

**REGULAR MEETING
OF THE MADERA CITY COUNCIL**
205 W. 4th Street, Madera, California 93637

NOTICE AND AGENDA

**Wednesday, July 15, 2015
6:00 p.m.**

**Council Chambers
City Hall**

CALL TO ORDER

ROLL CALL: Mayor Robert L. Poythress
Mayor Pro Tem William Oliver
Council Member Charles F. Rigby
Council Member Sally J. Bomprezzi
Council Member Andrew J. Medellin
Council Member Donald E. Holley
Council Member Derek O. Robinson Sr.

INVOCATION: Pastor John Pursell, Believer's Church

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENT:

The first fifteen minutes of the meeting are reserved for members of the public to address the Council on items which are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Mayor has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Council is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Council does not respond to public comment at this time.

A. WORKSHOP

There are no items for this section.

B. CONSENT CALENDAR

B-1 Minutes – There are no minutes for consideration.

B-2 Information Only – Warrant Disbursement Report

- B-3 Consideration of a Resolution Approving an Agreement for Special Services Between the City of Madera and the Law Firm of Liebert Cassidy Whitmore and Authorizing the Mayor to Execute the Agreement (Report by Wendy Silva)
- B-4 Consideration of a Resolution Approving the Award of a Contract for the Sanitary Sewer and Storm Drain Improvements – Various Locations Bid Package 2, Project No. S 10-01, CDBG-2014-2217-5072, in the Amount of \$1,089,346 to Rolfe Construction Company, LLC, Authorizing Construction Contingencies of Up to 10% as Approved by the City Engineer, Construction Management and Inspection Costs Up to 10%, and Authorizing the Mayor to Execute the Contract (Report by Keith Helmuth)
- B-5 Consideration of a Resolution Authorizing and Approving Amendments to the City of Madera Fiscal Year 2014/2015 Budget (Report by Tim Przybyla)
- B-6 Consideration of a Resolution Approving Agreement with Akel Engineering Group for Professional Engineering Services to the City of Madera for Preparation of the Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study

And

Consideration of a Resolution Approving Funding Amendments to the City of Madera Fiscal Year 2015/16 Budget for the Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study (Report by Keith Helmuth)

- B-7 Consideration of a Minute Order of the Council of the City of Madera, California Authorizing the Acceptance of a \$1,000.00 Donation to the Madera Police Department (Report by Steve Frazier)
- B-8 Consideration of a Resolution Authorizing and Approving Amendments to the City of Madera Fiscal Year 2015/2016 Budget for Additional Water Patrol and Conservation Staff (Report by Dave Randall)

C. HEARINGS, PETITIONS, BIDS, RESOLUTIONS, ORDINANCES, AND AGREEMENT

- C-1 Public Hearing and Consideration by the City Council of Resolutions Relating to Increases in Water and Sewer Rates as Follows:
 - Consideration of a Resolution of the City Council of the City Of Madera, California, Establishing Monthly Rates to be Charged for Water Furnished by the City and Repealing Resolution 10-118 and All Other Resolutions In Conflict Herewith
 - Consideration of a Resolution of the City Council of the City of Madera, California, Establishing Monthly Rates to be Charged for Sewer Service Furnished by the City and Repealing Resolution 10-119 and All Other Resolutions In Conflict Herewith (Report by Dave Randall)
- C-2 Consideration of a Resolution Approving a Water Conservation Rebate Program and Authorizing and Approving Amendments to the City of Madera Fiscal Year 2015/2016 Budget in the Amount of \$500,000 to Fund the New Program (Report by Dave Randall)
- C-3 Public Hearing and Consideration of a Resolution of the City Council of the City of Madera Confirming Weed Abatement Report and Ordering Cost of Abatement to be a Special Assessment on the Respective Properties (Report by Viola Rodriguez)

- C-4 Second Reading and Consideration of Adoption of an Ordinance Rezoning an 8.25-acre Parcel Located at 2832 North Golden State Boulevard from the IP (Industrial Park) Zone District to the I (Industrial) Zone District (Report by Chris Boyle)
- C-5 Second Reading and Consideration of Adoption of an Ordinance Amending Portions of Chapter 5, of Title V of the City of Madera Municipal Code Relating to Water Restrictions (Report by Dave Randall)

D. WRITTEN COMMUNICATIONS

- D-1 Madera I-Lan Sister City Corporation Request for Support (Krystle Kidwell)

E. ADMINISTRATIVE REPORTS

- E-1 Weekly Water Conservation Reports (Report by Dave Randall)
- E-2 Report on Policy and Procedure Changes in Utility Billing and Request for Authorization from Council to Delay the Application of Late Penalties Related to the Delinquency Date of July 27, 2015 until after July 30, 2015 (Report by Tim Przybyla)

F. COUNCIL REPORTS

- F-1 Mayor's Appointment of Ad Hoc Committee for Tax Sharing Agreement

G. CLOSED SESSION

- G-1 Closed Session Announcement – City Attorney
- G-2 Conference with Legal Counsel – Anticipated exposure to litigation pursuant to Government Code 54956.9(d)(2).
- G-3 Conference with Legal Counsel – Existing Litigation. Subdivision (d)(1) of Government Code §54956.9

One case: Teresa Polston v. City of Madera, MCV064397
- G-4 Closed Session Report – City Attorney

ADJOURNMENT – Next regular meeting August 5, 2015

Any writing related to an agenda item for the open session of this meeting distributed to the City Council less than 72 hours before this meeting is available for inspection at the City of Madera Office of the City Clerk, 205 W. 4th Street, Madera, California 93637 during normal business hours.

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Request for additional accommodations for the disabled, signers, assistive listening devices, or translators needed to assist participation in this public meeting should be made at least seventy two (72) hours prior to the meeting. Please call the Human Resources Office at (559) 661-5401. Those who are hearing impaired may call 711 or 1-800-735-2929 for TTY Relay Service.

Para asistencia en Español sobre este aviso, por favor llame al (559) 661-5405.

I, Sonia Alvarez, City Clerk for the City of Madera, declare under penalty of perjury that I posted the above agenda for the regular meeting of the Madera City Council for July 15, 2015, near the front entrances of City Hall at 3:00 p.m. on July 10, 2015.



Sonia Alvarez, City Clerk

Agenda: July 15, 2015

Item: B-1

**There are no Minutes for
consideration.**

City of Madera

Council Meeting Of	July 15, 2015
Agenda Item No.	B-2

Memorandum To: The Honorable Mayor,
City Council and City Administrator

From: Office of the Director of Finance

Subject: Listing of Warrants Issued

Date: 7/15/15

Attached, for your information, is the register of the warrants for the City of Madera covering obligations paid during the period of:

June 19, 2015 to July 2, 2015

Each demand has been audited and I hereby certify to their accuracy and that there were sufficient funds for their payment.

General Warrant:	200075-200261	\$ 1,066,214.67
Wire Transfer	Union Bank Payroll and Taxes	\$ 529,910.71
Wire Transfer	SDI	\$ 1,492.20
Wire Transfer	Cal Pers	\$ 312,286.27

Respectfully submitted,



Tim Przybyla
Financial Services Director

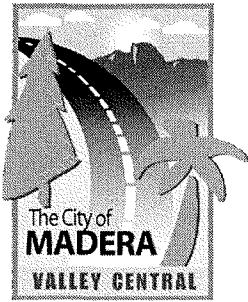
CITY OF MADERA
REGISTER OF AUDITED DEMANDS FOR BANK #1-UNION BANK GENERAL ACCOUNT
July 15, 2015

CHECK	PAY DATE	ISSUED TO	DESCRIPTION	AMOUNT
200075	6/25/2015	GARCIA, FRANCINE	PARK DEPOSIT REFUND	100.00
200076	6/25/2015	GAETA, MIRIAM	PARK DEPOSIT REFUND	100.00
200077	6/25/2015	CHARLES, GLORIA	PARK DEPOSIT REFUND	50.00
200078	6/25/2015	JONES, PHILIP	ENCROACHMENT PERMIT REIMB #4819	500.00
200079	6/25/2015	THE BANK OF NEW YORK MELLON	WATER BOND FEES 03/01/15- 02/29/16	2,506.20
200080	6/25/2015	AT&T	PD PRIVATE LINE SVS 05/19- 06/18/15	366.89
200081	6/25/2015	AT&T	05/15 SVS 5596752026215	1,166.54
200082	6/25/2015	AT&T	05/15 SVS 5596734743531	1,765.39
200083	6/25/2015	AT&T	05/15 SVS 5596618365089	2,320.77
200084	6/25/2015	AMERICAN BUSINESS MACHINES	PRINTER MAINTENANCE AGREEMENT JUNE 2015	1,680.37
200085	6/25/2015	AMERICAN MOBILE SHREDDING	SHREDDING SVS	280.00
200086	6/25/2015	BRIDGE STORE	ALTERNATIVE PAY STATION SVS MAY 2015	736.00
200087	6/25/2015	BUGGY SHOWER CAR WASH	PD CAR WASHES MAY 2015	164.50
200088	6/25/2015	BUSHONG, JASON	MILEAGE REIMB CALL OUT TO WWTP 06/12/15	15.90
200089	6/25/2015	CALIFORNIA CLIMATE CONTROL, INC.	HVAC INSTALLATION	4,180.21
200090	6/25/2015	CALIFORNIA DEPARTMENT OF JUSTICE	FINGERPRINT APPS	192.00
200091	6/25/2015	CALIFORNIA SURVEYING AND DRAFTING SUPPLY	STORM DRAINAGE PROJECT	70.00
200092	6/25/2015	CBCINNOVIS, INC	ACCESS FEE	16.00
200093	6/25/2015	CEDAR VETERINARY HOSPITAL, INC	VETERINARY SVS	163.45
200094	6/25/2015	CANON FINANCIAL SERVICES	CONTRACT COPIERS MAY 2015	4,219.33
200095	6/25/2015	CENTRAL VALLEY PRESORT	RATE INCREASE MAILER	11,788.68
200096	6/25/2015	CENTRISYS CORP.	CENTRIFUGE PARTS	345.27
200097	6/25/2015	CHICK, CHARLES	MILEAGE REIMB CALL OUT TO WWTP 06/08/15	20.13
200098	6/25/2015	COMCAST	PD CABLE TV 06/14- 07/13/15	126.67
200099	6/25/2015	COMMUNITY MEDICAL CENTER	LEGAL BLOOD DRAW	175.00
200100	6/25/2015	DEPARTMENT OF CONSUMER AFFAIRS	PROF ENGINEER LICENSE	115.00
200101	6/25/2015	DOWNTOWN FORD SALES	F150 PICKUP	20,822.71
200102	6/25/2015	ADMINISTRATIVE SOLUTIONS INC.	CITY PD RETIREE MED BILL 7/1/15- 9/01/15	5,658.20
200103	6/25/2015	MCCANTS CHRISTINA	Utility Billing Credit Refund	14.72
200104	6/25/2015	SHORES STEPHANIE	Utility Billing Credit Refund	166.80
200105	6/25/2015	MARTINEZ CANDIDA MARIA	Utility Billing Credit Refund	161.18
200106	6/25/2015	PISTORESI INVESTMENTS INC	Utility Billing Deposit Refund	37.57
200107	6/25/2015	GARCIA BRIANA	Utility Billing Credit Refund	99.25
200108	6/25/2015	MACIEL MARTHA	Utility Billing Credit Refund	31.33
200109	6/25/2015	CAPPELUTTI LOURDES	Utility Billing Credit Refund	185.37
200110	6/25/2015	FLORES MARY A	Utility Billing Credit Refund	108.30
200111	6/25/2015	ZINC FINANCIAL INC	Utility Billing Deposit Refund	11.67
200112	6/25/2015	PESTORICH JOHN	Utility Billing Credit Refund	132.55
200113	6/25/2015	BEDOYAN SHANT	Utility Billing Credit Refund	186.33
200114	6/25/2015	RAKER RICHARD	Utility Billing Credit Refund	204.25
200115	6/25/2015	SAFEGUARD PROPERTIES	Utility Billing Deposit Refund	39.81
200116	6/25/2015	ESPINOZA SEWER SERVICE	TOILET SERVICE	50.00
200117	6/25/2015	FORENSIC NURSE SPECIALISTS, INC.	ASSAULT EXAMINATION	900.00
200118	6/25/2015	CITY OF FRESNO	CITATION #79020859 EXPIRED PARKING METER	109.00
200119	6/25/2015	GEIL ENTERPRISES, INC.	JUNE 2015 JANITORIAL SVS	7,753.73
200120	6/25/2015	GLOBAL CTI GROUP	RMAT SERVICES	45.00
200121	6/25/2015	GOLDEN STATE OVERNIGHT	OVERNIGHT SHIPPING	115.84
200122	6/25/2015	HAYNES, EUGENE G.	PER DIEM CSJVRMA TRAINING	78.43
200123	6/25/2015	HERITAGE K9	BI-MONTHLY MAINTENANCE TRAINING	866.67
200124	6/25/2015	INDUSTRIAL ELECTRICAL CO.	VFDS AT WELL 24 & 28	2,200.00
200125	6/25/2015	JSL CONSTRUCTION INC.	REPAIRS AT PERKINS	1,185.50
200126	6/25/2015	KRAZAN & ASSOCIATES INC	PROF CONSTRUCTION SVS ST 14-05 PMT #6	830.00
200127	6/25/2015	LC ACTION POLICE SUPPLY	SUPPLIES	2,636.56
200128	6/25/2015	LANGUAGE LINE SERVICES, INC.	INTERPRETATION SVS	214.55
200129	6/25/2015	LIEBERT CASSIDY WHITMORE	LEGAL FEES	1,848.80
200130	6/25/2015	MUNISERVICES, LLC	SUTA SERVICES TAX QTR ENDING 12/31/14	3,589.22
200131	6/25/2015	MADERA CHAMBER OF COMMERCE	FY 15/16 MEMBERSHIP DUES	600.00
200132	6/25/2015	MADERA COUNTY TREASURER	APRIL 2015 PARKING PENALTIES	252.00
200133	6/25/2015	MADERA COUNTY AUDITOR	ANIMAL SHELTERING SVS FY 14/15 MAY	12,500.00
200134	6/25/2015	MADERA HONDA SUZUKI	BIKE SVS	1,947.00

200135	6/25/2015	TRACKER	ANNUAL SUBSCRIPTION	2,340.00
200136	6/25/2015	MADERA PRIVATE SECURITY PATROL	SECURITY SVS	573.76
200137	6/25/2015	MADERA PUMPS, INC.	WELL 18 REHAB	22,499.52
200138	6/25/2015	MADERA TRIBUNE	ST 14-08 AD FOR BID	843.30
200139	6/25/2015	MADERA UNIFIED SCHOOL DISTRICT	FACILITY USE	132.64
200140	6/25/2015	MADERA VETERINARY CENTER	VETERINARY SVS	1,228.56
200141	6/25/2015	MADERA YOUTH SOCCER LEAGUE	ADULT SOCCER REFEREES	1,725.00
200142	6/25/2015	ONTRAC	OVERNIGHT SHIPPING	7.18
200143	6/25/2015	P G AND E	05/15 SVS 5207933925-6	131.21
200144	6/25/2015	ORRO, MARCOS	FACILITY DEPOSIT REFUND	100.00
200145	6/25/2015	ROBBINS, IRIS	PARK CANCELLATION REFUND	165.00
200146	6/25/2015	VALDEZ, MICHELLE	FACILITY DEPOSIT REFUND	100.00
200147	6/25/2015	HERNANDEZ, JEANNETTE	PARK DEPOSIT REFUND	50.00
200148	6/25/2015	VILLALVAZO, ARECELLI	PARK DEPOSIT REFUND	50.00
200149	6/25/2015	FLORES, DIANA	PARK DEPOSIT REFUND	50.00
200150	6/25/2015	SANDLIN, JEANNIE	PARK DEPOSIT REFUND	100.00
200151	6/25/2015	DEPARTMENT OF SOCIAL SERVICES	PARK DEPOSIT REFUND	50.00
200152	6/25/2015	GAMBOA, MARGARET	PARK DEPOSIT REFUND	100.00
200153	6/25/2015	MORAN, DANIEL	PARK DEPOSIT REFUND	50.00
200154	6/25/2015	GODINEZ, CARLOS	PARK DEPOSIT REFUND	50.00
200155	6/25/2015	GONZALEZ, SAL	PARK DEPOSIT REFUND	50.00
200156	6/25/2015	IMP YARD DOGS	FIELD DEPOSIT REFUND	50.00
200157	6/25/2015	MENDOZA, MONICA	PARK DEPOSIT REFUND	50.00
200158	6/25/2015	COMMUNITY ACTION PARTNERSHIP OF	FACILITY DEPOSIT REFUND	100.00
200159	6/25/2015	HOBART, EMILY	PARK DEPOSIT REFUND	50.00
200160	6/25/2015	RUEDA DE JESUS, SOPHIA	PARK CANCELLATION REFUND	415.00
200161	6/25/2015	GUILLEN, EVELINA	PARK DEPOSIT REFUND	50.00
200162	6/25/2015	VALVERDE, ELIZABETH	PARK CANCELLATION REFUND	415.00
200163	6/25/2015	AUSTIN, THOMAS	ENCROACHMENT PERMIT #4817 REIMBURSEMENT	500.00
200164	6/25/2015	MADERA SELF STORAGE SP #64	OVERPAYMENT REFUND	132.11
200165	6/25/2015	MCGUIRE, MARGARET	ALCOHOL DEPOSIT REFUND	100.00
200166	6/25/2015	HERRERA, NOE	PARK DEPOSIT REFUND	50.00
200167	6/25/2015	PETTY CASH - PARKS DEPT.	PETTY CASH REIMBURSEMENT	12.96
200168	6/25/2015	PHOENIX GROUP INFO SYS	CITATIONS APRIL 14/15	251.70
200169	6/25/2015	PIERCE CONSTRUCTION	ASPHALT PAVING	67,149.02
200170	6/25/2015	PITNEY BOWES GLOBAL FINANCIAL SERVICES	POSTAGE MACHINE LEASE 03/30- 06/30/15	367.68
200171	6/25/2015	PITNEY BOWES, INC.	POSTAGE METER RENTAL YOUTH CENTER	145.89
200172	6/25/2015	POLYDYNE INC.	BIOSOLIDS PROCESSING	5,365.44
200173	6/25/2015	RBC CAPITAL MARKETS	REMARKETING SVS 11/03/14- 02/01/15	836.76
200174	6/25/2015	REGENCE BLUECROSS BLUESHIELD OF UTAH	CITY PD RETIREE BILL CHUMLEY JULY 2015	144.00
200175	6/25/2015	SAUCEDA, MATTHEW	PER DIEM MOTOR OFFICER UPDATE	32.00
200176	6/25/2015	SERGIO'S WELDING	EQUIPMENT MAINTENANCE	1,387.20
200177	6/25/2015	SIMPLEXGRINNELL	ANNUAL FIRE EXTINGUISHER INSPECTIONS	680.09
200178	6/25/2015	SPEAKWRITE LLC	DICTATION SVS	94.60
200179	6/25/2015	STANDARD & POOR'S CORP.	ANNUAL SURVEILLANCE FEE FY 15/16	2,000.00
200180	6/25/2015	STATE WATER RESOURCES CONTROL BOARD	WATER TREATMENT CERT GRADE 2- GLASER	80.00
200181	6/25/2015	STATE WATER RESOURCES CONTROL BOARD	EXAM FEE WATER DIST OPERATOR GR2-JOHNSON	65.00
200182	6/25/2015	STATE WATER RESOURCES CONTROL BOARD	EXAM FEE WATER DISTR OPERATOR GR4- LARA	130.00
200183	6/25/2015	STATE WATER RESOURCES CONTROL BOARD	EXAM FEE WATER DISTR OPERATOR GR3- SOLIS	100.00
200184	6/25/2015	SYNAGRO WEST, INC.	BIOSOLIDS DISPOSAL/ PROCESSING	5,389.21
200185	6/25/2015	TESEI PETROLEUM, INC.	FUEL	587.69
200186	6/25/2015	TESEI PETROLEUM INC.	PROPANE	10.85
200187	6/25/2015	SALEM ENGINEERING GROUP, INC	LAB & TESTING SVS ST 11-04 PMT #1	2,015.00
200188	6/25/2015	TRANSUNION RISK & ALTERNATIVE DATA SOL.	DATABASE ACCESS MAY 2015	130.00
200189	6/25/2015	TUCKNESS, MATTHEW	PER DIEM MOTOR OFFICER UPDATE	35.01
200190	6/25/2015	UNION BANK OF CALIFORNIA	SVS FOR PERIOD FEB 1 TO APR 30, 2015	875.00
200191	6/25/2015	VERIZON WIRELESS	PD AIRCARDS MAY 11- JUN 10	3,577.03
200192	6/25/2015	VISION SERVICE PLAN-(CA)	VISION SERVICE PLAN VSP JUNE 2015	2,285.96
200193	6/25/2015	ZEE MEDICAL SERVICE CO.	MEDICAL SUPPLIES	116.15
200194	7/2/2015	BLUE SHIELD OF CALIFORNIA	CITY PAID BLUE SHIELD JULY 2015	250,349.86
200195	7/2/2015	KAISER FOUNDATION HEALTH PLAN	CITY MEDICAL KAISER JULY 2015	546.22
200196	7/2/2015	LINCOLN FINANCIAL	LIFE & LTD INSURANCE JULY 2015	6,681.82
200197	7/2/2015	TRACKER	ANNUAL SUBSCRIPTION FY 15/16	2,340.00
200198	7/2/2015	REGENCE BLUECROSS BLUESHIELD OF UTAH	CITY PAID RETIREE PRESER JULY 15 CHUMLEY	144.70
200199	7/2/2015	JONES, SHANNON	ACCT TERMED 04/29/15 DEPOSIT REFUND	1,362.74

200200	7/2/2015 ALL VALLEY ADMINISTRATORS	MEDICAL & CHILD CARE EXP 07/02/15 PR	667.44
200201	7/2/2015 ALPHA OMEGA WIRELESS, INC	IT SERVICES	1,744.20
200202	7/2/2015 AMERICAN BUSINESS MACHINES	STAPLES FOR COPIER	63.72
200203	7/2/2015 BSK ASSOCIATES	PERMIT COMPLIANCE MONITORING	39.00
200204	7/2/2015 BUSHONG, JASON	MILEAGE REIMB CALL OUT 6/14/15 & 6/23/15	31.80
200205	7/2/2015 CENTRAL VALLEY PRESORT	PRINTING & MAILING WATER RESTRICTIONS	6,901.57
200206	7/2/2015 CENTRISYS CORP.	MAINTENANCE PARTS	515.66
200207	7/2/2015 COLONIAL LIFE & ACCIDENT INSURANCE CO	E700482-3 FOR 07/02/2015 PAYROLL	1,090.99
200208	7/2/2015 COMCAST	07/15 SVS 8155500320322006	83.94
200209	7/2/2015 COMCAST	CITY INTERNET CONNECTION 06/15- 07/14/15	1,520.00
200210	7/2/2015 DELANO MARK	Utility Billing Deposit Refund	29.83
200211	7/2/2015 TACO BELL	Utility Billing Deposit Refund	401.43
200212	7/2/2015 FARIAS EUGENE L	Utility Billing Deposit Refund	39.47
200213	7/2/2015 OLIVAS JOHN A	Utility Billing Deposit Refund	18.57
200214	7/2/2015 KALICH JOSEPH R	Utility Billing Deposit Refund	14.56
200215	7/2/2015 WHITTEMORE MARJORIE	Utility Billing Credit Refund	172.04
200216	7/2/2015 LOPEZ MARCELLA	Utility Billing Deposit Refund	4.11
200217	7/2/2015 MACIEL MARIA OR CITY OF MADERA	Utility Billing Deposit Refund	197.41
200218	7/2/2015 VENEGAS ESPERANZA AND ALFONSO	Utility Billing Deposit Refund	30.81
200219	7/2/2015 TRUONG ANH	Utility Billing Deposit Refund	6.36
200220	7/2/2015 SAID YUNES M C/O MADERA MANAGEMENT CO	Utility Billing Deposit Refund	24.62
200221	7/2/2015 ENRIQUEZ HUMBERTO	Utility Billing Credit Refund	157.16
200222	7/2/2015 VARGAS ROSALBA OR CITY OF MADERA	Utility Billing Credit Refund	150.41
200223	7/2/2015 GONZALEZ MIGUEL OR CITY OF MADERA	Utility Billing Credit Refund	150.38
200224	7/2/2015 HERNANDEZ ALMA	Utility Billing Credit Refund	9.46
200225	7/2/2015 MENDOZA AMANDA	Utility Billing Credit Refund	105.85
200226	7/2/2015 RIOS NATALIA	Utility Billing Credit Refund	69.04
200227	7/2/2015 LUJANO EDWARD	Utility Billing Credit Refund	170.08
200228	7/2/2015 REYES ANGEL ANTHONY	Utility Billing Credit Refund	103.19
200229	7/2/2015 CYPREXX SERVICES LLC	Utility Billing Credit Refund	194.41
200230	7/2/2015 INTELIS CORPORATION MANAGEMENT CO FOR MRO INVESTMI	Utility Billing Credit Refund	165.37
200231	7/2/2015 JAKUSZ PROPERTY MAINTENANCE	JUNE 2015 MONTHLY MAINTENANCE	25,180.03
200232	7/2/2015 4IMPRINT	WATER CONSERVATION	2,340.63
200233	7/2/2015 FRESNO NETWORKS, LLC	CONSULTING & TECHNOLOGY SERVICES	100.00
200234	7/2/2015 GRAINGER, INC.	MAINTENANCE PARTS	61.08
200235	7/2/2015 HAYNES, EUGENE G.	MILEAGE REIMBURSEMENT 06/26/15 TRAINING	42.09
200236	7/2/2015 J'S COMMUNICATIONS	PD UPFIT	127.01
200237	7/2/2015 JOHNSON REAL ESTATE APPRAISAL	APPRAISAL SVS 27322 PERKINS RD	200.00
200238	7/2/2015 JORGENSEN COMPANY	FIRE EXTINGUISHER RECHARGE	163.92
200239	7/2/2015 FIRST TRANSIT INC.	FIRST TRANSIT APRIL 2015	69,251.48
200240	7/2/2015 M.A.K. ASSOCIATES INC	SUPERVISORY INSTALLS	1,000.00
200241	7/2/2015 MADERA CLEANERS & LAUNDRY	YOUTH CENTER FLOOR MATS	32.30
200242	7/2/2015 MADERA COUNTY	NSP3 JUNE UTILITIES 27152 SAN JOSE AVE	27.66
200243	7/2/2015 MADERA COUNTY	NSP3 JUNE UTILITIES 27322 PERKINS RD	58.00
200244	7/2/2015 MADERA COUNTY	NSP3 JUNE UTILITIES 27152 SAN BRUNO AVE	27.66
200245	7/2/2015 MADERA IRRIGATION DISTRICT	GROUNDWATER JPA	678.50
200246	7/2/2015 MADERA TRIBUNE	AD FOR PUBLIC NOTICE CANCELLATION	38.25
200247	7/2/2015 MASON, ROBBINS, BROWNING & GODWIN,LLP	GROUNDWATER JPA	2,030.00
200248	7/2/2015 MID VALLEY DISPOSAL INC.	WASTE DISPOSAL SVS MAY 2015	283,630.98
200249	7/2/2015 N.P.C.-ORCHARD TRUST COMPANY	PLAN #340227-01 FOR 07/02/2015 PAYROLL	5,623.06
200250	7/2/2015 N.P.C.-ORCHARD TRUST COMPANY	PLAN #340227-02 FOR 07/02/2015 PAYROLL	2,597.42
200251	7/2/2015 O'DELL ENGINEERING, INC.	KNOX PARK DESIGN SERVICES	7,750.00
200252	7/2/2015 OFFICE DEPOT	BCA CLIP BOARD	8.09
200253	7/2/2015 ORR SAFETY	REGULATOR	1,797.59
200254	7/2/2015 PACIFIC GAS & ELECTRIC	05/15 SVS 9920095153-3	58,425.85
200255	7/2/2015 P G AND E	06/15 SVS 1619119913-8	4,508.92
200256	7/2/2015 ALL STAGE CONSTRUCTION	ACCT TERMED 04/29/15 DEPOSIT REFUND	1,522.78
200257	7/2/2015 PIERCE CONSTRUCTION	ASPHALT PATCHING	77,035.04
200258	7/2/2015 SIMPLEXGRINNELL	PAN AM FIRE EXTINGUISHER SERVICE	251.66
200259	7/2/2015 TESEI PETROLEUM, INC.	FUEL	548.90
200260	7/2/2015 VILLA GARDENING SERVICE INC	NSP3 JUNE GARDENING SVS	370.00
200261	7/2/2015 VANTAGEPOINT TRANSFER AGENTS-457	PLAN #302351 CONTRIBS FOR 07/02/15 PR	19,568.39
Bank # 1 - Union Bank General Account Total			1,066,214.67

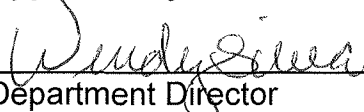
Report to City Council

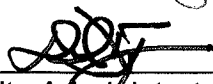


Council Meeting of July 15, 2015

Agenda Item Number B-3

Approved by:


Department Director


City Administrator

Consideration of a Resolution Approving an Agreement for Special Services Between the City of Madera and the Law Firm of Liebert Cassidy Whitmore and Authorizing the Mayor to Execute the Agreement

RECOMMENDATION

Staff recommends Council adopt the resolution approving the Agreement for Special Services with Liebert Cassidy Whitmore and authorize the Mayor to execute the agreement on behalf of the City.

HISTORY

Since 1991, the City has been a member of the Central Valley Employment Relations Consortium along with other public agencies for training and labor law consultation. Specific services provided are five full days of training on various employment related topics selected by consortium members, legal consultation on employment matters by telephone and email, and monthly labor and employment law newsletters.

SITUATION

Continued participation in the consortium requires execution of an agreement for special services with the firm. With our continued participation, the City is able to meet the challenge of providing cost effective and current employment law training to supervisors, managers, and department heads. The training classes for 2015-16 are slated to be:

- Supervisory Skills for the First Line Supervisor/Manager
- The Art of Writing the Performance Evaluation
- Advanced Investigations of Harassment Complaints
- Public Sector Employment Law Update
- Leaves, Leaves and More Leaves

- Legal Issues Related to Generational Diversity and Succession Planning: The Future is Here
- Workplace Bullying: A Growing Concern
- Disability Discrimination/Family and Medical Care Leave/Workers' Compensation/Disability Retirement: Administering Overlapping Laws

FISCAL IMPACT

The cost for continued participation in the Consortium will be \$2,245.00 for the 2015-16 year. This represents a 5% increase over the prior year. Participation in the Consortium is paid through the Insurance Reserve Fund and the identified training is made available without charge to all City departments. Adequate funds have been included in the proposed 2015-16 budget for continued participation in the Consortium.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN

Labor law training and consultation for City of Madera employees is not addressed in the vision or action plan; the requested action is also not in conflict with any of the actions or goals contained in that plan.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA APPROVING
AN AGREEMENT FOR SPECIAL SERVICES AND AUTHORIZING THE MAYOR TO
EXECUTE THE AGREEMENT FOR SPECIAL SERVICES BETWEEN THE CITY OF
MADERA AND THE LAW FIRM OF LIEBERT CASSIDY WHITMORE

WHEREAS, the City of Madera has a need to secure expert training and
consultation services to assist the City in its employee and labor relations; and

WHEREAS, the City wishes to provide timely and cost effective training for
supervisory staff relative to employee and labor relations issues; and

WHEREAS, the City desires to continue participation in the Central Valley
Employment Relations Consortium.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF MADERA hereby resolves, finds,
and orders as follows:

1. The above recitals are true and correct.
2. The Agreement for Special Services between the City and Liebert Cassidy
Whitmore, on file with the Office of the City Clerk and referred to for more
particulars, is approved.
3. The Mayor is authorized to execute the Agreement for Special Services on
behalf of the City of Madera.
4. This resolution is effective immediately upon adoption.

* * * * *

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the City of Madera, A Municipal Corporation, hereinafter referred to as "Agency," and the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation, hereinafter referred to as "Attorney."

WHEREAS Agency has the need to secure expert training and consulting services to assist Agency in its relations and negotiations with its employee organizations; and

WHEREAS Agency has determined that no less than thirty-nine (39) public agencies in the Central Valley area have the same need and have agreed to enter into identical agreements with Attorney; and

WHEREAS Attorney is specially experienced and qualified to perform the special services desired by the Agency and is willing to perform such services;

NOW, THEREFORE, Agency and Attorney agree as follows:

Attorney's Services:

During the year beginning July 1, 2015, Attorney will provide the following services to Agency (and the other aforesaid public agencies):

1. Five (5) days of group training workshops covering such employment relations subjects as management rights and obligations, negotiation strategies, employment discrimination and affirmative action, employment relations from the perspective of elected officials, performance evaluation (administering evaluations), grievance and discipline administration for supervisors and managers, planning for and responding to concerted job actions, current court, administrative and legislative developments in personnel administration and employment relations, etc., with the specific subjects covered and lengths of individual workshop presentations to be determined by Agency and the other said local agencies.

It is expressly understood that the material used during these presentations, including written handouts and projected power points are provided solely for the contracted workshops. This agreement warrants there will be no future use of Liebert Cassidy Whitmore material in other trainings or formats without the expressed written permission of Liebert Cassidy Whitmore. Any such use will constitute a violation of this agreement and copyright provisions.

2. Availability of Attorney for Agency to consult by telephone.
3. Providing of a monthly newsletter covering employment relations developments.

Fee:

Attorney will provide these special services to Agency for a fee of Two Thousand Two Hundred Forty Five Dollars (\$2,245.00) payable in one payment prior to August 1, 2015. The fee, if paid after August 1, 2015 will be \$2,345.00.

Said fee will cover Attorney's time in providing said training and consultative services and the development and printing of written materials provided to attendees at the training programs.

Additional Services:

Attorney shall, as and when requested by Agency, make itself available to Agency to provide representational, litigation, and other employment relations services. The Agency will be billed for the actual time such representation services are rendered, including reasonable travel time, plus any necessary costs and expenses authorized by the Agency.

The range of hourly rates for Attorney time is from One Hundred Ninety to Three Hundred Twenty-Five Dollars (\$190.00 - \$325.00) per hour for attorney staff and from Seventy-Five to One Hundred Fifty Dollars (\$75.00 - \$150.00) per hour for services provided by paraprofessional and litigation support staff. Attorneys, paraprofessional and litigation support staff bill their time in minimum units of one-tenth of an hour. Attorney reviews its hourly rates in an annual basis and if appropriate, adjusts them effective July 1.

Independent Contractor:

It is understood and agreed that Attorney is and shall remain an independent contractor under this Agreement.

Term:

The term of this Agreement is twelve (12) months commencing July 1, 2015. The term may be extended for additional periods of time by the written consent of the parties.

Condition Precedent:

It is understood and agreed that the parties' aforesaid rights and obligations are contingent on no less than thirty-nine (39) local agency employers entering into a substantially identical Agreement with Attorney on or about July 1, 2015.

Dated: 6/5/15

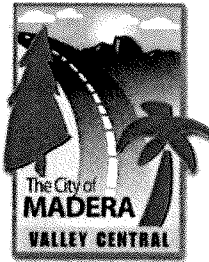
LIEBERT CASSIDY WHITMORE
A Professional Corporation

By [Signature]

Dated: _____

CITY OF MADERA
A Municipal Corporation

By _____



[Return to Agenda](#)

REPORT TO CITY COUNCIL

Approved By

Department Director

Council Meeting of July 15, 2015

Agenda Item Number B-4

City Administrator

SUBJECT: CONSIDERATION OF A RESOLUTION APPROVING THE AWARD OF CONTRACT FOR SANITARY SEWER AND STORM DRAIN IMPROVEMENTS-VARIOUS LOCATIONS BID PACKAGE 2 PROJECT NO. S 10-01, CDBG-2014-2217-5072 IN THE AMOUNT OF \$1,089,346 TO ROLFE CONSTRUCTION COMPANY, LLC, AUTHORIZING CONSTRUCTION CONTINGENCIES OF UP TO 10% AS APPROVED BY THE CITY ENGINEER, CONSTRUCTION MANAGEMENT AND INSPECTION COSTS UP TO 10% AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT ON BEHALF OF THE CITY

RECOMMENDATION:

1. That the City Council approves Resolution No. 15-____
 - a. Approving the award of the contract for Sanitary Sewer and Storm Drain Improvements-Variou Locations Bid Package 2 Project No. S 10-01, CDBG-2014-2217-5072 in the amount of \$1,089,346 to Rolfe Construction Company, LLC.
 - b. Authorizing Construction Contingencies of up to 10% as approved by the City Engineer.
 - c. Authorizing Contingencies of up to 10% for Construction Inspection and Management as approved by the City Engineer.
 - d. Authorizing the Mayor to execute the contract on behalf of the City.

SUMMARY:

The City received bids for the Sanitary Sewer and Storm Drain Improvements-Variou Locations Bid Package 2, Project No. S 10-01, CDBG-2014-2217-5072, the Project. Rolfe Construction submitted the lowest responsive and responsible bid that meets the contract requirements and is within the established budget. It is recommended that the City Council award the Project to Rolfe Construction.

Engineering

205 W. Fourth Street • Madera, CA 93637 • TEL (559) 661-5418 • FAX (559) 675-6605

www.madera-ca.gov

SITUATION:

The City of Madera entered into an agreement with AECOM in January 2009 to perform engineering services resulting in construction bid documents for several identified sewer and storm drainage Capital Improvement Program (CIP) projects. The scope of services allowed for combining the projects into separate bid packages based on need, budget and project deliverability. Construction of Bid Package 1 that included both sewer and storm drainage improvements was completed in 2011. The remaining projects were identified as Sanitary Sewer and Storm Drain Improvements-Various Locations, Bid Package 2. However, there are no storm drain improvements in this project.

The "Notice Inviting Bids" for Bid Package 2 was duly noticed in the Madera Tribune newspaper. The construction and bidding documents (plans and specifications) were distributed to Builders Exchanges in Fresno, Merced, Modesto and Visalia, and thereby made available to contractors and sub-contractors. The plans and specifications were also posted on EBidBoard.com, a projects online listing service for contractors accessible from the City's website.

On June 23, 2015, the City received three (3) bids. All bids were checked for accuracy with the bidding requirements of the specifications and for validity of licenses and bid security. The bid from Bill Nelson GEC, in the amount of \$986,149, was determined to be non-responsive because the contractor did not submit the required bid bond on the proper bid bond form as specified for the project. Other documents required to be submitted with the bid per the instructions to bidders were also not provided with the bid nor were the documents required to be submitted within four (4) business days from the bid opening.

The qualified bidders and bids received are listed below:

Rolfe Construction Company, LLC	\$ 1,089,346
Emmett's Excavation, Inc.	\$ 1,151,037
Engineers Opinion of Cost	\$ 1,191,967

Rolfe construction submitted the lowest responsive and responsible bid that meets the contract requirements. It is recommended that the City Council award the Project to Rolfe Construction.

On June 4, 2014, the City Council determined that the Project is Categorically Exempt from CEQA pursuant to Section 15301(c) of the CEQA Guidelines, and that the Project is subject to a Categorically Exclusion from NEPA pursuant to 24 CFR Section 58.5(a).

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The recommended capital improvement project supports Vision Strategy 101.6, Ensure infrastructure can sustain population growth.

FINANCIAL IMPACT:

Funding for the Project is programmed in FY2014/2015 budget in several line item accounts in the Sewer System utility fund totaling over \$1.1 million (3472-5072, 3472-5078, 3472-5080, and 3472-5083) and \$700,000 of Community Development Block Grant funds in 2217-5072 for projects in eligible areas. Any funds remaining after completion of the project will be returned to the Sewer Fund balance. We do not anticipate any remaining CDBG funds.

Construction of the Project will not have a financial impact on the City's General Fund.

RESOLUTION NO. 15-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA,
CALIFORNIA, APPROVING THE AWARD OF CONTRACT FOR SANITARY SEWER
AND STORM DRAIN IMPROVEMENTS-VARIOUS LOCATIONS, BID PACKAGE 2,
PROJECT NO. S 10-01, CDBG-2014-2217-5072, IN THE AMOUNT OF \$1,089,346 TO
ROLFE CONSTRUCTION COMPANY, LLC, AND AUTHORIZING CONSTRUCTION
CONTINGENCIES OF UP TO 10% AS APPROVED BY THE CITY ENGINEER AND
CONSTRUCTION MANAGEMENT AND INSPECTION COSTS UP TO 10%, AND
AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT ON BEHALF OF THE
CITY**

WHEREAS, The Engineering Department advertised a solicitation for bids for the Sanitary Sewer and Storm Drain Improvements-Various Locations Bid Package 2 Project No. S 10-01, CDBG-2014-2217-5072, hereinafter referred to as "the Project"; and

WHEREAS, Sealed bids were received on June 23, 2015 and opened by the City Engineer; and

WHEREAS, the Project received a CEQA (California Environmental Quality Act) categorical exemption and a categorical exclusion from NEPA (National Environmental Policy Act) on June 4, 2014.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA

HEREBY finds, orders and resolves as follows:

1. The above recitals are true and correct.
2. The City Council has reviewed and considered all of the information presented including the report to the City Council from the Engineering Department.
3. The City finds that Rolfe Construction Company, LLC, is the lowest responsible and responsive bidder.
4. The contract for Sanitary Sewer and Storm Drain Improvements-Various Locations Bid Package 2 Project No. S 10-01, CDBG-2014-2217-5072, in the amount of \$1,089,346 with Rolfe Construction, a copy of which is on file in the Office of the City clerk and referred to for particulars, is approved.
5. Construction Contingencies of up to 10% as approved by the City Engineer and Construction Inspection and Management of up to 10% are hereby authorized.
6. The Mayor is hereby authorized to execute the contract on behalf of the City.
7. This Resolution is effective immediately upon adoption.

AGREEMENT

THIS AGREEMENT, made this 15th day of July, 2015, between the City of Madera, hereinafter called "**OWNER**", and Rolfe Construction Company, LLC, doing business as (an individual), or (a partnership), or (a corporation), hereinafter called "**CONTRACTOR**".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The **CONTRACTOR** shall commence and complete all **WORK** required for the "**SANITARY SEWER AND STORM DRAIN IMPROVEMENTS-VARIOUS LOCATIONS BID PACKAGE 2 PROJECT NO. S10-01, CDBG-2014-2217-5072**"
2. The **CONTRACTOR** shall furnish all of the material, supplies, tools, equipment, labor and other services necessary for the construction and completion of the **WORK** described herein.
3. The **CONTRACTOR** shall commence the **WORK** required by the **CONTRACT DOCUMENTS** within 10 calendar days after the date of the **NOTICE TO PROCEED** and will complete the same within the time period set forth in the **CONTRACT DOCUMENTS**. The **CONTRACTOR** shall submit a Payment Bond and Performance Bond in the amount of \$1,089,346.00, each and Insurance Certificates as specified in the **CONTRACT DOCUMENTS** prior to commencing any **WORK**.
4. The **CONTRACTOR** agrees to perform all of the **WORK** described in the **DOCUMENTS** for the unit and lump sum prices set forth in the Bid Schedule.
5. The term "**CONTRACT DOCUMENTS**" means and includes the following:
 - (A) Advertisement for Bids
 - (B) Information for Bidders
 - (C) Bid Proposal
 - (D) Bid Bond
 - (E) Agreement
 - (F) Payment Bond
 - (G) Performance Bond
 - (H) Insurance Requirements for Contractors
 - (I) General Conditions
 - (J) Special Conditions
 - (K) City of Madera Standard Specifications and Drawings
 - (K) State Standard Plans and Specifications ISSUE MAY 2010
 - (L) SPECIFICATIONS prepared or issued by CITY OF MADERA, entitled "**SANITARY SEWER AND STORM DRAIN IMPROVEMENTS-VARIOUS LOCATIONS BID PACKAGE 2 PROJECT NO. S10-01, CDBG-2014-2217-5072**" dated **MAY 2015**.
 - (M) Project Plans prepared or issued by the City of Madera Engineering Department, Sheets 1 through Sheet 23,
 - (N) Addenda Nos. 1, dated 05/29/15
Addenda Nos. 2, dated 06/11/15
Addenda Nos. 3, dated 06/17/15

6. In the event the **CONTRACTOR** does not complete the **WORK** within the time limit specified herein or within such further time as authorized, the **CONTRACTOR** shall pay to the **OWNER** liquidated damages in the amount of **Four Hundred Dollars (\$400.00)** per day for each and every calendar day delay in finishing the **WORK** beyond the completion date so specified.

