



111 E. COMMERCIAL STREET
WILLITS, CALIFORNIA 95490
(707) 459-4601 TEL
(707) 459-1562 FAX

**WILLITS CITY COUNCIL
AGENDA
MARCH 25, 2015 ♦ 6:30 P.M. ♦ COUNCIL CHAMBERS**

1. **OPENING MATTERS** – a) Call to Order; b) Pledge to Flag; c) Roll Call
2. **PUBLIC COMMUNICATIONS**
Council welcomes participation in its meetings. Comments shall be limited to three (3) minutes per person so that everyone may be given an opportunity to be heard. To expedite matters and avoid repetition, whenever any group of persons wishes to address the Council on the same subject matter, the Mayor may request that a spokesperson be chosen by the group. This item is limited to matters under the jurisdiction of the City Council which are not on the posted agenda. Public criticism of the City Council, Commission, Boards and Agencies will not be prohibited. No action shall be taken.
3. **PUBLIC MATTERS**
 - a. Update on the City's Emergency Water Supply Project
4. **CONSENT CALENDAR**
Matters listed under the Consent Calendar are considered to be routine by the City Council and will be enacted by a single motion and roll call vote by the City Council. Items may be removed from the Consent Calendar upon request of a Councilmember and acted upon separately by the City Council.
The following items are recommended for approval, as follows:
 - a. City Council Minutes – March 11, 2015
 - b. Professional Services Agreement with Scott Warnock to Conduct Pre-Employment Background and Polygraph Investigations
 - c. Amendment to the Fiscal Year 2014/15 Budget to Include Sewer Lateral Installation in Connection with Humboldt Street Rehabilitation Project, Phase II (Project No. 2015-01)
5. **INFORMATIONAL REPORTS**
Matters that do not require action by the City Council but are of public interest.
 - a. Disbursements Journal(s):
 - Warrant Nos. 26088-26089, Totaling \$1,492.93
 - Warrant Nos. 26090-26179, Totaling \$514,286.38
 - b. Written Update from Caltrans Regarding the Willits Bypass Project
6. **RIGHT TO APPEAL**
Persons who are dissatisfied with the decisions of the City Council may have the right to a review of that decision by a court. The City has adopted Section 1094.6 of the Code of Civil Procedure, which generally limits to 90 days the time within which the decisions of the City boards and agencies may be judicially challenged.
7. **COMMISSIONS, AGENCIES AND AUTHORITIES**
The Willits City Council meets concurrently as the City of Willits Planning Commission and City of Willits Successor Agency.
8. **CITY MANAGER REPORTS AND RECOMMENDATIONS**
 - a. Verbal Reports – No Action

9. DEPARTMENT RECOMMENDATIONS

- a. Administration (City Clerk, Finance, Human Resources, Legal)
- b. Public Safety
- c. Community Development
- d. Public Works & Engineering
- e. Water & Wastewater Systems

10. CITY COUNCIL AND COMMITTEE REPORTS

- a. Mendocino Council of Governments (MCOG)
- b. Local Agency Formation Commission (LAFCO)
- c. Mendocino Transit Authority (MTA)
- d. Mendocino Solid Waste Management Authority-Joint Powers Authority (MSWMA-JPA)
- e. Economic Development and Financing Corporation (EDFC)
- f. League of California Cities
- g. Water & Wastewater Systems Committee
- h. Revit-ED Committee
- i. Finance Committee
- j. Ad Hoc Committees
 - Caltrans Bypass Project
 - Solid Waste of Willits Franchise Agreement
 - Solar Array Project
 - Main Street Improvements
 - Willits Center for the Arts
- k. Other Committee Reports

11. COUNCIL MEMBER REPORTS AND RECOMMENDATIONS

- a. Discussion and Possible Action Regarding the Franchise Agreement with Solid Wastes of Willits (SWOW)

12. ENACTMENT OF ORDINANCES

13. GOOD & WELFARE

14. CLOSED SESSION NOTICE

- a. Conference with Legal Counsel Pursuant to Government Code §54956.9 – Existing Litigation: Brooktrails Township Community Services District, a Public Agency vs. City of Willits, a General Law City; and DOES 1 through 100, Inclusive; Case No. SCUk CVG-1056037
- b. Conference with Legal Counsel Pursuant to Government Code §54956.9 – Existing Litigation: People of the State of California and the City of Willits v. Remco Hydraulics, Inc., et al. (United States District Court – Northern District of California, Case No. C-96-6283 SI 12/22/2000)

15. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Willits City Hall, located at 111 East Commercial Street, Willits, California, not less than 72 hours prior to the meeting set forth on this agenda.

*Dated this 20th day of March, 2015.
Cathy Sanders, Deputy City Clerk*



Item No. **4b**

Meeting Date: **March 25, 2015**

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Gerardo Gonzalez, Chief of Police

Agenda Title: APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH SCOTT WARNOCK TO CONDUCT PRE-EMPLOYMENT BACKGROUND AND POLYGRAPH INVESTIGATIONS

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: N/A

Summary of Request: State of California Peace Officer's Standards and Training (P.O.S.T.) standards mandate that a back-ground investigation be conducted on prospective police officer candidates and police support personnel. Until recently, the City of Willits has been using Scott Warnock in his capacity as a part-time employee working as a 960-hour retired annuitant to conduct background investigations for the Police Department. However, recent changes in the PERS rules regarding how long retired annuitants can continue working for a PERS agency mandate he cease his employment with the City of Willits. Scott Warnock obtained his private investigator license through the California Department of Consumer Affairs and is now licensed with the State to conduct private investigations as an independent contractor, like prior contractors retained by the City to do these investigations.

Willits Police Department has not been able to cultivate the expertise in this sensitive area surrounding personnel investigations. Current requirements by state and federal agencies regarding personnel actions require investigators versed in employment law as opposed to criminal law, which most police officers usually are accustomed to in their normal assigned duties. The possibility of travel outside the county or flexibility in scheduling in conducting background investigations is currently not something we can accomplish to adequately deal with the increasingly competitive Police Officer recruitment field.

Recommended Action: Approve Professional Services Agreement with Scott Warnock to conduct pre-employment background and polygraph investigations for the City of Willits.

Alternative(s): None recommended. It is not believed that a specialized investigation such as this could be conducted by current staff due to manpower issues complicated with the lack of expertise of current staff in this sensitive personnel area.

Fiscal Impact: \$1500 per local Background Investigation (\$200 per completed polygraph investigation) with adjustments for those candidates from outside the local area or those investigations requiring travel outside the County of Mendocino as outlined in the contract. Currently this expenditure is allocated out of General Fund account 100-1005-2061-013 (Human Resources).

Personnel Impact: Minimal time spent reviewing finished investigations.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

CONTRACT FOR PROFESSIONAL SERVICES

THIS CONTRACT is made and entered into this ___ day of _____, 2015, by and between the **CITY OF WILLITS**, a general law city ("City") and Scott Warnock ("Contractor") whose address is P.O. Box 1823 Willits, CA 95490.

RECITALS

A. Contractor is specially trained, experienced and competent to perform the special services which will be required by this Contract; and

B. Contractor possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Contract on the terms and conditions described herein.

C City desires to retain Contractor to render professional services as set forth in this Contract.

CONTRACT

1. **SERVICES TO BE PERFORMED BY CONTRACTOR.** Contractor shall perform the services described as "Scope of Work" in Exhibit "A", which is attached hereto and incorporated herein by reference. Contractor shall provide said services at the time, place, and in the manner specified in Exhibit "A", subject to the direction of the City through its staff that it may provide from time to time.

2. **TERM.** The services of Contractor are to commence upon execution of this Contract and shall continue unless cancelled by either party.

3. **COMPENSATION.** Compensation to be paid to Contractor shall be in accordance with the Schedule of Charges set forth in Exhibit "B", which is attached hereto and incorporated herein by reference. In no event shall Contractor's compensation exceed \$ 1700.00 without additional written authorization from the City. Payment by City under this Contract shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.

4. **METHOD OF PAYMENT.** Contractor shall submit monthly billings to City describing the work performed during the preceding month. Contractor's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Contractor no later than 30 days after approval of the monthly invoice by City staff.

5. **EXTRA WORK.** At any time during the term of this Contract, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work, which is

determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Contract. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from the City.

6. TERMINATION. This Contract may be terminated by the City immediately for cause or by either party without cause upon fifteen days written notice of termination. Upon termination, Contractor shall be entitled to compensation for services performed up to the effective date of termination.

7. OWNERSHIP OF DOCUMENTS. All plans, studies, documents and other writings prepared by and for Contractor, its officers, employees and agents and subcontractors in the course of implementing this Contract, except working notes and internal documents, shall become the property of the City upon payment to Contractor for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Contractor or to any other party. Contractor shall, at Contractor's expense, provide such reports, plans, studies, documents and other writings to City upon written request. In the event of termination, all finished or unfinished documents, data, studies and reports prepared by Contractor under this Contract shall become the City's property; and Contractor shall deliver such documents to the City Clerk within two (2) business days from the date that this Contract is terminated.

