event that the actual impacts exceed those projected in AAA's Engineer's Report;

NOW, THEREFORE, in consideration of the promises and mutual benefits which will accrue to the parties hereto in carrying out the terms set forth below, the parties agree as follows:

(1) Scope of Agreement

AAA will pay an initial Development Impact Fee based in the impacts anticipated in their Engineer's Report in the amount of \$60,615.00.

AAA will install metering to CITY's requirements to allow monitoring of water use and effluent production for a period of 12 months after being connected to the CITY's sewer and water system.

CITY will determine the actual impacts for both sewer and water at the end of this 12 month period and report the results to AAA.

If the quantified impacts exceed the equivalent EDU's for which the Development Impact Fee was previously paid by AAA, then AAA will pay an added fee to adjust the total amount previously paid to a corrected amount which reflects the actual impact documented by the 12 month testing period.

(2) In the event of legal action arising out of this agreement, the prevailing party shall be entitled to an award of reasonable attorney fees and costs

(2) Notices

Any notice required to be given pursuant to the terms and provisions of this Agreement shall be in writing and shall be sent by first class mail. Notice shall be deemed to be effective two days after mailing to the following addresses:

To CITY: City Manager
 City of Corning
 794 Third Street
 Corning, California 96021

To AAA : AAA Truck Wash, LLC
 Tarlochan Sohal, CEO
 15420 W. August Ave.
 Delhi, CA 95315

IN WITNESS WHEREOF, City and AAA Truck Wash, LLC have executed this Agreement on the day and year set forth below.

Date: June ____, 2008

CITY OF CORNING

AAA TRUCK WASH, LLC

Stephen J. Kimbrough, City Manager

Tarlochan Sohal, CEO

ATTEST:

Lisa Linnet, City Clerk

APPROVED AS TO FORM AND CONTENT:

Michael C. Fitzpatrick, City Attorney

**ITEM NO.
UPDATE REGARDING POTENTIAL
DEVELOPMENT IMPACT FEE REDUCTION;
AAA TRUCK WASH; 3525 HIGHWAY 99-W**

JUNE 10, 2008

COPY

TO: CITY COUNCIL OF THE CITY OF CORNING

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

JB

JB

SUMMARY:

The Corning Planning Commission approved Use Permit No. 2008-250 on March 18, 2008. The use permit entitles AAA Truck Wash (hereafter AAA) to operate within the existing building at 3525 Highway 99-W. The building was formerly used as a truck repair shop, and owned by Bill and Barbara Boot. AAA intends to buy the Boot property.

The use permit requires AAA to abandon the onsite septic system and water well in favor of connecting to City water and sewer trunk lines. Once connected and operating, the new truck wash will significantly affect City water and sewer facilities. The City's standard Water and Sewer related Development Impact Fees for Truck Wash (or Car Wash for that matter) uses total over \$300,000.00. That amount is based on a City adopted fee schedule, which assumes truck wash water and sewer impacts are equivalent to the impacts of 72 dwelling units.

AAA believes their impacts will be much less and has submitted a letter requesting a reduction of those Development Impact Fees (DIF). Only the City Council may authorize a reduction to DIF.

IMPACTS AND MITIGATION WITH DEVELOPMENT IMPACT FEES:

State law requires there be a "reasonable relationship" or "nexus" between the amount of a Development Impact Fee (DIF) and the impacts to City services. Our current impact fee schedule assigning 72 EDU's (equivalent dwelling units) does not account for different sized (smaller or larger) truck washes.

AAA's request for reduced DIF is supported by an Engineer's Report. The City Engineer and (both current and future) Public Works Directors have reviewed the report. Of course, a facility washing one truck a day would have fewer impacts than one washing 20. That "magnitude" difference is the basis of AAA's request and supported by the Engineer's Report which anticipates the impacts to be equivalent to 10 "Sewer" EDU's, and 20 "Water" EDU's.

Staff does not dispute the Engineer's Report and preliminary estimates of impacts. However, we believe any potential fee reduction must be substantiated through metering of water usage and effluent discharge. Toward that end, staff is currently working with the City Attorney to compile an agreement that, if adopted, would:

1. Require AAA to pay an initial DIF based on the impacts anticipated in their Engineer's Report, estimated to total about \$60,000.00, and:
2. Require metering of water use and effluent production for a period of 12 months, and:
3. At the end of that 12-month monitoring period, staff will determine the actual impacts to the City's water and sewer utilities and report the same to AAA.
4. If the quantified impacts exceed the equivalent EDU's for which DIF was previously paid, AAA agrees to pay the City the additional DIF.

