

**STUDY SESSION**

|           |                   |                |                |
|-----------|-------------------|----------------|----------------|
| Location: | City Hall         | Date:          | May 5, 2011    |
|           | 834 Main Street   | Time:          | <b>6:30 pm</b> |
|           | Ferndale CA 95536 | Posted: 5/2/11 |                |

1. CALL STUDY SESSION TO ORDER – Mayor
  - a. Wastewater Treatment Plant Update on Change Orders number four and five.
2. ADJOURN STUDY SESSION

**AGENDA**

**CITY OF FERNDALE – HUMBOLDT COUNTY CALIFORNIA – U.S.A.  
REGULAR CITY COUNCIL MEETING**

|           |                   |                |             |
|-----------|-------------------|----------------|-------------|
| Location: | City Hall         | Date:          | May 5, 2011 |
|           | 834 Main Street   | Time:          | <b>7 pm</b> |
|           | Ferndale CA 95536 | Posted: 5/2/11 |             |

We welcome you to the meeting. Members of the Public may be heard on any business item on this Agenda before or during the City Council consideration of the item. The public may also directly address the City Council on any item of interest to the public that is not on the Agenda during the public comment time; however, the City Council generally cannot take action on an item not on the agenda.

A person addressing the City Council will be limited to five (5) minutes unless the Mayor of the City Council grants a longer period of time. While not required, we would appreciate it if you would identify yourself with your name and address when addressing the Council.

This City endeavors to be ADA compliant. Should you require assistance with written information or access to the facility, or a hearing amplification, please call 786-4224 24 hours prior to the meeting.

**TO SPEAK ON ANY ISSUE, BE ACKNOWLEDGED BY THE MAYOR BEFORE PROCEEDING TO THE PODIUM, STATE YOUR NAME AND ADDRESS FOR THE RECORD (optional), AND DIRECT YOUR COMMENTS ONLY TO THE COUNCIL.**

1. CALL MEETING TO ORDER – Mayor
2. PLEDGE ALLEGIANCE TO THE FLAG
3. ROLL CALL – City Clerk
4. CEREMONIAL:
  - a. Older Americans Month Proclamation - Dr. George Ingraham ..... Page 4
  - b. National Bike Month – Mr. Bill Etter..... Page 5
5. MODIFICATIONS TO THE AGENDA
6. STUDY SESSIONS
7. PUBLIC COMMENT. (This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Items requiring Council action not listed on this agenda will be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3<sup>rd</sup>s of the Council that the item came up after the agenda was posted and is of an urgent nature requiring immediate action. This portion of the meeting will be approximately 30 minutes total for all speakers, with each speaker given no more than five minutes.)

8. CONSENT CALENDAR. (All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion. Unless a specific request is made by a Councilmember, staff or the public, the Consent Calendar will not be read. There will be no separate discussion of these items. However, if discussion is required, that item will be removed from the Consent Calendar and considered separately under "Call Items.")

- a. Acceptance of Accounts Payable ..... Page 7
- b. Approval of previous minutes
  - i. April 7, 2011 ..... Page 19
  - ii. April 21, 2011 ..... Page 21

9. CALL ITEMS

10. PRESENTATION / Community Forum

- a. County General Plan Update – Martha Spencer, Senior Planner, County of Humboldt ..... Page 22

11. BUSINESS

- a. Resolution 2011-21 to expand Scope of Work and funding necessary for Housing Element Update HCD compliance ..... Page 25
- b. Resolution 2011-20 for 9<sup>th</sup> Progress Pay Request for Management and Construction Related Costs for the Wastewater Treatment Plant ..... Page 33
- c. Approval of Change Orders 4 and 5 for the Wastewater Treatment Plant ..... Page 37
- d. Unmet Transit Needs update ..... Page 38
- e. PARSAC Joint Powers Agreement, Revision of Governing Documents ..... Page 39
- f. Mobile Vendors Process Change ..... Page 79

12. CORRESPONDENCE ..... Page 79

13. REPORTS

- a. City Manager Staff Report and Community Events ..... Page 80
- b. Commissions / Committees and others
  - i. Design Review Committee ..... Page 88
  - ii. Planning Commission ..... Page 90
- c. Council Reports and Comments
  - i. HWMA ..... Page 91
  - ii. Humboldt LAFCo ..... Page 93
  - iii. HCAOG ..... Page 95

14. ---

15. ---

16. ADJOURN ..... Page 98

**This notice is posted in compliance with Government Code §54954.2. The next Regular Meeting of the Ferndale City Council will be held on THURSDAY, June 2, 2011 in the Auditorium of City Hall at 7:00pm**

## **Section 1**

### **Call Meeting to Order**

## **Section 2**

### **Pledge Allegiance**

## **Section 3**

### **Roll Call**

## **Section 4**

### **Ceremonial**

#### **Older Americans Month**

Accepted by Dr. George Ingraham  
On behalf of Area 1 Agency on Aging

#### **National Bike Month**

Accepted by



## Older Americans Month 2011 Proclamation ~Gray Matters~ The Area 1 Agency on Aging

**Whereas**, the city of Ferndale is a community that includes 627 citizens aged 60 and older; and

**Whereas**, the older adults in the city of Ferndale are the roots from which our community grows, who bestow gifts of wisdom and insight upon younger generations, and strengthen the bonds between neighbors to create a better place to live; and

**Whereas**, our society can be enhanced by older adults aging peacefully in their communities; and

**Whereas**, the older adults in the city of Ferndale should be commended for their role in creating and bolstering the fiber of our community and nation; and

**Whereas**, our community can provide that recognition and respect by enriching the quality of life for older Americans by:

- Increasing their opportunities to remain in their communities as active and engaged citizens
- Providing services, technologies, and support systems that allow seniors to foster and maintain connections within the community
- Emphasizing the value of elders by publically recognizing their contributions to the diversity, strength, and unity of our community

**Now Therefore**, we of the city of Ferndale, California do hereby proclaim May 2011 to be Older Americans Month. We urge every citizen to take time this month to honor our older adults and the professionals, family members, and volunteers who care for them. Our recognition of older Americans and their involvement in our lives can help us achieve stronger and more meaningful connections with each other and enrich our community's quality of life.

Dated this Fifth day of May, 2011

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Jeffrey Farley, Mayor  
City of Ferndale, California



**City of Ferndale Proclamation  
NATIONAL BIKE MONTH \* May 2011**

WHEREAS, bicycle commuting is an effective means to improve air quality, reduce traffic congestion and noise, increase physical activity, as well as conserve energy;

WHEREAS, bicycling is part of the solution for addressing transportation needs, limiting climate change, conserving energy, and improving public health; and

WHEREAS, bicycle commuting can help us achieve the Global Warming Solutions Act of 2006, which requires California to reduce our greenhouse gas emissions 30 percent by 2020, and by 80 percent by 2050;

WHEREAS, bicycle commuting benefits both employees and employers through better employee health and fitness; reduced commuting, parking, and health care costs; lower employee absenteeism and turnover; and increased employee productivity;

WHEREAS, increasing numbers of businesses have installed bicycle parking and other facilities to help employees and customers commute by bicycle;

WHEREAS; Ferndale is working to improve multimodal pathways to support bicycle use;

WHEREAS, the City of Ferndale is home to the Tour of the Unknown Coast, which is known as the toughest century in California; and

WHEREAS, the month of May is "National Bike Month" which promotes the bicycle as a means of transportation and recreation and May is also "Clean Air Month" which promotes air quality;

NOW, THEREFORE, BE IT PROCLAIMED that the City Council of the City of Ferndale:

- I. Believes that achieving increased levels of bicycling and bicycle commuting is in the local, state, national and global interest; and
- II. Proclaims May 2011 as NATIONAL BIKE MONTH throughout Ferndale;
- III. Encourages adjacent jurisdictions to adopt similar proclamations in support of the Bike Month.
- IV. Urges all citizens to support and participate in these and other activities that contribute to the health of the community and the environment.

Dated this Fifth day of May, 2011

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Jeffrey Farley, Mayor  
City of Ferndale, California

## **Section 5**

# **Modifications to the Agenda**

## **Section 6**

# **Study Sessions**

## **Section 7**

# **Public Comment**

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction.

Items requiring Council action not listed on this agenda will be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3<sup>rd</sup> of the Council (three of the five members) that the item came up after the agenda was posted and is of an urgent nature requiring immediate action.

This portion of the meeting will be approximately 30 minutes total for all speakers, with each speaker given no more than five minutes. Please state your name and address for the record. (This is optional.)

## **Section 8**

# **Consent Agenda**

All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion.

Is there anyone on the Council, Staff or the public that would like to pull an item off the Consent Agenda for scrutiny? Those items will be considered separately under "Call Items."

**City of Ferndale**  
834 Main Street, P.O. Box 236, Ferndale, CA 95536

**Printed Regular Checks**

General Checking - Distribution Detail - From 03/22/11 To 04/20/11  
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|--|------------|------|--------|------------------------------------|----------------------------------|---------------|
| Acct No.                                       |            | Type |        | Override Description               | Amount                           | Amount        |
| 43632  | 04/20/11   |      | ACHUM  | ACCESS HUMBOLDT                    | Quarterly Payment                | 180.00        |
|  | 10165055   |      |        | Contractual services               | 180.00                           |               |
| <b>Total for ACCESS HUMBOLDT</b>               |            |      |        |                                    |                                  | <b>180.00</b> |
| 43560  | 04/04/11   |      | ARNKE  | ARNOLD C. KEMP                     | Monthly                          | 774.16        |
|  | 10435052   |      |        | Building regulation/inspectio      | 774.16                           |               |
| <b>Total for ARNOLD C. KEMP</b>                |            |      |        |                                    |                                  | <b>774.16</b> |
| 43568  | 04/05/11   |      | BAKTA  | BAKER & TAYLOR                     | Library                          | 404.72        |
|  | 10615024   |      |        | Books                              | 404.72                           |               |
| <b>Total for BAKER &amp; TAYLOR</b>            |            |      |        |                                    |                                  | <b>404.72</b> |
| 43588  | 04/07/11   |      | BAYWE  | BAY WEST SUPPLY, INC.              | Restrooms                        | 504.70        |
|  | 10155020   |      |        | Building and ground maint.         | 46.29                            |               |
|  | 10175024   |      |        | Supplies - public restroom         | 36.06                            |               |
|  | 10625020   |      |        | Building and ground maint.         | 320.51                           |               |
|  | 10635020   |      |        | Buildings and grounds maintenance  | 101.84                           |               |
| <b>Total for BAY WEST SUPPLY, INC.</b>         |            |      |        |                                    |                                  | <b>504.70</b> |
| 43601  | 04/11/11   |      | BBRZL  | BECKY BRAZIL                       | Village Club Remodel<br>Donation | 116.32        |
|  | 21625020   |      |        | Building and grounds maint         | 116.32                           |               |
| <b>Total for BECKY BRAZIL</b>                  |            |      |        |                                    |                                  | <b>116.32</b> |
| 43589  | 04/07/11   |      | BENAD  | BENEFICIAL ADMIN COMPANY INC.      |                                  | 187.04        |
|  | 10012260   |      |        | Health insurance payable           | 43.57                            |               |
|  | 10105007   |      |        | Medical insurance                  | 8.88                             |               |
|  | 10125007   |      |        | Medical insurance                  | 24.12                            |               |
|  | 10215007   |      |        | Medical insurance                  | 48.24                            |               |
|  | 10315007   |      |        | Medical insurance                  | 4.94                             | Monthly       |
|  | 10635007   |      |        | Medical insurance                  | 1.21                             |               |
|  | 22315007   |      |        | Medical insurance                  | 1.57                             |               |
|  | 25315007   |      |        | Medical insurance                  | 3.65                             |               |
|  | 26315007.1 |      |        | Medical Insurance                  | 2.17                             |               |
|  | 30515007   |      |        | Medical insurance                  | 48.69                            |               |
| <b>Total for BENEFICIAL ADMIN COMPANY INC.</b> |            |      |        |                                    |                                  | <b>187.04</b> |
| 43543  | 03/31/11   |      | BALBS  | BOB ALDRICH'S BODY SHOP            |                                  | 199.63        |
|  | 30515014   |      |        | Vehicle expense                    | 199.63                           | Sewer Dept    |
| <b>Total for BOB ALDRICH'S BODY SHOP</b>       |            |      |        |                                    |                                  | <b>199.63</b> |
| 43569  | 04/05/11   |      | BRSMT  | BRET SMITH                         | Police Dept Reimbursement        | 145.00        |
|  | 10215048   |      |        | Training                           | 145.00                           |               |
| 43633  | 04/20/11   |      | BRSMT  | BRET SMITH                         |                                  | 40.80         |
|  | 10215098   |      |        | Background expense                 | 40.80                            |               |
| <b>Total for BRET SMITH</b>                    |            |      |        |                                    |                                  | <b>185.80</b> |
| 43570  | 04/05/11   |      | CALST  | CALIFORNIA STATE DISBURSEMENT UNIT | Employee Paid                    | 393.22        |
|  | 10012250   |      |        | Garnishments payable               | 393.22                           |               |
| 43617  | 04/19/11   |      | CALST  | CALIFORNIA STATE DISBURSEMENT UNIT |                                  | 393.22        |
|  | 10012250   |      |        | Garnishments payable               | 393.22                           |               |

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| Acct No.   |            | Type |        | Override Description              | Amount                   | Amount          |
| <b>Total for CALIFORNIA STATE DISBURSEMENT UNI</b> |            |      |        |                                   |                          | <b>786.44</b>   |
| 43571  | 04/05/11   |      | CAMEL  | CAMPTON ELECTRIC SUPPLY, INC.     | Community Center         | 28.94           |
|  | 10635020   |      |        | Buildings and grounds maintenance | 28.94                    |                 |
| <b>Total for CAMPTON ELECTRIC SUPPLY, INC.</b>     |            |      |        |                                   |                          | <b>28.94</b>    |
| 43561  | 04/04/11   |      | CHACO  | CHAMBER OF COMMERCE               | Quarterly Payment        | 5,967.25        |
|  | 10175072   |      |        | Chamber of Commerce               | 5,967.25                 |                 |
| <b>Total for CHAMBER OF COMMERCE</b>               |            |      |        |                                   |                          | <b>5,967.25</b> |
| 43562  | 04/04/11   |      | CITFO  | CITY OF FORTUNA                   | Monthly                  | 1,016.66        |
|  | 10215035   |      |        | Dispatch service                  | 1,016.66                 |                 |
| 43618  | 04/19/11   |      | CITFO  | CITY OF FORTUNA                   | Sewer Dept               | 1,475.00        |
|  | 30515157   |      |        | Effluent testing                  | 1,475.00                 |                 |
| <b>Total for CITY OF FORTUNA</b>                   |            |      |        |                                   |                          | <b>2,491.66</b> |
| 43572  | 04/05/11   |      | COMAS  | COMPUTER ASSISTANCE               | Computer Tech            | 112.50          |
|  | 10125012   |      |        | Office expense                    | 112.50                   |                 |
| <b>Total for COMPUTER ASSISTANCE</b>               |            |      |        |                                   |                          | <b>112.50</b>   |
| 43573  | 04/05/11   |      | CNCON  | CORY NUNES CONSTRUCTION           | Community Center         | 250.00          |
|  | 10635020   |      |        | Buildings and grounds maintenance | 250.00                   |                 |
| <b>Total for CORY NUNES CONSTRUCTION</b>           |            |      |        |                                   |                          | <b>250.00</b>   |
| 43619  | 04/19/11   |      | DOCST  | DOCUSTATION                       | Monthly                  | 295.07          |
|  | 10165078   |      |        | Copy machine expense              | 295.07                   |                 |
| <b>Total for DOCUSTATION</b>                       |            |      |        |                                   |                          | <b>295.07</b>   |
| 43634  | 04/20/11   |      | DOUCU  | DOUG CULBERT                      | Sewer Dept Reimbursement | 110.00          |
|  | 30515044   |      |        | Meetings and dues                 | 110.00                   |                 |
| <b>Total for DOUG CULBERT</b>                      |            |      |        |                                   |                          | <b>110.00</b>   |
| 43574  | 04/05/11   |      | DUNMA  | DUN & MARTINEK LLP                | Feb/Mar Statement        | 5.14            |
|  | 10145052   |      |        | Professional services             | 5.14                     |                 |
| <b>Total for DUN &amp; MARTINEK LLP</b>            |            |      |        |                                   |                          | <b>5.14</b>     |
| 43590  | 04/07/11   |      | EDWJO  | EDWARD JONES & COMPANY            |                          | 8,806.71        |
|  | 10105010   |      |        | Deferred comp                     | 373.40                   |                 |
|  | 10125010   |      |        | Deferred retirement               | 1,523.00                 |                 |
|  | 10215010   |      |        | Deferred retirement               | 2,628.25                 |                 |
|  | 10315010   |      |        | Deferred retirement               | 624.56                   |                 |
|  | 10635010   |      |        | Deferred retirement               | Quarterly 189.60         |                 |
|  | 22315010   |      |        | Deferred retirement               | 186.08                   |                 |
|  | 25315010   |      |        | Deferred retirement               | 108.48                   |                 |
|  | 26315010.1 |      |        | Deferred compensation             | 442.80                   |                 |
|  | 30515010   |      |        | Deferred retirement               | 2,730.54                 |                 |
| <b>Total for EDWARD JONES &amp; COMPANY</b>        |            |      |        |                                   |                          | <b>8,806.71</b> |
| 43635  | 04/20/11   |      | EELRI  | EEL RIVER DISPOSAL                |                          | 29.25           |
|  | 10155030   |      |        | Trash service                     | Monthly 29.25            |                 |

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| Acct No.                                       |          | Type |        | Override Description              | Amount           | Amount          |
| <b>Total for EEL RIVER DISPOSAL</b>            |          |      |        |                                   |                  | <b>29.25</b>    |
| 100  | 04/04/11 | EFT  | EMPDE  | EMPLOYMENT DEVELOPMENT DEPARTMENT | Payroll Taxes    | 1,163.35        |
|  | 10012302 |      |        | State P/R Tax Deposits            | 1,163.35         |                 |
| 100  | 04/19/11 | EFT  | EMPDE  | EMPLOYMENT DEVELOPMENT DEPARTMENT |                  | 751.08          |
|  | 10012302 |      |        | State P/R Tax Deposits            | 751.08           |                 |
| <b>Total for EMPLOYMENT DEVELOPMENT DEPART</b> |          |      |        |                                   |                  | <b>1,914.43</b> |
| 43591  | 04/07/11 |      | FARPL  | FARM PLAN                         |                  | 120.64          |
|  | 30515014 |      |        | Vehicle expense                   | Sewer Dept.      | 120.64          |
| <b>Total for FARM PLAN</b>                     |          |      |        |                                   |                  | <b>120.64</b>   |
| 43575  | 04/05/11 |      | FORMO  | FORTUNA MOTORS                    |                  | 35.59           |
|  | 10215014 |      |        | Vehicle expense                   | Police Dept.     | 35.59           |
| <b>Total for FORTUNA MOTORS</b>                |          |      |        |                                   |                  | <b>35.59</b>    |
| 43592  | 04/07/11 |      | FRONT  | FRONTIER                          |                  | 730.32          |
|  | 10155034 |      |        | Telephone                         |                  | 189.93          |
|  | 10215034 |      |        | Telephone                         |                  | 185.90          |
|  | 10615034 |      |        | Telephone                         | Monthly          | 119.30          |
|  | 24315034 |      |        | Telephone                         |                  | 54.08           |
|  | 30515034 |      |        | Telephone                         |                  | 181.11          |
| <b>Total for FRONTIER</b>                      |          |      |        |                                   |                  | <b>730.32</b>   |
| 43576  | 04/05/11 |      | GECAP  | GE CAPITAL                        | Monthly          | 171.19          |
|  | 10165078 |      |        | Copy machine expense              |                  | 171.19          |
| <b>Total for GE CAPITAL</b>                    |          |      |        |                                   |                  | <b>171.19</b>   |
| 43636  | 04/20/11 |      | HUMSH  | HUMBOLDT CO SHERIFF DEPT          |                  | 11.90           |
|  | 10215086 |      |        | Booking fees                      | Police Dept      | 11.90           |
| <b>Total for HUMBOLDT CO SHERIFF DEPT</b>      |          |      |        |                                   |                  | <b>11.90</b>    |
| 43577  | 04/05/11 |      | HUMTE  | HUMBOLDT TERMITE & PEST           |                  | 49.00           |
|  | 10215020 |      |        | Building and grounds maint.       | Police Dept      | 49.00           |
| 43620  | 04/19/11 |      | HUMTE  | HUMBOLDT TERMITE & PEST           | Community Center | 65.00           |
|  | 10635020 |      |        | Buildings and grounds maintenance |                  | 65.00           |
| 43637  | 04/20/11 |      | HUMTE  | HUMBOLDT TERMITE & PEST           | Police Dept      | 49.00           |
|  | 10215020 |      |        | Building and grounds maint.       |                  | 49.00           |
| <b>Total for HUMBOLDT TERMITE &amp; PEST</b>   |          |      |        |                                   |                  | <b>163.00</b>   |
| 43563  | 04/04/11 |      | JAYPA  | JAY PARRISH                       |                  | 400.00          |
|  | 10165096 |      |        | Car Allowance                     | Monthly          | 400.00          |
| <b>Total for JAY PARRISH</b>                   |          |      |        |                                   |                  | <b>400.00</b>   |
| 43621  | 04/19/11 |      | LMREN  | L & M RENNER, INC.                |                  | 2,213.44        |
|  | 10215016 |      |        | Fuel                              | Monthly          | 1,371.13        |
|  | 24315016 |      |        | Vehicle Fuel                      |                  | 627.25          |
|  | 30515016 |      |        | Vehicle gas                       |                  | 215.06          |
| <b>Total for L &amp; M RENNER, INC.</b>        |          |      |        |                                   |                  | <b>2,213.44</b> |