8. CONTRACTOR'S BOOKS AND RECORDS.

a. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor to this Contract.

b. Contractor shall maintain all documents and records which demonstrate performance under this Contract for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Contract.

c. Any records or documents required to be maintained pursuant to this Contract shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Contract.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Contractor's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that

the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest.

9. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, or joint ventures of one another. Contractor is not an employee of City and is not entitled to any of the rights, benefits or privileges of City employees including, but not limited to, medical or Worker's Compensation insurance. The parties intend to and have entered into a bonafide independent contract and nothing herein is a subterfuge to avoid making the Contractor an employee of the City. Contractor shall have control of the means, methods and details of performing the work and shall only be subject to the general direction and supervision of the City to insure that results contracted for are achieved per plans and specifications provided to the Contractor. Contractor expressly warrants and agrees that it will exercise its own independent judgment in evaluating the accuracy and reliability of all data, technical reports and studies prepared by the applicant for the Project, its officers, agents, employees and subcontractors or prepared by any other person or entity not a party to this contract.

10. INTEREST OF CONTRACTOR. Contractor (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Contract or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Contractor's services hereunder. Contractor further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Contract.

Contractor is not a designated employee within the meaning of the Political Reform Act because Contractor:

- a. will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal contract monitoring; and
- b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(a)(2).)

11. PROFESSIONAL ABILITY OF CONTRACTOR. City has relied upon the professional training and ability of Contractor to perform the services hereunder as a material inducement to enter into the Contract. Contractor shall therefore provide properly skilled professional and technical personnel to perform all services under this Contract. All work performed by Contractor under this Contract shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise.

12. **COMPLIANCE WITH LAWS.** Contractor shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

13. **LICENSES.** Contractor represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Contractor to practice its profession. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Contract, any licenses, permits, insurance and approvals which are legally required of Contractor to practice its profession. Contractor shall, if required, maintain a City of Willits business license.

14. **HOLD HARMLESS.** Contractor shall assume the defense of, and indemnify and save harmless, the City and each and every employee and agent thereof from all suits, actions, damages, claims or loss of every name and description to which the City may be subjected or put because of or arising out of Contractor's negligent performance under this Contract. In providing the indemnification of City provided in this Contract, Contractor agrees to provide for all costs of any necessary legal defense.

15. **INSURANCE REQUIREMENTS.**

a. Contractor, at Contractor's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies.

i. **Workers' Compensation Coverage.** Contractor shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. The Employer's Liability Insurance shall be maintained in an amount not less than two million dollars (\$2,000,000) per accident for bodily injury or disease. In addition, Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the sub-contractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Contractor for City.

ii. **General Liability Coverage.** Contractor shall maintain commercial general liability insurance in an amount not less than two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Contract or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. Contractor shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with the work to be performed under this Contract, including coverage for owned, hired and non-owned vehicles, in an amount of not less than two million dollars (\$2,000,000) combined single limit for each occurrence.

iv. Professional Liability Coverage. Contractor shall maintain professional errors and omissions liability for protection against claims alleging negligent acts, errors or omissions which may arise from Contractor's operations under this Contract, whether such operations are by the Contractor or by its employees, subcontractors, or subconsultants. The amount of this insurance shall not be less than two million dollars (\$2,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

b. Endorsements. Each general liability, automobile liability, and Workers' Compensation insurance policy shall be with insurers possessing a Best's rating of no less than A: VII and shall be endorsed with the following specific language:

i. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

iv. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.

v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

vi. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the City.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Contractor shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

d. Certificates of Insurance. Contractor shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. The endorsement shall be on forms provided by the City or on other forms which conform to all City requirements. Certificates of such insurance shall be filed with the City on or before commencement of performance of this Contract. Current certification of insurance shall be kept on file with the City at all times during the term of this Contract.

16. NOTICES. Any notice required to be given under this Contract shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: City of Willits
 111 East Commercial St.
 Willits, CA 95490-3188

If to Contractor: Scott Warnock
 P.O. Box 1823
 Willits, CA 95490

17. ENTIRE CONTRACT. This Contract constitutes the complete and exclusive statement of Contract between the City and Contractor. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Contract.

18. AMENDMENTS. This Contract may be modified or amended only by a written document executed by both Contractor and City and approved as to form by the City Attorney.

19. ASSIGNMENT AND SUBCONTRACTING. The parties recognize that a substantial inducement to City for entering into this Contract is the professional reputation, experience and competence of Contractor. Assignments of any or all rights, duties or obligations of the Contractor under this Contract will be permitted only with the express consent of the City. Contractor shall not subcontract any portion of the work to be performed under this Contract without the written authorization of the City. If City consents to such subcontract, Contractor shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Contract shall create any contractual relationship between City and subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

20. **WAIVER.** Waiver of a breach or default under this Contract shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Contract.

21. **SEVERABILITY.** If any term or portion of this Contract is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Contract shall continue in full force and effect.

22. **CONTROLLING LAW VENUE.** This Contract and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Contract shall be held exclusively in a state court in the County of Mendocino.

23. **LITIGATION EXPENSES AND ATTORNEYS= FEES.** If either party to this Contract commences any legal action against the other party arising out of this Contract, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

24. **MEDIATION.** The parties agree to make a good faith attempt to resolve any disputes arising out of this Contract through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

25. **EXECUTION.** This Contract may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Contract, it shall not be necessary to produce or account for more than one such counterpart.

26. **AUTHORITY TO ENTER CONTRACT.** Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Contract. Each party warrants that the individuals who have signed this Contract have the legal power, right, and authority to make this Contract and to bind each respective party.

27. **PROHIBITED INTERESTS.** Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to rescind this Contract without liability. For the term of this

Contract, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

28. EQUAL OPPORTUNITY EMPLOYMENT. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading demotion, transfer, recruitment or recruitment advertising, layoff or termination.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed on the date first written above.

CITY OF WILLITS:

CONTRACTOR:

City Manager

By: _____

Title: _____

Business License # _____

APPROVED AS TO FORM:

ATTEST:

City Attorney

City Clerk

Attachments: Exhibit A - Scope of Services
 Exhibit B - Schedule of Charges
 Exhibit C - Certificate of Exemption from Workers'
 Compensation Insurance (if applicable)
 Exhibit D – W-9 Reporting Form

Revised: 2/1/08

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Contract for Professional Services
w/ Scott Warnock

EXHIBIT A

Scope of Work and Schedule of Performance

From time to time during the term of the Consulting Agreement to which this Exhibit A is attached, the City will give the Consultant assignments (each, an "Assignment") to perform a pre-employment background investigation on various prospective sworn Public Safety Officer applicants and prospective non-sworn applicants (each, a "Candidate") to the Police Department (the "Agency") of the City of Willits.

The Consultant's services on each Assignment include the following:

1. The Consultant shall make personal contact with the Agency's background personnel to review the Candidate's application.
2. Each background investigation will include an in-person "Initial Interview" with the Candidate. The completed background investigation report (a "Report") will be typewritten and include the following: a thorough review and verification of the Candidate's Personal History Statement and supporting documents, a thorough review of the Supplemental Questionnaires, detailed personal interviews and a Background Investigation Summary (Opinions & Conclusions) Report. If the background investigation is terminated prior to completion, the Report will be submitted in typewritten form and include the information obtained up to the time of termination.
3. The Consultant will conduct a criminal record check with law enforcement agencies where the Candidate has worked, lived or attended school.
4. The Consultant will complete a residence history check of each Candidate in person, if feasible. Each check should include making contact with at least two neighbors, and if none is home at the time of the investigation, the Consultant will leave a business card and letter with 2-4 neighbors, if practical, with a request for assistance. The Consultant will follow up by telephone unless in the Consultant's opinion, a personal interview is necessary.
5. The Consultant may follow up on a Candidate's personal references by telephone or in an electronic format such as e-mail. If attempted telephone contact is not successful, the Consultant may ask the Candidate for assistance. If the assistance is not effective, then the Consultant may solicit comment from the reference by mail or e-mail.
6. The Consultant should make personal contact, if possible, with the Candidate's current and past employers, pursuant to the California Commission on Peace Officers Standards and Training ("POST") guidelines. The Consultant should attempt to verify a minimum of ten years of work history in the Report. The Consultant should develop at least 2 secondary references.
7. The Consultant shall obtain such financial and military reports as the City may specify.
8. The Consultant will deliver the Report and results of each background investigation to the City's designated contact persons personally, and not by mail or electronically.
9. Upon completion of an Initial Interview, the Consultant will contact the City's authorized Public Safety background personnel to relay a verbal report on the findings of the Interview. If the City's representative concludes that there is cause for disqualification of a Candidate at that stage, the City may instruct the Consultant to terminate the Assignment and the City will compensate the Consultant at the hourly rate provided in this

Agreement for all work done on the Assignment to that point, not to exceed the agreed-upon fee for a completed investigation Report.

10. The City will obtain all requisite written authorizations from each Candidate to procure an investigative consumer report regarding the Candidate for employment purposes, and provide each Candidate with any legally required employer disclosures prescribed by California and Federal law concerning such reports.