7. The **OWNER** will pay to the **CONTRACTOR** in the manner and at such times as set forth in the General Conditions such amounts as required by the **CONTRACT DOCUMENTS**. For any moneys earned by the **CONTRACTOR** and withheld by the **OWNER** to ensure the performance of the Contract, the **CONTRACTOR** may, at his request and expense, substitute securities equivalent to the amount withheld in the form and manner and subject to the conditions provided in Division 2, Part 5, Section 22300 of the Public Contract Code of the State of California.

8. In the event of a dispute between the **OWNER** and the **CONTRACTOR** as to an interpretation of any of the specifications or as to the quality or sufficiency of material or workmanship, the decision of the **OWNER** shall for the time being prevail and the **CONTRACTOR**, without delaying the job, shall proceed as directed by the **OWNER** without prejudice to a final determination by negotiation, arbitration by mutual consent or litigation, and should the **CONTRACTOR** be finally determined to be either wholly or partially correct, the **OWNER** shall reimburse him for any added costs he may have incurred by reason of work done or material supplied beyond the terms of the contract as a result of complying with the **OWNER'S** directions as aforesaid. In the event the **CONTRACTOR** shall neglect to prosecute the work properly or fail to perform any provisions of the **CONTRACT**, the **OWNER**, after three days written notice to the **CONTRACTOR**, may, without prejudice to any other remedy it may have, make good such deficiencies and may deduct the cost thereof from the payment then or thereafter due to the **CONTRACTOR**, subject to final settlement between the parties as in this paragraph herein above provided.

9. Attention is directed to Section 1735 of the Labor Code, which reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical conditions, marital status, or sex of such persons except as provided in Section 12940 of the Government Code, and every contractor for public works violating this section is subject to all the penalties imposed for by violation of this chapter".

10. In accordance with the provisions of Article 5, Chapter I, Part 7, Division 2 (commencing with Section 1860) and Chapter 4, part I, Division 4 (commencing with Section 3700) of the Labor Code of the State of California, the **CONTRACTOR** is required to secure the payment of compensation to his employees and shall for that purpose obtain and keep in effect adequate Worker's Compensation Insurance.

The undersigned **CONTRACTOR** is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against Liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions before commencing the performance of the **WORK** of this Agreement.

11. The **CONTRACTOR** shall comply with Part 7, Chapter I, Article 2, Section 1775 of the Labor Code of the State of California. The **CONTRACTOR** shall, as a penalty to the **OWNER**, forfeit fifty dollars (\$50.00) for each calendar day, or portion thereof, for each workman paid less than the prevailing rates for such work or craft in which such workman is employed for any public work done under the Contract by him or by any **SUBCONTRACTOR** under him. The difference between such prevailing wage rates and the amount paid to each workman for each calendar day or portion thereof for which each workman was paid less than a prevailing wage rate, shall be paid to each workman by the **CONTRACTOR**.

12. The **CONTRACTOR** shall comply with Part 7, Chapter I, Article 2, Section 1776 of the Labor Code of the State of California. The **CONTRACTOR** shall keep and require that all **SUBCONTRACTORS** keep accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice worker or other employee employed by him in connection with public work. Such payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of the **CONTRACTOR** by the **OWNER**, its officers and agents and to the representatives of the Division of Labor Law Enforcement of the State Department of Industrial Relations. In the event of non-compliance with the requirements of Section 1776, the **CONTRACTOR** shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects the **CONTRACTOR** must comply. Should non-compliance still be evident after the ten (10) day period, the **CONTRACTOR** shall, as a penalty to the **OWNER** forfeit twenty-five dollars (\$25.00) for each calendar day, or portion thereof, for each worker until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due.

13. Attention is directed to the provisions in Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the **CONTRACTOR** or any **SUBCONTRACTOR** under him. It is the **CONTRACTOR'S** responsibility to ensure compliance by both itself and all **SUBCONTRACTORS**.

Section 1777.5 provides, in part, as follows:

The **CONTRACTOR** or **SUBCONTRACTOR**, if he is covered by this section, upon the issuance of the approval certificate, or if he has been previously approved in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeyman stipulated in the apprenticeship standards. Upon proper showing by the **CONTRACTOR** that he employs apprentices in the craft or trade in the State on all of his/her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by a journeyman, or in the land surveyor classification, one apprentice for each five journeyman, the Division of Apprenticeship Standards may grant a certification exempting the **CONTRACTOR** from the one (1) to five (5) hourly ratio as set forth in this section. This section shall not apply to contracts of general **CONTRACTORS** or to contracts of specialty contractors not bidding for work through a general or prime **CONTRACTOR**, when the contracts of general **CONTRACTORS**, or those specialty **CONTRACTORS** involve less than thirty thousand dollars (\$30,000). Any work performed by a journeyman in excess of eight hours per day or forty (40) hours per week shall not be used to calculate the hourly ratio required by this section.

Apprenticeable craft or trade, as used in this section, shall mean a craft or trade determined as an apprenticeable occupation in accordance with rules and regulations prescribed by the Apprenticeship Council. The joint apprenticeship committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting a **CONTRACTOR** from the 1 to 5 ratio set forth in this section when it finds that any one of the following conditions is met:

- (a) In the event unemployment for the previous three month period in such area exceeds an average of 15 percent, or
- (b) In the event the number of apprentices in training in such area exceeds a ratio of 1 to 5, or
- (c) If there is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either (1) on a statewide basis, or (2) on a local basis, or

- (d) If assignment of an apprentice to any work performed under a public works contract would create a condition which should jeopardize his life or the life, safety, or property of fellow employees, or the public at large or if the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

When such exemptions are granted to an organization which represents **CONTRACTORS** in a specific trade from the 1 to 5 ratio on a local or statewide basis the member **CONTRACTORS** will not be required to submit individual applications for approval to local joint apprenticeship committees, provided they are already covered by the local apprenticeship standards.

The **CONTRACTOR** is required to make contributions to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in apprenticeable trade on such contracts and if other **CONTRACTORS** on the public work site are making such contributions. The **CONTRACTOR**, and any **SUBCONTRACTOR** under him, shall comply with the requirements of Sections 1777.5 and 1777.6 of the Labor Code in the employment of apprentices. Information relative to number of apprentices, identifications, wages, hours of employment and standards of working conditions shall be obtained from the Division of Apprenticeship Standards. Consult the white pages of your telephone directory under California, State of, Industrial Relations, Apprenticeship Standards, for the telephone number and address of the nearest office. Willful failure by the **CONTRACTOR** to comply with the provisions of Sections 1777.5 will subject the **CONTRACTOR** to the penalties set forth in Section 1777.7 of the Labor Code.

14. Pursuant to California Labor Code Section 1813, eight hours in any one calendar day and forty (40) hours in any calendar week shall be the maximum hours any workman is required or permitted to work, except in cases of extraordinary emergency caused by fires, flood, or danger to life and property. The **CONTRACTOR** doing the work, or his duly authorized agent, shall file with **OWNER** a report, verified by his oath, setting forth the nature of the said emergency, which report shall contain the name of said worker and the hours worked by him on the said day, and the **CONTRACTOR** and each **SUBCONTRACTOR** shall also keep an accurate record showing the names and actual hours worked of all workers employed by him in connection with the work contemplated by this Agreement, which record shall be open at all reasonable hours to the inspection of the **OWNER**, or its officer or agents and to the Chief of all Division of Labor Statistics and Law Enforcement of the Department of Industrial Relations, his deputies or agents; and it is hereby further agreed that said **CONTRACTOR** shall forfeit as a penalty to the **OWNER** the sum of Twenty-Five Dollars (\$25.00) for each laborer, workman or any **SUBCONTRACTOR** under him for each calendar day during which such laborer, workman or mechanic is required or permitted to labor more than eight (8) hours in violation of this stipulation.

Overtime and shift work may be established as a regular procedure by the **CONTRACTOR** with reasonable notice and written permission of the **OWNER**. No work other than overtime and shift work established as a regular procedure shall be performed between the hours of 6:00 P.M. and 7:00 A.M. nor on Saturdays, Sundays or holidays except such work as is necessary for the proper care and protection of the work already performed or in case of an emergency.

CONTRACTOR agrees to pay the costs of overtime inspection except those occurring as a result of overtime and shift work established as a regular procedure. Overtime inspection shall include inspection required during holidays, Saturdays, Sundays and weekdays. Costs of overtime inspection will cover engineering, inspection, general supervision and overhead expenses which are directly chargeable to the overtime work. **CONTRACTOR** agrees that **OWNER** shall deduct such charges from payments due the **CONTRACTOR**.

15. The **CONTRACTOR** shall comply with Division 2, Chapter 4, Part 1 of the Public Contract Code relating to subletting and subcontracting, specifically included but not limited to Sections 4104, 4106, and 4110, which by this reference are incorporated into this Agreement as though fully set forth herein.

16. The **CONTRACTOR** and the **OWNER** agree that changes in this Agreement or in the work to be done under this Agreement shall become effective only when written in the form of a supplemental agreement or change order and approved and signed by the **OWNER** and the **CONTRACTOR**. It is specifically agreed that the **OWNER** shall have the right to request any alterations, deviations, reductions or additions to the contract or the plans and specifications or any of them, and the amount of the cost thereof shall be added to or deducted from the amount of the contract price aforesaid by fair and reasonable valuations thereof.

This contract shall be held to be completed when the work is finished in accordance with the original plans and specifications as amended by such changes. No such change or modification shall release or exonerate any surety upon any guaranty or bond given in connection with this contract.

17. **CONTRACTOR** will indemnify, defend and defend the **OWNER** and **HUD** against and hold it harmless from all and any liability for damages on account of injury to persons or damages to property resulting from or arising out of or in any way connected with the performance by **CONTRACTOR** of the Agreement and reimburse the **OWNER** for all costs, expenses and loss incurred by it in consequence of any claims, demands, and causes of action which may be brought against it arising out of the performance by **CONTRACTOR** of this Agreement. **CONTRACTOR** shall furnish the **OWNER** with a certificate of an insurance carrier of adequate insurance coverage on this undertaking with limits of at least:

\$1,000,000 for bodily injury to each person,
\$1,000,000 for bodily injuries on each occurrence, and
\$1,000,000 for property damage on each occurrence.

The Certificate of Insurance will state the contractual liability assumed under this paragraph is covered and shall provide that thirty (30) days notice of cancellation or reduction in coverage shall be given the **OWNER**.

The Certificate of Insurance shall be issued in triplicate to the City of Madera and all officers and employees of said agency while acting within the course and scope of their duties and responsibilities.

Insurance policies shall name the City of Madera as additional insured. The insurance provider shall furnish Owner with ISO form CG 20 10 07 04 and form CG 20 37 07 04 endorsement forms or equivalent.

See Section "INSURANCE REQUIREMENTS FOR CONTRACTOR", pages 47-55 herein, for additional details as they pertain to the provision of insurance.

18. Amendments- Any changes to this Agreement requested by either City or Rolfe Construction Company, LLC may only be effected if mutually agreed upon in writing by duly authorized representatives of the parties hereto. This Agreement shall not be modified or amended or any rights of a party to it waived except by such writing.

19. Termination.

A. This Agreement may be terminated at any time by either party upon fifteen (15) calendar days written notice. In the event the Agreement is

terminated by either party, Rolfe Construction Company, LLC shall be compensated for services performed to the date of termination based upon the compensation rates and subject to the maximum amounts payable agreed to together with such additional services performed after termination which are authorized in writing by the City representative to wind up the work performed to date of termination.

B. City may immediately suspend or terminate this Agreement in whole or in part by written notice where, if in the determination of City, there is:

1. An illegal use of funds by Rolfe Construction Company, LLC;
2. A failure by Rolfe Construction Company, LLC to comply with any material term of this Agreement;
3. A substantially incorrect or incomplete report submitted by Rolfe Construction Company, LLC to City.

In no event shall any payment by City or acceptance by Rolfe Construction Company, LLC constitute a waiver by such party of any breach of this Agreement or any default which may then exist on the part of either party. Neither shall such payment impair or prejudice any remedy available to either party with respect to such breach or default. City shall have the right to demand of Rolfe Construction Company, LLC the repayment to City of any funds disbursed to Rolfe Construction Company, LLC under this Agreement which, as determined by the appropriate court or arbitrator, were not expended in accordance with the terms of this Agreement.

Notice of termination shall be mailed to the Agency:

City of Madera
205 W. 4th Street
Madera, Ca 93637

To the Contractor Rolfe Construction Company, LLC

Notices. All notices and communications from the Rolfe Construction Company, LLC shall be to City's designated Project Manager or Principal-In-Charge. Verbal communications shall be confirmed in writing. All written notices shall be provided and addressed as

20. Compliance With Laws- City shall comply with all Federal, State and local laws, ordinances, regulations and provisions applicable in the performance of City's services.

Wherever reference is made in this Agreement to standards or codes in accordance with which work is to be performed or tested, the edition or revision of the standards or codes current on the effective date of this Agreement shall apply, unless otherwise expressly stated.

21. Attorneys' Fees/Venue- In the event that any action is brought to enforce the terms of this Agreement, the party found by the court to be in default agrees to pay reasonable attorneys' fees to the successful party in an amount to be fixed by the Court. The venue for any claim being brought for breach of this Agreement shall be in Madera

County or as appropriate in the U.S. District Court for the Eastern District of California, located in Fresno County.

22. Governing Law- The laws of the State of California shall govern the rights and obligations of the parties under the Agreement, including the interpretation of the Agreement. If any part of the Agreement is adjudged to be invalid or unenforceable, such invalidity shall not affect the full force and effect of the remainder of the Agreement.

23. City's Authority- Each individual executing or attesting to this Agreement on behalf of City hereby covenants and represents: (i) that he or she is duly authorized to execute or attest and deliver this Agreement on behalf of such corporation in accordance with a duly adopted resolution of the corporation's articles of incorporation or charter and bylaws; (ii) that this Agreement is binding upon such corporation; and (iii) that Contractor is a duly organized and legally existing municipal corporation in good standing in the State of California.

24. Contractor's Legal Authority

Each individual executing or attesting this Agreement on behalf of Rolfe Construction Company, LLC hereby covenants and represents: (i) that he or she is duly authorized to execute or attest and deliver this Agreement on behalf of such corporation in accordance with such corporation's articles of incorporation or charter and by-laws; (ii) that this Agreement is binding upon such corporation; and (iii) that Rolfe Construction Company, LLC is a duly organized and legally existing corporation in good standing in the State of California.

25. Remedies for Default. Failure by a party to perform any term, condition or covenant required of the party under this Agreement shall constitute a "default" of the offending party under this Agreement. In the event that a default remains uncured for more than ten (10) days following receipt of written notice of default from the other party, a "breach" shall be deemed to have occurred. Any failure or delay by a party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any rights or remedies associated with a default.

26. Sole Agreement- This instrument constitutes the sole and only Agreement between City and Rolfe Construction Company, LLC in connection to the Project and correctly sets forth the obligations of City and Rolfe Construction Company, LLC to each other as of its date. Any Agreements or representations in connection with the Project, not expressly set forth in this instrument are null and void.

27. Assignment-Neither the Rolfe Construction Company, LLC nor City will assign its interest in this Agreement without the written consent of the other.

28. During the performance of this Agreement, the Contractor assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, or handicap, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974, as amended, and the Age Discrimination Act of 1975, and all implementing regulations.

29 This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in THREE copies, each of which shall be deemed an original on the date first above written.

City of Madera
Herein Called OWNER

By: _____
Robert L. Poythress, Mayor

ATTEST:

Sonia Alvarez, City Clerk

BY: _____
Herein Called CONTRACTOR

BY: _____

Federal Tax I.D. No.

DIR Registration Number

Attachment A) **Federal General Wage Decision No. CA150029 06/05/2015 CA29**

NOTE: This Notary Acknowledgment on the following page is required for verification of Contractor's signature.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE §1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Madera)

On _____, before me, _____
Date Here Insert Name and Title of Officerpersonally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

General Decision Number: CA150029 06/05/2015 CA29

Superseded General Decision Number: CA20140029

State: California

Construction Types: Building, Heavy (Heavy and Dredging) and Highway

Counties: Alameda, Calaveras, Contra Costa, Fresno, Kings, Madera, Mariposa, Merced, Monterey, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Stanislaus and Tuolumne Counties in California.

BUILDING CONSTRUCTION PROJECTS; DREDGING PROJECTS (does not include hopper dredge work); HEAVY CONSTRUCTION PROJECTS (does not include water well drilling); HIGHWAY CONSTRUCTION PROJECTS

Note: Executive Order (EO) 13658 establishes an hourly minimum wage of \$10.10 for 2015 that applies to all contracts subject to the Davis-Bacon Act for which the solicitation is issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.10 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
0	01/02/2015
1	01/16/2015
2	01/23/2015
3	01/30/2015
4	02/13/2015
5	02/20/2015
6	02/27/2015
7	03/13/2015
8	03/27/2015
9	04/10/2015
10	04/17/2015
11	04/24/2015
12	05/01/2015
13	05/08/2015
14	05/29/2015
15	06/05/2015

ASBE0016-004 01/01/2015

AREA 1: CALAVERAS, FRESNO, KINGS, MADERA, MARIPOSA, MERCED, MONTEREY, SAN BENITO, SAN JOAQUIN, SANTA CRUZ, STANISLAUS & TOULMNE COUNTIES

AREA 2: ALAMEDA, CONTRA COSTA, SAN FRANSICO, SAN MATEO & SANTA CLARA COUNTIES

	Rates	Fringes
Asbestos Removal worker/hazardous material handler (Includes preparation, wetting, stripping, removal, scrapping, vacuuming, bagging and disposing of all insulation materials from mechanical systems, whether they contain asbestos or not)		
Area 1.....	\$ 28.30	7.75
Area 2.....	\$ 32.38	7.75

ASBE0016-008 01/01/2015

AREA 1: ALAMEDA, CONTRA COSTA, MONTEREY, SAN BENITO, SAN
FRANSICO, SAN MATEO, SANTA CLARA, & SANTA CRUZ

AREA 2: CALAVERAS, COLUSA, FRESNO, KINGS, MADERA, MARIPOSA,
MERCED, SAN JOAQUIN, STANISLAU, & TUOLUMNE

	Rates	Fringes
Asbestos Workers/Insulator (Includes the application of all insulating materials, Protective Coverings, Coatings, and Finishes to all types of mechanical systems)		
Area 1.....	\$ 59.38	19.83
Area 2.....	\$ 44.05	18.62

BOIL0549-001 01/01/2013

AREA 1: ALAMEDA, CONTRA COSTA, SAN FRANCISCO, SAN MATEO & SANTA
CLARA COUNTIES

AREA 2: REMAINING COUNTIES

	Rates	Fringes
BOILERMAKER		
Area 1.....	\$ 42.06	33.43
Area 2.....	\$ 38.37	31.32

BRCA0003-001 08/01/2013

	Rates	Fringes
MARBLE FINISHER.....	\$ 28.05	14.01

BRCA0003-003 08/01/2013

	Rates	Fringes
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MARBLE MASON.....\$ 39.30 22.48

BRCA0003-005 05/01/2013

	Rates	Fringes
BRICKLAYER		
(1) Fresno, Kings, Madera, Mariposa, Merced....	\$ 35.41	19.92
(7) San Francisco, San Mateo.....	\$ 39.96	23.79
(8) Alameda, Contra Costa, San Benito, Santa Clara.....	\$ 40.98	20.49
(9) Calaveras, San Joaquin, Stanislaus, Toulumne.....	\$ 36.48	19.59
(16) Monterey, Santa Cruz...	\$ 37.80	22.46

BRCA0003-008 07/01/2013

	Rates	Fringes
TERRAZZO FINISHER.....	\$ 33.15	13.93
TERRAZZO WORKER/SETTER.....	\$ 39.95	24.39

BRCA0003-011 04/01/2014

AREA 1: Alameda, Contra Costa, Monterey, San Benito, San
Francisco, San Mateo, Santa Clara, Santa Cruz

AREA 2: Calaveras, San Joaquin, Stanislaus, Tuolumne

AREA 3: Fresno, Kings, Madera, Mariposa, Merced

	Rates	Fringes
TILE FINISHER		
Area 1.....	\$ 22.76	12.37
Area 2.....	\$ 22.58	12.50
Area 3.....	\$ 22.40	11.58
Tile Layer		
Area 1.....	\$ 39.42	13.77
Area 2.....	\$ 36.43	13.74
Area 3.....	\$ 29.78	13.10

CARP0022-001 07/01/2014

San Francisco County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold &		

Steel Shoring Erector, Saw		
Filer.....	\$ 40.50	27.53
Journeyman Carpenter.....	\$ 40.35	27.53
Millwright.....	\$ 40.45	29.12

CARP0034-001 07/01/2014

	Rates	Fringes
Diver		
Assistant Tender, ROV		
Tender/Technician.....	\$ 39.60	30.73
Diver standby.....	\$ 44.56	30.73
Diver Tender.....	\$ 43.56	30.73
Diver wet.....	\$ 89.12	30.73
Manifold Operator (mixed gas).....	\$ 48.56	30.73
Manifold Operator (Standby).....	\$ 43.56	30.73

DEPTH PAY (Surface Diving):

050 to 100 ft	\$2.00 per foot
101 to 150 ft	\$3.00 per foot
151 to 220 ft	\$4.00 per foot

SATURATION DIVING:

The standby rate shall apply until saturation starts. The saturation diving rate applies when divers are under pressure continuously until work task and decompression are complete. The diver rate shall be paid for all saturation hours.

DIVING IN ENCLOSURES:

Where it is necessary for Divers to enter pipes or tunnels, or other enclosures where there is no vertical ascent, the following premium shall be paid: Distance traveled from entrance 26 feet to 300 feet: \$1.00 per foot. When it is necessary for a diver to enter any pipe, tunnel or other enclosure less than 48" in height, the premium will be \$1.00 per foot.

WORK IN COMBINATION OF CLASSIFICATIONS:

Employees working in any combination of classifications within the diving crew (except dive supervisor) in a shift are paid in the classification with the highest rate for that shift.

CARP0034-003 07/01/2014

	Rates	Fringes
Piledriver.....	\$ 40.60	30.73

CARP0035-007 07/01/2014

AREA 1: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara counties

AREA 2: Monterey, San Benito, Santa Cruz Counties

AREA 3: Calaveras, Fresno, Kings, Madera, Mariposa, Merced, San Joaquin, Stanislaus, Tuolumne Counties

	Rates	Fringes
Modular Furniture Installer		
Area 1		
Installer I.....	\$ 23.36	18.31
Installer II.....	\$ 19.93	18.31
Lead Installer.....	\$ 26.81	18.81
Master Installer.....	\$ 31.03	18.81
Area 2		
Installer I.....	\$ 20.71	18.31
Installer II.....	\$ 17.76	18.31
Lead Installer.....	\$ 23.68	18.81
Master Installer.....	\$ 27.31	18.81
Area 3		
Installer I.....	\$ 19.76	18.31
Installer II.....	\$ 16.99	18.31
Lead Installer.....	\$ 22.56	18.81
Master Installer.....	\$ 29.58	18.81

CARP0035-008 08/01/2014

AREA 1: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara counties

AREA 2: Monterey, San Benito, Santa Cruz Counties

AREA 3: San Joaquin

AREA 4: Calaveras, Fresno, Kings, Madera, Mariposa, Merced, Stanislaus, Tuolumne Counties

	Rates	Fringes
Drywall Installers/Lathers:		
Area 1.....	\$ 40.35	27.97
Area 2.....	\$ 34.47	27.97
Area 3.....	\$ 34.97	27.97
Area 4.....	\$ 33.62	27.97
Drywall Stocker/Scraper		
Area 1.....	\$ 20.18	16.30
Area 2.....	\$ 17.24	16.30
Area 3.....	\$ 17.49	16.30
Area 4.....	\$ 16.81	16.30

CARP0152-001 07/01/2014

Contra Costa County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway		
Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer,		
Shingler, Power Saw		

Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 40.50	27.53
Journeyman Carpenter.....	\$ 40.35	27.53
Millwright.....	\$ 40.45	29.12

CARP0152-002 07/01/2014

San Joaquin County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 34.62	27.53
Journeyman Carpenter.....	\$ 34.47	27.53
Millwright.....	\$ 34.97	29.12

CARP0152-004 07/01/2014

Calaveras, Mariposa, Merced, Stanislaus and Tuolumne Counties

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 33.27	27.53
Journeyman Carpenter.....	\$ 33.12	27.53
Millwright.....	\$ 35.62	29.12

CARP0217-001 07/01/2014

San Mateo County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 40.50	27.53
Journeyman Carpenter.....	\$ 40.35	27.53
Millwright.....	\$ 40.45	29.12

CARP0405-001 07/01/2014

Santa Clara County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 40.50	27.53
Journeyman Carpenter.....	\$ 40.35	27.53
Millwright.....	\$ 40.45	29.12

CARP0405-002 07/01/2014

San Benito County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 34.53	27.53
Journeyman Carpenter.....	\$ 34.47	27.53
Millwright.....	\$ 36.97	29.12

CARP0505-001 07/01/2014

Santa Cruz County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold & Steel Shoring Erector, Saw Filer.....	\$ 34.62	27.53
Journeyman Carpenter.....	\$ 34.47	27.53
Millwright.....	\$ 36.97	29.12

CARP0605-001 07/01/2014

Monterey County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer, Shingler, Power Saw Operator, Steel Scaffold &		

Steel Shoring Erector, Saw		
Filer.....	\$ 34.62	27.53
Journeyman Carpenter.....	\$ 34.47	27.53
Millwright.....	\$ 36.97	29.12

CARP0701-001 07/01/2014

Fresno and Madera Counties

	Rates	Fringes
Carpenters		
Bridge Builder/Highway		
Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer,		
Shingler, Power Saw		
Operator, Steel Scaffold &		
Steel Shoring Erector, Saw		
Filer.....	\$ 33.27	27.53
Journeyman Carpenter.....	\$ 33.12	27.53
Millwright.....	\$ 35.62	29.12

CARP0713-001 07/01/2014

Alameda County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway		
Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer,		
Shingler, Power Saw		
Operator, Steel Scaffold &		
Steel Shoring Erector, Saw		
Filer.....	\$ 40.50	27.53
Journeyman Carpenter.....	\$ 40.35	27.53
Millwright.....	\$ 40.45	29.12

CARP1109-001 07/01/2014

Kings County

	Rates	Fringes
Carpenters		
Bridge Builder/Highway		
Carpenter.....	\$ 40.35	27.53
Hardwood Floorlayer,		
Shingler, Power Saw		
Operator, Steel Scaffold &		
Steel Shoring Erector, Saw		
Filer.....	\$ 33.27	27.53
Journeyman Carpenter.....	\$ 33.12	27.53
Millwright.....	\$ 35.62	29.12

ELEC0006-004 12/01/2014

SAN FRANCISCO COUNTY

	Rates	Fringes
Sound & Communications		
Installer.....	\$ 32.82	16.79
Technician.....	\$ 37.37	16.93

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC0006-007 06/23/2014

SAN FRANCISCO COUNTY

	Rates	Fringes
ELECTRICIAN.....	\$ 58.82	28.91

ELEC0100-002 06/01/2014

FRESNO, KINGS, AND MADERA COUNTIES

	Rates	Fringes
ELECTRICIAN.....	\$ 34.05	19.67

ELEC0100-005 12/01/2014

FRESNO, KINGS, MADERA

	Rates	Fringes
Communications System		
Installer.....	\$ 27.34	16.12
Technician.....	\$ 32.13	16.26

SCOPE OF WORK

Includes the installation testing, service and maintenance, of the following systems which utilize the transmission and/or transference of voice, sound, vision and digital for commercial, education, security and entertainment purposes

for the following: TV monitoring and surveillance, background-foreground music, intercom and telephone interconnect, inventory control systems, microwave transmission, multi-media, multiplex, nurse call system, radio page, school intercom and sound, burglar alarms, and low voltage master clock systems.

A. SOUND AND VOICE TRANSMISSION/TRANSFERENCE SYSTEMS

Background foreground music, Intercom and telephone interconnect systems, Telephone systems Nurse call systems, Radio page systems, School intercom and sound systems, Burglar alarm systems, Low voltage, master clock systems, Multi-media/multiplex systems, Sound and musical entertainment systems, RF systems, Antennas and Wave Guide,

B. FIRE ALARM SYSTEMS Installation, wire pulling and testing

C. TELEVISION AND VIDEO SYSTEMS Television monitoring and surveillance systems Video security systems, Video entertainment systems, Video educational systems, Microwave transmission systems, CATV and CCTV

D. SECURITY SYSTEMS Perimeter security systems Vibration sensor systems Card access systems Access control systems, Sonar/infrared monitoring equipment

E. COMMUNICATIONS SYSTEMS THAT TRANSMIT OR RECEIVE INFORMATION AND/OR CONTROL SYSTEMS THAT ARE INTRINSIC TO THE ABOVE LISTED SYSTEMS SCADA (Supervisory Control and Data Acquisition) PCM (Pulse Code Modulation) Inventory Control Systems, Digital Data Systems Broadband and Baseband and Carriers Point of Sale Systems, VSAT Data Systems Data Communication Systems RF and Remote Control Systems, Fiber Optic Data Systems

WORK EXCLUDED Raceway systems are not covered (excluding Ladder-Rack for the purpose of the above listed systems). Chases and/or nipples (not to exceed 10 feet) may be installed on open wiring systems. Energy management systems. SCADA (Supervisory Control and Data Acquisition) when not intrinsic to the above listed systems (in the scope). Fire alarm systems when installed in raceways (including wire and cable pulling) shall be performed at the electrician wage rate, when either of the following two (2) conditions apply:

1. The project involves new or major remodel building trades construction.
2. The conductors for the fire alarm system are installed in conduit.

ELEC0234-001 05/25/2015

MONTEREY, SAN BENITO AND SANTA CRUZ COUNTIES

	Rates	Fringes
ELECTRICIAN		
Zone A.....	\$ 42.15	23.36
Zone B.....	\$ 46.37	23.50

Zone A: All of Santa Cruz, Monterey, and San Benito Counties within 25 air miles of Highway 1 and Dolan Road in Moss Landing, and an area extending 5 miles east and west of Highway 101 South to the San Luis Obispo County Line

Zone B: Any area outside of Zone A

ELEC0234-003 12/01/2014

MONTEREY, SAN BENITO, AND SANTA CRUZ COUNTIES

	Rates	Fringes
Sound & Communications		
Installer.....	\$ 32.32	16.27
Technician.....	\$ 35.66	16.24

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC0302-001 06/01/2014

CONTRA COSTA COUNTY

	Rates	Fringes
CABLE SPLICER.....	\$ 51.67	26.12
ELECTRICIAN.....	\$ 45.26	25.93

ELEC0302-003 12/01/2014

CONTRA COSTA COUNTY

	Rates	Fringes
Sound & Communications		
Installer.....	\$ 32.32	16.27
Technician.....	\$ 36.80	16.40

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC0332-001 06/01/2014

SANTA CLARA COUNTY

	Rates	Fringes
CABLE SPLICER.....	\$ 62.41	32.102
ELECTRICIAN.....	\$ 54.27	31.858

FOOTNOTES: Work under compressed air or where gas masks are required, or work on ladders, scaffolds, stacks, "Bosun's chairs," or other structures and where the workers are not protected by permanent guard rails at a distance of 40 to 60 ft. from the ground or supporting structures: to be paid one and one-half times the straight-time rate of pay. Work on structures of 60 ft. or over (as described above): to be paid twice the straight-time rate of pay.

ELEC0332-003 12/01/2014

SANTA CLARA COUNTY

	Rates	Fringes
Sound & Communications		
Installer.....	\$ 32.32	16.27
Technician.....	\$ 36.80	16.40

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when

performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC0595-001 06/01/2014

ALAMEDA COUNTY

	Rates	Fringes
CABLE SPLICER.....	\$ 55.29	3%+29.81
ELECTRICIAN.....	\$ 49.15	3%+29.81

ELEC0595-002 06/01/2014

CALAVERAS AND SAN JOAQUIN COUNTIES

	Rates	Fringes
CABLE SPLICER.....	\$ 39.09	7.5%+21.74
ELECTRICIAN		
(1) Tunnel work.....	\$ 36.49	7.5%+21.74
(2) All other work.....	\$ 34.75	7.5%+21.74

ELEC0595-006 12/01/2014

ALAMEDA COUNTY

	Rates	Fringes
Sound & Communications		
Installer.....	\$ 32.32	16.27
Technician.....	\$ 36.80	16.41

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC0595-008 12/01/2014

CALAVERAS AND SAN JOAQUIN COUNTIES

	Rates	Fringes
Communications System		
Installer.....	\$ 28.22	16.15
Technician.....	\$ 32.13	16.27

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

* ELEC0617-001 06/01/2015

SAN MATEO COUNTY

	Rates	Fringes
ELECTRICIAN.....	\$ 53.90	30.50

* ELEC0617-003 06/01/2015

SAN MATEO COUNTY

	Rates	Fringes
Sound & Communications		
Installer.....	\$ 33.32	17.44
Technician.....	\$ 37.94	17.44

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC0684-001 01/01/2015

MARIPOSA, MERCED, STANISLAUS AND TUOLUMNE COUNTIES

	Rates	Fringes
ELECTRICIAN.....	\$ 35.50	20.30
CABLE SPLICER = 110% of Journeyman Electrician		

ELEC0684-004 12/01/2011

MARIPOSA, MERCED, STANISLAUS AND TUOLUMNE COUNTIES

	Rates	Fringes
Communications System		
Installer.....	\$ 30.12	3%+13.70
Technician.....	\$ 34.29	3%+13.70

SCOPE OF WORK: Including any data system whose only function is to transmit or receive information; excluding all other data systems or multiple systems which include control function or power supply; inclusion or exclusion of terminations and testings of conductors determined by their function; excluding fire alarm work when installed in raceways (including wire and cable pulling) and when performed on new or major remodel building projects or jobs for which the conductors for the fire alarm system are installed in conduit; excluding installation of raceway systems, line voltage work, industrial work, life-safety systems (all buildings having floors located more than 75' above the lowest floor level having building access); excluding energy management systems.

FOOTNOTE: Fire alarm work when installed in raceways (including wire and cable pulling), on projects which

involve new or major remodel building construction, for which the conductors for the fire alarm system are installed in the conduit, shall be performed by the inside electrician.

ELEC1245-001 06/01/2013

	Rates	Fringes
LINE CONSTRUCTION		
(1) Lineman; Cable splicer..\$ 50.30		15.00
(2) Equipment specialist (operates crawler tractors, commercial motor vehicles, backhoes, trenchers, cranes (50 tons and below), overhead & underground distribution line equipment).....\$ 40.17		14.56
(3) Groundman.....\$ 30.73		13.48
(4) Powderman.....\$ 44.91		13.48

HOLIDAYS: New Year's Day, M.L. King Day, Memorial Day,
Independence Day, Labor Day, Veterans Day, Thanksgiving Day
and day after Thanksgiving, Christmas Day

ELEV0008-001 01/01/2015

	Rates	Fringes
ELEVATOR MECHANIC.....\$ 60.39		28.38

FOOTNOTE:

PAID VACATION: Employer contributes 8% of regular hourly rate as vacation pay credit for employees with more than 5 years of service, and 6% for 6 months to 5 years of service.
PAID HOLIDAYS: New Years Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

ENGI0003-008 07/01/2013

	Rates	Fringes
Dredging: (DREDGING: CLAMSHELL & DIPPER DREDGING; HYDRAULIC SUCTION DREDGING:)		
AREA 1:		
(1) Leverman.....\$ 40.53		27.81
(2) Dredge Dozer; Heavy duty repairman.....\$ 35.57		27.81
(3) Booster Pump Operator; Deck Engineer; Deck mate; Dredge Tender; Winch Operator.....\$ 34.45		27.81
(4) Bargeman; Deckhand;		

Fireman; Leveehand; Oiler..\$ 31.15	27.81
AREA 2:	
(1) Leverman.....\$ 42.53	27.81
(2) Dredge Dozer; Heavy duty repairman.....\$ 37.57	27.81
(3) Booster Pump Operator; Deck Engineer; Deck mate; Dredge Tender; Winch Operator.....\$ 36.45	27.81
(4) Bargeman; Deckhand; Fireman; Leveehand; Oiler..\$ 33.15	27.81

AREA DESCRIPTIONS

AREA 1: ALAMEDA,BUTTE, CONTRA COSTA, KINGS, MARIN, MERCED,
NAPA, SACRAMENTO, SAN BENITO, SAN FRANCISCO, SAN JOAQUIN,
SAN MATEO, SANTA CLARA, SANTA CRUZ, SOLANO, STANISLAUS,
SUTTER, YOLO, AND YUBA COUNTIES

AREA 2: MODOC COUNTY

THE REMAINGING COUNTIES ARE SPLIT BETWEEN AREA 1 AND AREA 2
AS NOTED BELOW:

ALPINE COUNTY:

Area 1: Northernmost part
Area 2: Remainder

CALAVERAS COUNTY:

Area 1: Remainder
Area 2: Eastern part

COLUSA COUNTY:

Area 1: Eastern part
Area 2: Remainder

ELDORADO COUNTY:

Area 1: North Central part
Area 2: Remainder

FRESNO COUNTY:

Area 1: Remainder
Area 2: Eastern part

GLENN COUNTY:

Area 1: Eastern part
Area 2: Remainder

LASSEN COUNTY:

Area 1: Western part along the Southern portion of border
with Shasta County
Area 2: Remainder

MADERA COUNTY:

Area 1: Except Eastern part
Area 2: Eastern part

MARIPOSA COUNTY

Area 1: Except Eastern part

Area 2: Eastern part

MONTERREY COUNTY

Area 1: Except Southwestern part

Area 2: Southwestern part

NEVADA COUNTY:

Area 1: All but the Northern portion along the border of
Sierra County

Area 2: Remainder

PLACER COUNTY:

Area 1: All but the Central portion

Area 2: Remainder

PLUMAS COUNTY:

Area 1: Western portion

Area 2: Remainder

SHASTA COUNTY:

Area 1: All but the Northeastern corner

Area 2: Remainder

SIERRA COUNTY:

Area 1: Western part

Area 2: Remainder

SISKIYOU COUNTY:

Area 1: Central part

Area 2: Remainder

SONOMA COUNTY:

Area 1: All but the Northwestern corner

Area 2: Remainder

TEHAMA COUNTY:

Area 1: All but the Western border with Mendocino & Trinity
Counties

Area 2: Remainder

TRINITY COUNTY:

Area 1: East Central part and the Northeastern border with
Shasta County

Area 2: Remainder

TUOLUMNE COUNTY:

Area 1: Except Eastern part

Area 2: Eastern part

ENGI0003-018 06/30/2014

"AREA 1" WAGE RATES ARE LISTED BELOW

"AREA 2" RECEIVES AN ADDITIONAL \$2.00 PER HOUR ABOVE AREA 1
RATES.

SEE AREA DEFINITIONS BELOW

	Rates	Fringes
OPERATOR: Power Equipment		
(AREA 1:)		
GROUP 1.....	\$ 39.85	27.44
GROUP 2.....	\$ 38.32	27.44
GROUP 3.....	\$ 36.84	27.44
GROUP 4.....	\$ 35.46	27.44
GROUP 5.....	\$ 34.19	27.44
GROUP 6.....	\$ 32.87	27.44
GROUP 7.....	\$ 31.73	27.44
GROUP 8.....	\$ 30.59	27.44
GROUP 8-A.....	\$ 28.38	27.44
OPERATOR: Power Equipment		
(Cranes and Attachments -		
AREA 1:)		
GROUP 1		
Cranes.....	\$ 40.73	27.44
Oiler.....	\$ 33.76	27.44
Truck crane oiler.....	\$ 37.33	27.44
GROUP 2		
Cranes.....	\$ 38.97	27.44
Oiler.....	\$ 33.50	27.44
Truck crane oiler.....	\$ 37.04	27.44
GROUP 3		
Cranes.....	\$ 37.23	27.44
Hydraulic.....	\$ 32.87	27.44
Oiler.....	\$ 33.26	27.44
Truck Crane Oiler.....	\$ 36.77	27.44
GROUP 4		
Cranes.....	\$ 34.19	27.44
OPERATOR: Power Equipment		
(Piledriving - AREA 1:)		
GROUP 1		
Lifting devices.....	\$ 41.07	27.44
Oiler.....	\$ 31.81	27.44
Truck crane oiler.....	\$ 34.09	27.44
GROUP 2		
Lifting devices.....	\$ 39.25	27.44
Oiler.....	\$ 31.54	27.44
Truck Crane Oiler.....	\$ 33.84	27.44
GROUP 3		
Lifting devices.....	\$ 37.57	27.44
Oiler.....	\$ 31.32	27.44
Truck Crane Oiler.....	\$ 33.55	27.44
GROUP 4		
Lifting devices.....	\$ 35.80	27.44
GROUP 5		
Lifting devices.....	\$ 34.50	27.44
GROUP 6		
Lifting devices.....	\$ 33.16	27.44
OPERATOR: Power Equipment		
(Steel Erection - AREA 1:)		
GROUP 1		
Cranes.....	\$ 41.70	27.44
Oiler.....	\$ 32.15	27.44
Truck Crane Oiler.....	\$ 34.38	27.44
GROUP 2		
Cranes.....	\$ 39.93	27.44
Oiler.....	\$ 31.88	27.44

Truck Crane Oiler.....	\$ 34.16	27.44
GROUP 3		
Cranes.....	\$ 38.45	27.44
Hydraulic.....	\$ 32.67	27.44
Oiler.....	\$ 31.66	27.44
Truck Crane Oiler.....	\$ 33.89	27.44
GROUP 4		
Cranes.....	\$ 36.43	27.44
GROUP 5		
Cranes.....	\$ 35.13	27.44
OPERATOR: Power Equipment		
(Tunnel and Underground Work		
- AREA 1:)		
SHAFTS, STOPES, RAISES:		
GROUP 1.....	\$ 35.95	27.44
GROUP 1-A.....	\$ 38.32	27.44
GROUP 2.....	\$ 34.59	27.44
GROUP 3.....	\$ 33.36	27.44
GROUP 4.....	\$ 32.22	27.44
GROUP 5.....	\$ 31.08	27.44
UNDERGROUND:		
GROUP 1.....	\$ 35.85	27.44
GROUP 1-A.....	\$ 38.32	27.44
GROUP 2.....	\$ 34.59	27.44
GROUP 3.....	\$ 33.26	27.44
GROUP 4.....	\$ 32.12	27.44
GROUP 5.....	\$ 30.98	27.44

FOOTNOTE: Work suspended by ropes or cables, or work on a Yo-Yo Cat: \$.60 per hour additional.

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

GROUP 1: Operator of helicopter (when used in erection work); Hydraulic excavator, 7 cu. yds. and over; Power shovels, over 7 cu. yds.

GROUP 2: Highline cableway; Hydraulic excavator, 3-1/2 cu. yds. up to 7 cu. yds.; Licensed construction work boat operator, on site; Power blade operator (finish); Power shovels, over 1 cu. yd. up to and including 7 cu. yds. m.r.c.