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| Acct No.                                     | Type     |     | Override Description | Amount                                 | Amount                           |                 |
| 43578  | 04/05/11 |     | LINFR                | LINDSEY FRANK                          |                                  | 930.70          |
|  | 10215048 |     |                      | Training                               | Police Dept Reimbursement        | 930.70          |
| <b>Total for LINDSEY FRANK</b>               |          |     |                      |  |                                  | <b>930.70</b>   |
| 43622  | 04/19/11 |     | LOCDO                | LOCK DOKTOR II                         | Community Center                 | 4.87            |
|  | 10635020 |     |                      | Buildings and grounds maintenance      |                                  | 4.87            |
| <b>Total for LOCK DOKTOR II</b>              |          |     |                      |  |                                  | <b>4.87</b>     |
| 43593  | 04/07/11 |     | MANHD                | MANHARD CONSULTING LTD                 |                                  | 1,478.75        |
|  | 10425052 |     |                      | General engineering                    |                                  | 753.75          |
|  | 10425053 |     |                      | Developer engineering                  | March Statement                  | 250.00          |
|  | 30515095 |     |                      | Capital outlay                         |                                  | 16.25           |
|  | 40315052 |     |                      | Plans, specs & estimates               |                                  | 458.75          |
| <b>Total for MANHARD CONSULTING LTD</b>      |          |     |                      |  |                                  | <b>1,478.75</b> |
| 43623  | 04/19/11 |     | MARGO                | MARGO CHANDLER                         |                                  | 147.69          |
|  | 10165099 |     |                      | Miscellaneous                          |                                  | 147.69          |
| <b>Total for MARGO CHANDLER</b>              |          |     |                      |  |                                  | <b>147.69</b>   |
| 43579  | 04/05/11 |     | MDTUB                | MARTHA & DAN TUBBS, JR.                |                                  | 157.86          |
|  | 10165099 |     |                      | Miscellaneous                          | Village Club Remodel<br>Donation | 157.86          |
| <b>Total for MARTHA &amp; DAN TUBBS, JR.</b> |          |     |                      |  |                                  | <b>157.86</b>   |
| 43580  | 04/05/11 |     | MERFR                | MERCER FRASER COMPANY                  | streets                          | 319.17          |
|  | 24315021 |     |                      | Street maintenance                     |                                  | 319.17          |
| 43624  | 04/19/11 |     | MERFR                | MERCER FRASER COMPANY                  |                                  | 60.79           |
|  | 10155020 |     |                      | Building and ground maint.             |                                  | 60.79           |
| <b>Total for MERCER FRASER COMPANY</b>       |          |     |                      |  |                                  | <b>379.96</b>   |
| 43564  | 04/04/11 |     | MIRRE                | MIRANDA'S RESCUE                       |                                  | 450.00          |
|  | 10225096 |     |                      | Animal control                         | Monthly                          | 450.00          |
| <b>Total for MIRANDA'S RESCUE</b>            |          |     |                      |  |                                  | <b>450.00</b>   |
| 43581  | 04/05/11 |     | MISSN                | MISSION UNIFORM & LINEN                | Community Center                 | 22.73           |
|  | 10635020 |     |                      | Buildings & grounds maintenance - Comr |                                  | 22.73           |
| 43638  | 04/20/11 |     | MISSN                | MISSION UNIFORM & LINEN                |                                  | 22.73           |
|  | 10635020 |     |                      | Buildings & grounds maintenance - Comr |                                  | 22.73           |
| <b>Total for MISSION UNIFORM &amp; LINEN</b> |          |     |                      |  |                                  | <b>45.46</b>    |
| 43625  | 04/19/11 |     | NILCO                | NILSEN COMPANY                         |                                  | 294.60          |
|  | 10155020 |     |                      | Building and ground maint.             |                                  | 103.61          |
|  | 10175024 |     |                      | Supplies - public restroom             |                                  | 25.77           |
|  | 10625020 |     |                      | Building and ground maint.             |                                  | 20.45           |
|  | 10635031 |     |                      | Water                                  | Monthly                          | 15.27           |
|  | 24315088 |     |                      | Equipment repair                       |                                  | 17.68           |
|  | 30515014 |     |                      | Vehicle expense                        |                                  | 6.12            |
|  | 30515021 |     |                      | Street maintenance                     |                                  | 54.30           |
|  | 30515022 |     |                      | Street repair                          |                                  | 46.73           |
|  | 30515121 |     |                      | Sewer plant maintenance                |                                  | 4.67            |

**City of Ferndale**  
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**Printed Regular Checks**

General Checking - Distribution Detail - From 03/22/11 To 04/20/11  
Check #: All - Vendor: All - Payee Name: All - By Payee Name - AP Pmt Distribution

| Chk No.  | Date     | Pay | Ven ID | Vendor Name \ Payee Name                  | Distribution         | Check            |
|--|----------|-----|--------|---|----------------------|------------------|
| Acct No.                                       | Type     |     |        | Override Description                      | Amount               | Amount           |
| <b>Total for NILSEN COMPANY</b>                |          |     |        |   |                      | <b>294.60</b>    |
| 43594  | 04/07/11 |     | NORCO  | NORTH COAST LABORATORIES LTD.             |                      | 700.00           |
|  | 30515157 |     |        | Effluent testing                          | 700.00               |                  |
| <b>Total for NORTH COAST LABORATORIES LTD.</b> |          |     |        |   |                      | <b>700.00</b>    |
| 100  | 04/04/11 | EFT | NORVA  | NORTH VALLEY BANK                         | Payroll Taxes        | 6,010.63         |
|  | 10012301 |     |        | Federal P/R Tax Deposits                  | 6,010.63             |                  |
| 100  | 04/19/11 | EFT | NORVA  | NORTH VALLEY BANK                         |                      | 4,542.81         |
|  | 10012301 |     |        | Federal P/R Tax Deposits                  | 4,542.81             |                  |
| 43565  | 04/04/11 |     | NORVL  | NORTH VALLEY BANK (1) \ NORTH VALLEY BANK |                      | 1,948.36         |
|  | 26315194 |     |        | Interest-Six Rivers loan                  | Loan Payment         | 1,948.36         |
| <b>Total for NORTH VALLEY BANK</b>             |          |     |        |   |                      | <b>12,501.80</b> |
| 43582  | 04/05/11 |     | PACGA  | PACIFIC GAS & ELECTRIC                    |                      | 1,150.32         |
|  | 22315058 |     |        | Street lighting                           | 1,150.32             |                  |
| 43626  | 04/19/11 |     | PACGA  | PACIFIC GAS & ELECTRIC                    |                      | 3,413.85         |
|  | 10155032 |     |        | Utilities electric                        | 152.79               |                  |
|  | 10175032 |     |        | Electric - public restroom                | 13.01                |                  |
|  | 10215032 |     |        | Utilities electric                        | 103.15               |                  |
|  | 10615032 |     |        | Utilities                                 | Monthly              | 129.89           |
|  | 10625032 |     |        | Utilities - electric                      | 46.40                |                  |
|  | 10635032 |     |        | Utilities                                 | 250.76               |                  |
|  | 22315058 |     |        | Street lighting                           | 24.54                |                  |
|  | 24315032 |     |        | Utilities                                 | 164.77               |                  |
|  | 30515032 |     |        | Utilities - electric - plant              | 2,528.54             |                  |
| <b>Total for PACIFIC GAS &amp; ELECTRIC</b>    |          |     |        |   |                      | <b>4,564.17</b>  |
| 43542  | 03/23/11 |     | PASFL  | PASSION FLOWERS                           | village Club Remodel | 108.25           |
|  | 10165099 |     |        | Miscellaneous                             | Donation             | 108.25           |
| <b>Total for PASSION FLOWERS</b>               |          |     |        |   |                      | <b>108.25</b>    |
| 43627  | 04/19/11 |     | PLANW  | PLANWEST PARTNERS, INC.                   | Feb/March Statement  | 4,856.25         |
|  | 10415052 |     |        | General planning services                 | 4,531.25             |                  |
|  | 10415053 |     |        | Reimbursable fees                         | Reimbursable         | 325.00           |
| <b>Total for PLANWEST PARTNERS, INC.</b>       |          |     |        |   |                      | <b>4,856.25</b>  |
| 43583  | 04/05/11 |     | QUILL  | QUILL                                     | Library              | 101.90           |
|  | 10615012 |     |        | Office expense                            | 101.90               |                  |
| <b>Total for QUILL</b>                         |          |     |        |   |                      | <b>101.90</b>    |
| 43566  | 04/04/11 |     | ROBSM  | ROBIN SMITH                               |                      | 153.47           |
|  | 10245052 |     |        | Professional services                     | Monthly              | 153.47           |
| <b>Total for ROBIN SMITH</b>                   |          |     |        |   |                      | <b>153.47</b>    |
| 43567  | 04/04/11 |     | SCOUTS | SCOUTS                                    | Quarterly Payment    | 450.00           |
|  | 10165099 |     |        | Miscellaneous                             | 450.00               |                  |
| <b>Total for SCOUTS</b>                        |          |     |        |   |                      | <b>450.00</b>    |

**City of Ferndale**  
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| Chk No.  | Date     | Pay                  | Ven ID | Vendor Name \ Payee Name           | Distribution     | Check           |
|--|----------|----------------------|--------|------------------------------------|------------------|-----------------|
| Acct No.   | Type     | Override Description | Amount | Amount                             |                  |                 |
| 43584  | 04/05/11 | SEQGA                |        | SEQUOIA GAS COMPANY                |                  | 1,910.43        |
|  | 10155033 |                      |        | Utilities gas                      | 751.00           |                 |
|  | 10615031 |                      |        | Gas Monthly                        | 828.96           |                 |
|  | 10635033 |                      |        | Gas                                | 330.47           |                 |
| <b>Total for SEQUOIA GAS COMPANY</b>               |          |                      |        |                                    |                  | <b>1,910.43</b> |
| 43595  | 04/07/11 | SIRRA                |        | SIERRA CHEMICAL CO.                |                  | 24.86           |
|  | 30515125 |                      |        | Chlorine                           | 24.86            |                 |
| 43639  | 04/20/11 | SIRRA                |        | SIERRA CHEMICAL CO.                | sewer Dept       | 1,597.88        |
|  | 30515125 |                      |        | Chlorine                           | 1,597.88         |                 |
| <b>Total for SIERRA CHEMICAL CO.</b>               |          |                      |        |                                    |                  | <b>1,622.74</b> |
| 43585  | 04/05/11 | STAPE                |        | STAPLES CREDIT PLAN                | Monthly          | 72.76           |
|  | 10125012 |                      |        | Office expense                     | 72.76            |                 |
| <b>Total for STAPLES CREDIT PLAN</b>               |          |                      |        |                                    |                  | <b>72.76</b>    |
| 43586  | 04/05/11 | FEREN                |        | THE FERNDALE ENTERPRISE            | Advertising      | 38.68           |
|  | 10115013 |                      |        | Advertising - Council              | 23.80            |                 |
|  | 10415013 |                      |        | Advertising                        | 14.88            |                 |
| 43628  | 04/19/11 | FEREN                |        | THE FERNDALE ENTERPRISE            |                  | 29.40           |
|  | 10115013 |                      |        | Advertising - Council              | 29.40            |                 |
| <b>Total for THE FERNDALE ENTERPRISE</b>           |          |                      |        |                                    |                  | <b>68.08</b>    |
| 43587  | 04/05/11 | THOGZ                |        | THOMAS W. GONZALEZ, SR             | community center | 320.00          |
|  | 10635020 |                      |        | Buildings and grounds maintenance  | 320.00           |                 |
| <b>Total for THOMAS W. GONZALEZ, SR</b>            |          |                      |        |                                    |                  | <b>320.00</b>   |
| 43629  | 04/19/11 | TIPMO                |        | TIPPLE MOTORS, INC.                | Police Dept      | 57.00           |
|  | 10215014 |                      |        | Vehicle expense                    | 57.00            |                 |
| <b>Total for TIPPLE MOTORS, INC.</b>               |          |                      |        |                                    |                  | <b>57.00</b>    |
| 43596  | 04/07/11 | USBNK                |        | U.S. BANK CORPORATE PAYMENT SYSTEM |                  | 282.24          |
|  | 30515048 |                      |        | Training                           | sewer Dept       | 282.24          |
| <b>Total for U.S. BANK CORPORATE PAYMENT SYSTE</b> |          |                      |        |                                    |                  | <b>282.24</b>   |
| 43597  | 04/07/11 | VALGR                |        | VALLEY GROCERY                     | sewer Dept       | 15.82           |
|  | 30515157 |                      |        | Effluent testing                   | 15.82            |                 |
| 43630  | 04/19/11 | VALGR                |        | VALLEY GROCERY                     | City Hall        | 10.79           |
|  | 10155020 |                      |        | Building and ground maint.         | 10.79            |                 |
| <b>Total for VALLEY GROCERY</b>                    |          |                      |        |                                    |                  | <b>26.61</b>    |
| 43598  | 04/07/11 | VALLU                |        | VALLEY LUMBER                      | community center | 514.55          |
|  | 10635020 |                      |        | Buildings and grounds maintenance  | 51.17            |                 |
|  | 20625020 |                      |        | Blding/Grd Mnt.                    | Russ Park        | 463.38          |
| <b>Total for VALLEY LUMBER</b>                     |          |                      |        |                                    |                  | <b>514.55</b>   |

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| Chk No.                        | Date     | Pay | Ven ID               | Vendor Name \ Payee Name   | Distribution     | Check            |
|--------------------------------|----------|-----|----------------------|----------------------------|------------------|------------------|
| Acct No.                       | Type     |     | Override Description |                            | Amount           | Amount           |
| 43599                          | 04/07/11 |     | VERZN                | VERIZON                    |                  | 247.53           |
|                                | 10155034 |     |                      | Telephone                  | 29.51            |                  |
|                                | 10215034 |     |                      | Telephone                  | 118.01           |                  |
|                                | 24315034 |     |                      | Telephone                  | 11.50            |                  |
|                                | 30515034 |     |                      | Telephone                  | 88.51            |                  |
| <b>Total for VERIZON</b>       |          |     |                      |                            |                  | <b>247.53</b>    |
| 43600                          | 04/07/11 |     | WYCKO                | WYCKOFF'S                  |                  | 177.58           |
|                                | 10625020 |     |                      | Building and ground maint. | 37.83            |                  |
|                                | 30515122 |     |                      | Sewer line maintenance     | 139.75           |                  |
| <b>Total for WYCKOFF'S</b>     |          |     |                      |                            |                  | <b>177.58</b>    |
| <b>Total for the 70 checks</b> |          |     |                      |                            | <b>59,821.09</b> | <b>59,821.09</b> |

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Account Distributions

| Account No. | Account Description         | Amount    |
|-------------|-----------------------------|-----------|
| 10012250    | Garnishments payable        | 786.44    |
| 10012260    | Health insurance payable    | 43.57     |
| 10012301    | Federal P/R Tax Deposits    | 10,553.44 |
| 10012302    | State P/R Tax Deposits      | 1,914.43  |
| 10105007    | Medical insurance           | 8.88      |
| 10105010    | Deferred comp               | 373.40    |
| 10115013    | Advertising - Council       | 53.20     |
| 10125007    | Medical insurance           | 24.12     |
| 10125010    | Deferred retirement         | 1,523.00  |
| 10125012    | Office expense              | 185.26    |
| 10145052    | Professional services       | 5.14      |
| 10155020    | Building and ground maint.  | 221.48    |
| 10155030    | Trash service               | 29.25     |
| 10155032    | Utilities electric          | 152.79    |
| 10155033    | Utilities gas               | 751.00    |
| 10155034    | Telephone                   | 219.44    |
| 10165055    | Contractual services        | 180.00    |
| 10165078    | Copy machine expense        | 466.26    |
| 10165096    | Car Allowance               | 400.00    |
| 10165099    | Miscellaneous               | 863.80    |
| 10175024    | Supplies - public restroom  | 61.83     |
| 10175032    | Electric - public restroom  | 13.01     |
| 10175072    | Chamber of Commerce         | 5,967.25  |
| 10215007    | Medical insurance           | 48.24     |
| 10215010    | Deferred retirement         | 2,628.25  |
| 10215014    | Vehicle expense             | 92.59     |
| 10215016    | Fuel                        | 1,371.13  |
| 10215020    | Building and grounds maint. | 98.00     |
| 10215032    | Utilities electric          | 103.15    |
| 10215034    | Telephone                   | 303.91    |
| 10215035    | Dispatch service            | 1,016.66  |
| 10215048    | Training                    | 1,075.70  |
| 10215086    | Booking fees                | 11.90     |

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|          |                                   |          |
|----------|-----------------------------------|----------|
| 10215098 | Background expense                | 40.80    |
| 10225096 | Animal control                    | 450.00   |
| 10245052 | Professional services             | 153.47   |
| 10315007 | Medical insurance                 | 4.94     |
| 10315010 | Deferred retirement               | 624.56   |
| 10415013 | Advertising                       | 14.88    |
| 10415052 | General planning services         | 4,531.25 |
| 10415053 | Reimbursable fees                 | 325.00   |
| 10425052 | General engineering               | 753.75   |
| 10425053 | Developer engineering             | 250.00   |
| 10435052 | Building regulation/inspectio     | 774.16   |
| 10615012 | Office expense                    | 101.90   |
| 10615024 | Books                             | 404.72   |
| 10615031 | Gas                               | 828.96   |
| 10615032 | Utilities                         | 129.89   |
| 10615034 | Telephone                         | 119.30   |
| 10625020 | Building and ground maint.        | 378.79   |
| 10625032 | Utilities - electric              | 46.40    |
| 10635007 | Medical insurance                 | 1.21     |
| 10635010 | Deferred retirement               | 189.60   |
| 10635020 | Buildings and grounds maintenance | 867.28   |
| 10635031 | Water                             | 15.27    |
| 10635032 | Utilities                         | 250.76   |
| 10635033 | Gas                               | 330.47   |
| 20625020 | Blding/Grd Mnt.                   | 463.38   |
| 21625020 | Building and grounds maint        | 116.32   |
| 22315007 | Medical insurance                 | 1.57     |
| 22315010 | Deferred retirement               | 186.08   |
| 22315058 | Street lighting                   | 1,174.86 |
| 24315016 | Vehicle Fuel                      | 627.25   |
| 24315021 | Street maintenance                | 319.17   |
| 24315032 | Utilities                         | 164.77   |
| 24315034 | Telephone                         | 65.58    |
| 24315088 | Equipment repair                  | 17.68    |
| 25315007 | Medical insurance                 | 3.65     |
| 25315010 | Deferred retirement               | 108.48   |

