

**ALL CELL PHONES AND ELECTRONIC DEVICES MUST BE
TURNED OFF IN THE COUNCIL CHAMBERS**

**A G E N D A
REEDLEY CITY COUNCIL MEETING**

7:00 P.M.

TUESDAY, September 24, 2013

**Meeting Held in the Council Chambers
845 "G" Street, Reedley, California**

The Council Chambers are accessible to the physically disabled. Requests for additional accommodations for the disabled, including auxiliary aids or services, should be made one week prior to the meeting by contacting the City Clerk at 637-4200 ext. 212.

Any document that is a public record and provided to a majority of the City Council regarding an open session item on the agenda will be made available for public inspection at City Hall, in the City Clerk's office, during normal business hours. In addition, such documents may be posted on the City's website.

City of Reedley's Internet Address is www.reedley.ca.gov

Robert O. Beck, Mayor

Ray Soleno, Mayor Pro Tem
Mary Fast, Council Member

Anita Betancourt, Council Member
Henry Rodriguez, Council Member

MEETING CALLED TO ORDER

INVOCATION – Dennis Fast, Reedley Mennonite Brethren Church

PLEDGE OF ALLEGIANCE

ROLL CALL

AGENDA APPROVAL – ADDITIONS AND/OR DELETIONS

PRESENTATION

1. INTRODUCTION OF THE PARKS & RECREATION YOUTH REPRESENTATIVES FOR 2013/2014, ALEXA BECERRA AND JENNIFER ITO. – (Community Services)
2. INTRODUCTION OF MODESTO TORRES, RECIPIENT OF THE CITIZEN'S AWARD. – (Police)
3. INTRODUCTION OF NEWLY HIRED POLICE DEPARTMENT RESERVES AND CADET. – (Police)

PUBLIC COMMENT – Provides an opportunity for members of the public to address the City Council on items of interest to the public within the Council's jurisdiction and which are not already on the agenda this evening. It is the policy of the Council not to answer questions impromptu. Concerns or complaints will be referred to the City Manager's office. Speakers should limit their comments to not more than three (3) minutes. No more than ten (10) minutes per issue will be allowed. For items which are on the agenda this evening, members of the public will be provided an opportunity to address the Council as each item is brought up for discussion

NOTICE TO PUBLIC

CONSENT AGENDA items are considered routine in nature and voted upon as one item. Under a **CONSENT AGENDA** category, a recommended course of action for each item is made. Any Council Member may remove any item from the **CONSENT AGENDA** in order to discuss and/or change the recommended Course of action, and the Council can approve the remainder of the **CONSENT AGENDA**. A Council Member's vote in favor of the **CONSENT AGENDA** is considered and recorded as a separate affirmative vote in favor of each action listed. Motions in favor of the **CONSENT AGENDA** are deemed to include a motion to waive the full reading of any ordinance on the **CONSENT AGENDA**. For **adoption of ordinances**, only those that have received a unanimous vote upon introduction are considered **CONSENT** items.

CONSENT AGENDA (Items 4 – 12)

Motion _____ 2nd _____

4. MINUTES OF REGULAR CITY COUNCIL MEETINGS OF JULY 23, 2013 AND SPECIAL COUNCIL MEETING OF SEPTEMBER 3, 2013. - (City Clerk)
Staff Recommendation: Approve
5. AUTHORIZE CITY MANAGER TO SIGN AN ADDITIONAL PREMISES/EQUIPMENT/SERVICES RIDER AGREEMENT WITH PROTECTION ONE SECURITY SOLUTIONS TO PROVIDE THREE ADDITIONAL CAMERAS TO THE EXISTING SECURITY SYSTEM AT THE COMMUNITY CENTER - (Community Services)
Staff Recommendation: Approve
6. AUTHORIZE THE CITY MANAGER TO SIGN THE MEMORANDUM OF UNDERSTANDING WITH KINGS CANYON UNIFIED SCHOOL DISTRICT TO EXPAND SERVICES WITHIN THE AFTER SCHOOL PROGRAM AT WASHINGTON SCHOOL TO BE PAID WITH "SAVE THE CHILDREN GRANT" FUNDING. – (Community Services)
Staff Recommendation: Approve
7. APPROVE AND AUTHORIZE CITY MANAGER TO EXECUTE CONTRACT AMENDMENT NO. 1 TO THE CONSULTANT CONTRACT WITH AECOM FOR THE WELL 14 IMPROVEMENTS AND WELL HEAD TREATMENT PROJECT, EDA AWARD NO. 07-01-06141, AMENDING THE SCOPE FOR DESIGN AND CONSTRUCTION SUPPORT SERVICES. – (Engineering)
Staff Recommendation: Approve

8. APPROVE A CONSULTANT SERVICES AGREEMENT WITH HMC-PMB, INC. FOR UNLICENSED BUSINESS IDENTIFICATION SERVICES. – (Administrative Services)
Staff Recommendation: Approve
9. APPROVE RELEASE OF ONE HALF OF THE RETENTION FOR PAYMENT TO CALDWELL TANKS INC. FOR THE CITY OF REEDLEY SPORTS PARK WATER TOWER PROJECT, EDA AWARD NO. 07-01-06141. – (Engineering)
Staff Recommendation: Approve
10. ADOPT RESOLUTION 2013-084 AUTHORIZING A BUDGET AMENDMENT FOR TREE REMOVAL AND A COMMUNICATIONS TOWER AT THE WASTE WATER TREATMENT PLANT, AND AUTHORIZE THE CITY MANAGER TO ENTER INTO A PROCUREMENT AGREEMENT FOR THE COMMUNICATIONS TOWER WITH TASHJIAN TOWERS CORPORATION. – (Public Works)
Staff Recommendation: Approve
11. ADOPT RESOLUTION NO. 2013-086 AMENDING THE 2013-14 ADOPTED BUDGET, APPROPRIATING \$4,000 IN PUBLIC SAFETY SALES TAX REVENUE FOR SAFETY & SECURITY IMPROVEMENTS TO THE CITY ANIMAL SHELTER. – (Administrative Services)
Staff Recommendation: Approve
12. ADOPT RESOLUTION NO. 2013-087 AWARDED A CONSTRUCTION CONTRACT TO CONCO WEST INC. FOR THE GRANULATED ACTIVE CARBON UNIT RELOCATION AND TREATMENT PROJECT FOR THE CITY OF REEDLEY MUNICIPAL WELL NO. 14, EDA AWARD NO. 07-01-06141. – (Engineering)
Staff Recommendation: Approve

ADMINISTRATIVE BUSINESS

13. ADOPT RESOLUTION NO. 2013-083 ESTABLISHING A TIERED MEDICAL BENEFIT STRUCTURE FOR CITY OF REEDLEY RETIREES. - Report, discussion and/or other Council action to approve, modify, and/or take other action as appropriate. - (Administrative Services)
Staff Recommendation: Approve
14. AUTHORIZE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO PURCHASE & PROVIDE A MEDICARE SUPPLEMENT PLAN FOR ELIGIBLE CITY OF REEDLEY RETIREES & DEPENDENTS. – Report, discussion and/or other Council action to approve, modify, and/or take other action as appropriate. - (Administrative Services)
Staff Recommendation: Approve
15. ADOPT RESOLUTION 2013-085 AUTHORIZING A BUDGET AMENDMENT TO FULLY FUND THE PURCHASE AND INSTALLATION OF A CITY ENTRANCE MONUMENT ON MANNING AVENUE. – Report, discussion and/or other Council action to approve, modify, and/or take other action as appropriate. - (Administrative Services)
Staff Recommendation: Approve

COUNCIL REPORTS

16. BRIEF REPORT BY COUNCIL MEMBERS ON CITY RELATED ACTIVITIES AS AUTHORIZED BY THE BROWN ACT AND REQUESTS FOR FUTURE AGENDA ITEMS.

STAFF REPORTS

17. UPDATES AND/OR REPORTS BY CITY MANAGER AND/OR STAFF MEMBERS

CLOSED SESSION

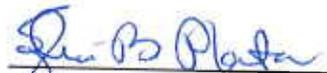
18. GOVERNMENT CODE SECTION 54956.9(d)(4)
Conference with Legal Counsel – Anticipated Litigation
Deciding Whether to Initiate Litigation
One potential case

ADJOURNMENT

Dates to Remember:

October 8, 2013 – Regular Council Meeting
October 11-13, 2013 (Friday-Sunday) – Reedley Fiesta
October 22, 2013 – Regular Council Meeting

I hereby certify under penalty of perjury, under the laws of the State of California that the foregoing agenda was posted in accordance with the applicable legal requirements. Dated this 19th day of September 2013.


Sylvia B. Plata, City Clerk

Item # 4

REEDLEY CITY COUNCIL MEETING – July 23, 2013

A complete audio record of the minutes is available at www.reedley.ca.gov

The regular meeting of the Reedley City Council was called to order by Mayor Beck at 7:00 p.m. on Tuesday, July 23, 2013 in the City Hall Council Chambers, 845 "G" Street, Reedley, California.

INVOCATION – Ann Hudson, Pastor of Redeemers Church

PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Council Member Betancourt

ROLL CALL

Council Members

Present: Anita Betancourt, Mary Fast, Henry Rodriguez, Ray Soleno, Robert Beck.

Absent: None.

AGENDA APPROVAL – ADDITIONS AND/OR DELETIONS

Council Member Rodriguez moved, Council Member Fast seconded to accept, approve agenda.

Motion unanimously **carried**.

PUBLIC COMMENT

CONSENT AGENDA (Items 1 - 8)

Motion _____ 2nd _____

Council Member Betancourt requested that **CONSENT ITEM NO. 3** and Council Member Fast requested that **CONSENT ITEM 8** be removed from the Consent Agenda for discussion.

Council Member Betancourt moved, Council Member Soleno seconded to accept, approve and adopt all items listed, under the **CONSENT AGENDA**, as follows:

1. MINUTES OF REGULAR CITY COUNCIL MEETINGS OF JUNE 11, 2013, JUNE 25, 2013 AND SPECIAL COUNCIL MEETINGS OF JUNE 24, 2013 AND JULY 8, 2013. - *Approved*
2. APPROVAL FOR APPLICATION FOR THE FY13/14 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANT GRANT FROM THE UNITED STATES OFFICE OF JUSTICE PROGRAM. - *Approved*
3. APPROVE MARIE MEDCALF AS MAYOR’S NOMINATION TO FILL ONE (1) ALTERNATE POSITION ON THE COMMISSION ON AGING. - *Item Removed for discussion*
4. ADOPT RESOLUTION NO. 2013-058 AUTHORIZING CITY MANAGER TO EXECUTE THE ANNUAL CONTRACTS WITH THE FRESNO-MADERA AREA AGENCY ON AGING FOR SENIOR CITIZEN PROGRAM FUNDING FOR FISCAL YEAR 2013-14. - *Approved*
5. ADOPT RESOLUTION 2013-065 SUBMITTING A CLAIM FOR THE ANNUAL TRANSPORTATION DEVELOPMENT ACT FUNDS FOR THE 2013-2014 FISCAL YEAR. - *Approved*
6. ADOPT RESOLUTION NO. 2013-067, APPROVING THE FOLLOWING ACTIONS:
 - (A) AUTHORIZE THE CITY MANAGER TO ACCEPT AND EXECUTE A 2013 AIRPORT IMPROVEMENT GRANT FROM FEDERAL AVIATION ADMINISTRATION (FAA) OF NO MORE THAN \$150,000.

REEDLEY CITY COUNCIL MEETING – July 23, 2013

- (B) APPROVAL TO EXECUTE A CONSULTING SERVICE TASK ORDER TO C&S COMPANIES, FOR \$59,859 TO RENDER THE DESIGN OF THE PERIMETER FENCE AND SECURITY ACCESS GATES. THIS CONTRACT IS FOR \$59,859.

Approved

7. ADOPT RESOLUTION NO. 2013-069 ACCEPTING THE CONSTRUCTION IMPROVEMENTS FOR THE DRILLING OF WELL NO. 14 AT THE REEDLEY SPORTS PARK AND AUTHORIZING THE CITY ENGINEER TO FILE A NOTICE OF COMPLETION WITH THE COUNTY OF FRESNO RECORDER'S OFFICE. - *Approved*
8. ADOPT RESOLUTION 2013-070, APPROVING THE INCLUSION OF A MEASURE ON THE JUNE 3, 2014 FRESNO COUNTY PRIMARY BALLOT TO EXTEND THE ABANDONED VEHICLE ABATEMENT PROGRAM THROUGH FRESNO COUNCIL OF GOVERNMENTS FOR A TEN-YEAR PERIOD. - *Item Removed for discussion*

Motion unanimously **carried**.

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3. APPROVE MARIE MEDCALF AS MAYOR'S NOMINATION TO FILL ONE (1) ALTERNATE POSITION ON THE COMMISSION ON AGING.

Council Member Betancourt and Mayor welcomed Ms. Marie Medcalf and thank her for volunteering. Council Member Betancourt made comments about Ms. Medcalf's late husband who was the City Clerk for the City of Reedley for many years.

Council Member Betancourt moved, Council Member Fast seconded to accept an APPROVE MARIE MEDCALF AS MAYOR'S NOMINATION TO FILL ONE (1) ALTERNATE POSITION ON THE COMMISSION ON AGING.

Ms. Medcalf shared information about herself and memories of her husband and his duties while employed by the City of Reedley.

Motion unanimously **carried**.

8. ADOPT RESOLUTION 2013-070, APPROVING THE INCLUSION OF A MEASURE ON THE JUNE 3, 2014 FRESNO COUNTY PRIMARY BALLOT TO EXTEND THE ABANDONED VEHICLE ABATEMENT PROGRAM THROUGH FRESNO COUNCIL OF GOVERNMENTS FOR A TEN-YEAR PERIOD

Council Member Fast made remarks regarding the item proposed, stating that this item would be on our 2014 voting ballot and that it was a very important service that is provided with the County of Fresno. She felt that it would be important that we support this measure because it would help to get rid of vehicles that were left on the streets, parking lots and areas that they should not be stationed. She pointed out that in the 2004-2012 period, the City of Reedley received \$231,560, second only to Clovis for the County cities.

Council Member Fast moved, Council Member Rodriguez seconded to accept, approve and ADOPT RESOLUTION 2013-070, APPROVING THE INCLUSION OF A MEASURE ON THE JUNE 3, 2014 FRESNO COUNTY PRIMARY BALLOT TO EXTEND THE ABANDONED VEHICLE ABATEMENT PROGRAM THROUGH FRESNO COUNCIL OF GOVERNMENTS FOR A TEN-YEAR PERIOD

Motion unanimously **carried**.

ADMINISTRATIVE BUSINESS

9. ADOPT RESOLUTION NO. 2013-068 AUTHORIZING THE EXECUTION OF THE CITY-COUNTY AGREEMENT FOR CDBG PROJECT NO. 13571, REEDLEY CITY STREET IMPROVEMENTS (PHASE V), BUTTONWILLOW AT EARLY STREET IMPROVEMENTS.

Noe Martinez, City Engineer recommended that Council approve adoption No. 2013-068 and authorize the execution of the City-County agreement for the CDBG Project No. 13571. This approval would authorize the City Manager to execute an agreement with the County for CDBG Project No. 13571, Reedley City Street Improvements (Phase V), Buttonwillow at Early Streets

REEDLEY CITY COUNCIL MEETING – July 23, 2013

Improvements and authorize the City Manager to execute any amendments to the agreement that may be required during the life of the project. If approved he stated, staff would deliver said agreements to Fresno County on or before July 26, 2013 for the County Board of Supervisors approval. Once fully executed, the City would be able to proceed with design and construction tasks for said project. Mr. Martinez provided information on the areas affected, background of the project and the fiscal impact to the City of Reedley.

Council Member Soleno moved, Council Member Rodriguez seconded to accept, approve and ADOPT RESOLUTION NO. 2013-068 AUTHORIZING THE EXECUTION OF THE CITY-COUNTY AGREEMENT FOR CDBG PROJECT NO. 13571, REEDLEY CITY STREET IMPROVEMENTS (PHASE V), BUTTOWILLOW AT EARLY STREET IMPROVEMENTS.

Motion unanimously **carried**.

WORKSHOP

10. ECONOMIC DEVELOPMENT Workshop– Kevin Fabino, Community Development Director

Kevin Fabino provided a power point presentation on topics such as:

- Two sides of Economic Development
 - a. Internal efforts and Activities
 - b. External Coordination, the match making.
- Private development and market position
- Challenges ahead and examples of immediate challenges to development.

RECEIVE INFORMATION & REPORTS

11. MINUTES OF THE REEDLEY OVERSIGHT SPECIAL MEETING OF THE REEDLEY OVERSIGHT BOARD OF FEBRUARY 21, 2013.

COUNCIL REPORTS

12. BRIEF REPORT BY COUNCIL MEMBERS ON CITY RELATED ACTIVITIES AS AUTHORIZED BY THE BROWN ACT AND REQUESTS FOR FUTURE AGENDA ITEMS.

Council Member Rodriguez

- Attended the quarterly meeting for the neighborhood watch. Very informative.
- Attended the Greater Reedley Chamber of Commerce Annual Social. Had the opportunity to visit with some of the business owners with good discussion. Nice event.
- Attended the Central Valley Transportation Center Authority meeting and provided brief information.
- Attended the opening ceremony of the Jr. Giants and thought it was a nice event.
- Had a great meeting with the Reedley College President, Dr. Caldwell and provided a summary of the meeting.
- Made comments regarding the high volume of traffic on Parlier Ave and Columbia and asked if there were any immediate plans to improve that road and sidewalk.

Council Member Betancourt

- Attended the Jr. Giant ceremony, with approximately 300 children participating.
- Attended the Ivy League Schools Alumni Student reception hosted by the Rodriguez Family, with special guest, Fresno State's President, Dr. Castro. Very enjoyable evening.
- Attended the Reedley Police Department Explorers graduation.
- Attended the Parenting Conference sponsored by Life Arrow who have partner out with SARB

Council Member Soleno

- Attended the Traffic Safety Committee meeting on two items of concern that were brought to his attention.
- Requested that Staff research and bring back to Council, City Council Protocols. He thought it would be beneficial for not only the present Council but for all future Council Members.

REEDLEY CITY COUNCIL MEETING – July 23, 2013

Council Member Fast

- Attended the Advisory Council meeting for Upper Kings Basin Water Authority and the Board meeting.
- Attended the Sequoia Safety 60th Anniversary Celebration.
- Attended the Reedley Police Department Explorers graduation. Great program.
- Attended the grand opening of the MCC's new café.
- She liked the idea of doing a City tour for economic development that Kevin Fabino, Community Development Director had mentioned, so that everyone would be on the same page.

Mayor Beck

- Participated in the dedication of the new bus shelter and stated that it was at no cost to the City.
- Attended the COG meeting and provided a summary of the meeting.
- Attended a second COG meeting with Assembly Member Perea in attendance. Assembly Member Perea provided them with an update on the Enterprise Zones and various other important issues.
- Attended the 4th of July fireworks celebration and did the honors of welcoming the spectators.
- Attended the Jr. Giants Opening Ceremony along with Council Member Betancourt and Rodriguez. Great turnout
- Attended along with Council Member Fast and City Clerk the Sequoia Safety Council's 60th Anniversary reception.
- Attended the 15th class of the Reedley Police Explorers. Excellent Program.
- Attended the 60th Anniversary of the ARC Center.
- Attended the Five Cities meeting and provided a summary of the meeting.