GROUP 3: Asphalt milling machine; Cable backhoe; Combination backhoe and loader over 3/4 cu. yds.; Continuous flight tie back machine assistant to engineer or mechanic; Crane mounted continuous flight tie back machine, tonnage to apply; Crane mounted drill attachment, tonnage to apply; Dozer, slope brd; Gradall; Hydraulic excavator, up to 3 1/2 cu. yds.; Loader 4 cu. yds. and over; Long reach excavator; Multiple engine scraper (when used as push pull); Power shovels, up to and including 1 cu. yd.; Pre-stress wire wrapping machine; Side boom cat, 572 or larger; Track loader 4 cu. yds. and over; Wheel excavator (up to and including 750 cu. yds. per hour)

GROUP 4: Asphalt plant engineer/box person; Chicago boom; Combination backhoe and loader up to and including 3/4 cu. yd.; Concrete batch plant (wet or dry); Dozer and/or push

cat; Pull- type elevating loader; Gradesetter, grade checker (GPS, mechanical or otherwise); Grooving and grinding machine; Heading shield operator; Heavy-duty drilling equipment, Hughes, LDH, Watson 3000 or similar; Heavy-duty repairperson and/or welder; Lime spreader; Loader under 4 cu. yds.; Lubrication and service engineer (mobile and grease rack); Mechanical finishers or spreader machine (asphalt, Barber-Greene and similar); Miller Formless M-9000 slope paver or similar; Portable crushing and screening plants; Power blade support; Roller operator, asphalt; Rubber-tired scraper, self-loading (paddle-wheels, etc.); Rubber-tired earthmoving equipment (scrappers); Slip form paver (concrete); Small tractor with drag; Soil stabilizer (P & H or equal); Spider plow and spider puller; Tubex pile rig; Unlicensed construction work boat operator, on site; Timber skidder; Track loader up to 4 yds.; Tractor-drawn scraper; Tractor, compressor drill combination; Welder; Woods-Mixer (and other similar Pugmill equipment)

GROUP 5: Cast-in-place pipe laying machine; Combination slusher and motor operator; Concrete conveyor or concrete pump, truck or equipment mounted; Concrete conveyor, building site; Concrete pump or pumpcrete gun; Drilling equipment, Watson 2000, Texoma 700 or similar; Drilling and boring machinery, horizontal (not to apply to waterliners, wagon drills or jackhammers); Concrete mixer/all; Person and/or material hoist; Mechanical finishers (concrete) (Clary, Johnson, Bidwell Bridge Deck or similar types); Mechanical burm, curb and/or curb and gutter machine, concrete or asphalt); Mine or shaft hoist; Portable crusher; Power jumbo operator (setting slip-forms, etc., in tunnels); Screed (automatic or manual); Self-propelled compactor with dozer; Tractor with boom D6 or smaller; Trenching machine, maximum digging capacity over 5 ft. depth; Vermeer T-600B rock cutter or similar

GROUP 6: Armor-Coater (or similar); Ballast jack tamper; Boom- type backfilling machine; Assistant plant engineer; Bridge and/or gantry crane; Chemical grouting machine, truck-mounted; Chip spreading machine operator; Concrete saw (self-propelled unit on streets, highways, airports and canals); Deck engineer; Drilling equipment Texoma 600, Hughes 200 Series or similar up to and including 30 ft. m.r.c.; Drill doctor; Helicopter radio operator; Hydro-hammer or similar; Line master; Skidsteer loader, Bobcat larger than 743 series or similar (with attachments); Locomotive; Lull hi-lift or similar; Oiler, truck mounted equipment; Pavement breaker, truck-mounted, with compressor combination; Paving fabric installation and/or laying machine; Pipe bending machine (pipelines only); Pipe wrapping machine (tractor propelled and supported); Screed (except asphaltic concrete paving); Self-propelled pipeline wrapping machine; Tractor; Self-loading chipper; Concrete barrier moving machine

GROUP 7: Ballast regulator; Boom truck or dual-purpose A-frame truck, non-rotating - under 15 tons; Cary lift or similar; Combination slurry mixer and/or cleaner; Drilling equipment, 20 ft. and under m.r.c.; Firetender (hot plant);

Grouting machine operator; Highline cableway signaller; Stationary belt loader (Kolman or similar); Lift slab machine (Vagtborg and similar types); Maginnes internal full slab vibrator; Material hoist (1 drum); Mechanical trench shield; Pavement breaker with or without compressor combination; Pipe cleaning machine (tractor propelled and supported); Post driver; Roller (except asphalt); Chip Seal; Self-propelled automatically applied concrete curing machine (on streets, highways, airports and canals); Self-propelled compactor (without dozer); Signaller; Slip-form pumps (lifting device for concrete forms); Tie spacer; Tower mobile; Trenching machine, maximum digging capacity up to and including 5 ft. depth; Truck-type loader

GROUP 8: Bit sharpener; Boiler tender; Box operator; Brakeperson; Combination mixer and compressor (shotcrete/gunite); Compressor operator; Deckhand; Fire tender; Forklift (under 20 ft.); Generator; Gunite/shotcrete equipment operator; Hydraulic monitor; Ken seal machine (or similar); Mixermobile; Oiler; Pump operator; Refrigeration plant; Reservoir-debris tug (self-propelled floating); Ross Carrier (construction site); Rotomist operator; Self-propelled tape machine; Shuttlecar; Self-propelled power sweeper operator (includes vacuum sweeper); Slusher operator; Surface heater; Switchperson; Tar pot firetender; Tugger hoist, single drum; Vacuum cooling plant; Welding machine (powered other than by electricity)

GROUP 8-A: Elevator operator; Skidsteer loader-Bobcat 743 series or smaller, and similar (without attachments); Mini excavator under 25 H.P. (backhoe-trencher); Tub grinder wood chipper

ALL CRANES AND ATTACHMENTS

GROUP 1: Clamshell and dragline over 7 cu. yds.; Crane, over 100 tons; Derrick, over 100 tons; Derrick barge pedestal-mounted, over 100 tons; Self-propelled boom-type lifting device, over 100 tons

GROUP 2: Clamshell and dragline over 1 cu. yd. up to and including 7 cu. yds.; Crane, over 45 tons up to and including 100 tons; Derrick barge, 100 tons and under; Self-propelled boom-type lifting device, over 45 tons; Tower crane

GROUP 3: Clamshell and dragline up to and including 1 cu. yd.; Cranes 45 tons and under; Self-propelled boom-type lifting device 45 tons and under;

GROUP 4: Boom Truck or dual purpose A-frame truck, non-rotating over 15 tons; Truck-mounted rotating telescopic boom type lifting device, Manitex or similar (boom truck) over 15 tons; Truck-mounted rotating telescopic boom type lifting device, Manitex or similar (boom truck) - under 15 tons;

PILEDRIVERS

GROUP 1: Derrick barge pedestal mounted over 100 tons; Clamshell over 7 cu. yds.; Self-propelled boom-type lifting device over 100 tons; Truck crane or crawler, land or barge mounted over 100 tons

GROUP 2: Derrick barge pedestal mounted 45 tons to and including 100 tons; Clamshell up to and including 7 cu. yds.; Self-propelled boom-type lifting device over 45 tons; Truck crane or crawler, land or barge mounted, over 45 tons up to and including 100 tons; Fundex F-12 hydraulic pile rig

GROUP 3: Derrick barge pedestal mounted under 45 tons; Self-propelled boom-type lifting device 45 tons and under; Skid/scow piledriver, any tonnage; Truck crane or crawler, land or barge mounted 45 tons and under

GROUP 4: Assistant operator in lieu of assistant to engineer; Forklift, 10 tons and over; Heavy-duty repairperson/welder

GROUP 5: Deck engineer

GROUP 6: Deckhand; Fire tender

STEEL ERECTORS

GROUP 1: Crane over 100 tons; Derrick over 100 tons; Self-propelled boom-type lifting device over 100 tons

GROUP 2: Crane over 45 tons to 100 tons; Derrick under 100 tons; Self-propelled boom-type lifting device over 45 tons to 100 tons; Tower crane

GROUP 3: Crane, 45 tons and under; Self-propelled boom-type lifting device, 45 tons and under

GROUP 4: Chicago boom; Forklift, 10 tons and over; Heavy-duty repair person/welder

GROUP 5: Boom cat

TUNNEL AND UNDERGROUND WORK

GROUP 1-A: Tunnel bore machine operator, 20' diameter or more

GROUP 1: Heading shield operator; Heavy-duty repairperson; Mucking machine (rubber tired, rail or track type); Raised bore operator (tunnels); Tunnel mole bore operator

GROUP 2: Combination slusher and motor operator; Concrete pump or pumpcrete gun; Power jumbo operator

GROUP 3: Drill doctor; Mine or shaft hoist

GROUP 4: Combination slurry mixer cleaner; Grouting Machine operator; Motorman

GROUP 5: Bit Sharpener; Brakeman; Combination mixer and compressor (gunite); Compressor operator; Oiler; Pump operator; Slusher operator

AREA DESCRIPTIONS:

POWER EQUIPMENT OPERATORS, CRANES AND ATTACHMENTS, TUNNEL AND UNDERGROUND [These areas do not apply to Piledrivers and Steel Erectors]

AREA 1: ALAMEDA, BUTTE, CONTRA COSTA, KINGS, MARIN, MERCED, NAPA, SACRAMENTO, SAN BENITO, SAN FRANCISCO, SAN JOAQUIN, SAN MATEO, SANTA CLARA, SANTA CRUZ, SOLANO, STANISLAUS, SUTTER, YOLO, AND YUBA COUNTIES

AREA 2 - MODOC COUNTY

THE REMAINING COUNTIES ARE SPLIT BETWEEN AREA 1 AND AREA 2 AS NOTED BELOW:

ALPINE COUNTY:

Area 1: Northernmost part

Area 2: Remainder

CALAVERAS COUNTY:

Area 1: Except Eastern part

Area 2: Eastern part

COLUSA COUNTY:

Area 1: Eastern part

Area 2: Remainder

DEL NORTE COUNTY:

Area 1: Extreme Southwestern corner

Area 2: Remainder

ELDORADO COUNTY:

Area 1: North Central part

Area 2: Remainder

FRESNO COUNTY

Area 1: Except Eastern part

Area 2: Eastern part

GLENN COUNTY:

Area 1: Eastern part

Area 2: Remainder

HUMBOLDT COUNTY:

Area 1: Except Eastern and Southwestern parts

Area 2: Remainder

LAKE COUNTY:

Area 1: Southern part
Area 2: Remainder

LASSEN COUNTY:

Area 1: Western part along the Southern portion of border
with Shasta County
Area 2: Remainder

MADERA COUNTY

Area 1: Remainder
Area 2: Eastern part

MARIPOSA COUNTY

Area 1: Remainder
Area 2: Eastern part

MENDOCINO COUNTY:

Area 1: Central and Southeastern parts
Area 2: Remainder

MONTEREY COUNTY

Area 1: Remainder
Area 2: Southwestern part

NEVADA COUNTY:

Area 1: All but the Northern portion along the border of
Sierra County
Area 2: Remainder

PLACER COUNTY:

Area 1: All but the Central portion
Area 2: Remainder

PLUMAS COUNTY:

Area 1: Western portion
Area 2: Remainder

SHASTA COUNTY:

Area 1: All but the Northeastern corner
Area 2: Remainder

SIERRA COUNTY:

Area 1: Western part
Area 2: Remainder

SISKIYOU COUNTY:

Area 1: Central part
Area 2: Remainder

SONOMA COUNTY:

Area 1: All but the Northwestern corner
Area 2: Remainder

TEHAMA COUNTY:

Area 1: All but the Western border with Mendocino & Trinity
Counties
Area 2: Remainder

TRINITY COUNTY:

Area 1: East Central part and the Northeast border with

Shasta County
Area 2: Remainder

TULARE COUNTY;
Area 1: Remainder
Area 2: Eastern part

TUOLUMNE COUNTY:
Area 1: Remainder
Area 2: Eastern Part

ENGI0003-019 07/01/2013

SEE AREA DESCRIPTIONS BELOW

	Rates	Fringes
OPERATOR: Power Equipment (LANDSCAPE WORK ONLY)		
GROUP 1		
AREA 1.....	\$ 29.64	25.71
AREA 2.....	\$ 31.64	25.71
GROUP 2		
AREA 1.....	\$ 26.04	25.71
AREA 2.....	\$ 28.04	25.71
GROUP 3		
AREA 1.....	\$ 21.43	25.71
AREA 2.....	\$ 23.43	25.71

GROUP DESCRIPTIONS:

GROUP 1: Landscape Finish Grade Operator: All finish grade work regardless of equipment used, and all equipment with a rating more than 65 HP.

GROUP 2: Landscape Operator up to 65 HP: All equipment with a manufacturer's rating of 65 HP or less except equipment covered by Group 1 or Group 3. The following equipment shall be included except when used for finish work as long as manufacturer's rating is 65 HP or less: A-Frame and Winch Truck, Backhoe, Forklift, Hydragraphic Seeder Machine, Roller, Rubber-Tired and Track Earthmoving Equipment, Skiploader, Straw Blowers, and Trencher 31 HP up to 65 HP.

GROUP 3: Landscae Utility Operator: Small Rubber-Tired Tractor, Trencher Under 31 HP.

AREA DESCRIPTIONS:

AREA 1: ALAMEDA, BUTTE, CONTRA COSTA, KINGS, MARIN, MERCED, NAPA, SACRAMENTO, SAN BENITO, SAN FRANCISCO, SAN JOAQUIN, SAN MATEO, SANTA CLARA, SANTA CRUZ, SOLANO, STANISLAUS, SUTTER, YOLO, AND YUBA COUNTIES

AREA 2 - MODOC COUNTY

THE REMAINING COUNTIES ARE SPLIT BETWEEN AREA 1 AND AREA 2 AS NOTED BELOW:

ALPINE COUNTY:

Area 1: Northernmost part

Area 2: Remainder

CALAVERAS COUNTY:

Area 1: Except Eastern part

Area 2: Eastern part

COLUSA COUNTY:

Area 1: Eastern part

Area 2: Remainder

DEL NORTE COUNTY:

Area 1: Extreme Southwestern corner

Area 2: Remainder

ELDORADO COUNTY:

Area 1: North Central part

Area 2: Remainder

FRESNO COUNTY

Area 1: Except Eastern part

Area 2: Eastern part

GLENN COUNTY:

Area 1: Eastern part

Area 2: Remainder

HUMBOLDT COUNTY:

Area 1: Except Eastern and Southwestern parts

Area 2: Remainder

LAKE COUNTY:

Area 1: Southern part

Area 2: Remainder

LASSEN COUNTY:

Area 1: Western part along the Southern portion of border
with Shasta County

Area 2: Remainder

MADERA COUNTY

Area 1: Remainder

Area 2: Eastern part

MARIPOSA COUNTY

Area 1: Remainder

Area 2: Eastern part

MENDOCINO COUNTY:

Area 1: Central and Southeastern parts

Area 2: Remainder

MONTEREY COUNTY

Area 1: Remainder

Area 2: Southwestern part

NEVADA COUNTY:

Area 1: All but the Northern portion along the border of

Sierra County
Area 2: Remainder

PLACER COUNTY:
Area 1: All but the Central portion
Area 2: Remainder

PLUMAS COUNTY:
Area 1: Western portion
Area 2: Remainder

SHASTA COUNTY:
Area 1: All but the Northeastern corner
Area 2: Remainder

SIERRA COUNTY:
Area 1: Western part
Area 2: Remainder

SISKIYOU COUNTY:
Area 1: Central part
Area 2: Remainder

SONOMA COUNTY:
Area 1: All but the Northwestern corner
Area 2: Reaminder

TEHAMA COUNTY:
Area 1: All but the Western border with mendocino & Trinity
Counties
Area 2: Remainder

TRINITY COUNTY:
Area 1: East Central part and the Northeaster border with
Shasta County
Area 2: Remainder

TULARE COUNTY;
Area 1: Remainder
Area 2: Eastern part

TUOLUMNE COUNTY:
Area 1: Remainder
Area 2: Eastern Part

IRON0377-002 01/01/2015

	Rates	Fringes
Ironworkers:		
Fence Erector.....	\$ 27.08	18.24
Ornamental, Reinforcing and Structural.....	\$ 33.50	28.20

PREMIUM PAY:

\$6.00 additional per hour at the following locations:

China Lake Naval Test Station, Chocolate Mountains Naval

Reserve-Niland,
 Edwards AFB, Fort Irwin Military Station, Fort Irwin Training
 Center-Goldstone, San Clemente Island, San Nicholas Island,
 Susanville Federal Prison, 29 Palms - Marine Corps, U.S. Marine
 Base - Barstow, U.S. Naval Air Facility - Seale, Vandenberg AFB

\$4.00 additional per hour at the following locations:

Army Defense Language Institute - Monterey, Fallon Air Base,
 Naval Post Graduate School - Monterey, Yermo Marine Corps
 Logistics Center

\$2.00 additional per hour at the following locations:

Port Hueneme, Port Mugu, U.S. Coast Guard Station - Two Rock

 LAB00067-002 12/01/2014

AREA "A" - ALAMEDA, CONTRA COSTA, MARIN, SAN FRANCISCO, SAN
 MATEO AND SANTA CLARA COUNTIES

AREA "B" - ALPINE, AMADOR, BUTTE, CALAVERAS, COLUSA, DEL
 NORTE, EL DORADO, FRESNO, GLENN, HUMBOLDT, KINGS, LAKE, LASSEN,
 MADERA, MARIPOSA, MENDOCINO, MERCED, MODOC, MONTEREY, NAPA,
 NEVADA, PLACER, PLUMAS, SACRAMENTO, SAN BENITO, SAN JOAQUIN,
 SANTA CRUZ, SHASTA, SIERRA, SISKIYOU, SOLANO, SONOMA,
 STANISLAUS, SUTTER, TEHAMA, TRINITY, TULARE, TUOLUMNE, YOLO AND
 YUBA COUNTIES

	Rates	Fringes
Asbestos Removal Laborer		
Areas A & B.....	\$ 20.06	9.62
LABORER (Lead Removal)		
Area A.....	\$ 29.02	19.42
Area B.....	\$ 28.02	19.42

ASBESTOS REMOVAL-SCOPE OF WORK: Site mobilization; initial
 site clean-up; site preparation; removal of
 asbestos-containing materials from walls and ceilings; or
 from pipes, boilers and mechanical systems only if they are
 being scrapped; encapsulation, enclosure and disposal of
 asbestos-containing materials by hand or with equipment or
 machinery; scaffolding; fabrication of temporary wooden
 barriers; and assembly of decontamination stations.

 LAB00067-006 06/30/2014

AREA "A" - ALAMEDA, CONTRA COSTA, MARIN, SAN FRANCISCO, SAN
 MATEO AND SANTA CLARA COUNTIES

AREA "B" - ALPINE, AMADOR, BUTTE, CALAVERAS, COLUSA, EL
 DORADO, FRESNO, GLENN, KINGS, LASSEN, MADERA, MARIPOSA, MERCED,
 MODOC, MONTEREY, NAPA, NEVADA, PLACER, PLUMAS, SACRAMENTO, SAN
 BENITO, SAN JOAQUIN, SANTA CRUZ, SHASTA, SIERRA, SISKIYOU,
 SOLANO, SONOMA, STANISLAUS, SUTTER, TEHAMA, TRINITY, TULARE,

TUOLUMNE, YOLO AND YUBA COUNTIES

	Rates	Fringes
Laborers: (CONSTRUCTION CRAFT		
LABORERS - AREA A:)		
Construction Specialist		
Group.....	\$ 29.09	18.66
GROUP 1.....	\$ 28.39	18.66
GROUP 1-a.....	\$ 28.61	18.66
GROUP 1-c.....	\$ 28.44	18.66
GROUP 1-e.....	\$ 28.94	18.66
GROUP 1-f.....	\$ 28.97	18.66
GROUP 1-g (Contra Costa		
County).....	\$ 28.59	18.66
GROUP 2.....	\$ 28.24	18.66
GROUP 3.....	\$ 28.14	18.66
GROUP 4.....	\$ 21.83	18.66
See groups 1-b and 1-d under laborer classifications.		
Laborers: (CONSTRUCTION CRAFT		
LABORERS - AREA B:)		
Construction Specialist		
Group.....	\$ 28.09	18.66
GROUP 1.....	\$ 27.39	18.66
GROUP 1-a.....	\$ 27.61	18.66
GROUP 1-c.....	\$ 27.44	18.66
GROUP 1-e.....	\$ 27.94	18.66
GROUP 1-f.....	\$ 27.97	18.66
GROUP 2.....	\$ 27.24	18.66
GROUP 3.....	\$ 27.14	18.66
GROUP 4.....	\$ 20.83	18.66
See groups 1-b and 1-d under laborer classifications.		
Laborers: (GUNITE - AREA A:)		
GROUP 1.....	\$ 29.35	18.66
GROUP 2.....	\$ 28.85	18.66
GROUP 3.....	\$ 28.26	18.66
GROUP 4.....	\$ 28.14	18.66
Laborers: (GUNITE - AREA B:)		
GROUP 1.....	\$ 28.35	18.66
GROUP 2.....	\$ 27.85	18.66
GROUP 3.....	\$ 27.26	18.66
GROUP 4.....	\$ 27.14	18.66
Laborers: (WRECKING - AREA A:)		
GROUP 1.....	\$ 28.39	18.66
GROUP 2.....	\$ 28.24	18.66
Laborers: (WRECKING - AREA B:)		
GROUP 1.....	\$ 27.39	18.66
GROUP 2.....	\$ 27.24	18.66
Landscape Laborer (GARDENERS,		
HORTICULTURAL & LANDSCAPE		
LABORERS - AREA A:)		
(1) New Construction.....	\$ 28.14	18.66
(2) Establishment Warranty		
Period.....	\$ 21.83	18.66
Landscape Laborer (GARDENERS,		
HORTICULTURAL & LANDSCAPE		
LABORERS - AREA B:)		
(1) New Construction.....	\$ 27.14	18.66
(2) Establishment Warranty		

Period.....\$ 20.83 18.66

FOOTNOTES:

Laborers working off or with or from bos'n chairs, swinging scaffolds, belts shall receive \$0.25 per hour above the applicable wage rate. This shall not apply to workers entitled to receive the wage rate set forth in Group 1-a below.

LABORER CLASSIFICATIONS

CONSTRUCTION SPECIALIST GROUP: Asphalt ironer and raker; Chainsaw; Laser beam in connection with laborers' work; Cast-in-place manhole form setter; Pressure pipelayer; Davis trencher - 300 or similar type (and all small trenchers); Blaster; Diamond driller; Multiple unit drill; Hydraulic drill

GROUP 1: Asphalt spreader boxes (all types); Barko, Wacker and similar type tampers; Buggymobile; Caulker, bander, pipewrapper, conduit layer, plastic pipelayer; Certified hazardous waste worker including Leade Abatement; Compactors of all types; Concrete and magnesite mixer, 1/2 yd. and under; Concrete pan work; Concrete sander; Concrete saw; Cribber and/or shoring; Cut granite curb setter; Dri-pak-it machine; Faller, logloader and buckler; Form raiser, slip forms; Green cutter; Headerboard, Hubsetter, aligner, by any method; High pressure blow pipe (1-1/2" or over, 100 lbs. pressure/over); Hydro seeder and similar type; Jackhammer operator; Jacking of pipe over 12 inches; Jackson and similar type compactor; Kettle tender, pot and worker applying asphalt, lay-kold, creosote, lime, caustic and similar type materials (applying means applying, dipping or handling of such materials); Lagging, sheeting, whaling, bracing, trenchjacking, lagging hammer; Magnesite, epoxyresin, fiberglass, mastic worker (wet or dry); No joint pipe and stripping of same, including repair of voids; Pavement breaker and spader, including tool grinder; Perma curb; Pipelayer (including grade checking in connection with pipelaying); Precast-manhole setter; Pressure pipe tester; Post hole digger, air, gas and electric; Power broom sweeper; Power tampers of all types (except as shown in Group 2); Ram set gun and stud gun; Riprap stonepaver and rock-slinger, including placing of sacked concrete and/or sand (wet or dry) and gabions and similar type; Rotary scarifier or multiple head concrete chipping scarifier; Roto and Ditch Witch; Rototiller; Sandblaster, pot, gun, nozzle operators; Signalling and rigging; Tank cleaner; Tree climber; Turbo blaster; Vibrascreed, bull float in connection with laborers' work; Vibrator; Hazardous waste worker (lead removal); Asbestos and mold removal worker

GROUP 1-a: Joy drill model TWM-2A; Gardner-Denver model DH143 and similar type drills; Track driller; Jack leg driller; Wagon driller; Mechanical drillers, all types regardless of type or method of power; Mechanical pipe layers, all types

regardless of type or method of power; Blaster and powder; All work of loading, placing and blasting of all powder and explosives of whatever type regardless of method used for such loading and placing; High scalers (including drilling of same); Tree topper; Bit grinder

GROUP 1-b: Sewer cleaners shall receive \$4.00 per day above Group 1 wage rates. "Sewer cleaner" means any worker who handles or comes in contact with raw sewage in small diameter sewers. Those who work inside recently active, large diameter sewers, and all recently active sewer manholes shall receive \$5.00 per day above Group 1 wage rates.

GROUP 1-c: Burning and welding in connection with laborers' work; Synthetic thermoplastics and similar type welding

GROUP 1-d: Maintenance and repair track and road beds. All employees performing work covered herein shall receive \$.25 per hour above their regular rate for all work performed on underground structures not specifically covered herein. This paragraph shall not be construed to apply to work below ground level in open cut. It shall apply to cut and cover work of subway construction after the temporary cover has been placed.

GROUP 1-e: Work on and/or in bell hole footings and shafts thereof, and work on and in deep footings. (A deep footing is a hole 15 feet or more in depth.) In the event the depth of the footing is unknown at the commencement of excavation, and the final depth exceeds 15 feet, the deep footing wage rate would apply to all employees for each and every day worked on or in the excavation of the footing from the date of inception.

GROUP 1-f: Wire winding machine in connection with guniting or shot crete

GROUP 1-g, CONTRA COSTA COUNTY: Pipelayer (including grade checking in connection with pipelaying); Caulker; Bander; Pipewrapper; Conduit layer; Plastic pipe layer; Pressure pipe tester; No joint pipe and stripping of same, including repair of voids; Precast manhole setters, cast in place manhole form setters

GROUP 2: Asphalt shoveler; Cement dumper and handling dry cement or gypsum; Choke-setter and rigger (clearing work); Concrete bucket dumper and chute; Concrete chipping and grinding; Concrete laborer (wet or dry); Driller tender, chuck tender, nipper; Guinea chaser (stake), grout crew; High pressure nozzle, adductor; Hydraulic monitor (over 100 lbs. pressure); Loading and unloading, carrying and hauling of all rods and materials for use in reinforcing concrete construction; Pittsburgh chipper and similar type brush shredders; Sloper; Single foot, hand-held, pneumatic tamper; All pneumatic, air, gas and electric tools not listed in Groups 1 through 1-f; Jacking of pipe - under 12 inches

GROUP 3: Construction laborers, including bridge and general

laborer; Dump, load spotter; Flag person; Fire watcher; Fence erector; Guardrail erector; Gardener, horticultural and landscape laborer; Jetting; Limber, brush loader and piler; Pavement marker (button setter); Maintenance, repair track and road beds; Streetcar and railroad construction track laborer; Temporary air and water lines, Victaulic or similar; Tool room attendant (jobsite only)

GROUP 4: Final clean-up work of debris, grounds and building including but not limited to: street cleaner; cleaning and washing windows; brick cleaner (jobsite only); material cleaner (jobsite only). The classification "material cleaner" is to be utilized under the following conditions:

A: at demolition site for the salvage of the material.

B: at the conclusion of a job where the material is to be salvaged and stocked to be reused on another job.

C: for the cleaning of salvage material at the jobsite or temporary jobsite yard.

The material cleaner classification should not be used in the performance of "form stripping, cleaning and oiling and moving to the next point of erection".

GUNITE LABORER CLASSIFICATIONS

GROUP 1: Structural Nozzleman

GROUP 2: Nozzleman, Gunman, Potman, Groundman

GROUP 3: Reboundman

GROUP 4: Gunite laborer

WRECKING WORK LABORER CLASSIFICATIONS

GROUP 1: Skilled wrecker (removing and salvaging of sash, windows and materials)

GROUP 2: Semi-skilled wrecker (salvaging of other building materials)

LABO0073-002 06/30/2014

CALAVERAS AND SAN JOAQUIN COUNTIES

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE CLOSURE)		
Escort Driver, Flag Person..	\$ 27.14	19.03
Traffic Control Person I....	\$ 27.44	19.03
Traffic Control Person II...	\$ 24.94	19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO0073-003 06/30/2014

SAN JOAQUIN COUNTY

	Rates	Fringes
LABORER		
Mason Tender-Brick.....	\$ 31.11	17.34

LABO0073-005 06/30/2014

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....	\$ 34.60	19.49
GROUP 2.....	\$ 34.37	19.49
GROUP 3.....	\$ 34.12	19.49
GROUP 4.....	\$ 33.67	19.49
GROUP 5.....	\$ 33.13	19.49
Shotcrete Specialist.....	\$ 35.12	19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Guniting and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickers - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Guniting & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO0166-001 07/01/2006

ALAMEDA AND CONTRA COSTA COUNTIES:

	Rates	Fringes
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Brick Tender.....\$ 25.91 14.65

FOOTNOTES: Work on jobs where heat-protective clothing is required: \$2.00 per hour additional. Work at grinders: \$.25 per hour additional. Manhole work: \$2.00 per day additional.

LABO0166-002 07/01/2007

SAN FRANCISCO AND SAN MATEO COUNTIES:

	Rates	Fringes
MASON TENDER, BRICK.....	\$ 26.93	16.50

FOOTNOTES: Underground work such as sewers, manholes, catch basins, sewer pipes, telephone conduits, tunnels and cut trenches: \$5.00 per day additional. Work in live sewage: \$2.50 per day additional.

LABO0261-003 06/30/2014

SAN FRANCISCO AND SAN MATEO COUNTIES

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE CLOSURE)		
Escort Driver, Flag Person..	\$ 28.14	19.03
Traffic Control Person I....	\$ 28.44	19.03
Traffic Control Person II....	\$ 25.94	19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO0261-005 06/30/2014

SAN FRANCISCO AND SAN MATEO COUNTIES

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....	\$ 34.60	19.49
GROUP 2.....	\$ 34.37	19.49
GROUP 3.....	\$ 34.12	19.49
GROUP 4.....	\$ 33.67	19.49
GROUP 5.....	\$ 33.13	19.49
Shotcrete Specialist.....	\$ 35.12	19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Guniting and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Gunitite & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO0270-003 06/30/2014

AREA A: SANTA CLARA

AREA B: MONTEREY, SAN BENITO AND SANTA CRUZ COUNTIES

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE CLOSURE)		
Escort Driver, Flag Person		
Area A.....	\$ 28.14	19.03
Area B.....	\$ 27.14	19.03
Traffic Control Person I		
Area A.....	\$ 28.44	19.03
Area B.....	\$ 27.44	19.03
Traffic Control Person II		
Area A.....	\$ 25.94	19.03
Area B.....	\$ 24.94	19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO0270-004 06/30/2014

MONTEREY, SAN BENITO, SANTA CLARA, AND SANTA CRUZ COUNTIES

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....	\$ 34.60	19.49
GROUP 2.....	\$ 34.37	19.49

GROUP 3.....	\$ 34.12	19.49
GROUP 4.....	\$ 33.67	19.49
GROUP 5.....	\$ 33.13	19.49
Shotcrete Specialist.....	\$ 35.12	19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Guniting and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Guniting & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO0270-005 07/01/2013

MONTEREY AND SAN BENITO COUNTIES

	Rates	Fringes
LABORER		
Mason Tender-Brick.....	\$ 31.70	16.53

LABO0294-001 06/30/2014

FRESNO, KINGS AND MADERA COUNTIES

	Rates	Fringes
LABORER (Brick)		
Mason Tender-Brick.....	\$ 31.11	17.34

LABO0294-002 06/30/2014

FRESNO, KINGS, AND MADERA COUNTIES

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE CLOSURE)		
Escort Driver, Flag Person..	\$ 27.14	19.03
Traffic Control Person I....	\$ 27.44	19.03

Traffic Control Person II...\$ 24.94 19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO0294-005 06/30/2014

FRESNO, KINGS, AND MADERA COUNTIES

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....	\$ 34.60	19.49
GROUP 2.....	\$ 34.37	19.49
GROUP 3.....	\$ 34.12	19.49
GROUP 4.....	\$ 33.67	19.49
GROUP 5.....	\$ 33.13	19.49
Shotcrete Specialist.....	\$ 35.12	19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Gunite and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Gunite & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO0304-002 06/30/2014

ALAMEDA COUNTY

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE CLOSURE)		
Escort Driver, Flag Person..	\$ 28.14	19.03

Traffic Control Person I....\$ 28.44	19.03
Traffic Control Person II...\$ 25.94	19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO0304-003 06/30/2014

ALAMEDA COUNTY

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....	\$ 34.60	19.49
GROUP 2.....	\$ 34.37	19.49
GROUP 3.....	\$ 34.12	19.49
GROUP 4.....	\$ 33.67	19.49
GROUP 5.....	\$ 33.13	19.49
Shotcrete Specialist.....	\$ 35.12	19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Guniting and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Guniting & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO0324-002 06/30/2014

CONTRA COSTA COUNTY

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE CLOSURE)		

Escort Driver, Flag Person..\$ 28.14	19.03
Traffic Control Person I....\$ 28.44	19.03
Traffic Control Person II...\$ 25.94	19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO0324-006 06/30/2014

CONTRA COSTA COUNTY

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....	\$ 34.60	19.49
GROUP 2.....	\$ 34.37	19.49
GROUP 3.....	\$ 34.12	19.49
GROUP 4.....	\$ 33.67	19.49
GROUP 5.....	\$ 33.13	19.49
Shotcrete Specialist.....	\$ 35.12	19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Guniting and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Guniting & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO1130-002 06/30/2014

MARIPOSA, MERCED, STANISLAUS, AND TUOLUMNE COUNTIES

	Rates	Fringes
LABORER (TRAFFIC CONTROL/LANE		

CLOSURE)

Escort Driver, Flag Person..\$ 27.14	19.03
Traffic Control Person I....\$ 27.44	19.03
Traffic Control Person II...\$ 24.94	19.03

TRAFFIC CONTROL PERSON I: Layout of traffic control, crash cushions, construction area and roadside signage.

TRAFFIC CONTROL PERSON II: Installation and removal of temporary/permanent signs, markers, delineators and crash cushions.

LABO1130-003 06/30/2014

MARIPOSA, MERCED, STANISLAUS, AND TUOLUMNE COUNTIES

	Rates	Fringes
Tunnel and Shaft Laborers:		
GROUP 1.....\$ 34.60		19.49
GROUP 2.....\$ 34.37		19.49
GROUP 3.....\$ 34.12		19.49
GROUP 4.....\$ 33.67		19.49
GROUP 5.....\$ 33.13		19.49
Shotcrete Specialist.....\$ 35.12		19.49

TUNNEL AND SHAFT CLASSIFICATIONS

GROUP 1: Diamond driller; Groundmen; Guniting and shotcrete nozzlemen

GROUP 2: Rodmen; Shaft work & raise (below actual or excavated ground level)

GROUP 3: Bit grinder; Blaster, driller, powdermen, heading; Cherry pickermen - where car is lifted; Concrete finisher in tunnel; Concrete screedman; Grout pumpman and potman; Guniting & shotcrete gunman & potman; Headermen; High pressure nozzleman; Miner - tunnel, including top and bottom man on shaft and raise work; Nipper; Nozzleman on slick line; Sandblaster - potman, Robotic Shotcrete Placer, Segment Erector, Tunnel Muck Hauler, Steel Form raiser and setter; Timberman, retimberman (wood or steel or substitute materials therefore); Tugger (for tunnel laborer work); Cable tender; Chuck tender; Powderman - primer house

GROUP 4: Vibrator operator, pavement breaker; Bull gang - muckers, trackmen; Concrete crew - includes rodding and spreading, Dumpmen (any method)

GROUP 5: Grout crew; Reboundman; Swamper/ Brakeman

LABO1130-005 06/30/2014

MARIPOSA, MERCED, STANISLAUS AND TUOLUMNE COUNTIES

Rates	Fringes
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LABORER

Mason Tender-Brick.....	\$ 31.11	17.34
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LABO1414-004 08/07/2013

SAN FRANCISCO AND SAN MATEO COUNTIES:

	Rates	Fringes
PLASTER TENDER.....	\$ 30.00	16.36

Work on a swing stage scaffold: \$1.00 per hour additional.

LABO1414-007 08/07/2013

CALAVERAS, FRESNO, KINGS, MADERA, MARIPOSA, MERCED, SAN
JOAQUIN, STANISLAUS & TUOLUMNE

	Rates	Fringes
Plasterer tender.....	\$ 30.00	16.36

Work on a swing stage scaffold: \$1.00 per hour additional.

LABO1414-008 08/07/2013

ALAMEDA AND CONTRA COSTA COUNTIES:

	Rates	Fringes
Plasterer tender.....	\$ 30.00	16.36

Work on a swing stage scaffold: \$1.00 per hour additional.

LABO1414-010 08/07/2013

SANTA CLARA AND SANTA CRUZ COUNTIES

	Rates	Fringes
PLASTER TENDER		
4 Stories and under.....	\$ 28.00	16.36
5 Stories and above.....	\$ 30.00	16.36

Work on a swing stage scaffold: \$1.00 per hour additional.

LABO1414-011 08/07/2013

MONTEREY AND SAN BENITO COUNTIES

	Rates	Fringes
Plasterer tender.....	\$ 30.00	16.36

Work on a swing stage scaffold: \$1.00 per hour additional.

PAIN0016-001 01/01/2015

ALAMEDA, CONTRA COSTA, MONTEREY, SAN BENITO, SAN MATEO, SANTA

CLARA, AND SANTA CRUZ COUNTIES

	Rates	Fringes
Painters:.....	\$ 36.45	21.48

PREMIUMS:

EXOTIC MATERIALS - \$0.75 additional per hour.

SPRAY WORK: - \$0.50 additional per hour.

INDUSTRIAL PAINTING - \$0.25 additional per hour

[Work on industrial buildings used for the manufacture and processing of goods for sale or service; steel construction (bridges), stacks, towers, tanks, and similar structures]

HIGH WORK:

over 50 feet - \$2.00 per hour additional

100 to 180 feet - \$4.00 per hour additional

Over 180 feet - \$6.00 per hour additional

PAIN0016-003 01/01/2015

AREA 1: ALAMEDA, CONTRA COSTA, SAN FRANCISCO, SAN MATEO & SANTA CLARA COUNTIES

AREA 2: CALAVERAS, MARIPOSA, MERCED, MONTEREY, SAN BENITO, SAN JOAQUIN, SANTA CRUZ, STANISLAUS & TUOLUMNE COUNTIES

	Rates	Fringes
Drywall Finisher/Taper		
AREA 1.....	\$ 40.37	21.28
AREA 2.....	\$ 36.24	19.88

PAIN0016-012 01/01/2015

ALAMEDA, CONTRA COSTA, MARIPOSA, MERCED, MONTEREY, SAN BENITO, SAN FRANCISCO, SAN MATEO, SANTA CLARA AND SANTA CRUZ COUNTIES

	Rates	Fringes
SOFT FLOOR LAYER.....	\$ 46.20	18.73

PAIN0016-015 01/01/2015

CALAVERAS, MARIPOSA, MERCED, SAN JOAQUIN, STANISLAUS & TUOLUMNE COUNTIES

	Rates	Fringes
PAINTER		
Brush.....	\$ 30.85	16.85

FOOTNOTES:

SPRAY/SANDBLAST: \$0.50 additional per hour.

EXOTIC MATERIALS: \$1.00 additional per hour.

HIGH TIME: Over 50 ft above ground or water level \$2.00 additional per hour. 100 to 180 ft above ground or water level \$4.00 additional per hour. Over 180 ft above ground or water level \$6.00 additional per hour.

PAIN0016-022 01/01/2015

SAN FRANCISCO COUNTY

	Rates	Fringes
PAINTER.....	\$ 40.07	21.48

PAIN0169-001 01/01/2015

FRESNO, KINGS, MADERA, MARIPOSA AND MERCED COUNTIES:

	Rates	Fringes
GLAZIER.....	\$ 34.83	19.75

PAIN0169-005 01/01/2015

ALAMEDA CONTRA COSTA, MONTEREY, SAN BENITO, SAN FRANCISCO, SAN MATEO, SANTA CLARA & SANTA CRUZ COUNTIES

	Rates	Fringes
GLAZIER.....	\$ 43.48	24.19

PAIN0294-004 01/01/2015

FRESNO, KINGS AND MADERA COUNTIES

	Rates	Fringes
PAINTER		
Brush, Roller.....	\$ 25.67	15.68
Drywall Finisher/Taper.....	\$ 30.47	16.81

FOOTNOTE:

Spray Painters & Paperhangers receive \$1.00 additional per hour. Painters doing Drywall Patching receive \$1.25 additional per hour. Lead Abaters & Sandblasters receive \$1.50 additional per hour. High Time - over 30 feet (does not include work from a lift) \$0.75 per hour additional.

PAIN0294-005 01/01/2015

FRESNO, KINGS & MADERA

	Rates	Fringes
SOFT FLOOR LAYER.....	\$ 30.83	17.39

PAIN0767-001 01/01/2015

CALAVERAS, SAN JOAQUIN, STANISLAUS AND TUOLUMNE COUNTIES:

	Rates	Fringes
GLAZIER.....	\$ 33.79	22.49

PAID HOLIDAYS: New Year's Day, Martin Luther King, Jr. Day,
President's Day, Memorial Day, Independence Day, Labor Day,
Veteran's Day, Thanksgiving Day, and Christmas Day.

Employee required to wear a body harness shall receive \$1.50
per hour above the basic hourly rate at any elevation.

