

YREKA CITY COUNCIL
AGENDA

September 4, 2014 – 6:30 P.M.

Yreka City Council Chamber 701 Fourth Street, Yreka, CA

The full agenda packet can be found on the City's website www.ci.yreka.ca.us/council

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS: This is an opportunity for members of the public to address the Council on subjects within its jurisdiction, whether or not on the agenda for this meeting. The Council has the right to reasonably limit the length of individual comments. Pursuant to Yreka Municipal Code Section 1.24.170 those addressing the Council shall limit their remarks to five minutes. For items, which are on this agenda, speakers may request that their comments be heard instead at the time the item is to be acted upon by the Council. The Council may ask questions, but may take no action during the Public Comment portion of the meeting, except to direct staff to prepare a report, or to place an item on a future agenda.

SPEAKERS: Please speak from the podium. State your name and mailing address so that City Staff can respond to you in regard to your comments, or provide you with information, if appropriate. You are not required to state your name and address if you do not desire to do so.

1. Presentation to Steve Neill in recognition of his retirement from city service – Mayor Bicego.
2. Discussion/Possible Action - Consent Calendar: All matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion or a member of the audience wishes to comment on an item. The City Manager recommends approval of the following consent calendar items:
 - a. Approval/ratification of payments issued from August 22, 2014 through September 4, 2014.
 - b. Approval of Minutes of the meeting held August 21, 2014.
 - c. Adopt a Resolution of the Council of the City of Yreka establishing the City's intent to comply with the Affordable Care Act employer shared responsibility.
3. Discussion/Possible Action – Adopt Resolution making necessary findings pursuant to Government Code Section 7522.56 for Post-Retirement Employment of Steve Neill and directing the City Manager to execute an agreement regarding such employment, together with any and all other necessary documents.
4. Discussion/Possible Action – Adopt Resolution to authorize the City Manager to award a construction contract including deductive alternate No. 1 to BK Construction in the amount of \$133,300 and execute contract agreements for the Community Theater Siding Replacement.
5. Discussion of possibilities of obtaining a “first right of refusal” for the superior water rights on Fall Creek owned by Pacific Power (Mayor Pro Tem Simmen).

City Manager Report

Council Statements and Requests: Members of the Council may make brief announcements or reports or request staff to report to Council on any matter at a subsequent meeting.

CLOSED SESSION:

1. Conference with Legal Counsel - Anticipated Litigation

Initiation of litigation pursuant to Subdivision (c) of Section 54956.9 of the Government Code:
(Number of case to be discussed – 1 - The names of the parties are not disclosed as it is believed that that to do so would jeopardize the City's ability to serve process or to conclude existing settlement negotiations to the City's advantage).

RETURN TO OPEN SESSION: Announcement of any action taken by the City Council in Closed Session required by the Ralph M. Brown Act. (Government Code Section 54950 et. seq.)

Adjournment.

In compliance with the requirements of the Brown Act, notice of this meeting has been posted in a public accessible place, 72 hours in advance of the meeting.

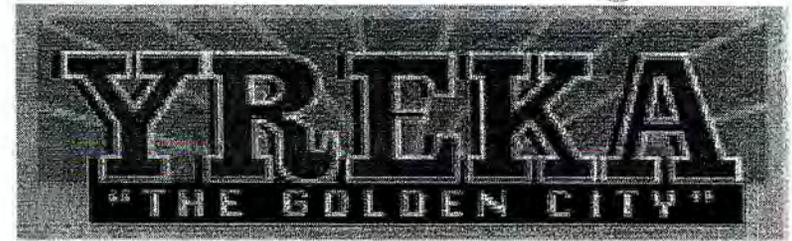
All documents produced by the City which are related to an open session agenda item and distributed to the City Council are made available for public inspection in the City Clerk's Office during normal business hours.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the City Clerk 48 hours prior to the meeting at (530) 841-2324 or by notifying the Clerk at casson@ci.yreka.ca.us.

Accounts Payable

Computer Check Proof List by Vendor

User: lysandra
 Printed: 08/28/2014 - 10:57AM
 Batch: 00012.08.2014



| Invoice No | Description | Amount | Payment Date | Acct Number | Reference |
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| 5671671 | INV 5671671 | 17.32 | 09/05/2014 | 80-560-0000-517-000 | |
| 5671675 | INV 5671675 | 33.34 | 09/05/2014 | 01-020-0000-517-000 | |
| 5672399 | INV 5672399 | 17.60 | 09/05/2014 | 70-510-0000-517-000 | |
| 5672490 | INV 5672490 | 117.88 | 09/05/2014 | 70-030-0000-517-006 | |
| 5672490 | INV 5672490 | 117.87 | 09/05/2014 | 80-030-0000-517-006 | |
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| Vendor: 1041 | RON BLACK | | | Check Sequence: 2 | ACH Enabled: False |
| 09/05/14 | SEPTEMBER 2014 | 696.00 | 09/05/2014 | 01-200-0000-521-004 | |
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| Vendor: 1057 | CDW-G COMPUTING SOLUTIONS | | | Check Sequence: 3 | ACH Enabled: False |
| NR91942 | INV NR91942 | 155.95 | 09/05/2014 | 01-050-0000-516-000 | |
| | Check Total: | 155.95 | | | |
| Vendor: 1424 | EC FIOCK & SONS | | | Check Sequence: 4 | ACH Enabled: False |
| 09/05/14 | BIOSOLIDS LEASE | 2,202.79 | 09/05/2014 | 80-560-0000-421-001 | |
| | Check Total: | 2,202.79 | | | |
| Vendor: 1121 | STEVE FAHRNEY | | | Check Sequence: 5 | ACH Enabled: False |
| TRNG 9/8-10 | TRNG 9/8-10 NAPA | 746.00 | 09/05/2014 | 01-200-6506-513-004 | |
| | Check Total: | 746.00 | | | |
| Vendor: 1913 | G & G HARDWARE (ADMINISTRATION) | | | Check Sequence: 6 | ACH Enabled: False |
| 176494 | INV 176494 | 16.11 | 09/05/2014 | 01-060-0000-516-000 | |
| | Check Total: | 16.11 | | | |