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|            |                              |           |
|------------|------------------------------|-----------|
| 26315007.1 | Medical Insurance            | 2.17      |
| 26315010.1 | Deferred compensation        | 442.80    |
| 26315194   | Interest-Six Rivers loan     | 1,948.36  |
| 30515007   | Medical insurance            | 48.69     |
| 30515010   | Deferred retirement          | 2,730.54  |
| 30515014   | Vehicle expense              | 326.39    |
| 30515016   | Vehicle gas                  | 215.06    |
| 30515021   | Street maintenance           | 54.30     |
| 30515022   | Street repair                | 46.73     |
| 30515032   | Utilities - electric - plant | 2,528.54  |
| 30515034   | Telephone                    | 269.62    |
| 30515044   | Meetings and dues            | 110.00    |
| 30515048   | Training                     | 282.24    |
| 30515095   | Capital outlay               | 16.25     |
| 30515121   | Sewer plant maintenance      | 4.67      |
| 30515122   | Sewer line maintenance       | 139.75    |
| 30515125   | Chlorine                     | 1,622.74  |
| 30515157   | Effluent testing             | 2,190.82  |
| 40315052   | Plans, specs & estimates     | 458.75    |
|            |                              | 59,821.09 |

## City of Ferndale

834 Main Street, P.O. Box 236, Ferndale, CA 95536

## Printed PayCheck Checks

General Checking - Date Range: From 03/22/11 To 04/20/11 - Check #: All - Dept: All  
 Sort Code: All - EmpID: All - Emp Name: All - By Check Number

| Check #      | Date     | Emp. # | Employee Name          | Amount           |
|--------------|----------|--------|------------------------|------------------|
| 43511        | 03/22/11 | 1,215  | DEBERA H. AUSTRUS      | 1,541.94         |
| 43512        | 03/22/11 | 2,190  | HEATH A. BOHACIK       | 666.38           |
| 43513        | 03/22/11 | 5,220  | STEVE L. COPPINI       | 1,110.24         |
| 43514        | 03/22/11 | 5,221  | DOUGLAS E. CULBERT     | 1,862.72         |
| 43515        | 03/22/11 | 2,178  | PAUL A. DIAZ JR.       | 745.86           |
| 43516        | 03/22/11 | 2,179  | JASON R. HYNES         | 988.94           |
| 43517        | 03/22/11 | 1,214  | NANCY S. KAYTIS-SLOCUM | 1,328.43         |
| 43518        | 03/22/11 | 5,235  | TIMOTHY W. MIRANDA     | 1,093.86         |
| 43519        | 03/22/11 | 1,012  | JAY D. PARRISH         | 2,194.37         |
| 43520        | 03/22/11 | 2,200  | BRET A. SMITH          | 1,349.75         |
| 43521        | 03/22/11 | 5,280  | DANIEL V. SUTTON       | 1,017.64         |
| 43522        | 03/22/11 | 6,115  | MARY ELLEN BOYNTON     | 84.85            |
| 43523        | 03/22/11 | 2,185  | LINDSEY D. FRANK       | 898.55           |
| 43524        | 03/22/11 | 6,142  | DIANNA L. RICHARDSON   | 84.84            |
| 43525        | 03/22/11 | 1,216  | BRIANNA A. SMITH       | 272.50           |
| 43544        | 04/04/11 | 1,510  | MARIA A. ROSA          | 201.95           |
| 43545        | 04/05/11 | 1,215  | DEBERA H. AUSTRUS      | 1,541.95         |
| 43546        | 04/05/11 | 2,190  | HEATH A. BOHACIK       | 666.37           |
| 43547        | 04/05/11 | 5,220  | STEVE L. COPPINI       | 1,110.24         |
| 43548        | 04/05/11 | 5,221  | DOUGLAS E. CULBERT     | 1,862.71         |
| 43549        | 04/05/11 | 2,178  | PAUL A. DIAZ JR.       | 780.77           |
| 43550        | 04/05/11 | 2,179  | JASON R. HYNES         | 3,179.90         |
| 43551        | 04/05/11 | 1,214  | NANCY S. KAYTIS-SLOCUM | 1,328.43         |
| 43552        | 04/05/11 | 5,235  | TIMOTHY W. MIRANDA     | 1,093.86         |
| 43553        | 04/05/11 | 1,012  | JAY D. PARRISH         | 2,194.37         |
| 43554        | 04/05/11 | 2,200  | BRET A. SMITH          | 1,349.74         |
| 43555        | 04/05/11 | 5,280  | DANIEL V. SUTTON       | 1,017.64         |
| 43556        | 04/05/11 | 6,115  | MARY ELLEN BOYNTON     | 84.84            |
| 43557        | 04/05/11 | 2,185  | LINDSEY D. FRANK       | 898.55           |
| 43558        | 04/05/11 | 6,142  | DIANNA L. RICHARDSON   | 84.85            |
| 43559        | 04/05/11 | 1,216  | BRIANNA A. SMITH       | 363.96           |
| 43602        | 04/19/11 | 1,215  | DEBERA H. AUSTRUS      | 1,541.94         |
| 43603        | 04/19/11 | 2,190  | HEATH A. BOHACIK       | 753.27           |
| 43604        | 04/19/11 | 5,220  | STEVE L. COPPINI       | 1,110.24         |
| 43605        | 04/19/11 | 5,221  | DOUGLAS E. CULBERT     | 1,862.72         |
| 43606        | 04/19/11 | 2,178  | PAUL A. DIAZ JR.       | 710.95           |
| 43607        | 04/19/11 | 2,179  | JASON R. HYNES         | 941.56           |
| 43608        | 04/19/11 | 1,214  | NANCY S. KAYTIS-SLOCUM | 1,328.42         |
| 43609        | 04/19/11 | 5,235  | TIMOTHY W. MIRANDA     | 1,093.86         |
| 43610        | 04/19/11 | 1,012  | JAY D. PARRISH         | 2,194.37         |
| 43611        | 04/19/11 | 2,200  | BRET A. SMITH          | 1,349.75         |
| 43612        | 04/19/11 | 5,280  | DANIEL V. SUTTON       | 1,017.64         |
| 43613        | 04/19/11 | 6,115  | MARY ELLEN BOYNTON     | 84.84            |
| 43614        | 04/19/11 | 2,185  | LINDSEY D. FRANK       | 1,035.46         |
| 43615        | 04/19/11 | 6,142  | DIANNA L. RICHARDSON   | 84.84            |
| 43616        | 04/19/11 | 1,216  | BRIANNA A. SMITH       | 298.94           |
| <b>Total</b> |          |        |                        | <b>48,409.80</b> |

## USDA

| <b>Date Clr</b> | <b>Clr</b> | <b>Date</b> |  | <b>EFT</b> | <b>Deposits</b> | <b>Balance</b> |
|-----------------|------------|-------------|--|------------|-----------------|----------------|
| 2/28/2011       | x          | 2/28/2011   | Service Charge                         | 0.82       |                 | 1,835.48       |
| 3/31/2011       | x          | 3/31/2011   | Service Charge                         | 10.55      |                 | 1,824.93       |
| 4/7/2011        | x          | 4/7/2011    | DEPOSIT                                |            | 676,084.13      | 677,909.06     |
| 4/7/2011        | x          | 4/7/2011    | North Coast Unified Air Quality Pd Gen | 1,180.14   |                 | 676,728.92     |
| 4/7/2011        | x          | 4/7/2011    | Manhard                                | 59,263.16  |                 | 617,465.76     |
| 4/7/2011        | x          | 4/7/2011    | Wahlund Construction                   | 615,640.83 |                 | 1,824.93       |

**City of Ferndale, Humboldt County, California USA**  
City Council Minutes for the April 7, 2011 Meeting 5:30 p.m.

Study Session: Present at the study session were City Councilmembers Jeffrey Farley, John Maxwell and Stuart Titus; Staff City Manager Jay Parrish, City Clerk Nancy Kaytis-Slocum and Financial Manager Deb Austrus. The study session proceeded with City Manager Parrish distributing suggestions for goals. He asked that the Council look these over and edit them in any way in the next two weeks. Discussion continued regarding the City Manager Evaluation process. It was decided to refer to the evaluation form in the City Manager Contract. Councilman Maxwell discussed expectations vs. goals. The study session continued with Kent Hanford discussing change orders for the Wastewater Treatment Plant (WWTP). We are still well within the budget. The study session concluded at 6:50 pm.

Mayor Jeffrey Farley called the regular City Council meeting to order at 7 p.m. Also present were Councilmen Mierzwa, Maxwell, Lorenzen and Titus as well as City Manager Parrish, City Clerk Kaytis-Slocum, Financial Manager Deb Austrus, Chief Plant Operator Doug Culbert, Police Chief Bret Smith and Manhard Project Manager Kent Hanford. Those present pledged allegiance to the flag.

City Clerk Kaytis-Slocum read the Proclamation "Welcome Home Vietnam Vets." Veteran Craig Cowan accepted the Proclamation from Mayor Farley and thanked the City for their support.

Modifications to the Agenda: City Manager Parrish asked that 11i be moved to the front of the Business section.

Under Public Comment Al Dunnegan spoke about the Humboldt Tea Party Patriots' Resolution Against Smart Meter Deployment, and asked the City Council to consider passing an ordinance banning Smart Meters.

Consent Calendar: MOTION: (Titus/Mierzwa) Accept Accounts Payable, Approve the minutes for March 3, 2011 and March 14, 2011. Unanimous vote 4-0 (Councilman Lorenzen abstained which is not counted as a vote, according to the Rosenberg's Rules of Order).

Presentation: Chief Plant Operator Doug Culbert gave a visual presentation showing the progress at the Wastewater Treatment Plant. Comments were also provided by Project Manager Kent Hanford.

Humboldt County General Plan Update: Tina Christiansen and Bob Morrison distributed a packet of information to each of the councilmen, to the City Manager and City Clerk. Also speaking on the subject were Estelle Fennel, John Miller and Duane Martin. Councilmen Titus, Mierzwa, Lorenzen and Maxwell asked for more information.

MOTION: (Titus/Mierzwa) Table this item until we can get more information from the County on it. All in favor.

Mayor Farley opened the PUBLIC HEARING for Unmet Transit Needs at 7:50pm. Brian Simon of 32 Herbert Street in Ferndale says that it costs him \$350 a month to drive to his job in Eureka five days a week. The addition of citizens in the Ferndale/Navy Housing complex may increase the need for public transit. Fernbridge has limited stops (six a day) by Humboldt Transit Authority. He feels Ferndale needs public transit. John Miller, 504 Shaw Avenue in Ferndale is in favor of transit service in Ferndale and feels it is needed at least to Eureka and Fortuna. It is important for access to the economically challenged. He encouraged the city to work the HTA to see if service to Ferndale would be economically feasible. Maryann Bansen reminded the audience and council that the Senior Resource Center provides transportation for seniors and the disabled. Mayor Farley Closed the Public Hearing at 8:12pm. The City Council discussed the issue and asked that the City Manager research having HTA come to Ferndale, or whether Ferndale can afford to offer their own transit service with a small van offering two trips in the morning and two in the evening. Ms. Bansen advised if Ferndale offers their own service to look at the costs of Workers Compensation for the driver. The council asked the City Manager to bring information back to the May 5, 2011 meeting.

Mobile Vendors moratorium: The council discussed the issue and decided that this is a process change and not an ordinance change. MOTION: (Titus/Maxwell) Approve a 30 day or less moratorium and direct staff to change the mobile vendor process. All in favor.

Ferndale/Navy Housing Market Study: Councilmen Maxwell and Mierzwa both expressed their disappointment in the document. City Manager Parrish relayed that the Navy is doing the Lead & Asbestos study, and will also do the mold remediation. They have extended the police department contract and the grounds-keeping contract. We have not yet signed a document accepting the complex from the Navy. MOTION: (Titus/Mierzwa) Accept Revised Draft Market Study as Final. Motion carried with a Nay from Councilman Lorenzen.

Resolution 2011-14 8<sup>th</sup> Progress Pay Request for Management and Construction Related Costs for the WWTP. Project Manager Hanford advised that we are over 50% finished; by mid-September we should be operational, and by mid-November final acceptance. MOTION: (Mierzwa/Maxwell) Approve Resolution 2011-14 8<sup>th</sup> Progress Pay Request for Management and Construction Related Costs for the WWTP. All in favor.

Contract with Humboldt State University for Sewer GIS Mapping: Chief Plant Operator Culbert explained that the city would be getting this service done for about 1/3 of the price usually asked by a GIS Mapping service. MOTION: (Maxwell/Titus) Approve Resolution 2011-13 Authorize Contract with Humboldt State University for Sewer GIS Mapping. All in favor.

Change in Health Insurance Provider: MOTION: (Maxwell/Titus) Approve Resolution 2011-17 Health Insurance provider change to California State Association of Counties (CSAC). All in favor.

Vehicle Lease Agreement: Chief Smith proposes entering into an agreement to lease one new 2010 Dodge Charger. The terms of the agreement include leasing the vehicle for one dollar (\$1.00) from date of delivery until December 1, 2014 or until the vehicle has 25,000 miles, whichever comes first. It is Leasor's desire to accept back the vehicle for their business use and provide the police department with a new Dodge Charger at the time of return. MOTION: Approve Resolution 2010-15 Authorizing the City Manager to sign a Vehicle Lease Agreement. All in favor.

Fernbridge Centennial Celebration: The Fernbridge Celebration Committee is planning the Centennial Celebration of Fernbridge for Sunday, August 7, 2011. The dedication ceremony will begin at 11 am and will conclude with a Run/Walk across Fernbridge, which requires the closure of the bridge for a fifteen minute time period that will occur somewhere between 12:30 and 1:00 pm. The California Department of Transportation (CalTrans) requires a formal resolution from the communities affected by the closure. MOTION: (Farley/Titus) Approve Resolution 2010-16 Acknowledging and authorizing the closure of Fernbridge on August 7, 2011 for the Centennial Celebration. All in favor.

Under Staff Reports and Community Events, Liz Murgia's retirement party is coming up at the Botanical Gardens.

Under Council comments, Councilman Mierzwa talked about his dissatisfaction with the Market Study as well as the RFP that was issued last month regarding the Ferndale/Navy Housing complex. Costs keep mounting and delays should have been better anticipated. City Manager Parrish explained that the mounting costs and delays are tied to the Navy, not the City.

Redwood Regional Economic Development Commission: Councilman Mierzwa explained that in trying to get airlines to come to Humboldt County, two staff went to Texas where 100 airports sent representatives to court 30 airlines. It is not easy to get an airline to commit to coming to Humboldt County.

The meeting was adjourned at 9:20 pm. The next regular council meeting will be May 5, 2011.

Respectfully Submitted:

Nancy Kaytis-Slocum

City Clerk

**City of Ferndale, Humboldt County, California USA**

City Council Minutes for the April 21, 2011 Meeting 4:30 p.m.

Page 1

Mayor Jeffrey Farley called the special City Council meeting to order at 4:30 p.m. Present were Councilmen, Maxwell, Lorenzen and Titus as well as City Clerk Kaytis-Slocum. Councilman Mierzwa was absent. Those present pledged allegiance to the flag.

MOTION: (Maxwell/Titus) Approve Resolution No. 2011-18: A Resolution of the City Council of the City of Ferndale Approving the form of and Authorizing the execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Medical Benefits Program. All in favor.

MOTION: (Titus/Maxwell) Approve Resolution 2011-19 Authorizing the City Manager to sign a Vehicle Purchase Agreement and repealing Resolution 2011-15. All in favor.

The meeting was adjourned at 4:45 pm. The next regular council meeting will be May 5, 2011.

Respectfully Submitted:

Nancy Kaytis-Slocum

City Clerk

## **Section 9**

### **CALL ITEMS**

**These are items pulled from the consent agenda  
for discussion and a separate motion.**

## **Section 10**

### **PRESENTATIONS**

**Martha Spencer, Senior Planner  
County of Humboldt**



COMMUNITY DEVELOPMENT SERVICES  
PLANNING DIVISION  
COUNTY OF HUMBOLDT

<http://co.humboldt.ca.us/CDS/Planning>

April 21, 2011

Jeff Farley, Mayor  
City of Ferndale  
P.O. Box 1095  
Ferndale, CA 95536

RECEIVED APR 25 2011

RE: General Plan Update and Multi-Family Rezone outreach program

Dear Mr. Farley,

The Humboldt County Board of Supervisors unanimously voted on April 12, 2011 to reach out to local planning partners on the county-wide multi-family rezoning program and the General Plan Update. This outreach is designed to acquaint city councils and others with the County's multi-family rezoning program and the status of the draft General Plan. We hope this outreach will renew the dialog between your city council and the County on these two important planning initiatives. Through this letter, we are requesting to be placed on your Council's agenda for a public presentation and discussion of both of these programs.

The presentation will include a review of the County's multi-family rezoning program and an explanation of the re-zoning site selection process. Staff will then provide a status of the General Plan Update program, including the Planning Commission policy recommendations to-date and an explanation of the opportunities for input and involvement prior to the Board of Supervisors consideration of the Planning Commission recommendations. At any time during or after the presentation, staff would like to respond to council member questions or concerns and discuss and record the cities' interests.

It's certainly up to your council to accept this request and determine the amount of time that might be appropriate for the presentation and discussion. We envision the staff presentation lasting from 15 to 20 minutes followed by a 10-minute question and answer session. Of course, we'd also make ourselves available to respond to any public comments per your council's direction.

We stand by to answer any questions you may have on this request and to schedule the presentation as appropriate. We have always appreciated your City's participation in county-wide planning initiatives and look forward to working with you and your staff. Thank you.

Sincerely,

Martha Spencer, Senior Planner  
Humboldt County Planning Division

M. Spencer  
CM  
City Planner  
CC packet  
corres

## **Section 11**

### **BUSINESS**

|                    |   |                    |                |
|--------------------|---|--------------------|----------------|
| Meeting Date:      | May 5, 2011   | Agenda Item Number | 11a            |
| Agenda Item Title: | Resolution 2011-21 to expand Scope of Work and funding necessary for Housing Element Update HCD compliance. |                    |                |
| Presented By:      | Jay Parrish, City Manager   |                    |                |
| Type of Item:      | x   | Action             | Discussion     |
| Action Required:   |   | No Action          | x              |
|                    |   |                    | Information    |
|                    |   |                    | Roll Call Vote |

**RECOMMENDATION: NEED RESOLUTION**

Approve Resolution 2011-21 to expand Scope of Work and funding necessary for Housing Element Update HCD compliance.

**BACKGROUND:**

The Draft Housing Element Update has been prepared to comply with the Department of Housing and Community Development (HCD) requirements. The Housing Element focuses on strategies to preserve and improve housing. A compliant Housing Element is an effective way to implement regional housing goals that comply with the City's fair share allocation of affordable housing; and provides an opportunity to build support for, and review, local housing programs. It may also allow the City to apply for various housing program grants (CDBG, HOME, etc.).

The complete Draft Housing Element Update was submitted to HCD for review May 2010; an extensive HCD comment letter was received July 16, 2010. Planwest worked with City staff to address all HCD requirements including additional analysis related to housing needs, resources and constraints, housing programs, and updated Navy Housing information related to accommodating regional housing need. A revised Draft was submitted to HCD in Dec. 2010. A subsequent HCD letter was received on March 1, 2011. Comments from HCD staff indicate that the majority of the element complies with state requirements, but additional unanticipated analysis not included in the original Scope of Work or budget is needed for certification.

**DISCUSSION:**

The City has acted consistently in updating its Housing Element to meet HCD standards. Prior housing supply information submitted to HCD showed the 52 units of former Navy housing as the potential supply for meeting the City's Regional Housing Need Allocation (RHNA), pending acceptance by the City. This recent letter is new information from HCD stating that all 52 Navy housing units could not be counted towards fulfilling the City's RHNA. This is based on the housing being shown in the existing housing supply, even though it could only be occupied by military personnel and has been vacant for three years. The units are still beneficial to the City's overall housing supply and, as stated in the letter, 25% of the units could still be counted towards the City's allocation.

In order for the City to credit up to 25 percent of the Navy housing units in each income category towards the City's regional need, the Element must clearly describe how each of the provisions of Government Code 65583. 1(c) have been addressed. These Government Code provisions include, but are not limited to, showing the City will provide committed assistance and that the units meet the substantial rehabilitation, conversion, or preservation requirements (see attached checklist for additional information).

Since all of the Navy Housing units cannot be counted towards the City's regional need allocation, the Housing Element must include further analysis about the adequacy of sites and zoning. The City may have to rely on small sites (one acre or less) for this and therefore, must demonstrate suitability of these small sites. Planwest proposes to accommodate the City's remaining need with existing vacant land in the R2 zone. However, if this is not accepted by HCD, additional work may be required to analyze other small sites and the potential to rezone areas of the City.