Once the agreement is compiled, staff will present it for Council consideration and adoption and offer it to AAA for their signature.

STAFF RECOMMENDATION:

- **No Council action is necessary. This is presented only to advise Council of this request for DIF reduction and staff action to compile a potential agreement for future Council consideration.**

COPY

**ITEM NO.: I-9
PRESENTATION OF 2008-2009
PROGRAM OF SERVICE AND
PROPOSED ANNUAL BUDGET
JUNE 24, 2008**

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



INTRODUCTION:

The City Council reviewed the Program of Service and the proposed City Budget in support of the Program at a special City Council Meeting on Monday, June 16, 2008. The City Council discussed a number of items with City Staff and gave direction for changes with the intent of further discussion and direction at the Council's regular meeting on June 24, 2008.

FUNDING FOR IMPORTANT PROJECTS:

Based upon discussions with the City Council, the report titled "Funding for Important Projects; 2008-2009" has been updated. The copy received by the City Council has been highlighted in red to make the projects to be funded by the Reserve stand out. The amount available has risen from \$559,800 to \$590,100.

The Marguerite Avenue overlay from Divisadero to Blackburn has been included in Street Projects at a cost of \$125,000; and the project study of the Police Department move to the Transportation Center has been reduced to \$25,000, which is more than enough to cover any engineering or architectural work needed to prepare a project study report for the City Council. The remainder of the original \$300,000 proposed for set-aside has been placed back into the available reserve for other allocation.

On the last page of the report, the funding request by the Chamber of Commerce of an additional \$1,200 per year has been included for Council consideration, but the amount has not been placed in the Budget.

Tehama Economic Development Corporation has also requested the Council consider an increase of \$8,000 per year and that amount is also shown for Council consideration, but not yet included in the Budget.

GENERAL FUND SUMMARY:

The "General Fund Summary" page updated to June 17, 2008 has also been included for the City Councils review. While making changes in the budget to reflect the discussion on June 16, 2008, the City Manager and outside Accountant could not get this Summary, the Important Project Report and the accounting system version of the budget to reconcile at first. The net result was a reduction in the new revenues needed from \$65,214 to \$34,914 and an increase in the available reserve. The Minimum Essential Funding total expenditures was increased to include \$4,000 for park fertilizer and weed pre-emergent spraying, \$3,700 as next years share of Tri-County Economic Development Corporation Funding and \$10,000 to support the operating costs of the Transportation Center's bus waiting area and Recreation Office. Previously rents had provided enough funding to relieve the City from any operating costs at the Transportation Center. Also the City Manager had placed the Sidewalk Replacement Program in the Budget twice, once for \$48,000, and a second time for \$50,000. The \$48,000 was removed and the \$50,000 can now be found in the Important Project list for funding now from the available reserve.

In order to make it easy for the City Council to see the changes, the reported dated June 17, 2008 has been updated by striking out the old number and replacing it with the new number.

All of the changes result in the Council now having an estimated uncommitted "Available Reserve" of \$216,600 that is not yet recommended for application to a City Project.

PROTECTING THE CITY FROM BOTH THE STATE AND ECONOMIC DOWNTURNS:

As was explained to the City Council on June 16, 2008, Staff built safeguards into the budget to protect the City from the whims of the State Legislature and possible economic downturns. City Council has expressed concern that the projected sales tax might not increase, but could actually decrease. Sales tax was down in the third quarter of 2007, and the first quarter of 2008 however, actual sales tax income should be over \$2,700,000 this year. The City's sales tax consultant has already produced reports that show the City will receive an additional \$140,062 by the end of this month, bringing the total to \$2,713,739. The City has budgeted \$2,800,000 for income next year, which is only a 3.1% increase.

To protect the City, \$100,000 in "COPS" money expected from the State Legislature has been left out of the revenue estimates for next year. The Legislature has put this in, taken it out, and put back in, and the current discussion is that it will be funded at least at 90% level. Since State funding of County Jail costs has also been up in the air, the City has included \$16,000 to cover the City's possible costs in booking fees. The Building and Public Works Inspector position is funded in the budget, but it will be held vacant. This gives the General Fund a cushion of \$34,230, and \$22,820 in the sewer and water funds.