A 1-5

| Invoice No | Description | Amount | Payment Date | Acct Number | Reference |
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| Vendor: 1915 | G & G HARDWARE (VEHICLE MAINT) | | | Check Sequence: 7 | ACH Enabled: False |
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| 176018 | INV 176018 | 15.67 | 09/05/2014 | 01-350-0000-521-000 | |
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| Vendor: 1141 | KARL GREINER | | | Check Sequence: 9 | ACH Enabled: False |
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| | Check Total: | 500.00 | | | |
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| 54691314 | INV 54691314 | 208.69 | 09/05/2014 | 01-220-0000-516-000 | |
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| Vendor: 2154 | JEFFERSON STATE AUTO SUPPLY | | | Check Sequence: 12 | ACH Enabled: False |
| 5470 8/14 | ACCT 5470 8/14 | 31.71 | 09/05/2014 | 01-350-0000-520-000 | |
| | Check Total: | 31.71 | | | |
| Vendor: 1168 | JANENE KINCADE | | | Check Sequence: 13 | ACH Enabled: False |
| TRNG 9/18-19 | TRNG 9/18-19 REDDING | 24.00 | 09/05/2014 | 01-200-0000-513-000 | |
| | Check Total: | 24.00 | | | |
| Vendor: 1184 | LEHR AUTO ELECTRIC INC | | | Check Sequence: 14 | ACH Enabled: False |
| 01101113 | INV 01101113 | 95.90 | 09/05/2014 | 01-350-0000-520-000 | |
| | Check Total: | 95.90 | | | |
| Vendor: 1400 | MADRONE HOSPICE | | | Check Sequence: 15 | ACH Enabled: False |

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| Vendor: 1195 1744 | EILEEN MAIER INV 1744 | 6.45 | 09/05/2014 | 01-350-0000-520-000 | ACH Enabled: False |
| | Check Total: | 6.45 | | | |
| Vendor: 1326 PAY REQUEST #2 | MARRONE CONSTRUCTION INC NORTH YREKA CREEK #2 | 40,202.53 | 09/05/2014 | 60-400-6009-615-003 | ACH Enabled: False |
| | Check Total: | 40,202.53 | | | |
| Vendor: 1256 3519 | MSI FUEL MANAGEMENT INC INV 3519 | 301.05 | 09/05/2014 | 01-350-0000-520-000 | ACH Enabled: False |
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| Vendor: 22019 | OFFICE DEPOT | | | Check Sequence: 19 | ACH Enabled: False |
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| 725604320001 | INV 725604320001 | 23.02 | 09/05/2014 | 01-300-0000-515-000 | |
| 725604320001 | INV 725604320001 | 135.42 | 09/05/2014 | 01-030-0000-515-000 | |
| 725604320001 | INV 725604320001 | 7.06 | 09/05/2014 | 70-030-0000-515-000 | |
| 725604321001 | INV 725604321001 | 83.76 | 09/05/2014 | 01-030-0000-515-000 | |
| 725609092001 | INV 725609092001 | 30.95 | 09/05/2014 | 70-030-0000-515-000 | |
| 725609092001 | INV 725609092001 | 30.95 | 09/05/2014 | 01-300-0000-515-000 | |
| | Check Total: | 261.16 | | | |
| Vendor: 16014 | PACE ENGINEERING INC | | | Check Sequence: 20 | ACH Enabled: False |
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| 22787 | INV 22787 | 30,633.45 | 09/05/2014 | 81-550-3024-425-000 | |
| | Check Total: | 41,923.34 | | | |
| Vendor: 1253 | PERFECTION CLEANING INC | | | Check Sequence: 21 | ACH Enabled: False |
| 09/05/14 | AUGUST 2014 | 425.00 | 09/05/2014 | 01-080-0000-526-001 | |
| 09/05/14 | AUGUST 2014 | 680.00 | 09/05/2014 | 01-200-0000-526-001 | |
| 09/05/14 | AUGUST 2014 | 300.00 | 09/05/2014 | 01-400-0000-426-003 | |
| | Check Total: | 1,405.00 | | | |
| Vendor: 1283 | SC ECONOMIC DEVELOPMENT COUNCIL | | | Check Sequence: 22 | ACH Enabled: False |
| 09/05/14 | SEPTEMBER 2014 | 3,333.33 | 09/05/2014 | 01-090-0000-560-001 | |

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| | Check Total: | 3,333.33 | | | |
| Vendor: 25035 40043 | MICHAEL SIMAS INV 40043 | 1,013.10 | 09/05/2014 | Check Sequence: 23 70-030-0000-516-000 | ACH Enabled: False |
| | Check Total: | 1,013.10 | | | |
| Vendor: 22015 002535 8/14 | SUBURBAN PROPANE 1638-002535 8/14 | 8.00 | 09/05/2014 | Check Sequence: 24 01-020-0000-518-002 | ACH Enabled: False |
| | Check Total: | 8.00 | | | |
| Vendor: 1415 31485 | TADI BROS INV 31485 | 537.49 | 09/05/2014 | Check Sequence: 25 01-200-6507-450-000 | ACH Enabled: False |
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| Vendor: 25090 09/05/14 | USPS SEPTEMBER 2014 | 1,400.00 | 09/05/2014 | Check Sequence: 26 70-030-0000-515-001 | ACH Enabled: False |
| | Check Total: | 1,400.00 | | | |
| Vendor: 23008 000173 003998 | WAL-MART COMMUNITY INV 000173 INV 003998 | 5.35 56.24 | 09/05/2014 09/05/2014 | Check Sequence: 27 01-030-0000-515-000 01-230-0000-416-000 | ACH Enabled: False |
| | Check Total: | 61.59 | | | |
| Vendor: 1361 TRNG 9/18-19 | ROXY WEST TRNG 9/18-19 REDDING | 24.00 | 09/05/2014 | Check Sequence: 28 01-200-0000-513-000 | ACH Enabled: False |
| | Check Total: | 24.00 | | | |
| Vendor: 1370 1700421304 | WRA INV 1700421304 | 383.50 | 09/05/2014 | Check Sequence: 29 60-400-6009-615-007 | ACH Enabled: False |
| | Check Total: | 383.50 | | | |
| Vendor: 1374 09/05/14 09/05/14 | YREKA CHAMBER OF COMMERCE SEPTEMBER 2014 AUGUST 2014 | 4,275.00 4,275.00 | 09/05/2014 09/05/2014 | Check Sequence: 30 01-090-0000-560-000 01-090-0000-560-000 | ACH Enabled: False |
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| 005821 8/14 | ACCT 005821 8/14 | 82.00 | 09/05/2014 | 01-210-0000-518-004 | |
| 054217 8/14 | ACCT 054217 8/14 | 129.00 | 09/05/2014 | 01-480-0000-518-004 | |
| | Check Total: | 211.00 | | | |
| | Total for Check Run: | 115,688.79 | | | |
| | Total of Number of Checks: | 31 | | | |

Accounts Payable



Manual Check Proof List

User: lysandra
Printed: 08/28/2014 - 10:07AM
Batch: 00003.08.2014



| Invoice No | Amount | Payment Date | Description | Check Number | Date | Acct Number | reference |
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| Vendor: 1297 | SCOTT VALLEY BANK | | | | | | |
| | | | | 511 | 08/04/2014 | | |
| 08/04/14 | 437.20 | 08/04/2014 | CREDIT CARD CHARGES 7/14 | | | 70-030-0000-526-100 | |
| Total for Check | 437.20 | | | | | | |
| Total for 1297 | 437.20 | | | | | | |
| Total Checks: | | 437.20 | | | | | |

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
YREKA HELD IN SAID CITY ON AUGUST 21, 2014

On the 21st day of August 2014, the City Council of the City of Yreka met in the City Council Chambers of said City in regular session, and upon roll call, the following were present: Robert Bicego, Bryan Foster, Rory McNeil, John Mercier and David Simmen. Absent – None.