PAIN1176-001 07/01/2014

HIGHWAY IMPROVEMENT

	Rates	Fringes
Parking Lot Striping/Highway Marking:		
GROUP 1.....	\$ 34.26	11.65
GROUP 2.....	\$ 29.12	11.65
GROUP 3.....	\$ 29.46	11.65

CLASSIFICATIONS

GROUP 1: Striper: Layout and application of painted traffic
stripes and marking; hot thermo plastic; tape, traffic
stripes and markings

GROUP 2: Gamecourt & Playground Installer

GROUP 3: Protective Coating, Pavement Sealing

PAIN1237-003 01/01/2015

CALAVERAS; SAN JOAQUIN COUNTIES; STANISLAUS AND TUOLUMNE
COUNTIES:

	Rates	Fringes
SOFT FLOOR LAYER.....	\$ 31.79	14.93

PLAS0066-002 07/01/2014

ALAMEDA, CONTRA COSTA, SAN MATEO AND SAN FRANCISCO COUNTIES:

	Rates	Fringes
PLASTERER.....	\$ 35.34	24.21

PLAS0300-001 07/01/2014

	Rates	Fringes
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PLASTERER

AREA 188: Fresno.....	\$ 29.44	22.26
AREA 224: San Benito, Santa Clara, Santa Cruz.....	\$ 31.59	22.26
AREA 295: Calaveras & San Joaquin Counties.....	\$ 31.41	22.26
AREA 337: Monterey County..	\$ 30.52	22.26
AREA 429: Mariposa, Merced, Stanislaus, Tuolumne Counties.....	\$ 31.41	22.26

PLAS0300-005 06/30/2014

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...	\$ 30.00	22.07

PLUM0038-001 07/01/2014

SAN FRANCISCO COUNTY

	Rates	Fringes
PLUMBER (Plumber, Steamfitter, Refrigeration Fitter).....	\$ 64.00	43.29

PLUM0038-005 07/01/2014

SAN FRANCISCO COUNTY

	Rates	Fringes
Landscape/Irrigation Fitter (Underground/Utility Fitter).....	\$ 54.40	32.15

PLUM0062-001 01/01/2015

MONTEREY AND SANTA CRUZ COUNTIES

	Rates	Fringes
PLUMBER & STEAMFITTER.....	\$ 41.30	25.94

PLUM0159-001 07/01/2014

CONTRA COSTA COUNTY

	Rates	Fringes
Plumber and steamfitter		
(1) Refrigeration.....	\$ 50.88	33.64
(2) All other work.....	\$ 51.77	28.39

PLUM0246-001 01/01/2015

FRESNO, KINGS & MADERA COUNTIES

	Rates	Fringes
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PLUMBER & STEAMFITTER.....\$ 37.50 26.14

PLUM0246-004 07/01/2013

FRESNO, MERCED & SAN JOAQUIN COUNIES

	Rates	Fringes
PLUMBER (PIPE TRADESMAN).....	\$ 13.00	9.77

PIPE TRADESMAN SCOPE OF WORK:

Installation of corrugated metal piping for drainage, as well as installation of corrugated metal piping for culverts in connection with storm sewers and drains; Grouting, dry packing and diapering of joints, holes or chases including paving over joints, in piping; Temporary piping for dirt work for building site preparation; Operating jack hammers, pavement breakers, chipping guns, concrete saws and spades to cut holes, chases and channels for piping systems; Digging, grading, backfilling and ground preparation for all types of pipe to all points of the jobsite; Ground preparation including ground leveling, layout and planting of shrubbery, trees and ground cover, including watering, mowing, edging, pruning and fertilizing, the breaking of concrete, digging, backfilling and tamping for the preparation and completion of all work in connection with lawn sprinkler and landscaping; Loading, unloading and distributing materials at jobsite; Putting away materials in storage bins in jobsite secure storage area; Demolition of piping and fixtures for remodeling and additions; Setting up and tearing down work benches, ladders and job shacks; Clean-up and sweeping of jobsite; Pipe wrapping and waterproofing where tar or similar material is applied for protection of buried piping; Flagman

PLUM0342-001 07/01/2014

ALAMEDA & CONTRA COSTA COUNTIES

	Rates	Fringes
PIPEFITTER		
CONTRA COSTA COUNTY.....	\$ 54.71	35.99
PLUMBER, PIPEFITTER, STEAMFITTER		
ALAMEDA COUNTY.....	\$ 54.71	35.99

PLUM0355-004 07/01/2014

ALAMEDA, CALAVERAS, CONTRA COSTA, FRESNO, KINGS, MADERA, MARIPOSA, MERCED, MONTEREY, SAN BENITO, SAN JOAQUIN, SAN MATEO, SANTA CLARA, SANTA CRUZ, STANISLAUS, AND TUOLUMNE COUNTIES:

	Rates	Fringes
Underground Utility Worker		
/Landscape Fitter.....	\$ 28.55	9.25

PLUM0393-001 07/01/2014

SAN BENITO AND SANTA CLARA COUNTIES

	Rates	Fringes
PLUMBER/PIPEFITTER.....	\$ 57.41	33.08

PLUM0442-001 01/01/2015

CALAVERAS, MARIPOSA, MERCED, SAN JOAQUIN, STANISLAUS & TUOLUMNE COUNTIES

	Rates	Fringes
PLUMBER & STEAMFITTER.....	\$ 38.50	25.89

PLUM0467-001 07/01/2014

SAN MATEO COUNTY

	Rates	Fringes
Plumber/Pipefitter/Steamfitter...	\$ 57.50	31.16

ROOF0027-002 09/01/2014

FRESNO, KINGS, AND MADERA COUNTIES

	Rates	Fringes
ROOFER.....	\$ 26.37	12.68

FOOTNOTE: Work with pitch, pitch base of pitch impregnated products or any material containing coal tar pitch, on any building old or new, where both asphalt and pitchers are used in the application of a built-up roof or tear off: \$2.00 per hour additional.

ROOF0040-002 08/01/2014

SAN FRANCISCO & SAN MATEO COUNTIES:

	Rates	Fringes
ROOFER.....	\$ 35.19	13.75

ROOF0081-001 08/01/2014

ALAMEDA AND CONTRA COSTA COUNTIES:

	Rates	Fringes
Roofer.....	\$ 35.06	13.89

ROOF0081-004 08/01/2014

CALAVERAS, MARIPOSA, MERCED, SAN JOAQUIN, STANISLAUS AND

TUOLUMNE COUNTIES:

	Rates	Fringes
ROOFER.....	\$ 31.94	13.64

ROOF0095-002 08/01/2014		

MONTEREY, SAN BENITO, SANTA CLARA, AND SANTA CRUZ COUNTIES:

	Rates	Fringes
ROOFER		
Journeyman.....	\$ 37.14	14.57
Kettle person (2 kettles);		
Bitumastic, Enameler, Coal		
Tar, Pitch and Mastic		
worker.....	\$ 39.14	14.57

SFCA0483-001 01/01/2015		

ALAMEDA, CONTRA COSTA, SAN FRANCISCO, SAN MATEO AND SANTA CLARA COUNTIES:

	Rates	Fringes
SPRINKLER FITTER (FIRE).....	\$ 56.02	27.77

SFCA0669-011 07/01/2013		

CALAVERAS, FRESNO, KINGS, MADERA, MARIPOSA, MERCED, MONTEREY, SAN BENITO, SAN JOAQUIN, SANTA CRUZ, STANISLAUS AND TUOLUMNE COUNTIES:

	Rates	Fringes
SPRINKLER FITTER.....	\$ 32.98	19.35

SHEE0104-001 01/01/2015		

AREA 1: ALAMEDA, CONTRA COSTA, SAN FRANCISCO, SAN MATEO, SANTA CLARA

AREA 2: MONTEREY & SAN BENITO

AREA 3: SANTA CRUZ

	Rates	Fringes
SHEET METAL WORKER		
AREA 1:		
Mechanical Contracts		
under \$200,000.....	\$ 45.26	38.82
All Other Work.....	\$ 50.71	40.05
AREA 2.....	\$ 41.59	29.66
AREA 3.....	\$ 43.77	30.00

 SHEE0104-003 01/01/2015

CALAVERAS AND SAN JOAQUIN COUNTIES:

	Rates	Fringes
SHEET METAL WORKER.....	\$ 36.59	28.66

SHEE0104-005 01/01/2015

MARIPOSA, MERCED, STANISLAUS AND TUOLUMNE COUNTIES:

	Rates	Fringes
SHEET METAL WORKER (Excluding metal deck and siding).....	\$ 36.03	31.30

SHEE0104-007 01/01/2015

FRESNO, KINGS, AND MADERA COUNTIES:

	Rates	Fringes
SHEET METAL WORKER.....	\$ 34.60	31.55

SHEE0104-015 01/01/2015

ALAMEDA, CONTRA COSTA, MONTEREY, SAN BENITO, SAN FRANCISCO, SAN
 MATEO, SANTA CLARA AND SANTA CRUZ COUNTIES:

	Rates	Fringes
SHEET METAL WORKER (Metal Decking and Siding only).....	\$ 33.86	31.83

SHEE0104-018 01/01/2015

CALAVERAS, FRESNO, KINGS, MADERA, MARIPOSA, MERCED, SAN
 JOAQUIN, STANISLAUS AND TUOLUMNE COUNTIES:

	Rates	Fringes
Sheet metal worker (Metal decking and siding only).....	\$ 33.86	31.83

TEAM0094-001 07/01/2014

	Rates	Fringes
Truck drivers:		
GROUP 1.....	\$ 27.96	24.28
GROUP 2.....	\$ 28.26	24.28
GROUP 3.....	\$ 28.56	24.28
GROUP 4.....	\$ 28.91	24.28
GROUP 5.....	\$ 29.26	24.28

FOOTNOTES:

Articulated dump truck; Bulk cement spreader (with or without auger); Dumpcrete truck; Skid truck (debris box); Dry pre-batch concrete mix trucks; Dumpster or similar type; Slurry truck: Use dump truck yardage rate. Heater planer; Asphalt burner; Scarifier burner; Industrial lift truck (mechanical tailgate); Utility and clean-up truck: Use appropriate rate for the power unit or the equipment utilized.

TRUCK DRIVER CLASSIFICATIONS

GROUP 1: Dump trucks, under 6 yds.; Single unit flat rack (2-axle unit); Nipper truck (when flat rack truck is used appropriate flat rack shall apply); Concrete pump truck (when flat rack truck is used appropriate flat rack shall apply); Concrete pump machine; Fork lift and lift jitneys; Fuel and/or grease truck driver or fuel person; Snow buggy; Steam cleaning; Bus or personhaul driver; Escort or pilot car driver; Pickup truck; Teamster oiler/greaser and/or serviceperson; Hook tender (including loading and unloading); Team driver; Tool room attendant (refineries)

GROUP 2: Dump trucks, 6 yds. and under 8 yds.; Transit mixers, through 10 yds.; Water trucks, under 7,000 gals.; Jetting trucks, under 7,000 gals.; Single-unit flat rack (3-axle unit); Highbed heavy duty transport; Scissor truck; Rubber-tired muck car (not self-loaded); Rubber-tired truck jumbo; Winch truck and "A" frame drivers; Combination winch truck with hoist; Road oil truck or bootperson; Buggymobile; Ross, Hyster and similar straddle carriers; Small rubber-tired tractor

GROUP 3: Dump trucks, 8 yds. and including 24 yds.; Transit mixers, over 10 yds.; Water trucks, 7,000 gals. and over; Jetting trucks, 7,000 gals. and over; Vacuum trucks under 7500 gals. Trucks towing tilt bed or flat bed pull trailers; Lowbed heavy duty transport; Heavy duty transport tiller person; Self-propelled street sweeper with self-contained refuse bin; Boom truck - hydro-lift or Swedish type extension or retracting crane; P.B. or similar type self-loading truck; Tire repairperson; Combination bootperson and road oiler; Dry distribution truck (A bootperson when employed on such equipment, shall receive the rate specified for the classification of road oil trucks or bootperson); Ammonia nitrate distributor, driver and mixer; Snow Go and/or plow

GROUP 4: Dump trucks, over 25 yds. and under 65 yds.; Water pulls - DW 10's, 20's, 21's and other similar equipment when pulling Aqua/pak or water tank trailers; Helicopter pilots (when transporting men and materials); Lowbed Heavy Duty Transport up to including 7 axles; DW10's, 20's, 21's and other similar Cat type, Terra Cobra, LeTourneau Pulls, Tournorocker, Euclid and similar type equipment when pulling fuel and/or grease tank trailers or other miscellaneous trailers; Vacuum Trucks 7500 gals and over and truck repairman

GROUP 5: Dump trucks, 65 yds. and over; Holland hauler; Low

bed Heavy Duty Transport over 7 axles

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which

these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request

review and reconsideration from the Wage and Hour Administrator
(See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the
interested party's position and by any information (wage
payment data, project description, area practice material,
etc.) that the requestor considers relevant to the issue.

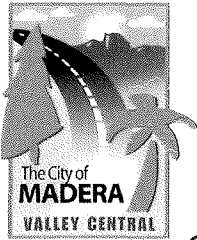
3.) If the decision of the Administrator is not favorable, an
interested party may appeal directly to the Administrative
Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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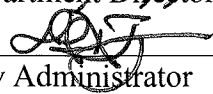
END OF GENERAL DECISION



REPORT TO CITY COUNCIL



Department Director



City Administrator

Council Meeting of: July 15, 2015

Agenda Number: B-5

SUBJECT: Consideration of a Resolution Authorizing and Approving Amendments to the City of Madera Fiscal Year 2014/2015 Budget.

RECOMMENDATION: Council to adopt Resolution Authorizing and Approving Amendments to the City of Madera Fiscal Year 2014/2015 Budget

SUMMARY: Staff has identified five (5) different budget amendments that are necessary to finalize budget activities related to Fiscal Year 2014/2015. Those amendments are explained below.

DISCUSSION: Based on account analysis, the budget amendments itemized on Exhibit AA are necessary. Here is a brief explanation of those proposed amendments:

- 1) A \$210,000 contribution from the Sewer Rate Stabilization Fund is deemed to be necessary in order to keep the Sewer Fund in compliance with the 2010 Bond covenants. Part of that amendment will be to move \$700,000 from the previously designated Fund Balance in the Sewer Fund into the newly-created Sewer Rate Stabilization Fund. That will leave a net balance of \$490,000 in the Sewer Rate Stabilization Fund, after providing sufficient funding for debt service coverage.
- 2) The Contracted Services accounts for the Sewer and Water Debt Service Funds needs to be increased to pay for consulting services used to bring the 2006 Bond disclosures into compliance.
- 3) An increase in the Contracted Services account for the Finance Department is needed and is mostly due to an increase in service costs from MuniServices. This cost will be offset from an increase in sales tax revenue that MuniServices has discovered for the City of Madera.
- 4) As a result of an increase in Risk Management costs, the City is required to contribute an additional \$615,000 to the Insurance Reserve Fund to cover retrospective adjustments for fiscal year 2009/2010. \$480,221 of the \$615,000 contribution will come from the General Fund.

- 5) Based on the 13/14 Engineer's Report and as discussed at the August 17, 2013 Council meeting, it was decided that the \$21,017 deficit in several Landscape Maintenance Zones would be absorbed by the General Fund. Since the deficit adjustment was not made during the 13/14 fiscal year, we would like to make it during the 14/15 fiscal year.

FINANCIAL IMPACT: The proposed budget amendment will have a \$526,292 impact on the General Fund, with \$480,221 coming from the General Fund for Additional Insurance Reserve Contributions, \$25,000 for Contracted Services in Finance and \$21,071 being transferred into Landscape Maintenance Districts to absorb deficit balances related to prior fiscal years.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN: Approval of this item is consistent with Strategy 115 of the Vision Plan – Economic Resource Provision: Ensure sufficient resources to provide adequate City services and prepare for future growth. It is also in line with funding core services as articulated by the Vision Madera 2025 Plan.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA,
AUTHORIZING AND APPROVING AMENDMENTS TO THE CITY OF MADERA FISCAL YEAR
2014/2015 BUDGET**

WHEREAS, City staff has completed an account analysis and determined that certain budget amendments are necessary; and

WHEREAS, the appropriation amendments to the City of Madera Fiscal Year 2014/2015 Budget, listed in Exhibit AA attached hereto, are necessary to fund the operational expenses of their respective department, to cover an increase in Risk Management retrospective adjustments, and to absorb deficits in several Landscape Maintenance Zones.

NOW THEREFORE, THE COUNCIL OF THE CITY OF MADERA does hereby resolve, find and order as follows:

1. The above recitals are true and correct
2. The budget amendments for the items listed in Exhibit AA, attached hereto, are approved.
3. The City Clerk is authorized and directed to forward a certified copy of the resolution to the Director of Financial Services, who is authorized to take such action as necessary to implement the terms of this resolution.
4. The resolution is effective immediately upon adoption.

Exhibit AA

Sewer Rate Stabilization Fund:

20401-000-3590-7021	Transfer out to Fund 20400	210,000	
20400-000-3010-8355	Transfer in from Fund 20401		210,000
20401-000-3590-8376	Transfer-in from Fund 20400		700,000

2006 Bond Disclosure Services

20400-515-4335-3040	Contracted Services	10,881	
20200-716-2630-3040	Contracted Services	819	

Finance contracted services:

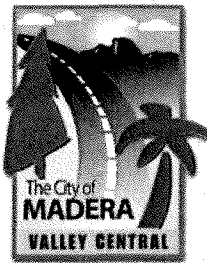
10200-104-1615-3040	Contracted Services	25,000	
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Additional Insurance Reserve Contribution:

10200-108-1675-7020	Transfers out-Insurance Reserve	480,221	
41100-806-5200-7020	Transfers out-Insurance Reserve	183	
41400-305-5485-7020	Transfers out-Insurance Reserve	221	
21228-329-4030-7020	Transfers out-Insurance Reserve	2,471	
21229-330-4031-7020	Transfers out-Insurance Reserve	2,471	
20500-327-3715-7020	Transfers out-Insurance Reserve	3,751	
47600-507-7630-7020	Transfers out-Insurance Reserve	5,372	
47600-530-7601-7020	Transfers out-Insurance Reserve	7,181	
20300-713-2995-7020	Transfers out-Insurance Reserve	10,440	
40700-470-4710-7020	Transfers out-Insurance Reserve	10,507	
30700-807-4720-7020	Transfers out-Insurance Reserve	10,695	
45000-309-6430-7020	Transfers out-Insurance Reserve	11,137	
40500-801-2200-7020	Transfers out-Insurance Reserve	14,699	
20400-509-3355-7020	Transfers out-Insurance Reserve	17,395	
20400-608-3085-7020	Transfers out-Insurance Reserve	18,343	
20300-711-2785-7020	Transfers out-Insurance Reserve	19,913	
10900-133-2440-8355	Transfer In		615,000
10900-133-2530-3267	Retrospective Adjust. Cost	615,000	

LMD deficits prior to FY 12/13:

Cent Adm	10200.108	1675-7000	Operating Transfer to Other Funds	21,071.17
Zone 2	45502.314	7000-8355	Transfer-In	65.16
Zone 3	45503.315	7030-8355	Transfer-In	833.94
Zone 7	45507.319	7150-8355	Transfer-In	341.04
Zone 8	45508.320	7180-8355	Transfer-In	260.47
Zone 10A	45538.352	7239-8355	Transfer-In	959.95
Zone10C	45532.343	7232-8355	Transfer-In	3,821.93
Zone 10I	45532.379	6965-8355	Transfer-In	2,483.72
Zone 12	45512.323	7285-8355	Transfer-In	6,848.66
Zone 13	45513.324	7315-8355	Transfer-In	408.89
Zone 15	45515.336	7345-8355	Transfer-In	27.61
Zone 16	45534.344	7234-8355	Transfer-In	2,893.85
Zone 20A	45536.346	7238-8355	Transfer-In	528.10
Zone 25C	45571.381	7023-8355	Transfer-In	446.61
Zone 26B	45542.358	6991-8355	Transfer-In	744.36
Zone 46	45585.594	7483-8355	Transfer-In	406.88

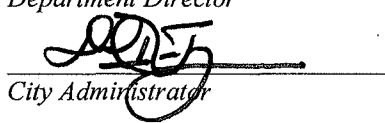


Return to Agenda

REPORT TO CITY COUNCIL

Approved By:


Department Director



City Administrator

Council Meeting of July 15, 2015

Agenda Item Number B-6

SUBJECT: CONSIDERATION OF A RESOLUTION APPROVING AGREEMENT WITH AKEL ENGINEERING GROUP FOR PROFESSIONAL ENGINEERING SERVICES TO THE CITY OF MADERA FOR PREPARATION OF THE PARKWOOD AND PARKSDALE WATER, SEWER AND STORM DRAINAGE INFRASTRUCTURE STUDY

CONSIDERATION OF A RESOLUTION APPROVING FUNDING AMENDMENTS TO THE CITY OF MADERA FISCAL YEAR 2015/16 BUDGET FOR THE PARKWOOD AND PARKSDALE WATER, SEWER AND STORM DRAINAGE INFRASTRUCTURE STUDY

RECOMMENDATION:

That the City Council:

1. Approve Res. No. 15 - _____ approving Agreement with Akel Engineering Group, Inc. in the amount of \$309,683 plus \$30,968 for possible Extra Services.
2. Authorize the Mayor to execute the agreement.
3. Approving funding amendments to the City of Madera Fiscal Year 2015/16 Budget for the Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study.

SUMMARY:

The proposed professional services agreement and the associated infrastructure study services provide for the evaluation of existing public utilities within the Parkwood and Parksdale communities. The evaluation will address the physical and operational

Engineering

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characteristics of existing sanitary sewer lines and one lift station, water lines and wells and storm drain facilities

The evaluations conducted as part of this study will address existing and future needs to the degree they affect future costs to the City as a result of possible annexation of the Parkwood and Parksdale communities. City and County representatives working on a tax sharing agreement conceptually agreed on the need for this evaluation to inform the negotiation process for a long-term agreement which will take place later this year.

The compensation specified in the consultant agreement is \$309,683, with an additional 10% (\$30,968) allowed for extra services if determined by staff to be necessary. The proposed funding sources are the Water Fund, Sewer Fund and General Fund. The majority of the costs will be split equally with Madera County, as explained in more detail below.

DISCUSSION:

The project is not currently included in the City's FY 2015/16 – FY 2019/20 Capital Improvement Program or the City's FY 2015/16 Budget. As such, it will require budget amendments to various funding sources. Those proposed funding sources are: Sewer Fund, Water Fund and the City's General Fund.

This effort will include:

- Sanitary Sewer - Assessment of physical condition and estimated remaining service life of existing pipe lines, capacity evaluation of existing facilities, including lift station, relative to existing and future needs and preparation of a reuse plan for the existing wastewater treatment plant (WWTP) within the Parkwood community.
- Sewer Main Extension - Prepare preliminary improvement plans illustrating a permanent connection between the portion of Parkwood that currently flows into the existing Parkwood wastewater treatment plant.
- Water - Assessment of physical condition and estimated remaining service life of existing pipe lines, capacity evaluation of existing facilities, including assumed use of existing water wells, relative to existing and future needs.
- Storm Drain – Provide capacity evaluation of existing facilities including pipe and storm drainage basins relative to existing and future needs within Parksdale.

The recommended Basic Fee included in the Agreement is \$309,683. In addition to the basic fee, 10%, or \$30,968 is included for Extra Services, if needed, as determined by the City Engineer.

The need to evaluate infrastructure and public utility systems in Parkwood and Parksdale was identified during the negotiations between the City and County regarding the tax sharing agreement. These discussions occurred at the end of 2014 and beginning of 2015, and resulted in the adoption of a 1 year, interim agreement in February. Both agencies agreed, in principal, that understanding the extent of any existing deficiencies

was important to the discussion of a long-term agreement. As discussed during the previous negotiations, the cost of the agreement would be split evenly with the County.

The exception to this even split is that City staff proposes that the cost of preparing a preliminary design for the extension of a sanitary sewer line would be funded by the City at a cost of approximately \$32,000. This task is representative of efforts for which the City will become responsible within the Parkwood and Parksdale communities that require maintenance or replacement following a possible annexation. Based on staff's proposal, the County would be responsible for \$152,740 while the City would fund \$187,911.

It is staff's understanding that the County will consider a funding request for County's portion of the study costs at its July 14th Board of Supervisor's meeting.

FISCAL IMPACT:

The total anticipated expenditures for preparation of the infrastructure study is \$340,651. The following revenue sources will be used to fund the study:

General Fund 10200 - \$35,066
Sewer Fund 20400 - \$232,680
Water Fund 20300 - \$72,905

The funding sources and associated costs to be applied to each source represent the amount necessary to award the project to the consultant. Each of these values will be reduced in accordance with the reimbursable amount for which the County of Madera is responsible.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN

While this action itself does not necessarily support specific goals and strategies of Vision Madera 2025, it may support the following strategy:

Strategy 111 – Local Agencies Share Vision: Promote greater alignment of local government agencies under a shared community vision.

Should the communities ultimately be annexed, this action would further support the following action item:

Action 101.6 – Ensure infrastructure can sustain population growth in the development of the General Plan.

RESOLUTION NO. 15 - _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPROVING AN AGREEMENT WITH AKEL ENGINEERING GROUP FOR PROFESSIONAL ENGINEERING SERVICES TO THE CITY OF MADERA FOR PREPARATION OF THE PARKWOOD AND PARKSDALE WATER, SEWER AND STORM DRAINAGE INFRASTRUCTURE STUDY

WHEREAS, the preparation of the Parkwood and Parksdale Infrastructure Study will provide the City of Madera and County of Madera with an understanding of the physical and operation characteristics and remaining service life of water, sanitary sewer and storm drain within the Parkwood and Parksdale communities; and

WHEREAS, the City of Madera and County of Madera have determined that preparation of such an infrastructure study is a necessary part of the discussions of possible annexation of the Parkwood and Parksdale communities; and

WHEREAS, the infrastructure study requires professional engineering services to assure that it is completed in accordance with certain local and state standards as well as appropriate engineering standards and principals; and

WHEREAS, the City of Madera has available funding within the General Fund, Sewer Fund and Water Fund that will become available upon approval of a separate funding amendment; and

WHEREAS, the County of Madera is anticipated to provide 50% of project funding associated with the study portion of this project; and

WHEREAS, the City of Madera has prepared an agreement for such services with Akel Engineering Group, Inc. that is on file in the office of the City Clerk of the City of Madera (the "Agreement") and referred to for full particulars.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF MADERA hereby resolves, finds, determines and orders as follows:

1. The above recitals are true and correct.
2. The Agreement for professional engineering services as described above is necessary to the carrying out of the project.
3. The Agreement with Akel Engineering Group for such services, a copy of which is on file in the office of the City Clerk and which is referred to for more particulars, is approved for a Basic Fee amount of \$309,683, plus \$30,968 or 10% for Extra Services as approved by the City Engineer.

4. The Mayor of the City of Madera is authorized to execute the Agreement and all documents necessary to the contracting of the work.
5. This resolution is effective immediately upon adoption.

* * * * *

RESOLUTION NO. 15-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA APPROVING FUNDING AMENDMENTS TO THE CITY OF MADERA FISCAL YEAR 2015/16 BUDGET FOR THE PARKWOOD AND PARKSDALE WATER, SEWER AND STORM DRAINAGE INFRASTRUCTURE STUDY

WHEREAS, the Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study is not currently included in the FY 2015/16 Budget for Capital Projects, and

WHEREAS, funding sufficient funding is available within General, Sewer and Water Funds for the purposes of such study, and

WHEREAS, amendments to the Fiscal Year 2015/16 Budget providing funding from General Fund 10200, Sewer Fund 20400 and Water Fund 20300 as specified in Exhibit AA are necessary for the preparation of Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study are necessary.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA
HEREBY** finds, orders and resolves as follows:

1. The above recitals are true and correct.
2. Council hereby authorizes the addition of the Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study to the City's Fiscal Year 2015/16 Budget and Capital Improvement Program
3. The appropriation and expenditure amendments for the Parkwood and Parksdale Water, Sewer and Storm Drainage Infrastructure Study are hereby approved in accordance with Exhibit AA, which is incorporated by reference herein.
4. The City Clerk is authorized and directed to forward a certified copy of the resolution to the Director of Finance who is authorized to take such action as necessary to implement the terms of this resolution.
5. This resolution is effective immediately upon adoption.

* * * * *

EXHIBIT AA				
CITY OF MADERA				
<u>Budget Appropriation : Res.#15-xx;7/15/15</u>				
2015 - 2016 Budget Adjustment				
Parkwood & Parksdale Infrastructure Study				
FUND	ACCOUNT NUMBER	DESCRIPTION	(+)	(-)
<u>General Fund (10200)</u>				
U-1	2020-5048	Parkwood & Parksdale Utility Study	35,066.00	
	1060-9710	Unappropriated Fund Balance		35,066.00
<u>Sewer Fund (20400)</u>				
U-1	3472-5048	Parkwood & Parksdale Utility Study	232,680.00	
	3010-9712	Retained Earnings		232,680.00
<u>Water Fund (20300)</u>				
U-1	2905-5048	Parkwood & Parksdale Utility Study	72,905.00	
	2620-9712	Retained Earnings		72,905.00
				-
			340,651.00	340,651.00

AGREEMENT WITH AKEL ENGINEERING GROUP FOR PROFESSIONAL ENGINEERING SERVICES TO THE CITY OF MADERA FOR THE PARKWOOD AND PARKSDALE WATER, SEWER AND STORM DRAINAGE INFRASTRUCTURE STUDY

This Agreement made and entered into this 15th day of July 2015 between the City of Madera, a municipal corporation of the State of California, hereinafter called "**CITY**", and Akel Engineering Group, Inc. in Fresno, CA, hereinafter called "**ENGINEER**".

WITNESSETH

WHEREAS, CITY and County of Madera wish to determine the current physical and operational status of water, sewer and storm drainage improvements within the Parkwood and Parksdale communities through the preparation of an infrastructure study for the purposes of establishing deferred maintenance requirements and cost for those same facilities, hereinafter called "Project"; and

WHEREAS, CITY and County of Madera need professional engineering services to prepare said infrastructure study as required by the CITY and County; and

WHEREAS, ENGINEER is qualified and licensed to provide the required professional engineering services and is knowledgeable of the principles and practices of the industry associated with the preparation of infrastructure studies and CITY desires to hire ENGINEER for such purposes.

NOW THEREFORE:

The parties hereto mutually agree as follows:

1. SERVICES OF ENGINEER:

CITY hereby hires ENGINEER to provide operational analysis, condition assessment of utilities and other engineering services as set forth herein in connection with the Project. Said work to be performed pursuant to this agreement is more particularly described in the Scope of Work.

2. SCOPE OF WORK:

ENGINEER shall provide the professional services set forth in the Scope of Work and Estimated Fee, EXHIBIT A within the limits of the project as depicted on the "Project

Map”, EXHIBIT D, attached hereto and incorporated herein by reference. ENGINEER accepts full responsibility for the scope of services provided by subconsultants necessary for delivery of the project. ENGINEER shall utilize and apply all City of Madera design standards and requirements as they may apply to this Project. Engineer acknowledges the City may elect to remove, reduce or modify certain portions of the scope to achieve time and/or cost savings prior to proceeding on any part of the scope but particularly the draft & final reports or any portion of the optional tasks.

3. PROGRESS MEETINGS:

ENGINEER shall communicate and meet with CITY staff at project progress meetings at intervals mutually agreed to between CITY and ENGINEER or as defined in the Scope of Work to verify, refine and complete the project requirements and review the progress of the project. Such meetings shall be as set forth in the Scope of Work and Estimated Fee, EXHIBIT A.

4. CITY'S OBLIGATIONS

The CITY shall provide the consultant with the following:

- a. Provide a Project Manager to work with ENGINEER;
- b. Support and reference materials as may be called for in the Scope of Work and Estimated Fee, EXHIBIT A
- c. Review all submittals timely;

5. COMPENSATION

The basic fee shown in the Scope of Work and Estimated Fee, EXHIBIT A, attached hereto and incorporated herein by reference, for the scope of work itemized in the Scope and Estimated Fee is Three Hundred Nine Thousand, Six Hundred Eighty Three Dollars and no cents (\$309,683.00). The basic fee also includes certain tasks labeled as optional minus credit taken for Task 3.3.1 as not being provided. These optional tasks shall not be initiated without prior written approval of the City.

CITY and ENGINEER agree that the hourly rates in the Hourly Rate (Fee) Schedule, Exhibit C, attached hereto and incorporated herein by reference, shall remain in

full force and effect through December 31, 2016. It is understood and agreed by both parties that all expenses incidental to ENGINEER'S performance of services are included in the basic fee.

6. PAYMENT:

Payments for all undisputed portions of each invoice as provided for hereunder shall be made within 30 days of receipt and approval of ENGINEER'S monthly invoices for the work performed specified herein. ENGINEER'S invoice shall specify the billed hours and hourly rates for each employee classification. The subconsultants work shall be included on ENGINEER'S invoice with a copy of the subconsultant's invoice attached. A report on summary of costs to date for each component of the work shall accompany the invoice. This summary shall also estimate the percentage of the work completed for each component and the balance remaining in each component.

7. EXTRA SERVICES:

In addition to the Optional Services, CITY agrees to pay ENGINEER for extra services not contemplated hereunder as set forth in the Project Work Plan or for such services as may be specifically requested by CITY through the City Engineer in writing and agreed to by ENGINEER for an agreed to fixed fee or hourly rate of compensation, provided, however, the City Engineer's authority is limited to expenditures not to exceed an additional amount of Thirty Thousand Nine Hundred Sixty Eight and no cents (\$30,968) or 10% of the contract amount.

8. AUDITS AND INSPECTIONS ACCESS:

ENGINEER shall, upon reasonable notice and at any time during regular business hours, and as often as CITY may deem necessary, make available to the CITY or its authorized representative for examination, all of its books, records and data with respect to matters covered by this Agreement. ENGINEER shall permit CITY to audit and inspect all invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to matters covered by this Agreement.

9. LIABILITY INSURANCE:

ENGINEER shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the ENGINEER, his agents, representatives, or employees.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG0001).
2. Insurance Service Office form number CA 0001 (Ed. 10/01) covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions liability insurance appropriate to the consultant's profession. ENGINEER'S coverage is to be endorsed to include contractual liability.

B. Minimum Limits of Insurance

ENGINEER shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Insurance: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors & Omissions): \$250,000 per claim and \$1,000,000 aggregate with a deductible not to exceed \$75,000, except that a higher deductible may be approved with appropriate documentation acceptable to the City's Risk Manager.

C. Deductibles and Self Insured Retentions

Any deductibles or self insured retentions must be declared to and approved by the CITY. At the option of the CITY, either: the insurer shall reduce or eliminate such deductibles or self insured retentions as respects the CITY, its officers, officials, employees, and designated volunteers; or the ENGINEER shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration and defense expense.

D. Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and designated volunteers are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the ENGINEER, and with respect to liability arising out work or operations performed by or on behalf of the ENGINEER including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided with two endorsement forms: 1) in the form of an additional insured endorsement to the ENGINEER'S insurance, or as a separate owner's policy (CG 20 10 11 85 or its equivalent language) and 2) a CG 20 37 10 01 endorsement form or its equivalent language. A later edition of the CG 20 10 form along with the CG 20 37 coverage form will give some protection to the City for specific locations.
2. For any claims related to this project, the ENGINEER'S insurance coverage shall be primary insurance as respects the CITY, its officers, officials, employees and designated volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees or designated volunteers shall be excess of the ENGINEER'S insurance and shall not contribute to it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the CITY.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

E. Acceptability of Insurers

ENGINEER shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the CITY or on other than the CITY'S forms provided those endorsements conform to CITY requirements. All certificates and endorsements are to be received and approved by the CITY before work commences. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

F. SUBCONTRACTORS

ENGINEER shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.

10. OWNERSHIP OF DOCUMENTS:

All original papers, documents, reports, drawings and other work product of ENGINEER are instruments of service. All reports and legal documents shall include the professional's registration number and be stamped, signed and dated. All instruments of service shall, upon payment in full to ENGINEER, become the property of the City whether the project for which they are prepared is executed or not. ENGINEER shall be permitted to retain copies, including reproducible copies, of the instruments of service for information and reference. The instruments of service shall not be used by the ENGINEER on other projects, except by agreement in writing by the City. In the event the City reuses such instruments of service, ENGINEER shall be released and held harmless by the City from any and all liability, including legal costs and attorneys' fees, with respect to the reuse of such instruments of service.

Reuse of documents for any purpose other than as intended under this Agreement shall be at CITY'S sole risk. CITY shall indemnify ENGINEER for any damages incurred as a result of such reuse, including use of incomplete documents.

11. TIME OF COMPLETION:

A. Based on a Notice to Proceed date of July 16, 2015, ENGINEER shall complete the major work items as shown in EXHIBIT B, Schedule with the following milestones:

List of Recommended Storm Drain Improvements	September 18, 2015
Water Condition Assessment	October 2, 2015
Sewer Condition Assessment	October 16, 2015
Capital Improvement Program	October 16, 2015
Final Report	November 18, 2015

B. ENGINEER shall not be held responsible for delays caused by CITY review or by reasons beyond ENGINEER'S control. Also ENGINEER shall not stop his work, including work unrelated to any extra services request, unless it can be shown that the project work cannot proceed while a claim or request for extra services is being evaluated.

C. Time is of the essence in the completion of the services covered by this Agreement. Failure of ENGINEER to comply with the above time schedule by more than fourteen (14) calendar days, unless the delay is not attributable to ENGINEER or is attributable to CITY, is sufficient cause to terminate this Agreement, at the option of CITY, in accordance with Section 12.

D. ENGINEER shall complete all services required under this Agreement and this Agreement shall expire on February 28, 2016, unless extended by mutual agreement.

12. TERMINATION OF AGREEMENT:

A. This agreement may be terminated at any time by either party upon fifteen (15) calendar days written notice. In the event the Agreement is terminated by either party, ENGINEER shall be compensated for services performed to the date of termination based upon the compensation rates and subject to the maximum amounts payable agreed to together with such additional services performed after termination which are authorized by the CITY representative to wind up the work performed to date of termination.

B. CITY may immediately suspend or terminate this Agreement in whole or in part by written notice where, in the determination of CITY, there is:

1. An illegal use of funds by ENGINEER;
2. A failure by ENGINEER to comply with any material term of this Agreement;

3. A substantially incorrect or incomplete report submitted by ENGINEER to CITY.

In no event shall any payment by CITY or acceptance by ENGINEER constitute a waiver by such party of any breach of this Agreement or any default which may then exist on the part of either party. Neither shall such payment impair or prejudice any remedy available to either party with respect to such breach or default. CITY shall have the right to demand of ENGINEER the repayment to CITY of any funds disbursed to ENGINEER under this Agreement which, as determined by the appropriate court or arbitrator, were not expended in accordance with the terms of this Agreement.

13. APPROVAL:

CITY will give reasonably prompt consideration to all matters submitted by ENGINEER for approval to the end that there will be no significant delays in ENGINEER'S program of work. An approval, authorization or request to ENGINEER given by CITY will only be binding upon CITY under the terms of this Agreement if in writing and signed on behalf of CITY by a CITY representative or designee.

14. HOLD HARMLESS:

ENGINEER shall defend and indemnify the CITY, its officers, officials, employees and designated volunteers for claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the ENGINEER, its officers, subconsultants, agents, employees or contractors, in performing or failing to perform any work, services or functions under this Agreement.

15. RESPONSIBILITY FOR OTHERS:

ENGINEER shall be responsible to CITY for its services and the services of its subconsultants. ENGINEER shall not be responsible for the acts or omissions of other parties engaged by CITY nor for their construction means, methods, techniques, sequences, or procedures, or their health and safety precautions and programs.

16. PROFESSIONAL RESPONSIBILITY:

ENGINEER shall be obligated to comply with applicable standards of professional care in the performance of the Services. Engineer recognizes that opinions relating to environmental, geologic, and geotechnical conditions are based on limited data and that actual conditions may vary from those encountered at the times and locations where the data are obtained, despite the use of due professional care.

17. PARTIES BOUND BY AGREEMENT:

This Agreement shall be binding upon CITY, ENGINEER, and their successors in interest, legal representatives, executors, administrators and assigns with respect to all covenants as set forth herein. ENGINEER shall not subcontract, assign, or transfer any of the work except as otherwise provided for in this agreement.

18. COMPLETE AGREEMENT OF PARTIES:

This Agreement, including attachments incorporated herein by reference, represents the entire Agreement and understanding between the parties. Any modifications of this Agreement shall be in writing and signed by authorized representatives of the parties. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant.

19. ASSIGNMENT WITH APPROVAL:

It is understood that neither party shall assign, sublet, subcontract or transfer its rights or obligation under this Agreement without the prior express, written consent of the other party.

20. INDEPENDENT CONTRACTOR:

In performance of the work, duties and obligations assumed by ENGINEER under this Agreement, it is mutually understood and agreed that ENGINEER, including any and all of ENGINEER'S officers, agents and employees will, at all times, be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venture, partner or associate of CITY. Furthermore, CITY shall have no right to control or supervise or direct the manner or

method by which ENGINEER shall perform its work and function. However, CITY shall retain the right to administer this Agreement so as to verify that ENGINEER is performing its obligations in accordance with the terms and conditions hereof. ENGINEER and CITY shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over the subject matter hereof.

Because of its status as an independent contractor, ENGINEER shall have absolutely no right to employment rights and benefits available to CITY employees. ENGINEER shall be solely liable and responsible for providing to, or on behalf of, its employees all legally required employee to others unrelated to CITY or to this Agreement.

21. GOVERNING LAW:

Any controversy or claim arising out of, or relating to, this Agreement which cannot be amicably settled without court action shall be litigated either in the appropriate State court for Madera County, California, or as appropriate in the U. S. District Court for the Eastern District of California, located in Fresno County. The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of California.

22. AMENDMENTS:

Any changes to this Agreement requested either by CITY or ENGINEER may only be affected if mutually agreed upon in writing by duly authorized representatives of the parties hereto. This Agreement shall not be modified or amended or any rights of a party to it waived except by such in writing.

23. COMPLIANCE WITH LAWS AND WAGE RATES:

ENGINEER shall comply with all Federal, State, and local laws, ordinances, regulations and provisions applicable in the performance of ENGINEER'S services. ENGINEER may use professional practices and standards regarding the interpretation of these laws.

Wherever reference is made in this Agreement to standards or codes in accordance with which work is to be performed or tested, the edition or revision of the standards or

codes current on the effective date of this Agreement shall apply, unless otherwise expressly stated.

24. ENGINEER'S LEGAL AUTHORITY:

Each individual executing or attesting this Agreement on behalf of ENGINEER hereby covenants and represents: (i) that he or she is duly authorized to execute or attest and deliver this Agreement on behalf of such corporation in accordance with a duly adopted resolution of the corporation's board of directors and in accordance with such corporation's articles of incorporation or charter and by-laws; (ii) that this Agreement is binding upon such corporation; and (iii) that ENGINEER is a duly organized and legally existing corporation in good standing in the State of California

26. NOTICES:

Any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to either party to this Agreement by the other party shall be in writing, and shall be deemed duly served and given when personally delivered to the party to whom it is directed or any managing employee or that party or, in lieu of personal service, when deposited in the United States mail, first class postage prepaid, addressed as follows:

CITY OF MADERA

Engineering Division
205 W. 4th Street
Madera, CA 93637
Attention: City Engineer

CONSULTANT

Akel Engineering Group, Inc.
7433 North First Street, Suite 103
Fresno, CA 93720
Attention: Tony Akel, P.E.

27. SOLE AGREEMENT:

This instrument constitutes the sole and only agreement between ENGINEER and CITY respecting the Project and correctly sets the obligations of the ENGINEER and CITY to each other as of this date. Any agreements or representations respecting the above project, not expressly set forth in this instrument are null and void.

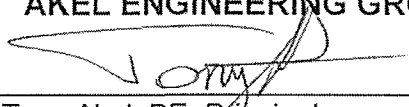
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

* * * * *

CITY OF MADERA

By: _____
Robert L. Poythress, Mayor

AKEL ENGINEERING GROUP, INC.

By: _____
Tony Akel, PE, Principal

22-3936108

Taxpayer I.D. Number

APPROVED AS TO FORM:

By: _____
Brent Richardson, City Attorney

ATTEST:

By: _____
Sonia Alvarez, City Clerk

ATTACHMENTS

EXHIBIT A
SCOPE OF WORK AND ESTIMATED FEE

EXHIBIT B
SCHEDULE

EXHIBIT C
HOURLY RATE (FEE) SCHEDULE

EXHIBIT D
PROJECT MAP

SCOPE OF WORK

Parkwood (MD-19) and Parksdale (CSA-03)

Water, Sewer, and Storm Drainage Infrastructure Study

Objective

The objective of this infrastructure study is to identify existing deficiencies that may exist within the communities of Parkwood (MD-19) and Parksdale (CSA-703) relative to sanitary sewer, water, storm drainage systems and lift stations, provide an estimate of the remaining service life of each facility, recommended mitigation measures as may be necessary to connect these communities to the City of Madera systems as well as future planned growth and the cost associated with each of the mitigation measures.

Task 1 - Project Management and Meetings

This task includes Kick-Off/Coordination Meetings and general project management.

- The Consultant shall conduct a minimum of two (2) meetings with the City of Madera (City) and the County of Madera (County). Such meetings would serve as the venue to discuss any data needs as may be mentioned in the individual tasks. Prepare and submit meeting agendas and meeting notes.
- Provide general project management functions, prepare and maintain a project schedule and monitor budgets. Provide a summary of work performed with each invoice. Submit monthly schedule updates with each invoice.

Task 2 - Record Data Collection Review

The County of Madera shall provide all available data associated with the water, water wells, sanitary sewer, sewer lift stations, and storm drainage systems. This data may include but not be limited to well capacity, lift station capacity, as-built record drawings, specifications, construction and test reports, records of maintenance and repairs data including records of failures, cathodic protection data, soil reports, operation data, air release valve operation, reports with any information that would assist in determining age of each facility.

This task also includes preparing a data needs memorandum for the City and County to provide to the consultant any materials that may not have already been provided to the Consultant.

Other included tasks consist of examining the City's 2014 Water, Sanitary Sewer and Storm Drainage Systems Master Plan documents (approved September 2014), proposed improvements (through new development plans on file at the County), zoning, build-out projections, previous studies, specific plans, GIS database information, and other information as may directly apply to the work effort. The City and County will provide the access to such records.

Task 3 - Sanitary Sewer System Evaluation

This task includes hydraulic capacity analysis and condition assessment of the existing pipes.

Task 3.1 - Condition Assessment of Existing Pipes

This task includes the following subtasks

Task 3.1.1 Discuss Known Capacity Issues. This task includes identifying and discussing known capacity issues with County maintenance staff.