POLICE FACILITIES STUDY:

The June 16, 2008 report to the City Council on the Budget noted, "An Important Decision needs to be made about the Police facilities". The Important Projects List included \$55,300 for the improvement of the Police Security lot, and another \$16,000 is set-aside in the building maintenance budget to contract for the removal of asbestos in the ceiling of the evidence room in the basement.

The study will give the City Council enough information to make a decision on the future of the Transportation Center; the report may also include possible alternative uses for the facility. Solutions to the asbestos removal in the evidence room will need to be addressed first and will probably include a move of the evidence to a different secure location in the basement and the closure of the old area contaminated with asbestos.

CURB AND GUTTER REVOLVING LOAN PROGRAM:

As noted in the June 16, 2008 report under the heading "Street Division", City Staff is proposing the revival of the curb and gutter revolving loan program provided for in the City Code. As City Council is aware, all of this work must be done under prevailing wage laws of the State of California and that has increased the cost of installation of curb and gutter, which in turn has eliminated any interest on the part of property owners to take advantage of the installation program through a City loan.

The prevailing wage construction cost of curb and gutter is currently \$17.50 per lineal foot. If the City would contribute \$9 per lineal foot to reduce the cost to the homeowner, this might be sufficient to encourage property owners to complete their frontage. Chapter 12.04 of the City Code offers financing with a monthly payment on the water bill to make it easy for property owners to complete their street frontage. Staff believes that many of the residents in areas without curb and gutter are low income, or low income retired residents. The current cost of constructing the curb and gutter on a fifty-foot frontage is \$875. A grant of \$9 per lineal foot would reduce the cost to \$425.

MARGUERITE AVENUE OVERLAY:

The current Street Paving Project cannot be extended to include Marguerite now, however \$125,000 is included in the major projects. The Public Works Director and City Engineer believe that the project can be added to the Safe Routes to School improvements on Marguerite and constructed together. The City Engineer says the timing of the funding from the State and the amount of work to be done will not make it possible for the sidewalk to be completed before school starts.

CITY SUPPORT OF CHAMBER OF COMMERCE AND TEHAMA EDC:

The Mayor asked if Staff would include historic information on the funding of these two important organizations.

A look at prior City Budgets indicate that the Corning Chamber of Commerce would receive funding as follows:

1991: \$31,250
1992: \$24,950
1993: \$18,333 - That year the City Council implemented the \$18,000 payment, plus \$2,000 additional dollars available for match, for a total of \$20,000.
1994: \$21,000 – The match was increased to \$3,000.
1995 to 1996: \$18,000, plus \$3,000 match.
1997 to 2006: \$18,000 plus \$3,000 match.
2007 to 2008: \$18,000 plus \$4,000 match.

In 2008 the Chamber of Commerce is requesting that the City increase the annual funding by \$1,200 to a total of \$23,200.

The Tehama Economic Development Corporation received funding as follows:

1991: \$-0-
1992: \$-0-
1993: \$6,000
1994: \$-0-
1995: \$-0-
1996: \$9,000
1997: \$9,000
1998: \$9,000
1999 – Present: \$12,000

Following the reorganization of TLDC and its renaming to the Tehama Economic Development Corporation, (Tehama EDC) has requested that the City increase their funding from \$12,000 per year to \$20,000 to be accompanied by a strong commitment from Tehama EDC to participate actively in economic development in Corning. The Executive Director Claudia Martin has for some time represented Tehama EDC to the Corning Chamber of Commerce.

RECOMMENDATION:

MAYOR AND COUNCIL RECEIVE PUBLIC COMMENTS ON THE BUDGET AND CITY PROGRAMS, AND FOLLOWING DISCUSSIONS APPROVE THE 2008-2009 PROGRAM OF SERVICE AND ANNUAL BUDGET, AND DIRECT STAFF TO PREPARE THE RESOLUTION OF ADOPTION FOR THE REGULAR MEETING TUESDAY, JULY 8, 2008.

General Fund Summary

June 17, 2008

Here is the **Current 2007 - 2008 Budget** as amended during the year.