Consent Calendar: Mayor Simmen announced that all matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion or a member of the audience wishes to comment on an item:

- a. Approval of Minutes of the meeting held August 12, 2014.
- b. Approval/ratification of payments issued from August 7 through August 21, 2014.
- c. Adopt Resolution approving requests associated with Special Event known as the Yreka Union High School District 2014 Yreka Elks Cross Country Invitational.
- d. Adopt Resolution Approving requests associated with Yreka Chamber of Commerce Special Event to be held on September 13, 2014, known as the “Sizzlin September Car Show and Shine”.

Following Council discussion, Councilmember Foster moved to approve the items on the consent calendar as submitted.

Councilmember Mercier seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, McNeil, Mercier and Simmen.

Mayor Simmen thereupon declared the motion carried.

Council Member Mercier announced his recusal from both item No. 2 and item No. 3 stating that he has a conflict of interest for item No. 2 by reason of his employment relationship with the Karuk Tribe, and a conflict of interest with item No. 3 by reason of property ownership in proximity of Miner Street Park and therefore recused himself and left the Council Chamber.

Resolution authorizing execution of an Intergovernmental Agreement between the Karuk Tribe and the City of Yreka.

City Manager Steve Baker reported that the City has been negotiating an Intergovernmental Agreement (IGA) with the Karuk Tribe for over a year regarding the proposed casino northeast of Sharps Road. The casino is a permitted use on Tribal Trust Land pursuant to a federal decision by the Department of the Interior and a Compact (agreement) between the State of California and the Karuk Tribe that has been proposed by the Governor. The Compact is currently being considered in the Legislature for approval (the Senate has already approved the Compact; the Assembly is expected to vote on it shortly).

The Compact between the State of California and the Karuk Tribe requires that the Tribe negotiate an IGA with the City and County. If the Tribe and City cannot reach agreement on the IGA, the Compact provides for an arbitration process that uses “baseball” arbitration which means that only

one of the two proposals can be selected. The arbitrator cannot suggest a compromise agreement. This process is uncertain, expensive and time consuming. The City wished to avoid arbitration if possible.

The negotiated IGA is designed to mitigate anticipated impacts of the Tribe's casino project on services of the City. Some of these were outlined in the Tribe's Tribal Environmental Impact Report; however, the City required additional information and studies on certain issues. Services that the City will be providing to the Tribe include police services; fire services; water treatment and supply, sewer collection and treatment and possibly storm water (if the Tribe is unable to retain all stormwater drainage on site). The Tribe will also make certain traffic related improvements to Sharps Road and will pay its fair share of interchange improvements to the Moonlit Oaks exit when traffic increases as a result of Phase 2 of the project. These are outlined in more detail later in this report.

While the casino itself will be on Tribal Trust Land, the parking lot will be on land owned by the Tribe in fee. A CEQA analysis of the impacts of this portion of the project and a use permit will be required.

Because of the Tribe's sovereign status, it does not have to pay locally imposed taxes. The IGA has a provision that the Tribe will have a transient occupancy fee on hotel rooms, similar to the City's transient occupancy tax on hotels, motels and campgrounds in the rest of the City. The City will receive half of the funds generated by the hotel fees on Tribal Trust Lands. The hotel is not expected to be constructed until Phase 2.

The following is an outline of the various financial provisions of the IGA and a list of the improvements that the Tribe has committed to make in support of the casino project:

Financial Terms

- Police: Tribe will pay the cost of one officer annually (approximately \$95,000 salary and benefits; \$7,000 overtime costs – costs will increase as wages, etc. increase)
- Police: Tribe will buy a patrol unit every 4 years (about \$40,500) and allow Tribe to get old unit when it is replaced at the cost of decommissioning (limited to \$2,500 first two units).
- Fire: Tribe will provide \$25,000 per year during Phase 1 and an additional \$20,000 per year in Phase 2
- Wastewater Fees: The Tribe will pay Wastewater collection impact fees as required of other developers based on a 6" water meter. The Tribe will also pay wastewater treatment improvement costs of \$441,090 – these are based on a not yet adopted development fee study.
- Wastewater – The Tribe will pay for the reconstruction of three pipes that are at or over capacity. The City will pick up the costs of oversizing the pipes from 12" to 15" on two of them. The total project cost is estimated at \$132,000; the shares between the City and Tribe have not been calculated.
- Water – The Tribe will pay the water development impact fees (these include both the treatment and distribution) as required of other developers
- The Tribe will reimburse the City \$70,000 for the costs of negotiating the agreement.

Improvements:

- The Tribe is responsible for all of the improvements on both water and wastewater to connect to the systems. The Tribe will have one water and one sewer connection. They cannot use either connection for other projects, nor accept septic waste.
- The Tribe is proposing to retain all storm drain water on their property (if they cannot do so, there are provisions for a separate agreement for this purpose)
- The Tribe will:
 - Pave an emergency access road to Campbell Road
 - Stripe Sharps Road, install right turn lanes at Sharps and Fairlane, and construct sidewalk on one side of Sharps Road.
 - Place portions of Fairlane and Sharps Road on the Tribal roads list for future funding possibilities.
- During Phase 2, the Tribe will pay its fair share of the improvements to the Moonlit Oaks/I-5 interchange.

City staff has had significant concerns about making sure that the Tribe followed the same rules that the City and its other customers are subject to, particularly with regards to water and sewer, since the Tribe's sovereign immunity would otherwise exempt it from following some of these rules. The Tribe and City staff have worked to create a legal structure that preserves the Tribe's sovereign status, yet subjects them to the same rules that the City and its other customers are required to follow. The IGA also provides for an advisory committee between the Tribe and City to work together, head off potential problems and deal with disputes at an informal level. Disputes that are not resolvable at that level may go to arbitration or State court.

In closing City Manager Baker stated that staff is recommending approval of the IGA, and that if approved, it will not go into effect until the Compact is formally approved and the U.S. Department of Interior has signed off.

Mayor Simmen opened the discussion to the Audience.

The following people spoke in opposition to the proposed casino: Nita Still, Rich Marshall, Mason McCoy, Betty Hall, Louise Gliatto, and Sheila Meamber.