11. The Consultant may, but shall not be obligated to, retain an archival copy of each Report prepared and delivered to the City; all such Reports shall be treated as Confidential Information and may not be used or disclosed to others except in connection with the Consultant's engagement by the City under this Agreement or as may be required by law.

EXHIBIT B

Compensation

Background Investigation

- Pre-employment Background (Sworn) \$1500.00
- Pre-employment Background (Civilian/ Dispatcher) \$1500.00
- \$55.00/hour not to exceed \$1500.00 per background

Polygraph Examination

- \$200.00 per completed Polygraph Examination

Reimbursements

- \$.575 per mile from the Willits Police Department
- Travel, lodging, meals Actual/reasonable expenses
[Subject to City's prior approval]



Item No. **4c**

Meeting Date: **March 25, 2015**

AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Susie Holmes, Finance Director

Agenda Title: APPROVE AN AMENDMENT TO THE FISCAL YEAR 2014/15 BUDGET TO INCLUDE SEWER LATERAL INSTALLATION IN CONNECTION WITH HUMBOLDT STREET REHABILITATION PROJECT, PHASE II (PROJECT NO. 2015-01)

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: N/A

Summary of Request: On March 11, 2015, the City Council approved plans and specifications for the Humboldt Street Rehabilitation Project, Phase II. The estimated cost of construction is \$890,053. Of the total estimated cost, the Water Maintenance Fund (503-5031) will be charged approximately \$27,500 for new fire hydrants and water valves; the Sewer Maintenance Fund (501-5011) will be charged approximately \$19,250 for the installation of new sewer laterals and clean outs; and the remainder, estimated at \$843,303, will be budgeted in the Half-Cent Sales Tax Fund as a transfer from Fund 202 to Fund 207, the special project fund. Fund 501-5011 requires an additional budget of \$8,000 to allow for the new sewer laterals and clean outs.

Recommended Action: Amend the Fiscal Year 2014/15 Budget, to increase Sewer Fund Equipment Maintenance and Supplies (501.5011.2041.000) from \$19,000 to \$27,000.

Alternative(s): None recommended.

Fiscal Impact: Increasing budgeted expenditures of \$418,177 in the Sewer Enterprise Maintenance Fund by \$8,000. Total expenditures after budget amendment \$426,177.

Personnel Impact: Minimal.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

RESOLUTION NO. 2015-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLITS APPROVING CHANGES TO THE 2014-15 BUDGET

WHEREAS, on September 24, 2014 the City Council approved the City of Willits 2014-15 budget; and

WHEREAS, on March 11, 2015 the City Council approved the Mid-Year Financial Report; and

WHEREAS, On March 11, 2015 City Council approved the Humboldt Street Rehabilitation, Project Phase II with expected construction to begin on June 3, 2015, which includes the installation of new sewer laterals and clean outs; and

WHEREAS, the Sewer Enterprise Maintenance Fund requires an increased budget of \$8,000 for the installation of said sewer laterals and clean outs; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willits does approve to amend the Sewer Enterprise Maintenance Department expenses to \$426,177.

The above and foregoing Resolution was introduced by Councilmember _____ seconded by Councilmember _____, and passed and adopted at a regular meeting of the City Council of the City of Willits, held on the 25th day of March, 2015, by the following vote:

AYES:
NOES:
ABSENT:

BRUCE BURTON, Mayor
City Council of the City of Willits

ATTEST:

CATHY SANDERS
Deputy City Clerk

Disbursements Journal

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S	ACCOUNT
GENERAL CHECK FORM									
25721	01/12/15	BANK OF AMERICA	10 LODGING CALPELRA CONF	710.22CR	522685	141121		P N H	100.1005.2105.000
25721	01/12/15	BANK OF AMERICA	10 LODGING NLC CONF	595.70CR	522685	141121		P N H	100.1001.2105.000
25721	01/12/15	BANK OF AMERICA	10 TAXI NLC CONF	75.64CR	522685	141121		P N H	100.1001.2105.000
25721	01/12/15	BANK OF AMERICA	10 DINNER PER DIEM NLC CO	19.08CR	522685	141121		P N H	100.1001.2105.000
25721	01/12/15	BANK OF AMERICA	10 AIRPORT PARKING	48.00CR	522685	141121		P N H	100.1001.2105.000
25721	01/12/15	BANK OF AMERICA	10 CREDIT	33.50	522685	141121		P N H	100.1001.2105.000
				1,415.14CR	*CHECK TOTAL				
26088	03/05/15	BANK OF AMERICA	10 LODGING CALPELRA CONF	710.22	522684	150305		P N H	100.1005.2105.000
26088	03/05/15	BANK OF AMERICA	10 LODGING NLC CONF	595.70	522684	150305		P N H	100.1001.2105.000
26088	03/05/15	BANK OF AMERICA	10 TAXI NLC CONF	75.64	522684	150305		P N H	100.1001.2105.000
26088	03/05/15	BANK OF AMERICA	10 DINNER PER DIEM NLC CO	19.08	522684	150305		P N H	100.1001.2105.000
26088	03/05/15	BANK OF AMERICA	10 AIRPORT PARKING	48.00	522684	150305		P N H	100.1001.2105.000
26088	03/05/15	BANK OF AMERICA	10 CREDIT	33.50CR	522684	150305		P N H	100.1001.2105.000
26088	03/05/15	BANK OF AMERICA	10 REMIF CONF LUNCH	13.01	522684	150305		P N H	100.1002.2105.000
26088	03/05/15	BANK OF AMERICA	10 PARMA CONF LODGING	212.24	522684	150305		P N H	100.1002.2105.000
26088	03/05/15	BANK OF AMERICA	10 PARMA CONF LODGING	928.98	522684	150305		P N H	100.1002.2105.000
26088	03/05/15	BANK OF AMERICA	10 TAXI PARMA CONF	60.00	522684	150305		P N H	100.1002.2105.000
26088	03/05/15	BANK OF AMERICA	10 PARMA CONF MEALS 2/9/	130.00	522684	150305		P N H	100.1002.2105.000
26088	03/05/15	BANK OF AMERICA	10 PARMA CONF MEALS 2/8/	130.00	522684	150305		P N H	100.1002.2105.000
26088	03/05/15	BANK OF AMERICA	10 FINACE CHARGE	18.70	522684	150305		P N H	100.1003.2199.000
				2,908.07	*CHECK TOTAL				
26089	03/13/15	AFLAC	4036 125 PLAN-POLICY PRE	1,316.28	522686	157475		P N H	690.246
26089	03/13/15	AFLAC	4036 125 PLAN-POLICY PRE	1,316.28CR	522687	157475		P N H	690.246
				0.00	*CHECK TOTAL				
GENERAL CHECK FORM			TOTAL	1,492.93					

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26090	03/13/15	AFLAC	4036 125 PLAN-POLICY PRE	1,316.28	522633	157475		P N W 690.246
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	522544	5020693		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	522545	5020846		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	522546	5021053		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	522547	5021167		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	522548	5021250		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	522549	5021274		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	522550	5021275		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	522551	5021460		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	522552	5021637		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	522553	5021804		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	522554	5021796		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	108.00	522555	5022339		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	194.00	522556	5022299		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	539.00	522557	5022414		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	624.00	522558	522412		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	84.00	522559	5022307		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SEWER TEST	88.00	522560	5022220		P N W 501.5013.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	157.00	522561	5020647		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	1,090.00	522562	5020952		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	105.00	522563	5021026		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	157.00	522564	5021871		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	55.00	522565	5022080		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	55.00	522566	5022271		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 WATER TEST	105.00	522567	5022327		P N W 503.5033.2061.015
26091	03/13/15	ALPHA ANALYTICAL LAB	7 SURFACE WATER 2014-20	150.00	522568	5020679		P N W 213.2133.2061.015
				4,739.00	*CHECK TOTAL			
26092	03/13/15	ARAMARK UNIFORM SERV	4065 MATS/RAGS/MOPS	561.23	522571	150227		P N W 100.1016.2199.000
26092	03/13/15	ARAMARK UNIFORM SERV	4065 MATS/RAGS	424.66	522571	150227		P N W 501.5013.2199.000
26092	03/13/15	ARAMARK UNIFORM SERV	4065 MATS	15.87	522571	150227		P N W 100.1040.2081.030
26092	03/13/15	ARAMARK UNIFORM SERV	4065 MATS	15.87	522571	150227		P N W 100.1042.2081.030
				1,017.63	*CHECK TOTAL			
26093	03/13/15	ASCENT AVIATION GROU	4747 AVIATION FUEL	17,076.13	522663	286745		P N W 500.125
26094	03/13/15	AT&T	4123 POLICE DEPT	575.28	522667	6326622		P N W 100.1020.2015.000
26094	03/13/15	AT&T	4123 PUBLIC WORKS	90.43	522667	6326622		P N W 100.1040.2015.000
26094	03/13/15	AT&T	4123 ENGINEERING	90.43	522667	6326622		P N W 100.1042.2015.000
26094	03/13/15	AT&T	4123 POOL	15.45	522667	6326622		P N W 100.1030.2015.000
26094	03/13/15	AT&T	4123 SEWER PLANT	102.37	522667	6326622		P N W 501.5013.2015.000
26094	03/13/15	AT&T	4123 WATER PLANT	67.97	522667	6326622		P N W 503.5030.2015.000
26094	03/13/15	AT&T	4123 AIRPORT	34.54	522667	6326622		P N W 500.5001.2110.000
26094	03/13/15	AT&T	4123 WCAC	32.62	522667	6326622		P N W 600.601
26094	03/13/15	AT&T	4123 4601-2-3 40%	387.69	522667	6326622		P N W 100.1002.2015.000
26094	03/13/15	AT&T	4123 24%	232.61	522667	6326622		P N W 265.2650.2015.000
26094	03/13/15	AT&T	4123 12%	116.30	522667	6326622		P N W 265.2650.2015.000
26094	03/13/15	AT&T	4123 12%	116.30	522667	6326622		P N W 100.1015.2015.000
26094	03/13/15	AT&T	4123 12%	116.30	522667	6326622		P N W 100.1010.2015.000