Task 3.1.2 Non Destructive Condition Assessment. The consultant shall perform Nondestructive Condition Assessment (NDA) using software such as InfoMaster Sewer (CapPlan) for the Sanitary Sewer Collection System piping within the Parkwood (CSA 3) and Parksdale communities to determine existing conditions, risk of failure, consequence of failure and the anticipated remaining service life of individual components of the sanitary sewer system.

The NDA will incorporate all available data including but not limited to material type, soil conditions, age, results of CCTV surveys' and maintenance records of repairs. Provide recommendations for rehabilitation, replacement and/or repair of the sewer pipelines and to extend the useful life of the sewer system.

Task 3.2—Existing/Future System Analysis

This task includes the hydraulic model development and analysis:

Task 3.2.1 - Hydraulic Model Development. The consultant shall incorporate the existing Parkwood and Parksdale pipe network inventory and lift stations into the existing InfoSWMM (or equivalent) hydraulic model utilized in the 2014 Sanitary Sewer Master Plan. Evaluation of Parkwood and Parksdale shall utilize the same criteria from the City's model with no adjustments unless approved by the City and County.

Task 3.2.2 - Hydraulic Analysis. The Consultant shall analyze the Parksdale sanitary sewer system for existing as well as buildout conditions under the same flow demand characteristics and land use assumptions as that incorporated into the City's InfoSWMM hydraulic model.

Analysis of the Parkwood system shall assume that the existing wastewater treatment plant is abandoned, the land is assigned a new land use, and that a new gravity connection to the City's system is constructed. This link to the City's system would, if provided in the near term, be through the construction of a new main on Georgia Avenue and Madera Avenue with an outfall into the existing system at Pecan Avenue." Other tasks include:

- Identify deficiencies (e.g. excessive d/D value) of the sewer system infrastructure.
- Identify deficiencies of existing lift stations for existing demand as well as reasonable increases in demand associated with buildout. Only one lift station is known to exist within the Parksdale community.

- Identify required capacity improvements.

Task 3.3—Preliminary Engineering – Parkwood to City System Connection

This task includes preparing conceptual improvement plans illustrating a permanent connection between the portion of Parkwood that currently flows into the existing Parkwood Wastewater Treatment Plant. Survey and engineering should be performed to the level necessary to confirm feasibility of such a connection, and represent a base for completion of 100% design drawings.

This task includes developing possible alternatives for intercepting the flow on Madera Avenue and routing it north. The field survey includes confirming invert elevations at up to 8 sewer manhole locations deemed critical.

Task 3.4—Parkwood Wastewater Treatment Plant Decommissioning

The City is considering the possibility of working with Madera County to decommission and demolish an existing wastewater treatment plant that serves the Parkwood community at the southern edge of the City and immediately south of Avenue 13. Wastewater flows leading to the site would be intercepted and diverted either by lift station and force main, or a combination of gravity sewer and a lift station/force main to a City sewer main on W. Pecan Avenue/Avenue 13. Following demolition, the site would be restored and prepared for a new land use. The purpose of the services provided under this subcontract is to provide an assessment of the technical and economic feasibility of the decommission/demolition/restoration concept.

The following tasks will be conducted by our subconsultant MWH in support of the assessment described above.

- Conduct site visit – MWH staff will visit the site to ascertain the current condition of the existing facilities, discuss the potential for site contamination requiring cleanup, and identify the work needed to decommission and demolish facilities (in particular, the fate of underground piping and utilities will need to be determined).
- Investigate permit requirements – MWH will contact regulatory agencies such as the Regional Water Quality Control Board and Madera County to identify applicable regulations and requirements for site closure and reuse (this scope assumes that the City identifies the possible uses after restoration). Under this task, MWH will:
 - Contact regulatory agencies having jurisdiction
 - Summarize permit requirements, including information needed and processing times
- Identify design and construction tasks – MWH will prepare a summary of engineering activities required to demolish the Plant and restore the site and to transition to the City collection system.
- Prepare a Class 5 cost estimate for demolition and restoration work – this task will include capital costs that include: construction, engineering, administration and permitting. Engineering and administration costs will be based on percentages of construction. Permitting will be based on information obtained in previous tasks.
- Prepare a report summarizing the results.

Task 4 – Water System Evaluation

This task includes hydraulic capacity analysis and condition assessment of the existing pipes.

Task 4.1 Condition Assessment of Existing Pipe Conditions

The consultant shall perform Nondestructive Condition Assessment (NDA) using software such as CapPlan for the water distribution system piping within the Parkwood and Parksdale communities to determine existing conditions, risk of failure, consequence of failure and the anticipated remaining service life of individual components of the water system.

The NDA will incorporate all available data including but not limited to material type, soil conditions, age, condition of pipe (if known based on records provided by the County of Madera), maintenance records of repairs, etc. This task assumes the CCTV will be ranked in accordance with NAASCO certification standards."

Task 4.2 - Existing System Analysis

This task includes the hydraulic model development and analysis:

Task 4.2.1 - Hydraulic Model Development. The Consultant shall incorporate the existing Parkwood and Parksdale pipe network inventory into the existing InfoWater (or equivalent) hydraulic model utilized in the 2014 Water System Master Plan. Existing wells (i.e. Parkwood and Chavez Elementary) are assumed to be included in analysis unless otherwise removed from consideration.

Task 4.2 - Hydraulic Analysis. The Consultant shall perform hydraulic analysis utilizing the same criteria from the City's model with no adjustments unless approved by the City and County. A minimum of two links to the City's system should be provided to the degree necessary to provide redundant capacity, and to secure minimum supply and pressure requirements. Other tasks include:

- Verify that the distribution system can meet minimum pressure and supply requirements in accordance with the Water Master Plan. Identify existing deficiencies.
- Perform fire flow deficiency analysis and prepare a map showing areas that currently are deficient.
- Review model to determine impacts to the City's existing water system as a result of connecting Parkwood and Parksdale to the City water system.

Task 4.3 - Mitigated (Future) System Analysis

The Consultant shall develop mitigation measures to meet the domestic and fire flow demands of each community. Mitigation measures are intended to compensate for any deficiencies on the City system that may be identified as part of the analysis.

Task 5—Storm Drain Evaluation

This task includes hydraulic capacity analysis of the existing pipes.

Task 5.1—Existing System Analysis

The existing system analysis includes the development of the hydrologic and hydrology models, identification of known drainage issues, performing hydrology and hydraulic analysis, and identifying capacity improvements.

Task 5.1.1 – Develop Hydrologic and Hydraulic Models. The Consultant shall incorporate the existing Parksdale pipes and basin network inventory into the existing InfoSWMM (or equivalent) hydrologic/hydraulic model utilized in the 2014 Storm Drainage System Master Plan.

Task 5.1.2 – Identify Known Drainage Issues. Based on information provided by County or City staff, Consultant shall discuss and identify any known problems; repairs, existing flooding issues or other storm drainage issues.

5.1.3 – Perform Hydrologic and Hydrology Analysis. Consultant shall perform analysis for 10 and 100-year storm events using the City’s storm drainage model to determine adequacy of existing storm drainage conveyance and storage systems under existing and buildout conditions. The analysis should utilize the same criteria from the City’s model with no adjustments unless approved by the City and County. The consultant shall confirm the land use utilized within the model with the existing development and rural residential development pattern.

5.1.4 – Identify Improvements. Provide a list of improvements recommended to mitigate any existing deficiencies associated with existing developments

Task 6 - Capital Improvement Program

The Consultant shall develop costs for the various improvements recommended to mitigate identified deficiencies. The improvements should be presented in the same format as that contained within the Sanitary Sewer, Storm Drainage and Water System Master Plans. Deficiencies based on capacity alone should be identified as an existing or future user for the basis of determining if impact fees can be used to construct future facilities. Deficiencies based on structural inadequacy alone will be identified as existing user.

For each improvement recommended in the sanitary sewer, water and storm drainage systems; an estimate of the remaining service life/estimated construction year presented in ranges of 10 years will be provided.

Task 7 - Prepare Draft and Final Reports

This task includes the preparation of a draft and a final report documenting the findings from previous tasks.

Task 7.1 - Prepare Draft Report

Six (6) copies of the draft report shall be submitted to the City for dissemination to City and County staff for review. Draft reports shall include:

- Discussion on data collection, assumptions, analysis results, estimates of remaining service life, conclusions, and recommendations.
- Exhibits illustrating existing and proposed improvements
- Figures, tables, system maps, computer analysis, and text.
- A discussion of the Parkwood and Parksdale existing systems to meet existing performance objectives and build-out.

7.1.2 Prepare Final Report

The final report will incorporate the City's comments on the Draft Report. Six (6) copies of the final report shall be submitted to the City. The consultant shall also provide an electronic copy of the final report in PDF format. Additionally, water, sanitary sewer and storm drain system model files shall be delivered to the City on a CD in the native format.

OTHER OPTIONAL TASKS

The following tasks were identified as optional, although some are required for the condition assessments.

Task O1 – CCTV of Existing Sewer Pipes

Should CCTV of existing lines not be available, conduct closed-circuit television (CCTV) survey and recording of existing sanitary sewer lines in accordance with Exhibit A-2. Using the CCTV video, evaluate the structural integrity and hydraulic capacity of the surveyed sewer lines.

Assumed CCTV of approximately 60,000 LF of Sewers ranging between 6 and 10 inches with appropriate ranking in accordance with NAASCO certification standards. Estimated Cost per unit: \$1.40 per LF. If County or City staff flush the lines prior to CCTV, the unit cost drops to \$0.75 per LF.

The Fee Estimate includes **Tasks O1-A** assuming the CCTV Subconsultant will flush lines, at a unit cost of \$1.40. The Fee Estimate includes an alternate **Task O1-B** assuming City or County staff will flush the lines, with a unit cost of \$0.75 per foot.

Task O2 - Potholing Water Mains

Pothole select location(s) to determine material type, age, condition of pipe. Number and selection of potholes will be based on coordination between consultant, City and County. Assumed 30 potholes. Estimated Cost per unit: \$1,000 per pothole. If the road is not paved, the cost is reduced to \$650 per pothole.

Task O3 -Prepare preliminary (30%) Improvement Plans (Alternate to Task 3.3)

Consultant shall prepare preliminary (30%) improvement plans illustrating a permanent connection between the portion of Parkwood that currently flows into the existing Parkwood wastewater treatment plant. Survey and engineering should be performed to the level necessary to confirm feasibility of such connection and represent a base for completion of 100% design drawings.

MWH will be retained to prepare preliminary design of pipelines and lift station for one of two scenarios:

1. Capture all flow to the existing WWTP and pump to connection point 8,000 LF away on W. Pecan Ave./Avenue 13
2. Divert some of the flow via gravity sewer and pump the remaining flow from the WWTP to a connection point either on the new gravity sewer or W. Pecan Ave./Avenue 13

If this Optional Task is selected, it replaces Task 3.3.

Estimated Fee

Parkwood (MD-19) and Parksdale (CSA-03)

Water, Sewer, and Storm Drainage Infrastructure Study

EXHIBIT A

Task No.		Hours					Costs			
		Principal	Associate Engineer	Assistant Engineer	GIS Technician	Secretarial	Labor Costs	Subconsultant	Other Costs	Total Cost
		\$175	\$136	\$101	\$91	\$70				
Task 1 - Project Management and Meetings		14	14		10	14	\$6,244		\$100	\$6,344
Task 2 - Record Data Collection Review		1	6	2	32		\$4,105			\$4,105
Task 3 - Sanitary Sewer System Evaluation										
3.1	Condition Assessment of Existing Pipes									
3.1.1	Discuss Known Capacity Issues	4	4		4		\$1,608			\$1,608
3.1.2	Perform Non Destructive Condition Assessment	10	72	42	30		\$18,514			\$18,514
3.2 Existing/Future System Analysis										
3.2.1	Hydraulic Model Development	1	12	30	12		\$5,929			\$5,929
3.2.2	Hydraulic Model Analysis	1	10	22	15		\$5,122			\$5,122
3.3	Preliminary Engineering – Parkwood to City System Connection	1	8	18	12		\$4,173	\$4,950	Bedrock	\$9,123
3.4	Parkwood Wastewater Treatment Plant Decommissioning	2	4				\$894	\$19,936	MWH	\$20,830
Task 4 – Water System Evaluation										
Task 4.1—Condition Assessment of Existing Pipe Conditions		6	48	26	16		\$11,660			\$11,660
Task 4.2—Existing System Analysis										
4.2.1	Hydraulic Model Development		6	24	8		\$3,968			\$3,968
4.2.2	Hydraulic Model Analysis	3	16	58	20		\$10,379			\$10,379
Task 4.3— Mitigated (Future) System Analysis		4	6	32	20		\$6,568			\$6,568
Task 5—Storm Drain Evaluation										
Task 5.1—Existing System Analysis										
5.1.1	Develop Hydrologic and Hydraulic Models	2	12	24	16		\$5,862			\$5,862
5.1.2	Identify Known Drainage Issues	4	4		4		\$1,608			\$1,608
5.1.3	Perform Hydrologic and Hydrology Analysis	1	6	12	8		\$2,931	\$2,750	Hydmet	\$5,681
5.1.4	Identify Improvements	2	4	8	6		\$2,248			\$2,248
Task 6—Capital Improvement Program		4	16	30	24		\$8,090			\$8,090
Task 7 — Prepare Draft and Final Reports										
7.1	Prepare Draft Report	16	32	60	24	8	\$15,956		\$1,500	\$17,456
7.2	Prepare Final Report	16	30	18	24	8	\$11,442		\$2,000	\$13,442
SUBTOTAL										
Tasks 1 to 7		92	310	406	285	30	\$127,301	\$27,636		\$158,537
OPTIONAL TASKS										
Task O1-A	CCTV of Existing Sewer Pipes (60,000 L.F.) Sub to Flush Lines (\$1.40 per L.F.)	1	4		8		\$1,447	\$92,400	Video Inspection Services	\$93,847
Task O1-B (Alternate to Task O1-A)	CCTV of Existing Sewer Pipes (60,000 L.F.) County/City staff to Flush Lines (\$0.75 per L.F.) If this optional Task is selected, it replaces Task O1-A above.	1	4		8		\$1,447	\$49,500	Video Inspection Services	\$50,947
Task O2	Potholing Water Mains (30 potholes) Unit Cost (\$1,000 per L.F.)	1	4		8		\$1,447	\$33,000	Dakovich Construction	\$34,447
Task O3 (Alternate to Task 3.3)	Prepare preliminary (30%) Improvement Plans If this optional Task is selected, it replaces Task 3.3.	1	2	6	6		\$1,599	\$30,375	MWH (\$25,425) + Bedrock (\$4,950)	\$31,974
SUBTOTAL (Optional Tasks)										
Tasks O1-A, O2, and O3		3	10	6	22	0	\$4,493	\$155,775	\$0	\$160,268
Tasks O1-B, O2, and O3		3	10	6	22	0	\$4,493	\$112,875	\$0	\$117,368
TOTALS										
Tasks 1 to 7 plus Optional Tasks O1-A and O2 (Including Task 3.3)		94	318	406	301	30	\$130,195	\$153,036	\$0	\$286,831
Tasks 1 to 7 plus Optional Tasks O1-A, O2, and O3 (Task O3 in Lieu of Task 3.3)		94	312	394	295	30	\$127,621	\$178,462	\$0	\$309,683

Schedule
Parkwood (MD-19) and Parksdale (CSA-03)
Water, Sewer, and Storm Drainage Infrastructure Study

EXHIBIT B

Task No.	2015											
	July			August			September			October		
Task 1 - Project Management and Meetings												
Task 2 - Record Data Collection Review												
Task 3 – Sanitary Sewer System Evaluation												
3.1 Condition Assessment of Existing Pipes												
Discuss Known Capacity Issues												
Perform Non Destructive Condition Assessment												
3.2 Existing/Future System Analysis												
Hydraulic Model Development												
Hydraulic Model Analysis												
3.3 Preliminary Engineering – Parkwood to City System Connection												
3.4 Parkwood Wastewater Treatment Plant Decommissioning												
Task 4 – Water System Evaluation												
Task 4.1—Condition Assessment of Existing Pipe Conditions												
Task 4.2—Existing System Analysis												
Hydraulic Model Development												
Hydraulic Model Analysis												
Task 4.3— Mitigated (Future) System Analysis												
Task 5—Storm Drain Evaluation												
Task 5.1—Existing System Analysis												
Develop Hydrologic and Hydraulic Models												
Identify Known Drainage Issues												
Perform Hydrologic and Hydrology Analysis												
Identify Improvements												
Task 6—Capital Improvement Program												
Task 7 — Prepare Draft and Final Reports												
7.1 Prepare Draft Report												
7.2 Prepare Final Report												
OTHER OPTIONAL TASKS												
Task O1 CCTV of Existing Sewer Pipes												
Task O-2 Potholing Water Mains												
Task O-3 Prepare preliminary (30%) Improvement Plans												

FEE SCHEDULE

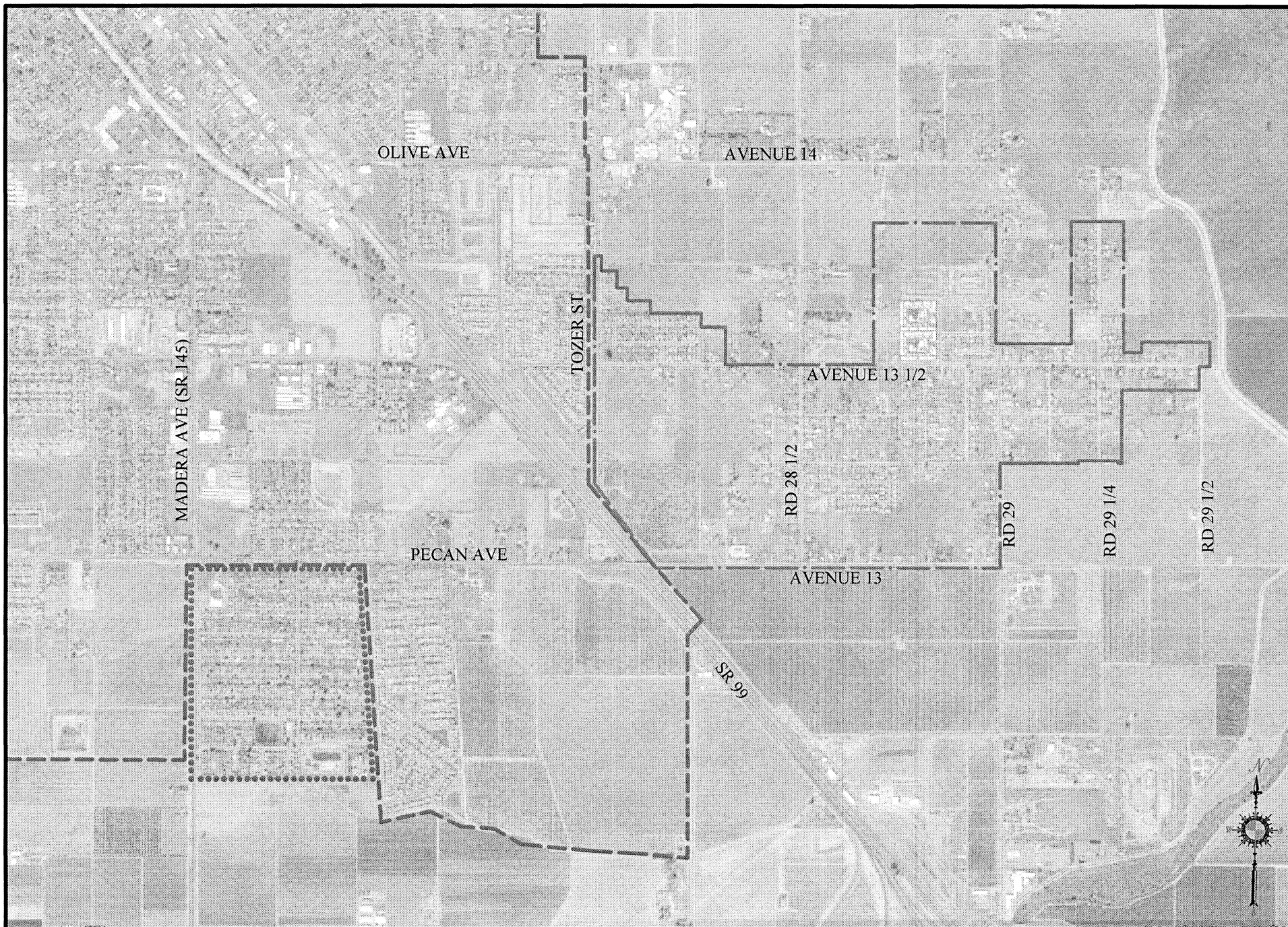
Effective Through

June 30, 2016

Category	Hourly Rate
Principal Engineer	\$175.00
Associate Engineer	\$136.00
Assistant Engineer	\$101.00
Technician	\$91.00
Word Processing	\$70.00

Other Direct Expenses

Travel and Subsistence	at Cost
Mileage	\$0.57/mile
Other Direct Cost	Cost plus 10%



City of Madera

Exhibit D Project Map

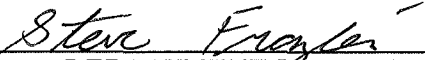
- · — Limits of Parksdale
- · · · · Limits of Parkwood
- - - - - City Limits

REPORT TO THE CITY COUNCIL

COUNCIL MEETING OF July 15, 2015

AGENDA ITEM NUMBER B-7

APPROVED BY


DEPARTMENT DIRECTOR


CITY ADMINISTRATOR

SUBJECT: CONSIDERATION OF A MINUTE ORDER OF THE COUNCIL OF THE CITY OF MADERA, CALIFORNIA AUTHORIZING THE ACCEPTANCE OF A \$1000.00 DONATION TO THE MADERA POLICE DEPARTMENT.

BACKGROUND:

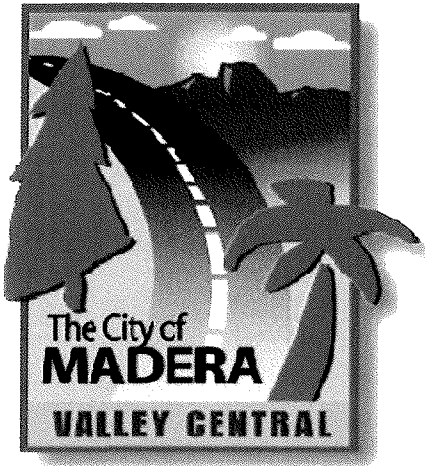
Going Nuts a local business has made a donation of \$1000 to the Madera Police Department. Going Nuts Owner Dale Alquist stated that he appreciates what the Police Department is doing for the community and wanted to show that appreciation through a donation. The donation was non-specific so we plan to pair this donation with one received last year from the Madera Evening Lions which was designated for ballistic vests for our canines "Ollie", "Gunz" and "Haz".

RECOMMENDATION:

Council approves the minute order accepting the donation in the amount of \$1000.00 from Going Nuts and that the money be deposited to the trust fund account established by the Finance Department – Account #8456-9515

CONSISTENCY WITH THE VISION MADERA 2025 PLAN

Strategy 115 – Economic resources provision: ensure sufficient economic resources to provide adequate City services and prepare for future growth.

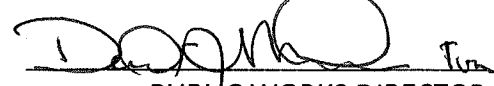


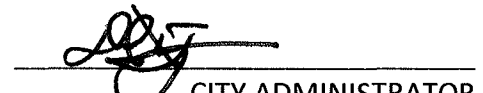
REPORT TO CITY COUNCIL

MEETING DATE: July 15, 2015

AGENDA ITEM NUMBER: B-8

Approved By:


PUBLIC WORKS DIRECTOR


CITY ADMINISTRATOR

SUBJECT:

Consideration of a Resolution Authorizing and Approving Amendments to the City of Madera Fiscal Year 2015/2016 Budget for Additional Water Patrol And Conservation Staff.

RECOMMENDATION:

That the Council adopt a resolution amending the budget to appropriate \$79,575 from the Water System Utility Fund to fund additional staffing for water patrol/water conservation and for additional public outreach.

DISCUSSION:

On June 17th, the City Council directed staff to include additional staffing for water patrol and conservation positions and increased public outreach in the Fiscal Year 2015/2016 Budget. Unfortunately, due to time constraints, this was not placed within the FY 2015/16 Budget that Council recently adopted at the July 1, 2015 meeting. As a result, the current Water Quality Budget will need to be amended in order to fund \$49,575 for two Full Time Equivalents of additional part-time employees to provide public information and enforcement when necessary. Additionally, \$30,000 will need to be placed into the Water Quality Budget for increased public outreach, such as public ads, mailers, door hangars, etc.

FISCAL IMPACT:

There will be no direct fiscal impact to the City's General Fund. However the un-appropriated fund balance of the Water System Utility Fund will be reduced by \$79,575 and should be moved to the salary accounts within the Water Quality Department. The Public Works Department has prepared a budget amendment allowing for the appropriation to cover the costs of the two new positions.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN

While this item is not directly addressed in the Vision Plan, it is consistent with Action Item 434: Insure continued water supplies to meet the demands through innovative reclamation, conservation, and education on water use.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA
AMENDING THE FY 2015/16 ANNUAL BUDGET FOR ADDITIONAL WATER
PATROL AND CONSERVATION STAFF.**

WHEREAS, The City Council previously adopted a City-wide budget for the 2015-16 fiscal year; and

WHEREAS, The City has determined that it is prudent to fund additional staffing for water patrol and water conservation efforts; and

WHEREAS, The City has determined that it is necessary to provide funding for water conservation public outreach; and

WHEREAS, Expenditure accounts will need to be increased within the Water fund for said increased staffing and public outreach; and

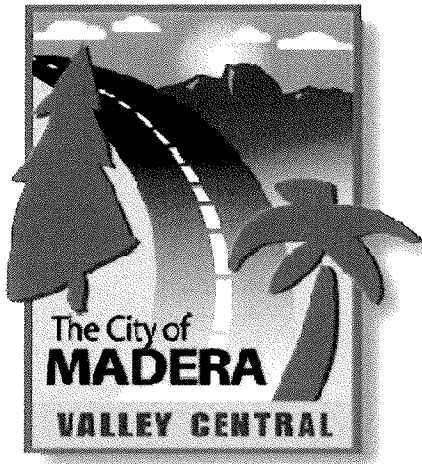
WHEREAS, An adequate fund balance is available in said Funds to allow for said increase of appropriations.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA HEREBY
finds orders and resolves as follows:

1. The above recitals are true and correct.
2. The budgets of the Water Fund are hereby amended as shown in Exhibit AA to this resolution.
3. A signed copy of this resolution shall be forwarded to the Director of Finance who shall prepare entries necessary to reflect the budget changes in Exhibit AA.
4. This resolution is effective immediately upon adoption.

EXHIBIT AA
CITY OF MADERA
Appropriation Adjustment

FUND	ACCOUNT NUMBER	DESCRIPTION		
20300 -				
<u>Water Quality - 713</u>				
	2995-1020	Salaries / Part-time	43,251	+
	2995-2004	Worker's Compensation Insurance	3,779	+
	2995-2005	Medicare Tax - Employer's Share	651	+
	2995-2007	Deferred Compensation / Part-time	1,622	+
	2995-2009	Unemployment Insurance	273	+
	2995-3040	Contracted Services	30,000	+
Water System Utility Fund Totals			<u>79,575</u>	



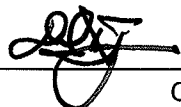
REPORT TO CITY COUNCIL

MEETING DATE: July 15, 2015

AGENDA ITEM NUMBER: C-1

Approved By:


Public Works Director
Community Development Director


City Administrator

SUBJECT: Public Hearing and Consideration by the City Council of Resolutions Relating to Increases in Water and Sewer Rates as Follows:

Consideration of a Resolution of the City Council of the City Of Madera, California, Establishing Monthly Rates to be Charged for Water Furnished by the City and Repealing Resolution 10-118 and All Other Resolutions in Conflict Herewith

Consideration of a Resolution of the City Council of the City of Madera, California, Establishing Monthly Rates to be Charged for Sewer Service Furnished by the City and Repealing Resolution 10-119 and All Other Resolutions in Conflict Herewith

RECOMMENDATION:

Staff recommends that the City Council take the following actions relating to proposed increases in water and sewer rates:

1. Conduct a public hearing to accept public testimony regarding proposed sewer and water rate adjustments.
2. Direct staff to tally all valid written protests and report as to whether a majority protest of proposed sewer and/or water rates exists.
3. If a majority protest does not exist relative to water rates, adopt the resolution establishing monthly rates to be charged for water furnished by the City and repealing Resolution 10-118 and all other resolutions in conflict herewith.
4. If a majority protest does not exist relative to sewer rates, adopt the resolution establishing monthly rates to be charged for sewer service furnished by the City and repealing Resolution 10-119 and all other resolutions in conflict herewith.

BACKGROUND:

The water and sewer rates were last adjusted in June of 2010. After reviewing alternate financial scenarios in March of 2015 and a complete cost of service study in May of 2015, the Council initiated the process to update sewer and water rates as specified under Proposition 218. A public notice was distributed to all owners and utility customers describing the proposed rate adjustment. If a majority protest is not made, the Council may proceed with adopting and implementing the new sewer and water rates.

DISCUSSION:

Cost of Service Study

Escalating water and sewer rates may be established at no greater than 5 year intervals. The City's rate schedule was last adjusted in June of 2010. Prior to that, the rates were adjusted in 2005. As the 5 year interval approached, Council engaged the Raftelis Financial Consultants to prepare a cost of service study for the City's sewer and water programs. Raftelis specializes in such studies. Based on information provided by the consultant, the Council evaluated utility service costs on two occasions prior to initiating the formal process to adjust the rates.

- On March 24, 2015, the Council conducted a workshop to review financial plans associated with the sewer and water systems. The workshop focused on the cost factors for each type of utility and summarized the potential approaches to covering those costs. For example, the requirement to meet debt coverage ratios was identified, along with the need to fund certain capital improvements. The alternative approaches differed with regard to when and how these revenue requirements are met.
- On May 20, 2015, the complete cost of service study for sewer and water services was presented to the Council. The study incorporated the preferred scenarios reviewed by the Council at the workshop in March, and presented a draft schedule of sewer and water rates that would be applied over a five year period beginning this month.

After reviewing and discussing the information presented at the May 20th meeting, the Council directed staff to proceed with the public noticing process required under Proposition 218. A 45 day public notice was subsequently distributed to all owners and utility customers in Madera, and a public hearing was set for the July 15th Council Meeting. As a supplement to this formal notice, the City provided information in the utility bills regarding the proposed adjustment and mailed a set of frequently asked questions to all affected owners and customers.

Majority Protest

Under Proposition 218, customers subject to the proposed rate may choose to file a written protest objecting to the proposed changes in advance of the City Council's adoption. If a majority protest is made, the proposed rate adjustment must be set aside. If no majority protest exists, Council may adopt the new sewer and water rates. All protests must be made in writing and include the following:

- Statement that the identified property owner is in opposition to the proposed rate increases.
- The location of identified parcel by assessor's parcel number, street address, or account number.

- The name and signature of the property owner submitting the protest.
- If the person protesting is not shown on Madera County's last equalized assessment roll as the property owner of record, provide written evidence that the person is the property owner, such as a current copy of city services bill.

A total of 11,500 customer accounts are of record and subject to the protest hearing. In order to constitute a majority protest, 5,751 customers (50% +1) would need to provide written protests. At the time this report was written, approximately 77 letters had been received.

Description of Proposed Rates

The new rates cover the period from fiscal year 2015-16 through fiscal year 2019-20. The sewer utility bill for a typical residential customer is proposed to increase by \$3.23 in fiscal year 2015-16, with rates increasing between 9% and 10% each of the following four years. The water utility bill for a typical residential customer that uses 22 CCF (CCF means 100 Cu. Ft.) per month is proposed to increase by approximately \$12.69 for fiscal year 2015-16. In subsequent years, rate increases will be as follows: 30%, 20%, 10%, and 3%. The initial rate increases for an average residential customer are shown below:

	\$ Existing	\$ Proposed	\$ Change
Water*	28.85	41.54	12.69
Sewer	26.51	29.74	3.23

** The water comparison is based on 22 CCF*

The impact to each customer will vary based on the type of property (customer class) and the amount of water that is used. Due to the current drought conditions and the Executive Order by Governor Brown that requires mandatory conservation of 25% statewide, the proposed water rates for residential customers are tiered to reward water conservation. Residential customers that use higher amounts of water will pay higher rates. The proposed tiered rate structure identifies the cost components within each tier and the corresponding unit costs. Additional details regarding the rates and how they were calculated is available in the attached Cost of Service Report.

FINANCIAL IMPACT:

The proposed rate increases are necessary to keep pace with increasing operational costs and to make essential repairs and improvements to property, plant and equipment (infrastructure). The increases are also required to allow the City to meet debt coverage ratios for bonds issued for sewer and water improvements in prior years.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The proposed action is consistent with Vision Plan Action Items 112.1 & 115.5.

Action Item #112.1

Review Development Impact Fees every two years or less. All other fees are evaluated as often as needed, but not less than three years.

Action Item #115.5

Insure the physical and financial sustainability of the City's existing and expanding sewer and water infrastructure.

- A. Develop a comprehensive detailed inventory of the existing water and sewer collection systems that forecasts the probable life, and periodic major maintenance and/or replacement of all of the individual elements.
- B. Provide a long term financial plan that financial forecasts the required capital repairs to the existing system and corresponding revenues.
- C. Where feasible, include appropriate funding in annual and CIP budgeting and determination of user rates.

RESOLUTION NO: _____

**Resolution of the City Council of the City of Madera Establishing Monthly
Rates To Be Charged For Water Furnished By the City and Repealing
Resolution 10-118 and All Other Resolutions In Conflict Herewith**

WHEREAS, the City of Madera previously adopted Resolution 10-118 establishing rates for water furnished by the City for the period between July of 2010 and July of 2015; and

WHEREAS, the City of Madera desired to establish water rates which were based on the actual and projected costs of providing services between July of 2015 and July of 2020; and

WHEREAS, the City Council considered a Cost of Service analysis prepared by Raftelis Financial Consultants, a firm with expertise in the analysis of municipal water and sewer utility costs; and

WHEREAS, the Council has caused notices to be sent to all affected customers and property owners regarding the proposal to amend the rates for water use at least 45 days in advance of a noticed public hearing held on July 15, 2015; and

WHEREAS, the Council finds that no majority protest was presented against the proposed rates for water service before or during the public hearing and finds that the proposed rates shall be made effective July 26, 2015.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA HEREBY finds, orders and resolves as follows:

1. The above recitals are true and correct.
2. No majority protest was presented against the proposed rates for water service.
3. The monthly rates to be charged for the use of water furnished by the City, enumerated in Attachment A to this Resolution, are hereby adopted.
4. Resolution 10-118, and all other resolutions in conflict herewith, are hereby repealed.
5. This resolution is effective immediately upon adoption.

* * * * *

Resolution Attachment A

City of Madera Water Rates: Fiscal Year 2016-2020

Residential Tiered Rates ¹	Allotment	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Tier 1	0-10	\$1.00	\$1.33	\$1.63	\$1.84	\$1.93
Tier 2	11-33	\$1.52	\$1.90	\$2.25	\$2.50	\$2.60
Tier 3	>33	\$2.64	\$3.20	\$3.69	\$4.05	\$4.22

Multi-Residential						
Tiered Rates ¹	Allotment	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Tier 1	10	\$1.06	\$1.40	\$1.72	\$1.93	\$2.03
Tier 2	>10	\$2.11	\$2.53	\$2.92	\$3.18	\$3.32

Non-Residential Rates ¹		FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Uniform Rate		\$1.49	\$1.87	\$2.22	\$2.47	\$2.58

Total Monthly						
Fixed Cost by Meter Size ²		FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
5/8"		\$9.55	\$12.41	\$14.89	\$16.38	\$16.88
3/4"		\$10.80	\$14.04	\$16.84	\$18.53	\$19.09
1"		\$13.30	\$17.29	\$20.74	\$22.82	\$23.51
1 1/2"		\$19.55	\$25.41	\$30.49	\$33.54	\$34.56
2"		\$27.05	\$35.16	\$42.19	\$46.41	\$47.82
3"		\$50.80	\$66.04	\$79.24	\$87.17	\$89.81
4"		\$85.80	\$111.54	\$133.84	\$147.23	\$151.69
6"		\$169.55	\$220.41	\$264.49	\$290.94	\$299.76
8"		\$307.05	\$399.16	\$478.99	\$526.89	\$542.86

1. Rate per CCF of water usage. CCF is hundred cubic feet (748.05 gallons).

2. Monthly charges per account/meter.

Flat Rate Water Charges		Units	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
CAR DLR		WATER SERVICE/BLDG/1000	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
CAR SERV		WATER SERVICE/BAYS	\$4.75	\$6.17	\$7.40	\$8.14	\$8.39
DEPT/RET		WATER SERVICE/BLDG/1000	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
GAMES		WATER SERVICE/BLDG/1000	\$16.51	\$21.46	\$25.76	\$28.33	\$29.18
GRANNY		PRIMARY WITH SECONDARY UNIT	\$37.97	\$49.36	\$59.24	\$65.16	\$67.12
GROC/MOR		WATER SERVICE/BLDG/1000	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
HOSP RM		PER BED WATER USE	\$5.93	\$7.71	\$9.25	\$10.17	\$10.48
HOSP/CON		WATER SERVICE/BEDS	\$5.93	\$7.71	\$9.25	\$10.17	\$10.48
HOTEL/W		WATER SERVICE/ROOMS	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
HOTEL/WO		WATER SERVICE/ROOMS	\$5.93	\$7.71	\$9.25	\$10.17	\$10.48
LIB/CHUR		WATER SERVICE/SEAT	\$0.26	\$0.34	\$0.41	\$0.45	\$0.46
LT MFG		WATER SERVICE/BLDG/1000	\$3.81	\$4.95	\$5.94	\$6.54	\$6.73
MFR/MULT		MFR MULTI ACCT PER PARCEL	\$16.03	\$20.84	\$25.01	\$27.51	\$28.33
MFR/SING		MFR SINGLE ACCT PER PARCEL	\$16.89	\$21.95	\$26.34	\$28.98	\$29.85
OPN AIR		WATER SERVICE/SEAT	\$0.16	\$0.21	\$0.25	\$0.28	\$0.28
PROF BLD		WATER SERVICE/BLDG/1000	\$14.14	\$18.39	\$22.06	\$24.27	\$25.00
REST IN		WATER SERVICE/SEAT	\$1.47	\$1.91	\$2.29	\$2.52	\$2.60
REST OUT		WATER SERVICE/BLDG/1000	\$14.14	\$18.39	\$22.06	\$24.27	\$25.00
SCHOOLS		WATER SERVICE/STUDENTS	\$1.13	\$1.47	\$1.76	\$1.94	\$2.00
SFR		MINIMUM WATER RATE	\$26.46	\$34.39	\$41.27	\$45.40	\$46.76
STRP/MAL		WATER SERVICE/BLDG/1000	\$11.78	\$15.31	\$18.37	\$20.21	\$20.82
WRHSE		WATER SERVICE/BLDG/1000	\$1.00	\$1.30	\$1.56	\$1.72	\$1.77

RESOLUTION NO: _____

**Resolution of the City Council of the City of Madera Establishing Monthly
Rates To Be Charged For Sewer Service Furnished By the City and Repealing
Resolution 10-119 and All Other Resolutions In Conflict Herewith**

WHEREAS, the City of Madera previously adopted Resolution 10-119 establishing rates for sewer service furnished by the City for the period between July of 2010 and July of 2015; and

WHEREAS, the City of Madera desired to establish sewer rates which were based on the actual and projected costs of providing services between July of 2015 and July of 2020; and

WHEREAS, the City Council considered a Cost of Service analysis prepared by Raftelis Financial Consultants, a firm with expertise in the analysis of municipal water and sewer utility costs; and

WHEREAS, the Council has caused notices to be sent to all affected customers and property owners regarding the proposal to amend the rates for sewer use at least 45 days in advance of a noticed public hearing held on July 15, 2015; and

WHEREAS, the Council finds that no majority protest was presented against the proposed rates for sewer service before or during the public hearing and finds that the proposed rates shall be made effective July 26, 2015.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MADERA HEREBY finds, orders and resolves as follows:

1. The above recitals are true and correct.
2. No majority protest was presented against the proposed rates for sewer service.
3. The monthly rates to be charged for the use of sewer service furnished by the City, enumerated in Attachment A to this Resolution, are hereby adopted.
4. Resolution 10-119, and all other resolutions in conflict herewith, are hereby repealed.
5. This resolution is effective immediately upon adoption.

* * * * *

Resolution Attachment A

City of Madera Sewer Rates: Fiscal Year 2016-2020

Residential Flat Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Monthly Fixed Charge	\$29.74	\$32.42	\$35.33	\$38.87	\$42.75

Multi-Residential Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Monthly Fixed Charge	\$19.32	\$21.06	\$22.95	\$25.25	\$27.77

Non-Residential Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Monthly Fixed Service Charge	\$13.23	\$14.43	\$15.72	\$17.30	\$19.02

Non-Residential Discharge Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
CAR DLR & Dept/Ret	\$1.60	\$1.74	\$1.90	\$2.09	\$2.30
Game	\$2.41	\$2.62	\$2.86	\$3.14	\$3.46
GROC/MOR	\$3.51	\$3.82	\$4.16	\$4.58	\$5.04
HOSP/CON	\$1.59	\$1.73	\$1.89	\$2.08	\$2.28
HOTEL/WO	\$1.59	\$1.73	\$1.89	\$2.07	\$2.28
LIB/CHUR	\$1.57	\$1.71	\$1.86	\$2.04	\$2.25
Lt. Manufacturing	\$2.44	\$2.66	\$2.90	\$3.19	\$3.51
PROF BLD	\$1.59	\$1.73	\$1.88	\$2.07	\$2.28
RESTAURANT	\$3.64	\$3.96	\$4.32	\$4.75	\$5.22
SCHOOLS	\$1.66	\$1.80	\$1.97	\$2.16	\$2.38
STRP/MAL	\$2.45	\$2.67	\$2.91	\$3.20	\$3.52
WRHSE	\$2.44	\$2.66	\$2.90	\$3.19	\$3.51

Non-Metered						
Non-Residential Sewer Flat Rates	Units	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
CAR DLR and Dept/Ret	SEWER USE/BLDG/1000	\$13.22	\$14.41	\$15.71	\$17.28	\$19.01
CAR SERV	SEWER USE/BAYS	\$11.45	\$12.48	\$13.60	\$14.96	\$16.45
GAME	SEWER USE/BLDG/1000	\$40.09	\$43.70	\$47.63	\$52.39	\$57.63
GROC/MOR	SEWER USE/BLDG/1000	\$23.51	\$25.63	\$27.93	\$30.73	\$33.80
HOSP/CON	SEWER USE/BEDS	\$11.01	\$12.00	\$13.08	\$14.39	\$15.83
HOTEL/W	SEWER USE/ROOMS	\$24.45	\$26.65	\$29.05	\$31.95	\$35.15
HOTEL/WO	SEWER USE/ROOMS	\$14.32	\$15.61	\$17.02	\$18.72	\$20.59
LIB/CHUR	SEWER USE/SEATING	\$0.35	\$0.38	\$0.41	\$0.46	\$0.50
OPN/AIR	SEWER USE/SEATING	\$0.09	\$0.09	\$0.10	\$0.11	\$0.12
PROF BLD	SEWER USE/BLDG/1000	\$26.44	\$28.82	\$31.42	\$34.56	\$38.02
REST IN	SEWER USE/SEATING	\$4.88	\$5.32	\$5.80	\$6.38	\$7.02
REST OUT	SEWER USE/BLDG/1000	\$48.84	\$53.24	\$58.03	\$63.83	\$70.22
SCHOOLS	SEWER USE/STUDENTS	\$1.10	\$1.20	\$1.31	\$1.44	\$1.58
STRP/MAL	SEWER USE/BLDG/1000	\$28.63	\$31.21	\$34.02	\$37.42	\$41.16
WRHSE	SEWER USE/BLDG/1000	\$1.78	\$1.94	\$2.11	\$2.32	\$2.55

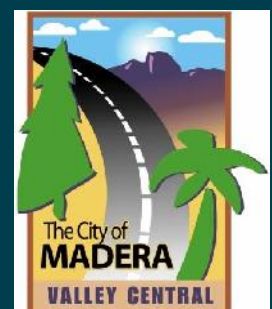
High Industrial User Rates ¹	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Rate per MG of FLOW	\$858.72	\$936.01	\$1,020.25	\$1,122.27	\$1,234.50
Rate per 1,000 lbs of BOD	\$290.00	\$310.00	\$340.00	\$370.00	\$410.00
Rate per 1,000 lbs of TSS	\$240.00	\$260.00	\$280.00	\$310.00	\$340.00

1. The City currently does not have high industrial users, however these will be the applicable charges.

CITY OF MADERA

Utility Rate Study Report

Draft Report / May 20, 2015





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www.raftelis.com

May 21, 2015

Mr. Dave Randall
Public Works Director
City of Madera
205 West Fourth Street
Madera, CA 93637

Subject: Utility Rate Study Report

Dear Mr. Randall,

Raftelis Financial Consultants, Inc. (RFC) is pleased to provide this Utility Rate Study Report (Report) for the City of Madera (City) as a periodic comprehensive update and to establish utility rates that are equitable and in compliance with Proposition 218.