Archie Super and Scott Quinn addressed the Council and audience on behalf of the Karuk Tribe.

Mayor Simmen closed audience discussion and opened the discussion to the Council.

Following Council discussion, Councilmember McNeil moved to adopt the Resolution authorizing execution of an Intergovernmental Agreement between the Karuk Tribe and the City of Yreka, as submitted.

Councilmember Bicego seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, McNeil, and Simmen.

Mayor Simmen thereupon declared the motion carried.

Resolution approving request to use sound amplifying devices in Miner Street Park in conjunction with park reservation.

Following Council discussion, Councilmember Foster moved to approve the Resolution authorizing the use of sound amplifying devices in Miner Street Park in conjunction with the park reservation on September 6, 2014.

Councilmember McNeil seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, McNeil, and Simmen.

Mayor Simmen thereupon declared the motion carried. Councilmember Mercier returned to his seat at the Council table.

Resolution consenting to an increase of residential rates for the collection of garbage in the City of Yreka.

City Manager Baker reported that Yreka Transfer, by Franchise Agreement, is required to submit requests for residential service increases for approval by the Yreka City Council, and in accordance with the Franchise Agreement has submitted a request for an increase of \$2 per cart & can, and an increase of \$1 for each additional can.

City Manager Baker further reported that Yreka Transfer has raised or is planning to raise its rates in other portions of the County that they serve by similar amounts. Lake Shastina and Grenada are served by another company, Siskiyou Disposal. The comparable rates for a 64-gallon cart is \$20.75 and for a 96 gallon cart is \$25.75. These rates were adopted in 2008 and are comparable (\$0.50 higher) to Yreka Transfer's rates at that time.

Following Council discussion, Council Member Mercier moved to adopt the Resolution consenting to an increase of residential rates for the collection of garbage in the City of Yreka.

Councilmember Bicego seconded the motion, and upon roll call, the following voted YEA: Bicego, Foster, McNeil, Mercier and Simmen. Mayor Simmen thereupon declared the motion carried.

Fiscal Years 2014-2016 Budget:

Finance Director Hogan addressed the Council to answer any questions regarding the proposed budget, and to request the adoption of the following budget Resolutions:

- Resolution setting forth the Appropriations Limit for the City of Yreka for Fiscal Year 2014 – 2015.
- Resolution adopting the Budget for Fiscal Years 2014-2016.
- Resolution adopting the Budget for Fiscal Year 2014-2016 Fund 30-all Measure H Special Tax Fund, Fund 03 all the Volunteer Fire Department Benefit Fund, and Fund 01-210-0000 all expenditures of the Volunteer Fire Department.

Councilmember Bicego requested that the Resolution concerning the Yreka Volunteer Fire Department be considered separately, as he needs to recuse himself from the discussions regarding that Resolution.

Following Council discussion, Councilmember McNeil moved to adopt the Resolution setting forth the Appropriations Limit and the Resolution adopting the Budget for Fiscal Years 2014 – 2016 as presented.

Mayor Simmen seconded the motion, and upon roll call, the following voted YEA: Bicego, McNeil, Mercier and Simmen. Abstain – Foster. Mayor Simmen thereupon declared the motion carried.

Resolution adopting the Budget for Fiscal Year 2014-2016 Fund 30-all Measure H Special Tax Fund, Fund 03 all the Volunteer Fire Department Benefit Fund, and Fund 01-210-0000 all expenditures of the Volunteer Fire Department.

Councilmember Bicego announced his recusal, stating that he has a conflict by reason of his membership relationship with the Yreka Volunteer Fire Department and therefore recused himself and left the Council Chamber.

Following Council discussion, Councilmember Mercier moved to adopt the Resolution adopting the Budget for Fiscal Year 2014-2016 Fund 30-all Measure H Special Tax Fund, Fund 03 all the Volunteer Fire Department Benefit Fund, and Fund 01-210-0000 all expenditures of the Volunteer Fire Department, as submitted.

Councilmember McNeil seconded the motion, and upon roll call, the following voted YEA: McNeil, Mercier and Simmen. Abstain – Foster.

Mayor Simmen thereupon declared the motion carried. Councilmember Bicego returned to his seat at the Council table.

Swap of Mayor and Mayor Pro Tem Positions.

Mayor David Simmen reported that he asked the City Manager to place this item on the agenda, stating “In recognition of Rob Bicego’s outstanding service to the Citizens of Yreka and his being a valuable and reasoned addition to the Yreka City Council, I ask the Council to honor his service by allowing Rob to serve his remaining time on the Council as the Mayor, and that I propose that Rob and I trade positions for the remainder of his term in office.”

Following Council discussion, Councilmember McNeil moved to consent to the swap of the Mayor and Mayor Pro Tem positions as requested.

Councilmember Mercier seconded the motion, and upon roll call, the following voted YEA: Foster, McNeil, Mercier and Simmen. Abstain – Bicego.

Mayor Simmen thereupon declared the motion carried, turned the gavel over to Mayor Bicego.

CLOSED SESSION: City Manager Baker reported that the Closed Session has been pulled from the agenda.

ADJOURNMENT There being no further business before the Council the meeting was adjourned.

Attest:

Robert Bicego, Mayor
Minutes approved by Council
Motion 9-4-2014

Elizabeth E. Casson, City Clerk



CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM

To: Yreka City Council 
Prepared by: Rhetta Hogan, Finance Director
Agenda title: Requested action – Adopt a Resolution of the Council of the City of Yreka establishing the City’s intent to comply with the Affordable Care Act employer shared responsibility
Meeting date: September 4, 2014

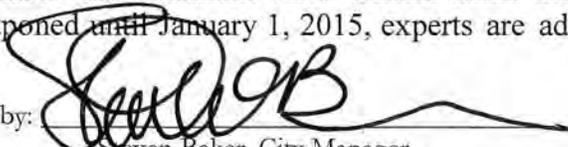
DISCUSSION

Staff is recommending adoption of the Council of the City of Yreka establishing the City’s intent to comply with the affordable care act employer shared responsibility.

Background:

The federal Affordable Care Act (ACA) became law in March 2010. The intent of the ACA is to increase the rate of health insurance coverage and reduce the overall cost of healthcare. The premise behind the legislation is that the more people who have access to affordable health care, the more proactively people will seek and receive care, thus reducing health care costs in the long term. Implementation of this extraordinarily complex legislation is being phased-in from 2010 through 2018 requiring employers and insurance companies to make necessary changes to remain in compliance. Staff has been monitoring the requirements of the ACA, making necessary changes to remain in compliance, and ensuring the insurance coverage offered by the City is also in compliance. Some features that have already been implemented include: no lifetime dollar limit on essential health benefits, no retroactive cancellation of health insurance coverage, children up to age 26 are eligible as dependents on a parents’ plan, and for children under age 19 no pre-existing conditions exclusions are allowed. For the most part, these changes have only resulted in administrative modifications for the City with the brunt of compliance being born by insurance companies. Effective January 2014, pre-existing condition exclusions will not be allowed.