Disbursements Journal

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GENERAL CHECK FORM								
26094	03/13/15	AT&T	4123 PLANNING 9341 2/3	23.07	522667	6326622		P N W 265.2650.2015.000
26094	03/13/15	AT&T	4123 1/3	11.53	522667	6326622		P N W 100.1010.2015.000
				2,012.89	*CHECK TOTAL			
26095	03/13/15	AT&T	4615 WATER	171.29	522570	150219		P N W 503.5030.2015.000
26096	03/13/15	AT&T MOBILITY	4253 POLICE	42.14	522622	02202015		P N W 100.1020.2015.000
26097	03/13/15	ATLAS COPCO COMPRESS	4920 BLOWER REPAIRS	7,012.67	522569	446426	003696	P N W 501.5013.2041.000
26098	03/13/15	BARKSDALE/BILL	4938 REIMBURSEMENT FOR E	1,400.00	522668	150312		P N W 600.601
26099	03/13/15	BOWERS/JOSH	4239 WEBSITE MAINT	383.50	522669	77		P M W 100.1002.2081.030
26100	03/13/15	BROOKTRAILS TOWNSHIP	491 AIRPORT WATER/SEWER	111.55	522670	CIT0001		P N W 500.5001.2111.000
26101	03/13/15	CALIFORNIA SURVEYING	410 SURVEY SUPPLIES	139.51	522574	28217/1		P N W 100.1042.2101.045
26101	03/13/15	CALIFORNIA SURVEYING	410 SURVEY SUPPLIES	399.98	522575	27976/1		P N W 100.1042.2041.000
				539.49	*CHECK TOTAL			
26102	03/13/15	CEB	4280 LEGAL UPDATES	95.00	522671	10365043		P N W 100.1004.2050.000
26103	03/13/15	CHIEF SUPPLY CORP IN	2001 SHIPPING CHARGES	84.57	522625	189810		P M W 100.1022.2101.033
26104	03/13/15	CLEARLY MENDOCINO WA	4221 WATER - FEB 2015	75.00	522628	150228		P M W 100.1020.2199.000
26105	03/13/15	COAST HARDWARE	31 JANITORIAL SUPPLY RETU	45.39CR	522629	150228		P N W 100.1050.2101.045
26105	03/13/15	COAST HARDWARE	31 MISC SUPPLIES	167.44	522629	150228		P N W 100.1050.2041.000
26105	03/13/15	COAST HARDWARE	31 TOOLS	11.88	522629	150228		P N W 100.1041.2041.000
26105	03/13/15	COAST HARDWARE	31 BLDG MAINT	68.09	522629	150228		P N W 100.1050.2045.000
26105	03/13/15	COAST HARDWARE	31 STRAPS/BLEACH	21.06	522629	150228		P N W 501.5013.2025.000
26105	03/13/15	COAST HARDWARE	31 EQUIP MAINT	18.10	522629	150228		P N W 501.5013.2041.000
26105	03/13/15	COAST HARDWARE	31 RECHARGABLE BATTERIES	35.11	522629	150228		P N W 501.5011.2041.000
26105	03/13/15	COAST HARDWARE	31 OFFICE SUPPLIES	41.46	522629	150228		P N W 503.5033.2055.000
26105	03/13/15	COAST HARDWARE	31 VEHICLE MAINT SUPPLIE	168.02	522629	150228		P N W 100.1022.2044.000
				485.77	*CHECK TOTAL			
26106	03/13/15	COMPUTER WORKS OF UK	4230 IT SERVICES	591.93	522579	3518		P M W 500.5001.2041.000
26106	03/13/15	COMPUTER WORKS OF UK	4230 IT SERVICES	793.91	522579	3518		P M W 100.1003.2041.000
				1,385.84	*CHECK TOTAL			
26107	03/13/15	COUNTY OF MENDOCINO	33 JC ELEC SVC-JAN 2015	742.81	522626	2015-1		P N W 100.1020.2110.000
26107	03/13/15	COUNTY OF MENDOCINO	33 JC WATER SVC-JAN 2015	100.80	522626	2015-1		P N W 100.1020.2110.000
26107	03/13/15	COUNTY OF MENDOCINO	33 JC GARBAGE SVC-JAN 201	78.50	522626	2015-1		P N W 100.1020.2110.000
				922.11	*CHECK TOTAL			
26108	03/13/15	COUNTY OF MENDOCINO	197 SERAF PRINCIPAL L	122,663.00	522573	150306		P N W 265.203
26108	03/13/15	COUNTY OF MENDOCINO	197 SERAF INTEREST LOAN	2,337.00	522573	150306		P N W 265.2650.3002.000

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26108	03/13/15	COUNTY OF MENDOCINO	197 COURT/STATE FEES-PARKI	25.00	522624	150220		P N W 100.1020.2081.030
				125,025.00	*CHECK TOTAL			
26109	03/13/15	COUNTY OF MENDOCINO	198 ELECTION SERVICES	3,397.13	522577	2014/15-24		P N W 100.1006.2081.030
26110	03/13/15	COUNTY OF MENDOCINO	223 PROPERTY TAX 2014-2	1,064.11	522572	150315		P N W 503.5030.3010.000
26110	03/13/15	COUNTY OF MENDOCINO	223 PROPERTY TAX 2014-201	363.78	522572	150315		P N W 213.2130.3010.000
26110	03/13/15	COUNTY OF MENDOCINO	223 PROPERTY TAX 2014-2015	96.33	522572	150315		P N W 100.1045.3010.000
26110	03/13/15	COUNTY OF MENDOCINO	223 PROPERTY TAX 2014-2	6,685.57	522572	150315		P N W 501.5010.3010.000
				8,209.79	*CHECK TOTAL			
26111	03/13/15	COUNTY OF MENDOCINO	4394 DAVIS CREEK MOA	4,961.40	522576	15-COW-01		P N W 503.5031.2061.012
26112	03/13/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	54.68	522578	150228		P N W 100.1002.2055.000
26112	03/13/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	11.87	522578	150228		P N W 503.5033.2055.000
26112	03/13/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	39.77	522578	150228		P N W 100.1042.2055.000
26112	03/13/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	17.19	522578	150228		P N W 100.1042.2055.000
26112	03/13/15	CURRY'S DISCOUNT INC	4198 OFFICE SUPPLIES	17.19	522578	150228		P N W 100.1040.2055.000
26112	03/13/15	CURRY'S DISCOUNT INC	4198 BATTERIES/INVESTIGATIO	76.42	522627	150228		P N W 100.1022.2101.031
26112	03/13/15	CURRY'S DISCOUNT INC	4198 PAPER/NOTEPADS	403.67	522627	150228		P N W 100.1020.2055.000
				620.79	*CHECK TOTAL			
26113	03/13/15	CYDZIK/MATTHEW	4770 TUITION	300.00	522623	150311		P N W 100.1020.2105.000
26113	03/13/15	CYDZIK/MATTHEW	4770 LODGING	609.57	522623	150311		P N W 100.1020.2105.000
26113	03/13/15	CYDZIK/MATTHEW	4770 DINNER PER DIEM 3/2/15	20.00	522623	150311		P N W 100.1020.2105.000
26113	03/13/15	CYDZIK/MATTHEW	4770 PER DIEM 3/3-5/15	120.00	522623	150311		P N W 100.1020.2105.000
				1,049.57	*CHECK TOTAL			
26114	03/13/15	DEEP VALLEY SECURITY	40 SECURITY	43.95	522581	273667		P N W 100.1041.2081.030
26114	03/13/15	DEEP VALLEY SECURITY	40 SECURITY	43.95	522581	273667		P N W 100.1042.2081.030
26114	03/13/15	DEEP VALLEY SECURITY	40 POLICE ALARM SYS MAR2	140.00	522630	273485		P N W 100.1020.2081.030
				227.90	*CHECK TOTAL			
26115	03/13/15	DUNAHOO/DOUG	.09380 WATER DEPOSIT REFUND	75.00	522580	10302550008		P N W 503.111
26116	03/13/15	EEL RIVER FUELS	28 FUEL	1,018.05	522583	380502		P N W 100.125
26116	03/13/15	EEL RIVER FUELS	28 DIESEL FUEL	217.49	522584	380466		P N W 100.126
26116	03/13/15	EEL RIVER FUELS	28 FUEL	990.76	522585	379070		P N W 100.125
				2,226.30	*CHECK TOTAL			
26117	03/13/15	ESPINOZA/JOANNA	.09381 WATER DEPOSIT REFUND	75.00	522582	10101250004		P N W 503.111
26118	03/13/15	FIREFLY FRAMING	4412 FRAME	17.30	522586	15022403		P N W 100.1002.2055.000
26119	03/13/15	FISHER WIRELESS	4105 EQUIP UNIT 238	1,803.49	522631	3672	006248	P N W 651.6510.2199.000
26119	03/13/15	FISHER WIRELESS	4105 SET UP UNIT 251	8,265.60	522632	3667		P N W 651.6510.2199.000
				10,069.09	*CHECK TOTAL			