STAFF REPORTS

13. UPDATES AND/OR REPORTS BY CITY MANAGER AND/OR STAFF MEMBERS

City Manager, Nicole Zieba

- Acknowledged and thanked the Rotary Club for funding some landscaping improvements that were next to the new bus shelter at the Community Center.
- Explained why the a special meeting on the July 30, 2013 was necessary due to time deadlines on the Manning Bridge project and wanted to make sure that we would have a quorum.

City Engineer, Noe Martinez

- Provided updated information on the Frankwood Ave project and the Manning Bridge Project.

Police Chief Garza

- They were able to make the selection of the new K-9 dog for the department and hoped to have the K-9 dog with the handler ready to go by mid October after they completed the training.
- Stated that the K-9 unit swap with the City of Orange had been completed.

Mayor Beck adjourned the regular meeting and went into CLOSED SESSION at 8:41 p.m.

CLOSED SESSION

14. GOVERNMENT CODE SECTION 54957.6

Conference with Labor Negotiators
Agency representative: City Council
Unrepresented employee: City Manager

Meeting reconvened to open session at 9:36 p.m., and the following information was reported from closed session:

14. GOVERNMENT CODE SECTION 54957.6

Conference with Labor Negotiators
Agency representative: City Council
Unrepresented employee: City Manager

No action taken in closed session. Council provided direction to City Attorney regarding amendments to the City Manager contract to be reviewed and considered as an open session item at the meeting on August 13, 2013.

REEDLEY CITY COUNCIL MEETING – July 23, 2013

ADJOURNMENT

Mayor Beck adjourned the regular meeting at 9:37 p.m.

ATTEST:

Robert O. Beck, Mayor

Sylvia B. Plata, City Clerk

Item #4

REEDLEY CITY COUNCIL SPECIAL MEETING – September 3, 2013

The special meeting of the Reedley City Council was called to order by Mayor Beck at 6:30 p.m. on Tuesday, September, 3, 2013 in the City Hall Council Chambers, 845 “G” Street, Reedley, California.

ROLL CALL

Council Members

Present: Anita Betancourt, Mary Fast, Ray Soleno, Henry Rodriguez, Robert Beck.

Absent: None

ADMINISTRATIVE BUSINESS

- 1. CONSIDER THE FOLLOWING ITEMS (A) AND (B) FOR THE MANNING BRIDGE REPLACEMENT, FEDERAL-AID PROJECT NO. BHLS-5216(028).
 - (A) ADOPT RESOLUTION NO. 2013-079 AWARDED A CONSTRUCTION CONTRACT TO MYERS & SONS CONSTRUCTION LP.
 - (B) ADOPT RESOLUTION NO. 2013-080 AMENDING THE 2013-14 ADOPTED BUDGET PROVIDING NEW APPROPRIATIONS TO THE PROJECT FROM THE TRAFFIC DEVELOPMENT IMPACT FEES FUND BALANCE.

Noe Martinez, City Engineer recommends that City Council adopt Resolution No. 2013-079 awarding a construction contract to Myers & Sons Construction LP and Resolution No. 2013-080 amending the adopted 2013-14 budget providing the new appropriation to the project. Mr. Martinez power point presentation provided a brief overview of the project and highlighted some major items of the project, contract award options and the fiscal impact to the City on the Manning Bridge Replacement Project.

Statement of support was made under Public Comment by Mr. Theodore Tartaglia.

- 2. Council Member Soleno, Council Member Rodriguez seconded to accept, approve and adopt ITEMS (A) AND (B) FOR THE MANNING BRIDGE REPLACEMENT, FEDERAL-AID PROJECT NO. BHLS-5216(028).
 - (C) ADOPT RESOLUTION NO. 2013-079 AWARDED A CONSTRUCTION CONTRACT TO MYERS & SONS CONSTRUCTION LP.
 - (D) ADOPT RESOLUTION NO. 2013-080 AMENDING THE 2013-14 ADOPTED BUDGET PROVIDING NEW APPROPRIATIONS TO THE PROJECT FROM THE TRAFFIC DEVELOPMENT IMPACT FEES FUND BALANCE.

ADJOURNMENT

Mayor Beck adjourned the special meeting at 7:21 p.m.

ATTEST:

Robert O. Beck, Mayor

Sylvia B. Plata, City Clerk



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 5

DATE: 09/24/2013

TITLE: AUTHORIZE CITY MANAGER TO SIGN AN ADDITIONAL PREMISES/EQUIPMENT/SERVICES RIDER AGREEMENT WITH PROTECTION ONE SECURITY SOLUTIONS TO PROVIDE THREE ADDITIONAL CAMERAS TO THE EXISTING SECURITY SYSTEM AT THE COMMUNITY CENTER.

SUBMITTED: Joel Glick 
Community Services Director

APPROVED: Nicole R. Zieba 
City Manager

RECOMMENDATION

Authorize City Manager to sign an Additional Premises/Equipment/Services Rider agreement with Protection One Security Solutions to provide three additional cameras to the existing security system at the Community Center.

BACKGROUND

The Community Services staff has been looking at ways to enhance the security system at the Reedley Community Center. In January 2009, the City entered into an agreement with Protection One to install a camera and alarm system at the Community Center for security purposes. The current agreement is a five year agreement with an automatic annual renewal unless termination is given by either party by written notice at least 60 days prior to the anniversary date. This rider will simply allow the three additional cameras to be added to the original agreement.

The current system has the capacity to add up to three additional cameras. Currently, there are three areas that currently don't have cameras monitoring them. We feel these are crucial areas that need to be monitored. The main reason to install these cameras is for the security of our staff, event holders, and to deter vandalism of the Community Center.

FISCAL IMPACT

There will be an installation fee of \$421.21 and an additional monthly fee of \$43.19. These costs were appropriated in the General Fund of the 2013-14 Fiscal Year Budget for Community Center Security System.

ATTACHMENTS

1. Protection One Commercial Schedule of Protection Proposal and Sales Agreement
2. Protection One Additional Premises/Equipment/Services Rider

Motion: _____
Second: _____



COMMERCIAL SCHEDULE OF PROTECTION PROPOSAL AND SALES AGREEMENT

Branch:	11225	Sales Representative:	Mike Nuckols	Today's Date:	01/07/2009
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Customer Information			
Business Name:	Reedley Community Center	Phone:	559-637-7235
Address:	100 N. East Ave.	Billing Address:	100 N. East Ave.
	Reedley, CA 93654		Reedley, CA 93654

Financial Summary

Total Equipment and Installation Charge: \$4,300.00

Customer promises to pay the Total Equipment and Installation Charge shown above, plus applicable taxes. Simultaneously with the execution of this Agreement customer shall pay \$1,500.00 of these charges (plus applicable taxes) with a remaining balance of \$0.00 (plus applicable taxes) to be paid upon completion of the installation and as a precondition of activation of the system and, if applicable, connection to the Monitoring Center or direct connection

In addition to the equipment and installation charges shown above, Customer agrees to pay \$69.00 per month plus applicable taxes to be paid Quarterly in advance for a period of Five (5) years effective from the date service is operative under the agreement. Customer has made an advance payment of \$0.00 at the time of sale. After said Five years, this agreement shall automatically renew yearly unless terminated by either party upon written notice at least 60 days prior to the anniversary date. Protection One shall have the right to increase the annual service charge after the end of the first year of the initial term.

Payment at Time of Sale		
Payment Type	Details	Amount Paid
Check	Check #:	1500.00

* Plus all applicable taxes

ANY AND ALL SERVICES PROVIDED BELOW ARE DEFINED IN AND SUBJECT TO THE MASTER TERMS AND CONDITIONS

Site Information: Reedley Community Center					
Location Name:	Reedley Community Center				
Address:	100 N. East Ave.	City:	Reedley	State:	CA Zip: 93654
Main On Site Contact:	Reedley Community Center	Phone:	559-637-7235	CodeWord/Pin:	*****

Equipment Ownership, Warranty and Service	
Protection One Owned	Protection One Owned Equipment
Service	Extended Service Plan included in Rate

Site Services	
Service Type	Service Options
Alarm Systems	Burglary

Signaling Options		
Signaling	Primary	Backup
Alarm Communication by Conventional Telephone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

Equipment List		
Quantity	Material Code	Description
1	KT1232N	Kit, 320P1, Hardwire. Includes: 320P1, WAVE2, IS2535, 620/621, battery, and video.
4		MINI SURFACE MOUNT CONTACT, BRN
2	KP0701N	Pro1 Large Fix-Eng Keypad
1500	WR1133N	WIRE, 18/2 STR ZIP 5C BX WHT
2	CA0084N	Wired Zone Expander
3	NOTSTOCK	Motion Detector, HW, Blue Line, PIR

11	SG1065N	Glass Break Detector, HW Flush, FlexCo.	
		Equipment & Installation	\$1,500.00
		Monthly Fee	\$69.00
Scope of Work			

NOTICE: OUR SERVICE FEES UNDER THIS CONTRACT ARE BASED ON YOUR AGREEMENT TO RECEIVE AND PAY FOR THE SERVICES FOR A FULL Five (5) YEAR TERM.

AFTER THE INITIAL TERM OF THIS CONTRACT, THIS CONTRACT AUTOMATICALLY RENEWS FROM YEAR TO YEAR, UNLESS TERMINATED BY EITHER PARTY BY WRITTEN NOTICE PROVIDED AT LEAST 30 DAYS PRIOR TO THE END OF THE TERM.

IF THIS CONTRACT IS TERMINATED PRIOR TO THE END OF THE THEN-CURRENT TERM, EXCEPT AS OTHERWISE PROVIDED HEREIN, YOU AGREE TO PAY US THE SERVICE CHARGES THAT WOULD HAVE BEEN PAYABLE BY YOU FOR THE REMAINING TERM OF THE AGREEMENT BUT FOR THE EARLY TERMINATION HEREOF.

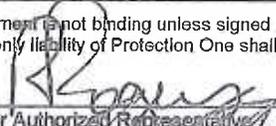
Approximate Installation Starting Date: 10/30/2008
 Approximate Installation Completion Date: 11/6/2008

A failure by us without legal excuse to substantially commence work within twenty (20) days from the approximate installation starting date is a violation of the California Alarm Company Act. Starting installation of wiring and/or delivery of equipment to your Premises will constitute substantial commencement of the work to be performed. Upon completion of the installation, we will thoroughly instruct you in the proper use of your system. If a fire alarm system is to be installed, we certify that all costs attributable to making the fire system operable for the residence identified by this document, including sale and installation costs, do not exceed five hundred dollars (\$500.00). We are licensed and regulated by the Bureau of Security and Investigative Services, Dept. of Consumer Affairs, Sacramento, CA 95814.

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS STATE LICENSE BOARD, P.O. BOX 26000, SACRAMENTO, CA 95826.

Signatures

This agreement is not binding unless signed by a General Manager of Protection One in the space provided below. In the event General Manager approval is not given, the only liability of Protection One shall be to refund to Customer the amount, if any, paid to Protection One upon signing of this Agreement.

	<i>Betty Rogers</i>	<i>City Manager</i>	<i>2-24-09</i>
Customer Authorized Representative	Printed Name	Title	Date
	<i>MIKE NICHOLS</i>	<i>PSC</i>	<i>1-9-09</i>
Protection One Representative	Printed Name	Title	Date
Protection One General Manager	Printed Name	Title	Date

Master Terms and Conditions . Customer ("Customer" or "you"), as a commercial enterprise, may, now or in the future, have multiple physical business locations (herein a "Premises") for which you obtain from Protection One ("Protection One", "we" or "us") various Equipment and Services. It is the intention of the parties that all of your Premises be covered by these Master Terms and Conditions, as same may hereafter be amended from time to time, and that for each separate Customer Premise, a separate schedule of protection, which may contain updated master terms and conditions, will be completed and executed by the parties. These updated Master Terms and Conditions will govern over any inconsistent provisions contained in any previously agreed master terms and conditions, and over any other agreements, written or oral, between the parties pertaining to Customer premises.

Charges. In consideration of the Equipment and Services we provide hereunder, you promise to pay Protection One the Equipment Charges and Service Charges, any activation or other fees, plus applicable taxes ("Charges"), in accordance with the Payment Terms set forth above. If you prepay the total amount due under this Contract prior to the end of the original term of this Contract there is no penalty or refund except as provided herein. Payment of the Equipment Charges is a precondition to the activation of your Equipment and any Services you have selected. We may impose a one-time late charge on each payment that is more than ten days past due, which shall be the lesser of \$5.00 or the highest amount permitted by law. We may impose returned check charges of the greater of \$25.00 or 5% of the amount of the returned check. You consent and authorize us to (i) report your payment performance under this Contract to credit reporting agencies; (ii) obtain and transmit your Taxpayer ID number to our affiliates and credit reporting agencies for purposes of verifying your credit history and rating, and (iii) tape record our telephone conversations with you and users of your Equipment and Services for verification and quality control purposes.

Additional Charges. Additionally, you agree to pay, or reimburse us if we pay, all false alarm fines and assessments, and all taxes, fees or other charges of any local governmental authority that relate to your Equipment or our Services, other than taxes assessed on our net income. You further agree to pay (a) all telecommunications charges for area code, telephone numbering or other changes, (b) our then-current charge for reprogramming your Equipment to comply with any area code, telephone numbering or other changes, (c) any increases in our cost for facilities used for transmitting alarm signals under this Contract and (d) our charges resulting from services we may add to continue to provide the Services to you necessitated by police, fire or other emergency response policies of any governmental body, such as physical or visual alarm verification requirements. In addition, you shall be responsible for any modifications to your Equipment necessitated by changes in standards and regulations of governmental or regulatory authorities, including but not limited to the Federal Communications Commission ("FCC"), any state Fire Marshal, the National Fire Protection Association, Underwriters Laboratories, fire or police department. You agree to pay a service charge if we respond to a service call or alarm at your Premises which is due to you or your agents, employees or invitees failure to follow operating instructions or to properly lock or close a window, door or other protected point, or improper or unauthorized adjustment to any of your Equipment. Payment for such additional charges is due upon receipt of our invoice for such charges.

Installation and Sale. Installation: The equipment indicated in this document or in your Schedule of Protection will be installed in the Premises. Installation of Equipment is subject to the following conditions: (1) We can access your Premises without interruption during our installer's normal working hours; (2) The installation may require drilling into various parts of your Premises; (3) You will provide 110 AC electrical outlets for power equipment in locations designated by the installer; (4) You will be responsible for lifting and replacing carpeting, if required, for installation of floor mats or wiring. There may be areas where the installer determines that it is impractical to conceal equipment wiring. In such areas, wiring will be exposed. You must within ten (10) days after installation is complete, inspect your System and notify us in writing of any problems. Otherwise you will be deemed conclusively to have accepted your System. If asbestos or other hazardous materials ("Hazardous Materials") are encountered during installation, installation work will cease until you, at your sole cost and expense, obtain clearance from a licensed hazardous material contractor that continuation of the work will not pose any danger to installation personnel. In no event shall we be liable for the discovery or removal of Hazardous Materials. Protection One shall not be responsible for securing the Premises during the period of installation.

Protection One Owned System . If we retain ownership of your Equipment, upon the termination of this Contract, you agree we may enter your Premises and remove our Equipment (including yard signs and decals) and/or disable your Equipment. Should you fail or refuse to allow us access to your Premises, you also agree to: (i) pay us our reasonable charges for the Installed Equipment, and (ii) reimburse us for any costs (including reasonable

attorneys' fees) we may incur in seeking to gain access to remove the Installed Equipment or to collect such charges. We have no obligation to repair or redecorate your Premises after any such removal. Our removal, disabling or abandonment of such equipment does not constitute a waiver of our right to collect any unpaid charges

Risk of Loss . Protection One is not liable or responsible for any damage to our Equipment, or any loss of or casualty to the Equipment from any cause beyond our control. NO SUCH DAMAGE, CASUALTY OR LOSS WILL AFFECT YOUR RESPONSIBILITIES AND OBLIGATIONS UNDER THIS CONTRACT. You must keep the Equipment insured against all risks of loss in an amount equal to the replacement cost and, at our request, have us listed on the policy as "loss payee". If you do not give us satisfactory proof of the property insurance within 30 days after the commencement of this Contract, then, depending on the original cost of the Equipment, we may, at our option, either (i) obtain property insurance to cover our interests and charge you a fee for such coverage (including a monthly administration fee and a profit to us), or (ii) charge you a monthly non-compliance fee up to \$50 (which provides no insurance benefit). You can cancel the insurance coverage fee or non-compliance fee at any time by delivering to us the required proof of insurance.

Termination of Services; Default. (a) We may, at any time, terminate this Contract and the Services at our option without liability or notice to you if: (1) Our monitoring center, equipment or facilities, or the telephone network, are destroyed, damaged or malfunction so that it is impractical for us to continue the Services; (2) We cannot acquire or retain the transmission connections or authorization to transmit signals between your Premises and our Center or between our Center and Emergency Response Providers; (3) We determine that it is impractical to continue our Services due to the modification or alteration of your Premises after installation of your System; (4) Your System generates excessive false alarms due to circumstances beyond our control; (5) You or your personnel fail to follow our recommendations to repair or replace any defective parts of your System not covered under the Limited Warranty or Extended Service Plan, if applicable, or to follow operating instructions for or tamper with your System; or (5) For any reason in our discretion upon thirty (30) days prior notice to you. If we terminate for any of these reasons stated, we will refund any advance Service Charges for Services to be provided after the termination date, less any Equipment Charges still due, but we shall not be liable as a result of such termination. (b) In addition, you shall be in breach, and we may at our option, terminate this Contract, and exercise our remedies for the payment of all sums due us if: (1) You fail to pay any Charges or other monies due hereunder or under any other agreement you have with us, and such failure continues for ten (10) days after we provide written notice to you; (2) Any representation you have made herein or in any other agreement you have with us is determined to be materially untrue, (3) you breach any warranty contained herein or in any other agreement you have with us, or (4) you otherwise fail to comply with any non-monetary obligation or covenant contained herein or in any other agreement you have with us when same is due, and such failure continues for thirty (30) days after we provide written notice to you; (5) You deny us reasonable access to the Systems located in any of your Premises; or (6) You become a debtor in a bankruptcy or other insolvency proceeding. We may charge you interest at the highest legal rate on delinquent amounts. You agree to pay all reasonable costs, fees and expenses incurred by us in connection with the enforcement of this Contract, including collection expenses, court costs, and reasonable attorneys' fees. © Any default under this Contract shall also be a default under any other contract or agreement between you and us.

Representations and Warranties. You represent and warrant that you (a) requested the Equipment and Services specified in this Contract for use in a commercial purposes and not for personal, family or household purposes, or for or on behalf of a third party, (b) own the Premises or otherwise have the authority to authorize us to install such equipment in the Premises, and © will comply with all laws, codes, and regulations pertaining to your System or our Services.