In addition, another significant aspect of the ACA that will go into effect on January 2015 is referred to as the Employer Shared Responsibility Provision, or more commonly known as the “Play or Pay Mandate.” Originally this provision was scheduled for January 2014; however the Obama Administration announced a one-year delay (January 1, 2015) in complying with the new reporting requirements applicable to employers. The delay also extended to the payment of penalties under the Play or Pay Mandate to January 1, 2015. This provision of the ACA will assess penalties for all large employers (defined under the ACA as employers having over 50 full-time equivalent employees) who do not offer health insurance coverage that is “Affordable” and of “Minimum Value” to full-time employees. Staff has reviewed the requirements of the ACA and determined the City qualifies as a large employer and is subject to the Play or Pay Mandate. Further, staff reviewed the City’s current contributions to health insurance for regular benefited classifications eligible to participate in the CalPERS health plans and determined the City meets the affordable and minimum value criteria under the ACA. While the Play or Pay mandate has been postponed until January 1, 2015, experts are advising that agencies take action to establish

Approved by: 
Steven Baker, City Manager

parameters for compliance including a Standard Measurement Period and Safe Harbor provision as explained in more detail below.

Actions Taken To Date

Staff has attended several webinar trainings provided by Liebert, Cassidy and Whitmore, the League of Cities and the IRS to gain an understanding. The experts advise that because of the complexities of this law, compliance will be an ongoing process that will require regular updates to an employer's strategy based on new regulations, interpretation of the regulations, and marketplace developments.

Under the Play or Pay provision, the City must provide a health insurance plan that offers coverage that is Affordable (costs employee no more than 9½% of household income) and provides Minimum Value (the health insurance must pay 60% of the benefit costs). The City must offer coverage to "substantially all" (at least 95%) full-time employees (defined as employees who work on average over 130 hours per month) and their dependent children. Failure to meet these requirements will result in penalties imposed by the Internal Revenue Service (IRS). Two penalties may be imposed for failure to meet the requirements under the ACA:

- 1) The first is known as the "A" penalty. This penalty occurs if coverage is not offered to at least 95% of all full-time employees or the employer fails to offer "Minimum Essential Coverage" (any employer sponsored coverage). The annual penalty is \$2,000 for each full-time employee.
- 2) The second penalty, known as the "B" penalty, is \$3,000 per employee per year, for any employee that enrolls in subsidized exchange coverage if Affordable, Minimum Value insurance coverage is not offered.

CalPERS has published in their insurance program offerings whether the coverage meets the Minimum Value Standard and the Minimum Essential Coverage requirements, as defined at this time. The insurance offerings provided by the City (PORAC Prudent Buyer, CalPERS: PERSSelect, PERSChoice, and PERSCare) through Public Employees Medical and Hospital Act (PEMHCA) all meet the current Minimum Value and Minimum Essential Coverage requirements.

The City offers health insurance and a contribution towards the cost of the insurance to all employees working in regular, benefited positions. As allowed by CalPERS, these employees and their eligible dependents are offered enrollment in a health plan effective the first of the month following their hire date. Under the provisions of the Memorandums of Agreement and Resolutions for all employee groups, the City's present contribution towards the 2014 insurance premiums meets all the requirements of Affordable under the ACA.

Determining Applicability of the ACA to Part Time, On Call and Temporary Employees

The ACA provides that a Standard Measurement Period (from 3 to 12 months) be established, to average the number of hours worked per month over a specific time period. Staff is recommending a 12-month Standard Measurement Period be used in measuring part time, on call and temporary employees' hours, to allow for averaging of peak hours worked by these employees during the year. For example, a Seasonal Summer position that is needed full-time in the summer months but only works a few hours per week during the rest of the year, would not be eligible for coverage using a 12-month measurement period. The longer Standard Measurement Period reduces the number of temporary employees that meet the ACA's full-time threshold resulting in a lower potential cost to the City. Using the 12-month Standard Measurement Period will also allow staff to verify annually that no additional employees exceed

the ACA's full-time definition. Utilizing a 12 month Standard Measurement Period, staff reviewed its Part Time, On Call and Temporary Employees and identified no individual met the ACA's full-time requirement from July 2013 through June 2014.

For these part-time, on call and temporary employees who meet the full-time threshold during the Standard Measurement period, the City is required beginning January 1, 2015 to offer health insurance that is Affordable to them through the Stability Period (a period of time that equals the Measurement Period). In other words, the City will be required to offer a contribution towards the employee-only cost of health insurance that meets the definition of affordable for any temporary employee working full time during the measurement period. If the employee refuses the insurance coverage there would be no cost to the City. The ACA allows employers to use one of three methods to determine if the insurance is affordable: W-2 Safe Harbor (using year-end W-2, Box 1 to determine income), Federal Poverty Level Safe Harbor (using the Federal Poverty Level for single household), and Rate of Pay Safe Harbor (calculating the hourly wage multiplied by 130 hours).

The Safe Harbor tests are all based on the cost of employee only coverage for the least costly plan offered. Under the City's contract with CalPERS, for 2015 this would be the PERSSelect Plan.

Staff recommends the Rate of Pay Safe Harbor as this option would allow the City to base the health insurance contribution offered on the employee's hourly pay rate. This Safe Harbor option would be the easiest to administer and would result in the lowest cost to the City. Consistent administration and record keeping is critical as it is anticipated that the IRS will audit to ensure employers are offering appropriate insurance under the ACA. Therefore, staff recommends Council adopt the attached resolution that formally establishes the City's commitment to comply with the ACA, the measurement period, and the Safe Harbor.

Staff recommends establishing for the part-time, on call, and temporary employee health insurance contributions of \$500, the current one-party, employer contribution for City's regular employees. The contributions to health insurance for full-time temporary positions remains unchanged.

FISCAL IMPACT

Staff anticipates no more than one or two temporary employees, may become eligible for coverage in 2014-15. The factors that would give rise to this situation would be determined by interim staffing needed arising from vacant positions. Health insurance is budgeted in the City's 2014-16 financial plan. Coverage costs for these temporary employees should be offset by vacant position savings and no additional costs are contemplated at this time.

Recommendation:

Adopt a Resolution of the Council of the City of Yreka establishing the City's intent to comply with the Affordable Care Act employer shared responsibility.