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GENERAL CHECK FORM								
26120	03/13/15	FRANCHISE TAX BOARD	695 EARNINGS WITHHOLDING	158.15	522644	150313		P N W 690.233
26121	03/13/15	GAMBLE/BRANDI	4480 PER DIEM	40.00	522634	150223		P N W 100.1020.2105.000
26122	03/13/15	GARTON TRACKTOR INC	4935 MOWER PARTS	1,001.49	522588	CU15923		P N W 100.1050.2041.000
26123	03/13/15	GHD INC.	4697 ENG & REG ASSISTANCE	118.00	522591	89355		P M W 501.5017.6001.000
26123	03/13/15	GHD INC.	4697 BROOKTRAILS LEGAL	3,444.00	522672	89695		P M W 501.5017.6001.000
				3,562.00	*CHECK TOTAL			
26124	03/13/15	GIBBENS & ASSOCIATES	.09382 ACCESS COMPL MANUAL	85.95	522587	150313		P N W 100.1015.2050.000
26125	03/13/15	GONZALEZ/GERARDO	395 PER DIEM 2/23/2015	40.00	522635	150223		P N W 100.1020.2105.000
26125	03/13/15	GONZALEZ/GERARDO	395 LUNCH PER DIEM 2/26/20	12.00	522635	150223		P N W 100.1020.2105.000
				52.00	*CHECK TOTAL			
26126	03/13/15	GREEN/DEBRA	.09383 WATER DEPOSIT REFUND	38.33	522589	10100860004		P N W 503.111
26127	03/13/15	GROUNDWATER & ENVIRO	4939 CORP YARD SITE ASSE	1,691.05	522590	720621		P N W 201.2011.2081.030
26128	03/13/15	HUFFY'S AIRPORT WIND	4956 WINDSOCK	42.95	522673	25055		P N W 500.5001.2041.000
26129	03/13/15	INTEGRITY SHRED LLC	4932 SHREDDING SERVICE	50.00	522592	47507		P N W 100.1002.2055.000
26130	03/13/15	JD REDHOUSE	4223 STRAW FOR GRND MNTC	28.38	522593	6739		P N W 503.5033.2045.000
26131	03/13/15	JDS	4324 PARKING CITATION ADMI	100.00	522636	5171		P N W 100.1020.2081.030
26132	03/13/15	KILLION/FRED	4607 CITY HALL JANITORIAL	800.00	522594	150310		P M W 100.1016.2061.020
26133	03/13/15	LANCE/JAMES H.	4054 LEGAL SERVICES	2,565.00	522674	3095		P M W 100.1004.2081.030
26133	03/13/15	LANCE/JAMES H.	4054 BROOKTRAILS LEGAL	13,080.00	522675	3096		P M W 501.5017.6001.000
				15,645.00	*CHECK TOTAL			
26134	03/13/15	LES SCHWAB TIRES INC	4015 OIL CHANGE UNIT 244	51.57	522637	63700083576		P N W 100.1022.2044.000
26134	03/13/15	LES SCHWAB TIRES INC	4015 OIL CHANGE UNIT 247	55.55	522638	63700084067		P N W 100.1022.2044.000
				107.12	*CHECK TOTAL			
26135	03/13/15	LITTLE LAKE AUTO PAR	46 AUTO MAINT SUPPLIES	25.55	522595	150228		P N W 100.1042.2044.000
26135	03/13/15	LITTLE LAKE AUTO PAR	46 EQUIP MAINT	50.24	522595	150228		P N W 100.1041.2041.000
26135	03/13/15	LITTLE LAKE AUTO PAR	46 AUTO MAINT SUPPLIES	128.54	522595	150228		P N W 100.1040.2041.000
26135	03/13/15	LITTLE LAKE AUTO PAR	46 AUTO MAINT SUPPLIES	47.02	522595	150228		P N W 501.5011.2041.000
26135	03/13/15	LITTLE LAKE AUTO PAR	46 AUTO MAINT SUPPLIES	51.91	522595	150228		P N W 501.5013.2041.000
26135	03/13/15	LITTLE LAKE AUTO PAR	46 EQUIP MAINT SUPPLIES	224.73	522595	150228		P N W 201.2011.2041.000
26135	03/13/15	LITTLE LAKE AUTO PAR	46 EQUIP MAINT SUPPLIES	63.93	522595	150228		P N W 501.5011.2041.000
				591.92	*CHECK TOTAL			
26136	03/13/15	LOAD-X	4955 TRAINING AMMUNITION	2,041.80	522639	28021	003694	P N W 100.1022.2101.032

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GENERAL CHECK FORM								
26137	03/13/15	MANNATT/TOM	4357 POSTAGE REIMBURSEMENT	6.17	522599	150303		P N W 501.5010.2055.000
26138	03/13/15	MASSMUTUAL RETIREMEN	4870 DEFERRED COMPENSATI	1,490.00	522640	150313		P N W 690.236
26139	03/13/15	MATHESON TRI-GAS INC	4194 SEWER MNTC	106.94	522597	10919149		P N W 501.5011.2041.000
26140	03/13/15	MCNELLEY/MARK	4579 MILEAGE-K9 TRAINING	20.70	522641	150311		P N W 100.1020.2105.000
26140	03/13/15	MCNELLEY/MARK	4579 MILEAGE-2/26/2015	31.05	522641	150311		P N W 100.1020.2105.000
26140	03/13/15	MCNELLEY/MARK	4579 PER DIEM 2/23/2015	40.00	522641	150311		P N W 100.1020.2105.000
26140	03/13/15	MCNELLEY/MARK	4579 BRIDGE TOLL 2/23/2015	5.00	522641	150311		P N W 100.1020.2105.000
				96.75	*CHECK TOTAL			
26141	03/13/15	MEAD & HUNT INC	4031 REACH ENVIRON STUD	21,127.50	522676	249954		P N W 100.1010.2061.020
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	20.73	522596	150228		P N W 100.1020.2199.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	49.76	522596	150228		P N W 100.1022.2101.031
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	47.78	522596	150228		P N W 100.1041.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	91.07	522596	150228		P N W 100.1041.2101.045
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	39.56	522596	150228		P N W 100.1042.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	7.50	522596	150228		P N W 100.1041.2101.045
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	110.21	522596	150228		P N W 100.1050.2101.045
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	13.49	522596	150228		P N W 100.1050.2045.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	0.55	522596	150228		P N W 201.2011.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	113.17	522596	150228		P N W 201.2012.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	71.99	522596	150228		P N W 501.5011.2010.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	211.68	522596	150228		P N W 501.5011.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	56.03	522596	150228		P N W 501.5011.2045.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	70.29	522596	150228		P N W 501.5013.2025.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	293.30	522596	150228		P N W 501.5013.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	151.82	522596	150228		P N W 503.5031.2041.000
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	1,672.35	522596	150228		P N W 503.5031.4003.038
26142	03/13/15	MENDO MILL & LUMBER	101 MONTHLY STATEMENT	25.72	522596	150228		P N W 503.5033.2041.000
				3,047.00	*CHECK TOTAL			
26143	03/13/15	MENDO-LAKE CREDIT UN	104 DIRECT DEPOSIT	350.00	522642	150313		P N W 690.237
26144	03/13/15	MILLER/JUSTIN	.09384 WATER DEPOSIT REFUND	18.62	522598	10404650003		P N W 503.111
26145	03/13/15	MUNISERVICES, LLC	1441 3RD QTR STARS SERVICE	500.00	522677	36542		P N W 100.1003.2081.030
26146	03/13/15	NOR-CAL RECYCLED ROC	4067 CONCRETE	6,422.63	522600	9392		P N W 503.5031.4003.038
26147	03/13/15	ORENSTEIN/RON	.09385 CANDIDATE STMT REFUND	434.47	522601	150303		P N W 100.1006.2081.030
26148	03/13/15	P G & E COMPANY	114 CITY HALL	1,413.22	522602	150226		P N W 100.1016.2110.000
26148	03/13/15	P G & E COMPANY	114 PD RADIO	9.86	522602	150226		P N W 100.1020.2110.000
26148	03/13/15	P G & E COMPANY	114 PUBLIC WORKS	589.99	522602	150226		P N W 100.1040.2110.000
26148	03/13/15	P G & E COMPANY	114 ENGINEERING	68.43	522602	150226		P N W 100.1042.2110.000
26148	03/13/15	P G & E COMPANY	114 PARKS	1,081.23	522602	150226		P N W 100.1050.2110.000
26148	03/13/15	P G & E COMPANY	114 STREET LIGHTS	5,523.13	522602	150226		P N W 201.2010.2110.000