	Approved Budget	Actual to Date	Year End "Guess"
Budgeted Revenue	\$4,382,750	\$4,781,351	\$4,900,000
Budgeted Expenditures	<u>5,276,933</u>	<u>4,621,911</u>	<u>5,050,000</u>
Budget Net	\$ (894,183)	\$ 159,440	\$ (150,000)
General Fund <u>Beginning</u> Balance July 1, 2007 ¹		\$1,575,014	
Less expected net revenue for Year End		\$ (150,000)	
Less Operating Reserve set by Policy ² \$700,000 plus \$100,000 =		\$ (800,000)	
<i>Again this year, the reserve should be increased to insure sufficient cash flow for operations. \$800,000 only represents 16.6% of the Proposed Minimum Essential Funding <u>before</u> adding projects.</i>			
Uncommitted General Fund Reserve Available for next year		<u>\$ 625,014</u>	

Proposed 2008 - 2009 Annual Budget

Projected Revenue	\$4,757,000	
Proposed Operating Expenditures	\$4,822,214	\$4,791,914 <i>Minimum Essential Funding</i>
New Revenues Needed	\$ 65,214	34,914

Again this year, new Programs should be avoided, if possible, until the Revenues consistently exceed the minimum essential funding. The City Manager's Proposed General Fund Budget, below, is balanced through the use of reserves and provides for the continuation of City Services approved by the City Council, but the Budget does NOT include major capital improvements.

Projected Revenue		\$4,757,000
Plus Available Reserve		625,014
<i>(Includes the NCCSIF Insurance Dividend of \$129,843 received in June³)</i>		
Total General Funds Available		<u>\$5,382,014</u>
Proposed Operating Expenditures⁴	\$4,822,214	4,791,914
Available Reserve	559,800	<u>590,100</u>
Additions discussed on 6-16-08 See "Funding for Important Projects" report		\$348,500
Additions by City Council to be determined	_____	
Estimated uncommitted "Available Reserve"		\$ 241,600

The report titled "**FUNDING FOR IMPORTANT DEPARTMENT PROJECTS**" lists the City Departments' Proposed Projects as described in the Adopted Capital Improvement Program".

The City Council funds one time projects or program commitments with that portion of the Reserve or savings not essential for cash flow and emergencies. This usable portion of the General Fund Reserve is called the "Available Reserve".

¹ Source: Annual Audit

² An Operating Reserve is set by City Council Policy at \$500,000 since 2002, and increased to \$700,000 (5% of Operating Budget) in 2007.

³ The City is a member agency of the Northern California Cities Self Insurance Fund for Liability and Workers' Compensation Insurance.

⁴ Covers Minimum Essential Funding of All Personnel and Operations

FUNDING FOR IMPORTANT PROJECTS: 2008-2009 (Draft 6-16-08)

This report shows the Staff's recommended Projects for funding in the coming year including changes discussed by City Council at Budget Session Monday June 16, 2008. The report lists all Projects but is concerned with the General Fund ability to fund the Projects. Other Funds are listed where these Funds contribute to the Budget. Each Department in their Budget Narrative fully explains the need for each expenditure and capital improvement project.

General Fund Available Reserve for Fiscal Year 2008-2009

\$ 590,100

Remaining funds available
after funding each
Proposed General Fund Project

In the Police Department:

Annual Funding of Police Equipment Replacement Fund #071	Cost \$ 50,000 in Budget 001- 9501-5500	FUNDED
Additional General Fund Needed	\$100,000	FUNDED IN BUDGET \$490,100
Fund 071 Fund Balance 6-30-08	\$161,582	
Misc. income & Grant Funds	\$ 12,603	

Includes:

Three Patrol Vehicles Equipped, Police Equipment Replacement Fund 071-9500-2116 from Equipment Fund	Cost \$119,000 (2008 vehicle delivery in August '08 plus replace two in 2009)
911 Upgrade GIS Mapping \$15,000 grant expected; included in revenue projection net cost \$35,000 071-9160-2116 from Equipment Fund	Cost \$ 40,000
"CAD & Records Management System" Computer Replacement Police Equipment Replacement Fund 071-9160-2116 from Equipment Fund	Cost \$ 80,000 Cost \$ 2,000
Child Safe Seat Program Police Equipment Replacement Fund 071-XXXX-2116 from Grant Funds in Equipment Fund	Cost \$ 385
Police Security Lot Police Equipment Replacement Fund 071-XXXX-2116 from Equipment Fund	Cost \$55,300
Equipment Replacement Police Equipment Replacement Fund 071-XXXX-2116 from Equipment Fund	Cost \$ 6,000

Remaining funds available
after funding each
Proposed General Fund Project

Parks Division

Woodson Play Equipment	Cost \$25,000		
General Fund 001-9171-6100		FUNDED IN BUDGET	\$465,100
Install ADA Drinking Fountains	Cost \$10,000		
General Fund 001-9170-6100		FUNDED IN BUDGET	\$455,100
Park Mower Replacement	Cost \$17,500		
PW Equip Repl. 078-9301-6100	\$5,000		
General Fund 001-9829-5500 <i>transfer to 078</i>	\$12,500	FUNDED IN BUDGET	\$442,600
Park Land Acquisition to support Community and future Growth 2002 California Park Development Bond Act	Cost \$220,000		