The required analysis for HCD compliance will require additional time and effort to complete. Planwest has already spent significant time responding to prior HCD comments beyond our current budget estimate. As these new comments could not have been previously anticipated they will require additional work that was not scoped for in the original Housing Element Update budget. Planwest will require additional funds to complete the above unanticipated revisions.

The anticipated cost for responding to the March 1, 2011 HCD comments will not exceed \$2,900.00. If additional analysis is required based on subsequent HCD comments additional funds may be necessary.

**NEXT STEPS:**

- Make revisions based on HCD comments and submit to HCD for final approval.
- Complete environmental review and Initial Study.
- Adopt Housing Element Update.

**FINANCIAL IMPACT:**

Not to Exceed \$2,900.00

**RESOLUTION NO. 2011-21****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE TO EXPAND SCOPE OF WORK AND FUNDING NECESSARY FOR HOUSING ELEMENT UPDATE HCD COMPLIANCE.**

**WHEREAS**, The Draft Housing Element Update has been prepared to comply with the Department of Housing and Community Development (HCD) requirements; and

**WHEREAS**, The complete Draft Housing Element Update was submitted to HCD for review May 2010; an extensive HCD comment letter was received July 16, 2010 and Planwest worked with City staff to address all HCD requirements including additional analysis related to housing needs, resources and constraints, housing programs, and updated Navy Housing information related to accommodating regional housing need; and

**WHEREAS**, A revised Draft was submitted to HCD in December 2010 resulting in a subsequent HCD letter received on March 1, 2011; and

**WHEREAS**, Comments from HCD staff indicate that the majority of the element complies with state requirements, but additional unanticipated analysis not included in Planwest's original Scope of Work or budget is needed for certification.

**NOW, THEREFORE BE IT RESOLVED**, That the City Council of the City of Ferndale approves the expenditure of funds not to exceed \$2900 for additional work on the Housing Element and directs the City Manager to negotiate and approve the additional scope of work for the Housing Element.

**PASSED AND ADOPTED** by the City Council of the City of Ferndale on May 5, 2011, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

---

Jeffrey Farley, Mayor

**Attest:**

---

Nancy Kaytis-Slocum, City Clerk



## MEMORANDUM

**DATE:** April 26, 2011  
**TO:** Jay Parrish, City Manager  
City of Ferndale  
**FROM:** George Williamson and Vanessa Blodgett  
**SUBJECT:** Housing Element Update Revision Costs for HCD Compliance

Planwest has prepared and submitted to HCD a complete draft of the Ferndale Housing Element Update. Comments back from HCD staff indicate that the majority of the element complies with state requirements, but additional unanticipated revisions are needed for certification.

The required Housing Element Update revisions for HCD compliance are described in Planwest's March 24, 2011 memo. The additional analysis includes responding to requirements for crediting up to 25 percent of the Navy housing units in each income category towards the City's regional need and further analysis about the adequacy of sites and zoning. To do this the City may have to rely on small sites (one acre or less) and therefore, must demonstrate suitability of these small sites. Planwest proposes to accommodate the City's remaining need with existing vacant land in the R2 zone. However, if this is not accepted by HCD, additional work may be required to analyze other small sites and the potential to rezone areas of the City.

The required analysis for HCD compliance will require additional time and effort to complete. Planwest has spent significant time responding to prior HCD comments beyond our current budget estimate. As these new comments could not have been previously anticipated they will require additional work that was not scoped for in the original Housing Element Update budget.

The anticipated cost for responding to the March 1, 2011 HCD comments will not exceed \$2,900.00. If additional analysis is required based on subsequent HCD comments additional funds may be necessary.



## MEMORANDUM

**DATE:** March 24, 2011  
**TO:** Jay Parrish, City Manager  
City of Ferndale  
**FROM:** Vanessa Blodgett  
**SUBJECT:** Housing Element Update Revisions for HCD Compliance

The City received a letter from the Department of Housing and Community Development (HCD) on March 1, 2011 regarding the revised Draft Housing Element Update. As stated in my March 3, 2011 email to you, the City has acted consistently in updating its housing element. The recent HCD letter contains new information which will require additional revisions to the Housing Element for HCD compliance.

In order for the City to credit up to 25 percent of the Navy housing units in each income category towards the City's regional need, the Element must clearly describe how each of the provisions of Government Code 65583. 1(c) have been addressed. These Government Code provisions include, but are not limited to, showing the City will provide committed assistance and that the units meet the substantial rehabilitation, conversion, or preservation requirements (see attached checklist for additional information).

Since all of the Navy Housing units cannot be counted towards the City's regional need allocation, the Housing Element must include further analysis about the adequacy of sites and zoning. The City may have to rely on small sites (one acre or less) for this and therefore, must demonstrate suitability of these small sites.

The required analysis for HCD compliance will require additional time and effort to complete. Planwest has spent significant time responding to prior HCD comments beyond our current budget estimate. As these new comments could not have been previously anticipated they will require additional work that was not scoped for in the original Housing Element Update budget. Planwest will require additional funds to complete the above unanticipated revisions.

STATE OF CALIFORNIA - BUSINESS, TRANSPORTATION AND HOUSING AGENCY

ARNOLD SCHWARZENEGGER, Governor

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
Division of Housing Policy Development**

1800 Third Street, Suite 430  
P. O. Box 952053  
Sacramento, CA 94252-2053  
(916) 323-3177  
FAX (916) 327-2643



**AB 438 Compliance Checklist  
Per Government Code Section 65583.1(c)**

HE Page #

|   |   |  |
|---|---|--|
| <p>The provisions set forth in Government Code Section 65583.1(c) (AB 438) are applicable <b>only</b> if a City/County has met at least a portion of the regional share for very low-income (VL) or low-income (L) households in the current or previous planning period.<br/>In the current period:<br/>In the previous period:<br/><b>65583.1(c)(2)</b></p> | <p>Yes ___ No ___<br/>Yes ___ No ___</p>                                  |  |
| <p>Identify the specific source of committed assistance funds. (refer to the definition on page 3.)<br/><br/>Indicate the amount and date when funds will be dedicated (legally enforceable agreement). \$ _____ Date: _____<br/><b>65583.1(c)(1)(A)</b></p>  |   |  |
| <p>Do the units qualify for a 1 to 1 reduction of the regional share of up to 25% of the VL &amp; L income need by having affordability covenants greater than 20 years?<br/><b>65583.1(c)(1)</b></p>   | <p>Yes ___ No ___</p>   |  |
| <p>Unit costs/rents are to be affordable to:<br/>Very low-income households<br/>Low-income households<br/><b>65583.1(c)(1)</b></p>  | <p>Yes ___ No ___<br/>Yes ___ No ___</p>                                  |  |
| <p>Indicate the total number of units to be assisted with committed assistance funds (by funding source).<br/><br/>Will the funds be sufficient to develop the identified units at affordable costs or rents?<br/><b>65583.1(c)(1)(B)</b></p>   | <p>VL income units ___<br/>L income units ___<br/><br/>Yes ___ No ___</p> |  |
| <p><b>Note: If you do not meet all of the general requirements listed above, your jurisdiction is not eligible to utilize the adequate sites provisions set forth in Government Code Section 65583.1(c).</b></p>  |   |  |
| <p><b>(A) Substantial Rehabilitation</b><br/>Include reference to specific program description in HE. _____<br/><b>65583.1(c)(1)</b></p>  |   |  |
| <p>Units must result in a net increase of the affordable housing stock.<br/><b>65583.1(c)(2)(A)</b></p>   | <p>Net # of VL income units ___<br/>Net # of L income units ___</p>       |  |
| <p>Are units at imminent risk of loss to affordable housing stock?<br/><b>65583.1(c)(2)(A)(i)(I)</b></p>  | <p>Yes ___ No ___</p>   |  |

AB 438 Compliance Checklist

HE Page #

|  |   |  |
|--|---|--|
| Will relocation assistance be provided to tenants?<br>Temporary:<br>Permanent:<br><b>65583.1(c)(2)(A)(i)(II)</b>   | Yes ___ No ___<br>Yes ___ No ___  |  |
| Will tenants will have the right to reoccupy units?<br><b>65583.1(c)(2)(A)(i)(III)</b>   | Yes ___ No ___  |  |
| Are the units subject to a 3 to 1 substitution rate due to affordability covenants of <u>less than 20 years</u> (but greater than 10)?<br><b>65583.1(c)(2)(A)(ii)</b>  | Yes ___ No ___  |  |
| Has a court or code enforcement agency found that the units are unfit for human habitation and vacant or subject to being vacated for 120 days because of following health and safety conditions (must satisfy a minimum of 4 of the 7 conditions listed below):<br><b>65583.1(c)(2)(A)(i)(IV)</b> | Yes ___ No ___  |  |
| (1) Termination extended interruption or serious defect of gas, water or electric utility systems, not caused by the tenant's failure to pay monthly bill.   | Yes ___ No ___  |  |
| (2) Serious defects or lack of adequate space and water heating.   | Yes ___ No ___  |  |
| (3) Serious rodent, vermin or insect infestation.  | Yes ___ No ___  |  |
| (4) Severe deterioration rendering significant portions of the structure unsafe or unsanitary.   | Yes ___ No ___  |  |
| (5) Inadequate number of garbage receptacles or services.  | Yes ___ No ___  |  |
| (6) Unsanitary conditions (faulty plumbing or sewage disposal ) affecting significant portion of structure.  | Yes ___ No ___  |  |
| (7) Inoperable hallway lighting.   | Yes ___ No ___  |  |
| Affordability and occupancy restrictions will be maintained for ≥ 20 years.<br><b>65583.1(c)(2)(A)(ii)</b>   | Yes ___ No ___  |  |
| <b>(B) Multifamily rental units are to be converted from non-affordable to affordable.</b><br>Include reference to specific program description in HE.<br><b>65583.1(c)(1)</b>   | Program No.:<br>_____   |  |
| Will the city/county purchase the unit(s) with the use of committed assistance, OR will the city/county purchase affordability covenants?<br><b>65583.1(c)(2)(B)</b>   | Yes ___ No ___<br>Yes ___ No ___  |  |
| Project consists of multifamily rental complex of 16+ units converting from non-affordable to affordable.<br><b>65583.1(c)(2)(B)</b>   | Yes ___ No ___  |  |
| Is the acquisition an eminent domain action?<br><b>65583.1(c)(2)(B)</b>  | Yes ___ No ___  |  |
| Will the units result in a net increase to the affordable housing stock?<br><b>65583.1(c)(2)(B)</b>  | Net # of VL income units added ___<br>Net # of L income units added ___ |  |

AB 438 Compliance Checklist

HE Page #

|  |                                  |  |
|--|----------------------------------|--|
| Are the units currently occupied by VL income or L income households?<br><b>65583.1(c)(2)(B)(iii)</b>  | Yes ___ No ___                   |  |
| Will units will be decent, safe, and sanitary upon occupancy.<br><b>65583.1(c)(2)(B)(iv)</b>   | Yes ___ No ___                   |  |
| Acquisition price is not > 120% of the median price of housing units within the city/county.<br><b>65583.1(c)(2)(B)(v)</b>   | Yes ___ No ___                   |  |
| Affordability and occupancy restrictions will be maintained for not < 30 years.<br><b>65583.1(c)(2)(B)(vi)</b>   | Yes ___ No ___                   |  |
| <b>(C) Affordable Units to be Preserved</b>  |                                  |  |
| Include reference to specific program description in HE.<br>_____  |                                  |  |
| <b>65583.1(c)(1)</b>   |                                  |  |
| Will the city/county purchase the unit(s) with the use of committed assistance?<br>Or, will the city/county purchase affordability covenants?<br><b>65583.1(c)(2)(C)</b>   | Yes ___ No ___<br>Yes ___ No ___ |  |
| Affordability and occupancy restrictions will be maintained for not < 40 years.<br><b>65583.1(c)(2)(C)(i)</b>  | Yes ___ No ___                   |  |
| Describe/list the specific program that assist in the preservation of units.<br>Federal programs: _____<br>State programs: _____<br>Local programs: _____<br><b>65583.1(c)(2)(C)(ii)</b>   |                                  |  |
| City/County, via the public hearing process, must find that the unit(s) is/are eligible and are reasonably expected to convert to market rate during the next 5 years due to termination of subsidies, prepayment, or expiration on use.<br><b>65583.1(c)(2)(C)(iii)</b> | Yes ___ No ___                   |  |
| Are the units decent, safe, and sanitary?<br><b>65583.1(c)(2)(C)(iv)</b>   | Yes ___ No ___                   |  |
| At the time the unit was identified for preservation it was affordable to very low and low income households.<br><b>65583.1(c)(2)(C)(v)</b>  | Yes ___ No ___                   |  |

**DEFINITION:** Committed Assistance (alternative sites): When a local government has entered into a legally enforceable agreement during the first two years of the housing element planning period obligating funds for affordable units available for occupancy within two years of the agreement.

|                    |  |  |   |
|--------------------|--|--|---|
| Meeting Date:      | May 5, 2011  | Agenda Item Number                             | 11b                                     |
| Agenda Item Title: | Resolution 2011-20 for 9 <sup>th</sup> Progress Pay Request for Management and Construction Related Costs for the WWTP |  |   |
| Presented By:      | Jay Parrish, City Manager  |  |   |
| Type of Item:      | <input checked="" type="checkbox"/> Action   | <input type="checkbox"/> Discussion            | <input type="checkbox"/> Information    |
| Action Required:   | <input type="checkbox"/> No Action   | <input checked="" type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Approve Resolution 2011-20 9<sup>th</sup> Progress Pay Request for Management and Construction Related Costs for the WWTP.

**BACKGROUND:**

Work on our WWTP began on August 2, 2010 and this is the 9<sup>th</sup> draw down from the USDA loan. The costs associated with this draw down include costs from Wahlund Construction for \$374,336.52 as well as Construction Management costs from Manhard Consulting for \$29,354.66.

**FISCAL IMPACT:**

\$403,691.18 from the USDA loan account.

**RESOLUTION 2011-20**

**THE CITY COUNCIL OF THE CITY OF FERNDALE  
APPROVES THE NINTH PARTIAL PAYMENT REQUEST TO WAHLUND CONSTRUCTION, MANHARD  
CONSULTING FOR THE WASTEWATER TREATMENT FACILITY PROJECT**

**WHEREAS**, Wahlund Construction began Work on our Wastewater Treatment Plant on August 2, 2010;  
and

**WHEREAS**, Manhard Consulting is supplying Construction Administration for this project; and

**WHEREAS**, The City of Ferndale will be processing partial pay requests on a monthly basis, as well as  
periodic individual bills; and

**WHEREAS**, The City Council has received the ninth partial payment request of \$374,336.52 for Wahlund,  
\$29,354.66 for Manhard Consulting. This all falls within the parameters of our WWTP budget.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Ferndale hereby approves  
payment of the Ninth partial payment request in the amount of \$374,336.52 for Wahlund, \$29,354.66  
for Manhard Consulting for a total of \$403,691.18.

**PASSED AND ADOPTED** on this 5<sup>th</sup> Day of May, 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Jeffrey Farley, Mayor

ATTEST:

\_\_\_\_\_  
Nancy Kaytis-Slocum, City Clerk



Civil Engineer  
Surveyor  
Water Resources Engineer  
Water & Wastewater Engineer  
Construction Manager  
Environmental Scientist  
Landscape Architect  
Planner

April 26, 2011

Mr. Jay Parrish  
City Manager  
City of Ferndale  
834 Main Street  
Ferndale, CA 95536

**RE: City of Ferndale Wastewater Treatment Plant Additions**

Dear Mr. Parrish:

The Wastewater Treatment Plant Project has begun the 10th month of construction. The weather has improved during the past month and all construction trades are now active on the site. Work on the filter building has continued and the building is nearly enclosed. The interior framing of the office space is complete and a portion of the process equipment is now in place. The biological treatment tank is nearly finished as only the last wall pour and headworks influent channel remain. The treatment system installation within the tank has begun. Work at the effluent pumpstation continues. Most piping and the concrete plank effluent pump platforms are in place. The master liftstation vaults have been set and the installation of pumps and piping has begun.

The contractor has submitted the ninth partial payment estimate. I have reviewed the estimate and find it acceptable and appropriate for the work completed at the time the estimate was prepared. The current pay estimate includes the following:

- Contractor Operational Costs
- Biological Treatment Tank Construction
- Master Liftstation Installation
- Filter Building Construction
- Site Piping Installation
- Control Systems Programming
- Equipment Acquisition

The retention required by the USDA contract specifications of ten percent, has been withheld from the partial payment request.

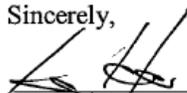
Construction contract change orders four and five covering the modifications to the treatment plant site and buildings are complete and ready for presentation to City Council. Contract changes orders one thru five represent a change of approximately 1.8% to the construction contract. Two more change orders are currently anticipated. The net result of which will be a reduction in the construction contract and a total construction contract change order estimate of approximately 1.5%.

A summary of the current construction contract is included below

|   |                                |                   |              |
|---|--------------------------------|-------------------|--------------|
|   | Original Contract Amount       | \$                | 8,265,088.00 |
|   | Net Total Change Orders        | \$                | 99,830.81    |
|   | Total Contract + Change Orders | \$                | 8,364,918.81 |
| Contract Work + Change Order Work Completed To Date | \$                             | 5,244,688.64      |              |
| Work To Date Minus 10% Retention                    | \$                             | 4,720,219.78      |              |
| Previous Billed                                     | \$                             | 4,345,883.26      |              |
| Work To Date Minus Previous Billed                  | \$                             | 374,336.52        |              |
| <b>TOTAL AMOUNT DUE</b>                             | <b>\$</b>                      | <b>374,336.52</b> |              |

In the coming month, concrete work on the biological treatment tank will be completed and the treatment system installation inside the tank will continue. The filter building will be fully enclosed and the interior finish work will be progressing. Equipment installation will continue along with the electrical and control wiring installation. The master liftstation will be nearly complete as will the effluent pumpstation and site piping. If you have any questions, please feel free to contact me.

Sincerely,



Kent Hanford  
Resident Project Representative

|                    |  |  |   |
|--------------------|--|--|---|
| Meeting Date:      | May 5, 2011  | Agenda Item Number                             | 11c                                     |
| Agenda Item Title: | Approve Wastewater Treatment Plant Change Orders 4 and 5 |  |   |
| Presented By:      | Jay Parrish, City Manager                                |  |   |
| Type of Item:      | <input checked="" type="checkbox"/> Action               | <input type="checkbox"/> Discussion            | <input type="checkbox"/> Information    |
| Action Required:   | <input type="checkbox"/> No Action                       | <input checked="" type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote |

**RECOMMENDATION:**

Approve Wastewater Treatment Plant Change Orders 4 and 5.

**BACKGROUND:**

The City Council will have a study session prior to this meeting, and will now vote on the change order as presented during the study session.

**FISCAL IMPACT:**

To be presented at the meeting.

|                    |                                     |                    |   |
|--------------------|-------------------------------------|--------------------|---|
| Meeting Date:      | May 5, 2011                         | Agenda Item Number | 11d   |
| Agenda Item Title: | Unmet Transit Needs Follow up       |                    |   |
| Presented By:      | Jay Parrish, City Manager           |                    |   |
| Type of Item:      | <input type="checkbox"/>            | Action             | <input checked="" type="checkbox"/> Discussion  |
| Action Required:   | <input checked="" type="checkbox"/> | No Action          | <input type="checkbox"/> Voice Vote             |
|                    |                                     |                    | <input checked="" type="checkbox"/> Information |
|                    |                                     |                    | <input type="checkbox"/> Roll Call Vote         |

**RECOMMENDATION:**

Receive and File

**BACKGROUND:**

Last month the Council asked staff to contact HCAOG and Humboldt Transit Authority about the feasibility of having bus service to Ferndale and the costs associated with that. In checking with Debbie Egger of HCAOG, we found that by holding the public hearing the city has fulfilled its obligation to discuss unmet transit needs, and that staff now needs to forward comments to HCAOG. The next step would be for HCAOG to look into the feasibility of any programs that may be associated with requests from the entity or the public.

This does not need to be brought back to the City Council for action. The City Council has fulfilled their obligation and it's now up to HCAOG to look into this.