We Are Not an Insurer. YOU AGREE THAT EXCEPT FOR THE LIMITED INDEMNITY PROVIDED IN THE PARAGRAPH BELOW: (A) WE ARE NOT AN INSURER OF YOU, PERSONS WORKING OR OTHERWISE PRESENT AT YOUR PREMISES, OR OF YOUR PREMISES OR ITS CONTENTS; (B) IT IS YOUR RESPONSIBILITY TO OBTAIN ADEQUATE INSURANCE COVERING YOU, YOUR PREMISES AND ITS CONTENTS, YOUR EMPLOYEES, INVITEES AND OTHER AFFECTED PERSONS AND PROPERTY; © OUR SERVICE CHARGES ARE BASED ON THE DETERRENCE AND OTHER VALUE OF THE SERVICES WE PROVIDE AND OUR LIMITED LIABILITY UNDER THIS CONTRACT, AND NOT ON THE VALUE OF YOUR PREMISES OR ITS CONTENTS, OR THE LIKELIHOOD OR POTENTIAL EXTENT OR SEVERITY OF PERSONAL INJURY (INCLUDING DEATH) TO AFFECTED PERSONS; AND (D) THE SYSTEM AND SERVICES MAY NOT ALWAYS OPERATE AS INTENDED FOR VARIOUS REASONS,

INCLUDING OUR NEGLIGENCE OR OTHER FAULTS. WE CANNOT PREDICT THE POTENTIAL AMOUNT, EXTENT, OR SEVERITY OF ANY DAMAGES OR INJURIES THAT MAY BE INCURRED WHICH COULD BE DUE TO THE FAILURE OF THE SYSTEM OR SERVICES TO WORK AS INTENDED. AS SUCH (I) YOU AGREE THAT THE LIMITS ON OUR LIABILITY, AND THE WAIVERS AND INDEMNITIES SET FORTH IN THIS CONTRACT ARE A FAIR ALLOCATION OF RISKS AND LIABILITIES BETWEEN YOU, US AND ANY AFFECTED THIRD PARTIES; (II) YOU WILL LOOK EXCLUSIVELY TO YOUR INSURER FOR FINANCIAL PROTECTION FROM SUCH RISKS AND LIABILITIES, AND (III) EXCEPT AS PROVIDED IN THE PARAGRAPH BELOW, YOU WAIVE ALL RIGHTS AND REMEDIES AGAINST US, INCLUDING SUBROGATION, THAT YOU, ANY INSURER, OR OTHER THIRD PARTY MAY HAVE DUE TO ANY LOSSES OR INJURIES YOU OR OTHERS INCUR.

Indemnity; Limitation of Liability.

(a) Indemnity. We will hold you, your officers, directors, agents and employees harmless from any claim, demand, losses, damages, injuries, (including death), liabilities or other expenses ("Losses") to the extent and only to the extent that such Losses result solely and directly from the negligent acts or omissions of Protection One, its agents or employees, during and within the scope of employment of such persons only while present at the Premises; provided, however, that the terms of this paragraph 10(a) shall not apply, and we shall not in any event be liable for Losses arising out of, resulting from or in any way due or attributable to the condition, nonfunction, malfunction, faulty design, faulty installation, or failure in any respect of the System or Services to operate or perform as intended (herein, "Alarm Failure Events"), regardless of whether such Alarm Failure Events arise out of the negligent acts or omissions of Protection One, its agents or employees. Any liability of Protection One for Alarm Failure Events for Losses arising out of Alarm Failure Events is strictly limited pursuant paragraph (b).

(b) Liability for Alarm Failure Events. Neither we nor any person or entity affiliated with us, shall be liable for any Losses arising directly or indirectly from an Alarm Failure Event. We do not provide architectural, engineering, or professional design services. If you desire or require such services, you must engage a licensed design professional to perform the design services and then provide us with any and all necessary plans, specifications, or shop drawings necessary for us to complete the installation of your System. We install Equipment according to local codes and ordinances (if applicable) and according to your particular needs or preferences. We are not liable under any circumstances for the adequacy of the performance or design or design criteria established by you, your design professional, or local code requirements. If, notwithstanding the provisions of this paragraph 10(b), we or any person or entity affiliated with us, are determined to be responsible for any Losses arising from Alarm Failure Events, your claims against us, shall be limited to the greater of (i) \$1,000.00, (ii) six (6) times the monthly Service Charge, or (iii) the purchase price you paid for the Equipment, as liquidated damages and not as a penalty. This amount is your sole and exclusive remedy for an Alarm Failure Event, even if caused by Protection One's negligence or that of our affiliates or our respective employees or agents, breach of this Contract, strict liability, failure to comply with any applicable law, or other fault. At your request, we may in our sole discretion agree to assume additional liability by the attachment of an amendment to this Contract stating the extent of our additional liability and the additional cost to you. You agree that were we to have liability greater than that stated above, we would not provide the System or Services.

© Damages. IN NO EVENT SHALL WE BE LIABLE TO YOU OR ANY OTHER PERSON FOR ANY INCIDENTAL, PUNITIVE, SPECULATIVE OR CONSEQUENTIAL DAMAGES.

Hold Harmless. If any third party files a claim or legal action against us, or any other person or entity authorized to act on our behalf, arising from our Services or your System, you agree to defend and hold us, completely harmless from any such actions, including all damages, expenses, costs, and attorneys' fees we incur. This indemnification shall apply even if such actions arise from our negligence, breach of this Contract, strict liability, noncompliance with any applicable law or regulation, or other fault, subject to our limited liability set forth above.

Legal Actions. No claim or legal action any party may have arising out of this Contract, your System or our Services (whether based on contract, negligence or otherwise) may be brought more than one year after the date the cause of action for such claim accrued.

Customer Duties. You must (a) instruct all persons who use the System on its proper use; (b) test your System's protective devices and send test signals monthly to our Central Station; (c) turn off, control or remove all air conditioning systems, heaters and other items that interfere with alarm detection devices; (d) notify us immediately if a problem in your System occurs; (e) obtain and keep in effect all permits and licenses that may be required for the installation and operation of your System; (f) pay all usage fees imposed by any governmental authority in connection with your System;

(g) provide us a complete Monitoring Information Schedule so we may call your designated contacts in the event we reasonably believe there is an emergency at your Premises; (h) provide us any other emergency information we may request; and (i) promptly update us in writing with any changes to your Monitoring Information Schedule. Your failure to perform under this paragraph is a material breach of this Contract. You agree that we may provide the information on the Monitoring Information Schedule to any governmental authority having jurisdiction over us or your System. LOCAL AUTHORITIES MAY NOT RESPOND TO ALARM NOTIFICATIONS UNTIL ALL PERMITS AND LICENSES FOR USE OF THE SYSTEM HAVE BEEN OBTAINED, AND THEREFORE WE MAY NOT BEGIN MONITORING YOUR SYSTEM UNTIL YOU HAVE OBTAINED AT YOUR EXPENSE ALL NECESSARY PERMITS AND LICENSES, AND PROVIDED US WITH THE LICENSE OR PERMIT NUMBER.

Monitoring Services. If you have subscribed to Monitoring, Signal Receiving and Notification Services, we shall program the alarm system to communicate to our monitoring facility "Central Station"). When the Central Station receives an alarm signal from your System (an "Alarm Event"), we will make reasonable efforts, consistent with local laws and our response policies, to contact the appropriate local emergency response provider ("Emergency Response Provider" or "ERP"), and the first person designated on your Monitoring Information Schedule. In the event a burglar alarm signal or fire signal registers at the Central Station, we may, in our sole discretion, endeavor to contact the Premises by telephone to verify that the Alarm Event is not a false alarm. Some local governments may place conditions or restrictions on their dispatch of ERPs in response to an Alarm Event, and such conditions or restrictions may require that additional measures be taken to verify the Alarm Event before dispatch. We do not guarantee that such additional measures will be successful or that Emergency Response Providers will be dispatched should an Alarm Event occur. In the event a supervisory signal or trouble signal registers at our Central Station, we shall endeavor to notify the Premises or the first available person designated on your Monitoring Information Schedule. We may, without notice to you, in response to governmental or insurance requirements, or otherwise in our sole discretion, alter, amend or discontinue any of our policies and procedures for alarm response. If your police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, you agree to subscribe to such service if provided by us, or otherwise comply with such requirements. We may charge an additional fee for such service.

In addition, we are subject to various governmental regulations and industry standards designed to reduce false alarms. These regulations and standards may result in practices and procedures that delay the notification of authorities of alarm activations, including, without limitation, programmed delays in your System's communication with our Central Station. In the event Alarm Verification Service is being furnished, it is mutually understood and agreed that equipment is being installed which, as to certain locations in the Premises, will require the activation of two sensing devices, or a second activation of a single alarm sensor, or a continuous alarm event from a single sensor, in order for an alarm signal to be transmitted. You assume full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at the Premises. You represent and warrant to us that any vault to be protected by Protection One hereunder by sound or vibration detection systems has the minimum construction characteristics prescribed by the Underwriters' Laboratories, Inc. You agree to test any ultrasonic, microwave, capacitance or other electronic equipment designated on the Equipment page of this document or on your separate Schedule of Protection prior to setting the alarm System for closed periods, according to procedures established from time to time by Protection One, and to notify us promptly in the event that such equipment fails to respond to the test.

(i) Telecommunications. Your System may include a communicator that sends signals to our Center via regular telephone service. The use of DSL, BPL, Digital Phone, Internet Protocol (IP) or Voice over Internet Protocol (VoIP), or changing your telephone service provider, signal transmission to our Center may be interrupted. If the system is configured by us to communicate over your broadband internet service (Cable, BPL, DSL, VoIP or other), signal transmission may likewise be interrupted by irregularities in that service or by power outages. IMMEDIATELY AFTER THE INSTALLATION OF DSL, DIGITAL PHONE, VoIP, BPL, OR OTHER BROADBAND OR INTERNET SERVICE YOU MUST TEST THE SYSTEM'S SIGNAL TRANSMISSION WITH THE CENTER. You authorize us, on your behalf, to request services, orders or equipment from a telephone company or other company providing signal transmission or reception services or facilities under this Contract. Such telecommunication services may include Derived Local Channel service. Such service may be provided under the telecommunication provider's service marks or service names. These services include providing lines, signal paths, scanning, transmission and/or reception. You agree that the telecommunication provider's liability is limited to the same extent our liability is limited pursuant to the terms of your Contract with us.

(ii) Digital Communicator. If connection to our Central Station is to be by

Digital Communicator, you agree to provide a connection to a registered telephone jack to a telephone channel required for the our Equipment. Such connection shall have priority over any other telephone or Customer equipment, and shall be within 10 feet of the alarm System control panel. At your request, and at your sole cost and expense, we will provide such connection. If a digital communicator is installed under this Contract, it uses standard telephone lines as the transmission mode of sending signals and eliminates the need for dedicated telephone facilities and the large cost increases frequently imposed on such facilities. You also acknowledge that our Central Station cannot receive signals should your transmission mode become non-operational for any reason, and that signals from the digital communicator cannot be received if the transmission mode is cut, interfered with or otherwise damaged.

(iii) Radio Interface. If connection to the our Central Station is to be by radio frequency, such as cellular or private radio, there may be times when your System will be unable to acquire, transmit, or maintain an alarm signal, and that radio frequency transmissions may be impaired or interrupted by a variety of conditions and circumstances beyond our control, including storms and power failures. Accordingly, the utilization of an additional means of communications is recommended. Also, changes in rules, regulations and policies of the FCC and other governmental bodies may necessitate discontinuation or modification of some or all of these Services.

Should your cellular or radio transmitter malfunction, it could interfere with the proper operation of the entire network communicating with our Central Station and other communications transmissions. FCC regulations require that we or our contractors or designees have immediate access to your transmitter in the event of a malfunction or emergency. You agree to permit access to such persons in such an event. Should you refuse to provide such access, we may apply for an ex parte court order permitting access to either repair or remove the transmitter, or take such other steps as are appropriate under the circumstances. You agree to pay all reasonable expenses, including attorneys' fees incurred in connection with such proceedings.

Limited Warranty. Subject to the limitations and exclusions set forth below, during the first ninety (90) days after installation, we will at our cost, repair or, at our option, replace, any defective part of the equipment we install, including wiring (but not including disposable items such as batteries, and not including repairs needed to window foil, security screens, or exterior mounted devices), and will make any needed mechanical adjustments. We will use new or reconditioned parts for replacements. Our obligations under this paragraph are for your benefit only, and may not be enforced by any other person. The laws of your state may give you additional rights than those described herein. If you have subscribed to our Extended Service Plan, in lieu of our 90 day repair obligation, we will at our cost repair the equipment we install for the duration of the term of this Contract, subject to the limitations and exclusions set forth below. Your participation in the Extended Service Plan will automatically renew for successive thirty (30) day terms at our then current Extended Service Plan rates unless terminated by either party's written notice given at least thirty (30) days before the end of the then-current term. If you purchase the Extended Limited Warranty after the initial installation, your System must be in good working condition at the time of the Extended Service Plan purchase. To purchase our Extended Service Plan, call 1-800-GET-HELP.

Limitations on our Warranty and Service Obligations. We perform repair services only during our normal working hours which are 8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays. IF YOU REQUEST US TO PERFORM REPAIR SERVICES OUTSIDE OUR NORMAL WORKING HOURS, WE MAY REQUIRE YOU TO PAY FOR OUR SERVICES AT OUR CURRENT RATES FOR LABOR AND PARTS. Neither the limited warranty nor our obligations under the Extended Service Plan shall apply to disposable items such as batteries, or to window foil, security screens, or exterior mounted devices, or if we determine that any of the following conditions caused the need for service: (A) Damage resulting from storms, natural disasters, accidents, acts of God, strikes, riots, floods, terrorism or any causes beyond Protection One's control; (B) Your failure to properly close or secure a door, window or other point protected by an alarm device, or to properly follow operating instructions; (C) Telephone line malfunctions or modifications to your telephone service that render it incompatible with your System; (D) Your failure to provide ordinary maintenance and wear and tear to your System or its components (repairs to due to ordinary wear and tear are not excluded under our Extended Service Plan), or you permit anyone other than our authorized representative to perform service on your System; (E) Physical alterations to your Premises or to your System made at your request, or made necessary by damage to your Premises or your System; or (F) any of the reasons described in paragraph 3 above. Our warranty applies only to our Installed Equipment. You must furnish the necessary electrical power through your meter at your expense to obtain warranty services. Charges for non-covered repairs will be at our current labor and material rates, including minimum visit charge. OTHER THAN THE LIMITED WARRANTY OR YOUR PARTICIPATION IN THE EXTENDED SERVICE PLAN, WE MAKE NO GUARANTY OR WARRANTY OF ANY KIND, WITH

RESPECT TO THE SERVICES PERFORMED OR THE SYSTEMS WE PROVIDE UNDER THIS CONTRACT, INCLUDING ANY IMPLIED WARRANTY OR MERCHANTABILITY, SUITABILITY, CONDITION, OR FITNESS FOR A PARTICULAR PURPOSE. WE ARE NOT LIABLE TO YOU OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.

Delays: We shall have no liability for delays in installation of the equipment or for the consequences thereof, however caused, or for interruptions of service or for the consequences thereof due to strikes, riots, floods, acts of God, terrorism or any causes beyond the control of Protection One, and Protection One will not be required to provide service or substitute services to you while interruption of service due to any such cause shall continue.

Assignment: You may not assign this Contract without the prior written consent of Protection One, and any purported assignment of this Contract shall be void. We may assign this agreement or subcontract any or all of our obligations under this Contract without your consent and without notice to you. This Contract, and particularly paragraphs 9 and 10, shall apply to the work and services our assignees or subcontractors provide, and shall apply to them and protect our assignees and subcontractors in the same manner it applies to and protects us.

Severability: If any of the provisions of this Contract shall be determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Arbitration of Disputes. In the event any claim or dispute, regardless of its basis, arises between you and us, or between you and the Protected Parties, including any claim or dispute relating to this Contract, any of your Premises, any other contract you have or had with us, your System(s), our Services, or the Charges due hereunder or under any other contract (collectively, your Account), or the scope of this arbitration provision, you or we may elect to resolve the claim or dispute by binding arbitration. Neither you nor we shall be entitled to join or consolidate claims in arbitration, or arbitrate any claims as representative or member of a class or in a private attorney general capacity. The filing of a lawsuit by any party shall not constitute a waiver of any rights under this arbitration provision. The arbitration shall be conducted by the American Arbitration Association in accordance with their procedures in effect when the claim is filed. This paragraph and any arbitrations conducted hereunder shall be governed by the Federal Arbitration Act (FAA). Any arbitration hearing will take place in Dallas, Texas. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA, and applicable statutes of limitations, and shall honor claims of privilege recognized at law. The arbitrator's decision will be final and binding, except for any appeal rights under the FAA, and except that if the amount in controversy exceeds \$100,000.00, any party may appeal the award within 30 days to a three-arbitrator panel which shall review the award de novo. The prevailing party shall be entitled to reimbursement of all its costs and expenses, including reasonable attorneys' fees. Judgment upon any arbitral award may be enforced in any court having jurisdiction.

Entire Contract; Survival. This Contract is the entire agreement between you and us, and supersedes all previous contracts between you and us regarding alarm or similar services. You agree that we are not bound by any representation, promise, condition, inducement or warranty, express or implied, not included in this Contract. The terms and conditions of this Contract shall govern over the provisions of any other document, including but not limited to your purchase orders, with inconsistent terms. The provisions of paragraphs entitled We are not an insurer, Indemnity: Limitation of Liability, Hold Harmless, Legal Actions, and Arbitration shall survive the termination of this Contract and your Account, as well as voluntary payment in full by you, any legal proceedings by us to collect a debt owed by you, any bankruptcy by you, or any sale by us of your Account.

Additional Optional Services. The following provisions respectively apply to the following optional services you select (additional charges apply):



ADDITIONAL PREMISES / EQUIPMENT / SERVICES RIDER

Branch:	11225	Sales Representative:	Doug Hauschel	Today's Date:	08/13/2013
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Customer Information			
Business Name:	REEDLEY COMMUNITY CENTER	Phone:	5596377235
Address:	100 N EAST AVE REEDLEY, CA 93654	Billing Address:	100 N EAST AVE REEDLEY, CA 93654
P1 Customer No:	50792563	SC Agreement No.:	396774202

ANY AND ALL SERVICES PROVIDED BELOW ARE DEFINED IN AND SUBJECT TO THE MASTER TERMS AND CONDITIONS

This Rider is intended to be made a part of that certain Schedule of Protection, Proposal and Sales Agreement ("Agreement") between Protection One Alarm Monitoring, Inc. ("Protection One") and the Customer listed above for service at the location(s) listed below.

The Customer hereby agrees to pay Protection One, its Agents or Assigns, the sum of \$421.21 plus any applicable taxes, of which \$0.00 shall be payable upon signing of this Rider and the balance payable upon completion of installation. In addition, Customer agrees to pay Quarterly in advance the additional sum of \$129.57

The parties agree that the Agreement of which this Rider is made a part is and shall remain in full force and effect in accordance with all the terms and conditions thereof, modified only as specifically provided in this Rider.

Site Location Information			
Location Name:	REEDLEY COMMUNITY CENTER		
Address:	100 N EAST AVE REEDLEY, CA 93654	Phone:	559-637-4203
Site #	400087023	Cell:	

System Design Information	
System Design Name:	ADD 3 ADDITIONAL CAMERAS
Job#:	

Transaction Type	
Protection One Owned Equipment	
Warranty Period	Extended Service Plan
90 Days	Included in Rate
Alarm System Services	
N/A	
Access Control Systems	
N/A	
Video Services	
N/A	
Signaling Equipment & Services	
Device Type	Service Selections
N/A	N/A
Reporting and Supervision	
Inspections	
N/A	
IdentityProtection	
N/A	
Equipment List	

Quantity	Material Code	Description
3	TV2105N	Color 650 Line Tamperproof VF Dome Wall/Ceiling Mount Dual Voltage 2.8-12 Auto Iris Lens
1	CA0309N	Surveillance power supply, 9 outputs, 12 VDC 5.4 A
1	WR1615N	RG59 95% CCA BRD+18/2 STR BLCK

Equipment & Installation	\$421.21
Monthly Fee	\$43.19

Scope of Work

ADD ON 3 OUTDOOR CAMERAS TO EXISTING CAMERA SYSTEM CS#-1001014358 (SPECO 8 WM500)
 REPLACE EXISTING 4 CAMERA POWER SUPPLY WITH 9 CAMERA POWER SUPPLY TO SUPPORT ADDITIONAL CAMERAS

INSTALL 3 NEW CAMERAS TO EXISTING 8-CHANNEL DVR (5 OF 8 CHANNELS CURRENTLY USED), AND NAME THE NEW CAMERAS #6, #7, AND #8:

CAMERA #6 - South Entry on Springfield Dr, (Approx 100ft from DVR); install in upper right corner of entrance if facing the door
 CAMERA #7 - Main Entry on East Ave, front walkway (Approx 30ft from DVR), install in upper right right corner of entrance if facing door
 CAMERA #8 -North Senior Entry (Approx 200ft from DVR), install in upper left side of walkway, view of entrance and parking lot

See attached work order notes and drawing, sketched by technician Doug Hauschel, for camera layout and focal views.