The major objectives of the study include the following:

1. Develop financial plans for the water and wastewater enterprises to ensure financial sufficiency, meet operation and maintenance (O&M) costs, ensure sufficient funding for capital replacement and refurbishment (R&R) needs, and maintain a strong financial outlook for the enterprises;
2. Develop sound and sufficient reserve fund targets;
3. Review current rate structures for the water and wastewater enterprises;
4. Develop a cost-of-service analysis for the water and wastewater enterprises; and
5. Develop fair and equitable utility rates.

The Report summarizes the key findings and recommendations related to the development of the financial plans for water and wastewater utilities and the development of the updated rates.

It has been a pleasure working with you, and we thank you and the City staff for the support provided during the course of this study.

Sincerely,

RAFTELIS FINANCIAL CONSULTANTS, INC.

Habib Isaac
Manager

Gregg Tobler
Senior Consultant

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EXECUTIVE SUMMARY

In 2014, the City of Madera (City) contracted with Raftelis Financial Consultants (RFC) to conduct a comprehensive Water and Wastewater Rate Study (Study) to develop a financial plan as well as design rates for its water and wastewater enterprises.

The City's Water and Wastewater Enterprises are operating in an environment where revenues from rates are outpaced by operating expenditures. Operational costs continue to increase, drought conditions throughout the State of California have threatened the water supply creating groundwater overdraft concerns, and a review of the City's utility capital needs has required the City to develop a detailed 10-year Capital Improvement Plan that went through multiple iterations in planning the timing and extent of capital projects through the planning horizon to address existing deficiencies and ensure adequate reinvestment into each utility moving forward.

This is not a situation that is unique to the City, as many agencies throughout the state are faced with the need to update necessary capital infrastructure to continue providing water and wastewater services, adhere to new regulations and mandates – including conservation initiatives - and meet service demands with limited water supplies.

WATER ENTERPRISE

The City provides approximately 12,000 acre feet (AF) of potable water to approximately 13,000 water accounts, serving a population of approximately 62,000 residents, each year. The City relies entirely on City-owned ground wells for their water supply. The City's water supply is crucial to provide its predominately residential customer base with a reliable supply of water. Given the current drought and the recent executive order by the Governor (Executive Order B-29-15) related to mandatory conservation of 25%, the City is also expanding its CIP to include the feasibility of capturing surface water as an alternative future water source.

The City's current rate structure consists of two components: a monthly fixed charge based on the size of the customers meter, and a variable (volume) charge based on usage. Table E-1 provides a summary of water accounts by meter size, with the majority of residential customers served by 1" meters. Table E-2 identifies the monthly fixed charge by meter size and Table E-3 lists the volumetric charges (also commonly referred to as commodity charges). The City also has accounts that are not currently metered and these accounts are charged a flat monthly fee. Once these accounts are metered, they would be charged the corresponding metered rates.

Table E-1: Water Accounts by Meter Size

Meter Size	FYE 2014 Number of Accounts
5/8 inch	3
3/4 inch	8
1 inch	11,280
1 1/2 inch	175
2 inch	291
3 inch	26
4 inch	27
6 inch	11
8 inch	3
Flat Accounts - 1 inch	1,687

Table E-2: Current Monthly Fixed Charge

Meter Size	FYE 2014 Fixed Charge
5/8 inch	\$7.11
3/4 inch	\$8.05
1 inch	\$9.93
1 1/2 inch	\$14.63
2 inch	\$20.27
3 inch	\$33.43
4 inch	\$52.23
6 inch	\$99.22
8 inch	\$155.62
Flat Accounts - 1 inch	\$9.93

Table E-3: Current Volume Charge (\$ / ccf¹)

Customer Class	FYE 2014 Uniform Rate (\$ / ccf)
All Customer Classes	\$0.86

The beginning balance for Fiscal Year (FY) 2015-16 reserves is projected to be approximately \$7.2M. Without future revenue adjustments or debt issuance, beginning in FY 2015-16, the Water Enterprise will need to draw on reserves to offset annual shortfalls, primarily driven by necessary extensive capital improvement expenses. The annual planned capital improvement expenditures average \$6M

¹ ccf = 100 cubic feet = 748 gallons of water

over the next five years. In FY 2015-16, reserves will need to cover a cash flow deficit of approximately \$500,000 and capital improvement expenses of approximately \$1.7M. By Fiscal Year End 2016-17, reserves will be fully depleted from the additional \$4.8M of scheduled capital. In addition, the City also has debt obligations and corresponding bond covenants to fulfill on an annual basis. The City is currently not meeting its bond covenants that require a coverage ratio of 120%, and will continue to fall short if revenues stay stagnant.

After review of the Water Enterprise's revenue requirements, debt obligations, reserves, and current revenues, RFC developed two separate financial plans to meet the City's five-year revenue requirements. The two options were identified as "Step Down Adjustments" and "Level Adjustments." As part of these two scenarios, the primary goals included the following components:

- Positive net income each year
- Bond coverage met in FY 2015-16
- Fund Reserves over the 5-year planning horizon
 - Step Down Adjustments – Minimum Reserve Requirement is met by FYE 2019-20
 - Level Adjustments – Minimum Reserve Requirement is not met and is short by approximately \$2M
- Capital is funded through a combination of Debt and Pay-As-You-Go (PAYGO)

These two scenarios were presented and discussed with the City at a rate workshop that was held on March 24, 2015. As part of that City Council Workshop, the Council decided to move forward with the "Step Down" scenario to ensure the utility is in compliance with its bond covenants and reaches a strong financial position by the end of the 5-year planning horizon. Under the proposed plan, the Water Enterprise will reach and maintain a positive net income beginning in FY 2016-17, will meet the minimum reserve target by FY 2019-20. This option also assumes a \$24M bond issue in FY 2019-2020 to fund capital in Fiscal Years 2019-20 and 2020-2021, which includes critical storage facility improvements equal to approximately \$16.3M. Given the useful life of these improvements, funding these items through debt provides inter-generation equity between existing customers and future customers by spreading the cost over a debt-term of 30-years, in-line with the life of improvement. As such, current customers are not funding the entire project in advance of those that will also benefit from the projects.

As part of determining the level of funding needed for the water utility's reserve fund, RFC recommends establishing two separate reserves to identify an appropriate total minimum target to achieve: an Operating Reserve, with a target equal to ninety (90) days of operating expenses, and a Capital Repair and Replacement Reserve, with a target equal to 100% of the 5-yr annual average of capital expenses. Based on the utility's monthly billing frequency, it is a common industry standard to have 90-days of liquid cash on hand to ensure the utility can continue to operate, even during an interruption in revenue collection or to absorb any kind of unanticipated increase in its operational expenses. For the capital reserve, the 5-year annual average is used to ensure a year's worth of capital funding is available so that the scheduling of required capital is not comprised due to fluctuations in monthly revenue.

In addition to reviewing the Water Utilities financial plan, RFC also reviewed the current rate structure and consumption data to determine the most appropriate rate structure moving forward. As such, RFC is recommending the following proposed adjustments to the current rate structure:

- RFC recommends changing the City's Single-Family Residential (SFR) water rate structure from a uniform rate to a 3-tiered inclining rate structure.
- RFC recommends changing the City's Multi-Family Residential (MFR) water rate structure from a uniform rate to a 2-tiered rate structure.
- Non-Residential accounts will still remain on a uniform rate

Setting the SFR water allotments to three tiers closely reflects the water demand of residential customers for indoor needs (Tier 1), outdoor needs (Tier 2), and any additional usage above Tiers 1 and 2 (Tier 3). The indoor demand of customers was based on the City of Madera's density of 3.56 persons per household at 65 gallons per capita per day (gpcpd), which resulted in an indoor allotment of 9.41 units (or 9.41 ccf of water). Peak residential usage in the summer can be used to determine the water demand for outdoor needs as peaking is primarily a result of increased irrigation. Summer usage averaged approximately 31 units of water per account. Because usage varies from month to month and between accounts, a buffer is recommended when setting allotments for each Tier. Consequently, it is recommended that for SFR, Tier 1 be set at 10 units to capture residential indoor water demand and Tier 2 be set at an additional 23 units of water for a total allotment of 33 units, which captures an average usage in summer of approximately 33 units.

MFR customers would be a similar structure; however, MFR customers typically have little or no outdoor water demand when compared to SFR properties. As a result, it is recommended Tier 1 would be the same allotment and account for indoor usage, but Tier 2 would capture any usage above Tier 1. These allotments are on a per unit basis. As such, a three-unit complex would have a Tier 1 allotment equal to 30 units (10 unit allotment x 3 dwelling units = 30 units).

RFC analyzed the consumption data to determine the consumption for the proposed tiers. Table E-4 and Table E-5 show the annual consumption by the proposed tiers for SFR and MFR, respectively.

Table E-4: Single-Family Residential Annual Usage by Tier (ccf)

	Allotment	Total Allocation	Tier Usage	Percentage
Tier 1	10	10	1,037,429	42%
Tier 2	23	33	1,078,921	44%
Tier 3	>33	N/A	328,018	13%

Table E-5: Multi-Family Residential Annual Usage by Tier (ccf)

	Allotment	Total Allocation	Tier Usage	Percentage
Tier 1	10	10	139,259	67%
Tier 2	> 10	N/A	68,438	33%

Non-residential and irrigation accounts would still be charged a uniform rate (i.e. non-tiered rate) consistent with the current rate structure which charges \$0.86 per ccf for usage.

WASTEWATER ENTERPRISE

The current wastewater (WW) rate structure consists of flat monthly rates for residential accounts, which differ between SFR and MFR, and base charge plus a discharge rate based on flow for Non-residential customers. There are still some Non-Residential accounts that are not yet metered and are charged a flat monthly fee. Once accounts are metered for their water service, the wastewater rates will be based on actual discharge. Current WW rates are shown in Tables E-6 and E-7.

Table E-6: Current WW Monthly Flat (Base) Charges

Customer Class	FY2014/15 Flat Rate
SFR (per account)	\$26.51
MFR	
(per account)	\$1.11 ²
(per dwelling unit)	\$16.19
Non-Residential	
Metered (per account)	\$1.11
Non-Metered (various units)	See Appendix A

Table E-7: Current WW Discharge Rates (\$ / ccf)

Non-Residential (Metered)	FY2014/15 Discharge Rate (\$/ccf) ³
Low Strength	\$1.12
Medium Strength	\$1.65
High Strength	\$2.93

Based on current rates and an analysis of the revenue requirements for the WW Enterprise, the utility will be operating at a cash flow deficit of approximately \$540,000 at FYE 2015-16. Without future revenue adjustments, the deficit, primarily driven by the existing debt obligations and necessary capital expenditures, will continue to grow. The WW Enterprise will need to utilize reserves to cover the deficit each year, however, this is not sustainable as the reserves will be fully depleted within four years as a result of funding the utility's capital plan. As mentioned above, the wastewater enterprise has significant debt obligations and corresponding bond covenants to fulfill on an annual basis. With current rate revenue, the City is not meeting, the required 120% bond coverage ratio.

² The MFR flat rate per account is divided equally among all dwelling units in the complex and is in addition to the rate per dwelling unit.

³ There is a minimum Commercial charge of \$26.51 per account in FY 2014/15.

Similar to the water enterprise, the overall goal is to maintain a financial healthy utility by meeting the following components:

- Positive net income each year
- Bond coverage met in FY 2015-16
- Fund Reserves over the 5-year planning horizon
- Capital is funded 100% through Pay-As-You-Go (PAYGO)

The proposed financial plan to achieve these objectives was presented and discussed with City Council at a rate workshop that was held on March 24, 2015. As part of that City Council Workshop, the Council decided to move forward with the proposed financial plan for the 5-year planning horizon. Under the proposed plan, the WW Enterprise will reach and maintain a positive net income and fully fund reserves by Fiscal Year ending 2015-16.

Similar to the Water Utility, reserves will be separated into two distinct reserves to identify an appropriate total minimum target to achieve: an Operating Reserve, with a target equal to ninety (90) days of operating expenses and a Capital Repair and Replacement Reserve, with a target equal to 100% of the utility's annual depreciation value, equal to \$2.2M. Depreciation Value was used as the capital reserve target because the 5-yr annual average of capital expenses was less than the amount of depreciation of the utility's assets. Therefore, reaching a reserve that equals the value of depreciation ensures that the City is reinvesting back into the system to maintain the current level of service.

Through our analysis, RFC reviewed the current rate structure as well as the availability of data to determine the most appropriate rate structure moving forward. RFC would recommend the City continue working towards the installation of meters for all water accounts and work towards linking the water and wastewater accounts. Based on our analysis, RFC is recommending the following proposed adjustments to the current rate structure:

- RFC recommends changing the City's MFR WW rate structure from two separate flat rates to one fixed (flat) rate
- RFC recommends maintaining the current Non-Residential Metered rate structure consisting of both a fixed (flat) rate and a discharge (commodity) rate. However, RFC recommends establishing a discharge rate for each of the 14 different types of Non-Residential customers. These discharge rates would be based on the discharge strengths related to those types of commercial use.

1. ASSUMPTIONS USED IN THE STUDY

The period for the Water and Wastewater Financial Plan Study is for Fiscal Year 2015-16 through Fiscal Year 2024-25⁴. Various types of assumptions and inputs were incorporated into the Study. These assumptions were based on discussion with and/or direction from City management. Assumptions include growth rates for customer accounts, annual consumption for different customer classes, reduced water demand factors for recent conservation goals of the City and to account for the Executive Order from the Governor's Office, inflation factors, and other miscellaneous assumptions. These assumptions are presented in Tables 1-1 and 1-2.

Table 1-1: Inflation Factor Assumptions

Key Factors	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
General	3%	3%	3%	3%	3%
Salary	5%	5%	5%	5%	5%
Benefits	5%	5%	5%	5%	5%
Capital	2%	2%	2%	2%	2%
Water Supply	5%	5%	5%	5%	5%
Energy	5%	5%	5%	5%	5%

Table 1-2: Account Growth Rate Assumptions and Potable Water Demand Factor

General Growth Rate	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Growth Rate					
All Customer Classes	0%	0%	0%	0%	0%
Other Revenue Projections					
Interest Earnings	1%	1%	1%	1%	1%
General	1%	1%	1%	1%	1%
Proposed Debt Terms					
Interest Rates	N/A	N/A	N/A	N/A	5%
Term (years)	N/A	N/A	N/A	N/A	30
Issuance Cost w/ Reserve	N/A	N/A	N/A	N/A	12%
Water Demand Factor	85%	98%	98%	98%	98%

⁴ For brevity of presentation, certain tables in this report show the five-year period for FYE 2016 through FYE 2021.

2. WATER SYSTEM – FINANCIAL PLAN

2.1 REVENUE REQUIREMENTS

A review of a utility's revenue requirements is a key step in the rate design process. The review involves analyses of annual operating revenues under the current rates, operation and maintenance (O&M) expenses, capital expenditures, transfers between funds, and reserve requirements. This section of the report provides a discussion on projected revenues, O&M and capital expenditures, the capital improvement financing plan, debt service requirements, and revenue adjustments required to ensure the fiscal sustainability of the Water Enterprise.

2.1.1 Revenues from Current Rates

The current rate structure consists of two components: a monthly fixed charge based on the size of the customers meter, and a variable (volume) charge based on usage. This calculated revenue was based on usage files that were provided by the City. As part of our review, RFC noticed quite a few discrepancies within the consumption data files and we worked with the City to obtain updated data to resolve these issues. This entire analysis is based on the initial data file that we received plus all subsequent files that were provided to us by the City. Based on this information, the projected water revenues for the Water Enterprise derived from current rates are shown in Table 2-1.

Table 2-1: Projected Water Revenues at current FYE 2014-15 Rates

	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Fixed Revenue	\$2,456,410	\$2,456,410	\$2,456,410	\$2,456,410	\$2,456,410
Variable Rate Revenue	\$2,865,876	\$2,865,876	\$2,865,876	\$2,865,876	\$2,865,876
Total Water Revenues	\$5,322,286	\$5,322,286	\$5,322,286	\$5,322,286	\$5,322,286

2.1.2 O&M Expenses

The City's FY 2014-15 budget values and the assumed inflation factors for the study period were used as the basis for projecting O&M costs. Table 2-2 shows total projected O&M expenses, including debt, for FY 2015-16 and subsequent four years of the study period.

Table 2-2: Projected Water O&M Expenses

	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Operating Expenses	\$6,172,595	\$6,359,265	\$6,558,694	\$6,759,712	\$8,753,276

2.1.3 Capital Improvement Plan and Asset R&R

The City has adopted a long-term capital improvement plan (CIP) to address future Water Enterprise needs. Table 2-3 shows a summary of the most recent 5-year CIP from the City. The Water Enterprise's future R&R CIP needs will be funded through a combination of proposed rates on a Pay-As-You-Go (PAYGO) basis and the issuance of debt in FY 2019-20, equal to \$24M.

Table 2-3: Water Capital Expenditures⁵

	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Deficiency / R&R	\$1,719,352	\$4,876,715	\$4,048,292	\$2,681,519	\$15,164,100

2.1.4 Reserve Requirements

To ensure a strong financial outlook and credit rating, RFC recommends a few adjustments to the City's current reserve policy. Currently, the City has a combined unrestricted reserve account. The following is the recommended reserves to maintain for the Water Enterprise Fund.

Operating Reserve – The operating reserve is used primarily to meet ongoing cash flow requirements. Given that a majority of the City's water revenue is through its commodity charge and the City's billing frequency is monthly, RFC recommends establishing an operating reserve target of 90-days of O&M expenses. As the potential of revenue volatility increases, reserves should be set at an amount to offset this revenue reliability. A 90-day reserve ensures working capital to support the operation, maintenance and administration of the utility. Maintaining this level of reserves also provides liquid funds for the continued ongoing operations of the utility in the event of unforeseen costs or interruption with the utility or the monthly billing system.

Capital Reserve – Based on the expected cost of the City's future CIP expenditure, RFC recommends maintaining a minimum capital reserve at 100% of the 5-Yr Average Annual CIP. Doing so will ensure that capital projects stay on schedule and will not be impacted due to the ebs and flows of monthly revenue.

Collectively, total **minimum reserve target** of the Water Utility would equal approximately \$8.0M.

2.1.5 Financial Pro Forma at Current Rates

Table 2-4 displays a summary pro forma of the Water Enterprise's funds under current rates over the forecast period. All projections shown in the table are based on the current rate structure and do not include any revenue adjustments. Under this scenario, revenues generated from rates and other miscellaneous revenues are less than the operating expenses of the Water Enterprise for Fiscal Year 2015-16. As O&M costs increase through annual inflationary adjustments, current revenues cannot fully fund O&M, capital, and debt obligations without drawing down reserves each year. Commencing in Fiscal Year 2015-16, reserves would need to cover a shortfall of approximately \$679,000 of operating expenses and an additional \$1.7M in capital improvement expenses. The reserves will be fully depleted within two years. In addition, the City currently has debt obligations and

⁵ Please note that the costs presented in Table 2-3 only include those costs related to the water enterprise. A detailed CIP listing can be found in Appendix B.

corresponding bond covenants to fulfill on an annual basis. With current rate revenue, the City is not satisfying its 120% bond coverage ratio.

Table 2-4: Financial Plan Pro-forma at Current Rates

Water Enterprise Fund	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
<i>Revenues</i>						
Total Revenues	\$5,491,706	\$5,493,401	\$5,495,112	\$5,496,840	\$5,498,586	\$5,500,349
Total Operating Expenditures	\$5,033,348	\$5,213,821	\$5,402,184	\$5,598,799	\$5,804,044	\$6,018,315
Total Debt Service	\$921,125	\$958,775	\$957,082	\$959,895	\$955,668	\$2,734,961
Repair & Replacement Costs	\$0	\$1,719,352	\$4,876,715	\$4,048,292	\$2,681,519	\$15,164,100
ENDING BALANCES	\$6,791,393	\$4,430,355	(\$1,310,513)	(\$6,420,660)	(\$10,363,305)	(\$4,780,333)
TARGET BALANCES	\$8,143,107	\$8,188,225	\$8,235,316	\$8,284,470	\$8,335,781	\$8,389,348
Debt Coverage	50%	29%	10%	-11%	-32%	-19%

2.2 RECOMMENDATIONS AND PROPOSED FINANCIAL PLAN

2.2.1 Proposed Financial Plan

RFC developed two separate financial plans to meet the City's five-year revenue requirements. The two options were identified as "Step Down Adjustments" and "Level Adjustments". As part of these two scenarios, the primary goals included the following components:

- Positive net income each year
- Bond coverage met in FY 2015-16
- Fund Reserves over the 5-year planning horizon
 - Step Down Adjustments – Minimum Reserve Requirement is met by FYE 2019-20
 - Level Adjustments – Minimum Reserve Requirement is not met and is short by approximately \$2M
- Capital ins funded through a combination of Debt and Pay-As-You-Go (PAYGO)

These two scenarios were presented and discussed with the City at a rate workshop that was held on March 24, 2015. As part of that City Council Workshop, the Council decided to move forward with the "Step Down" scenario to ensure the utility is in compliance with its bond covenants and reaches a strong financial position by the end of the 5-year planning horizon. Under the proposed plan, the Water Enterprise will reach and maintain a positive net income beginning in FY 2016-17, will meet the minimum reserve target by FY2019-20. This option also assumes a \$24M bond issue in Fiscal Year 2019-2020 to fund capital in Fiscal Years 2019-20 and 2020-2021, which includes critical storage facility improvements equal to approximately \$16.3M. Given the useful life of these improvements, funding these items through debt provides inter-generation equity between existing customers and future customers and spreading the cost over a debt-term of 30-years, in-line with the life of improvement. As such, current customers are not funding the entire project in advance of those that will also benefit from the projects.

A pro forma of the proposed revenue requirements is shown in Table 2-5 below (Appendix "C" provides a detailed summary of Table 2-5).

Table 2-5: Water Enterprise Proposed Financial Plan - Pro-forma

Water Enterprise Fund	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Revenues	\$5,491,706	\$6,957,029	\$9,167,489	\$10,968,150	\$12,049,255	\$12,407,207
Total Operating Expenditures	\$5,033,348	\$5,213,821	\$5,402,184	\$5,598,799	\$5,804,044	\$6,018,315
New Debt						
Proposed Debt Issue	\$0	\$0	\$0	\$0	\$0	\$27,272,727
Total Debt Service	\$921,125	\$958,775	\$957,082	\$959,895	\$955,668	\$2,734,961
Repair & Replacement Costs	\$0	\$1,719,352	\$4,876,715	\$4,048,292	\$2,681,519	\$15,164,100
ENDING BALANCES	\$6,791,393	\$5,901,354	\$3,857,011	\$4,245,660	\$6,906,985	\$19,396,816
TARGET BALANCES	\$8,143,107	\$8,188,225	\$8,235,316	\$8,284,470	\$8,335,781	\$8,389,348
Debt Coverage	50%	182%	393%	559%	653%	234%

2.2.2 Proposed Financial Outlook

The recommended revenue adjustments are only for the next five years and the figures below reflect FY 2015-16 through Fiscal Year 2019-20. Figures 2-1, 2-2, 2-3 and 2-4 illustrate the projected five-year financial plan for the Water Enterprise. **Figure 2-1** displays the proposed and expected revenue adjustments through Fiscal Year 2019-20. **Figure 2-2** illustrates the operating position of the Water Enterprise, where the expenses, exclusive of reserve funding, are shown by stacked bars and total revenues, at current rates and proposed rates, are shown by the horizontal trend lines. **Figure 2-3** summarizes the projected CIP and its funding sources, which is a combination of PAYGO and debt funding. The ending total fund balance for the water utility – inclusive of both the operating and capital funds – is projected and shown in **Figure 2-4**, where the horizontal trend line indicates the target reserve balance as recommended by the reserve requirements discussed in Section 2.1.1.4.

Figure 2-1: Proposed and Expected Revenue Adjustments

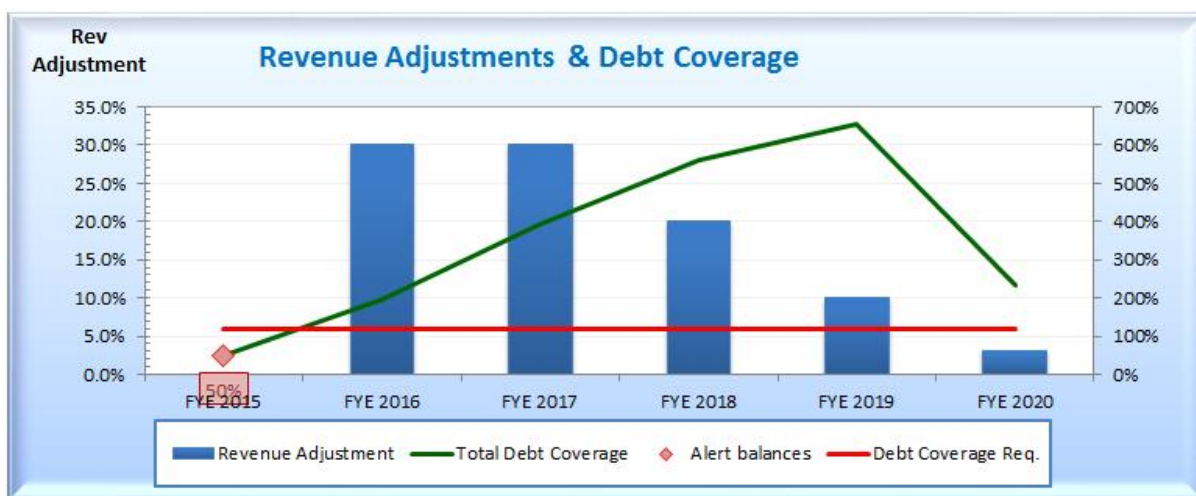


Figure 2-2: Proposed Operating Financial Plan

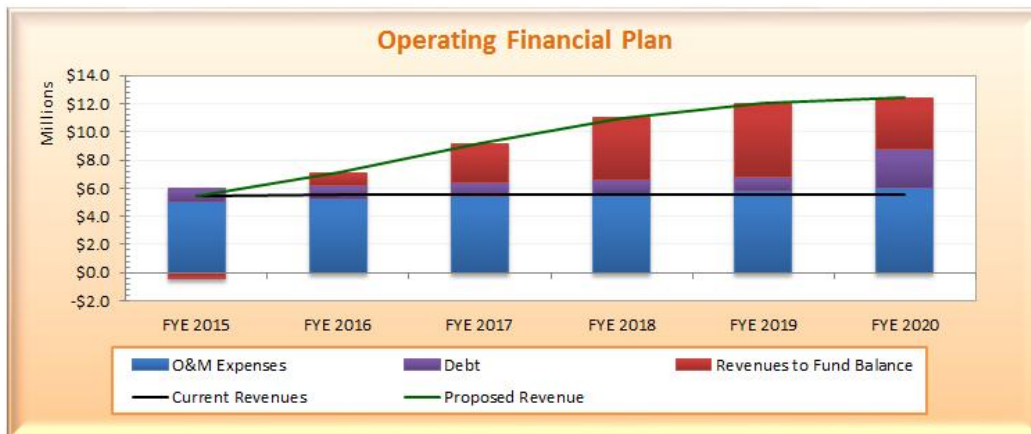


Figure 2-3: Projected CIP and Funding Sources for Water Enterprise Funds

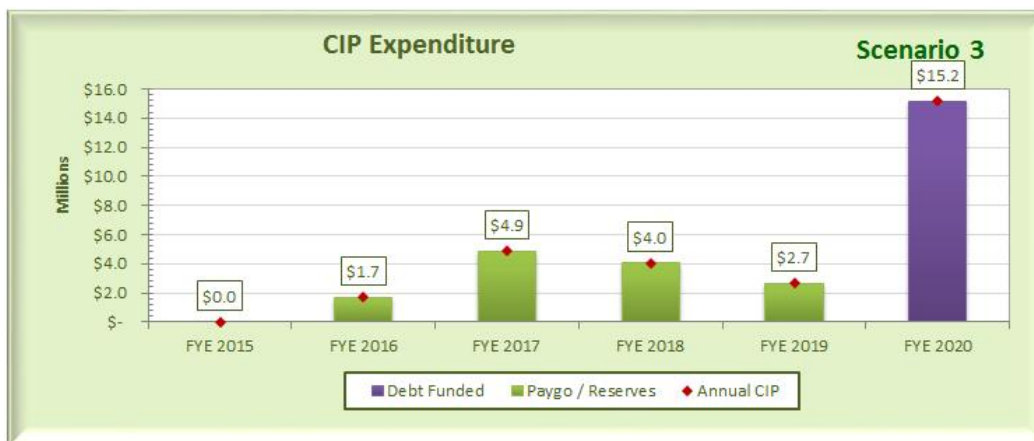
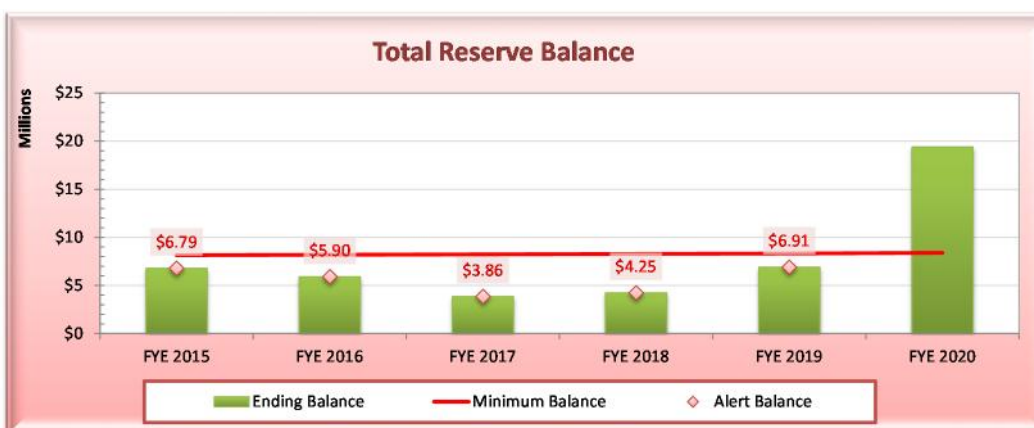


Figure 2-4: Projected Ending Balances for Water Enterprise Funds



3. WATER SYSTEM – COST OF SERVICE AND RATE DESIGN

3.1 LEGAL FRAMEWORK AND RATE METHODOLOGY BACKGROUND

Proposition 218 (California Constitution Article 13D) states that:

1. A property-related charge (such as water rates) imposed by a public agency on a parcel shall not exceed the funds required to provide the property related service.
2. Revenues derived by the charge shall not be used for any other purpose other than that for which the charge was imposed.
3. The amount of the charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of property.
5. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing, when the agency considers all written protests against the charge.

Prop 218 ensures that Water Rates cannot be “arbitrary and capricious,” meaning that the rate-setting methodology must be sound and that there must be a nexus between costs and the rate charge. In the Rate Methodology, RFC ensures that all aspects of Proposition 218 are followed and that it creates rates that charge customers equitably. In addition, as stated in the American Water Works Association (AWWA) Manual M1, “the costs of water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers.”

In conjunction with Proposition 218, Article X (2) of the State Constitution established the need to preserve the State’s water supplies and to discourage the wasteful or unreasonable use of water by encouraging conservation. In addition, Section 106 of the Water Code declares that the highest use of water is for domestic purposes, and irrigation is secondary. In connection with meeting the objectives of Article X, Water Code Sections 370 (AB2882) and 375 authorize a water purveyor to utilize its water rate design to incentivize the efficient use of water.

3.1.1 Tiered Rates

“Inclining” Block-Rate Structures, when properly designed and differentiated by customer class as this Rate Study does, allows a water enterprise to send consistent price incentives for conservation to customers. Due to heightened interest in water conservation, tiered rates have been increasingly favored, especially in relatively water-scarce regions, such as California.

A tiered rate structure was upheld in the *Brydon v. East Bay Mun. Utility Dist.* California Court of Appeal, Fourth District (1995) (“Brydon”). In *Brydon*, a pre-Proposition 218 decision, the Appellate Court rejected the challenge that the tiered rate structure constituted a “special tax” in violation of Proposition 13.

Proposition 218 requires a nexus and proportionality between the fees charged for a service and the cost to provide that service. Proposition 218’s position on the use of tiered rates was clarified in the

case of *Capistrano Taxpayer's Association v. City of San Juan Capistrano*. The Fourth Appellate District of California ruled that tiered rate structures are not a violation of Proposition 218, so long as they are supported by actual cost of service calculations. Tiered rate structures that do not demonstrate a nexus between each tiered rate and the cost to provide service to higher-tier users are in violation of Proposition 218 and can be invalidated. In summary, agencies must now “show their work” and explain the methodology behind the charges for service.

Also at issue, was whether public water agencies could charge high potable water users for the costs related to the development of recycled water systems. The Appellate Court concluded that the availability of recycled water frees up potable water for other users, that otherwise would not be available. When both types of water are provided by the same local water agency, and some customers are able to make use of recycled water while others are not, providing each kind of water, collectively, is providing “Water Service.” Therefore, rates that charge potable water customers for recycled water costs are still in compliance with Proposition 218.

3.1.2 Proportionality

There is a fair amount of ambiguity in the way that Proposition 218 was drafted – none more so than the issue of “proportionality.” It has taken a succession of court rulings over several years to clarify the substantive requirement of Proposition 218.

The most recent Appellate case of *Griffith v. Pajaro Valley Water Management Agency* (2013) (“Pajaro Case”) California Court of Appeal, Sixth District has provided much guidance on several important Proposition 218 issues, including the issue of proportionality. In Pajaro, the Appellate Court held in part as follows:

That proportionality is not measured on an individual parcel basis, but instead is measured collectively, considering all rate payers. As such, the Appellate Court in Pajaro confirmed the common practice of grouping customers into classes or sub-groups with comparable service costs and setting rates by class rather than parcel. Rate setting by class met the Prop 218 requirement that fees be proportionate to the cost of providing service to each parcel.

Given the opinion in Pajaro, utilities can develop rates by grouping customers and meet the requirements of Proposition 218, as opposed to the strict interpretation which would require cost proportionality to each parcel receiving service. This was another major clarification of Proposition 218 since cost proportionality to individual parcels is almost impossible to achieve in the strict sense.

3.2 RATE METHODOLOGY

As stated in the Manual M1, the AWWA Rates and Charges Subcommittee agree with the Proposition 218 that “the costs of water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers.” To develop utility rates that comply with Proposition 218 and industry standards while meeting other emerging goals and objectives of the utility, there are four major steps:

3.2.1 Step 1 – Determination of Revenue Requirements

The rate-making process starts with the determination of future revenue requirements to sufficiently fund the utility's operation and maintenance (O&M), capital replacement and refurbishment (R&R), capital improvement and perpetuation of the system and to ensure preservation of the utility's financial integrity. The basic revenue requirements of a utility include O&M expenses, debt service payments, contributions to specified reserves and the cost of capital expenditures that are not debt financed.

3.2.2 Step 2 – Cost of Service Analysis

The annual costs of providing water services, determined in the financial plan development, and should be allocated among the customers commensurate with their service requirements. In this step, costs are identified and allocated to functional cost components and distributed to respective customer classes according to the industry standards provided in the Manual M1 published by AWWA. California Government Code Section 54999 mandates agencies to conduct a thorough cost of service analysis every ten years in determining the utility rates.

3.2.3 Step 3 – Rate Design and Calculations

Rates do more than simply recover costs. Within the legal framework and industry standards, properly designed rates should support and optimize a blend of various utility objectives, such as conservation, affordability for essential needs and revenue stability, among other objectives. Rates should work as a public information tool in communicating these objectives to customers.

3.2.4 Step 4 – Rate Adoption

In the last step of the rate-making process, to comply with Proposition 218 requirements, the results of the analyses are documented in a Study Report to help educate the public about the proposed changes, the rationale and justifications behind the changes and their anticipated financial impacts in lay terms. At least 45 days after sending out the public notices, at a public hearing, the agency shall consider all written protests against the proposed rates. If there is no majority protest, the agency can officially adopt the new rates.

3.3 PROPOSED RATE STRUCTURE

The City has decided to implement a rate structure composed of two components: a monthly fixed charge based on the size of the customers meter, and a variable (volume) charge based on usage. RFC recommends adjusting the variable rate structure for SFR and MFR from uniform rates to the following tiered structures.

3.3.1 Single-Family Residential 3-Tiered Rate Structure

RFC recommends implementing a 3-tiered rate structure for SFR customers. The goal of the first tier is to provide for basic indoor water needs; the second tier to provide for outdoor needs; and the third tier is considered excessive use that is above Tiers 1 and 2. This is consistent with State laws regarding the highest and most efficient use of water. Tier 1 is based on the City of Madera's density of 3.56 persons per household and the amount of water needed on a per person basis, equal to 65 gallons per capita per day (gpcpd). SB7x-7 has a per capita target to achieve by 2020 of 55 gpcpd and

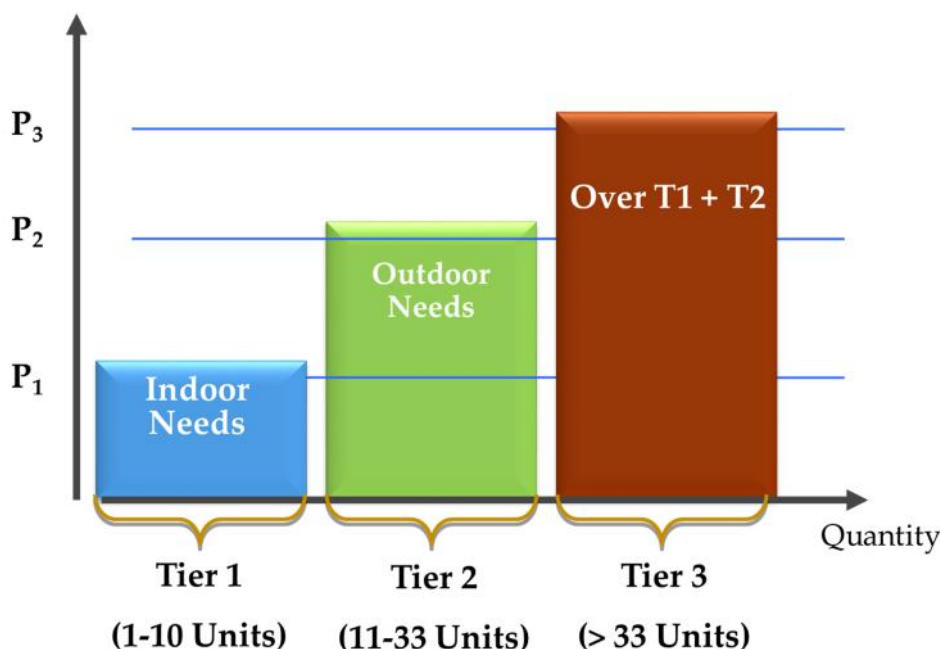
the current 65gpcpd is a step towards that direction. The planning horizon is through 2019-20 and the City can readjust the Tier 1 allotment to the 55 gpcpd when they need to review rates again. Figure 3-1 shows the calculation used to derive the Tier 1 allocation of 10 units of water.

Figure 3-1: Tier 1 Allotment Formula

$$\frac{3.56 \text{ density} \times 65 \text{ gpcpd} \times 30 \text{ days}}{748.05 \text{ gallons}} = 9.41 \text{ Units} = 10 \text{ Units}$$

Tier 2 is designed to account for an additional allotment for outdoor needs. Tier 2 provides an additional 23 units of water for a total allotment of 33 units through Tier 2, which captures the average usage of SFR accounts in summer of approximately 33 units. Tier 3 captures any additional usage above the amount allotted in Tiers 1 and 2. Figure 3-2 graphically shows the SFR tier structure.

Figure 3-2: SFR Tier Structure



3.3.2 Multiple-Family Residential 2-Tiered Rate Structure

MFR customers would be a similar structure; however, MFR customers typically have little or no outdoor water demand when compared to SFR customers. As a result, it is recommended that the MFR rate structure consists of only two tiers. Tier 1 would be the same allotment and account for indoor usage and Tier 2 would capture any usage above Tier 1. These allotments are on a per unit basis. As such, a three-unit complex would have a Tier 1 allotment equal to 30 units (10 unit allotment x 3 dwelling units = 30 units).

3.3.3 Non-Residential Uniform Rate Structure

Non-residential accounts would still be charged a uniform rate consistent with the current rate structure. Customers other than residential vary considerably in size, use profile, and needs, which

makes it impractical and inequitable to place them in a “one size fits all” tiered rate structure. For example, a bookstore and a coffee shop exhibit drastically different water needs. However, despite not being tiered, the uniform rate structure is built on the same cost components. Non-Residential customers are paying their fair share of incurred costs and will not be subsidized by other customer classes.

3.3.4 Non-Metered Accounts

The City also has a number of accounts that are currently non-metered, with approximately 1,200 Residential accounts and approximately 500 Non-Residential accounts. The City’s current billing method will remain intact, which varies based on type of account; however, the rates will be increased based on the five-year revenue requirements. As such, non-metered accounts will continue to recover approximately 19% of total revenue. Once these accounts are metered, their rates will be charged based on actual usage and the size of installed meter and the revenue generated by non-metered accounts will decrease as meter conversions occur.

3.4 FUNCTIONAL COST COMPONENTS

The total cost of water service is analyzed by system function in order to equitably distribute costs in relation to how it’s generally incurred, which then allows each cost component to be recovered through the most appropriate revenue recovery (i.e. fixed versus variable). For this analysis, water utility costs of service are assigned under the Base-Extra Capacity method to the following functional cost components: Water Supply, Base, Max Day, Max Hour, Conservation, Fixed Demand and Conservation. This method is consistent with the American Water Works Association M1 Manual, and is widely used in the water industry to design rates for retail customers. Table 3-1 provides a breakdown of the City’s revenue requirements by functional cost components, using FYE 2016 as the baseline to account for how costs are generally incurred.