**FINANCIAL IMPACT:**

Unknown at this time.

|                    |  |                    |  |
|--------------------|--|--------------------|--|
| Meeting Date:      | May 5, 2011  | Agenda Item Number | 11e  |
| Agenda Item Title: | PARSAC Joint Powers Agreement, Revision of Governing Documents |                    |  |
| Presented By:      | Jay Parrish, City Manager                                      |                    |  |
| Type of Item:      | <input type="checkbox"/>                                       | Action             | <input checked="" type="checkbox"/> Discussion |
| Action Required:   | <input checked="" type="checkbox"/>                            | No Action          | <input type="checkbox"/> Voice Vote            |
|                    |  |                    | <input type="checkbox"/> Information           |
|                    |  |                    | <input type="checkbox"/> Roll Call Vote        |

**RECOMMENDATION:**

Receive and File

**BACKGROUND:**

According to the attached letter from PARSAC, no additional action by the City Council is required; however, they recommend that the council review the proposed changes in the attached agreement.

**FINANCIAL IMPACT:**

None.

None.



RECEIVED APR 25 2011

### MEMORANDUM

Date: April 20, 2011  
To: PARSAC Board of Directors  
From: Joanne Rennie, General Manager  
**RE: REVISION OF GOVERNING DOCUMENTS**

Enclosed please find a blackline version of the Joint Powers Agreement (JPA), which will be presented to the Board on May 26, 2011.

In December, the Board discussed changing the definition of a Member Entity from "Municipality" to "Public Entity." The ad hoc Governing Documents Subcommittee developed a definition for "Public Entity," which the Executive Committee approved and recommends for adoption.

Per Article XXIX of the JPA, the document must be sent at least 30 days in advance to allow adequate time for review and discussion with the members' city councils. For your convenience, we have also included a summary of the proposed changes.

Your entity has delegated authority to its representative to approve amendments to the JPA and execute. No additional action by the City Council is required; however, we recommend they review the proposed changes. The Joint Powers Agreement will become effective immediately upon approval by two-thirds of the Board of Directors present and voting.

If you are unable to attend the meeting, but would like to convey comments or questions regarding the proposed changes, please feel free to contact me at (800) 400-2642 or [jrennie@parsac.org](mailto:jrennie@parsac.org).

***Joint Powers Agreement  
Summary of Proposed Changes – May 26, 2011***

The Joint Powers Agreement was adopted by the Board of Directors. However, proposed changes relating to the definition of a member was tabled for further development by the ad hoc Governing Documents Subcommittee and requested for reconsideration in May 2011.

The Subcommittee prepared a definition of “public entity,” which was presented to the Executive Committee and approved on March 24, 2011. This definition and related changes to the Joint Powers Agreement are being recommended for adoption by the Board of Directors, which affects the following Articles:

| <b><i>Section</i></b>     | <b><i>Page No.</i></b> | <b><i>Description</i></b>                 | <b><i>Recommendation</i></b>  |
|---------------------------|------------------------|---|---|
| Article I, Definition N   | 3                      | Defines a Member Entity as a Municipality | Changes “Municipality” to “Public Entity.”  |
| Article I, Definition P   | 3                      | Defines Municipality                      | Defines Public Entity. This definition provides flexibility for consideration of viable applicants without subjecting the pool to exposures that are dissimilar from the existing membership. |
| Article XXII, New Members | 21 - 22                | Describes process to apply for membership | Changes occurrences of Municipality to Public Entity.   |

**PARSAC**  
**JOINT POWERS AGREEMENT**

Revised & Adopted ~~December 2, 2010~~ May 26, 2011

**Public Agency Risk Sharing  
Authority of California**

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**PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA [PARSAC]  
JOINT POWERS AGREEMENT**

THIS AGREEMENT is made in the State of California by and among those municipalities organized and existing under the laws of the State of California, hereinafter referred to as "Member Entity[ies]," which are parties signatory to this Agreement. All such Member Entities are listed in Appendix "A", which is attached hereto and made a part hereof.

**RECITALS**

A. California Government Code Section 6500 and following permits two or more public agencies by agreement to jointly exercise any power common to the contracting parties.

B. California Government Code Section 990.4 permits a local public entity to self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus line broker, or any combination of these;

C. California Government Code Section 990.6 provides that the cost of insurance provided by a local public entity is a proper charge against that local public entity;

D. California Government Code Section 990.8 permits two or more local entities to, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4 and provides that such pooling of self-insured claims or losses does not constitute the business of insurance under the California Insurance Code;

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E. California Labor Code Section 3700© permits all political subdivisions of the State of California, including each member of a pooling arrangement under a joint exercise of powers agreement to self-insure against workers' compensation claims by securing a certificate of consent from the Department of Industrial Relations;

F. Each of the Member Entities, which is a party to this Agreement, desires to join with the other Member Entities to fund programs of insurance for workers' compensation, liability, property and other coverages to be determined and for other purposes set forth in Article III of this Agreement;

G. The governing body of each Member Entity has determined that it is in its own best interest and in the public interest that this Agreement be executed and that it participate as a member of the Public Agency Risk Sharing Authority of California [PARSAC] created by this Agreement; and

H. As of the effective date of this Agreement, this Agreement shall replace and supersede the Joint Powers Agreement Creating the Public Agency Risk Sharing Authority of California, dated May 21, 1986, as amended on November 20, 1987, July 1, 1989, and November 19, 1993, May 31, 1996, December 13, 2002, December 12, 2003, May 20, 2005, and May 31, 2007.

Now, therefore, in consideration of the above facts and the mutual benefits, promises and agreements set forth below, the Member Entities hereby agree as follows:

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**AGREEMENT**

**ARTICLE I  
DEFINITIONS**

The following terms shall have the following definitions:

A. **“Agreement”** shall mean this Revised and Restated Joint Powers Agreement creating the Public Agency Risk Sharing Authority of California [PARSAC].

B. **“Alternate”** shall mean the person designated by the Member Entity to act as a director of PARSAC in the absence of the Director. The Alternate shall have the same responsibility, power and authority as the Director when acting in the Director's stead.

C. **“Board”** or **“Board of Directors”** shall mean the governing body of PARSAC.

D. **“Bylaws”** shall mean the Bylaws of PARSAC, revised as of May 27, 2010, and as they may be further amended or revised.

E. **“Claims”** shall mean any demand[s] made against a Member Entity to recover for monetary damages within, or alleged to be within, the scope of coverage provided by any of PARSAC's Memoranda of Coverage [or any commercial insurance policy related to a PARSAC Program].

F. **“PARSAC”** shall mean the Public Agency Risk Sharing Authority of California created by this Agreement.

G. **“Covered Loss”** shall mean any loss resulting from a claim or claims against a Member Entity which is in excess of its Self-Insured Retention and which is covered by any of PARSAC's Memoranda of Coverage [or insurance policy related to a PARSAC Program].

H. **“Deposit Premium”** shall mean the estimated amount determined for each Member Entity necessary to fund each layer of coverage for each Policy Year of each Program of PARSAC.

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I. **“Executive Committee”** shall mean that committee of the Board, constituted and exercising the authority set forth in this Agreement and in the Bylaws.

J. **“Fiscal Year”** shall mean the period of time ending on June 30 of each year during which PARSAC is in existence.

K. **“Incurred Loss”** shall mean the amount of monies paid and reserved by PARSAC to investigate, defend and satisfy a demand or demands made against a Member Entity.

L. **“Insurance”** shall mean commercial insurance policies which PARSAC may purchase for its Member Entities, from time to time, in order to effect a transfer of risk. The term "Insurance" shall not mean any self-insurance, risk-sharing or pooling of losses or risks.

M. **“Liability Program Participant”** shall refer only to members of PARSAC that have been approved and are in good standing to participate in the Liability Program

N. **“Member Entity”** shall mean any California ~~municipality~~ public entity which is a party signatory to this Agreement including any other agency for which the City Council sits as the Governing board.

O. **“Memorandum of Coverage”** shall mean the document or documents issued by PARSAC specifying the type and amount of coverages provided under any Program to the Member Entities by PARSAC.

P. **“MunicipalityPublic Entity”** shall mean ~~an incorporated General Law City, defined by California Government Code Section 34102, or a Charter City, defined by California Government Code Section 34101~~ a county, city, whether general law or chartered, city and county, town, district, political subdivision, joint powers authority, or any board, commission, or agency thereof providing a municipal service, excluding school districts.

Q. **“Program Year”** shall mean a period of time, usually 12 months, for which each

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Program is to determine Deposit Premiums, Retrospective Premiums, and Retrospective Premium Adjustments.

R. **“Program”** shall mean arrangements to cover specific types of claims which may include, but not be limited to, property, workers' compensation, and comprehensive liability claims.

S. **“Retrospective Premium”** shall mean, the amount determined retrospectively as each Member Entity's share of losses, reserves, expenses and interest income as may be determined periodically for any Program.

T. **“Retrospective Premium Adjustment”** shall mean the amount necessary to periodically adjust the Deposit Premium, or prior Retrospective Premiums if any, to the newly calculated Retrospective Premium amount.

U. **“Self-Insured Retention”** or **“SIR”** shall mean the amount of loss from each occurrence which the Member Entity shall retain and pay directly and which shall not be shared by the Member Entities of PARSAC.

V. **“Workers' Compensation Program Participant”** shall refer only to members of PARSAC that have been approved and are in good standing to participate in the Workers' Compensation Program.

W. **“Group Purchase Programs”** shall mean coverage programs provided by insurance policies where there is no self-insurance, risk sharing or pooling.

## ARTICLE II PARTIES TO THE AGREEMENT

Each Member Entity is a party to this Agreement and agrees that it intends to, and does contract with, all other parties who are signatories of this Agreement and with such other parties as

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may later be added. Each Member Entity also agrees that the expulsion or withdrawal of any Member Entity from this Agreement shall not affect this Agreement nor the remaining parties as to the other Member Entities then remaining.

### **ARTICLE III PURPOSES**

This Agreement is entered into by the Member Entities in order to:

- A. Create the Public Agency Risk Sharing Authority of California to carry out the purposes listed below and to exercise the powers contained in this Agreement;
- B. Develop effective risk management programs to reduce the amount and frequency of their losses;
- C. Share some portion, or all, of the cost of their losses;
- D. Jointly purchase commercial insurance, associate with other risk-sharing pools, or self-insure against risks;
- E. Jointly purchase administrative and other services including, but not limited to, underwriting, risk management, loss prevention, claims adjusting, data processing, brokerage, accounting and legal services when related to any of the other purposes;
- F. Provide other joint powers risk sharing authorities with management services; and
- G. Do all things necessary to carry out the foregoing purposes, as well as all things necessary, to implement the terms of this Agreement as permitted by law.

### **ARTICLE IV CREATION OF THE PUBLIC AGENCY**

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## **RISK SHARING AUTHORITY OF CALIFORNIA**

Pursuant to the California Government Code, the Member Entities hereby agree to continue in existence a public entity, separate and apart from the parties to this Agreement, to be known as the Public Agency Risk Sharing Authority of California ["PARSAC"]. The debts, liabilities or obligations of PARSAC shall not constitute debts, liabilities or obligations of any party to this Agreement. However, a Member Entity may separately contract for, or assume responsibility for, specific debts, liabilities or obligations of PARSAC.

### **ARTICLE V TERM OF AGREEMENT**

This Agreement shall become effective as of the date hereof and shall continue in full force and effect until terminated in accordance with Article XXVI.

### **ARTICLE VI POWERS OF PARSAC**

PARSAC shall have the powers common to its Member Entities in California and all additional powers permitted to a joint powers authority by California law, and the parties hereby authorize PARSAC to do all acts necessary to exercise such powers to fulfill the purposes of this Agreement including, but not limited to, the following:

- A. Make and enter into contracts;
  - B. Incur debts, liabilities and obligations;
  - C. Acquire, hold, lease or dispose of real and personal property, contributions and donations of property, funds, services and other forms of assistance;
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- D. Sue and be sued in its own name and settle any claim against it;
- E. Employ agents and employees;
- F. Acquire, construct, manage, maintain or operate buildings, works or improvements;
- G. Receive, collect, and disburse monies; and invest money not required for immediate necessities; and
- H. Exercise all powers necessary and proper to carry out the terms and provisions of this Agreement.

**ARTICLE VII  
RESPONSIBILITIES OF MEMBER ENTITIES**

Each member entity shall:

- A. Sign this Agreement and its legally enacted amendments and participate in PARSAC's Liability Program and/or Workers' Compensation Program;
  - B. Sign a Membership Resolution for each Program;
  - C. Pay Deposit Premiums, Retrospective Premium Adjustments, and any Special Assessments to PARSAC on or before the due date;
  - D. Appoint, elect or remove representatives to serve as director and alternate on the Board, which representatives are expressly authorized to act on behalf of the Member Entity on all matters coming before the Board;
  - E. Assure that its representative director or alternate attends at least one meeting of the Board annually;
  - F. Assure that its representative director and alternate keep informed about PARSAC's activities and assist them in doing so;
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G. Approve Amendments to this Agreement as set forth in Article XXIX; provided, however, the Member Entity may, by resolution or ordinance, authorize its director and alternate on the Board to approve and execute amendments on behalf of the Member Entity without the necessity of a resolution or ordinance of the legislative body of the Member Entity confirming or ratifying such amendment.

H. File, in a prompt and timely manner, all statewide, county, and locally-mandated reports and filings, including but not limited to the Fair Political Practices Commission's Statement of Economic Interests;

I. Undertake an annual risk management audit of its facilities and activities, conducted by a person and/or firm approved by PARSAC's Executive Committee and, based upon such audit report, to evidence correction, elimination and/or clarification of all noted deficiencies or audit recommended corrections to the satisfaction of PARSAC's Executive Committee. Risk management audits may be required by the Executive Committee more frequently than annually. Risk management audits may be paid by PARSAC and charged back to Member Entities as part of the Retrospective Premium Adjustment;

J. Provide PARSAC with a copy of its most recent audited annual financial statements prepared by a Certified Public Accountant; or, if not available, provide PARSAC with the most recent set of unaudited monthly financial statements, and any other financial material as may be requested by PARSAC from time to time;

K. Cooperate with, communicate and assist in a timely manner, PARSAC and any insurer, claims adjuster, legal counsel or other service provider engaged or retained by PARSAC in all matters relating to this Agreement;

L. Promptly cooperate with PARSAC to determine and/or clarify any incidents which

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might become losses, the cause of any and all actual losses, and methods to bring about settlement of claims;

M. Comply with its obligations and responsibilities under this Agreement, the Bylaws, the Memoranda of Coverage, the Risk Management Standards, PARSAC's policies and procedures, and any other contract or requirement [as any of the foregoing may be created or amended] necessary to implement this Agreement or any Program;

N. Pay any fines or penalties assessed by the Office of Benefits, Assistance and Enforcement (OBAE) that are attributable to the Member Entity's failure to perform in accordance with self-insurance regulations or comply with the provisions of this Agreement. The Member Entity may file a written request for a conference with the Administrative Director of Self-Insurance Plans should it wish to contest any assessments; and

O. Use an Executive Committee-approved third-party claims administrator for claims handling, under such circumstances as the Board of Directors may require.

Failure to comply with any of the obligations under this section may be grounds for expulsion pursuant to Article XXIV of this Agreement.

#### **ARTICLE VIII BOARD OF DIRECTORS**

Except as otherwise provided in this Agreement or in the Bylaws, the powers of PARSAC shall be exercised, its property shall be controlled, and its affairs shall be conducted by its Board of Directors whose meetings, functions and activities shall be governed by the Bylaws.

The Board shall be composed of one director who represents and acts on behalf of each respective Member Entity which participates in PARSAC's Liability and/or Workers' Compensation

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Program. The number of persons on the Board shall be equal to the number of Member Entities. In addition, each Member Entity shall appoint a second individual as alternate director, who shall have the authority to attend, participate in, and vote at any meeting of the Board when the respective director is absent. Each director and alternate director shall be an elected official or employee of the respective Member Entity, shall be appointed by the respective Member Entity's governing body, and shall serve at its pleasure. If a director or alternate ceases to be an employee or elected official of a Member Entity for any reason, his or her position on the Board and any of its committees shall immediately terminate.

The Board of Directors shall have the following powers and functions:

A. The Board shall exercise all powers and conduct all business of PARSAC, either directly or by delegation of authority to other bodies or persons pursuant to this Agreement and applicable law;

B. The Board shall form an Executive Committee from its membership. In the Bylaws the Board shall delegate to that Committee such powers as it sees fit;

C. The Board may form such other committees as it deems appropriate in conducting PARSAC's business;

D. The Board shall elect PARSAC's officers;

E. The Board shall cause to be prepared and adopt PARSAC's annual operating budget;

F. The Board shall develop, or cause to be developed, and shall review, modify as necessary, and adopt each of PARSAC's Programs, including all provisions for reinsurance and administrative services necessary to carry out such Program;

G. The Board shall contract or otherwise provide for necessary services to PARSAC and to Member Entities. These necessary services may include, but shall not be limited to, risk

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management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal defense services;

H. The Board, either directly or through the Executive Committee, shall provide policy direction to PARSAC's General Manager;

I. The Board shall receive and act upon reports of its committees and the General Manager, either directly or through the Executive Committee;

J. The Board shall establish monetary limits upon any delegation of the claims payment and settlement authority, beyond which a proposed settlement must be referred to the Board for approval;

K. The Board may require that PARSAC review, audit, report upon, and make recommendations with regard to the safety or claims administration functions of any Member Entity insofar as those functions are affecting PARSAC's liability or potential liability. The Board may forward any or all such recommendations to the Member Entity with a request for compliance and a statement of potential consequences for noncompliance;

L. The Board shall receive, review and act upon periodic reports and audits of PARSAC's funds;

M. The Board may amend, repeal or adopt new Bylaws, this Agreement or other key documents;

N. The Board may increase, decrease, or otherwise amend the coverages, limits and other terms of any Memorandum of Coverage;

O. The Board shall approve any proposal by the Executive Committee for Special Assessments from the Member Entities before such Special Assessments are billed;

P. The Board may expel a Member Entity from any Program or from membership in

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PARSAC pursuant to Article XXIV of this Agreement;

Q. The Board may ratify actions of the Executive Committee, where such ratification is required before the action becomes final;

R. The Board may enter into a joint venture or contractual arrangement with any similar entity and may also enter into a merger or acquisition agreement with a similar entity, provided that if PARSAC is not the surviving entity in any such merger or acquisition, such action shall require approval by the vote of three-fourths of the Member Entities; and

S. The Board shall have such other powers and functions as are provided for in this Agreement, the Bylaws, and applicable law.

#### **ARTICLE IX OFFICERS**

The officers of PARSAC shall be the President, Vice President, Treasurer, and Auditor/Controller, and their qualifications and duties shall be those set forth in the Bylaws.

#### **ARTICLE X EXECUTIVE COMMITTEE**

There shall be an Executive Committee, all of whose members shall be directors. The Executive Committee shall set policy for and direct the administration of PARSAC on a day-to-day basis and may, without limitation, provide incentives and impose penalties, financial or otherwise, for performing or failing to perform in conformance with PARSAC requirements, programs, standards and policies. The composition, specific authority and meeting arrangements of the Executive Committee shall be set forth in the Bylaws.

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**ARTICLE XI  
WORKERS' COMPENSATION SUBCOMMITTEE**

The Workers' Compensation Program Subcommittee shall oversee the operational activities of the Program and serve as an advisory committee to the Executive Committee and the Board of Directors as necessary. The composition and meeting arrangements of the Subcommittee shall be set forth in the Bylaws.

**ARTICLE XII  
ADMINISTRATION**

PARSAC shall have a general manager, who shall be appointed or terminated by the Executive Committee, shall be responsible to the Executive Committee for the efficient and effective administration of PARSAC, and who shall serve as the Secretary of PARSAC. The General Manager shall attend all meetings of the Board, the Executive Committee, and other committees of the Board (but shall have no vote), shall prepare and maintain all minutes of meetings of the Board and its Committees, notices of meetings, and records of PARSAC, and shall carry out all duties set forth in the Bylaws.

**ARTICLE XIII  
BUDGET**

The Executive Committee shall recommend and the Board shall adopt an annual operating budget prior to the beginning of each Fiscal Year.