DVR CS#-1001014358 (SPECO 8 WM500) is in phone room

SCHEDULE INSTALL WITH DENISE PHARISS, denise.phariss@reedley.ca.gov, 559-637-4203

Signatures

This Agreement is not binding upon Protection One unless and until either signed by an Authorized Manager of Protection One, or we begin the installation of equipment or provision of services to you. You acknowledge that you may not receive a copy of this Contract signed by Protection One's Authorized Manager, but such lack of receipt shall not, in any way, invalidate or otherwise affect this Contract.

[[SertifiSStamp_1]]

[[SertifiSStamp_2]]

Customer Signature

Date

Protection One Authorized Manager

Date



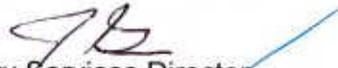
REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 6

DATE: 09/24/2013

TITLE: AUTHORIZE THE CITY MANAGER TO SIGN THE MEMORANDUM OF UNDERSTANDING WITH KINGS CANYON UNIFIED SCHOOL DISTRICT TO EXPAND SERVICES WITHIN THE AFTER SCHOOL PROGRAM AT WASHINGTON SCHOOL WITH SAVE THE CHILDREN FUNDING.

SUBMITTED: Joel Glick 
Community Services Director

APPROVED: Nicole R. Zieba 
City Manager

RECOMMENDATION

Authorize the City Manager to sign the Memorandum of Understanding with Kings Canyon Unified School District to expand services within the after school program at Washington School with Save the Children funding.

BACKGROUND

Since 2008, the City of Reedley has incorporated the Save the Children literacy program allowing the expansion of services to the after school program. Since this partnership started, Save the Children has been provided at both Washington and TL Reed Schools. Due to reduced funding from Save the Children and the inability of the school site to make up the difference, TL Reed will no longer provide the literacy program to their students. Washington will continue to offer the Save the Children program this school year.

This Memorandum of Understanding outlines the reporting and reimbursement processes.

FISCAL IMPACT

All part time personnel, supplies, and administrative costs related to the program will be reimbursed.

ATTACHMENTS

1. Memorandum of Understanding Kings Canyon Unified and City of Reedley, August 30, 2013.

Motion: _____

Second: _____



KINGS CANYON UNIFIED SCHOOL DISTRICT

September 14, 2012

Ms. Nicole Zieba
City Manager
City of Reedley
845 G Street
Reedley CA 93654

Dear Ms. Zieba:

Enclosed is the signed original of our Memorandum of Understanding for the purposes of expanding services for the ASES Proposition 49 after school programs at the following site within KCUSD: Washington. Please sign and return the original at your earliest convenience to:

Kings Canyon Unified School District
ATTN: Angelica Perez
675 W Manning Ave
Reedley CA 93654

If you have any questions, please feel free to contact me.

Thank you,

Angelica Perez
Sr. Administrative Assistant
Curriculum and Instruction



KINGS CANYON UNIFIED SCHOOL DISTRICT

MEMORANDUM OF UNDERSTANDING KINGS CANYON UNIFIED SCHOOL DISTRICT & CITY OF REEDLEY AUGUST 30, 2013

This Memorandum of Understanding, herein referred to as "MOU," is entered into by and between Kings Canyon Unified School District and City of Reedley for the purposes of expanding services for the ASES Proposition 49 after school programs at the following site in KCUSD; Washington Elementary School.

Roles and Responsibilities

City of Reedley will bill KCUSD for the amount of actual expenses incurred during the quarterly period, not to exceed the total school site budget allotted to them for personnel and payroll costs incurred by the school site's additional staff who serve to reduce the student to adult ratio to 10:1 and who provide Literacy and "Change" (physical activity/health) services to participating students in the after school programs as allowable in the Save the Children Budget. Payment to the City of Reedley will be processed immediately upon KCUSD's receipt of quarterly invoices and backup reports.

City of Reedley will generate and submit to KCUSD a quarterly budget ledger report of actual expenditures. Reports due October 14, 2013, January 13, 2014, April 14, 2014, and July 21, 2014.

Term of this MOU

By entering into this MOU all parties recognize and agree to:

- i. Work collaboratively as partners to ensure the success of this program.
- ii. That this agreement may be modified at any time by written consent.
- iii. That certain information received in the course of business is confidential according to law and policy and agrees to respect requirements in this regard.
- iv. That availability of funds may have a bearing on the ability to implement all or parts of this agreement.
- v. That City of Reedley and KINGS CANYON shall comply with all applicable Federal, State, and local laws in the performance of these services.

This MOU shall be in effect July 1, 2013 to June 30, 2014.

WITNESS WHEREOF, the parties hereto have executed this MOU as of the day and year first written below:

CITY OF REEDLEY:

Nicole Zieba
City Manager
City of Reedley
Date: _____

KINGS CANYON UNIFIED SCHOOL DISTRICT:

Monica Benner

Monica Benner, Assistant Superintendent
Kings Canyon Unified School District

Date: 8/29/2013



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 7

DATE: 9/24/2013

TITLE: APPROVE AND AUTHORIZE CITY MANAGER TO EXECUTE CONTRACT AMENDMENT NO. 1 TO THE CONSULTANT CONTRACT WITH AECOM FOR THE WELL 14 IMPROVEMENTS AND WELL HEAD TREATMENT PROJECT, EDA AWARD NO. 07-01-06141, AMENDING THE SCOPE FOR DESIGN AND CONSTRUCTION SUPPORT SERVICES

SUBMITTED: Noé Martinez, P.E., City Engineer 

APPROVED: Nicole R. Zieba, City Manager 

RECOMMENDATION

That the City Council approve and authorize the City Manager to execute Contract Amendment No. 1 to AECOM's Agreement amending the scope for design and construction support services for this project.

BACKGROUND

City staff is currently finalizing the plans and specifications for the well pump and treatment to be constructed for the City's Well No. 14 at the Sports Park. The City contracted with AECOM to provide design and construction support services for these improvements which will complete the remainder of the work for the well and tank at the Sports Park. The original contract with AECOM did not include the scope of work for the pressure reducing and metering station that was part of the water tower construction contract. City staff decided to pull this work from the tower contract and instead include in the bid for the Well 14 Improvements to obtain better prices for this work. AECOM has requested an amendment to the contract to incorporate this work into the Well 14 Improvements Project. This amendment would provide additional design services, bid and construction support, and commissioning services for the pressure reducing and metering station improvements.

City staff recommends the approval of the attached Amendment No. 1 to AECOM's agreement in the amount of \$46,154. This new amendment would result in a total approved fee of \$293,145 for their October, 2012 contract including design, bid and construction support services for the Well 14 Improvements. These additional consultant fees are needed so that the design can be finalized and the City can proceed with constructing these improvements by the February, 2014 funding deadline. These Amendment No. 1 fees would

be funded from a federal EDA grant and local match from our 2007 Water Bond and Water Enterprise funds.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

PRIOR COUNCIL ACTIONS

The AECOM consultant agreement was approved by City Council on September 25, 2012 per Resolution No, 2012-077. The current FY 2013-2014 appropriations for this project were budgeted and approved by City Council on June 25, 2013.

FISCAL IMPACT

There is currently approximately \$1,750,000 available in EDA, Water Bond and Water Enterprise funds to offset the fees from this amendment and the anticipated construction costs for the remainder of the Well 14 improvements.

ATTACHMENTS

1. Amendment Request No. 1 by AECOM

Amendment 1 to Scope of Services

City of Reedley Engineering Design Services for Well 14 Improvements

This Amendment 1 dated this ___ day of _____, 2013, is supplemental to the Scope of Services (Exhibit A) to the Prime Agreement made and entered into on October 4, 2012 by and between the City of Reedley, herein referred to as "City", and AECOM Technical Services, Inc. (Consultant), hereinafter referred to as "Consultant". Said Amendment is to include the following engineering services:

- Planning and design of a pressure-reducing and metering station adjacent to the new water tower located at the Sports Park, including construction phase services.
- Assistance with sizing of the standby generator to supply the Sports Park facilities, including Well No. 14, and designing a portion of the storm drainage basin to provide a source of fill material for the storage tank project.
- Evaluation of hydraulics for emptying the storage tank during testing.

Background

The City has requested a pressure-reducing valve (PRV) station with metering capabilities located approximately 150 feet west of the new water tower to be added to the project. The purpose of the station is as follows:

- Reduce the pressure from the water tower to supply the southeast parts of the City with pressures less than approximately 50 psi.
- Allow connection to new Well No. 14 and the water tower.
- Provide valving to allow multiple scenarios of water transfer to the water tower and the City system.
- Meter the flows coming from the water tower.
- Provide a fire pumper connection, a new fire hydrant, and a temporary chlorination injection point.
- Plan for a portable pump to be installed to boost pressures from the City system to fill the storage tank when the well is offline.
- Provide electrical and communication connections to the PRV/meter instruments to allow monitoring by the SCADA system.

New fencing, a gate, and site grading and surfacing is to be included with the PRV and metering station design and construction. This work is to be designed and bid together with the original design work and supported during the construction phase by AECOM.

Work Tasks

The following engineering services beyond those contained in the October 4, 2012 Scope of Services has been or will be provided by AECOM Technical Services, Inc. (Consultant):

1. Designed the pressure-reducing/metering station consisting of four civil sheets, one electrical sheet, and one instrumentation and controls sheet. The PRV/metering station design elements have been included in the 80 percent design submittal.
2. Added technical specifications to include the PRV/metering station.
3. Added the PRV/metering station to the opinion of probable construction costs.
4. AECOM's subconsultant Systems Integrated, LLC, will add SCADA programming and documentation to incorporate the meter and pressure signals from the PRV/metering station.
5. Provide bidding and construction phase services to include the PRV/metering station in accordance with the original scope of service tasks (site visits, submittals and O&M manual reviews, etc.).
6. Provide start-up, record drawings, and closeout assistance related to the PRV/metering station.
7. Provided engineering review, calculations, and coordination for the main emergency generator sizing for the Sports Park at the request of the City.
8. Provided a separate design drawing of the onsite storm drain basin at the Well 14 site to be used as a borrow site for the storage tank contractor at the request of the City.
9. Evaluated the hydraulics for emptying the storage tank and delivering to an adjacent creek during testing at the request of the City.

Schedule

The work described herein shall be completed as required by the project schedule.

Compensation

Compensation for AECOM's additional services as described above shall be a lump sum of \$46,154. The fee for the agreement dated October 4, 2012, was \$246,991, bringing the total fee to \$293,145.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Amendment 1 upon the terms, conditions, and provisions above stated the day and year first above written.

AECOM TECHNICAL SERVICES, INC.

CITY OF REEDLEY

 Ben Horn, PE
 Central California Area Manager

 Title: _____

Date: _____

Date: _____

Task Description	Personnel Hours										Budget				
	Project Manager/ Principal Engineer	Principal Electrical/ Structural Engineer	Senior II Electrical/ Structural Engineer	Senior Engineer I	Associate Engineer	Assistant Engineer II	CADD Operator	Technical Typist	Total Hours	Labor	Subconsultant	Other Direct Costs	Total Non-Labor	Total	
Task 100 - PRV/Metering Station Design															
101 Civil (4 sheets)	12			32			32		76	\$ 9,788		\$ 489	\$ 489	\$ 10,277	
102 Electrical (1 sheet)	1	8					6		15	\$ 2,419		\$ 121	\$ 121	\$ 2,550	
103 Instrumentation/controls (1 sheet)	1	2		8			4		15	\$ 2,079		\$ 104	\$ 104	\$ 2,183	
104 Technical Specifications Civil										\$ -		\$ -	\$ -	\$ -	
Electrical	8			8				12	30	\$ 3,742		\$ -	\$ -	\$ 3,742	
Instrumentation/controls	1	4						2	7	\$ 1,169		\$ -	\$ -	\$ 1,169	
105 Opinion of probable construction cost	1	2		4				2	9	\$ 1,299		\$ -	\$ -	\$ 1,299	
106 SCADA programming	2			2				2	14	\$ 1,568		\$ 78	\$ 78	\$ 1,646	
PRS PLC programming										\$ -		\$ -	\$ -	\$ -	
PRS HMI programming				12					14	\$ 2,030		\$ -	\$ -	\$ 2,030	
PRS PLC and HMI documentation				12					14	\$ 2,030		\$ -	\$ -	\$ 2,030	
PRS PLC HMI field testing				8				4	14	\$ 1,810		\$ -	\$ -	\$ 1,810	
107 Quality control	8	4	4	2				4	22	\$ 3,566		\$ -	\$ -	\$ 3,566	
Subtotal	34	28	4	92	-	10	42	26	236	\$ 32,460	\$ -	\$ 793	\$ 793	\$ 33,253	
Task 200 - PRV/Metering Station Bidding Support															
Bidding support	2	2		2			3	2	11	\$ 1,518		\$ 76	\$ 76	\$ 1,594	
Subtotal	2	2	-	2	-	-	3	2	11	\$ 1,518	\$ -	\$ 76	\$ 76	\$ 1,594	
Task 300 - PRV/Metering Station Construction Support															
301 Civil				16	4		4	16	48	\$ 5,804		\$ -	\$ -	\$ 5,804	
302 Electrical								2	4	\$ 570		\$ -	\$ -	\$ 570	
303 Instrumentation controls (included above)										\$ -		\$ -	\$ -	\$ -	
Subtotal	8	2	-	16	4	-	4	18	52	\$ 6,374	\$ -	\$ -	\$ -	\$ 6,374	
Task 400 - PRV/Metering Station Start-Up, Record Drawings, O&M Manual, Closeout															
Start-up, record drawings, O&M manual, closeout	2			4	4		4	4	18	\$ 2,090		\$ 167	\$ 167	\$ 2,257	
Subtotal	2	-	-	4	4	-	4	4	18	\$ 2,090	\$ -	\$ 167	\$ 167	\$ 2,257	

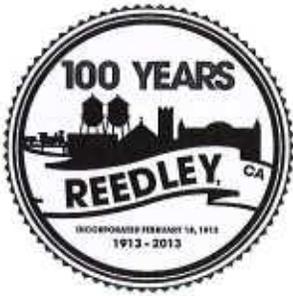
Project Budget

**Well 14 Improvements
Amendment 1**

City of Reedley

Task Description	Personnel Hours								Budget					
	Project Manager/ Principal Engineer	Principal Electrical/ Structural Engineer	Senior II Electrical/ Structural Engineer	Senior Engineer I	Associate Engineer	Assistant Engineer II	CADD Operator	Technical Typist	Total Hours	Labor	Subconsultant	Other Direct Costs	Total Non-Labor	Total
Task 500 - Emergency Generator Sizing Assistance Emergency generator sizing assistance	4	2	1					1	8	\$ 1,407		\$ 113	\$ 113	\$ 1,520
Subtotal	4	2	1					1	8	\$ 1,407	\$ -	\$ 113	\$ 113	\$ 1,520
Task 600 - Storm Drain Basin Borrow Plan Storm drain basin borrow plan	2						4		6	\$ 778		\$ -	\$ -	\$ 778
Subtotal	2						4		6	\$ 778	\$ -	\$ -	\$ -	\$ 778
Task 700 - Storage Tank Emptying Hydraulics Storage tank emptying hydraulics	2								2	\$ 378		\$ -	\$ -	\$ 378
Subtotal	2								2	\$ 378	\$ -	\$ -	\$ -	\$ 378
Total	54	34	5	114	8	10	57	51	333	\$ 45,005	\$ -	\$ 1,149	\$ 1,149	\$ 46,154

Personnel Category	\$ HR
Project Manager/Principal Engineer	\$189.00
Principal Electrical/Structural Engineer	\$205.00
Senior II Electrical/Structural Engineer	\$161.00
Senior Engineer I	\$135.00
Associate Engineer	\$113.00
Assistant Engineer II	\$95.00
CADD Operator	\$100.00
Technical Typist	\$80.00



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 8

DATE: 9/24/2013

TITLE: APPROVE A CONSULTANT SERVICES AGREEMENT WITH HMC-PMB, INC. FOR UNLICENSED BUSINESS IDENTIFICATION SERVICES

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services 

APPROVED: Nicole R. Zieba, City Manager 

RECOMMENDATION

That the City Council approve and authorize the City Manager to execute a consultant services agreement with HMC-PMB, Inc. (HMC) for unlicensed business identification services.

EXECUTIVE SUMMARY

Title 3, Chapter 2 of the Municipal Code provides that the City can impose a license tax on a business that conducts business in Reedley. The City usually has between 1,000 and 1,200 active licenses at any given time, which includes both businesses located in Reedley and businesses who conduct business here. The license fees generated \$133,485 in revenue to the General Fund last fiscal year. The Administrative Services Department handles all aspects of the business license program, including billing, verification, and issuance of licenses. With current staffing levels, it is difficult to place any amount of dedicated resources towards the time consuming, but essential activity of identification of unlicensed businesses conducting business in Reedley. Rather, it is an intermittent affair, such as staff observing vehicles driving on city streets or leaving commercial/residential areas, or happening upon advertisements for work in town.

The City was approached over the summer by a California firm, HMC-PMB, Inc., with a proposal to provide unlicensed business discovery services. Their services include utilizing a proprietary web-based system to locate unlicensed businesses doing business in Reedley using various search parameters of web-presence; i.e. Craig's list, Facebook, government sites, contractor review sites, company web sites, etc. HMC retains a portion of the additional revenue generated from successful leads (new paid licenses) received by the City. The original proposal was for 30% of all additional revenue from each *new* license for the first three years; however the City was able to successfully negotiate this down to 25%. As a simple example, a single new license that is renewed for three years would generate \$400.00 to the City's General Fund. Under the negotiated agreement with HMC, they would receive 25% of that amount or \$100.00, \$50.00 up front from the initial application fee of \$200.00, and the remaining \$50.00 over two years should the business renew their license. No payment is due to HMC for businesses that do not ultimately pay for a license or renew the following year.

City staff conducted a scenario analysis using conservative assumptions that resulted in, at the low end, \$35,000, and \$104,000 at the high end, of net new revenue to the General Fund over a five year period as a result of using HMC's discovery services. HMC recently started working for the City of Corcoran to provide business license discovery services. City staff contacted Corcoran officials and verified that HMC's discovery services have been professional, responsive, and effective at identifying

unlicensed businesses, making the initial contact, and forwarding the leads to the City for license issuance. Corcoran officials confirmed that indeed they have realized additional revenue from the project and recommended HMC to the City.

Given that the majority of available City staff time is dedicated to the administration of the business license program, an outside vendor that specializes in discovery, verification, and initial contact with businesses appears to be a perfect fit for current staff limitations - in essence, HMC's services would act as a force multiplier in the City's efforts to ensure compliance with business licensing requirements. The City currently already uses a similar service from MuniServices to conduct sales tax audits within the City, which nets additional revenue from mis-reporting or under-reporting of sales transactions.