RESOLUTION NO. 2014-_____

**RESOLUTION OF THE COUNCIL OF THE CITY OF YREKA ESTABLISHING
THE CITY'S INTENT TO COMPLY WITH THE AFFORDABLE CARE ACT
EMPLOYER SHARED RESPONSIBILITY (ACA)**

WHEREAS, the Affordable Care Act (ACA) became law in March 2010. Implementation is phased in over eight years with significant changes, which include the Employer Shared Responsibility provisions, becoming effective January 1, 2015; and

WHEREAS, the City of Yreka wishes to establish policy guidelines for a fiscally responsible method of compliance under the ACA, on the basis of minimizing the City's exposure to the ACA tax penalties; and

WHEREAS, the City of Yreka is committed to offer health insurance that provides Minimum Essential Coverage, Minimum Value and meets the ACA definition of Affordable; and

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Yreka hereby approves and adopts policy guidelines in compliance with the ACA as follows:

Section 1. Measurement Period. The Standard Measurement Period for the City of Yreka shall be twelve months.

Section 2. Safe Harbor Provision. The City of Yreka hereby adopts the "Rate of Pay Safe Harbor" as the method to ensure health insurance is Affordable.

Section 3. Temporary employees of the City of Yreka who qualify as full-time under the definition of the ACA shall be offered health insurance that is affordable, as defined by the ACA.

Section 4. City of Yreka will comply with all benefit administration, record keeping and reporting requirements of the ACA.

Section 5. Director of Finance is hereby directed to calculate the amount of any appropriations necessary to finance the costs associated with the requirements of maintaining compliance with the ACA and shall include such appropriations in future financial plan forecasts and budgets, beginning with the 2014-15 Fiscal Year.

AYES:
NAYS:
ABSENT:

The foregoing resolution was adopted this 4th day of September, 2014.

Rob Bicego
Mayor

Attest: _____
City Clerk



CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM

To: Yreka City Council
Prepared by: Steve Baker, City Manager
Agenda title: Adopt a Resolution of the City Council of the City of Yreka Making Necessary Findings pursuant to Government Code section 7522.56 for Post-Retirement Employment of Steve Neill and directing the City Manager to execute an agreement regarding such employment, together with any and all other necessary documents
Meeting date: September 4, 2014

Discussion:

Steve Neill, the City's Public Works Director and City Engineer, has recently retired. Staff has been considering various options for providing engineering and project management services in the interim, including contracting with other entities, contracting with a firm, and utilizing existing staff, while evaluating recruitment of a new public works director.

Yreka is a full service City that operates with less than 50 full time employees. The City does not have any staffing redundancy in highly skilled, and specialized knowledge positions, like the Public Works Director and City Engineer.

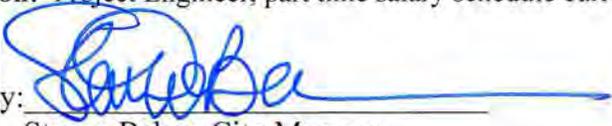
The City has considered various options to insure that engineering and construction project management oversight continues on these projects without disruption to meet the City's needs. The most expedient and cost effective way to meet those urgent needs is to allow Mr. Neill to return to work as a retired annuitant immediately for the City. Government Code 7522.56(f) also provides that a retiree is eligible for post-retirement employment without the 180-day wait period, if it is urgent. A resolution of the City Council must certify the nature of the employment and that the appointment is necessary to fill a critically needed position before the 180 days has passed.

The City is currently in construction of several multimillion dollar capital projects (USDA financed wastewater system improvement project and State of California, Prop 40 Bond, River Parkways project) that benefit from Mr. Neill's intimate knowledge of these projects. Having Mr. Neill working as a retired CalPERS annuitant would give continuity to these large projects and could help avoid costly delays or mistakes from having his administrative project oversight. The nature of these construction agreements as well as the lending and granting agencies agreements, do not allow for the luxury of project delays due to staffing transition.

Specialized Skills: Mr. Neill recently retired as the City's Public Works Director and Engineer. Mr. Neill has intimate knowledge of the City's infrastructure currently in construction for development and improvements.

Limit Duration: Active during the period of the project construction, expected completion is summer of 2015.

Compensation: Project Engineer, part time salary schedule currently \$76.38 per hour.

Approved by: 

Steven Baker, City Manager

Urgency: City is in construction of several multimillion dollar infrastructure projects, where delays arising from staffing transition would be costly.

Fiscal Impact:

None as the savings of the vacant position would offset the cost of Mr. Neill as the Construction Project Manager.

Recommendation:

Adopt a Resolution of the City Council of the City of Yreka Making Necessary Findings pursuant to Government Code section 7522.56 for post-retirement employment of Steve Neill and directing the City Manager to execute an agreement regarding such employment, together with any and all other necessary documents

AGREEMENT FOR TEMPORARY EMPLOYMENT

This Agreement is made effective as of the 5th day of September 2014, by and between the City of Yreka, a Municipal Corporation ("City") and Steve Neill, ("Employee") with reference to the following:

RECITALS

- A. The City desires to employ Employee on at-will basis and to enter into an Agreement with Employee for as needed services upon the terms and conditions in this Agreement.
- B. This Agreement is for post-retirement annuitant employment pursuant to Government Code Section 21223 (service for purpose of litigation) and 21224 (service to utilize specialized skills in performing work of limited duration);
- C. Employee is uniquely skilled having served as a city engineer for the City of Yreka for over 15 years;
- D. There are currently several large infrastructure capital projects in process, for which Employee's services are necessary based upon his knowledge, acquired while employed by the City; and,
- E. Employee is willing to accept such employment on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

- 1. Commencement: The term of this Agreement shall commence upon the day above written.
- 2. Services to Be Performed by Employee: During the Term of this Agreement, Employee agrees to perform, as needed, the functions and duties of Construction Project Engineer as specified in the laws of the State of California, and the Yreka Municipal Code.
- 3. Compensation: As consideration for the performance of specified services under this Agreement Employee shall be compensated as follows:
 - a. Pay of Seventy six Dollars (\$76.08) per hour for hours worked pursuant to this Agreement. Employee shall be paid on a bi-weekly basis subject to State and Federal income tax withholding. This hourly rate shall be considered just compensation and no additional benefits or holiday pay will be provided under this Agreement.
 - b. Employee shall maintain and submit complete records of time expended pursuant to this agreement corresponding to the City's payroll schedule.

By this Agreement, Employee agrees to pay, and hold the City harmless, for all income tax liability which may arise or be associated with the monies paid to him pursuant to this agreement.

- 4. Hours: No hours of work are guaranteed. Employee's services will be provided on an as needed, per project basis, upon written request of the City Manager, or designee. Hours of work shall generally not exceed 20 hours per week and shall not exceed 960 hours in a calendar year per section 9 below.

5. Benefits. Employee understands that he shall not be entitled to any sick leave, vacation, or other benefits provided to any other employee, employee group or organization of the City.