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26148	03/13/15	P G & E COMPANY	114 AIRPORT	297.60	522602	150226		P N W 500.5001.2110.000
26148	03/13/15	P G & E COMPANY	114 SEWER PLANT COLLECTION	48.04	522602	150226		P N W 501.5011.2110.000
26148	03/13/15	P G & E COMPANY	114 SEWER	12,421.14	522602	150226		P N W 501.5013.2110.000
26148	03/13/15	P G & E COMPANY	114 WATER	1,272.80	522602	150226		P N W 503.5033.2110.000
				22,725.44	*CHECK TOTAL			
26149	03/13/15	PACIFIC INTERNET INC	1442 WCAC DSL SERVICE	90.00	522678	150312		P N W 600.601
26150	03/13/15	PERPETUAL ENERGY SYS	4254 WATER PLANT SOLAR	6,126.03	522603	WIL-1502		P N W 503.5033.2110.000
26151	03/13/15	PERS	256 EMPLOYER CONTRIBUT	21,955.80	522643	150313		P N W 690.229
26151	03/13/15	PERS	256 EMPLOYEE CONTRIBUTI	7,329.04	522643	150313		P N W 690.230
				29,284.84	*CHECK TOTAL			
26152	03/13/15	PETTY CASH	123 DIST WATER/VINEGAR	30.08	522606	150303		P N W 503.5031.2041.000
26152	03/13/15	PETTY CASH	123 KEYS	21.54	522606	150303		P N W 100.1016.2025.000
26152	03/13/15	PETTY CASH	123 CARDS/DRINKS/COOKIES	40.52	522606	150303		P N W 100.1002.2055.000
				92.14	*CHECK TOTAL			
26153	03/13/15	PG&E CORPORATION	.09386 HYDRANT METER DEP REFU	52.00	522604	2221174		P N W 503.0503.6604.000
26154	03/13/15	PHILLIPS/TAMI	.09387 WATER DEPOSIT REFUND	46.52	522605	10202960004		P N W 503.111
26155	03/13/15	R E M I F	135 INS PREMIUM 2014/20	2,169.00	522610	150305		P N W 100.1002.2031.000
26155	03/13/15	R E M I F	135 LIABILITY DEDUCTIBL	1,929.67	522611	150302		P N W 100.1002.2032.000
26155	03/13/15	R E M I F	135 LIABILITY DEDUCTIBL	2,550.24	522611	150302		P N W 501.5010.2032.000
26155	03/13/15	R E M I F	135 W/C DEDUCTIBLES	5,298.26	522612	150302		P N W 100.1002.2032.000
26155	03/13/15	R E M I F	135 W/C DEDUCTIBLES	7,706.89	522612	150302		P N W 100.1020.2032.000
26155	03/13/15	R E M I F	135 W/C DEDUCTIBLES	1,397.92	522612	150302		P N W 503.5030.2032.000
26155	03/13/15	R E M I F	135 DENTAL INS PREMIUM	5,049.00	522613	150401		P N W 690.231
26155	03/13/15	R E M I F	135 VISION INS PREMIUM	907.50	522613	150401		P N W 690.231
26155	03/13/15	R E M I F	135 EAP INS PREMIUM	232.56	522613	150401		P N W 690.231
26155	03/13/15	R E M I F	135 LIFE INS PREMIUM	487.79	522613	150401		P N W 690.231
				27,728.83	*CHECK TOTAL			
26156	03/13/15	R J RICCIARDI INC	4153 AUDIT SERVICES	10,177.66	522614	8969		P N W 100.1003.2081.030
26157	03/13/15	R. EMMETT JONES	4354 BROOKTRAILS LEGAL	4,550.00	522679	150305		P M W 501.5017.6001.000
26158	03/13/15	RAMMING/TIM	127 REMIT ENVELOPES	141.10	522607	2736		P M W 600.601
26158	03/13/15	RAMMING/TIM	127 POSTCARDS/POSTERS	89.74	522608	2959		P M W 600.601
26158	03/13/15	RAMMING/TIM	127 ENVELOPES	105.96	522609	2738		P M W 600.601
				336.80	*CHECK TOTAL			
26159	03/13/15	RAMSEY/DAN	4773 AIRPORT MANAGEMENT	1,833.00	522615	150228		P M W 500.5001.2081.030
26160	03/13/15	SCAGLIONE/ROBERT	.09388 WATER DEPOSIT REFUND	25.95	522616	10301720002		P N W 503.111

Disbursements Journal

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26161	03/13/15	SEARER/BUD	.09392 HANGER DEPOSIT REFUND	100.00	522680	150302		P N W 500.0500.4211.000
26162	03/13/15	SILVA SEPTIC INC	4577 PORTABLE TOILET RENTA	210.84	522621	58807		P N W 501.5011.2041.000
26163	03/13/15	SMIDKE/KAROL	.09389 WATER DEPOSIT REFUND	49.17	522617	10100480004		P N W 503.111
26164	03/13/15	SOLID WASTE OF WILLI	330 SEWER PLANT BIN SERVI	216.02	522620	92		P M W 501.5013.2199.000
26165	03/13/15	STATE OF CALIFORNIA	191 SAFE DRINKING WATE	18,998.09	522619	1504E57203		P N W 503.5038.3002.000
26165	03/13/15	STATE OF CALIFORNIA	191 SAFE DRINKING WATE	83,743.71	522619	1504E57203		P N W 503.5038.3001.000
				102,741.80	*CHECK TOTAL			
26166	03/13/15	STRANSKE/LARRY	.09390 CANDIDATE STMT REFUND	434.47	522618	150303		P N W 100.1006.2081.030
26167	03/13/15	TELECOM SERVICES	4691 MOVE PD FAX MACHINE	170.00	522646	7437		P N W 100.1020.2015.000
26167	03/13/15	TELECOM SERVICES	4691 PW MAINT CONTRACT	570.00	522647	7465		P N W 100.1040.2015.000
				740.00	*CHECK TOTAL			
26168	03/13/15	TGIF REPAIRS INC	4208 PRINTER REPAIR	694.00	522648	4491		P N W 100.1003.2041.000
26169	03/13/15	THOMSON REUTERS - WE	4122 CA PENAL CODE 2015	762.93	522645	6099197710		P N W 100.1020.2050.000
26169	03/13/15	THOMSON REUTERS - WE	4122 CA EVIDENCE CODE 2015	34.60	522645	6099197710		P N W 100.1020.2050.000
26169	03/13/15	THOMSON REUTERS - WE	4122 LEGAL UPDATES	424.64	522681	831383031		P N W 100.1004.2050.000
				1,222.17	*CHECK TOTAL			
26170	03/13/15	UNITED PARCEL SERVIC	165 SHIPPING	16.90	522654	958793095		P M W 503.5033.2041.000
26171	03/13/15	UTILITY SUPPLY OF AM	3997 DECLOR TABLETS	409.60	522649	574730		P N W 503.5033.2101.034
26171	03/13/15	UTILITY SUPPLY OF AM	3997 TOOLS/EQUIP	596.56	522650	578913		P N W 503.5033.2041.000
26171	03/13/15	UTILITY SUPPLY OF AM	3997 EQUIP MAINT	533.36	522651	576820		P N W 501.5013.2041.000
26171	03/13/15	UTILITY SUPPLY OF AM	3997 GLOVES	20.49	522652	575298		P N W 501.5013.2101.033
26171	03/13/15	UTILITY SUPPLY OF AM	3997 GLOVES	1,159.06	522653	575612		P N W 501.5013.2101.033
				2,719.07	*CHECK TOTAL			
26172	03/13/15	VANDERHEIDEN/WILLIAM	.09391 WATER DEPOSIT REFUND	36.51	522655	10302290005		P N W 503.111
26173	03/13/15	WECO INDUSTRIES LLC	4044 CABLE ASSY	316.00	522665	32953-IN		P N W 501.5013.2041.000
26174	03/13/15	WEIR FLOWAY INC	4946 RAW WTR PUMP INSPE	38,741.23	522664	99715		P N W 501.5013.2041.000
26175	03/13/15	WESTAMERICA BANK	4161 PRINCIPAL	4,000.45	522682	150224		P N W 501.5011.3001.000
26175	03/13/15	WESTAMERICA BANK	4161 INTEREST	310.34	522682	150224		P N W 501.5011.3002.000
				4,310.79	*CHECK TOTAL			
26176	03/13/15	WILLITS KIDS CLUB	3981 PAYROLL DEDUCTION	20.00	522666	150313		P N W 690.248
26177	03/13/15	WILLITS NEWS	179 LEGAL AD	116.20	522662	5417616		P N W 100.1010.2090.000