BACKGROUND

HMC Inc. is a technology based Municipality Applications Development Services Company that develops applications to streamline local governments and identify missed revenue. HMC Inc. has been in the web applications industry since 2006 and strives to improve the financial situation in communities across the country by providing their clients with the tools to produce additional income through business licensing. In 2010 while doing a web data mining project to discover new businesses for a client, the idea of online discovery of unlicensed businesses was formed. After many months of retooling their software, HMC was proud to announce the ability to locate unlicensed businesses on the Internet for cities and counties faster and more efficiently than competitors.

The City will work closely with HMC to ensure they have a current list of licensed businesses so that they can more effectively identify the unlicensed ones - and avoid the unnecessary contact with a business that is in compliance. Once an unlicensed business has been found by HMC, they will initiate contact either by letter, e-mail, or phone (usually whichever is available) to confirm that the business is operating in Reedley. All written correspondence will be reviewed and approved by the City prior to use by HMC. For instance, it will be the City's decision whether to make the unlicensed business pay for previous years they were found to be operating unlicensed, up to three years. Given that the City does not currently choose to collect for those back years, staff anticipates requiring only that the business come into compliance from the date they are discovered.

FISCAL IMPACT

Based on an average of 1,000-1,200 licenses issued annually by the City, HMC projects that there are upwards of 2,000 businesses operating in Reedley. This is based on an average 50% compliance rate found in other communities they have worked with. HMC staff sets an internal goal to obtain 75% to 80% compliance rate in a community, which they indicate takes about four years. The City's business license program brought in \$133,485 to the General Fund last fiscal year. Using HMC's estimate of 50% compliance, getting to a 75% compliance rate would result in approximately \$66,000 of additional revenue to the General Fund annually; revenue that would now be available for public safety, street repairs, or infrastructure projects.

Staff performed their own scenario analysis using far more conservative estimate of new licenses from HMC's efforts. Although the projected number of new licenses under various scenarios was viewed to be too conservative by HMC staff given their track records in other communities, Staff felt that this would give the City a base level of new revenue that could be safely assumed given the increased coordination efforts associated with working with an outside vendor on a previously completely internal process.

The scenario analysis used a five-year window, and assumed worst, likely and best case estimates of new licenses and renewal rates. The worst case analysis resulted in \$35,000 of net new revenue to the City, the best case was \$104,000 of net new revenue to the City, with the likely case; defined as 200 new licenses resulting in roughly \$69,000 in net new revenue to the General Fund over a five-year period. This is *net* new revenue, since the 25% fee over three years to HMC was factored in. After three years, assuming the business renews their license, the City would retain 100% of the revenue thereafter.

No appropriation is necessary as HMC will be paid for their services from the additional revenue generated from their efforts, similar to how other revenue audit services are treated. Estimated net new revenue to the City will be forecasted into fiscal year-end projections and subsequent annual budgets, and available for appropriation in the General Fund.

PRIOR COUNCIL ACTIONS: N/A

ATTACHMENTS

Consultant Services Agreement with HMC-PMB, Inc.



CONSULTANT SERVICES AGREEMENT

This Consultant Services Agreement (hereinafter "Agreement") is made as of _____ **Date here** _____ by and between PMB Incorporated (helpmycommunity.com) with an office at 62 Incline Green Ln Suite 100, Alamo, CA 94507 (here in after "HMC-PMB"), and CITY of **Reedley**, a municipal corporation of the State of **California** (hereinafter "CITY").

1. SERVICES

Subject to the terms and conditions set forth herein, HMC-PMB shall provide to CITY those services set forth in Addenda attached hereto in exchange for the fees set forth in the Addenda. Upon mutual agreement, HMC-PMB and CITY may add services to be performed by HMC-PMB for CITY under this Agreement by executing additional Addenda. Such additional Addenda shall contain, at a minimum, a description of the services to be performed, the anticipated compensation for such services, and any additional terms required to give effect to the request for services (collectively "Services"). Such additional Addenda shall be signed by representatives of CITY and HMC-PMB having the authority to so bind the parties. HMC-PMB shall provide the Services in the manner specified in each applicable Addendum. HMC-PMB shall not be required to perform, nor CITY be required to pay for, services not contained in an applicable Addendum.

2. INDEPENDENT CONTRACTOR STATUS

HMC-PMB is an independent contractor, and not an employee of CITY, who will be engaged in providing consulting services for CITY. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between CITY and HMC-PMB or between CITY and any employee or agent of HMC-PMB. Both parties acknowledge that HMC-PMB is not an employee for state or federal tax purposes. HMC-PMB shall retain the right to perform services for others during the term of this Agreement. Nothing in this Agreement shall be construed as creating a partnership, joint venture, or designating HMC-PMB as an agent of CITY. HMC-PMB shall have no authority to bind, contract, or obligate CITY, financially or otherwise. CITY shall not have any right to control the means by which HMC-PMB performs the Services including the facilities used, the employees, contractors, or agents assigned by HMC-PMB. HMC-PMB shall be responsible for any subcontracts entered into in the course of performance of the Services for CITY and HMC-PMB shall be solely responsible for payment to the subcontractors.

3. COMPENSATION

3.1 In consideration for the Services to be performed by HMC-PMB, CITY agrees to pay HMC-PMB the rates set forth in each applicable Addendum.

3.2 HMC-PMB shall submit timely invoices for all services rendered in accordance with each applicable Addendum. Payment will be made to HMC-PMB within thirty (30) days of receipt of invoice therefore. Any amounts which remain unpaid after thirty (30) days shall accrue interest at the rate of one and one-half percent (1.5%) per month, or the maximum amount permitted by law.



62 Incline Green Lane - Suite 100 - Alamo, CA 94507

<http://www.helpmycommunity.com>

3.3 HMC-PMB shall be responsible for all costs and expenses incident to the performance of Services for CITY, including but not limited to, all costs of equipment provided by HMC-PMB, all fees, fines, licenses, bonds or taxes required of or imposed against HMC-PMB and all other of HMC-PMB's costs of doing business. CITY shall not be responsible for expenses incurred by HMC-PMB in performing Services for CITY, except as noted in an applicable Addendum, or such expenses that receive prior written approval from CITY.

4. CONFIDENTIALITY

4.1 During the term of this Agreement, each party may have access to certain confidential information of the other including such party's products, services, technical data, trade secrets, inventions, processes, program results and outcomes, and constituent information. All such information shall be deemed "Confidential Information" whether or not identified as such. Each party shall use the Confidential Information of the other solely for performance of this Agreement, and all Confidential Information shall remain the sole property of the respective parties. With regard to Confidential Information, each party shall use the same care as it uses to maintain the confidentiality of its own confidential information, which shall be no less than reasonable care, and shall not make disclosure of the Confidential Information to any third party without the written consent of the Disclosing Party, except to employees, consultants or agents to whom disclosure is necessary to the performance of this Agreement and who are bound by a duty of confidentiality. Information shall not be deemed confidential if it (i) is rightfully known to the receiving party prior to receipt from the disclosing party as reasonably evidenced by such party; (ii) becomes known to the receiving party from a source other than one who is under an obligation of confidentiality to the disclosing party; or (iii) becomes publicly known or otherwise ceases to be confidential other than by an unauthorized act. At all times, this Agreement and terms hereof, and the relationship between the parties hereto, shall be deemed Confidential Information. At all times, in accordance with Graham-Leach Bliley and other applicable State and Federal regulations, taxpayer information containing Personally Identifiable Information, as defined in applicable regulations, shall be held in the strictest confidence by HMC-PMB.

4.2 If a subpoena or other legal process in any way concerning Confidential Information is served upon a party to which Confidential Information has been disclosed ("Recipient"), the Recipient shall promptly notify the Disclosing Party and shall cooperate with the Disclosing Party, at the latter's expense, in any lawful effort to contest the validity of such subpoena or other legal process. Disclosing Party shall indemnify Recipient for any judgment and attorneys' fees incurred in cooperation with the Disclosing Party's effort to contest the validity of such subpoena or other legal process.

4.3 The parties agree that a breach of the terms of Section 4.1 or 4.2 would result in irreparable injury to the non-breaching party for which a remedy in damages would be inadequate. The parties agree that in the event of such breach or threatened breach, the non-breaching party shall be entitled to, in addition to any other remedies available at law or in equity, seek an injunction to prevent the breach or threatened breach.

4.4 The obligation of confidentiality as set forth in Section 4.1 shall continue for a period of three (3) years from the date of disclosure of the information, provided, however, that for any information which constitutes a Trade Secret (as defined by applicable law), the obligation of confidentiality shall continue during the entire term of this Agreement and shall survive the termination of this Agreement indefinitely.

5. TERM AND TERMINATION



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5.1 Term. This Agreement shall be effective as of the date of the last signature hereto and shall continue in full force and effect for a period of three (3) years. Thereafter, this Agreement shall continue in perpetuity as a month to month contract which can be cancelled by the City at anytime as long as City provides HMC with a 60 day written notice.

5.2 Termination of Addendum. Upon mutual consent of the parties, at any time and for any reason or no reason, CITY may request to terminate any Addendum, or all Addenda attached hereto, effective on no less than sixty (60) days notice. Notwithstanding termination of all applicable Addenda, this Agreement shall remain in full force and effect until not renewed in accordance with Section 5.1 above. Termination of any Addendum, all Addenda, or any combination of multiple applicable Addenda shall be governed by the provisions of Section 5.4 below.

5.3 Event of Default. Any of the following shall constitute an event of default ("Event of Default") under this Agreement or any applicable Addendum: (a) CITY fails to pay any amount when due hereunder (after ten (10) days prior written notice of such failure to pay), or (b) a material breach by either party of this Agreement. If an Event of Default occurs, the non-breaching party shall notify the breaching party of the Event of Default and provide the breaching party thirty (30) days to cure (except in the case of non-payment for which the cure period shall be ten (10) days) or such amount of time as is reasonable given the circumstances. If the breaching party fails to effect cure within the time allowed, then the non-breaching party may, at its option, terminate this Agreement effective immediately upon notice.

5.4 Effect of Termination. Notwithstanding non-renewal or termination of this Agreement pursuant to Sections 5.1, 5.2 or 5.3 above, CITY shall be obligated to pay HMC-PMB for services performed through the effective date of termination for which Consultant has not been previously paid. In addition, because the services performed by HMC-PMB prior to termination may result in CITY 's receipt of revenue after termination which are subject to HMC-PMB's fee in accordance with each applicable Addendum CITY shall remain obligated after termination to provide to HMC-PMB such information as is necessary for HMC-PMB to calculate the compensation due as a result of this receipt of revenue by CITY and CITY shall remain obligated to pay HMC-PMB's invoices therefore in accordance with the terms of this Agreement.

6. EQUAL EMPLOYMENT OPPORTUNITY

During performance of this Agreement., HMC-PMB, for itself, its assignees and successors in interest, agrees as follows:

6.1 Compliance With Regulations: HMC-PMB shall comply with Executive Order 11246, "Equal Employment Opportunity" and labor regulations (41 C.F.R. Part 60), hereinafter referred to as the "Regulations"

6.2 Nondiscrimination: HMC-PMB, with regard to any work performed pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, or veteran status in the selection and retention of employees, subcontractors, the procurements of materials or leases of equipment.

6.3 Solicitation for Subcontractor, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by HMC-PMB for work to be performed under any subcontract, including procurements of materials or equipment, such potential subcontractor or supplier shall be notified by HMC-PMB of HMC-PMB's obligation under this Agreement and the Regulations relative to non-discrimination on the ground of race, color, religion, sex, national origin, or veteran status.



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<http://www.helpmycommunity.com>

6.4 Information and Reports: HMC-PMB shall provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information and its facilities as may be determined by CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of HMC-PMB is in the exclusive possession of another who fails or refuses to furnish this information, HMC-PMB shall so certify to CITY and shall set forth what efforts it has made to obtain the information.

6.5 Incorporation of Provisions: HMC-PMB shall include the provisions of paragraphs 6.1 through 6.4 in every subcontract issued pursuant to this Agreement. HMC-PMB shall take such action with respect to any Regulations, order or instructions issued pursuant thereto. HMC-PMB shall take such action with respect to any subcontract or procurement as CITY may direct as a means of enforcing such provisions, including sanctions for non-compliance; provided, however, that in the event HMC-PMB becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, HMC-PMB may request CITY to enter such litigation to protect the interests of CITY.

7. WARRANTIES, REPRESENTATIONS AND INDEMNIFICATION

7.1 By HMC-PMB. HMC-PMB represents that all Services shall be performed by persons with the skills and abilities necessary and consistent with the standards of professionalism prevalent in the industry. The Services and deliverables shall be provided free and clear of the proprietary claims of third parties. All Services shall be provided in accordance with applicable state and federal regulations, including, without limitation, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, and applicable state regulations. THIS REPRESENTS THE FULL AND COMPLETE WARRANTY STATEMENT OF HMC-PMB HEREUNDER.

7.2 By CITY. CITY represents that the information provided to HMC-PMB in the performance of Services by HMC-PMB hereunder shall be provided free and clear of the claims of third parties. CITY represents that CITY has the right to provide said information to HMC-PMB and that said information shall not be obscene, defamatory, or otherwise expose HMC-PMB to liability to third parties. CITY represents that it shall use reasonable and diligent efforts in the collection of moneys identified by HMC-PMB. CITY represents that in the event CITY elects not to proceed with diligent efforts in collection, that CITY shall remain liable to HMC-PMB in accordance with applicable Addendum as if CITY had proceeded with diligent efforts in collection.

7.3 Indemnification. The parties hereto agree to defend, indemnify, and hold harmless the other, its directors, officers, employees and affiliates, from any and all claims, suits, demands, losses, damages, liabilities, costs and expenses, including reasonable attorney's fees (collectively "Losses") arising from or related to a claim of injury to person or property or death arising from or caused by the acts or omissions of employees, agents, or representatives of the indemnifying party. CITY shall defend, indemnify, and hold HMC-PMB harmless from any Losses arising from or related to a claim that information provided by CITY to HMC-PMB contains any false, misleading, or defamatory information regarding a third party. HMC-PMB shall defend, indemnify, and hold CITY harmless from any claim arising from HMC-PMB's negligence or its intentional falsification of information provided to CITY pursuant to this Agreement.

7.4 LIMITATION OF LIABILITY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL HMC-PMB, ITS EMPLOYEES, CONTRACTORS OR AGENTS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS OR



SERVICES ARISING FROM OR RELATED TO THE SERVICES WHETHER FOR, AMONG OTHER THINGS, BREACH OF WARRANTY OR ANY OBLIGATION ARISING THEREFROM, AND WHETHER LIABILITY IS ASSERTED IN CONTRACT OR TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE AND STRICT PRODUCT LIABILITY) WHETHER OR NOT HMC-PMB HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. HMC-PMB'S and CITY'S LIABILITY HEREUNDER SHALL IN NO EVENT EXCEED AN AMOUNT EQUAL TO THE FEES PAID BY CITY FOR THE AFFECTED SERVICE TO WHICH THE CLAIM PERTAINS. The foregoing sets forth CITY'S exclusive remedy for claims arising from or out of this Agreement. The provisions of this section allocate the risks between HMC-PMB and CITY and HMC-PMB's pricing reflects the allocation of risk and limitation of liability specified herein.

8. GENERAL PROVISIONS

8.1 Personnel. At any time, CITY may request removal or replacement of personnel assigned by HMC-PMB and HMC-PMB shall promptly replace such personnel. The time for any deliverables required or any increase in costs shall be adjusted to reflect any adverse impact resulting from the change in personnel.

8.2 Gratuities, Gifts, Conflict of Interest. HMC-PMB shall, at all times, comply with any CITY policies regarding gifts, gratuities, or conflicts of interest. At no time shall HMC-PMB, an employee, agent, director, or contractor offer or accept any gift or gratuity from a third party who may be subject to findings resulting from Services, to or from any CITY official, employee, contractor, or agent, or from any other party where such gift or gratuity could be construed as a conflict of interest. HMC-PMB, its officers, directors, employees, agents, and contractors shall avoid all conflicts of interest, financial or otherwise, or the appearance thereof, in the performance of this Agreement or the applicable Services.

8.3 Dispute Resolution. Any dispute relating to this Agreement shall be submitted for judicial arbitration, if available and judgment on any award entered therein may be entered in any court of competent jurisdiction. The arbitrator's decision shall be final and binding on the parties. Such arbitration shall be held in the State of California. In all cases, the prevailing party to such dispute shall be entitled to recover costs and expenses, including reasonable attorney's fees, as the arbitrator deems appropriate.

8.4 Ownership of Work Product. HMC-PMB shall retain all right, title, and interest in and to the processes, procedures, models, inventions, software, ideas, know-how, and any and all other patentable or copyrightable material used, developed, or reduced to practice in the performance of this Agreement. Upon payment therefore, CITY shall be granted all right, title, and interest in and to the reports, charts, graphs, and other deliverables produced by HMC-PMB in the performance of this Agreement.

8.5 Assignment. Neither Party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Any assignment without such prior written consent shall be void. Notwithstanding the foregoing, (a) to any successor in interest to the assigning Party who expressly assumes responsibility for the assigning Party's obligations hereunder; or (b) if necessary to satisfy the rules, regulations and for orders of any federal or state governmental agency or body. Any violation of the provisions of this Section shall render this Agreement voidable at the option of the non-assigning Party.

8.6 Insurance.

a. Public Liability. During the term of this Agreement, HMC-PMB shall maintain in full force and effect a policy of public liability insurance with minimum coverage's in accordance with the requirements provided by CITY to HMC-PMB. HMC-



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PMB shall cause CITY, its officials and employees to be named on all liability policies described above as insured as respects activities undertaken pursuant to the parties' respective obligations pursuant to this Agreement.

b. Worker's Compensation. During the term of this Agreement, HMC-PMB shall fully comply with the terms of the law of California concerning worker's compensation. Said compliance shall include, but not be limited to, maintaining in full force and effect one or more policies of insurance insuring against any liability HMC-PMB may have for worker's compensation.

8.7 Severability. In the event that any portion of this Agreement is held to be unenforceable, the unenforceable portion shall be construed as nearly as possible to reflect the original intent of the parties and the remainder of the provisions shall remain in full force and effect.

8.8 Waiver. Either Party's failure to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of that or any other of its rights hereunder at any later date or time.

8.9 Force Majeure. Neither party shall be liable for failing to perform its obligations hereunder (other than payment obligations) where delayed or hindered by war, riots, embargoes, strikes or acts of its vendors or suppliers, accidents, acts of God, or any other event beyond its reasonable control.

8.10 Notices. All notices including notices of address changes contemplated hereunder shall be deemed received on the third day after mailing if sent by mail, or immediately if sent by facsimile. Notices shall be sent to the following:

If to HMC-PMB;

If to CITY:

PMB Incorporated
62 Incline Green Lane Suite 100
Alamo, CA 94507

CITY of Reedley
Attn: _____
Attn: Corporate Counsel

8.11 Copies. This Agreement may be executed in separate counterparts including facsimile copies, each of which shall be deemed an original, and all of which shall be deemed one and the same instrument and legally binding upon the parties.

8.12 Entire Agreement. This Agreement, including the Addenda attached hereto and made part hereof, constitutes the entire agreement between HMC-PMB and CITY with respect to the Services provided. This Agreement supersedes and replaces any and all prior agreements, of whatever kind or nature, with respect to the Services provided hereunder and with respect to any Addendum to be added hereto at a later date. Any prior agreements, discussions, or representations not expressly set forth herein are of no force or effect.