6. Termination: Employee understands and agrees that:

a. Employee's employment is at will which means that Employee's employment with City may be terminated at any time, with or without cause, by either party by giving 30 days prior written notice to the other party

b. Employee's at-will status cannot be changed except in writing on a form signed both by the City Manager and Employee. No representative or other employee of the City, other than the City Manager, has any authority to enter into an agreement with Employee for any specific period of time or to change Employee's Employment contrary to the at-will status provided in this Agreement.

c. No promises or representations regarding regular employment have been made to Employee and Employee has no expectation of permanent employment with the City.

d. Upon termination of this Agreement, the City shall pay to Employee that portion of compensation specified in this Agreement that is earned and unpaid prior to the effective date of termination.

7. Supervision and Confidentiality: Employee's supervisor for the term of this Agreement is the City Manager. Employee understands that a condition of employment is to maintain in confidence any information of a confidential nature which Employee may acquire in the course and scope of Employee's employment.

8. Conflicts Of Interest: Employee covenants that neither he nor any relative by blood or marriage have any interest, nor shall he or any relative by blood or marriage acquire an interest, directly or indirectly, which would conflict in any manner with the unbiased performance of Employee's services under this Agreement.

9. Compliance with Laws: Employee shall comply with all local, state and federal laws and regulations applicable to the services required hereunder.

10. Effect of Compensation upon Existing Retirement: At the effective date of this Agreement, and during its term, Employee is a retired annuitant with CalPERS, and acknowledges he may only work up to 960 hours per fiscal year as an "employee" of a PERS contract agency without that agency being required to contribute further to CalPERS. Employee agrees he is solely responsible for keeping track of the time which he works for the City for the purpose of maintaining his qualified post-retirement status. Employee agrees to hold harmless and indemnify the City, its officers, agents and representatives from any liability arising from Employee's exceeding the post-retirement annuitant threshold for CalPERS.

11. Modifications and Amendments: This Agreement may be modified or amended only by a written instrument signed by both parties

12. Entire Agreement:

a. This Agreement supersedes any and all other prior agreements, either oral or written, between the City and Employee with respect to the subject matter of this Agreement.

b. This Agreement contains all of the covenants and agreements between the parties with respect to the subject matter of this Agreement, and each party to this Agreement acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements embodied in this Agreement.

c. No agreement, statement, or promise not contained in this Agreement shall be valid or binding.

13. Non-Liability of City Officers and Employees: No officer or employee of the City shall be personally liable to Employee in the event of any default or breach by the City for any amount which may become due to Employee or for any breach of any obligation of the terms of this Agreement.

14. Interpretation: This Agreement shall not be interpreted against either party on the grounds that one of the parties was solely responsible for preparing it or caused it to be prepared as both parties were involved in drafting it.

15. Waiver:

a. No waiver shall be binding, unless executed in writing by the party making the waiver.

b. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision.

c. Failure of either party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the remaining provisions of this Agreement.

16. Captions and Headings: The captions and headings contained in this Agreement are provided for identification purposes only and shall not be interpreted to limit or define the content of the provisions described under the respective caption or heading.

17. Severability: If any one or more of the sentences, clauses, paragraphs or sections contained herein is declared invalid, void or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall not affect, impair or invalidate any of the remaining sentences, clauses, paragraphs or sections contained herein.

18. Governing Law: The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties under this Agreement, shall be construed pursuant to and in accordance with California law.

19. Rights And Remedies: Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default of any other default by the other party.

20. Venue: All proceedings involving disputes over the terms, provisions, covenants or conditions contained in this Agreement and all proceedings involving any enforcement action related to this

Agreement shall be initiated and conducted in the applicable court or forum in Siskiyou County, California.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

RESOLUTION NO. 2014- 41

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YREKA
MAKING NECESSARY FINDINGS PURSUANT TO GOVERNMENT
CODE SECTION 7522.56 FOR POST-RETIREMENT
EMPLOYMENT OF STEVE NEILL AND DIRECTING THE CITY
MANAGER TO EXECUTE AN AGREEMENT REGARDING SUCH
EMPLOYMENT, TOGETHER WITH ANY AND ALL OTHER
NECESSARY DOCUMENTS

WHEREAS, the City, a municipal corporation, is a contract agency with CalPERS, and is subject to the provisions of Government Code Section 7522.56 regarding the post-retirement employment of City employees;

WHEREAS, the Agreement between the City and Steve Neill has been filed with the City Clerk, and the members of the City Council of the City, with the assistance of its staff, have reviewed said document; and,

WHEREAS, Government code Section 7522.56(f) provides that a retired City employee shall not be eligible to be employed by the City for a period of 180 days following the date of that employee's retirement unless he meets one of 4 conditions. Three of those conditions cannot apply in this instance. The condition which does apply is that the employer certifies the nature of the employment and appointment is necessary to fill a critically needed position within the 180 days of employee's retirement and the appointment is approved by the governing body in a public meeting. The appointment may not be placed on a consent calendar;

WHEREAS, the City Manager has certified to the City Council that due to the retirement of Steve Neill there is a vacancy for a Public Works Engineer, that ongoing project engineering services are needed before the 180 day wait period of the employee's retirement, and is necessary to continue the provision of construction project oversight, which is a critically needed service, during that period; and,

WHEREAS, the City Council has determined it would be in the best interests of the City to approve and authorize the execution of said Agreement; and,

NOW, THEREFORE, the City Council of the City of Yreka does hereby resolve, determine and order as follows:

Section 1. The City Council of the City of Yreka does hereby find that the facts certified by the City Manager are true, the Agreement described herein is in the best interests of the City of Yreka, and the City Council does hereby authorize execution of said Agreement by the City Manager on behalf of the City of Yreka. The City Manager or designee is hereby further authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized, and the City Clerk or such Clerk's designee is hereby authorized and directed to affix the City's seal to said documents and to attest thereto.

Section 2. It is further resolved, if any section, subsection, part, clause, sentence or phrase of this Resolution or the application thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, the validity of the remaining portions of this Resolution, the application thereof, shall not be effected thereby but shall remain in full force and effect, it being the intention of the City Council to adopt each and every section, subsection, part, clause, sentence phrase regardless of whether any other section, subsection, part, clause, sentence or phrase or the application thereof is held to be invalid or unconstitutional.

Section 3. This resolution shall take effect immediately upon its passage.

Passed and adopted this 4th day of September, 2014, by the following vote:

AYES:
NAYS:
ABSENT:

The foregoing resolution was adopted this 4th day of September, 2014.