Streets Division

Purchase replacement heavy Tools	Cost \$10,700		
Public Works Replacement Fund 078-9301-3000	\$10,700 FUNDED		
Curb, Gutter and Sidewalk Replacement Program			
General Fund 001-8004-3000	\$50,000	FUNDED IN BUDGET	\$392,600
Curb & Gutter Revolving Loan Program	\$10,000		
Curb & Gutter Fund 365-9462-3001	\$10,000 FUNDED		
Community Events	Budget \$16,000		
General Fund 001-5100-3190	\$16,000	FUNDED IN BUDGET	\$376,600

Street Projects

Marguerite Overlay - Divisadero to Blackburn	Cost \$100,000		
General Fund 001-9470-3001	\$125,000	FUNDED IN BUDGET	\$251,600
Safe Routes to School - Marguerite, 1st ST & Blackburn	Cost \$316,000		
Safe Routes Grant 118-7402-9013	\$316,000 FUNDED in Fund 118		
General Fund 001-9013-7402	\$ 31,600 match	FUNDED	
Downtown TEA Streetscape Solano Overlay 2 blocks	Cost \$200,000		<i>set aside funds in future</i>

City Park Development Funds

Park Acquisition Fund # 341

Projected Fund Balance \$ 213,833

Established in 1970, through Ordinance 320, City Code Chapter 3.32 "RESIDENTIAL CONSTRUCTION TAX" (page 41) requires all residential dwelling units including mobile home lots to pay a tax to fund the "acquisition, improvement and expansion of public parks, playgrounds and recreational facilities" in the City. The proceeds of the tax "may also be used for the development of recreational facilities on public school grounds which provide a desirable site and immediate access to the public from the street."

The tax is collected with the issuance of Building Permits:
 \$200 per new mobile home lot or one bedroom dwelling
 \$100 per each additional bedroom

Parkland Development Fund # 355

Projected Fund Balance \$183,285

Established in 1991, through Ordinance 515, City Code Chapter 3.40 "PARKLAND DEVELOPMENT FEE" (page 44-1) imposes a fee on lots in all "newly created" parcel maps and subdivision maps "solely for the purchase and preparation of land for city parks."

The fee is collected with the issuance of Building Permits: \$ 875 per dwelling unit.

Yost Field Fund # 352

Closed

The Fund is being closed June 30, 2008, because it is no longer needed to segregate funds. The Fund has had a negative balance for over two years. It was established to segregate the fees raised under City Code Chapter 7.12, "RECREATIONAL USE FEES", the Yost Field Fund derived its income from fees paid by groups using the field for tournaments and scheduled activities. The money was used solely to improve or replace facilities at Yost Field.

Chapter 7.12 gives the city Council the authority to establish recreational use fees at City recreational facilities and to spend those fees for recreational purposes.

Park Improvement Fund # 353

Projected Fund Balance \$ 15,302

Established by City Council to segregate those Budget appropriations made by the City Council periodically for the special park improvement and refurbishment projects identified jointly by the Recreation Commission and Park Volunteer Committee. Current Balance exists because extra Recycling Grant funds were placed in it.

Rodgers Theater Trust #402

Projected Fund balance \$ 22,806

Annual Audit page 66 shows a balance of \$\$53,620. Add interest to date of \$2,000, less Marquee work to date of \$2,525

Statewide 2002 Park Bond Issue Fund # 354

Reserved for Corning \$220,000

The July, 2003 State Procedural Guide states that the funding allocation is "...intended to maintain a high quality of life for California's growing population by providing a continuing investment in parks and recreational facilities. Specifically, it is for the acquisition and development of neighborhood, community, and regional parks and recreation lands and facilities in urban and rural areas." "Capital Projects that will provide lands and facilities for recreational activities and services are eligible. The following types of Capital Projects are eligible for grant funding: Acquisition..., or Development."

Established by City Council to receive and segregate the \$220,000 "per capita" allocation to the City of Corning from the "2002 Resources Bond Act" also known as the "California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002". This "pork barrel" Proposition from the Legislature was meant to have something for everyone and insured that each City received a minimum "per capita allocation" of at least \$220,000. **Projects and all paperwork must be complete by June 30, 2011.**