8.13 No Oral Modification. No modification of this Agreement shall be effective unless set forth in writing and executed with the same formality as this Agreement. No waiver of the requirements of this Section shall be effective unless in writing and signed by the CEO for HMC-PMB.

8.14 Construction. This Agreement shall be construed in accordance with the laws of the State of California without regard to its conflict of laws principles.



8.15 Headings. The section headings herein are for convenience and reference purposes only and shall not serve as a basis for construction or interpretation.

8.16 Order of Precedence. In the event of any conflict between the terms of this Agreement and the terms of any Addenda, the terms of this Agreement shall prevail. No additional terms, PO Terms and Conditions, or oral or written representations of any kind shall be of any force and effect unless in writing and executed with the same formality as this Agreement.

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BUSINESS IDENTIFICATION PROGRAM (BIP1) ADDENDUM

This Consultant Services Agreement (hereinafter "Agreement") is made as of _____ **Date here** _____ by and between PMB Incorporated (helpmycommunity.com) with an office at 62 Incline Green Lane Suite 100, Alamo, CA 94507 (here in after "HMC-PMB"), and CITY of **Reedley**, a municipal corporation of the State of **California** (hereinafter "CITY").

PURPOSE AND SCOPE

The purpose of HMC-PMB's BIP1 is to help the CITY maximize revenue streams to which it is entitled but would not otherwise receive without assistance. The scope of services provided under HMC-PMB's BIP1 program helps the CITY capture revenue streams from the identification of businesses or entities not included in the initial baseline list of businesses or entities provided by the CITY. HMC-PMB agrees to accept the task of identifying for the CITY the entities within their jurisdiction. Both HMC-PMB and CITY agree to freely refer/exchange information regarding Licensed and Unlicensed entities.

The BIP1 will focus on three specific areas;

[1] HMC-PMB's BIP1 program utilizes sophisticated proprietary software to identify these businesses or entities followed by [2] manual inspection and testing of the information. [3]The BIP1 program then compiles a profile suitable for the CITY to contact the business or entity. Some or all of the following information will be gathered in the profile.

1. id, business_name, search_engine_url, business_address, business_CITY, business_state, business_phone, business_fax, business_email, about, specialities, year_established, domain_name, domain_date, registrant_name, registrant_address, registrant_CITY, registrant_state, registrant_phone, registrant_email, license_info, date_searched

2. HMC-PMB's BIP1 program may also use other programs to identify these businesses or entities. HMC-PMB's BIP1 program will inform the CITY of new programs and cost of prior to running them.

3. HMC-PMB will work with the CITY to prioritize its work effort to maximize the result to the CITY, and in the process, it may not include work in some on the areas noted above. At minimum, a lead will be considered acceptable by CITY if it contains the following. Name, Address and Phone Number or Email Address.

DEFINITIONS

1.0 A Lead is defined as having at a minimum the following characteristics. 1. Name, 2. Address, 3. Phone Number or Email Address, 4. Not on CITY provided list of licensed businesses.

1.1 Term of a lead: A lead is considered owned by HMC-PMB for 3 years from the date provided to CITY.

2.0 Warranty of Lead(s). HMC-PMB shall correct, replace or refund within 30 days of providing Lead(s), at HMC-PMBs discretion, any Lead(s) not representing the minimum definition of a Lead as described in Section DEFINITIONS 1.0.

PROCEDURES



HMC-PMB shall communicate with CITY staff to discuss HMC-PMB's approach to the work, develop a work plan for the BIP1, obtain the CITY's approval of the work plan and establish a liaison for communications with the CITY. Thereafter, the procedures that HMC-PMB utilizes may include the following:

1. Run BIP1 software, analyze the data (businesses and entities in the CITY) to develop a target list for inclusion in the program.
2. Maintain and update software to identify additional businesses and entities.
3. Run software monthly to identify additional businesses and entities for inclusion in the BIP1.
4. Deliver updated lists of businesses and entities to CITY monthly
5. HMC-PMB will coordinate all mailings of letters. All mailing costs will be paid by CITY.
6. Receive updated "Licensed Business list" from CITY monthly and cross reference against previous "Business(s)" list to ensure new leads have not been registered by CITY.
7. The majority of work for compiling lists will be performed in California. All hardware and software will be located within the PMB servers then delivered to CITY via Excel documents or in a manner suitable to the CITY.
8. HMC-PMB will periodically send representatives to meet with CITY employees to better the joint efforts.
9. Develop and implement other tax planning concepts to increase the CITY's revenue streams.
10. If HMC-PMB is collecting fees for the CITY, HMC-PMB shall, upon the request of CITY, provide CITY a copy of HMC-PMB's annual financial statement within ninety (90) days after end of HMC-PMB's fiscal year. In addition, CITY has the right, at its own expense, to examine and/or audit, or to have examined or audited, the records of HMC-PMB.

PROGRAM TIMING

1. HMC-PMB shall commence Work within 10 days of receipt of an executed contract and an adopted resolution if necessary.

CONFIDENTIALITY

1. HMC-PMB is authorized by this Agreement to examine any and all documents necessary to the successful implementation of the BIP1 program. These may include CITY businesses list(s), newly licensed businesses list and sales and use tax records of the State Board of Equalization provided to CITY pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax Law.



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2. HMC-PMB is authorized by this Agreement to use all CITY Logos and letterhead in representing CITY or County solely for sending notices under this Agreement.
3. HMC-PMB is only required to disclose information contained in, or derived from, the BIP1 program research, to a designated officer or employee of the CITY.
4. HMC-PMB is prohibited from retaining the information contained in, or derived from, those sales and use tax records, after this Agreement has expired.
5. HMC-PMB states and agrees that any and all confidential tax information received by HMC-PMB pursuant to this agreement shall not be used for any purpose not authorized by this Addendum. Upon request by the CITY, HMC-PMB shall return or destroy any and all copies of confidential tax information currently in HMC-PMB's possession.

COMPENSATION

1. If HMC-PMB's efforts result in new revenues to the CITY, HMC-PMB's compensation shall be 25% of all revenue streams, term described in 1.1 below, including any look back periods, from the identified business(s) to the CITY, with a minimum of \$50 per new business license.
 - 1.1 If HMC-PMB's efforts result in ongoing new revenues to the CITY, then HMC-PMB shall participate in those new revenues for the first 12 Consecutive quarters in which a business reports the new revenues after beginning its participation in the HMC-PMB's BIP1 program. The compensation to HMC-PMB shall end after the preceding 12 quarters or 3 annual cycles in which a business generates revenue to the CITY and CITY pays HMC-PMB.
 - 1.2 The start date of HMC-PMB's compensation program shall go into effect the first day of the following month after the first payment by Business to CITY.
2. With regard to revenue streams generated from construction projects, HMC-PMB only participates with the new revenues generated during the life of the construction project.
3. In cases where the benefit is from a lease, HMC-PMB's compensation will be based on the present value of the revenue generated from the entire remaining period of the lease, from the time the CITY receives its first revenue payment under the lease.
4. HMC-PMB will bill/invoice the CITY on a monthly basis. CITY understands the terms are Due upon receipt. However, City shall not be required to remit any payment to HMC-PMB for any new revenue stream until payment from such revenue streams are actually received by City.
5. HMC-PMB 30 day Warranty of information provided. HMC-PMB will replace any lead(s) provided to CITY if: 1. Lead not have the minimum information stated in "PURPOSE AND SCOPE, 3." or 2. be out of business or 3. not be considered a business that requires a license by the CITY. CITY has 30 days from obtaining the lead(s) to examine information provided by HMC-PMB. Should HMC-PMB not be able to replace the lead(s) within 120 days of CITY finding the error, HMC-PMB will either refund the cost of the lead or apply the refund to the next project.



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6. The CITY shall have the right, at the city's option, to elect not to proceed with recovery of any identified deficiencies. Deficiencies which are non-collectible due to insolvency or dissolution of the entity liable, or for deficiency which are otherwise incapable of collection(e.g. statute of limitations expiration or other legal defense and relocation out of County jurisdiction) shall not be considered an ' election' by the city for the purposes of this agreement. For deficiencies otherwise collectible but for which the CITY elects not to collect, the CITY shall notify HMC-PMB of its election not to pursue ('waive') collection of said deficiencies. HMC-PMB shall be entitled to one-half(1/2) of the fee HMC-PMB would have been entitled to for the waived portion of the deficiency except when cost of recovery exceeds the deficiency in the sole discretion of the city.

ADDITIONAL SERVICES

In the event that HMC-PMB determines there are extraordinary circumstances that warrant more intensive and detailed services beyond those included in this Addendum for BIP1 services, shall provide notice to the CITY in writing and in advance of performing the additional services together with HMC-PMB's estimate of costs. HMC-PMB will not undertake to perform, nor will CITY be obligated to pay for, any additional services except those services that are agreed to in writing by CITY and HMC-PMB.

EXECUTED as of the day and year first above stated.

HMC-PMB

CITY OF REEDLEY

By: _____
Michael Goldstein

By: _____

Title: CEO

Title: _____

Date: _____

Date: _____

ATTEST:

CITY CLERK



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 9

DATE: 9/24/2013

TITLE: APPROVE RELEASE OF ONE HALF OF THE RETENTION FOR PAYMENT TO CALDWELL TANKS INC. FOR THE CITY OF REEDLEY SPORTS PARK WATER TOWER PROJECT, EDA AWARD NO. 07-01-06141.

SUBMITTED: Noé Martinez, P.E. *PPC/NM*
City Engineer

APPROVED: Nicole R. Zieba *[Signature]*
City Manager

RECOMMENDATION

That the City Council approve release of one half of the retention for payment to Caldwell Tanks Inc. for the Sports Park Water Tower Project.

BACKGROUND

Construction work for the Sports Park Water Tower was substantially completed as of July 29, 2013. The contractor was ready to commission this facility but the City was not ready to accept because the Well 14 was yet to be completed and operational. Upon request by the City, the tower contractor agreed to remobilize, when the well was operational, to complete the remaining tasks to fully close out the project including testing and disinfection of the facility and conducting the elevator final inspection for State certification. Well 14 was scheduled to be operational on February, 2014. Contractor agreed to resume work on the water tower at that time in exchange for payment of half of the retained contract amount among other terms and conditions.

In accordance with the law, the City of Reedley has withheld 10% or \$444,690 from the contractor's earned contract amount as security for the contractor to successfully complete the project and fulfill all its contract obligations including paying all his subcontractors. The law requires that this retained amount be released at the end of the project once the local agency has accepted the improvements. However, it does allow for incremental releases based on progress completion of the improvements per Public Contract Code section 9203.

City staff has inspected and is satisfied with the contractor's work completed to date. In addition, City staff has ensured that there are no other outstanding contract obligations by the

contractor on this project. Based on the contractor's satisfactory performance and pursuant to the law, City staff recommends that the City Council approve payment to contractor for one half or \$222,345 of the retained contract amount prior to final acceptance of the tower facility. The remaining retention amount will be withheld until the contractor completes the pending remobilization tasks and provides all close out submittals such as record drawings, operation and maintenance manuals.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

PRIOR COUNCIL ACTIONS

The construction contract for this project was approved by City Council on April 12, 2011 per Resolution No. 2011-029. The current FY 2013-2014 appropriations for this project were budgeted and approved by City Council on June 25, 2013.

FISCAL IMPACT

This expenditure is part of the project budget approved by the City Council.

ATTACHMENTS

None



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 10

DATE: September 24, 2013

TITLE: ADOPT RESOLUTION 2013-084 AUTHORIZING A BUDGET AMENDMENT FOR TREE REMOVAL AND A COMMUNICATIONS TOWER AT THE WASTE WATER TREATMENT PLANT, AND AUTHORIZE THE CITY MANAGER TO ENTER INTO A PROCUREMENT AGREEMENT FOR THE COMMUNICATIONS TOWER WITH TASHJIAN TOWERS CORPORATION.

SUBMITTED: Russ Robertson *[Signature]*
Public Works Director

APPROVED: Nicole R. Zieba *[Signature]*
City Manager

RECOMMENDATION

Staff recommends that the City Council adopt Resolution 2013-084 authorizing a budget amendment that would provide \$44,667.20 for tree removal and procurement of a communications tower at the Waste Water Treatment Plant.

EXECUTIVE SUMMARY

An important part of the water tower and water well #14 projects, located at the Sports Park, is the installation of SCADA (Supervisory Control and Data Acquisition) equipment. When fully implemented, the SCADA system will allow the city to completely monitor the status and operation of water wells, water towers, and sewer lift stations throughout the City 24 hours per day. To monitor the status of the new water tower and water well #14, and other city facilities in the future, a SCADA antenna will be situated on top of the newly constructed water tower and at the WWTP. It is imperative that the water tower antenna have a direct line-of-sight to the City's master SCADA hub which is located at the Waste Water Treatment Plant (WWTP). AECOM, the company contracted to install the SCADA equipment and antenna on the water tower, performed a Radio Communication Feasibility Analysis and found that in order for the water tower antenna to have line-of-sight to the WWTP, an 80 foot high communications tower would have to be constructed along with the removal of several large Eucalyptus trees that are on the WWTP property. The WWTP sits in a very low area and is also blocked by large trees adjacent to the Kings River.

The communications tower will have the capacity for additional equipment should future needs arise for the WWTP. The City has received five proposals for the removal of six large Eucalyptus trees. Four of these trees are located by the WWTP Administration building and directly adjacent to the proposed tower site. The other two trees are located by the City Dog Pound and need to be removed for safety reasons. The lowest proposal for the tree removal is for the price of \$13,700. The City has also received four proposals for the procurement of the 80 foot high communication tower. The lowest proposal is for the price of \$24,515.64. The City electrician will install the necessary conduit to the tower. The total cost of the project including contingencies and materials is estimated at \$44,667.20.

It has been determined that this project is Categorically Exempt from the preparation of environmental documents pursuant to Article 19 of the State CEQA guidelines.

FISCAL IMPACT

The Sewer Enterprise Fund and the Water Enterprise Fund will equally share the cost of this project. Each fund balance will be decreased by \$22,333.60.

If the budget amendment is approved, the Sewer Enterprise fund balance projected for June 30, 2014 will be decreased to \$408,103.40 and the Water Enterprise fund balance projected for June 30, 2014 will be decreased to \$412,094.40.

ATTACHMENTS

Resolution 2013-084

Motion: _____

Second: _____

**BUDGET AMENDMENT
RESOLUTION 2013-084**

The City Council of the City of Reedley does hereby amend the 2013-2014 Budget as follows:

Section I - Additions:

FUND-DEPT.OBJECT	AMOUNT
052-4510.6063	\$22,333.60
050-4500.6063	\$22,333.60

Purpose: To fund the removal of large Eucalyptus trees and the purchase of an 80' high construction tower at the Waste Water Treatment Plant.

Section II – Source of Funding:

FUND BALANCE	AMOUNT
050-2710 Water Fund Balance	\$22,333.60
052-2710 Sewer Fund Balance	\$22,333.60

Impact: The Sewer Enterprise fund balance projected for June 30, 2014 will be decreased to \$408,103.40 and the Water Enterprise fund balance projected for June 30, 2014 will be decreased to \$412,094.40.

Reviewed:



Director of Finance & Administrative Services

Recommended:

City Manager

The foregoing resolution was approved by the City Council of the City of Reedley on September 24, 2013, by the following vote:084

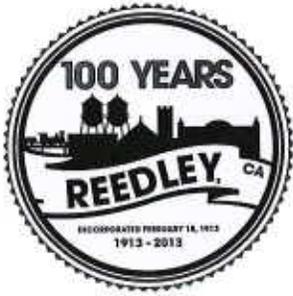
AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Robert O. Beck, Mayor

ATTEST:

Sylvia Plata, City Clerk



REEDLEY CITY COUNCIL

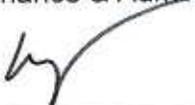
- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 11

DATE: 9/24/2013

TITLE: ADOPT RESOLUTION 2013-086 AMENDING THE 2013-14 ADOPTED BUDGET APPROPRIATING \$4,000 IN PUBLIC SAFETY SALES TAX REVENUE FOR SAFETY & SECURITY IMPROVEMENTS TO THE CITY ANIMAL SHELTER

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services 

APPROVED: Nicole R. Zieba, City Manager 

RECOMMENDATION

That the City Council adopt Resolution 2013-086, appropriating \$4,000 in Public Safety Sales Tax revenue for minor security improvements to the City animal shelter.

EXECUTIVE SUMMARY

On June 30, 2013, a section of a large Eucalyptus tree fell on the City animal shelter, crushing the roof and covering almost the entire facility in debris. Fortunately no people or animals were hurt in the accident. City staff immediately filed a property claim with the Central San Joaquin Valley Risk Management Authority, and established, within weeks, a temporary animal shelter at the City's wastewater treatment plant. Repair work to the damaged facility began several weeks ago, at which time Police Department staff identified safety and security upgrades at the facility which will not be covered by the property damage claim. The needs are relatively modest in cost, at around \$4,000, which includes: 1) upgraded exterior lighting, 2) completion of barbed wire perimeter fencing, and 3) enclosing the exterior walls around the east side of the facility. A budget amendment is necessary since the risk management pool only covers the cost to restore what was already there when the tree fell. Staff estimates that the animal shelter will be re-opened within the next 30 days.

FISCAL IMPACT

The funding source for these improvements is derived from the Public Safety Sales Tax (PSST), and is an eligible use under Code Section 5-11-12, Permissible Uses, "Police support services, including facilities and equipment and the financing thereof". Fiscal year to date PSST revenue is 16% ahead of this time last year; therefore Staff recommends increasing the revenue estimate in the fund by \$4,000 to cover this project with no impact to budgeted fund balance.

PRIOR COUNCIL ACTIONS: N/A

ATTACHMENTS

Resolution 2013-086

**BUDGET AMENDMENT
RESOLUTION 2013-086**

The City Council of the City of Reedley does hereby amend the 2013-14 Budget as follows:

Section I - Additions:

FUND-DEPT.OBJECT	AMOUNT
003-4307.4024 Shelter Property Damage Claim	\$4,000

Purpose: To fund safety and security modifications to the City Animal Shelter. The animal control program is under the purview of the Police Department.

Section II – Source of Funding:

FUND BALANCE	AMOUNT
003-3125 Public Safety Sales Tax	\$4,000

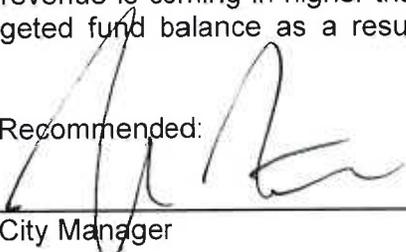
Impact: FY 2013-14 Public Safety Sales Tax revenue is coming in higher than budgeted, therefore there is no impact to budgeted fund balance as a result of funding these improvements.

Reviewed:



Director of Finance & Administrative Services

Recommended:



City Manager

The foregoing resolution was approved by the City Council of the City of Reedley on September 24, 2013, by the following vote:

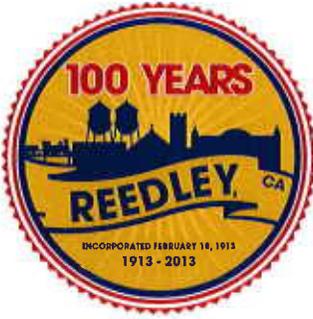
AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Robert O. Beck, Mayor

ATTEST:

Sylvia Plata, City Clerk



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 12

DATE: 9/24/2013

TITLE: ADOPT RESOLUTION 2013-087 AWARDING A CONSTRUCTION CONTRACT TO CONCO WEST INC. FOR THE GRANULATED ACTIVE CARBON UNIT RELOCATION AND TREATMENT PROJECT FOR THE CITY OF REEDLEY MUNICIPAL WELL NO. 14, EDA AWARD NO. 07-01-06141

SUBMITTED: Noé Martinez, P.E. *MPR NM*
City Engineer

APPROVED: Nicole Zieba *NZ*
City Manager

RECOMMENDATION

That the City Council adopt Resolution No. 2013-087, awarding a construction contract for the GAC Relocation Project for Well 14 to the lowest responsive, responsible bidder, Conco West Inc., in the amount of \$241,660.