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**ARTICLE XIV  
ANNUAL AUDITS AND REVIEWS**

A. **Financial Audit.** The Auditor/Controller shall cause an annual financial audit of the accounts and records to be prepared by a Certified Public Accountant in compliance with California Government Code Sections 6505 and 6505.5 or 6505.6 with respect to all receipts, disbursements, other transactions and entries into the books of PARSAC. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Government Code Section 26909 and shall conform to generally accepted accounting standards. A report of each such audit shall be filed as a public record with the Board, each of the Member Entities, and the auditor/controller of the county in which PARSAC's administrative office is located. The report shall be filed within twelve [12] months of the end of the fiscal year under examination. PARSAC shall pay all costs for such financial audits.

B. **Actuarial Review.** The Board shall cause an annual actuarial review to be prepared for each of the Programs of PARSAC and a report of such actuarial review shall be made available for inspection by the Board and the Member Entities. PARSAC shall pay all costs for such actuarial review.

C. **Claims Audit.** The Board shall cause a biannual claims audit of the administration of the claims for each of the Programs of PARSAC. A report of such claims review shall be made available for inspection by the Board and the Member Entities. PARSAC shall pay all costs of such claims reviews.

**ARTICLE XV  
ESTABLISHMENT AND ADMINISTRATION OF FUNDS**

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PARSAC shall be responsible for the strict accountability of all funds and the reporting of all receipts and disbursements in accordance with generally accepted accounting principles. It will comply with all provisions of law relating to this subject, including California Government Code Sections 6500-6525.

The Treasurer of PARSAC shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board. Separate accounts shall be established and maintained for each Program Year of each Program of PARSAC. Books and records of PARSAC in the hands of the Treasurer or other designated person shall be open to inspection at all reasonable times by members of the Board or authorized representatives of the Member Entities.

The Treasurer shall have the custody of and disburse PARSAC's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board to perform that function provided that, pursuant to Government Code Section 6505.5, the Treasurer shall:

- A. Receive and acknowledge receipt of all funds of PARSAC and place them in the treasury to the credit of PARSAC;
  - B. Be responsible upon his or her official bond for the safekeeping and disbursement of PARSAC's funds so held by him or her;
  - C. Pay any sums due from PARSAC as approved for payment by the Board or by any body or person to whom the Board has delegated approval authority, making such payments from PARSAC's funds upon warrants drawn by the Auditor;
  - D. Verify and report in writing to PARSAC and to Member Entities, as of the first day of each quarter of the fiscal year, the amount of money then held for PARSAC, the amount of receipts since the last report, and the amount paid out since the last report;
  - E. Prepare a complete written report of all financial activities within one hundred and
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twenty [120] days after the close of each fiscal year for such fiscal year to the Board and to each Member Entity; and

F. Receive, invest, and disburse funds in accordance with the procedures established by the Board or the Bylaws and in conformity with applicable law.

Pursuant to Government Code Section 6505.1, the General Manager, the Treasurer, and such other persons as the Board may designate shall have charge of, handle, and have access to PARSAC's property.

PARSAC shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in form specified by the Board, covering all officers and employees of PARSAC who are authorized to hold or disburse PARSAC's funds and all officers and employees who are authorized to have charge of, handle, and have access to PARSAC's property.

The Authority shall defend and indemnify its directors, officers, and employees to the same extent as any other public entity of the State of California is obliged to defend and indemnify its public employees pursuant to California Government Code Section 825, *et seq.*, or other applicable provisions of law.

The Authority may insure or self-insure itself to the extent deemed necessary by the Board against loss, liability and claims arising out of or connected to the conduct of the Authority's activities.

#### **ARTICLE XVI SUPPORT OF PARSAC'S GENERAL EXPENSES**

Costs of staffing and supporting PARSAC [hereinafter called PARSAC's general expenses]

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shall be equitably allocated among the various Programs by the Board, and shall be funded by the Member Entities which participate in such Programs [and ex-Member Entities] in accordance with such allocations.

#### **ARTICLE XVII DEPOSIT PREMIUMS**

The Deposit Premiums for the Liability and Workers' Compensation Programs shall be set at a level estimated to be sufficient, as determined by the Executive Committee, to cover PARSAC's budget for each Policy year. The Deposit Premiums for the Member Entities shall be set by PARSAC using various rating and underwriting criteria, such as:

- [1] The Member Entity's payroll;
- [2] The Member Entity's exposure base;
- [3] The results of an on-site underwriting inspection;
- [4] The Member Entity's prior claims history;
- [5] Total insurable values; and/or
- [6] Employee classification ratings.

Deposit Premiums for the Liability, Workers' Compensation, and Group Purchase Programs shall be billed to the Member Entities.

At the conclusion of each Program Year, PARSAC shall conduct a payroll audit of each Member Entity to adjust for any discrepancies between estimated and actual payroll. In the sole discretion of PARSAC, an on-site payroll audit may be conducted by PARSAC or an independent auditor. Any adjustments in payrolls, either debits or credits, shall result in an

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assessment of additional premiums or a return of overpaid premiums. This adjustment shall be made within sixty (60) days after the date of the audit.

**ARTICLE XVIII  
PARSAC MEMBERSHIP**

Member Entities shall participate in PARSAC's Liability Program and/or Workers' Compensation Program as a condition of membership in PARSAC. Participation in either Program shall be a minimum of three years and the Term shall be renewed for subsequent one-year periods at the commencement of each Program Year upon payment of the applicable Deposit Premium, unless termination, withdrawal, or expulsion occurs pursuant to Articles XXIII and XXIV of this Agreement. The Executive Committee shall establish the initial SIR for each Liability or Workers' Compensation Program Participant and may require a different SIR for Program Participants from time to time, in its sole discretion.

Program Years shall begin on July 1 of each year and shall continue through the following June 30. Retroactive coverage may be provided as approved by the Board and documented on the Declaration Page of the respective Memorandum of Coverage.

**ARTICLE XIX  
MEMORANDA OF COVERAGE**

The types and amounts of coverage for each Program available to Member Entities shall be specified in a Memorandum of Coverage which shall be issued by PARSAC to each Member Entity for each Program Year in which the Member Entity has coverage. The Board shall have the power and authority to decrease, increase, or amend the coverage provided by a Memorandum of

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Coverage. If any such amendment is approved by the Board during a Program Year, no Member Entity participating in that Program Year shall be entitled to withdraw by reason of any said amendment prior to the termination of that Program Year.

**ARTICLE XX**  
**SIR MANDATORY RESERVES/PAYMENTS**

A Member Entity participating in the Liability Program must establish by resolution a "Fund Balance Reserve" ("Reserve") equal to three times (3) the designated SIR, or any underlying insurance deductible chosen, and approved for the Member Entity by PARSAC. The Reserve will be recorded and maintained in the appropriate Member Entity Fund in accordance with Generally Acceptable Accounting Principles.

PARSAC will be notified of any proposed adjustment to the Reserve prior to the Member Entity's adoption of such a resolution.

PARSAC may request certification, by the Member Entity, of the balance in the Reserve account at any time.

Applicants establishing coverage with PARSAC shall be required to submit the "Fund Balance Reserve Resolution" prior to coverage inception.

Any Member Entity which does not desire to establish a local Fund Balance Reserve at the required three-times its SIR, or underlying insurance deductible amount, may contract for an actuarial study of its losses and reserves by a Fellow of the Casualty Actuary Society (FCAS) to ascertain and represent to PARSAC adequate below SIR Reserves. Such below SIR amount shall be established as the correct Reserve for that Member Entity.

Although not obligated to do so, PARSAC may elect to pay a portion of claims expenses

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before the Member Entity's self-insured retention has been exhausted in order to expedite the resolution of a claim. In this event, the member will be invoiced and shall have 30 days from the date of invoice to remit reimbursement. A 10% penalty shall be applied to the balance if payment is not received by the due date.

The claims payment procedures for members participating in the Workers' Compensation Program with a self-insured retention are as follows:

1. The Member Entity shall set up a checking account with the Third Party Administrator (TPA). The TPA shall pay all claim expenses within the Member's Entity's self-insured retention from the checking account. The Member Entity shall be responsible for ensuring sufficient funds are available for all costs related to the checking account, including any set-up fees charged by the TPA; or
2. PARSAC shall pay all claim expenses within the Member Entity's self-insured retention, which shall be reconciled and invoiced to the Member Entity quarterly. The Member Entity shall have 30 days from the date of invoice to submit its self-insured retention payment. A 10% penalty shall be applied to the balance if payment is not received by the due date. This option is available to Member Entities with an SIR of \$100,000 or lower.

#### **ARTICLE XXI RETROSPECTIVE PREMIUM ADJUSTMENTS AND ASSESSMENTS**

Retrospective Premium Adjustments (RPA) for self-funded Programs shall be calculated annually as determined by each Program's funding policy. The Board may determine and levy special assessments on Member Entities by majority vote.

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The RPA is a financial reconciliation made by PARSAC to determine whether the Deposit Premium collected for that Policy Year was sufficient to cover the costs. A RPA summary is presented annually to the Board for approval. Distribution of credits or collection of assessments will follow each Program's funding policy.

If a Member Entity has timely withdrawn or been expelled from a Program, any Retrospective Premium Adjustment credit shall remain with PARSAC until all Policy Year(s) in which they participated have been closed and reconciled. Any Retrospective Premium Adjustment deficit shall be billed to the Member Entity at the time that particular Policy Year(s) is being reconciled. If a withdrawn or expelled member's total equity for all program years in which they participated is insufficient, the member will be billed at the time the deficit is identified. A member that has untimely withdrawn from a program foregoes their right to any remaining equity and is subject to assessment for any deficits.

## **ARTICLE XXII NEW MEMBERS**

Any California ~~municipality~~ public entity as defined in Article I may apply for membership in PARSAC and participation in any of PARSAC's Programs at any time. ~~Municipalities~~ Public Entities must participate in either the Liability or Workers' Compensation program before participating in other Program offerings.

PARSAC shall review all requests for Program membership, and the Executive Committee shall approve and the Board shall ratify, which applicants shall be accepted for membership, in which Programs they may participate, and when such participation shall begin. ~~Municipalities~~ Public Entities shall become new Member Entities as of the effective date of coverage indicated on

the Program Declarations Page and upon payment of the Deposit Premium. Municipalities which are in the process of incorporation shall be covered only as of the effective date of incorporation.

Deposit Premiums for coverage which begins during a Program Year may be prorated for the remainder of the Program Year. A ~~Municipality~~Public Entity applying for membership in the Workers' Compensation or Liability Program shall complete, return and comply with all of the following:

- A. An "Application for a Certificate of Consent to Self-Insure" from the Department of Industrial Relations/Division of Self-Insurance Plans (DIR/SIP) (Workers' Compensation only);
- B. Loss reports for the five (5) most recent policy years;
- C. Estimated payroll for the current year;
- D. Liability Exposure questionnaire from PARSAC, questionnaires from the excess carrier or reinsurer, and most recent three years' audited financial statements;
- E. Undertake a risk management audit of its facilities and activities and, based upon such audit report, provide evidence of correction, elimination and/or clarification of all noted deficiencies revealed by such inspection; and
- F. Such other information as is reasonably required by PARSAC to assure compliance with law and PARSAC policies.

### **ARTICLE XXIII WITHDRAWAL**

Any Member Entity who has been a member for at least three full fiscal years may withdraw from its status as a member and as a party to the Joint Powers Agreement by submitting notice in writing to PARSAC as follows:

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- A. Timely Notice of Withdrawal. A withdrawing Member Entity must notify PARSAC of its intention to withdraw at least six (6) months prior to the end of the fiscal year in which the member intends to withdraw, unless a shorter withdrawal period is approved by the Executive Committee, in its sole discretion. Withdrawing members who submit Timely Notice shall be subject to an administrative fee equal to their pro-rata share of ongoing expenses for the three program years following withdrawal. Ongoing expenses include but are not limited to staff payroll and benefits, actuarial services, investment services, financial audits, and claims administration.

*Calculation and Payment of Fee.* The administrative fee shall be calculated based on the member's actual payroll and self-insured retention level in the last year in which the member participated. In year one, 100% of the administrative fee will be charged to the member; 50% in year two; and 25% in year three. The administrative fees and any deficits will be deducted from the withdrawing member's equity. Should equity be insufficient to cover the deficit, the member will be subject to assessment. The withdrawing member's equity will remain with PARSAC until all years in which the member has participated are closed. Any equity remaining after all years have closed will be returned to the withdrawn member.

- B. Untimely Notice of Withdrawal. Members submitting a notice of intent to withdraw less than six (6) months prior to the end of the fiscal year in which the member intends to withdraw shall be considered untimely. In the event of an untimely notice of intent to withdraw, the withdrawing member shall forego their right to any remaining equity. The withdrawn member shall remain subject to assessments if equity is insufficient to cover
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costs for those years in which they participated.

Withdrawal from the Liability or Workers Compensation Program shall terminate coverage under that Program. If withdrawal would result in the Member Entity no longer being a member of either the Liability or the Workers Compensation Program, then such withdrawal shall constitute withdrawal from this Agreement and from membership in PARSAC, subject to the ex-Member Entity's continuing obligations under Article XXV below.

A notice of intent to withdraw may be rescinded in writing with Executive Committee consent at any time earlier than ninety (90) days before the expiration of the withdrawal period, except that any withdrawal approved by the Executive Committee upon less than 6 months notice shall be final.

Any Member Entity which withdraws as a participant in any Program may renew participation in that Program by complying with all Program rules and regulations.

**ARTICLE XXIV  
EXPULSION**

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Regardless of its three-year commitment under the Liability and/or Workers' Compensation Program, a Member Entity may be expelled from PARSAC or a Program either with or without cause. The General Manager shall review any lack of satisfactory performance or other problem with the Member Entity and shall attempt to resolve the matter. If the General Manager determines that the Member Entity is unwilling or unable to correct the problem, the General Manager shall present the matter to the Executive Committee. The Executive Committee may recommend to the Board that the Member Entity be expelled, either with or without cause. Action by the Board shall require the vote of a majority of the total number of directors. Expelled members are subject to the administrative fee for a timely withdrawal as described in Article XXIII, Paragraph A.

A. **Expulsion Without Cause.** The Executive Committee may decide to recommend that a Member Entity be expelled without cause [for no stated cause]. Written notice of the Executive Committee's recommendation for expulsion shall be delivered to the Member Entity with return receipt at least fourteen [14] days before the Board meeting at which the matter will be discussed.

B. **Expulsion for Cause.** If the Executive Committee's recommendation is to expel a Member Entity for cause, the Board shall appoint a hearing officer to conduct a hearing on the matter, and the hearing officer shall be responsible for all notices, procedures and reports in connection with the hearing. Written notice of the date, time and place of the hearing, along with a summary of the reasons supporting the expulsion for cause shall be delivered with return receipt to the Member Entity at least fourteen [14] days before the hearing. The notice shall also include any guidelines concerning the procedures to be followed at the hearing. The hearing officer shall preside at the hearing and shall be responsible for the conduct of the hearing and all rulings on procedure, evidence and law during the hearing. Both the Member Entity and PARSAC shall be represented by

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legal counsel at the hearing. Both parties may present written and oral evidence. A transcript of the proceedings shall be kept, either by a court reporter or by a good quality tape recorder, a written transcription of which may be prepared at the requesting party's expense. Within thirty [30] days after the hearing is declared closed by the hearing officer, he or she shall prepare written rulings of fact and law, with a recommendation for further action by the Board, and shall deliver the decision to the Member Entity and PARSAC. Within thirty [30] days after receipt of the hearing officer's decision, the Board shall consider and act on the hearing officer's recommendation. The Board shall permit the Member Entity to present a written response to the hearing officer's recommendations. The Board's decision shall be final, and if it decides to expel the Member Entity, it shall also state the effective date on which coverage terminates.

C. **Opportunity to Remedy.** In considering the expulsion of a Member Entity, the Executive Committee shall allow the affected Member Entity a reasonable opportunity to address and remedy the reasons, if any, for the proposed expulsion. The period of time so allowed shall be within the sole discretion of the Executive Committee. If such a reasonable opportunity is allowed, PARSAC may require quarterly audits to monitor the affected Member Entity's remedial actions or any other conditions to its continued participation in PARSAC or its Programs.

D. **Alternative Coverage.** A Member Entity which is the subject of a proposed expulsion shall be responsible for investigating the availability of alternate coverage. On the request of the Member Entity, the Board may permit the Member Entity a reasonable time to make arrangements for alternative coverage, but such period of time shall be at the Board's sole discretion.

**ARTICLE XXV  
EFFECT OF WITHDRAWAL OR EXPULSION**

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### ON MEMBER ENTITY'S RESPONSIBILITIES

The withdrawal or expulsion of any Member Entity after its participation in any Program shall not terminate its responsibility with respect to the following:

A. Provide PARSAC with such statistical and loss experience data and other information as may be necessary for PARSAC to carry out the purposes of this Agreement;

B. Pay to PARSAC when due any Deposit Premiums or Retrospective Premium Adjustments for each Policy Year of each Program in which it participated;

C. Cooperate fully with PARSAC in determining the cause of losses in the settlement of claims;

D. Cooperate with and assist PARSAC and any insurer, claims adjuster, legal counsel or other service provider engaged or retained by PARSAC in all matters relating to this Agreement ;  
and

E. Comply with the Bylaws and all policies and procedures of PARSAC not inconsistent with the provisions of this Agreement and not inconsistent with its withdrawal from PARSAC.

*Disposition of Equity – Timely Withdrawal or Expulsion.* In addition, PARSAC shall retain all remaining equity, and the ex-Member Entity is obligated to pay any future assessments made with respect to the Policy Years of any Program in which it participated, until all such Policy Year[s] have been closed, at which time PARSAC shall refund to the ex-Member Entity, less the administrative fee charged per Article XXIII, Paragraph A, any remaining equity which was not expended in settling, paying or otherwise resolving claims against the ex-Member Entity.

*Disposition of Equity – Untimely Withdrawal.* PARSAC shall retain all remaining equity and

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the ex-Member Entity is obligated to pay any future assessments should the total equity be insufficient.

**ARTICLE XXVI  
TERMINATION OF AGREEMENT AND DISTRIBUTION OF ASSETS**

This Agreement shall continue in full force and effect until terminated. Termination of this Agreement shall also constitute the termination of all Programs. This Agreement may be terminated at any time by the vote of three-fourths of the Member Entities; provided, however, that this Agreement and PARSAC shall continue to exist for the purpose of disposing of all claims, the distribution of assets, and any other functions necessary to wind up the affairs of PARSAC.

Upon termination of this Agreement, all assets of each Program of PARSAC shall be distributed among the Member Entities [and ex-Member Entities which previously timely withdrew or were expelled] which participated in such Programs, in accordance with the retrospective premium adjustment process in effect during the term of this Agreement. Such distributions shall be determined within six [6] months after the disposal of the last pending claim or other liability covered by each Program.

Following the termination of this Agreement, any Member Entity which was a participant in any Program of PARSAC shall pay any additional amount of premium, determined by the Board or its designee in accordance with a retrospective premium adjustment, which may be necessary to enable final disposition of all claims arising from losses under that Program during the Member Entity's period of participation.

The Board is vested with all powers of PARSAC for the purpose of concluding and

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dissolving the business affairs of PARSAC. The Board may designate legal counsel and any committee or person to carry out a plan of dissolution adopted by the Board.

#### **ARTICLE XXVII NOTICES**

Notices to Member Entities under this Agreement or the Bylaws shall be sufficient if mailed to their respective addresses on file with PARSAC. Notices to PARSAC shall be sufficient if mailed to the address of the principal executive office of PARSAC, addressed to the General Manager.

#### **ARTICLE XXVIII PROHIBITION AGAINST ASSIGNMENT**

No Member Entity may assign any right, claim, or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member Entity shall have any right, claim or title to any part, share, interest, fund, premium or asset of PARSAC.

#### **ARTICLE XXIX AMENDMENTS**

This Agreement may be amended by a two-thirds vote of the Board present and voting at any duly convened regular or special meeting; provided that, any such amendment has been submitted to the directors and the Member Entities at least thirty [30] days in advance of such meeting. Member Entities may, by resolution or ordinance, grant their director and alternate on the Board explicit authorization to approve and execute amendments to this Agreement on behalf of the Member Entity without the necessity of a resolution or ordinance of the legislative body of the

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Member Entity confirming or ratifying such amendment. Any such amendment shall become effective immediately, unless otherwise stated therein.

**ARTICLE XXX  
SEVERABILITY**

Should any portion, term, condition or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions shall not be affected thereby.