Table 3-1: Detailed Revenue Requirements by Function

Description	Total Water Expenses	Cost Categories	Supply					Customer Service	Fixed Demand
			Base	Max Day	Max Hour	Costs	Conservation		
Dept 709: Water Utility - Billing/Collections	\$0	100% Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bad Debt Expense	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation / Replacement	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges - Admin. Overhead	\$25,696	100% Base	\$ 25,696	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfer to Other Funds	\$658,860	100% Base	\$ 658,860	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dept 711: Water Utility - Maint./Ops.		100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries / Full-time	\$450,243	33% Base/Max/Meters	\$ 150,081	\$ 150,081	\$ -	\$ -	\$ -	\$ -	\$ 150,081
Salaries / Part-time	\$22,706	33% Base/Max/Meters	\$ 7,569	\$ 7,569	\$ -	\$ -	\$ -	\$ -	\$ 7,569
Salaries / Overtime	\$19,005	33% Base/Max/Meters	\$ 6,335	\$ 6,335	\$ -	\$ -	\$ -	\$ -	\$ 6,335
Salaries - Leave Payout	\$4,985	33% Base/Max/Meters	\$ 1,662	\$ 1,662	\$ -	\$ -	\$ -	\$ -	\$ 1,662
Salaries / Uniform Pay	\$2,048	33% Base/Max/Meters	\$ 683	\$ 683	\$ -	\$ -	\$ -	\$ -	\$ 683
Salaries - Auto & Expense Allowance	\$1,301	33% Base/Max/Meters	\$ 434	\$ 434	\$ -	\$ -	\$ -	\$ -	\$ 434
Public Employees Retirement System	\$101,625	33% Base/Max/Meters	\$ 33,875	\$ 33,875	\$ -	\$ -	\$ -	\$ -	\$ 33,875
Long Term Disability Insurance	\$1,609	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,609	\$ -
Life Insurance Premiums	\$524	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 524	\$ -
Worker's Compensation Insurance	\$36,644	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,644	\$ -
Medicare Tax - Employer's Share	\$7,522	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,522	\$ -
Deferred Compensation / Part-time	\$852	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 852	\$ -
Deferred Compensation / Full-time	\$17,606	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,606	\$ -
Unemployment Insurance	\$3,886	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,886	\$ -
Section 125 Benefit Allow.	\$148,015	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,015	\$ -
Gas and Electric Utilities	\$1,470,000	Base/Max Day/Max Hour	\$ 857,500	\$ 122,500	\$ 490,000	\$ -	\$ -	\$ -	\$ -
Telephone and Fax Charges	\$4,120	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,120	\$ -
Advertising - Other	\$1,030	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,030	\$ -
Professional Dues	\$4,841	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,841	\$ -
Office Supplies - Expendable	\$1,545	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,545	\$ -
Postage / Other Mailing Charges	\$721	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 721	\$ -
Mileage Reimbursements	\$309	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 309	\$ -
Vehicle Fuel, Supplies & Maintenance	\$46,350	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,350	\$ -
Contracted Services	\$214,974	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 214,974	\$ -
Taxes and Assessments	\$14,420	100% Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,420
Building Supplies, Keys, Repairs	\$3,605	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,605	\$ -
Other Maintenance Supplies	\$175,100	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,100	\$ -
Liability / Property Insurance	\$67,277	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,277	\$ -
Retiree Insurance Premiums	\$2,625	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,625	\$ -
OPEB Obligation Expense	\$5,693	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,693	\$ -
Conference, Training, Education	\$10,300	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,300	\$ -

Table 3-1: Detailed Revenue Requirements by Function (continued)

Description	Total Water Expenses	Cost Categories	Water Supply					Conservation	Customer Service	Fixed Demand
			Base	Max Day	Max Hour	Costs				
Water Conservation Program	\$51,000	Conservation	\$ -	\$ -	\$ -	\$ -	\$ 51,000	\$ -	\$ -	\$ -
Depreciation / Replacement	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capitalized Asset Contra Account	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss on Disposal of Capital Asset	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges - Fac. Maint	\$48,597	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,597	\$ -	\$ -
Interfund Charges - Central Supply	\$24,205	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,205	\$ -	\$ -
Interfund Charges - Cost Distribution	\$201,980	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,980	\$ -	\$ -
Interfund Charges - GF-Admin. Overhead	\$217,700	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217,700	\$ -	\$ -
Interfund Charges - Vehicle Repairs	\$54,481	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,481	\$ -	\$ -
Interfund Charges - Replace Vehicles	\$92,975	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,975	\$ -	\$ -
Interfund Charges - Vehicle Replacement	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges-Computer Maint.	\$12,192	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,192	\$ -	\$ -
Interfund Charges - Computer Replacement	\$0	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Furniture	\$927	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 927	\$ -	\$ -
Computer Equipment and Peripherals	\$7,210	100% Customer Account	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,210	\$ -	\$ -
Other New Equipment	\$0	General/Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement of Equipment	\$0	General/Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure Projects - Water	\$0	Base/Max Day	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4th St Widening, UPRR to Lake, R-5	\$0	33% Base/Max/Customer Accts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Payment	\$0	Base/Max Day/Max Hour	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Well Security Lights	\$0	100% Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pump Bowls	\$103,000	Base/Max Day/Max Hour	\$ 60,083	\$ 8,583	\$ 34,333	\$ -	\$ -	\$ -	\$ -	\$ -
Dept 713: Water Utility - Quality Control		100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries / Full-time	\$229,315	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 229,315	\$ -	\$ -	\$ -	\$ -
Salaries / Part-time	\$25,332	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 25,332	\$ -	\$ -	\$ -	\$ -
Salaries / Overtime	\$9,450	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 9,450	\$ -	\$ -	\$ -	\$ -
Salaries - Leave Payout	\$1,107	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 1,107	\$ -	\$ -	\$ -	\$ -
Salaries / Uniform Pay	\$1,313	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 1,313	\$ -	\$ -	\$ -	\$ -
Salaries - Auto and Expense Allowance	\$536	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 536	\$ -	\$ -	\$ -	\$ -
Public Employees Retirement System	\$52,950	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 52,950	\$ -	\$ -	\$ -	\$ -
Long Term Disability Insurance	\$826	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 826	\$ -	\$ -	\$ -	\$ -
Life Insurance Premiums	\$284	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 284	\$ -	\$ -	\$ -	\$ -
Worker's Compensation Insurance	\$19,666	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 19,666	\$ -	\$ -	\$ -	\$ -
Medicare Tax - Employer's Share	\$4,019	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 4,019	\$ -	\$ -	\$ -	\$ -
Deferred Compensation / Part-time	\$950	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 950	\$ -	\$ -	\$ -	\$ -
Deferred Compensation / Full-time	\$9,152	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 9,152	\$ -	\$ -	\$ -	\$ -
Unemployment Insurance	\$2,555	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 2,555	\$ -	\$ -	\$ -	\$ -
Section 125 Benefit Allow.	\$104,897	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 104,897	\$ -	\$ -	\$ -	\$ -
Gas and Electric Utilities	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Table 3-1: Detailed Revenue Requirements by Function (continued)

Description	Total Water Expenses	Cost Categories	Water Supply					Customer Service	Fixed Demand
			Base	Max Day	Max Hour	Costs	Conservation		
Telephone and Fax Charges	\$1,030	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 1,030	\$ -	\$ -	\$ -
Advertising - Bids and Legal Notices	\$4,120	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 4,120	\$ -	\$ -	\$ -
Professional Dues	\$618	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 618	\$ -	\$ -	\$ -
Publications and Subscriptions	\$690	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 690	\$ -	\$ -	\$ -
Office Supplies - Expendable	\$1,030	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 1,030	\$ -	\$ -	\$ -
Postage / Other Mailing Charges	\$3,502	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 3,502	\$ -	\$ -	\$ -
Vehicle Fuel, Supplies & Maintenance	\$12,360	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 12,360	\$ -	\$ -	\$ -
Contracted Services	\$259,566	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 259,566	\$ -	\$ -	\$ -
Other Maintenance Supplies	\$25,750	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 25,750	\$ -	\$ -	\$ -
Retiree Insurance Premiums	\$932	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 932	\$ -	\$ -	\$ -
OPEB Obligation Expense	\$1,604	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 1,604	\$ -	\$ -	\$ -
Conference, Training, Education	\$4,120	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 4,120	\$ -	\$ -	\$ -
Depreciation / Replacement	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss on Disposal of Capital Asset	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges - Fac.Maint.	\$48,597	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 48,597	\$ -	\$ -	\$ -
Interfund Charges - Central Supply	\$3,090	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 3,090	\$ -	\$ -	\$ -
Interfund Charges - Admin. Overhead	\$24,108	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 24,108	\$ -	\$ -	\$ -
Interfund Charges - Vehicle Repairs	\$7,825	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 7,825	\$ -	\$ -	\$ -
Interfund Charges - Replace vehicles	\$8,240	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 8,240	\$ -	\$ -	\$ -
Interfund Charges-Computer Maint.	\$3,982	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ 3,982	\$ -	\$ -	\$ -
Interfund Charges - Computer Replacement	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computers and Peripherals	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other New Equipment	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease Payment	\$0	100% Water Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dept 716: Water Debt Services - Revenue Bonds		General/Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Trustee Fees	\$1,200	33% Base/Max/Meters	\$ 400	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ 400
Amortization Expense - 2006 bond	\$3,500	33% Base/Max/Meters	\$ 1,167	\$ 1,167	\$ -	\$ -	\$ -	\$ -	\$ 1,167
Madera PFA W&WW Revenue Bonds, Series 2006	\$153,862	33% Base/Max/Meters	\$ 51,287	\$ 51,287	\$ -	\$ -	\$ -	\$ -	\$ 51,287
Madera PFA Water Revenue Bonds, Series 2010	\$781,113	33% Base/Max/Meters	\$ 260,371	\$ 260,371	\$ -	\$ -	\$ -	\$ -	\$ 260,371
Bond Trustee Fees	\$3,700	33% Base/Max/Meters	\$ 1,233	\$ 1,233	\$ -	\$ -	\$ -	\$ -	\$ 1,233
Amortization Expense-2010 bond	\$15,400	33% Base/Max/Meters	\$ 5,133	\$ 5,133	\$ -	\$ -	\$ -	\$ -	\$ 5,133
Subtotal Revenue Requirements			\$2,122,369	\$651,313	\$524,333	\$873,516	\$51,000	\$1,415,415	\$534,649
			34.4%	10.6%	8.5%	14.2%	0.8%	22.9%	8.7%

3.5 COST OF SERVICE

The enterprise's revenue requirements are, by definition, the cost of providing service. This cost is then used as the basis to develop unit costs for the water components and to allocate costs to the various customer classes in proportion to the water services rendered. The concept of proportionate allocation to customer classes requires that allocations should consider not only the average quantity of water used but also the peak rate at which it is consumed (Max Day / Max Hour). This is because the water system is designed to handle peak demands, and the additional costs associated with design, construction and maintenance of facilities specified to meet these peak demands needs to be allocated to those incurring such costs so that the costs can be recovered appropriately.

Once the total cost of each functional component is calculated, the next step is to determine the most appropriate way to recover such costs based on the following criteria: 1) how the cost is incurred, 2) City policy objectives, 3) promote water efficiency, and 4) revenue stability to name a few. Table 3-2 is a summary of how costs were allocated to fixed versus variable revenue components.

Table 3-2: Fixed vs. Variable Cost Allocation to Revenue Components

Cost Categories	Cost of Service	Fixed		Variable		
		Meter Capacity	Accounts	Water Supply	Delivery	Peaking
Water Supply Costs	\$848,223	0.0%	0.0%	100.0%	0.0%	0.0%
Base	\$2,920,592	0.0%	0.0%	0.0%	100.0%	0.0%
Max Day	\$632,454	0.0%	0.0%	0.0%	0.0%	100.0%
Max Hour	\$509,151	0.0%	0.0%	0.0%	0.0%	100.0%
Conservation	\$51,000	0.0%	0.0%	0.0%	0.0%	100.0%
Fixed Demand	\$1,378,844	100.0%	0.0%	0.0%	0.0%	0.0%
Customer Service	\$1,374,431	0.0%	100.0%	0.0%	0.0%	0.0%
Total	\$7,714,696	\$1,378,844	\$1,374,431	\$848,223	\$2,920,592	\$1,192,605
	100.00%	17.9%	17.8%	11.0%	37.9%	15.5%

Therefore, monthly fixed charges recovers all of the costs associated with customer service and fixed demand (capacity). Commodity rates recover all or a portion of the costs associated with Base and all of the cost associated with Max Day and Max Hour (Peaking), Water Supply, and Conservation Programs.

This study calculated water rates based on Fiscal Year 2015-16 as the base year with FY 2015-16 through FY 2020-21 for the new proposed rates. The annual revenue requirements or costs of service to be recovered from rates include O&M expenses (including water supply), debt service and capital costs. O&M expenses include costs directly related to the supply, treatment, and distribution of water as well as routine maintenance of system facilities. Table 3-3 summarizes revenue requirements, by function, for Fiscal Year 2015-16. The cost of service analysis is based upon the premise that the utility must generate annual revenues adequate to meet estimated annual revenue requirements (Revenue requirements for Fiscal Year 2016-17 through Fiscal Year 2019-20 is identified under Appendix C).

Table 3-3: Revenue Requirements by Function – FYE 2016 through FYE 2020

[AB1]

			Fixed		Variable			
Rate Revenue		Non-Metered Revenue	Metered Revenue	36.0%		64.0%		
FYE 2016	\$6,918,972	\$1,310,355	\$5,608,617	\$1,002,426	\$999,218	\$616,662	\$2,123,283	\$867,029

3.6 PROPOSED RATES

3.6.1 Fixed Charges

Currently, the City's fixed monthly water charge generates approximately 34% of total revenue and as part of the proposed rate structure; RFC maintained a similar percentage of revenue from the fixed monthly charge in order to maintain the current level of revenue stability; while promoting water efficiency and identifying which costs are collected through the fixed charges and variable charges (36% Fixed / 64% Variable).

The monthly fixed service charge has the following main components: customer related costs and capacity related costs. Customer costs include costs, such as general customer service, billing, meter reading and other operational costs. These costs are recovered from all accounts equally; in which, meter size is not taken into consideration.

Capacity costs include capital costs, public fire protection and other costs that are more equitably recovered based on the size of each meter, which reflects potential demand on the water utility system. RFC utilized the American Water Works Association meter service cost ratios in calculating the meter component of the fixed charge. These costs are assigned based on meter size. Based on these ratios, the City's 11,821 accounts have a meter equivalency of 33,439.

Table 3-4 shows the fixed charge separated between costs apportioned evenly over all accounts and meter equivalencies. Table 3-5 shows the proposed FY 2015-16 monthly service charges.

Table 3-4: Fixed Charge Calculation – 5/8" Meter

Customer Service Cost per Account		FYE 2016
Total Customer Service Cost		\$999,218
Number of Accounts		11,821
Monthly Charge per Account		\$7.05

Capacity Cost Calculation		FYE 2016
Total Capacity Cost		\$1,002,426
Number of Equivalent Meters ¹		33,439
Monthly Charge per Account		\$2.50

Base Fixed Charge for 5/8" Meter \$9.55

1. Based on AWWA Capacity Ratios

Table 3-5: Proposed FYE 2016 Monthly Service Charge

Meter Size	Current Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
5/8"	\$7.11	\$9.55	\$12.41	\$14.89	\$16.38	\$16.88
3/4"	\$8.05	\$10.80	\$14.04	\$16.84	\$18.53	\$19.09
1"	\$9.93	\$13.30	\$17.29	\$20.74	\$22.82	\$23.51
1.5"	\$14.63	\$19.55	\$25.41	\$30.49	\$33.54	\$34.56
2"	\$20.27	\$27.05	\$35.16	\$42.19	\$46.41	\$47.82
3"	\$33.43	\$50.80	\$66.04	\$79.24	\$87.17	\$89.81
4"	\$52.23	\$85.80	\$111.54	\$133.84	\$147.23	\$151.69
6"	\$99.22	\$169.55	\$220.41	\$264.49	\$290.94	\$299.76
8"	\$155.62	\$307.05	\$399.16	\$478.99	\$526.89	\$542.86

3.6.2 Variable Charges

Approximately 64% of the City's revenue requirements are proposed to be recovered from the commodity charges, based on the amount of water used. Variable cost components include delivery costs, peak costs (max day / max hour), conservation costs, and water supply costs.

For this analysis, consumption and peaking characteristics of customers as well as available water supplies of the City were analyzed to appropriately allocate costs between customer classes as well as tiers within certain customer classes. Variable costs were separated into four discrete components: Water Supply, Delivery, Peaking, and Conservation. The sum of each of the variable cost components is used to determine the proposed rates for the five-year planning horizon. Deriving the corresponding unit price for each cost component of each applicable tier or uniform rate synchronizes the objectives of Article X (2) and Proposition 218 in developing a cost of service tiered rate structure.

3.6.2.1 Water Supply Costs

The City relies entirely on groundwater from City-owned wells for their water supply. The City's water supply is crucial to provide its predominately residential customer base with a reliable supply of water. The City currently provides approximately 12,000 AF of potable water each year. Due to the current drought conditions and the recent executive order from the State Governor, the City plans to investigate the impacts of a reduced water table and the feasibility to secure an alternative water supply, such as treated surface water, in future years to serve a portion of the City's total water demand. Water supply costs were spread evenly over all units of water at a rate of \$0.20 per ccf. Table 3-6 shows the allocation of the water supply costs to each customer class.

Table 3-6: Water Supply Costs per Unit of Water

Customer Classes	# of Accts	Annual Usage	Percentage of Annual Usage	Water Supply Costs	Unit Rate
Single-Family Residential	11,156	2,444,368	77.04%	\$475,085	\$0.20
Multi-Family Residential	233	207,698	6.55%	\$40,368	\$0.20
Non-Residential	432	520,732	16.41%	\$101,209	\$0.20
Total	11,821	3,172,797	100.00%	\$616,662	\$0.20

3.6.2.2 Delivery Costs

Delivery, which recovers Base costs, are those operating and capital costs of the water system associated with delivering water to all customers at a constant average rate of use. Therefore, costs that are related to delivery are spread over all units of water, irrespective of customer classes or tiers, to calculate a uniform rate. Table 3-7 shows the allocation of Delivery to each customer class.

Table 3-7: Delivery Costs per Unit of Water

Customer Classes	# of Accts	Annual Usage	Percentage of Annual Usage	Delivery Costs	Unit Rate
Single-Family Residential	11,156	2,444,368	77.04%	\$1,635,807	\$0.67
Multi-Family Residential	233	207,698	6.55%	\$138,994	\$0.67
Non-Residential	432	520,732	16.41%	\$348,481	\$0.67
Total	11,821	3,172,797	100.00%	\$2,123,283	\$0.67

3.6.2.3 Peak Costs (Max Day / Max Hour)

Costs associated with peaking, which primarily includes capital improvements, power, and conservation are first apportioned to each defined customer class based on their total demand, which accounts for peak use (total water used weighted by peak factor). Peaking was calculated for each customer class based on the consumption files, which ensures that accounts within each customer class will only recover the costs allocated to their respective customer class and no account is subsidizing any other account. In addition, City Council provided direction at the May 20, 2015 City Council meeting to increase the conservation budget up to \$1M. Table 3-8 and Table 3-9 shows the peak costs and conservation costs allocated between each customer class.

Table 3-8: Peak Costs Allocation to Customer Class

Customer Classes	Annual Usage	Max Day Requirements			Peak Costs
		Peaking Factors	Weighted Peak Factor	Percentage of Peak	
Single-Family Residential	2,444,368	1.60	3,914,637	76.52%	\$624,402
Multi-Family Residential	207,698	1.48	306,875	6.00%	\$48,948
Non-Residential	520,732	1.72	894,515	17.48%	\$142,679
Total	3,172,797		5,116,027	100.00%	\$816,029

Table 3-9: Conservation Costs Allocation to Customer Class

Customer Classes	Annual Usage	Max Day Requirements			Conservation Costs
		Peaking Factors	Weighted Peak Factor	Percentage of Peak	
Single-Family Residential	2,444,368	1.60	3,914,637	76.52%	\$765,171
Multi-Family Residential	207,698	1.48	306,875	6.00%	\$59,983
Non-Residential	520,732	1.72	894,515	17.48%	\$174,846
Total	3,172,797		5,116,027	100.00%	\$1,000,000

Once peak and conservation costs are allocated to each customer class, the next step is to design the most equitable and appropriate rate structure to recover such costs from the corresponding customer class. The proposed variable rate structure for SFR customers is a 3-tiered structure, 2-Tiered structure for MFR customers and a uniform rate structure for non-residential customers.

3.6.2.3.1 SFR Peaking Allocation by Tiers

Using the defined tiers and allotments from Section 3.3.1.1, the functional variable costs are then applied to each tier. Similar to how maximum day and maximum hour costs were apportioned between customer classes, the peaking costs allocated to SFR in Fiscal Year 2015-16, equal to \$624,402 are further apportioned between the defined tiers based on the peaking characteristics generated by customers within each tier, where Tier 1 is considered the base level (no peak; equal to 1.0). Peaking factors for Tiers 2 and 3 were then calculated by taking the average usage per customer within these tiers compared to the full allotment of Tier 1 equal to 10 ccf. This approach groups accounts within the Residential classes between tiers as the usage characteristics of these sub-classes are similar to each other and follow the same methodology when allocating costs between customer classes. Table 3-10 shows the SFR peaking factor by tier and Table 3-11 shows the peak costs

allocated between tiers. Note the respective unit costs derived from this analysis become the tier demand values in the variable component in Table 3-18a.

Table 3-10: SFR Peaking Factors

Customer Classes	Average Number of Accounts	Average Monthly Use By Tier	Peaking Factors
Single-Family Residential			
Tier 1	2,597	10	1.00
Tier 2	6,702	19	1.93
Tier 3	1,855	53	5.31

Table 3-11: SFR Allocation of Peak Costs

Customer Classes	Usage	Peaking Factors	Weighted Peak Factor	Percent of Weighted Peak Factor	Allocated Peak Cost	Unit Rate
Single-Family Residential						
Tier 1	1,037,429	1.00	1,037,429	21.35%	\$133,292	\$0.13
Tier 2	1,078,921	1.93	2,080,929	42.82%	\$267,364	\$0.26
Tier 3	328,018	5.31	1,741,452	35.83%	\$223,747	\$0.70
Total	2,444,368		4,859,810	100.00%	\$624,402	

3.6.2.3.2 MFR Peaking Allocation by Tiers

Similar to SFR, the peaking costs allocated to MFR customers are then applied to each tier identified in Section 3.3.1.2. Table 3-12 and 3-13 present the MFR Peaking Factors and the MFR Allocation of Peak Costs, respectively.

Table 3-12: MFR Peaking Factors

Customer Classes	Average Number of Accounts	Average Monthly Use By Tier	Peaking Factors
Multiple-Family Residential			
Tier 1	1,579	10	1.00
Tier 2	694	19	1.91

Table 3-13: MFR Allocation of Peak Costs

Customer Classes	Usage	Peaking Factors	Weighted Peak Factor	Percent of Weighted Peak Factor	Allocated Peak Cost	Unit Rate
Multiple-Family Residential						
Tier 1	139,259	1.00	139,259	51.55%	\$25,231	\$0.19
Tier 2	68,438	1.91	130,900	48.45%	\$23,717	\$0.36
Total	207,698		270,159	100.00%	\$48,948	

3.6.2.4 Conservation Costs

Identical to the allocation of tier demand costs, conservation costs are allocated by the percentage share of peak using the same peaking factors as in 3.6.2.3. However, conservation costs are only allocated to units of water demanded in tiers 2 and 3, where water consumption is considered discretionary, inefficient and/or excessive and for which conservation programs are designed to assist. Allocation of conservation costs to the upper tiers provides a strong price signal for conservation and efficient use, consistent with City and State of California policy objectives. Table 3-14 through 3-16 show the Allocation of conservation costs to customer classes. Note the unit costs derived constitute the variable rate component, in the respective tiers, in Table 3-18a and Table 3-18b.

Table 3-14: SFR Allocation of Conservation Costs

SFR Tiers	Usage	Peaking Factors	Weighted Peak Factor	Percent of Weighted Peak Factor	Allocated Conservation Cost	Unit Rate
Single-Family Residential						
Tier 2	1,078,921	1.93	2,448,152	54.44%	\$416,564	\$0.39
Tier 3	328,018	5.31	2,048,767	45.56%	\$348,607	\$1.07
Total	1,406,939		4,496,919	100.00%	\$765,171	

Table 3-15: MFR Allocation of Conservation Costs

MFR Tiers	Usage	Allocated Conservation Cost	Unit Rate
MFR-Family Residential			
Tier 2	68,438	\$59,983	\$0.88
Total	68,438	\$59,983	

3.6.2.4.1 Non-Residential Peaking and Conservation Costs

For non-residential customers, variable costs are recovered through a uniform rate. Therefore, peak costs and conservation costs that were allocated to Non-Residential as shown in Tables 3-8 and 3-9, respectively, are recovered over all Non-Residential usage to derive a cost per unit as calculated in Table 3-16.

Table 3-16: Non-Residential Allocation of Peak and Conservation Costs

Class	Usage	Allocated Peak Cost	Peak Cost Unit Rate	Allocated Conservation Cost	Conservation Unit Rate
Non-Residential					
Uniform	520,732	142,679	0.28	\$174,846	\$0.34
Total	520,732	\$142,679		\$174,846	

3.6.3 Proposed Variable Rates

3.6.3.1 SFR & MFR Variable Rates

Tables 3-17a and 3-17b display the different variable rate components which are included in the SFR and MFR tiers, respectively. Note, for example, every tier pays for water supply and delivery, while conservation and peak costs vary by tier as the demand in higher tiers forces the City to implement conservation programs and reflect the relative financial burden of higher consumption for costs associated with peak usage.

Table 3-17a: SFR Variable Cost Components

Tier	Water Supply	Delivery	Conservation	Peak (Tier 1 = Base)
Tier 1	✓	✓		✓
Tier 2	✓	✓	✓	✓
Tier 3	✓	✓	✓	✓

Table 3-17b: MFR Variable Cost Components

Tier	Water Supply	Delivery	Conservation	Peak (Tier 1 = Base)
Tier 1	✓	✓		✓
Tier 2	✓	✓	✓	✓

Tables 3-18a and 3-18b display the unit costs of SFR and MFR variable (commodity) rates, by tier, respectively.

Table 3-18a: FY 2015-16 SFR Variable (Commodity) Rates by Tier

Tier	Water Supply	Delivery	Conservation	Peak Demand (T1 = Base)	Proposed Rate
Tier 1	\$0.20	\$0.67	\$0.00	\$0.13	\$1.00
Tier 2	\$0.20	\$0.67	\$0.39	\$0.26	\$1.52
Tier 3	\$0.20	\$0.67	\$1.07	\$0.70	\$2.64

Table 3-18b: FY 2015-16 MFR Variable (Commodity) Rates by Tier

Tier	Water Supply	Delivery	Conservation	Peak Demand (T1 = Base)	Proposed Rate
Tier 1	\$0.20	\$0.67	\$0.00	\$0.19	\$1.06
Tier 2	\$0.20	\$0.67	\$0.88	\$0.36	\$2.11

3.6.3.2 Non-Residential Variable Rates

As previously mentioned, all variable charges are summed to derive a uniform rate per ccf rather than a tiered rate structure. Table 3-19 shows the Non-Residential commodity uniform rate.

Table 3-19: FY 2015-16 Non-Residential Commodity Rate

	Water Supply	Delivery	Conservation	Peak Demand (T1 = Base)	Proposed Rate
Uniform	\$0.20	\$0.67	\$0.34	\$0.28	\$1.49

3.6.3.3 Variable (Commodity) Rate Summary

Table 3-20 shows five years of proposed commodity rates by customer class.

Table 3-20: Proposed Commodity Rates

Residential Tiered Rates		Allotment	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Tier 1		0-10	\$1.00	\$1.33	\$1.63	\$1.84	\$1.93
Tier 2		11-33	\$1.52	\$1.90	\$2.25	\$2.50	\$2.60
Tier 3		>33	\$2.64	\$3.20	\$3.69	\$4.05	\$4.22
Multi-Residential Tiered Rates		Allotment	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Tier 1		10	\$1.06	\$1.40	\$1.72	\$1.93	\$2.03
Tier 2		>10	\$2.11	\$2.53	\$2.92	\$3.18	\$3.32
Non-Residential Rates			FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Uniform Rate			\$1.49	\$1.87	\$2.22	\$2.47	\$2.58

3.6.3.4 Non-Metered Flat Rate Customers

Table 3-21 shows five years of proposed rates for non-metered customers. Once these customers are metered, the account will be charged based on actual usage. The rates are based on these customers recovering the same pro-rata share of cost that each customer class has historically been recovering

Table 3-21: Proposed Non-Metered Flat Rates

Flat Rate Water Charges	Units	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
CAR DLR	WATER SERVICE/BLDG/1000	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
CAR SERV	WATER SERVICE/BAYS	\$4.75	\$6.17	\$7.40	\$8.14	\$8.39
DEPT/RET	WATER SERVICE/BLDG/1000	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
GAMES	WATER SERVICE/BLDG/1000	\$16.51	\$21.46	\$25.76	\$28.33	\$29.18
GRANNY	PRIMARY WITH SECONDARY UNIT	\$37.97	\$49.36	\$59.24	\$65.16	\$67.12
GROC/MOR	WATER SERVICE/BLDG/1000	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
HOSP RM	PER BED WATER USE	\$5.93	\$7.71	\$9.25	\$10.17	\$10.48
HOSP/CON	WATER SERVICE/BEDS	\$5.93	\$7.71	\$9.25	\$10.17	\$10.48
HOTEL/W	WATER SERVICE/ROOMS	\$7.11	\$9.24	\$11.09	\$12.20	\$12.57
HOTEL/WO	WATER SERVICE/ROOMS	\$5.93	\$7.71	\$9.25	\$10.17	\$10.48
LIB/CHUR	WATER SERVICE/SEAT	\$0.26	\$0.34	\$0.41	\$0.45	\$0.46
LT MFG	WATER SERVICE/BLDG/1000	\$3.81	\$4.95	\$5.94	\$6.54	\$6.73
MFR/MULT	MFR MULTI ACCT PER PARCEL	\$16.03	\$20.84	\$25.01	\$27.51	\$28.33
MFR/SING	MFR SINGLE ACCT PER PARCEL	\$16.89	\$21.95	\$26.34	\$28.98	\$29.85
OPN AIR	WATER SERVICE/SEAT	\$0.16	\$0.21	\$0.25	\$0.28	\$0.28
PROF BLD	WATER SERVICE/BLDG/1000	\$14.14	\$18.39	\$22.06	\$24.27	\$25.00
REST IN	WATER SERVICE/SEAT	\$1.47	\$1.91	\$2.29	\$2.52	\$2.60
REST OUT	WATER SERVICE/BLDG/1000	\$14.14	\$18.39	\$22.06	\$24.27	\$25.00
SCHOOLS	WATER SERVICE/STUDENTS	\$1.13	\$1.47	\$1.76	\$1.94	\$2.00
SFR	MINIMUM WATER RATE	\$26.46	\$34.39	\$41.27	\$45.40	\$46.76
STRP/MAL	WATER SERVICE/BLDG/1000	\$11.78	\$15.31	\$18.37	\$20.21	\$20.82
WRHSE	WATER SERVICE/BLDG/1000	\$1.00	\$1.30	\$1.56	\$1.72	\$1.77

3.7 CUSTOMER IMPACTS

Bill distribution and customer impact analyses reflect the City's policies in terms of promoting the meeting of SB x7-7 targets and the principle of affordability for essential use. Figures 3-3 through 3-5 show the relative bill impact, by rate class of the new rates and rate structures.

Figure 3-6 shows the SFR customer impact of the new proposed rates versus current rates at various usage levels.

Figure 3-3: SFR Residential Impacts - \$ Change in Bill Amount

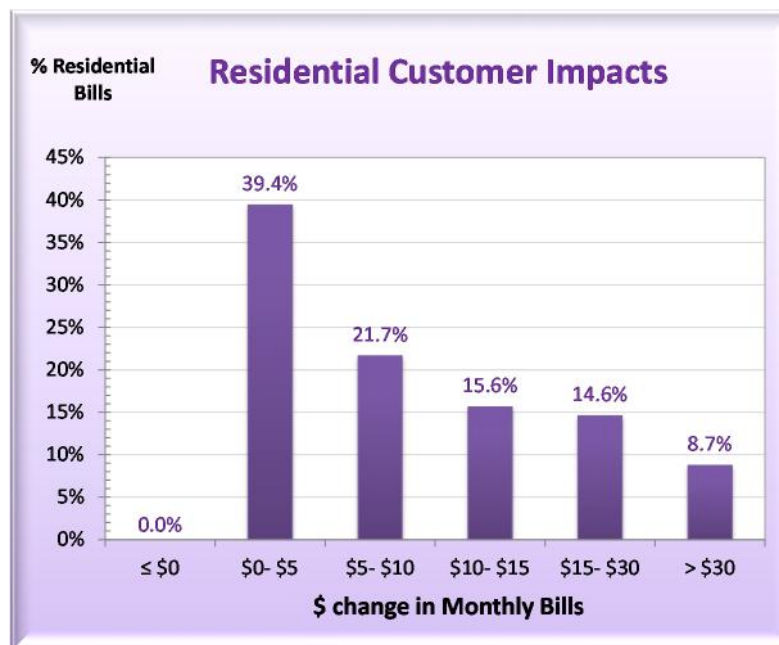


Figure 3-4: MFR Residential Impacts - \$ Change in Bill Amount

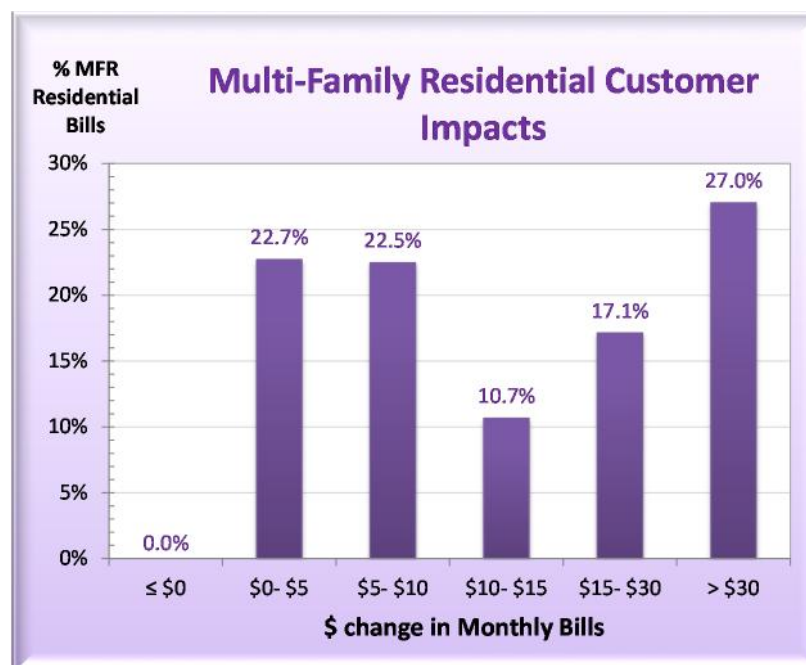
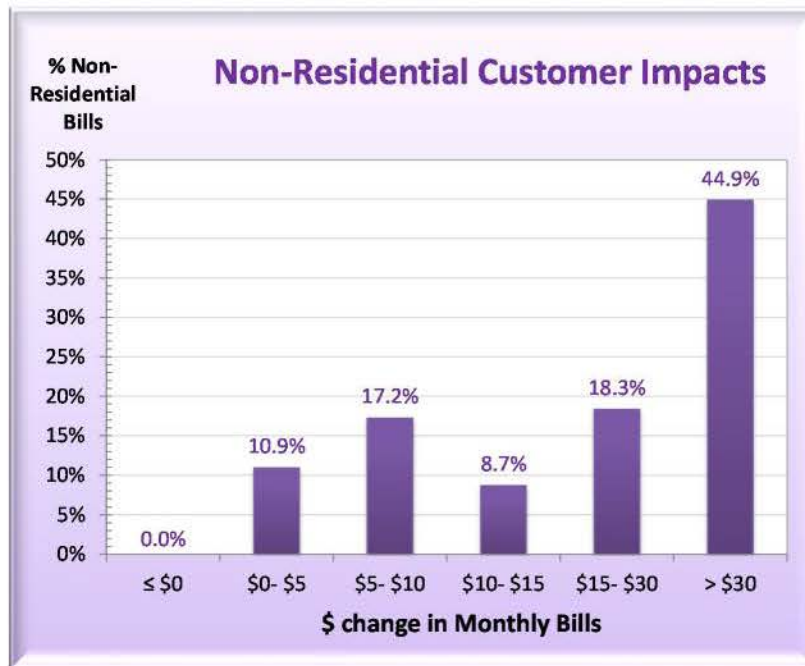


Figure 3-5: Non-Residential Impacts - \$ Change in Bill Amount



4. WASTEWATER SYSTEM – FINANCIAL PLAN

4.1 REVENUE REQUIREMENTS

A review of a utility's revenue requirements is a key step in the rate design process. The review involves analyses of annual operating revenues under the current rates, operation and maintenance (O&M) expenses, capital expenditures, transfers between funds, and reserve requirements. This section of the report provides a discussion on projected revenues, O&M and capital expenditures, the capital improvement financing plan, debt service requirements, and revenue adjustments required to ensure the fiscal sustainability of the City's Wastewater Enterprise.

4.1.1 Revenues from Current Rates

The current wastewater (WW) rate structure consists of a flat rate per account for residential customers and a flat rate plus a commodity rate for non-residential customers. Non-metered non-residential customers are charged a flat rate per unit. Current WW rates are shown in Tables 4-1 and 4-2.

Table 4-1: Current WW Monthly Flat (Base) Charges

Customer Class	FYE 2014/15 Flat Rate
SFR (per account)	\$26.51
MFR	
(per account)	\$1.11 ⁶
(per dwelling unit)	\$16.19
Non-Residential	
Metered (per account)	\$1.11
Non-Metered (various units)	See Appendix A

Table 4-2: Current WW Discharge Rates (\$ / ccf)

Non-Residential (Metered)	FYE 2014/15 Discharge Rate (\$/ccf) ⁷
Low Strength	\$1.12
Medium Strength	\$1.65
High Strength	\$2.93

⁶ The MFR flat rate per account is divided equally among all dwelling units in the complex and is in addition to the rate per dwelling unit.

⁷ There is a minimum non-residential charge of \$26.51 per account in FYE 2014/15.

4.1.1.1 Wastewater Service Demand

4.1.1.1.1 Wastewater Accounts

Table 4-3 shows that the majority of the City's WW accounts are residential customers (SFR and MFR). The City charges MFR residential customers by account (master meter) and per dwelling unit.

Table 4-3: Wastewater Accounts

Customer Class	Number of accounts
Single Family Residential	11,645
Multiple Family Residential	738
Non-Residential	813
Total	13,196

4.1.1.1.2 Wastewater Strength and Flow Assumptions

While revenue is recovered from residential users based on a flat rate per dwelling unit, metered non-residential customers pay a flat charge and a volume charge based on quantity (wastewater discharge/flow) and quality (strength concentration) of the wastewater contributed by these customers. Table 4-4 indicates the estimated wastewater flow for metered non-residential customers. The level of flow is assumed to remain flat throughout the forecast period.

Table 4-4: Metered Non-Residential Wastewater Flows

Description	Wastewater Flow
Single-Family Residential	1,410,842
Multiple Family Residential	244,913
Non-Res Metered	
CAR DLR & Dept/Ret	78,484
Game	550
GROC/MOR	20,262
HOSP/CON	15,059
HOTEL/WO	8,374
LIB/CHUR	4,208
Lt. Manufacturing	43,794
PROF BLD	58,809
RESTAURANT	24,271
SCHOOLS	46,835
STRP/MAL	6,783
WRHSE	35,461
Total	1,998,645

The projected revenues for the WW Enterprise, derived from current rates and service demand, are shown in Table 4-5.

Table 4-5: Projected Wastewater Revenues at current FYE 2014-15 Rates

	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
User Charges	\$5,861,340	\$5,861,340	\$5,861,340	\$5,861,340	\$5,861,340
Other Revenue	533,766	537,148	540,564	544,014	547,499
Total WW Revenues	\$6,395,106	\$6,398,488	\$6,401,904	\$6,405,354	\$6,408,839

4.1.2 O&M Expenses

O&M expenses include the costs of operating and maintaining the wastewater collection as well as other administrative costs such as customer service and billing. The City's FY 2014-15 budget values and the assumed inflation factors for the study period (as shown in Table 4-6) were used as the basis for projecting O&M costs. Table 4-7 summarizes projected O&M expenses for the WW enterprise.

Table 4-6: Inflation Factors

Key Factors	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
General	3%	3%	3%	3%	3%
Salary	5%	5%	5%	5%	5%
Benefits	5%	5%	5%	5%	5%
Capital	2%	2%	2%	2%	2%
Energy	5%	5%	5%	5%	5%

Table 4-7: Projected Wastewater O&M Expenses

	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Total Operating Expenses	\$4,219,606	\$4,346,195	\$4,476,580	\$4,610,878	\$4,749,204

4.1.3 Capital Improvement Plan and Asset R&R

The City has adopted a long-term capital improvement plan (CIP) to address future WW Enterprise needs. Table 4-8 shows a summary of the most recent 5-year CIP from the City. The WW Enterprise's future CIP is proposed to be funded on a pay-as-you-go (PAYGO) basis through proposed rate revenues and debt is not anticipated to be issued to fund the utility's capital plan over the five-year planning horizon .

Table 4-8: Wastewater Capital Expenditures

	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Deficiency / R&R	\$0	\$766,442	\$1,608,494	\$1,845,234	\$1,510,505

4.1.4 Debt Service Requirements

Table 4-9 shows the City's existing debt service. Debt service requirements consist of principal and interest payments on existing debt. The City currently has debt service obligations associated with two outstanding obligations, the Madera PFA Water and Wastewater Bonds and the IBank Loan, which are being used to make improvements to the City's wastewater system. Existing debt service annual payments are approximately \$2.7 million.

Table 4-9: Outstanding Debt Service

Outstanding Debt	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Amortization Expense	\$23,297	\$23,995	\$24,715	\$25,457	\$26,220
Bond 2006-Trustee Fees	\$5,665	\$5,835	\$6,010	\$6,190	\$6,376
Madera PFA Water & Wastewater Revenue Bonds, Series 2006	\$2,157,801	\$2,157,801	\$2,156,494	\$2,153,880	\$2,157,007
Loan Fees-IBank loan	\$27,084	\$27,896	\$28,733	\$29,595	\$30,483
Interest Expense-IBank loan	\$259,069	\$266,841	\$274,846	\$283,091	291,584
Principal Repayment-IBank loan	\$286,216	\$294,803	\$303,647	\$312,756	322,139
Total Debt Service	\$2,759,131	\$2,777,171	\$2,794,446	\$2,810,970	\$2,833,810

4.1.4.1 Debt Service Coverage

The City must meet debt service coverage requirements on its outstanding debt obligations. While the specific coverage requirements differ amongst the existing issuances, the City maintains its own coverage requirement of 1.20 (or 120%), which is sufficient to capture the different issuance requirements. This self-imposed requirement implies that the City's Adjusted Net System Revenues shall amount to at least 1.20 times its Annual Debt Service. The System Revenues include funds derived from the ownership and operation of the system including wastewater service charges from the City's users, property taxes, service charges, and interest income. Annual Debt Service includes annual principal and interest payments on outstanding debt.

4.1.5 Reserve Requirements

To ensure a strong financial outlook and credit rating, RFC recommends a few adjustments to the City's current reserve policy. Currently, the City has a combined unrestricted reserve account. The following is the recommended reserves to maintain for the Wastewater Enterprise Fund.

Operating Reserve

The operating reserve is used primarily to meet ongoing cash flow requirements. Given the City's monthly billing frequency, RFC recommends establishing an operating reserve target of 90-days of O&M expenses. A 90-day reserve ensures working capital to support the operation, maintenance and administration of the utility. Maintaining this level of reserves also provides liquid funds for the continued ongoing operations of the utility in the event of unforeseen costs or interruption with the utility or the monthly billing system.

Capital Reserve

Based on the expected cost of the City's future CIP expenditures, RFC recommends maintaining a minimum capital reserve at 100% of the Annual Depreciation of Capital Assets. Depreciation Value was used as the capital reserve target because the 5-yr annual average of capital expenses was less than the amount of depreciation of the utility's assets. Therefore, reaching a reserve that equals the value of depreciation ensures that the City is reinvesting back into the system to maintain the current level of service.

Collectively, total **minimum reserve targets** of the Wastewater Utility would equal approximately \$3.3M.

4.1.6 Financial Pro Forma at Current Rates

Table 4-10 displays a summary pro forma of the WW Enterprise's funds under current rates over the forecast period. All projections shown in the table are based on the current rate structure and do not include any revenue adjustments.