EXECUTIVE SUMMARY

Staff is requesting that the City Manager be authorized to execute the agreement for the Frankwood Reconstruction Project with Conco West Inc., subject to the submittal of the necessary bonds, insurance certificates and other necessary documents as required by the specifications and special provisions for this project, all for the approval by and to the satisfaction of the City Engineer and Administrative Services Director of the City of Reedley.

BACKGROUND

The work for this project consists in general of retrofitting existing granular activated carbon (GAC) vessels (steel tanks) and furnishing the filtering carbon media to be used for the new Well 14 Facility. This project will refurbish the existing GAC vessels and associated piping located at the abandoned sites for Well 6 and 9. A total of four vessels (two per site) will be retrofitted and transported to the Well 14 site at the Sports Park. These vessels and media will be incorporated with the other remaining improvements for Well 14 being completed as part of a separate and subsequent construction contract. Other work includes constructing the concrete pads and setting the tanks, pressure testing and disinfecting these components for final commissioning of the well and tank facilities at the Sports Park.

On August 14, 2013, a Notice to Bidders for the GAC Relocation Project was advertised in the Fresno Bee for a period of approximately four (4) weeks. During the bidding period, a total of (6) contractors/subcontractors requested bid documents from the City for this project. Two addendums were issued during the project bidding period to address the Davis-Bacon Act prevailing wage requirements for Federal funding and to answer other miscellaneous bidder questions.

On September 13, 2013 City staff conducted the bid opening for this project. A total of six (6) bids were received, opened and read aloud. The bids received ranged from \$241,660 to \$369,800 as shown in the attached bid tabulation. City staff has reviewed and determined that the low bidder's proposal is both responsive and responsible per the construction documents for this project. Henceforth, staff recommends that the City Council award a construction contract to Conco West Inc., for the amount of \$241,660.

We anticipate this project commencing in early October of this year with a construction period of 60 calendar days or approximately 2 months.

The construction costs for this project will be funded from a federal EDA grant and local match from our 2007 Water Bond and Water Enterprise funds.

FISCAL IMPACT

It is estimated that the construction cost for the GAC Relocation Project including the construction contract plus contingencies and construction engineering expenses shall not exceed \$270,000 with a federal share amount of \$135,000 and local match of \$135,000. There is currently approximately \$1,750,000 available in EDA, Water Bond and Water Enterprise funds to offset the costs from this project and those estimated for the remainder of the Well 14 improvements.

COMMITTEE/COMMISSION REVIEW/ACTIONS: N/A

PRIOR COUNCIL ACTIONS:

The CEQA certification for the work included in this project was approved and adopted by the City of Reedley City Council on April 24, 2012 per Resolution No. 2012-033. The current FY 2013-2014 appropriations for this project were budgeted and approved by City Council on June 25, 2013.

ATTACHMENTS

1. Bid Tabulation (1 Page)
2. Resolution No. 2013-087, Conco West Contract Award

City of Reedley
Well No. 14 GAC Vessel Relocation & Treatment EDA Award No. 07-01-06141

Item No.	Description	Quantity/ Units	Engineer's Estimate		Conce Wcst		W. M. Lyles		TNT		Dawson-Mauidin		Steve Dowall		Todd Companies	
			Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1.	Mobilization & demobilization (not to exceed \$10,000)	LS	\$	10,000	LS	\$	7,900	LS	\$	5,438	LS	\$	10,000	LS	\$	10,000
2.	Removal of GAC vessels from Wells 6 & 9	LS	\$	31,000	LS	\$	16,000	LS	\$	6,724	LS	\$	16,000	LS	\$	48,845
3.	Transport GAC vessels to Well 14 site	LS	\$	3,500	LS	\$	2,100	LS	\$	7,727	LS	\$	17,000	LS	\$	48,630
4.	Cleaning, painting and coating GAC vessels, piping and skids	LS	\$	76,000	LS	\$	43,000	LS	\$	53,746	LS	\$	58,000	LS	\$	44,100
5.	Reassembly of GAC vessels and skids at Well 14 including testing	LS	\$	52,100	LS	\$	30,000	LS	\$	44,770	LS	\$	60,000	LS	\$	80,000
6.	Furnishing and installation of 80,000 lbs of virgin GAC	80,000 lbs	\$2.09/lb	\$ 167,200	1.17lb	\$	93,600	1.20/lb	\$	96,000	1.50/lb	\$	120,000	1.25/lb	\$	100,000
7.	Additional recoating of GAC vessel interior lining	80 sf	\$100/sf	\$ 8,000	37.00/sf	\$	2,960	58.20/sf	\$	4,656	69.00/sf	\$	5,520	35.00/sf	\$	2,800
8.	Construction of concrete foundations for GAC vessels	LS	\$	36,000	LS	\$	44,000	LS	\$	33,804	LS	\$	28,000	LS	\$	25,800
				\$ 382,800		\$ 241,660		\$ 245,156		\$ 277,717		\$ 306,200		\$ 336,176		\$ 369,800

RESOLUTION NO. 2013-087

A RESOLUTION TO THE CITY COUNCIL OF THE CITY OF REEDLEY AWARDING A CONSTRUCTION CONTRACT TO CONCO WEST, INC. FOR THE GRANULATED ACTIVE CARBON UNIT RELOCATION AND TREATMENT PROJECT FOR THE CITY OF REEDLEY MUNICIPAL WELL NO. 14, EDA AWARD NO. 07-01-06141

WHEREAS, the City of Reedley issued a Notice to Contractors for the GAC Relocation Project for Well No. 14, EDA Award No. 07-01-06141; and

WHEREAS, the City received, opened and read aloud six (6) bids that ranged from \$241,660 to \$369,800;
and

WHEREAS, the lowest, most responsive and responsible bid was submitted by Conco West, Inc., in the amount of \$241,660.

WHEREAS, the City desires to award a construction contract for the low bid to be financed with Federal and Local funds via grants and regular allocations.

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

1. That the contract for the GAC Relocation Project for Well No. 14, EDA Award No. 07-01-06141 is awarded to Conco West, Inc., for the unit and lump sum prices as bid, the total amount of the contract being \$241,660.

2. That the City Manager is authorized and directed to promptly execute the contract for the subject work with Conco West, Inc., subject to the submittal of the necessary bonds, insurance certificates and other necessary documents required by the specifications and special provisions for this project, all for the approval by and to the satisfaction of the City Engineer and Administrative Services Director of the City of Reedley.

3. The City Manager and/or her designee, is hereby authorized to execute contract change orders to the contract for this project and shall not exceed 10% of the total bid or \$24,166 without prior approval of this City Council.

4. The total construction budget for this project, including the construction contract, contingency and construction engineering costs shall not exceed \$270,000 and shall be funded from the federal Economic Development Administration (EDAP) Grant, City of Reedley 2007 Water Bond and Water Enterprise Funds.

This foregoing resolution is hereby approved this 24th day of September, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Robert O. Beck, Mayor

ATTEST:

Sylvia B. Plata, City Clerk



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 13

DATE: 9/24/2013

TITLE: ADOPT RESOLUTION 2013-083 ESTABLISHING A TIERED MEDICAL BENEFIT STRUCTURE FOR CITY OF REEDLEY RETIREES

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services *PM*

APPROVED: Nicole R. Zieba, City Manager *NZ*

RECOMMENDATION

That the City Council adopt Resolution 2013-083 establishing a tiered medical benefit structure for City of Reedley retirees.

EXECUTIVE SUMMARY

The City has purchased its medical benefits from CalPERS since approximately 1988. CalPERS requires that a local agency elect to be subject to the Public Employees' Medical and Hospital Care Act, which required that medical coverage be provided to qualified City retirees and dependents. The initial outlay to provide retiree medical benefits was literally a few dollars per month per retiree and dependent. Looking at past costs, 13 years ago in the 2000-01 Adopted Budget, the City appropriated \$25,200 total to provide retiree medical benefits. For 2013-14, the City appropriated \$247,311 to cover this same benefit, an increase of \$222,111 (or 881%) since the year 2000. There are several reasons attributing to this increase:

- Over time, CalPERS has steadily increased the percentage that participating Cities have been required to cover for retiree medical coverage. Presently, the City covers about 97% of the cost to provide this benefit, with retirees picking up about 3.0%.
- The City has continued to add to its ranks of retirees; presently the City covers 59 retirees & dependents.
- Health benefit costs have increased substantially in recent years.

This benefit is paid from City operating funds, including the General Fund and Enterprise funds (Water, Sewer & Solid Waste). As costs for this benefit have risen over time faster than growth in the overall budget, a larger share of the operating budget is utilized for this benefit. Said differently, as the cost to provide retiree medical benefits continues to escalate, this puts pressure on other competing uses of the General Fund (Police, Fire, Parks, etc) and ratepayers in Enterprise funds.

The City Council approved Resolution No. 2013-057 on June 25, 2013, electing to cease to be subject to the provisions of the Act, and the resolution was filed with the PERS board as required by Government Code Section 22938. Absent adoption of a resolution establishing medical benefits for retirees, the City is no longer obligated to provide retiree medical benefits to City retirees and dependents effective January 1, 2014. Staff has conducted research into what other public agencies in California are doing to address retiree medical, and the results were surprising.

Of the approximately 15 public agencies that Staff spoke with or received information from, all agencies had either: 1) already established a tiered benefit system, 2) were currently working to do so, or 3) planning to do so in the near future. Staff also spoke with several private sector benefits consultants and attorneys that confirmed that this was a very timely issue for public agencies and the tiered benefit structure is how most agencies are approaching the issue. An interesting note is that several cities or special districts that had *already* established a tiered system were planning to re-approach the benefit structure to make additional reductions to benefits because the initial benefit levels established under the tiers were simply not controlling costs as expected.

BENEFIT TIERS

The following is a summary discussion of the proposed benefit tiers that would be established with the adoption of Resolution 2013-083. Additional information regarding specific benefits and eligibility requirements can be found in the attached resolution. When staff considered comments from other public agencies, it became very clear that the City Council needs to retain the right, in its sole and absolute discretion, to modify or terminate any benefit levels, coverage, medical plans, or eligibility requirements for retiree medical benefits. The resolution indicates that the City Council does not intend to create a permanent or vested right for retiree medical benefits. This flexibility to modify benefits in the future is critical since any number of issues could arise in the future that would impact the ability of the City to continue to pay for this benefit, as further discussed under Fiscal Impact Section.

The City looks to establish, for the first time, and not as a permanent or vested right, a tiered retiree medical benefit schedule for existing City retirees and current full-time regular City employees meeting required eligibility requirements as summarized below and detailed in the attached resolution. A tiered benefit structure minimizes the impact to existing retirees and dependents, eliminates the benefit for future employees, and begins to put limitations of benefits in the form of cost sharing for current employees based on years of service. Establishing these benefit tiers helps to ensure that the benefit will remain in place for long-term employees of the City while keeping it financially sustainable into the future.

Tier 1: Current Retirees and Dependents:

For current retirees and/or their dependents who are *not yet eligible for Medicare*, for the retiree only, the City will contribute towards the retiree's monthly medical coverage at the same rate as the City contributes towards Unrepresented employees' monthly medical coverage, as such contribution may be modified from time to time. City shall contribute up to \$500.00 monthly, total, for medical coverage of dependents who are not yet eligible for Medicare, with retirees responsible for paying the difference in cost between the medical plan and City contribution. Only the surviving spouse or registered domestic partner of an eligible retiree shall remain eligible for the dependent benefit until his/her death or remarriage.

For current retirees and/or their dependents who *are eligible for Medicare*, the City shall cover 100% of the monthly premium for a group Medicare Supplement plan, as identified and selected by the City, for retiree and one dependent. The City shall also contribute up to \$500.00 monthly, total, for medical coverage of dependents who are not yet eligible for Medicare, with retirees responsible for paying the difference in cost between the medical plan and City contribution.

Subject to availability, current retirees and their eligible dependents will have access to a 'Freedom of Choice' option, whereupon the City, through its designated provider, will cover up to \$251.76 per month ("Cap") for each retiree and his/her one dependent, for the reimbursement of premium cost for

a Medicare Supplement and/or prescription drug plan of their choice - should the retiree determine that the group plan will not meet their needs. The \$251.76 Cap for the 'Freedom of Choice' option shall be adjusted annually, each January, by the change in premium (if applicable), from year to year, of the group Medicare Supplement Plan then currently being offered by the City to Medicare eligible retirees. The Cap will always be \$10.00 less than the group Medicare Supplement premium to help defray additional administrative costs of offering the 'Freedom of Choice' option. At no time shall the retiree/dependent receive in excess of the premium amount.

Tier 2: Benefits for current full-time regular City employees

The resolution establishes minimum eligibility requirements for current full-time regular City employees. To be eligible for retirement medical benefits, a full-time regular employee must: 1) retire under a regular or disability PERS retirement within 120 days from separation from City employment; 2) be at least 50 years of age at time of retirement; and 3) have been employed by the City for a cumulative total of at least ten (10) years as a full-time regular employee. The employee must be a full-time regular employee at the time of retirement, and no purchase of service credit is allowed. Tier 2 goes further to define benefit levels for both 10 and 20+ year full-time regular employees, and establishes an 80-20 or 50-50 cost sharing split, depending upon years of service.

Employees with at least ten (10) years of cumulative service with the City as a full-time regular employee upon retirement:

- If the retiree is not eligible for Medicare, the City will contribute either 50% of the medical premium for the retiree only, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage as such contribution may be modified from time to time, whichever is less, using the menu of medical plans available to City employees, or if not available, plans identified and selected by the City.
- If the retiree is eligible for Medicare, City shall cover either 50% of the medical premium for the retiree and one dependent, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage, whichever is less, for a group Medicare Supplement plan as identified and selected by the City
- There will be no coverage for more than one dependent. If the dependent is not Medicare eligible, the City shall contribute up to \$250.00 monthly, total, per month for dependent medical coverage with retirees responsible for paying the difference in cost between the medical plan and City contribution. Only the surviving spouse or registered domestic partner of an eligible retiree shall remain eligible for the dependent benefit until his/her death or remarriage.

Employees with at least twenty (20) years of cumulative service with the City as a full-time regular employee:

- If the retiree is not eligible for Medicare, the City will contribute either 80% of the medical premium for the retiree only, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage, whichever is less, using the menu of medical plans available to City employees, or if not available, plans identified and selected by the City.
- If the retiree is eligible for Medicare, City shall cover either 80% of the medical premium for the retiree and one dependent, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage, whichever is less, for a group Medicare

Supplement plan as identified and selected by the City for retiree and one dependent only.

- There shall be no coverage for more than one dependent. If the dependent is not Medicare eligible, the City shall contribute up to \$250.00 monthly, total, per month for dependent medical coverage with retirees responsible for paying the difference in cost between the medical plan and City contribution. Only the surviving spouse or registered domestic partner of an eligible retiree shall remain eligible for the dependent benefit until his/her death or remarriage.

Tier 3: Future City employees

No new employee or re-hired employee initially hired or re-hired after the effective date of the resolution will be eligible for the retiree or retiree dependent medical coverage provided, unless the employee was a full-time regular employee of the City on the date of this resolution. For current part-time employees working for the City, for purposes of determining eligibility for the retiree medical benefits, the date of hire shall be treated as the date upon which the current part-time employee begins his/her assignment as a full-time regular employee.

Delinquent payments/reimbursements

For all benefit tiers, retirees and dependents shall be billed for any difference between the cost of their medical plan and City contributions towards their plan. Should retirees or dependents become delinquent in their payments, the City shall terminate coverage subject to applicable legal noticing requirements. Coverage may resume once payments are made, including all applicable late fees and penalties, subject to re-enrollment requirements of the medical plan.

BACKGROUND

Government Code § 22938 provides that a local agency which has elected to be subject to the Public Employees' Medical and Hospital Care Act (Act) may choose to cease to be so subject by adopting a resolution and filing such resolution with the Public Employees' Retirement System ("PERS") board of administration. The City Council approved Resolution No. 2013-057 on June 25, 2013, electing to cease to be subject to the provisions of the Act, and the resolution was filed with the PERS board as required by Government Code Section 22938

With the approval of Resolution No. 2013-057 and compliance with Government Code Section 22938, the City is no longer subject to the Act and is therefore no longer required to provide medical benefits to its retirees as required by and as a condition of the Act. Additionally, the provision of medical benefits for City retirees has not been a negotiated benefit with employees or a benefit approved by the City Council through a salary or benefit resolution, but rather was only provided by the City as required by the Act and as a condition of the City being part of the PERS medical program.

Although not legally required, the City desires to continue to provide retiree medical benefits to current retirees and current employees subject to certain eligibility requirements, and the City's right and absolute discretion to modify or eliminate such retiree medical benefits in the future, as proposed to be established under Resolution 2013-083.

Subject to proposed eligibility and limits set forth in Resolution 2013-083, retirees and dependents who are not yet eligible for Medicare will be covered by a separate medical plan arrangement, which, come January 1, 2014, will be the City's Participation Agreement with the San Joaquin Valley Insurance Authority.

FISCAL IMPACT

The exact, or even probable, financial impact (benefit) from adoption of this tiered benefit structure is unknown. An estimate of future financial savings would require a full or at least limited scope actuarial study. Although an actuarial study was not performed, establishing a tiered benefit structure puts Reedley in good company with many other public agencies who have already gone down this path, are currently working on this, or plan to imminently address this timely issue. There are a large number of variables that affect future expenditures for retiree medical, including but not limited to, future staff turnover/attrition, longevity, dependent activity, premium amounts, and future revisions to the benefits set forth in the attached resolution.

Considering that the City currently spends approximately \$250,000 annually for retiree medical benefits, it is estimated that this annual outlay will actually continue to grow over the next 5-10 years, though at a slower rate than the City has experienced over the past 15 years, since new retirees would enter the benefit structure at a slightly lower benefit amount. Over time, as a higher proportion of the retiree group is made up of current employees (i.e. Tier 2) the overall costs of the benefit will begin to fall. As the City's annual outlay begins to fall, there is less impact to current operating budgets that will be funding current employees salaries & benefits, operating costs, and capital needs at that time.

In the approximately 25 years that the City has offered retiree medical benefits, it has slowly added to the overall number of covered retirees and dependents, to the present day 59 people covered (retirees and dependents). Eventually, as the workforce is made up of more new employees hired after the date of this resolution, there will be a lower percentage of future eligible retirees, and the City's annual outlay over the very long term horizon would reach zero. Without a tiered benefit structure in place, the City would be at the whim of ever-increasing medical premiums that threaten to continue taking a larger share of the current year's operating budget.

It is critical for City to retain the right and absolute discretion to modify or eliminate retiree medical benefits in the future, since there are any number of variables that could impact the City's ability to pay for this benefit in the future; i.e. national, regional, or local economic distress, low staff turnover, significant increased longevity of the retiree group (due to medical breakthroughs, etc), or skyrocketing medical premiums sustained over several years. As such, by adoption of this resolution, it is not the intention of the Council to establish a permanent or vested right to these benefits.