Disbursements Journal

WARRANT	DATE	VENDOR	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F 9 S ACCOUNT
GENERAL CHECK FORM								
26178	03/13/15	WILLITS POWER	1245 GAL MIX & NYLON LINE	50.80	522658	296754		P M W 100.1050.2041.000
26178	03/13/15	WILLITS POWER	1245 COMM LINE	70.98	522659	296939		P M W 100.1041.2041.000
26178	03/13/15	WILLITS POWER	1245 DOOR GUARD	14.67	522660	296926		P M W 501.5013.2041.000
26178	03/13/15	WILLITS POWER	1245 BUCKLE	11.51	522661	297758		P M W 100.1050.2041.000
				147.96	*CHECK TOTAL			
26179	03/13/15	WILLITS RENTAL CENTE	4100 TILLER	80.00	522656	150051		P N W 501.5013.2045.000
26179	03/13/15	WILLITS RENTAL CENTE	4100 CONCRETE VIBRATOR	94.00	522657	1500045		P N W 503.5031.4003.038
				174.00	*CHECK TOTAL			
26180	03/13/15	XEROX BUSINESS SERVI	4947 MONTHLY NEW VISION	3,748.69	522683	1130904		P N W 100.1003.2041.000
GENERAL CHECK FORM								
			TOTAL	514,286.38				

**WILLITS BYPASS PROJECT
2015 CONSTRUCTION SEASON
March 2015 UPDATE**

The following is a summary of the construction activities that have been completed up to March 20, 2015

- **Contractor has completed approximately 65 % of work on the project.**

Southern Segment (Beginning of Project to Center Valley Road) – STA "A" 96+00 to 149+00 (3.3 miles):

- Repair to winter damage slopes near the south interchange is complete.
- Construction of crossover detour for northbound freeway traffic to U1 line is complete.
- Haehl Creek realignment and fish passage improvement work is complete.
- An active treatment system has been installed and is being operated during storms to remove turbidity from storm water run-off.
- Right and Left bridges for 101/20 Separation are complete, except for concrete barriers, joint seals, and deck grooving. These items of work will not begin until late in 2015 or early 2016.
- Haehl Creek Bridge foundations and abutments are complete. Due to a short work window and temporary suspension of Corps permit in June 2014, work on Haehl Creek Bridges is suspended and will resume in June 2015, and be completed in October 2015.
- Northbound onramp E20/N101 Connector Bridge is complete, except for concrete barriers, joint seals, and deck grooving.
- East Hill Road Undercrossing Bridge is complete except for concrete barriers, joints, and deck grooving.
- North Haehl Creek Bridge is complete except for concrete barriers, joint seals, and deck grinding.
- Pond relocation at Rutledge property is complete.
- Baechtel Creek Retaining Wall is complete. Concrete barrier, backfill and embankment will be completed in 2015.
- Embankment between Haehl Creek and Center Valley Road started, but is suspended summer 2015.
- Erosion control materials are being monitored and maintained at all locations.

Floodway Viaduct - STA "A" 149+00 to 167+50 (1.2 miles):

- Foundations and columns are complete for all 8 frames. Bent 4 columns damaged in the 1-20-15 falsework collapse are reconstructed.
- Frames 1 through 6 superstructure work is ongoing. Frames 2, 3, 4, and 5 are complete except for concrete barriers, hinge concrete, and deck grooving. Hinges 8,13, and 17 will be completed during March. Reconstruction of Frame 1 falsework damaged in the collapse will begin in March.
- Falsework forms and reinforcing for Frames 6, 7, and 8 will continue this winter as weather permits. Completion of the Viaduct by September 2015 is anticipated
- City of Willits and Caltrans continue to coordinate work near WWTP facilities at Frames 6, 7, and 8.

North Segment (Viaduct to End of Project – STA "A" 167+50 to 191+10 (1.5 miles):

- Redesign of the North interchange is complete.
- Construction of embankment from MFP borrow site is suspended until May 2015 due to weather.
- Work in Upp Creek is suspended until June 2015.
- Utility relocation work is ongoing.
- Work on Quail Meadows Overhead Bridge (railroad) and four bridges at the North Interchange will begin in spring 2015. Completion of all mainline and interchange bridges in October is anticipated
- Erosion control is being monitored and maintained at all locations.



AGENDA SUMMARY REPORT

To: Honorable Mayor and Council Members

From: Ad Hoc Committee – Solid Wastes of Willits Franchise Agreement

Agenda Title: DISCUSSION AND POSSIBLE ACTION REGARDING THE FRANCHISE AGREEMENT WITH SOLID WASTES OF WILLITS (SWOW)

Type: Presentation Consent Regular Agenda Public Hearing Urgent Time: 30-45 min.

Summary of Request: Prior to finalizing a new 15-year Franchise Agreement between with Solid Wastes of Willits, the Ad Hoc Committee seeks the full City Council's direction on key terms of the agreement.

The current 15-year Franchise Agreement – For the Collection, Transportation, Disposal and Recycling of Garbage, Refuse and Rubbish from within the City of Willits – became effective on November 1, 2000 and ends on October 31, 2015. Addendum A, attached, lists the features of both the current Franchise Agreement and the proposed Agreement, with analysis of issues and more detailed discussion and recommendations.

Recommended Action: It is recommended that the City Council approve the following key features of a new Agreement, with the final version to be brought back for Council action within one month:

An increase in the Franchise Fee from 12% to 15%, with no pass-through to ratepayers;

Diversion of food and mixed organic wastes to a certified facility to be converted to compost, and weekly pick-up of all bins, with no pass-through to ratepayers; and

No cost-of-living increase in rates in the current (2015) year. Rate adjustments in future years would be based on four components, including fuel, landfill tipping fees, and COLA, as detailed in Attachment A.

Alternative(s): The City Council could direct a change in these features, such as 1) No increase in Franchise Fees; 2) Adopt SWOW's proposed handling of food wastes (not including other mixed organics) and continuing bi-weekly rather than weekly pick-up of recycling and green bins; and/or 3) Reduction in rates by freezing rates for 3 to 5 years (no COLA increases) or by a one-time percentage reduction (for example 5%) effective Jan. 1, 2016.

Another alternative is to direct the City Manager to prepare an RFP to solicit new franchise proposals from other qualified contractors. The Ad Hoc Committee would recommend this only if SWOW rejects the proposed agreement.

Fiscal Impact: The fiscal impact to the City depends on the amount of the Franchise Fee paid by SWOW to the City. The current Franchise Agreement provides for a 12% franchise fee that is calculated from the annual net revenues of SWOW. For the period from 2007 through 2013, the City received a total of \$875,827, or about \$125,118 per year in franchise fees from SWOW. The primary financial impact of the Franchise Agreement would be to the ratepayers, depending on the details of the final adopted agreement.

Personnel Impact: Personnel impact should be routine, minimal oversight of the Agreement and the annual Cost of Living Adjustments as well as the franchise fee payments.

Reviewed by: City Manager City Attorney Finance Director Human Resources Risk

Council Action: Approved Denied Other: _____

Records: Agreement Resolution # _____ Ordinance # _____ Other _____

Addendum A: Analysis of Proposed Franchise Agreement with Solid Waste of Willits (SWOW) and Ad Hoc Committee Recommendations

The terms that are attributed to the Proposed Agreement are taken from a Draft Franchise Agreement that was prepared by SWOW.

1. TERM OF THE AGREEMENT

Both the Current and the Proposed Agreements are for a term of fifteen (15) years. The Current Agreement (expiring on October 31, 2015) contains language that states the Agreement shall be automatically extended for an additional ten (10) year term, unless a written notice of non-renewal is given by the City to SWOW.

It is proposed that the same language be included in the new Proposed Agreement.

2. EXCLUSIVE RIGHTS

Both the Current and the Proposed Agreements give SWOW the exclusive right to make all solid waste and recyclables collections within the franchise area – that is, the city limits – except under certain circumstances such as Industrial Recyclable Materials; materials that are collected and transported by the owner, etc. with no compensation to the hauler; grease and cooking oil; sewage; hazardous waste, etc.

The Ad Hoc Committee supports this.

3. FRANCHISE FEE

The Current Agreement includes a Franchise Fee of twelve percent (12%) that SWOW pays to the City annually. The City's Proposed Agreement raises the Franchise Fee to fifteen percent (15%) payable on a quarterly basis.

The Franchise Fee is calculated from the annual net revenues, which consist of the gross revenues less revenues from state or federal government agencies, such as the school district and tribal lands. For the period from 2007 through 2013, the City received a total of \$875,827, or about \$125,118 per year in franchise fees from SWOW. Using the gross revenues from 2013, increasing the Franchise Fee from 12% to 15% would result in an additional \$39,350 per year in Franchise Fees being paid to the City. We feel this is appropriate in view of the wear-and-tear on City streets, which result in increased maintenance costs.

The Ad Hoc Committee supports increasing the Franchise Fee to fifteen percent (15%), with no pass through of this increase to the ratepayers.

4. MSWMA SURCHARGE

The Proposed Agreement includes a surcharge of \$5.00 per ton to be paid by SWOW to MSWMA as a funding stream. The Current Agreement doesn't specifically contain this provision, but apparently this surcharge is currently paid to MSWMA.

Based on the services that MSWMA performs for the member agencies, the Ad Hoc Committee supports this. However, it is noted that the surcharge is part of SWOW's expenses used to calculate the service rates, therefore is passed on to the ratepayers.