**ARTICLE XXXI  
AGREEMENT COMPLETE**

The foregoing constitutes the full and complete agreement of the parties. There are no oral understandings or agreements not set forth in writing herein, except as noted with respect to the Bylaws and Memoranda of Coverage. If any provision of this Agreement conflicts with a provision of the Bylaws, Memoranda of Coverage or other document, such conflicting provisions shall be interpreted to avoid any such conflict, but this Agreement shall govern.

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**ARTICLE XXXII  
EXECUTION OF COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but altogether shall constitute one and the same Agreement.

**Public Agency Risk Sharing Authority of California ["PARSAC"]**

Date: \_\_\_\_\_  
By: \_\_\_\_\_  
General Manager

Attest: \_\_\_\_\_  
Deputy Secretary, PARSAC

**Member Entity:** \_\_\_\_\_

Date: \_\_\_\_\_  
By: \_\_\_\_\_  
Signature/Title

Attest: \_\_\_\_\_  
City/Town Clerk

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**APPENDIX "A"**

**PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA  
[PARSAC]**

**MEMBER ENTITIES**

City of Alturas  
City of Amador City  
City of Avalon  
City of Blue Lake  
City of California City  
City of Calimesa  
City of Calistoga  
City of Canyon Lake  
City of Citrus Heights  
City of Clearlake  
City of Coalinga  
City of Ferndale  
City of Grass Valley  
City of Highland  
City of Menifee  
City of Nevada City  
City of Pacific Grove  
City of Placentia  
City of Placerville  
City of Plymouth  
City of Point Arena  
City of Rancho Cucamonga  
City of Rancho Santa Margarita  
City of Rialto  
City of San Juan Bautista  
City of South Lake Tahoe  
City of Tehama  
City of Trinidad  
Town of Truckee  
City of Twentynine Palms  
City of Watsonville  
City of Wheatland  
City of Wildomar  
Town of Yountville  
City of Yucaipa  
Town of Yucca Valley

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|                    |   |                                     |   |
|--------------------|---|-------------------------------------|---|
| Meeting Date:      | May 5, 2011                                   | Agenda Item Number                  | 11f   |
| Agenda Item Title: | Mobile Vendors Process Change                 |                                     |   |
| Presented By:      | Jay Parrish, City Manager                     |                                     |   |
| Type of Item:      | <input type="checkbox"/> Action               | <input type="checkbox"/> Discussion | <input checked="" type="checkbox"/> Information |
| Action Required:   | <input checked="" type="checkbox"/> No Action | <input type="checkbox"/> Voice Vote | <input type="checkbox"/> Roll Call Vote         |

**RECOMMENDATION:**

Receive and file.

**BACKGROUND:**

The City Council asked Staff to bring back appropriate changes to the process used to license mobile vendors. In researching the process, staff discovered an appropriate section of the Business License Ordinance that governs mobile vendors. Using that section will enable us time to develop an appropriate ordinance and process.

**FISCAL IMPACT:**

None.

**Section 12****CORRESPONDENCE**

**Correspondence Files are available for review at City Hall during regular business hours, Monday through Thursday, 9am to 4pm.**

## **Section 13**

### **REPORTS**

#### **Section 13a: City Manager Staff Report**

##### **CITY MANAGER:**

##### **Meetings:**

- Kiwanis meeting 1<sup>st</sup> and 3<sup>rd</sup> Tuesday of the month at 4:30 pm
- City Council- April 7<sup>th</sup> 5:30-9:00 pm
- HMRA- April 11<sup>th</sup> 4:30-6:00 pm
- City Manager meeting- 21<sup>st</sup> 3:00-5:00 pm
- Planning Commission meeting- 7:00-8:30 pm
- Weekly meeting on WWTF progress with Manhard project manager.
- Daily meetings with chief regarding police activities.
- Daily interaction with Staff regarding daily workload.
- Met with construction manager, Wahlund construction representative and USDA representative, to go over monthly pay request. Also went over construction progress, and change orders. We continue to look for ways to reduce costs and save time. We are close to halfway and still within budget parameters.
- Continuing discussions with Fresnel lens committee members to go over a project to move Lens from fair to museum.
- Numerous conversations regarding Salt River Project with Watershed Council members, NRC representatives, council members and citizens. It looks like we have worked through most of the Farm Bureau's concerns and we are hopeful that can be overcome.
- Numerous meetings with individual councilmen and the mayor regarding City issues.
- Numerous discussions with RCEA representatives regarding our EECBG grant that will support a project in the schools.
- Daily meetings with Public Works in morning to go over daily activities. Capital improvements, WWTF progress, I&I reduction, training and mapping improvements dominating conversations.
- Daily discussions and updates on City Council agenda items and city issues with City Clerk and Treasurer. Considerable time in developing procedures and documentation relating to building and planning issues, and design review situations and interaction with PC and DR committee. We are still grappling with a process that allows all parties to stay informed on projects and issues. I have suggested that a combined meeting of PC and DRC to establish goals and consensus might be a way to make sure we are all on the same page. In regards to this at the last Planning Commission meeting it was suggested that the Chairmen and I work on this and bring it back for the next meeting.

- Discussions with City Planner regarding design review and planning issues. Most time spent on Housing Element and the general plan update and city budget.
- Daily interaction with City Finance Supervisor on budget and department interaction to explain use of funds.
- Signed another extension for security in navy housing for 6 more months.
- Completed the transition application process to move the city to a new medical insurance carrier.
- Navy Housing: Conversations with Karen Ringel of the Navy regarding their progress in completing the lead and asbestos study and the remediation of house 101. We continue to work with nonprofit for possible ownership.
- We have received the new police car and have put together an agreement that will allow the City to get a new car that we will use until we get close to 25,000 miles and then return to cab company. At that point we will be given a new car as a replacement.
- We have asked Dick Hooley to help us with the landing pads that the park benches sit on. It looks like the new benches will require more room than the old ones and we are in the process of designing the new pads. That process may take awhile to go through.
- Discussions with BlueStar gas for proposal on housing complex. Blue Star, Amerigas and Sequoia have all expressed interest in project.
- I have taken most of the last few weeks off due to family health issues.

## **CITY CLERK:**

### ***Meetings***

- City Council Meeting – 4/7/11
- Design Review Meeting – 3/24/11 covered by Administrative Assistant
- Design Review Special Meeting – 4/14/11
- Planning Commission Meeting – 4/20/11
- Design Review Special Meeting – 4/20/11
- Meetings with City Manager regarding daily work schedule.

### ***Council Meeting Follow Up***

- Transcribed Council minutes for the April 7, 2011 meeting.
- Filed Council minutes for March 7, 2011 and March 14, 2011.
- Filed the accepted Ferndale/Navy Housing Study
- Posted the following on next month's agenda
  - H.C. General Plan Update
  - Unmet Transit Needs
  - Mobile Vendor's Process Change
- Filed Original Resolution 2011-13 Authorizing Contract with Humboldt State University for Sewer GIS Mapping; made two copies of contract for City Manager signature; made new Agreement file for our records; prepared letter to go with agreements; notified Chief Plant Operator.
- Filed Original Resolution 2011-14 8<sup>th</sup> Progress Pay Request for Management and Construction Related Costs for the WWTP in Resolution Book, made copy for Project Manager, filed copy in WWTP USDA payments.

- Filed Original Resolution 2010-15 Authorizing the City Manager to sign a Vehicle Lease Agreement; made two copies of agreement for City Manager signature; made new Agreement file for our records; prepared letter to go with agreements; notified Chief Bret Smith.
- Filed Original Resolution 2010-16 Acknowledging and authorizing the closure of Fernbridge on August 7, 2011 for the Centennial Celebration. Called Rick Phillis who will pick up a copy of the Resolution for CalTrans.
- Filed Original Resolution 2011-17 Health Insurance provider change to California State Association of Counties (CSAC). Spoke with Financial Manager on whether she needs copy.

**Planning Commission Follow Up**

- Assembled and distributed April 20, 2011 meeting packet.

**Design Review Committee Follow Up**

- Assembled and disbursed design review committee meeting packets for special design review meetings.
- Instructed Administrative Assistant to write letters or call those applicants with Design Review approval
- Researched and assembled regular meeting packet for April 28, 2011 meeting.

**Projects**

- Collected and mailed all FPPC Form 700s (Statements of Economic Interest).
- Researched emergency procedures; located Ferndale Emergency Procedures, copied and distributed books to City Clerk, City Manager and Police Chief.
- Changed rental agreements and uploaded new forms onto the city’s web page.
- Sent in corrections to the California Roster.
- Training Assistant
  - Building Permits
  - Daily and weekly duties
  - City Clerk duties
  - Design Review Committee: follow-up to minutes for Design Review, including adding new items to the Planning Commission agenda, as well as the next Design Review agenda; writing letters to applicants whose projects were before the Committee
- Worked with City Manager and Finance Director on a procedure for Non-profit agency use of the Community Center and City Hall.
- Prepare for Special City Council meeting for two items on 4/21/11
- Prepared directions on how to upload minutes to the web page.

**Building and Encroachment Permits Issued**

|     |            |                                  |
|-----|------------|----------------------------------|
| 433 | Eugene     | remodel <e> kitchen and bathroom |
| 526 | Washington | Clean sidewalks                  |
| 692 | Berding    | Water heater and vent            |
| 861 | Howard     | PG&E Pole work                   |

**FINANCIAL MANAGER/DEPUTY CITY CLERK:*****Meetings***

- City Council Meeting
- Meet with Public Works on cleaning Community Center
- Various Phone Conferences in regards to Medical Insurance with City Manager and CSAC/SDRMA
- Chief of Police and City Manager about Medical Insurance
- City Manager on various Office issues
- City Janitor on various Cleaning issues
- City Manager and City Clerk on Community Center

***Projects***

- Payroll
- Accounts Payable
- Accounts Receivable
- Daily Banking
- Answer Phones/Greet Visitors
- Purchase Various Supplies
- Order Dog Tags for new fiscal year
- Prepare forms for TDA request for monies
- Receive and File March Financial Reports
- Update 2010-2011 Budget
- Prepare Various Health Insurance Spreadsheets
- Printout Chugach Contract
- Research USDA Funding
- Research Account Totals
- Research lowering Frontier Bill
- Receive File and Mail TE Request
- Printout LAIF Statement

**CITY PLANNER:*****Meetings & Planning Materials***

- Coordinated with City Manager and City Clerk on planning and development projects.
- Coordinated burn down letter assistance - 462 Eugene Street.
- Responded to historic listing question about 315 Berding Street which is not listed locally, but is in the Design Control Zone.
- Computerized Mapping - updated the City's GIS database with new parcel information and aerial photo imagery.
- Attended April 20 Planning Commission meeting.

**Projects**

- General Plan Update - Historic & Cultural Resources Element - Continued preparation of new element including historic & cultural setting, historical resources and design review, and goals and policies. Coordinated with DRC member about museum membership review and comment. Coordinated with City manager about City and public review of Draft Element. Prepared draft goals and policies for Planning Commission review.
- General Plan Update - Housing Element Update - Coordinated with City staff about next steps for responding to HCD comments.

**CITY ENGINEER:**

## Sewer Projects: –

- New Sewer Manholes Main Street, Cleanouts other locations
  - Working with Caltrans for Encroachment Permit
- Prepare RFP for pipe repairs to minimize infiltration

## Pedestrian Improvement Project –

- Focus project on Herbert Street (collect additional survey data)
- Prepare Construction Documentation for mid May bid

## Applications –

- Correct Keyes LLA, revisions to Notice of LLA per Assessor's Office

## General Engineering –

- ARRA reporting for Pedestrian Improvement Project
- HCAOG - Update projects and cost estimates for Regional Bicycle Plan
- Update public maintained road mileage data base for Caltrans
- General support for cemetery boundary line correction

## Meetings and Committees –

- No meetings during April

## Reporting and Correspondence –

- Prepared monthly staff report
- General correspondence and meetings with City Staff

**PUBLIC WORKS:*****City Property***

- Firemen's Park
  - Routine Maintenance, i.e. Mowing Park and Baseball Field.
  - Routine daily walk through to pick-up garbage.
  - Mowed the Bocce area and BB Field.
  - Power washed the dugouts, bleachers etc.
  - Installed new breaker box at Baseball Park.
- Park Restrooms
  - Routinely cleaned every day of the week including weekends.
  - Power washed the bathrooms.

- Russ Park
  - Routine maintenance: Pulling out trash from trash & recycle bins daily.
  - Picked-up loose garbage from Russ Park.
- Town Hall
  - Routine mowing and weed eating
  - Pull out trash daily
- Library
  - Routine mowing and weed eating
  - More trouble with the heater. Called Sequoia Gas. Needs a new part.
- City Parking Lot
  - Picked up garbage – Routinely at least once a week unless otherwise warranted.
  - Installed two new benches.
- Main Street Restrooms
  - Routine maintenance: Daily cleaning and stocking of Main Street Restrooms – 7 days a week.
- Community Center
  - Routine checking of CC when the facility is rented before and after.
  - Worked on the dishwasher
  - Worked on the drain
  - Installed a new service gate.
- Police Department
  - Routine mowing and weed eating
  - Filled pot holes.
- Scout Hall - Routine mowing and weed eating

### ***Streets, Sidewalks and Storm drains***

- Roadsides - Routine mowing and weed eating
- Removed debris from all the drains around town. –
- Routine maintenance: Regular maintenance of roadside mowing.
- Routine picking up trash at the edge of town.
- Routine maintenance: Continuing to pick-up piles around town as resident call and request removal.
- Routine maintenance: Sweep Main St., Monday, Wednesday and Friday mornings.
- Marked out USA locates throughout town. – When needed.
- Patched failing asphalt on South Berding. Overlaid cold patch.
- Filling holes on Eugene and alleys as needed.
- Patching roads throughout town.
- Installed new street signs at Main and Lewis.
- Knocked down street sign on Shaw. Removed and reinstalled.
- Grading alleyways and filling chuck holes.
- Filled gutter across Shaw Ave. This concrete gutter is broken up pretty badly... it is filled with concrete.
- Removing piles.

### ***Vehicle / Equipment Maintenance***

- Routine monthly maintenance and weekly maintenance on frequently used equipment.
- Maintenance on all mowing equipment.

- Greased the truck and backhoe, flail mower, dump truck and service truck

### ***Miscellaneous***

- Routine paperwork.
- Dealing with daily work orders as residents call.
- Viewed Safety videos.
- Went to Bay West to pickup supplies.

### **WASTEWATER OPERATIONS:**

- Prepared monthly sample containers
- Operator Coppini took Grade 3 exam in Santa Rosa.
- Miksis Inc in for manhole repairs.
- CPO performed a system-wide manhole check
- CPO assisted City Staff with computer tech issues.
- Ordered chemicals for the WWTP.
- Finalized contract negotiations with HSU for GIS Work
- Filled out POs for monthly invoices
- Discussed sludge removal with Contractors and Lisa Bernard
- Discussed UV operation and certification with Lisa Bernard
- Discussed networking issues with the SCADA system with Josh Downs, Portland Engineering
- Worked on research for office equipment for new sewer plant
- Presented power point slide show at City Council Meeting with Kent Hanford.
- Ongoing inspection and site visits to WWTP construction site; consults with contractors
  - Completed filter building slab
  - Six and seventh pour of aeration basin were completed
  - Master lift station installed
  - Disc Filters hooked up to plumbing
  - Filter building steel frame installed; Siding in progress; interior framing in progress
  - Poured bases for pump platform @ discharge site
- Chemical delivered to WWTP.
- Worked on budget
- CPO attended CWEA monthly board meeting in
- Interview with Mary Bullwinkle from Humboldt Beacon regarding Construction progress and CRWA award.
- CPO assisted in office answering phones and helping customers while office staff gone.
- Downloaded video files from March/April City Council and March Planning Commission. Edited files and burned to DVD for archiving.
- CPO reviewed and signed daily operation sheets for WWTF
- CPO performed the daily operation of WWTP during operator Coppini's scheduled day off.
- Completed and mailed monthly Self Monitoring Report to the Regional Board
- Operator Coppini performed general maintenance around the facility
- Operator Coppini filed online SSO report.
- Operator Coppini performed the normal in-house weekly and monthly testing and scheduled lab work to be done.

| March 2011 Flows | Average | Minimum | Maximum |
|------------------|---------|---------|---------|
| Influent MGD     | 1.010   | .539    | 1.938   |
| Effluent MGD     | 1.431   | .525    | 2.715   |

### **POLICE DEPARTMENT:**

- Chief Smith attended Kiwanis meetings/functions.
- Chief Smith attended the monthly LECAH meeting.
- Officer Diaz attended the monthly LETMA meeting.
- Officer Hynes attended the monthly Gang Task Force meeting.
- The police department has received the 2010 Dodge Charger. It is currently being equipped and should be ready for patrol the second week of May.
- Chief Smith attended Legislative Law Day in Sacramento. He met with Governor Brown and State Legislators regarding budget.
- Chief Smith attended POST training in Sacramento regarding State report writing standards.

### **Police Statistics – April 2011**

| SERIOUS CRIMES     | Number | Cleared |
|--------------------|--------|---------|
| Homicide           | 0      |         |
| Rape               | 0      |         |
| Robbery            | 0      |         |
| Larceny            | 0      |         |
| Assault            | 0      |         |
| Burglary           | 2      |         |
| Vehicle Theft      | 0      |         |
|                    |        |         |
| TOTAL              | 2      |         |
| SECONDARY CRIMES   | 4      |         |
| Calls for Service  | 49     |         |
| Reports Written    | 9      |         |
|                    |        |         |
| Traffic Citations  | 15     |         |
| Other Citations    | 1      |         |
| Parking Citations  | 3      |         |
| Warnings           | 47     |         |
| ARRESTS            | 0      |         |
| AGENCY ASSISTS     | 18     |         |
| TRAFFIC COLLISIONS | 1      |         |

## Section 13b: Commissions, Committees and Others

### City of Ferndale, Humboldt County, California USA

Design Review Minutes for the 4/14/11 8:30am special meeting

Vice Chair Dane Cowan opened the special meeting at 6:30pm. Committee Members Michael Bailey and Michael Sweeney along with staff City Clerk Nancy Kaytis-Slocum were present. Lino Mogni and Dan Brown were absent. There were no modifications to the agenda.

325 Main Street – window signage. MOTION: (Sweeney/Bailey) Approve the sign as a combination of a sign and a nameplate. All in favor.

Comments: Cream City Café flashing espresso sign did not go through design review. Committee member Sweeney reported that he'd been discussing the Historical and Cultural Resources Element with City Planner Vanessa Blodgett along with Kirk Gothier of the Ferndale Museum. As part of our education and outreach program he would like to put the element on the city's webpage, and have the museum link to it for public comment. Committee member Cowan reported that the fence on Willis Hadley's land between the Shaw House Inn and Sylvia Sterling's property is merely a mock-up. Bailey talked about the definitions of signs as well as an outline for a possible sign ordinance. Questions to bring forward in the discussion may include how do we currently tell a person to remove a sign that has not been authorized? Where are the teeth in our current ordinance? This is what we have been working on, and does the Planning Commission support the concept?

The next regular meeting will be April 28, 2011 at 8:30am. The meeting was adjourned at 9:27am.

Respectfully submitted:

Nancy Kaytis-Slocum  
City Clerk

**City of Ferndale, Humboldt County, California USA**  
Design Review Minutes for the 4/20/11 6:30pm special meeting

Chair Dan Brown opened the special meeting at 6:30pm. Committee Members Lino Mogni, Michael Bailey, and Dane Cowan along with staff City Clerk Nancy Kaytis-Slocum were present. Michael Sweeney was absent. There were no modifications to the agenda.

452 Main Street – Juice bar including bamboo and paint on entry and door. Discussion included whether the colors chosen for the door and the entryway floor, and the bamboo embellishment around the outside of the building and the doorway was Victorian in nature. MOTION: (Cowan/Bailey) The Design Review Committee does not approve the application. All in favor. Staff was directed to ask the applicants to submit a different color/material scheme or to appeal the Committee's decision to the Planning Commission.

393 Main Street – Remove built on lean to at the rear of the building. MOTION: (Cowan/Bailey) Approve removal/demolition of the lean to at the rear of the building. All in favor. When the applicants decide upon the design of the exit from the upstairs, it should come back to the Design Review Committee.