Rob Bicego
Mayor

Attest: _____
City Clerk

CITY OF YREKA

DEPARTMENT OF PUBLIC WORKS MEMORANDUM

TO: Mayor and Councilmembers

FROM: Steve Neill, Director of Public Works *Bill for SN*

SUBJECT: APPROVE A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO AWARD A CONSTRUCTION CONTRACT INCLUDING DEDUCTIVE ALTERNATE No. 1 TO BK CONSTRUCTION IN THE AMOUNT OF \$ 133,300 AND EXECUTE CONTRACT AGREEMENTS FOR THE COMMUNITY THEATER SIDING REPLACEMENT.

MEETING DATE: September 4, 2014

DISCUSSION

The Community Theater Siding Replacement will complete critically necessary building maintenance. Approximately 7800 sf of the siding will be replaced with cement fiber siding. This will make the structure much more resistant to insects, birds, and fire.

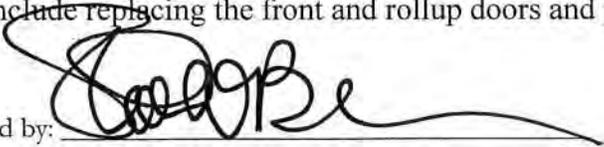
The results of the bid opening on August 25, 2014 are as follows:

| <u>Bidder Name</u> | <u>Location</u> | <u>Base Bid Amount</u> |
|--------------------|-----------------|------------------------|
| BK Construction | Yreka, CA | 154,600.00 |
| Gheen Builders | Redding, CA | 190,000.00 |
| Twin Trees | Vina, CA | 191,355.00 |

The Estimate for construction only is \$152,000, not including contingencies and inspection costs. Staff has evaluated the bidder's and proposed subcontractor's license status, references, and insurance company information and has confirmed that the low bidder is not debarred from working on projects in California therefore the bid is responsive and the bidder is responsible.

Staff recommends that the City Council approve a Resolution to authorize the City Manager to award a construction contract in the amount of \$133,300, including the Deductive Alternate No. 1. Awarding the contract with the Deductive Alternative would eliminate the siding replacement in the entry foyer, reduces the contract value by \$21,300, and provides approximately 13% for any contingencies that may arise during construction.

Alternatively, the Council could award the Base Bid in the amount of \$154,600 to include the siding replacement in the foyer and appropriate additional funds to cover the projected short-fall and contingencies, in the estimated amount of \$ 19,000. There are several other small projects that are needed and could also be completed if contingency funds are not needed for the siding. These include replacing the front and rollup doors and painting the foyer.

Approved by: 
Steven W. Baker, City Manager

FISCAL IMPACT

The City previously contributed \$10,000 for the preparation of plans and specifications. As reported in November 2013, the Red Scarf Society has raised \$59,075 and has obtained a grant of \$41,500 from the Ford Family Foundation. Yreka Transfer will donate a portion of the costs for a dumpster to dispose of the old siding being removed. On December 5, 2013, Council authorized an appropriation of \$50,000 from the Crandall fund. Therefore, funds available for construction currently total \$150,095.

RECOMMENDATION AND REQUESTED ACTION

It is recommended that the City Council approve a Resolution to authorize the City Manager to award a construction contract, including Deductive Alternate No. 1, to BK Construction in the amount of \$ 133,300 and execute contract agreements for the Community Theater Siding Replacement.

RESOLUTION NO. 2014-42

A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO AWARD A CONSTRUCTION CONTRACT TO BK CONSTRUCTION IN THE AMOUNT OF \$ 133,300, INCLUDING DEDUCTIVE ALTERNATE NO. 1, AND EXECUTE CONTRACT AGREEMENTS FOR THE COMMUNITY THEATER SIDING REPLACEMENT.

WHEREAS, Department of Public Works has been working with the Yreka Red Scarf Society to make necessary repairs to the Community Theater, and

WHEREAS, the deadline for the grants that the Red Scarf Society has obtained to complete all construction work on this project is December 31, 2014, and

WHEREAS, in accordance with the California Public Contract Code, an Engineer's Estimate has been prepared in the amount of \$162,000 for construction; and

WHEREAS, the project was advertised for competitive bids on August 4 and August 11, 2014 in accordance with the California Public Contract Code; and

WHEREAS, bids were opened on August 25, 2014 and a summary of the bids received has been reviewed by staff and Council; and

WHEREAS, the Public Contracts Code requires the award of construction contracts to the lowest responsive and responsible bidder; and

WHEREAS, the Department of Public Works has completed a bid analysis and an evaluation of the bidders who have submitted proposals and has found no material or substantial defects; and

WHEREAS, the project has been determined to be exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15301(a) as a maintenance project on an existing public building with no potential to impact the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yreka as follows:

Section 1. The City Council hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby approves the Construction Plans and Specifications for the Community Theater New Exterior Siding.

Section 3. The City Manager, or his designee, and all other proper officers and officials of the City are hereby authorized and directed to award the work known as the Community Theater Siding Replacement, including Deductive Alternative No. 1, to BK Construction who is the lowest responsive and responsible bidder for the amount of \$133,300, execute such agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

Section 4. The City Manager, the City Clerk and all other proper officers and officials of the City are authorized to negotiate and execute change orders and amendments which may be necessary up to a total of 10% of the initial construction and related contracts without additional Council approval.

Section 5. It is further resolved, if any section, subsection, part, clause, sentence or phrase of this Resolution or the application thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, the validity of the remaining portions of this Resolution, the application thereof, shall not be effected thereby but shall remain in full force and effect, it being the intention of the City Council to adopt each and every section, subsection, part, clause, sentence phrase regardless of whether any other section, subsection, part, clause, sentence or phrase or the application thereof is held to be invalid or unconstitutional.

Section 6. This Resolution shall take effect immediately upon its passage.

Passed and adopted this 4th day of September, 2014 by the following vote:

AYES:

NAYS:

ABSENT:

Rob Bicego
Mayor of the City of Yreka

Attest:

Elizabeth C. Casson, City Clerk

THE UNDERSIGNED CERTIFIES THAT THIS A TRUE AND CORRECT COPY OF RESOLUTION NO. 2014-_____ AS ADOPTED BY THE CITY COUNCIL AT ITS MEETING HELD SEPTEMBER 4, 2014.

Elizabeth C. Casson, City Clerk



**CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM**

To: Yreka City Council
Prepared by: Steve Baker, City Manager
Agenda title: Discussion of possibilities of obtaining a “first right of refusal” for the superior water rights on Fall Creek owned by Pacific Power (Mayor Pro Tem Simmen).
Meeting date: September 4, 2014

Discussion:

At the last City Council meeting, Mayor Pro Tem Simmen asked to discuss the possibilities of obtaining a “first right of refusal” for the superior water right on Fall Creek owned by PacifiCorp.

Recommendation:

That the City Council discuss and provide direction as appropriate.

Approved by: _____

Steven Baker, City Manager