5. ANNUAL RATE ADJUSTMENTS

The Current Agreement provides for an Annual Rate Adjustment to “offset cost of living (COLA) increases in the cost of providing services.” The COLA is 90% of the data contained in the San Francisco Bay Area Index that is published by the Bureau of Labor Statistics, United States Department of Labor.

The Proposed Agreement refines this source by separating components of the cost of living index. The Proposed Agreement will use the following components:

- **Recycling Commodity Value Adjustment**, which is a composite of the market value of the recycled materials that are collected by SWOW. The Total Composite Market Value per ton is calculated for the period January 1, 2013 through December 31, 2013, and is used as the Base Year. This rate has been calculated at \$134.15 per ton. In subsequent years, the composite rate is calculated for the current year, and the difference between the Base Year composite and the current year composite will result in either an increase or a decrease in this component.
- **Diesel Fuel Pass Through**: The fuel component will be compiled from the Department of Labor, Bureau of Labor Statistics for Diesel Fuel #2.
- **Consumer Price Index (CPI)**: As stated above, the CPI is taken from the San Francisco Bay Area Index, using the figures from August to August of the previous year. SWOW would be entitled to raise rates by 90% of CPI for costs not covered by the other components (e.g. fuel & landfill tipping fee).
- **Pass Through Rate (Landfill Tipping Fee)**: This will be a pass through from the landfill. The adjustments for each component are added together, in proportion to their share of the total cost, to arrive at the annual rate adjustment.

The Ad Hoc Committee supports this method of calculating the annual rate adjustment.

6. ASSIGNMENT – FRANCHISE TRANSFER

Both the Current Agreement and the Proposed Agreement contain language stating that SWOW shall not assign any interest in this contract and shall not transfer any stock or ownership in SWOW without the prior written consent of the City, which consent shall not be unreasonably withheld.

Other conditions of this include: SWOW will notify the City in writing, 60 days in advance of the transfer; SWOW and the party to which ownership interest is being transferred (transferee) demonstrate that the transferee has the financial means, experience and capabilities to fulfill the requirements of this Agreement; the transferee demonstrates that the best interests of the public will be served, and that service levels will not decline or rates increase as a result of the transfer of ownership.

In addition, if the Agreement is transferred, the City has the right to request competitive bidding or Request for Proposals at any time during the remainder of this Agreement term.

The Ad Hoc Committee supports this clause in the Agreement.

7. FOOD & MIXED ORGANICS WASTE

The State of California has mandated that jurisdictions must achieve a diversion rate of 50% from the waste stream – materials that are sent to landfills. In recent years Willits has fallen short and CalRecycle is pressing for improvements. Diversion is to be accomplished through increased recycling that removes recyclable materials from trash. Another source of diversion is the removal of food and other organic wastes to be turned into compost instead of being sent to the landfills. The State also mandates that cities adopt a plan by January 1, 2016 to divert mixed organic waste from commercial businesses and apartment complexes. Over the following two years, deadlines kick in for these businesses to divert their organic waste.

One method of recovering food waste for composting has been proposed by SWOW as follows: They would supply biodegradable bags for such waste to be deposited in the green waste bins, picked up every other week (as it is now), dumped on the sorting floor at the Transfer Station and hand-separated, with the food bags sent to Lakeport for composting. SWOW has not indicated how larger volumes of food waste (e.g. restaurants and other food service customers) would be handled. SWOW has stated there would be no additional cost to ratepayers for this service.

A second method would combine food and mixed organic wastes being placed into the green waste carts to be picked up by SWOW, brought to the Transfer Station where they would be transferred to a truck to be brought to a certified composting facility. Mixed organics that could be composted by such a facility include: brush, yard trimmings, wood waste, soiled paper, manures, cat litter, fishery and agricultural wastes, food waste (including meat, fish, dairy, etc.), some construction and demolition waste, liquid wastes that include wine lees, brewery sludge, olive sludge and grease trap waste.

It should be noted that only the second method would seem to be practical for commercial businesses like restaurants that generate a sizable volume of food waste. The State mandate on organics diversion applies to commercial businesses.

The only certified facility in our region handling such mixed wastes currently is Cold Creek Compost, although C&S Waste Solutions in Ukiah has stated its intention to get the necessary permit to handle mixed organics indoors at its Ukiah site. SWOW has already indicated that they would work with Cold Creek. However there are two issues to resolve:

- Cold Creek Compost currently has a ten (10) year lease for their operation, which runs until December 31, 2022. By comparison, the Franchise Agreement with SWOW would run through October 31, 2030, eight years longer than the lease agreement that Cold Creek has with the landowner. Cold Creek is seeking an extension of term but if it were unsuccessful, a replacement composting facility would need to be used after 2022.
- Cold Creek Compost has indicated they would charge a tipping fee of \$21.00 per ton for the first two years, then going to \$26.00 per ton. They have also agreed to an annual rate adjustment of 90% of the CPI, consistent with the provisions for SWOW. SWOW has indicated their intention (unless negotiated otherwise) would be to apply these tipping fees as a pass-through to the ratepayers.

Members of the Ad Hoc Committee believe that this more comprehensive diversion of mixed organic wastes is necessary to meet State requirements and can be accomplished without any rate increases because: (a) it saves SWOW the considerable expense of providing containers and resupplying bio-degradable bags to all customers (as they offered to do at no added cost); (b) labor of hand-separating food waste bags from yard wastes will not be required; and (c) wastes going to the landfill can be significantly reduced, substantially lowering transportation costs. Weekly pick-up of bins would improve recycling as well as diversion of food & organics wastes and is a major convenience to customers but does not greatly increase pick-up costs as bins do not need to be put out unless they are full. Finally, we note that a host of other municipalities successfully provide this type of service. Ukiah, for example, provides weekly pick-up of all bins at a rate of \$18.19/month for a 35 gallon can compared to City of Willits' customers paying \$22.45 (as of Jan. 1, 2014), with only bi-weekly pick-up of green & blue bins.

Although there is not unanimity, the majority of the Ad Hoc Committee recommends a program that includes food & mixed organics wastes and that includes weekly pick-up of all bins without any pass-through of costs to ratepayers.

8. OTHER SERVICES

The following has been agreed to by SWOW:

- Clean shrink-wrap will be accepted at the Transfer Station at no charge, from residential and commercial accounts within the City.
- SWOW will continue to provide free services to all City facilities at no charge. In addition, they will eliminate the disposal fees that had previously been charged, resulting in a savings to the City of about \$350 per month.
- SWOW will continue to provide service at no cost to service clubs and non-profits that put on annual events in the City.

The Ad Hoc Committee supports these services.

9. SERVICE RATES

Nearing the end of a fifteen year Franchise Agreement, it's apparent that this has been a good working relationship for both SWOW and the City. SWOW has already offered to forgo the usual COLA increase for the current year (which amounts to a 1.69% savings to ratepayers).

During the Ad Hoc committee contract negotiations, we considered several factors that point to a possibility of reducing the rates as of Jan. 2016 under the new Agreement:

- According to financial statements supplied by SWOW, the profit margin contributed by the Willits Division for the past 7 years was disproportionately greater than for the total consolidated SWOW operation. An average over the seven-year period, from 2007 through 2013, shows Willits provided 15.4% of the gross revenue, amounted to 14.8% of the expenses, while generating 24.7% of the net profit. It's reasonable that the share of profit attributed to Willits would be closer to Willits' share of the revenue and expenses, leading to the conclusion that there is room for SWOW to offer financial concessions to Willits.

- Comparing the service rates for Willits customers to rates elsewhere around the county, the Willits rates are higher than the Ukiah rates and some more rural areas, raising the question about whether we could achieve lower rates for Willits ratepayers if we went out for bids from other waste haulers. For example, Willits residential customers using a 35-gallon trash can pay about \$4.26 per month more than what they would pay in Ukiah for the same size can. This difference, however, doesn't take into account other services that SWOW offers to the ratepayers without charge, and that may or may not be offered by another waste hauler, if we were to go out for bids.

Although the Ad Hoc committee considered requiring either a multi-year freeze in rates or a one-time rate reduction effective Jan. 1, 2016, the majority recommendation is that the provision of a raise in Franchise Fee without pass-through and an improvement of service to divert mixed organic wastes and provide weekly pick-up of bins would be in-lieu of a rate decrease (other than the freeze on the current year's rate).

10. MISCELLANEOUS

It was recently brought to the attention of the Ad Hoc Committee by Mike Sweeney that an increase applied to the SWOW rate in 2006 was intended to be limited to a one year period as a one-time increase, and the increase has instead been carried forward in each subsequent year. This issue has been discussed with Mr. Ward (SWOW President), but we have not reached any consensus, and we request further direction from the Council.

It should be noted that SWOW is a locally owned company that employs a significant number of local residents, who along with SWOW itself, contribute financially to the local economy. As a local business, SWOW has been a good partner with the City and other organizations in the city to provide services to the general public. The Ad Hoc Committee honors this partnership and the contributions that SWOW has made for the benefit of the City and its citizens, and we would like to make every effort to continue this relationship well into the future.