Comments: Committee member Bailey talked about goals for the Design Review Committee, including definitions of signs, and an outline for a possible sign ordinance. Committee member Mogni felt it is not the job of the committee to set goals. Chairman Brown explained that the rules we have been working under are vague and that we need better, more clear tools to make decisions. City Manager Parrish noted that the City Council has goals that may overlap the Planning Commission's goals; that the City Council may give direction to or approve of the Planning Commission's Goals; and that the Planning Commission may give direction to or approve of the Design Review's Goals. Bailey asked if it would be appropriate for him to bring his outline and definitions to the Planning Commission as an individual. The consensus was that it would be more appropriate for the Design Review Committee to bring it forward to the Planning Commission. Jorgen von Frausing-Borch felt that the Design Review Committee should bring ideas forward to the Planning Commission and get approval from the Commission to move forward.

The next regular meeting will be April 28, 2011 at 8:30am. The meeting was adjourned at 6:58pm.

Respectfully submitted:

Nancy Kaytis-Slocum  
City Clerk

**City of Ferndale, Humboldt County, California USA**  
Minutes for Planning Commission Meeting of April 20, 2011

Call to Order: Chair Jorgen Von Frausing-Borch called the Planning Commission meeting to order at 7:00p.m. Commissioners Lino Mogni, Nancy Trujillo, Trevor Harper and Dan Brown as well as staff City Manager Jay Parrish, City Clerk Nancy Kaytis-Slocum and City Planner Vanessa Blodgett were present. Those in attendance pledged allegiance to the flag.

MOTION: (Harper/Mogni): The February 16, 2011 minutes were unanimously approved. There was no public comment.

Correspondence: The commission questioned the Restaurant Matias signage on the window glass. After some discussion it was learned that the signage is not etched onto the glass, but is an applied decal. This item needs to go back to the Design Review committee.

Draft Historical and Cultural Resources Element Goals and Policies: Planner Blodgett explained that the draft goals presented here included comments previously given by the Planning Commission and Design Review Committee. Additional comments were given by the Planning Commissioners.

Goals: The City Manager talked about goals being set by the City Council and asked that the Planning Commission begin thinking about goals and that some of those goals may be passed on to the Design Review Committee. Chair von Frausing-Borch determined that he and the City Manager will work on goals, then call for a work study session including the Design Review Committee.

Lighting and Signage: The Ad Hoc committee previously set up is now past their 6 month mandate. Design Review Committee member Michael Bailey explained that because of frustration of having to use a flawed Ordinance to review design review applications, he had taken it upon himself to spend some time putting together definitions as well as an outline for a possible Sign Ordinance for the City of Ferndale. The Commission asked Mr. Bailey to get background information and possible ordinance changes to the Commissioners before the next meeting, and to have this item put on the next Planning Commission agenda for Mr. Bailey to make a presentation to the Planning Commission.

Historical Record of Architectural Changes: This would entail a change in the building permit process to include photographs of the building before changes are made. MOTION: (Trujillo/Harper) Direct staff to include the necessity for a photographic record to be submitted with the building permit application. All in favor.

Public Education: Hold this over to the next agenda.

The meeting was adjourned at 8:30 p.m.

Respectfully submitted: Nancy Kaytis-Slocum, City Clerk

**Section 13c: Council Reports and Comments**



RECEIVED APR 14 2011

April 12, 2011

Jay Parrish  
City Manager  
City of Ferndale  
P.O. Box 1095  
Ferndale, CA 95536

Dear Mr. Parrish:

Our Joint Exercise of Powers Agreement, Section 7.3c, requires HWMA to provide at least 30 days notice to our member agencies of proposed rate changes. At a regular meeting on May 12, 2011 the HWMA Board of Directors will hold a public hearing to approve a Resolution revising waste management fees for Fiscal Year 2011/2012. No other public hearing will be held and the approved fees will go into effect July 1, 2011.

Enclosed is a copy of the proposed Fee Schedule and the revised Authority FY11/12 Budget. If you have any questions please give me a call.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Test". The signature is written in a cursive style with a long horizontal stroke extending to the right. Below the signature is the printed name "Jim Test" and the title "Executive Director".

Jim Test  
Executive Director

**ABSTRACT**

HWMA Meeting of the Board of Directors  
April 14, 2011, 6:30 PM  
Eureka City Council Chambers

The full Board was in attendance, with alternates representing the City of Rio Dell and the County. Per request of the City of Eureka Chamber of Commerce, their item was pulled from the agenda. Items were adjusted to accommodate the large audience in attendance prior to beginning discussion of the night's business.

A letter from CalRecycle was presented in which their approval of the landfill closure plan was given. The County LEA has yet to give its approval, however as an extension of CalRecycle their approval seems implied. Staff will contact the LEA to confirm this assumption. Minor points of clarification to items in the consent calendar were made, in addition to a lengthy discussion of the process involved in the rejection of a claim for damages from Arcata Community Recycling Center.

The first item of the night focused on receiving public comment on the proposed acceptance of an agreement with Solid Waste of Willits for the processing of recyclables. Although the agreement was not ready for acceptance at the time of the meeting, a large public presence spoke against the acceptance of the agreement in favor of continuing relations with ACRC. In total, thirty-nine members of the public presented their opinions to the Board. The Board discussed the possibility of suspending negotiations with SWoW to consider other alternatives; the potential problems and chance of litigation that could arise from said suspension; and the ability to establish an effective town hall style meeting outside of the regular Board meeting to discuss the recycling issue with the public in an open dialogue atmosphere.

The Board reviewed work by Authority staff on the potential creation of a plastic bag ordinance that would serve all member agencies of the Authority. Staff intends to create a basic ordinance that would serve as the core structure for each agency with a menu of options that establish restrictions as desired by jurisdiction. It was also noted that an EIR would most likely need to be performed to keep the ordinance from being successfully challenged in court by supporters of plastic bag use. Public comment on the subject was greatly in favor of the Authority establishing an ordinance. The Board unanimously agreed to continue work on the ordinance.

Discussion of the budget for Fiscal Year 2012 focused on the trimming of projects and purchases for the Authority to make room for requests of funds by member agencies. In addition, members of the Board questioned the decision to present a budget showing a loss in addition to a reduction in the tipping fee at the Transfer Station. Staff noted the budget estimates a much larger increase in diesel fuel costs that forecast in an effort to prepare for the worst, with the expectation that the cost will not rise to that level. In addition, the reduction in tipping fee eases the cost to ratepayers from the last large spike in diesel prices. Staff intends to use the Authority's reserve funds to absorb any losses recognized by heightened diesel costs. Public comment on the proposed budget urged the Board not to reduce tipping fees, in an effort to cover potential losses and account for discounted amortization. Direction from the Board requested that Staff prepare budgets for tip fee reduction of 0-5%, to give the Board a better idea of where the budget may best be balanced. The Board approved a resolution allowing staff to continue pursuit of the necessary steps to establish a food waste digester. Staff reports for the evening focused on the state of the landfill closure plan; RFP results in the coming months that will focus on the construction of new leachate wells and the utilization of landfill gas; the remodel of the Tip Floor break room; the reworking of contracts with Mad River Hardwoods; and the results of the first half of the waste characterization at the Transfer Station. The Board also approved an extension of the Executive Director's contract to the end of the year.

**TRANSMITTAL**

**DATE:** April 15, 2011  
**TO:** Humboldt LAFCo Member Organizations  
**FROM:** George Williamson AICP, Humboldt LAFCo Executive Officer  
**SUBJECT:** Humboldt LAFCo Draft Budget for Fiscal Year 2011-12

RECEIVED APR 18 2011

**TRANSMITTAL ITEMS**

1. Humboldt LAFCo Proposed Budget for Fiscal Year 2011-12.

The Draft 2011-12 Humboldt LAFCo Budget (Attachment A) is \$101,953.15. This amount derives from the efforts of the LAFCo Budget Review Committee, which was formed to reduce the FY 2011-12 budget and thus, to reduce contributions of membership organizations such as yours. This amount reflects a \$3,791.00 reduction from the Draft FY 2011-12 Budget (\$105,744.00) that was originally proposed at the Commission's March 16, 2011 meeting.

The Budget covers costs for contract staffing, insurance, membership, and related expenses. There is also budget to allow for continued preparation of Municipal services Reviews and Sphere of Influence Updates as required by the State's Cortese Knox Herzberg Act.

Please submit written comments to Humboldt LAFCo by mail, email, or fax, via the contact information provided below, to be received by May 13, 2011 for inclusion in the May 18, 2011 LAFCo meeting materials. In addition, you may also attend the May 18, 2011 Commission meeting and provide comments.

ATTACHMENT A

|  <b>HUMBOLDT</b><br><i>Local Agency Formation Commission</i> |   | <b>FY 2011-12 Draft Budget</b> |   |
|---|---|--------------------------------|---|
| ACCT #  | FUND #3806  | BU #284                        | Budget Notes  |
| <b>Revenues</b>   |   |                                |   |
| 671183  | County of Humboldt  | \$33,984.38                    | County deposits fees at FY start (2.8 % increase from FY 2010-11).  |
| 671181  | Seven Cities  | \$33,984.38                    | County auditor collects City fees from taxes (2.8 % increase " ").  |
| 671182  | 44 Special Districts  | \$33,984.38                    | County auditor collects Special District fees from taxes (2.8 % increase).  |
|   | Application Deposits  | \$0.00                         | To be collected from applicants & tracked separately against deposit.   |
| <b>TOTAL REVENUES</b>   |   | <b>\$101,953.15</b>            |   |
| <b>Expenditures</b>   |   |                                |   |
| 2118  | <b>Professional / Staffing Services - (Task Order #2)*</b>          | <b>\$60,950.00</b>             | <b>Contract Professional Services by Planwest &amp; Expenses (Task Order #2) described with itemized costs listed below.</b>  |
|   | Contract staffing Positions (primarily Executive Officer & Analyst) | \$48,000.00                    | Prepare meeting packets & staff LAFCo meetings; professional staffing; respond to inquiries maintain office hours & files; & track legislation (Task Order #2).                       |
|   | Geographic Information System (GIS) Mapping & Spatial Analysis      | \$3,250.00                     | GIS Mapping / Data Accrual, Updates, Maintaining Spatial Data Library Updating files with current aerial imagery and parcel data (Task Order #2).                                     |
|   | Website Administration / Maintenance                                | \$600.00                       | General Administration & Posting, Security Updates & Hosting / Domain Renewal (Task Order #2).  |
|   | Office Rent / Phone   | \$5,400.00                     | \$425.00 /month (Rent) + \$25 /month phone (445-7506) = \$450(12) = \$5400 /year (Task Order #2)  |
|   | Legal Notices / Publications  | \$1,500.00                     | Publication in the Times Standard (and/or other print publications, as necessary) (Task Order #2)   |
|   | CALAFCO Staff Workshop & Educational/Training Events                | \$1,200.00                     | Workshop Registration, Staff Time & Travel Expense; Staff Training & Educational Workshops/Webinars (e.g., Brown Act, Public Records Act & CEQA compliance/updates) (Task Order #2).  |
|   | Copy / Print Costs & Public Records Requests                        | \$500.00                       | Print materials - b&w &/or color to Commissioners, member organizations, applicants, other staff & public, Diska/ Deliverical/ USPS Postage (Task Order #2)                           |
|   | Staff Travel & Attendance Other Agency/Board Meetings               | \$500.00                       | Staff representation at other agency board meetings and/or events (e.g., preliminary, no-cost initial meetings with project applicants, district & city staff, etc.) (Task Order #2). |
|   | <b>MGRs / SOI updates (Task Order #1)</b>                           | <b>\$16,660.00</b>             | <b>Municipal Services Reviews (MSR's) / Sphere of Influence (SOI) Updates (per Work Plan) &amp; advising on services/boundary change</b>  |
|   | <b>Legal Counsel</b>  | <b>\$8,400.00</b>              | <b>Based on 42 hours @ \$200/hour for - Jeff Guttero</b>  |
|   | <b>Insurance &amp; Memberships</b>                                  | <b>\$6,025.00</b>              | <b>Insurance &amp; Memberships Itemized below</b>   |
| 2110  | Liability Insurance (SDRMA)   | \$2,225.00                     | Based on FY 2010-11 costs.  |
| 2115  | CALAFCO Membership  | \$3,000.00                     | Based on FY 2010-11 costs.  |
|   | SDRMA Membership (required for insur                                | \$800.00                       | Based on FY 2010-11 costs.  |
| 2125  | Commissioner Travel & Expenses                                      | \$1,500.00                     | Based on 6 meetings --honorarium plus mileage averaging \$250/mtg.  |
| 2020  | Contingency (reduced to 9%)   | \$8,418.15                     | Based on 9% of costs (if unexpended- used to build up reserves).  |
| <b>TOTAL APPROPRIATIONS**</b>   |   | <b>\$101,953.15</b>            |   |

\* Planwest staff bills on a time and materials basis, per fee schedule. The hourly rates include direct compensation, benefits, health care, insurance and other staffing expenses.

\*\* This amount may be further reduced by applying unexpended 2010-11 funds.

Note: The following record contains motions and actions of the HCAOG Board.  
An audio library of meeting proceedings is on file at the HCAOG office.

## Humboldt County Association of Governments

### MEETING RECORD (DRAFT)

Regular Meeting  
Thursday, March 24, 2011, 4:00 p.m.  
Eureka City Hall, Room 207  
531 K Street, Eureka

**Present:**

|                                       |                    |
|---------------------------------------|--------------------|
| Mayor Jeff Farley, Chair              | City of Ferndale   |
| Supervisor Clif Clendenen, Vice-Chair | County of Humboldt |
| Mayor Susan Ornelas                   | City of Arcata     |
| Councilmember Michele McCall-Wallace  | City of Blue Lake  |
| Mayor Frank Jäger                     | City of Eureka     |
| Mayor Doug Strehl                     | City of Fortuna    |
| Councilmember Bud Leonard (Alternate) | City of Rio Dell   |
| Mayor Kathy Bhardwaj                  | City of Trinidad   |

**Policy Advisory Committee Members:**

|                             |                            |
|-----------------------------|----------------------------|
| Leishara Ward (Alternate)   | Caltrans District 01       |
| Julie Fulkerson (Alternate) | Humboldt Transit Authority |

**Staff:**

|               |                                  |
|---------------|----------------------------------|
| Marcella Clem | Interim Executive Director       |
| Debra Dees    | Interim Planner                  |
| Debbie Egger  | Interim Administrative Assistant |

**Absent:**

**1. Call to Order**

The meeting was called to order at 4:03 p.m. by Chair Farley.

**2. Public Participation**

No public participation occurred.

**3. Personnel and Administration**

**a) Koff and Associates Updated Comparison List**

Ms. Katie Kaneko, Koff and Associates, presented the Board with the final reports on the Classification and Compensation Studies. The Board's Executive Committee will review Reports and report back to the Board for recommendation.

**b) Procurement Procedures (Draft)**

**Motion was made** (Jäger/Woodall) to adopt the Humboldt County Association of Governments Procurement Policy and Procurement Manual.

**Motion carried unanimously.**

**4. Adjournment of the Association: Convening of Policy Advisory Committee (PAC) - 4:30 p.m.****5. Consent Calendar (PAC)**

**Motion was made** (Ornelas/McCall-Wallace) to remove Item 5.b for discussion and approve consent calendar.

**Motion carried unanimously.**

- a) **Meeting Record** (February 24, 2011)
- b) **Resolution 11-04 in Support of an Environmental Justice Grant Application for Small Town Tools to Implement the Smart Mobility Framework**
- c) **Letter of Support for the Yurok Tribe Trails Master Plan Application for a Caltrans Environmental Justice Grant**

**6. Items Removed from Consent Calendar**

- b) **Resolution 11-4 in Support of an Environmental Justice Grant Application for Small Town Tools to Implement the Smart Mobility Framework**

Jennifer Rice, Redwood Community Action Agency, provided an update on minor changes being made to the grant application.

**Motion was made** (Ornelas/Clendenen) to approve Resolution 11-04 in support of an Environmental Justice Grant Application for Small Town Tools to implement the Smart Mobility Framework.

**Motion carried unanimously.**

**7. Regular Calendar (PAC)**

- a) **Eureka-Arcata Safety Corridor Report**

Caltrans to provide a report at a later date.

- b) **Adoption of Service Coordination Committee (SCC) By-Laws**

**Motion was made** (Woodall/Jäger) to recommend Board adoption of the Service Coordination Committee's By-Laws.

**Motion carried unanimously.**

- c) **Consultant Selection for the Blueprint Phase III; Traffic Model Update**

**Motion was made** (Clendenen/Ornelas) to recommend the Board approve contract award to LSA Associates Inc., to conduct the Blueprint Planning Phase III, Traffic Model Update.

**Motion carried unanimously.**

- d) **Amendment #5 to FY 2010-11 Overall Work Program (OWP)**

**Motion was made** (McCall-Wallace/Woodall) to recommend Board approve amendment #5 to FY 10-11 OWP.

**Motion carried unanimously.**

- e) **FY 2011-12 Overall Work Program (OWP) Draft**

**Motion was made** (Jäger/Clendenen) to recommend Board approval of the Draft FY 2011-12 OWP.

**Motion carried unanimously.**

**8. Adjournment of the PAC: Reconvening of the Association: Action on PAC Items -5:09 p.m.**

**Motion was made** (Woodall/Ornelas) to ratify the actions taken by the Policy Advisory Committee.  
**Motion carried unanimously.**

## 9. Informational Items

### a) **Blueprint Update**

Staff provided an update on the Blueprint imagine humboldt! noting intent to re-engage the Blueprint Advisory Committee (BAC) members in the process.  
Staff will provide the Board with contact information for the (BAC) members.

## 10. Board Member Reports

## 11. Adjournment - The meeting was adjourned at 5:31 pm.

Respectfully submitted, Debbie Egger, Executive Secretary

# HCAOG AGENDA

## Regular Meeting

Thursday, April 28, 2011, 4:00pm

Eureka City Hall, Room 207

531 K Street, Eureka

### 1. Call to Order (Board)

### 2. Public Participation

This item is reserved for matters that are not on the agenda which may be presented by the public.

### 3. Adjournment of the Association: Convening of the Policy Advisory Committee (PAC)

Adjournment to the PAC is an action to include representation from Caltrans and the Humboldt Transit Authority for items specific to transportation.

### 4. Consent Calendar (PAC)

**Requested Action:** By motion, approve the following item(s) considered to be routine by the PAC and enacted on one motion. Item(s) may be removed from the Consent Calendar upon request and will be heard separately.

#### a) Meeting Record (Encl) - March 24, 2011

#### b) Dispatch Service Agreement Between the State of California Department of Highway Patrol and the Humboldt County Service Authority for Freeway Emergencies (SAFE) (Resolution 11-07) (Encl)

The PAC will consider adoption of Resolution 11-07 authorizing execution of a contractual agreement with the California Highway Patrol (CHP) for services and assistance with the Roadside Call Box program.

#### c) FY 2009-10 Transportation Development Act (TDA) Fiscal and Compliance Audit; Humboldt Transit Authority (Encl)

The PAC will receive FY 2009-10 TDA audit report for the Humboldt Transit Authority.

- d) **Amendment #6 to FY 2010-11 Overall Work Program (OWP) (Resolution 11-08)** (Encl)  
The PAC will consider recommending to the Board approval of Amendment #6 to the FY 10-11 OWP and adoption of Resolution 11-08.

**5. Items Removed from Consent Calendar**

**6. Regular Calendar (PAC)**

- a) **Consultant Selection for the Pavement Management System Phase II** (Encl)  
The PAC will consider a recommendation to the Board to direct staff to proceed with contract negotiations for the Pavement Management System Phase II. Staff will provide a recommendation from the RFP review committee.

**OVER**

- b) **2011 Federal Transit Administration (FTA) Section 5310 Program** (Encl)  
The PAC will consider recommending to the Board approval of the region's FTA Section 5310 regional priority list as submitted by the Regional Evaluation Committee.

**7. Reconvening of the Association (Board)**

**Requested Action:** By motion, approve the recommendations taken by the Policy Advisory Committee and reconvene as the Association.

**8. Personnel and Administration**

**9. Informational Items**

**10. Board Member Reports**

This agenda item is reserved for matters that members of the HCAOG Board may wish to present.

**11. Adjournment**

Individuals requiring special accommodations, accessible seating, or documentation in alternative formats are requested to contact the HCAOG office at 444-8208 prior to the meeting.

**Section 16**

**ADJOURNMENT**