PRIOR COUNCIL ACTIONS:

There have been no prior Council actions pertaining to retiree medical benefits.

ATTACHMENTS

Resolution 2013-083

RESOLUTION NO. 2013-083

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REEDLEY ESTABLISHING A TIERED MEDICAL BENEFIT STRUCTURE FOR CITY OF REEDLEY RETIREES

WHEREAS, Government Code § 22938 provides that a local agency which has elected to be subject to the Public Employees' Medical and Hospital Care Act ("Act") may choose to cease to be so subject by adopting a resolution and filing such resolution with the Public Employees' Retirement System ("PERS") board of administration; and

WHEREAS, the City Council of the City of Reedley, with the approval of Resolution No. 2013-057 on June 25, 2013, elected to cease to be subject to the provisions of the Act, and such resolution was filed with the PERS board as required by Government Code Section 22938; and

WHEREAS, with the approval of Resolution No. 2013-057 and compliance with Government Code Section 22938, the City of Reedley is no longer subject to the Act and is therefore no longer required to provide medical benefits to its retirees as required by and as a condition of the Act; and

WHEREAS, the provision of medical benefits for City retirees has not been a negotiated benefit with employees or a benefit approved by the City Council through a salary or benefit resolution, but rather was only provided by the City as required by the Act and as a condition of the City being part of the PERS medical program; and

WHEREAS, although not legally required, the City desires to continue to provide retiree medical benefits to current retirees and current employees subject to certain eligibility requirements and the City's right and absolute discretion to modify or eliminate such retiree medical benefits in the future; and

WHEREAS, the City must proactively manage ever rising healthcare costs with finite budgetary resources, and in order to properly manage the City's limited budget, the City Council does not intend to hereby create a permanent or vested right in the retiree medical benefits granted herein; and

WHEREAS, the City looks to establish, for the first time, and not as a permanent or vested right, a tiered retiree medical benefit schedule for existing City retirees and current full-time regular City employees meeting required eligibility requirements for such coverage as hereinafter set forth; and

NOW, THEREFORE, the City Council of the City of Reedley hereby resolves to grant retiree medical benefits as follows:

1. Tier 1 - Benefits for current retirees and their dependents are established as follows:

A) For current retirees and/or their dependents who are not yet eligible for Medicare:

- i) For the retiree only, City shall contribute towards the retiree's monthly medical coverage at the same rate as the City contributes towards Unrepresented

employees' monthly medical coverage, as such contribution may be modified from time to time; and

- ii) City shall contribute up to \$500.00 monthly, total, for medical coverage of dependents who are not yet eligible for Medicare, with retirees responsible for paying the difference in cost between the medical plan and City contribution; and
- iii) The retiree must notify the City within thirty (30) days of the retiree's and/or dependent's eligibility for Medicare. Only the surviving spouse or registered domestic partner of an eligible retiree shall remain eligible for the dependent benefit until his/her death or remarriage.

B) For current retirees and/or their dependents who are eligible for Medicare:

- i) City shall cover 100% of the monthly premium for a group Medicare Supplement plan, as identified and selected by the City, for retiree and one dependent; and
- ii) City shall contribute up to \$500.00 monthly, total, for medical coverage of dependents who are not yet eligible for Medicare, with retirees responsible for paying the difference in cost between the medical plan and City contribution; and
- iii) Subject to availability, only current retirees and their eligible dependents shall have access to a 'Freedom of Choice' option, whereupon the City, through its designated provider, will cover up to \$251.76 per month ("Cap") for each retiree and his/her one dependent, for the reimbursement of premium cost for a Medicare Supplement and/or prescription drug plan of their choice; and
- iv) The \$251.76 Cap for the 'Freedom of Choice' option shall be adjusted annually, each January, by the change in premium (if applicable), from year to year, of the group Medicare Supplement Plan then currently being offered by the City to Medicare eligible retirees. The Cap shall always be \$10.00 less than the group Medicare Supplement premium to help defray additional administrative costs of offering the 'Freedom of Choice' option. At no time shall the retiree/dependent receive in excess of the premium amount.

2. Tier 2 - Benefits for current full-time regular City employees are established as follows, subject to the following eligibility requirements:

- A) Minimum eligibility requirements for current full-time regular City employees. To be eligible for retirement medical benefits, a full-time regular employee must: (i) retire under a regular or disability PERS retirement within 120 days from separation from City employment; (ii) be at least 50 years of age at time of retirement; and (iii) have been employed by the City for a cumulative total of at least ten (10) years as a full-time

regular employee. Employee must be a full-time regular employee at the time of retirement. No purchase of service credit is allowed.

- B) Employees with at least ten (10) years of cumulative service with the City as a full-time regular employee upon Retirement:
- i) If the retiree is not eligible for Medicare, the City shall contribute either 50% of the medical premium for the retiree only, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage as such contribution may be modified from time to time, whichever is less, using the menu of medical plans available to City employees, or if not available, plans identified and selected by the City; and
 - ii) If the retiree is eligible for Medicare, City shall cover either 50% of the medical premium for the retiree and one dependent, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage, whichever is less, for a group Medicare Supplement plan as identified and selected by the City; and
 - iii) There shall be no coverage for more than one dependent; and
 - iv) If the dependent is not Medicare eligible, the City shall contribute up to \$250.00 monthly, total, per month for dependent medical coverage with retirees responsible for paying the difference in cost between the medical plan and City contribution.
- C) Employees with at least twenty (20) years of cumulative service with the City as a full-time regular employee:
- i) If the retiree is not eligible for Medicare, the City shall contribute either 80% of the medical premium for the retiree only, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage, whichever is less, using the menu of medical plans available to City employees, or if not available, plans identified and selected by the City; and
 - ii) If the retiree is eligible for Medicare, City shall cover either 80% of the medical premium for the retiree and one dependent, or the amount that the City then currently contributes towards Unrepresented employees' medical coverage, whichever is less, for a group Medicare Supplement plan as identified and selected by the City for retiree and one dependent only; and
 - iii) There shall be no coverage for more than one dependent; and
 - iv) If the dependent is not Medicare eligible, the City shall contribute up to \$250.00 monthly, total, per month for dependent medical coverage with retirees responsible for paying the difference in cost between the medical plan and City contribution.

- D) The retiree must notify the City within thirty (30) days of the retiree's and/or dependent's eligibility for Medicare. Only the surviving spouse or registered domestic partner of an eligible retiree shall remain eligible for the dependent benefit until his/her death or remarriage.

3. Tier 3 – No retiree benefits for future City employees:

- A) No new employee or re-hired employee initially hired or re-hired after the effective date of this resolution shall be eligible for the retiree or retiree dependent medical coverage provided herein, unless said employee was a full-time regular employee of the City on the date of this resolution.
- B) Current part-time employees, notwithstanding the fact that they are currently employed by the City and may subsequently work for the City in a full-time regular capacity, shall not be eligible for retiree medical benefits. In other words, for purposes of determining eligibility for the retiree medical benefits, the date of hire shall be treated as the date upon which the current part-time employee begins his/her assignment as a full-time regular employee.

4. Delinquent payments/reimbursements: For all benefit tiers, retirees and dependents shall be billed for any difference between the cost of their medical plan and City contributions towards their plan. Should retirees or dependents become delinquent in their payments, the City shall terminate coverage subject to applicable legal noticing requirements. Coverage may resume once payments are made, including all applicable late fees and penalties, subject to re-enrollment requirements of the medical plan.

5. The City Council of the City of Reedley hereby retains the right, in its sole and absolute discretion, to modify or terminate any benefit levels, coverage, medical plans, or eligibility requirements contained herein by subsequent resolution.

6. This resolution shall be effective immediately upon its approval, and shall remain in effect until modified, terminated, or rescinded by subsequent resolution of the City Council.

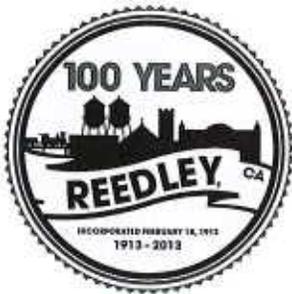
PASSED, APPROVED, and ADOPTED this 24th day of September, 2013 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ROBERT O. BECK, Mayor

ATTEST:

SYLVIA PLATA, City Clerk



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 14

DATE: 9/24/2013

TITLE: AUTHORIZE CITY MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO PURCHASE & PROVIDE A MEDICARE SUPPLEMENT PLAN FOR ELIGIBLE CITY OF REEDLEY RETIREES & DEPENDENTS

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services 

APPROVED: Nicole R. Zieba, City Manager 

RECOMMENDATION

That the City Council authorize the City Manager to execute all documents necessary to purchase and provide a Medicare Supplement Plan and related administrative plan services, to eligible City of Reedley retirees and dependents, effective January 1, 2014.

EXECUTIVE SUMMARY

The City Council approved Resolution No. 2013-057 on June 25, 2013, electing to cease to be subject to the provisions of the Public Employees' Medical and Hospital Care Act, essentially moving the City away from purchasing its medical plans from CalPERS for employees and retirees. As a result the City needed to identify alternative providers of medical plans to cover full-time employees and eligible retirees and dependents. The City has since entered into a Participation Agreement with the San Joaquin Valley Insurance Authority (SJVIA) to provide medical benefits to eligible City employees, and retirees and dependents that are not yet eligible for Medicare. However, the SJVIA did not have a plan to cover the City's 37 Medicare eligible retirees and dependents. The City worked extensively with Horstmann Financial & Insurance Services to find a group sponsored Medicare Supplement plan that would provide the best benefits to our retirees while staying within available financial resources.

The City has identified a group supplemental plan from Humana, a large national supplement plan provider, as offering the best value to Medicare eligible retirees when considering access to doctors, prescription drug coverage, potential out of pocket exposure, and overall cost to the City. The initial monthly premium will be \$261.76 per retiree/dependent, \$9,685.12 per month, or \$116,221.44 annually to continue to offer coverage to Medicare eligible retirees and dependents. No additional appropriation is necessary this fiscal year to begin using Humana for this coverage since the cost is within roughly \$2,500 of the existing cost through CalPERS to cover this same group over a six month period (January thru June 2014). Under the proposed medical benefit structure in Resolution 2013-083, the City would cover 100% of the monthly premium for a group Medicare Supplement Plan, as identified and selected by the City, for the retiree and one dependent. As such, retirees and eligible dependents would receive this benefit at no-cost to them. In addition, the City would contribute up to \$500.00 monthly, total, for medical coverage of dependents who are not yet eligible for Medicare, with retirees responsible for paying the difference in cost between the medical plan and City contribution.

The premium amount shown above for Humana is for calendar year 2014 only, and as such the City will monitor the plan throughout the year, solicit feedback from covered retirees/dependents, and evaluate the cost effectiveness on an annual basis - similar to what it already does for dental, vision and long-term disability coverages. Should the City determine that a change in providers is necessary,

the change will be communicated to affected parties, and brought before the Council for approval in future years.

Lastly, as part of the medical benefit structure proposed in Resolution 2013-083, the City would, subject to availability, offer a 'Freedom of Choice' option to existing Medicare eligible retirees, allowing them to purchase their own Medicare Supplement plan and be reimbursed by the City, subject to certain limitations. One of the important limitations is the amount of possible reimbursement, which would be set at the then current group Medicare Supplement Plan monthly premium, less \$10.00 per month to help defray some of the additional administrative costs associated with offering the 'Freedom of Choice' option.

BACKGROUND

Government Code § 22938 provides that a local agency which has elected to be subject to the Public Employees' Medical and Hospital Care Act (Act) may choose to cease to be so subject by adopting a resolution and filing such resolution with the Public Employees' Retirement System ("PERS") board of administration. The City Council approved Resolution No. 2013-057 on June 25, 2013, electing to cease to be subject to the provisions of the Act, and the resolution was filed with the PERS board as required by Government Code Section 22938

With the approval of Resolution No. 2013-057 and compliance with Government Code Section 22938, the City is no longer subject to the Act and is therefore no longer required to provide medical benefits to its retirees as required by and as a condition of the Act. Additionally, the provision of medical benefits for City retirees has not been a negotiated benefit with employees or a benefit approved by the City Council through a salary or benefit resolution, but rather was only provided by the City as required by the Act and as a condition of the City being part of the PERS medical program.

Although not legally required, the City desires to continue to provide retiree medical benefits to current retirees and current employees subject to certain eligibility requirements, and the City's right and absolute discretion to modify or eliminate such retiree medical benefits in the future, as proposed to be established under Resolution 2013-083.

Subject to proposed eligibility and limits set forth in Resolution 2013-083, retirees and dependents who are not yet eligible for Medicare will be covered by a separate medical plan arrangement, which, come January 1, 2014, will be the City's Participation Agreement with the San Joaquin Valley Insurance Authority.

FISCAL IMPACT

The initial monthly premium will be \$261.76 per retiree/dependent, \$9,685.12 per month, or \$116,221.44 annually to continue to offer coverage to the 37 existing Medicare eligible retirees and dependents. No additional appropriation is necessary this fiscal year to begin using Humana for this coverage since the cost is within roughly \$2,500 of the existing cost through CalPERS to cover this same group over a six month period (January - June 2014).

PRIOR COUNCIL ACTIONS:

There have been no prior Council actions pertaining to retiree medical benefits.

ATTACHMENTS

HMO Benefit Comparison - Current & Proposed

City of Reedley

Humana - Post 65 retirees- Fresno County

January 1, 2014

HMO Benefit Comparison

	Current		Humana
	PERS Blue Shield HMO	PERS Kaiser	Medicare Advantage
Deductible	None	None	None
Maximum Out of Pocket Individual	N/A	\$1,500	\$2,500
Family	N/A	\$3,000	\$2,500 Per Person
Physicians Services - Office Visit			
Primary Care Physicians (PCP)	\$10	\$10	\$5
Specialist (Spec)	\$10	\$10	\$20
Urgent Care	\$25	\$10	\$15
Lab & X-Ray - free standing lab	No Charge	No Charge	No Charge
Hospital Inpatient	No Charge	No Charge	\$175 (1-5 days)
Outpatient Surgery			
Ambulatory Surgery Center	No Charge	\$10	\$75
Hospital	No Charge	\$10	\$100
ER Charge	\$50	\$50	\$65
Ambulance	No Charge	No Charge	\$50
Generic	\$5	\$5	\$10
Brand; Drug Deductible	None	None	None
Formulary Drugs	\$20	\$20	\$20
Non Formulary Drugs	\$50	Need Authorization	\$40

The above rates and benefits are for general information and discussion purposes only and not valid unless approved by the carrier. Final rates are determined by the carrier's underwriting guidelines and final enrollment. The insurance policy, not general rates and descriptions in this website or printed output, will form the contract between the insured and the carrier.

Horstmann Financial & Insurance Services

License No. 0582941

City of Reedley

Humana - Post 65 retirees - Tulare County

January 1, 2014

Benefit Comparison

	Current		Humana
	PERS Blue Shield HMO	PERS Kaiser	Medicare Advantage
Deductible	None	None	None
Maximum Out of Pocket Individual	N/A	\$1,500	\$2,500
Family	N/A	\$3,000	\$2,500 Per Person
Physicians Services - Office Visit			
Primary Care Physicians (PCP)	\$10	\$10	\$5
Specialist (Spec)	\$10	\$10	\$15
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Formulary Drugs	\$20	\$20	\$20
Non Formulary Drugs	\$50	Need Authorization	\$40

The above rates and benefits are for general information and discussion purposes only and not valid unless approved by the carrier. Final rates are determined by the carrier's underwriting guidelines and final enrollment. The insurance policy, not general rates and descriptions in this website or printed output, will form the contract between the insured and the carrier.

Horstmann Financial & Insurance Services

License No. 0582941



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 15

DATE: September 24, 2013

TITLE: ADOPT RESOLUTION 2013-085 AUTHORIZING A BUDGET AMENDMENT TO FULLY FUND THE PURCHASE AND INSTALLATION OF A CITY ENTRANCE MONUMENT ON MANNING AVENUE.

SUBMITTED: Russ Robertson, Director of Public Works *RR*
Paul Melikian, Director of Finance and Administrative Services *PM*

APPROVED: Nicole R. Zieba, City Manager *NZ*

RECOMMENDATION

Staff recommends that the City Council adopt Resolution 2013-085 authorizing a budget amendment that would provide \$58,500 for the purchase and installation of a City entrance monument on Manning Avenue.

EXECUTIVE SUMMARY

It was the desire of city staff and community members that a City entrance monument be erected on Manning Avenue to beautify the City's main entrance as well as commemorate the City's 100 year anniversary. The location chosen for the monument is in the median island on Manning Avenue, half way between Nurmi Avenue and Kings River Road. The location is in Fresno County and will require a Fresno County encroachment permit. In the median island area between the monument and the limit of the Manning Bridge project, staff is recommending the installation of stamped red concrete. In the immediate area of the monument, staff is recommending the installation of artificial grass. There will be no utilities available at the monument site, therefore all lighting will be solar powered.

Staff received proposals from four qualified companies. The lowest proposal received is from Pacific Signs for the amount of \$39,700. The amount includes fabrication and installation. Staff will install the artificial grass, and stamped red concrete. Electrical service to the monument site will be outsourced to an electrical contractor. The cost of these items as well as project contingencies, including Fresno County permit fees will result in an overall project cost of \$58,500. The ongoing maintenance costs for the monument are anticipated to be

minimal, since a low maintenance design was considered and replacement parts for certain portions of the structure will be ordered at the time of fabrication, so that they do not have to be special ordered in the future. The monument was designed by local artist Frankie Leal. The Chamber of Commerce and local business owners have assisted staff with ideas for location and design elements and they are enthusiastic about the City moving this project forward.

FISCAL IMPACT

Staff proposes to utilize \$58,500 of the Property Tax Administrative Fee (PTAF) settlement received in August 2013 from the County of Fresno for \$67,112 to fully fund the entrance monument; essentially utilizing a one-time revenue source for a one-time investment in the community.

ATTACHMENTS

Resolution 2013-085
Monument design drawing

Motion: _____
Second: _____

**BUDGET AMENDMENT
RESOLUTION 2013-085**

The City Council of the City of Reedley does hereby amend the 2013-14 Budget as follows:

Section I - Additions:

FUND-DEPT.OBJECT	AMOUNT
001-4670.6070 Manning Ave Entrance Monument	\$58,500

Purpose: To fully fund the cost to purchase and install a City entrance monument on Manning Avenue.

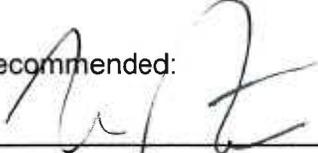
Section II – Source of Funding:

FUND BALANCE	AMOUNT
001-3114 Property Tax - Other Revenue	\$58,500

Impact: The funding for this project will utilize a portion of a monetary settlement received in August 2013 from the County of Fresno for \$67,112 to fully fund the entrance monument; essentially utilizing a one-time revenue source for a one-time investment in the community. Utilizing this revenue source will have no impact to the General Fund since it was not budgeted for in the 2013-14 Adopted Budget.

Reviewed:


Director of Finance & Administrative Services

Recommended:


City Manager

The foregoing resolution was approved by the City Council of the City of Reedley on September 24, 2013, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Robert O. Beck, Mayor

ATTEST:

Sylvia Plata, City Clerk



City seal/logo
illuminated; LED lighting

Tower, aluminum painted
color TBD

18'

Branches/leaves raised,
1/2" thick aluminum

WELCOME TO
REEDLEY

Brushed aluminum,
Matthews metallic paint
Copy, raised, 1/2" thick
aluminum letters

12'