Under this scenario, projected revenues generated from rates and other miscellaneous revenues are less than the projected operating expenses of the WW Enterprise for FY 2015-16. As O&M costs increase through annual inflationary adjustments, current revenues cannot fully fund O&M, capital, and debt obligations without drawing down reserves each year. The City is also not currently meeting bond debt covenants. Commencing in FY 2015-16, reserves would need to cover a shortfall of approximately \$540,000. Without future revenue adjustments, the deficit, primarily driven by the existing debt and necessary capital expenditures, will continue to grow. The WW Enterprise will need to utilize reserves to cover the deficit each year, however, this is not sustainable as the reserves will be fully depleted within four years, which is not financially prudent given the potential for unexpected costs associated with risk factors, such as, facility failures and other operational interruptions. As mentioned above, the City has two debt obligations and corresponding bond covenants to fulfill on an annual basis. With current rate revenue, the City is not meeting, the required 120% bond coverage ratio.

In conclusion, the City will likely be unable to maintain fiscal sustainability and solvency under the current rates.

Table 4-10: WW Financial Plan Pro-forma at Current Rates

	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
City of Madera Sewer Cash Flows						
Total Revenues	\$6,391,757	\$6,395,106	\$6,398,488	\$6,401,904	\$6,405,354	\$6,408,839
Total Operating Expenditures	\$4,557,308	\$4,219,606	\$4,376,210	\$4,539,013	\$4,708,275	\$4,884,270
Net Revenues w/o Debt	\$1,889,711	\$2,220,030	\$2,068,144	\$1,910,133	\$1,745,738	\$1,574,688
Total Debt Service	2,741,617	2,759,131	2,777,171	2,794,446	2,810,970	2,833,810
Net Cash Flow	(\$851,905)	(\$539,102)	(\$709,027)	(\$884,312)	(\$1,065,232)	(\$1,259,122)
Ending Balances	\$7,207,613	\$6,728,624	\$5,306,205	\$2,850,894	(\$40,153)	(\$2,805,273)
Target Balances	\$3,421,898	\$3,337,472	\$3,376,623	\$3,417,324	\$3,459,640	\$3,503,638
Debt Coverage	87%	103%	96%	88%	81%	73%

4.2 RECOMMENDATIONS AND PROPOSED FINANCIAL PLAN

4.2.1 Proposed Revenue Adjustments

To ensure that the WW Enterprise will have adequate revenues to fund operating expenses, capital expenditures, and comply with its bond covenants, it is recommended that the City implement phased in revenue adjustments for FY 2015-16 through FY 2019-20. These proposed revenue adjustments would occur on July 1st for each year of the five years, commencing on July 1, 2015. The proposed revenue adjustments would enable the Enterprise to meet their debt service obligations as well as complete the planned capital projects for the Study period while establishing and maintaining adequate reserves. The proposed adjustments will also allow the City to maintain compliance with its bond covenant of 120% coverage through the planning horizon.

4.2.2 Proposed Financial Plan

A pro forma of the proposed revenue requirements is shown in Table 4-11 below (Appendix “C” provides a detailed summary of Table 4-11).

The proposed revenue requirements account for the City’s financial needs, meeting the target reserve balances, and achieving positive net revenues through the study period while addressing the City’s O&M and CIP needs. Additionally, the WW Enterprise will satisfy its debt reserve requirement of 120% in future years.

Table 4-11: Ten-Year WW Enterprise Proposed Financial Plan - Pro-forma

	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
City of Madera Sewer Cash Flows						
Total Revenues	\$6,391,757	\$6,922,627	\$7,501,006	\$8,131,169	\$8,893,680	\$9,732,131
Total Operating Expenditures	\$4,557,308	\$4,219,606	\$4,376,210	\$4,539,013	\$4,708,275	\$4,884,270
Net Revenues w/o Debt	\$1,889,711	\$2,747,550	\$3,170,662	\$3,639,399	\$4,234,064	\$4,897,980
Total Debt Service	2,741,617	2,759,131	2,777,171	2,794,446	2,810,970	2,833,810
Net Cash Flow	(\$851,905)	(\$11,581)	\$393,491	\$844,953	\$1,423,094	\$2,064,170
Ending Balances	\$7,207,613	\$7,256,915	\$6,941,317	\$6,227,638	\$5,851,194	\$6,456,087
Target Balances	\$3,421,898	\$3,337,472	\$3,376,623	\$3,417,324	\$3,459,640	\$3,503,638
Debt Coverage	87%	127%	147%	168%	196%	226%

4.2.3 Proposed Financial Outlook

The recommended revenue adjustments are only for the next five years and the figures below reflect FY 2015-16 through FY 2020-21. Figures 4-1, 4-2, 4-3 and 4-4 illustrate the projected five-year financial plan for the WW Enterprise. **Figure 4-1** displays the proposed and expected revenue adjustments through FY 2020-10. **Figure 4-2** illustrates the operating position of the WW Enterprise, where the expenses, inclusive of reserve funding, are shown by stacked bars and total revenues, at current rates and proposed rates, are shown by the horizontal trend lines. Proposed revenue is above the bars. **Figure 4-3** summarizes the projected CIP and its funding source of 100% PAYGO. **There is no debt shown because the proposed financial plan does not propose debt.** The ending total fund balance for the WW Enterprise – inclusive of both the operating and capital funds – is projected and shown in **Figure 4-4**, where the horizontal trend line indicates the target reserve balance as recommended by the reserve requirements discussed in Section 4.1.5.

Figure 4-1: Proposed and Expected WW Revenue Adjustments

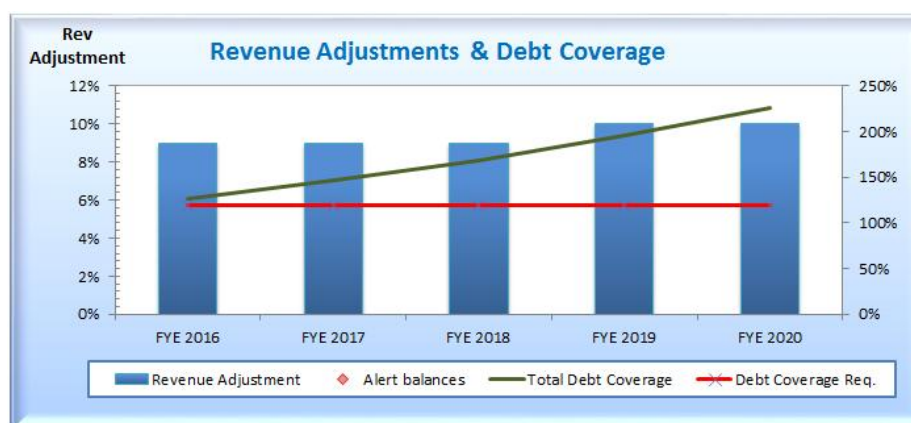


Figure 4-2: Proposed WW Operating Financial Plan

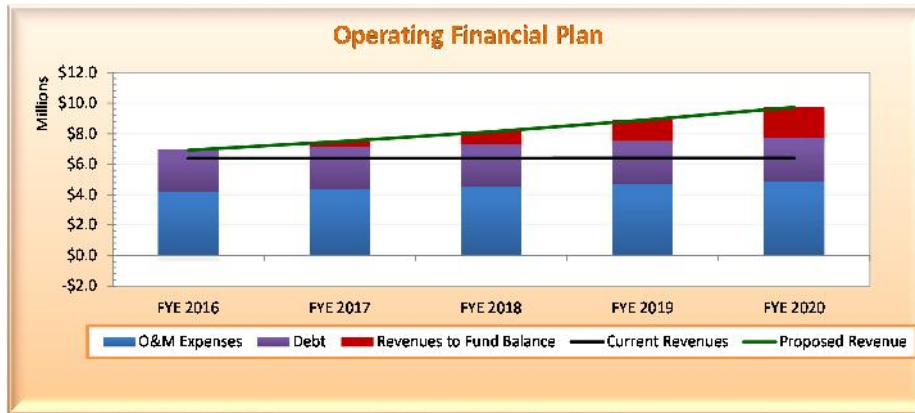


Figure 4-3: Projected CIP and Funding Sources for WW Enterprise Funds

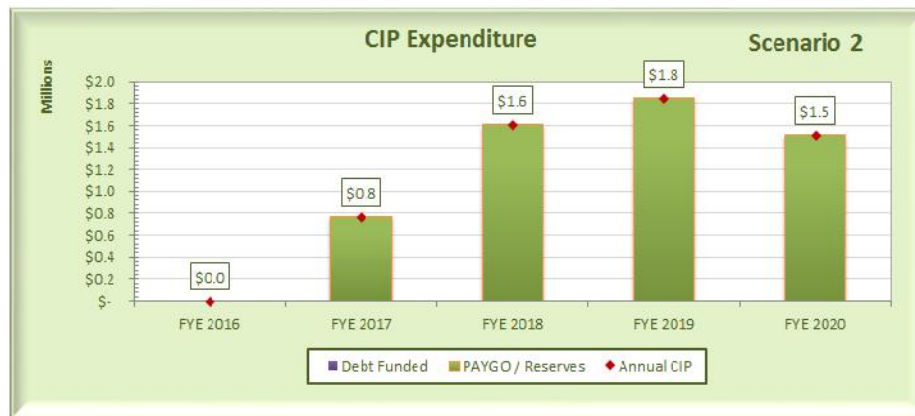
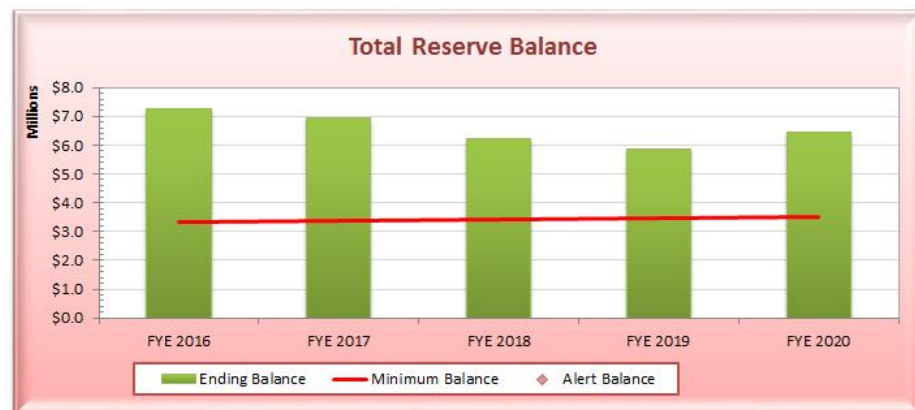


Figure 4-4: Projected Ending Balances for Water Enterprise Funds



5. WASTEWATER SYSTEM – COST OF SERVICE AND RATE DESIGN

5.1 COST OF SERVICE

Government Code Section 54999 requires agencies to perform a cost of service analysis at least once every ten years. A cost of service analysis involves allocating the annual revenue requirements determined by the financial plan to the City's customer classes based on their proportionate use of the wastewater system, and contributions to the cost of its operations.

As a part of this study, RFC performed a cost of service analysis for the City's Wastewater Enterprise. The cost of service analysis involves the following steps:

1. Determination of the total costs to be recovered from rates (cost of service)
2. Determination of the loadings for each customer class to ensure costs are proportionally allocated to each customer class.
3. Allocation of the cost of service to the loading components (parameters)- Customer, Flow, Biochemical Oxygen Demand (BOD), and Total Suspended Solids (TSS)
4. Calculation of unit costs for the four components and the costs to serve the different user classes based on their loadings
5. Determination of rates for each user class

This section of the report discusses the allocation of operating and capital costs to the Customer, Flow, BOD and TSS components, the determination of unit rates, and the calculation of user class cost responsibility.

5.1.1 Existing Strength Testing Method

The City's strength is characterized by BOD and TSS. Many agencies used biochemical oxygen demand, as the basis for strength measurements. The reason for this is that discharge permits from regulatory agencies are often defined on the basis of BOD and TSS. Treatment plants are therefore designed to treat BOS and TSS, and as a result, customers are also characterized by BOD and TSS.

5.1.2 Cost of Service to be Allocated

The annual revenue requirement or cost of service to be recovered from wastewater charges includes operation and maintenance expenses and existing debt service. O&M expenses include costs directly related to the collection, treatment, and disposal of wastewater and maintenance of system facilities. Annual debt service represents the principal and interest payments on the outstanding debt used to fund improvements to the City's wastewater system.

The total FYE 2016 net cost of service to be recovered from the City's wastewater users is estimated at nearly \$6.9 million, of which \$4.2 million are operating costs and the remaining \$2.7 million are net capital costs including debt service costs. It is important to note that the net capital costs are annualized costs. Capital project costs are not considered an annual expense, as they are typically one-time costs funded through specific reserves. Actual project expenditures may vary considerably between years, which can lead to inconsistent cost of service results. To mitigate this, RFC uses cash

reserves to fund part of the capital project costs. As part of the financial plan, RFC worked with City Staff to determine the level of reserves necessary to continue funding capital projects for the length of the Study period. Revenues in excess of expenses are placed in a reserve for future use. The cost of service analysis is based upon the need to generate annual revenues adequate to meet the estimated annual revenue requirement. As part of the cost of service analysis, revenues from other sources except wastewater rates and charges are deducted from the appropriate cost elements. Additional deductions are made to reflect interest income and other non-operating income during FYE 2016. Adjustments are also made to account for cash balances to ensure adequate collection of revenue as shown in the operating cash flow.

5.1.3 Cost Allocation to Wastewater Components

The four main cost allocation components are Customer Service, Wastewater Flow, BOD, and TSS. BOD and TSS constitute the strength components of the wastewater discharge. The percentages used to allocate the FY 2016 cost of service to the wastewater components are derived based on the design method of allocation described in the Water Environment Federation's Manual of Practice No. 27. Under the design method of allocations, costs are assigned based on the components which dictate the design of each process. The allocation of costs to the four components involves:

- Detailed breakdown of O&M and Capital costs by function
- Allocation of the functional costs to the wastewater components

The net cost of providing service is determined by the total revenue requirements of the enterprise. In a cost of service analysis, the total cost of service is proportionally allocated to customer classes based on services rendered, which takes into account the flow (Flow parameter) and strength of such wastewater (BOD and TSS parameters).

The design method of allocations process is the method used in determining percentage values for each parameter by which wastewater costs are assigned. This methodology involves breaking down O&M and capital expenditures by individual expenses, categorizing such expenses into functional cost categories and then allocating the functional cost categories.

In order to allocate costs of service to the different customer classes, unit costs of service were calculated for flow, strength parameters, and total Equivalent Dwelling Units (EDUs) for fixed costs. The unit costs of service are developed by dividing the total annual costs allocated to each parameter by the total annual loadings or number of accounts for the respective parameter (Discharge, BOD, TSS, and customer service).

Table 5-1 summarizes the revenue requirements, by function, for Fiscal Year 2015-16.

Table 5-1: Revenue Requirements by Function – FY 2015-2016

	Rate Revenue	Non-Metered Revenue	Metered Revenue	Variable			Fixed Customer Account
				Flow	BOD	TSS	
				22.8%	22.8%	15.0%	39.4%
				61.0%			39.0%
FYE 2016	\$6,388,861	\$755,610	\$5,633,250	\$1,283,856	\$1,283,856	\$847,026	\$2,218,512

5.1.4 Cost Allocations to Customer Classes

The next step in the cost of service is to further allocate the costs within each component to each customer class / category based on their proportional demand placed on the system.

In order to allocate costs of service to the different user classes, unit costs of service were developed for Flow, BOD, TSS, and customer service by dividing the total annual costs allocated to each component by the total annual loadings of the respective component

5.1.4.1 Wastewater Flow

RFC calculated the wastewater flow for each customer class and non-residential category. For the residential customer classes (SFR and MFR) the indoor needs of 65 gpcd (as identified in Section 3.3.1) was utilized to project the amount of total discharge from residential accounts or dwelling units. For residential customers, indoor usage reasonably estimates the wastewater discharge since the water being used indoors (showers, dishwashers, washing machines, toilets, etc) flows as wastewater (or discharge) into the wastewater system. The flow for SFR customers was calculated assuming a density of 3.8 persons per household whereas the flow for MFR customers was calculated assuming a density of 2.5 persons per household. As shown in Table 5-2, the total wastewater flow for SFR and MFR customers was 1,410,842 ccf and 244,913 ccf respectively.

Table 5-2: Total Residential Wastewater Flow

Single-Family Residential	
Accounts/DU	11,645
GPD	248
Total Gallons	1,055,380,528
Gallons per CCF	748.05
SFR WW Flow (ccf)	1,410,842
Multi-Family Residential	
DU	3,110
GPD	161
Total Gallons	183,207,534
Gallons per CCF	748.05
MFR WW Flow (ccf)	244,913

For those non-residential customers that had a metered water account, historical water consumption was analyzed to estimate the discharge by non-residential customer category.

Table 5-3 summarizes the wastewater flows by customer category and identifies each customer classes or categories relative share of the total wastewater discharge.

Table 5-3: Total Wastewater Flow by Customer Class

Description	Wastewater Flow	Allocation %
Single-Family Residential	1,410,842	70.59%
Multiple Family Residential	244,913	12.25%
Non-Res Metered		
CAR DLR & Dept/Ret	78,484	3.93%
Game	550	0.03%
GROC/MOR	20,262	1.01%
HOSP/CON	15,059	0.75%
HOTEL/WO	8,374	0.42%
LIB/CHUR	4,208	0.21%
Lt. Manufacturing	43,794	2.19%
PROF BLD	58,809	2.94%
RESTAURANT	24,271	1.21%
SCHOOLS	46,835	2.34%
STRP/MAL	6,783	0.34%
WRHSE	35,461	1.77%
Total	1,998,645	100.00%

Table 5-4 shows the \$1,283,856 of costs previously allocated to the wastewater flow component further allocated to each customer class or category.

Table 5-4: Wastewater Flow Component Cost Allocation by Customer Class

Description	Allocation %	FY 2016
Single-Family Residential	70.59%	\$ 906,274
Multiple Family Residential	12.25%	\$ 157,323
Non-Res Metered		
CAR DLR & Dept/Ret	3.93%	\$ 50,415
Game	0.03%	\$ 353
GROC/MOR	1.01%	\$ 13,016
HOSP/CON	0.75%	\$ 9,673
HOTEL/WO	0.42%	\$ 5,379
LIB/CHUR	0.21%	\$ 2,703
Lt. Manufacturing	2.19%	\$ 28,132
PROF BLD	2.94%	\$ 37,777
RESTAURANT	1.21%	\$ 15,591
SCHOOLS	2.34%	\$ 30,085
STRP/MAL	0.34%	\$ 4,357
WRHSE	1.77%	\$ 22,779
Total	100.00%	\$ 1,283,856

5.1.4.2 BOD

Next the loading for all customer classes was determined based on the City of Los Angeles and Sanitation Districts of Los Angeles County (LACSD)⁸ loading factors. LACSD factors are used by wastewater utilities statewide to approximate the respective loadings of a utility's customer classes, when large scale strength testing is either impractical or prohibitively expensive. The loading factor was applied to each customer classes estimated discharge (flow) in order to determine their proportional share of the BOD cost component. Table 5-5 summarizes the allocation by customer class.

Table 5-5: BOD Component Cost Allocation by Customer Class

Description	Allocation %	FY 2016
Single-Family Residential	65.16%	\$ 836,521
Multiple Family Residential	11.28%	\$ 144,818
Non-Res Metered		
SCAR DLR & Dept/Ret	3.36%	\$ 43,122
Game	0.04%	\$ 483
GROC/MOR	2.66%	\$ 34,137
HOSP/CON	0.64%	\$ 8,182
HOTEL/WO	0.36%	\$ 4,571
LIB/CHUR	0.17%	\$ 2,233
Lt. Manufacturing	3.97%	\$ 50,911
PROF BLD	2.49%	\$ 31,954
RESTAURANT	3.98%	\$ 51,156
SCHOOLS	2.07%	\$ 26,631
STRP/MAL	0.62%	\$ 7,911
WRHSE	3.21%	\$ 41,224
Total	100.00%	\$ 1,283,856

5.1.4.3 TSS

The TSS cost component was allocated using the same approach as the BOD component allocation and was also based on the LACSD factors. Table 5-6 summarizes the TSS component allocation by customer class.

Table 5-6: TSS Component Cost Allocation by Customer Class

Description	Allocation %	FY 2016
Single-Family Residential	66.55%	\$ 563,714
Multiple Family Residential	11.42%	\$ 96,752
Non-Res Metered		
SCAR DLR & Dept/Ret	3.72%	\$ 31,528
Game	0.06%	\$ 484
GROC/MOR	2.81%	\$ 23,784
HOSP/CON	0.71%	\$ 6,010
HOTEL/WO	0.39%	\$ 3,303
LIB/CHUR	0.19%	\$ 1,630
Lt. Manufacturing	3.28%	\$ 27,760
PROF BLD	2.75%	\$ 23,298
RESTAURANT	2.52%	\$ 21,368
SCHOOLS	2.43%	\$ 20,616
STRP/MAL	0.51%	\$ 4,299
WRHSE	2.65%	\$ 22,478
Total	100.00%	\$ 847,026

⁸ See Appendix D for loading factors.

5.1.4.4 Customer Service / Accounts

All fixed costs were allocated to the customer service component which were then allocated equally over each account or dwelling unit. Customer classes with more accounts received a larger portion of the customer service costs. This is reasonable since every account has access to customer services and each account receives a bill, irrespective of the demand such accounts place on the system. Table 5-7 summarizes the allocation of customer service costs to each customer class or category.

Table 5-7: Customer Service Component Cost Allocation by Customer Class

Description	Allocation %	FY 2016
Single-Family Residential	83.33%	\$ 1,848,760
Multiple Family Residential	14.51%	\$ 321,965
Non-Res Metered		
SCAR DLR & Dept/Ret	0.94%	\$ 20,956
Game	0.02%	\$ 476
GROC/MOR	0.08%	\$ 1,746
HOSP/CON	0.04%	\$ 953
HOTEL/WO	0.02%	\$ 476
LIB/CHUR	0.06%	\$ 1,270
Lt. Manufacturing	0.14%	\$ 3,175
PROF BLD	0.34%	\$ 7,620
RESTAURANT	0.21%	\$ 4,763
SCHOOLS	0.07%	\$ 1,588
STRP/MAL	0.05%	\$ 1,111
WRHSE	0.16%	\$ 3,651
Total	100.00%	\$ 2,218,512

5.1.4.5 Customer Class Allocation Summary

The allocations of costs between customer classes is summarized in Table 5-8. Table 5-8 indicates the proportionate share of costs allocated to each customer class, which will be recovered via the rates designed for that class.

Table 5-8: Customer Class Allocations

Description	WW Flow Allocation	BOD Allocation	TSS Allocation	Customer Service Allocation	Total Revenue Requirements
Single-Family Residential	\$ 906,274	\$ 836,521	\$ 563,714	\$ 1,848,760	\$ 4,155,269
Multiple Family Residential	\$ 157,323	\$ 144,818	\$ 96,752	\$ 321,965	\$ 720,858
Non-Res Metered					
SCAR DLR & Dept/Ret	\$ 50,415	\$ 43,122	\$ 31,528	\$ 20,956	\$ 146,021
Game	\$ 353	\$ 483	\$ 484	\$ 476	\$ 1,796
GROC/MOR	\$ 13,016	\$ 34,137	\$ 23,784	\$ 1,746	\$ 72,683
HOSP/CON	\$ 9,673	\$ 8,182	\$ 6,010	\$ 953	\$ 24,818
HOTEL/WO	\$ 5,379	\$ 4,571	\$ 3,303	\$ 476	\$ 13,729
LIB/CHUR	\$ 2,703	\$ 2,233	\$ 1,630	\$ 1,270	\$ 7,836
Lt. Manufacturing	\$ 28,132	\$ 50,911	\$ 27,760	\$ 3,175	\$ 109,978
PROF BLD	\$ 37,777	\$ 31,954	\$ 23,298	\$ 7,620	\$ 100,649
RESTAURANT	\$ 15,591	\$ 51,156	\$ 21,368	\$ 4,763	\$ 92,878
SCHOOLS	\$ 30,085	\$ 26,631	\$ 20,616	\$ 1,588	\$ 78,920
STRP/MAL	\$ 4,357	\$ 7,911	\$ 4,299	\$ 1,111	\$ 17,678
WRHSE	\$ 22,779	\$ 41,224	\$ 22,478	\$ 3,651	\$ 90,132
Total	\$ 1,283,856	\$ 1,283,856	\$ 847,026	\$ 2,218,512	\$ 5,633,250

5.2 PROPOSED RATE STRUCTURE

The final step in the rate process is to determine the rates for each customer class. As mentioned above, the proposed rate structure consists of a monthly flat rate for residential customers, a monthly customer service charge plus a per ccf discharge rate for metered non-residential customers, and maintaining the current structure of a monthly flat rate for non-metered non-residential customers.

5.2.1 Single-Family Residential Monthly Charge

The single-family residential flat rate was determined by summing all of the costs allocated to the class and dividing by the number of single-family residential units, as shown in Table 5-9.

Table 5-9: SFR Monthly WW Rate

Description	FYE 2016
Flow Related Costs	\$ 906,274
Bio-Chemical Oxygen Demand (BOD) Costs	836,521
Suspendable Solids (SS) Costs	563,714
Customer Service Costs	1,848,760
Residential EDUs	11,645
Monthly Charge	29.74

5.2.2 Multi-Family Residential Monthly Charge

The multi-family residential flat rate was determined by summing all of the costs allocated to the class and dividing by the number of multi-family residential units, as shown in Table 5-10.

Table 5-10: MFR Monthly WW Rate

Description	FYE 2016
Flow Related Costs	\$ 157,323
Bio-Chemical Oxygen Demand (BOD) Costs	144,818
Suspendable Solids (SS) Costs	96,752
Customer Service Costs	321,965
Residential EDUs	3,110
Monthly Charge	19.32

5.2.3 Metered Non-Residential Rates

5.2.3.1 Non-Residential Monthly Customer Service Charge

The non-residential monthly customer service charge was determined by dividing the customer service allocation to non-residential customer by the total number of accounts (EDU's), as shown in Table 5-11.

Table 5-11: Non-Residential Monthly Service Charge

Description	FYE 2016
Annual Customer Service Allocation	\$ 47,787
Total Customer EDUs	301
Customer Service Charge (Monthly)	\$ 13.23

5.2.3.2 Non-Residential Discharge Rates (\$/ccf)

The non-residential discharge rates were determined by summing the flow, BOD, and TSS costs for each non-residential category and dividing by the projected discharge for that category. Tables 5-12 through 5-23 show this calculation for each of the 12 categories.

Table 5-12: “CAR DLR & Dept/Ret” Discharge Rate

Description		FYE 2016
Flow Related Costs	\$	50,415
Bio-Chemical Oxygen Demand (BOD) Costs	\$	43,122
Suspendable Solids (SS) Costs	\$	31,528
Projected Discharge		78,484
Cost per Unit of Flow	\$	1.60

Table 5-13: “Game” Discharge Rate

Description		FYE 2016
Flow Related Costs	\$	353
Bio-Chemical Oxygen Demand (BOD) Costs	\$	483
Suspendable Solids (SS) Costs	\$	484
Projected Discharge		550
Cost per Unit of Flow	\$	2.41

Table 5-14: “Groc/Mor” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 13,016
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 34,137
Suspendable Solids (SS) Costs	\$ 23,784
Projected Discharge	20,262
Cost per Unit of Flow	\$ 3.51

Table 5-15: “Hosp/Con” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 9,673
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 8,182
Suspendable Solids (SS) Costs	\$ 6,010
Projected Discharge	15,059
Cost per Unit of Flow	\$ 1.59

Table 5-16: “Hotel/W” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 5,379
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 4,571
Suspendable Solids (SS) Costs	\$ 3,303
Projected Discharge	8,374
Cost per Unit of Flow	\$ 1.59

Table 5-17: “Lib/Chur” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 2,703
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 2,233
Suspendable Solids (SS) Costs	\$ 1,630
Projected Discharge	4,208
Cost per Unit of Flow	\$ 1.57

Table 5-18: “Lt. Manufacturing” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 28,132
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 50,911
Suspendable Solids (SS) Costs	\$ 27,760
Projected Discharge	43,794
Cost per Unit of Flow	\$ 2.44

Table 5-19: “Prof Bld” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 37,777
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 31,954
Suspendable Solids (SS) Costs	\$ 23,298
Projected Discharge	58,809
Cost per Unit of Flow	\$ 1.59

Table 5-20: “Rest In” Discharge Rate

Description	FY 2016
Flow Related Costs	\$ 15,591
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 51,156
Suspendable Solids (SS) Costs	\$ 21,368
Projected Discharge	24,271
Cost per Unit of Flow	\$ 3.64

Table 5-21: “Schools” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 30,085
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 26,631
Suspendable Solids (SS) Costs	\$ 20,616
Projected Discharge	46,835
Cost per Unit of Flow	\$ 1.66

Table 5-22: “Strp Mal” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 4,357
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 7,911
Suspendable Solids (SS) Costs	\$ 4,299
Projected Discharge	6,783
Cost per Unit of Flow	\$ 2.45

Table 5-23: “Wrhse” Discharge Rate

Description	FYE 2016
Flow Related Costs	\$ 22,779
Bio-Chemical Oxygen Demand (BOD) Costs	\$ 41,224
Suspendable Solids (SS) Costs	\$ 22,478
Projected Discharge	35,461
Cost per Unit of Flow	\$ 2.44

5.2.3.3 Rate Summary

Table 5-24 shows five years of proposed rates by customer class.

Table 5-24: Metered Residential and Non-Residential Monthly Rates

Residential Flat Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Monthly Fixed Charge	\$29.74	\$32.42	\$35.33	\$38.87	\$42.75

Multi-Residential Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Monthly Fixed Charge	\$19.32	\$21.06	\$22.95	\$25.25	\$27.77

Non-Residential Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Monthly Fixed Service Charge	\$13.23	\$14.43	\$15.72	\$17.30	\$19.02

Non-Residential Discharge Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
CAR DLR & Dept/Ret	\$1.60	\$1.74	\$1.90	\$2.09	\$2.30
Game	\$2.41	\$2.62	\$2.86	\$3.14	\$3.46
GROC/MOR	\$3.51	\$3.82	\$4.16	\$4.58	\$5.04
HOSP/CON	\$1.59	\$1.73	\$1.89	\$2.08	\$2.28
HOTEL/WO	\$1.59	\$1.73	\$1.89	\$2.07	\$2.28
LIB/CHUR	\$1.57	\$1.71	\$1.86	\$2.04	\$2.25
Lt. Manufacturing	\$2.44	\$2.66	\$2.90	\$3.19	\$3.51
PROF BLD	\$1.59	\$1.73	\$1.88	\$2.07	\$2.28
RESTAURANT	\$3.64	\$3.96	\$4.32	\$4.75	\$5.22
SCHOOLS	\$1.66	\$1.80	\$1.97	\$2.16	\$2.38
STRP/MAL	\$2.45	\$2.67	\$2.91	\$3.20	\$3.52
WRHSE	\$2.44	\$2.66	\$2.90	\$3.19	\$3.51

High Industrial Users ¹	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Rate per MG of FLOW	\$ 858.72	\$ 936.01	\$ 1,020.25	\$ 1,122.27	\$ 1,234.50
Rate per 1,000 lbs of BOD	\$ 290.00	\$ 310.00	\$ 340.00	\$ 370.00	\$ 410.00
Rate per 1,000 lbs of TSS	\$ 240.00	\$ 260.00	\$ 280.00	\$ 310.00	\$ 340.00

1. The City currently does not have high industrial users, however these will be the applicable charges.

5.2.4 Non-Metered Non-Residential Flat Rates

The City also has a number of accounts that are currently non-metered with approximately 509 Non-Residential accounts. The City's current billing method will remain intact, which varies based on type of account; however, the rates will be increased based on the five-year revenue requirements. As such, non-metered accounts will continue to recover approximately 12% of total revenue. Once these accounts are metered, their rates will be charged based on actual usage and the size of installed meter and the revenue generated by non-metered accounts will decrease as meter conversions occur. Table 5-24 shows five years of proposed flat monthly rates for each non-metered non-residential customer category.

Table 5-25: Non-Metered Non-Residential Flat Monthly Rates by Category

Non-Metered Non-Residential Sewer Flat Rates		Units	Current Rates	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
CAR DLR and Dept/Ret	SEWER USE/BLDG/1000		\$12.13	\$13.22	\$14.41	\$15.71	\$17.28	\$19.01
CAR SERV	SEWER USE/BAYS		\$10.50	\$11.45	\$12.48	\$13.60	\$14.96	\$16.45
GAME	SEWER USE/BLDG/1000		\$36.78	\$40.09	\$43.70	\$47.63	\$52.39	\$57.63
GROC/MOR	SEWER USE/BLDG/1000		\$21.57	\$23.51	\$25.63	\$27.93	\$30.73	\$33.80
HOSP/CON	SEWER USE/BEDS		\$10.10	\$11.01	\$12.00	\$13.08	\$14.39	\$15.83
HOTEL/W	SEWER USE/ROOMS		\$22.43	\$24.45	\$26.65	\$29.05	\$31.95	\$35.15
HOTEL/WO	SEWER USE/ROOMS		\$13.14	\$14.32	\$15.61	\$17.02	\$18.72	\$20.59
LIB/CHUR	SEWER USE/SEATING		\$0.32	\$0.35	\$0.38	\$0.41	\$0.46	\$0.50
OPN/AIR	SEWER USE/SEATING		\$0.08	\$0.09	\$0.09	\$0.10	\$0.11	\$0.12
PROF BLD	SEWER USE/BLDG/1000		\$24.26	\$26.44	\$28.82	\$31.42	\$34.56	\$38.02
REST IN	SEWER USE/SEATING		\$4.48	\$4.88	\$5.32	\$5.80	\$6.38	\$7.02
REST OUT	SEWER USE/BLDG/1000		\$44.81	\$48.84	\$53.24	\$58.03	\$63.83	\$70.22
SCHOOLS	SEWER USE/STUDENTS		\$1.01	\$1.10	\$1.20	\$1.31	\$1.44	\$1.58
STRP/MAL	SEWER USE/BLDG/1000		\$26.27	\$28.63	\$31.21	\$34.02	\$37.42	\$41.16
WRHSE	SEWER USE/BLDG/1000		\$1.63	\$1.78	\$1.94	\$2.11	\$2.32	\$2.55

APPENDIX A – NON-METERED CURRENT RATES

Non-Metered		
Non-Residential Sewer Flat Rates	Units	Current Rates
CAR DLR and Dept/Ret	SEWER USE/BLDG/1000	\$12.13
CAR SERV	SEWER USE/BAYS	\$10.50
GAME	SEWER USE/BLDG/1000	\$36.78
GROC/MOR	SEWER USE/BLDG/1000	\$21.57
HOSP/CON	SEWER USE/BEDS	\$10.10
HOTEL/W	SEWER USE/ROOMS	\$22.43
HOTEL/WO	SEWER USE/ROOMS	\$13.14
LIB/CHUR	SEWER USE/SEATING	\$0.32
OPN/AIR	SEWER USE/SEATING	\$0.08
PROF BLD	SEWER USE/BLDG/1000	\$24.26
REST IN	SEWER USE/SEATING	\$4.48
REST OUT	SEWER USE/BLDG/1000	\$44.81
SCHOOLS	SEWER USE/STUDENTS	\$1.01
STRP/MAL	SEWER USE/BLDG/1000	\$26.27
WRHSE	SEWER USE/BLDG/1000	\$1.63

APPENDIX B – DETAILED CIP

Project #	Water System Improvements - Scenario 3			FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024
W-06	System Upgrades, H St to Madera Ave	Expansion	\$265,000		\$0	\$0	\$10,000	\$255,000				
W-08	Water Main Upgrades - 10th St.	Expansion	\$780,000		\$0	\$0	\$10,000	\$770,000				
W-09	System Upgrade - River Crossing @ Gateway	Expansion	\$205,000	\$20,000	\$185,000							
W-17	Well #27 - Pipeline Outfall Ext., Almond/Winery	Expansion	\$575,000	\$0	\$45,000	\$530,000						
W-03	Water Main Upgrades - Locations 1-12	Expansion	\$850,000			\$850,000						
W-26	Water Tower Demolition	Deficiency/R&R	\$300,000		\$35,000	\$265,000						
W-22	Water Tower Recoating	Deficiency/R&R	\$500,000		\$1,500,000							
W-20	Replace pumps at well No. 28 at Story & Tozer Road	Deficiency/R&R	\$500,000			\$500,000						
W-04	Water Main Upgrades - Locations 13-23	Expansion	\$1,500,000			\$1,500,000						
Master Plan Recommendations												
FF-1	Maple St Pipe - From Pine St to Noble St	Deficiency/R&R	\$53,713	\$0	\$53,713							
FF-2	Rotan Ave Pipe - From Howard Rd to Plumas St	Deficiency/R&R	\$40,149	\$0	\$40,149							
FF-3	Plumas St Pipe From Rotan Ave approx 330 ft west	Deficiency/R&R	\$17,904	\$0	\$17,904							
FF-4	Olive Ave Pipe From Pine St to Noble St	Deficiency/R&R	\$53,671	\$0	\$53,671							
PNW-29	Pipe Aviation Dr Crossing Airport Dr to connect 12-inch lines	Deficiency/R&R	\$6,617	\$0					\$6,617			
PNW-30	Pipe Aviation Dr Connect existing 12-inch lines in Aviation Dr near Falcon Dr	Deficiency/R&R	\$12,499	\$0					\$12,499			
PSW-45	Pipe, Almond Ave, From Pine St to Stadium Rd	Deficiency/R&R	\$276,000					\$0	\$44,000	\$94,000		
PSW-50	Pipe, Pecan Ave, From approx 480 ft w/o Monterey St to Monterey St	Deficiency/R&R	\$35,290	\$10,587								
PSE-3	Pipe, Pecan Ave, From Madera Ave to approx 760 ft e/o Madera Ave	Deficiency/R&R	\$55,876						\$50,283			
GW-1	Well, Well No. 37, Granada n/o Cleveland	Deficiency/R&R	\$1,012,000	\$1,012,000								
GW-2	Well, Well No. 35, Ellis St approx 970 ft w/o Chapin St	Deficiency/R&R	\$2,011,000	\$0	\$0			\$500,000	\$1,511,000			
GW-3	Well, Well No. 36, Hwy 145 and Indigo Dr	Deficiency/R&R	\$2,011,000			\$120,660						
	Study of Local Hydrology and Well Performance Issues (AECOM)	Deficiency/R&R	\$20,000	\$20,000								
	Retrofit of 4 wells with Variable Frequency Drives	Deficiency/R&R	\$160,000	\$160,000								
T-1	Above Ground Storage 7 MG Tank at Ave. 17 & RD. 27	Deficiency/R&R	\$9,648,493		\$288,630	\$226,781	\$147,260	\$5,943,425	\$3,042,397			
PS-1	Pump Station for Tank at Ave. 17 & Road 27	Deficiency/R&R	\$6,731,507		\$201,370	\$158,219	\$102,740	\$4,146,575	\$2,122,603			
PNE-4	Pipe, Lake Street (Road 27) 24" from Ellis to Avenue 17	Deficiency/R&R	\$700,000		\$0	\$60,000	\$25,000	\$615,000				
PNE-3	12" Lake Martin to Avenue 17	Deficiency/R&R	\$93,357	\$0	\$0	\$9,336	\$3,734	\$80,287				
	Water Distribution System Condition Assessment Study	Deficiency/R&R	\$300,000	\$300,000								
	Sycamore 7th to Clinton replace 2" Galvanized line. 500 feet	Deficiency/R&R	\$75,000	\$0	\$75,000							
	Valve replacement Down town area 26 valves	Deficiency/R&R	\$130,000	\$0	\$130,000							
	Fourth & Gateway Valve replacement and 12" line to Well 22	Deficiency/R&R	\$250,000					\$30,000	\$220,000			
	Meter Shop	Deficiency/R&R	\$300,000		\$50,000	\$250,000						
	Average Annual R&R CIP	Deficiency/R&R			\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
	Water Feasibility Project - New Water Supply	Deficiency/R&R		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Total Scenario 3 CIP				\$1,672,587	\$4,825,437	\$6,619,996	\$2,448,734	\$14,490,287	\$11,159,399	\$4,244,000	\$4,150,000	\$4,150,000
Sewer System Improvements - Scenario 2				FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024
	Sewer Main, Manhole Covers	Deficiency/R&R			\$10,000							
	Schnoor Ave. Trunk Sewer System	Deficiency/R&R			\$40,000	\$565,000						
	Pipe, Wessmith Way, 190ft e/o Lake St (Road 27) to Lake St (Road 27)	Deficiency/R&R	45600		\$24,219							
	Pipe, Sherwood Way, Lake St (Road 27) to 220ft w/o Nebraska Ave	Deficiency/R&R	\$463,200		\$246,016							
	Lift Station, Fairgrounds Lift Station Pump Capacity Upgrade	Deficiency/R&R	\$450,000		\$288,000							
	WWTP Name Plate Deficiencies - Influent Lift Station Expansion	Deficiency/R&R	\$2,600,000			\$0	\$0					
	WWTP Name Plate Deficiencies - Sludge Thickener Class B solids	Deficiency/R&R	\$3,500,000					\$200,000	\$3,300,000			
	Airport Lift Station replacement of pumps	Deficiency/R&R	\$150,000			\$20,000	\$130,000					
	Mainberry between Howard & Sunset Relocate. 2,800 feet	Deficiency/R&R	\$420,000			\$20,000	\$400,000					
	Doubletree between Westberry & Liberty Lane Replace laterals 700 Feet	Deficiency/R&R	\$50,000			\$50,000						
	Sewer System Condition Assessment and Rehabilitation Program	Deficiency/R&R	\$320,000		\$114,000	\$218,000						
	Sewer line Video Inspection Services	Deficiency/R&R	613000			\$613,000						
	Annual Depreciation Repair	Deficiency/R&R	3423855				\$1,141,285	\$1,141,285	\$1,141,285	\$2,282,571	\$2,282,571	\$2,282,571
				\$0	\$722,235	\$1,486,000	\$1,671,285	\$1,341,285	\$4,441,285	\$2,282,571	\$2,282,571	\$2,282,571

APPENDIX C - FINANCIAL PRO FORMA

Water Enterprise Fund			FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Revenues							
Revenues from Current Rates			\$5,322,286	\$5,322,286	\$5,322,286	\$5,322,286	\$5,322,286
Base Rate User Charges			1,487,109	1,487,109	1,487,109	1,487,109	1,487,109
Flat Rate User Charges			969,301	969,301	969,301	969,301	969,301
Commodity User Charges			2,865,876	2,865,876	2,865,876	2,865,876	2,865,876
Revenue Adjustments							
	%	Months					
FYE 2016	30.0%	August	\$1,463,629	\$1,596,686	\$1,596,686	\$1,596,686	\$1,596,686
FYE 2017	30.0%	July		\$2,075,692	\$2,075,692	\$2,075,692	\$2,075,692
FYE 2018	20.0%	July			\$1,798,933	\$1,798,933	\$1,798,933
FYE 2019	10.0%	July				\$1,079,360	\$1,079,360
FYE 2020	3.0%	July					\$356,189
FYE 2021	4.0%	July					
FYE 2022	4.0%	July					
FYE 2023	4.0%	July					
FYE 2024	4.0%	July					
			\$1,463,629	\$3,672,377	\$5,471,310	\$6,550,670	\$6,906,858
Revenues							
Total Revenue from Rates			\$6,785,915	\$8,994,663	\$10,793,596	\$11,872,956	\$12,229,144
Other Revenues			\$171,115	\$172,826	\$174,554	\$176,300	\$178,063
Total Revenues			\$6,957,029	\$9,167,489	\$10,968,150	\$12,049,255	\$12,407,207
O&M Expenditures							
Dept 709: Water Utility - Billing/Collections			\$684,556	\$685,327	\$686,121	\$686,939	\$687,782
Dept 711: Water Utility - Maint./Ops.			3,655,748	3,807,888	3,966,731	4,132,585	4,305,773
Dept 713: Water Utility - Quality Control			873,516	908,968	945,947	984,520	1,024,760
Total Operating Expenditures			\$5,213,821	\$5,402,184	\$5,598,799	\$5,804,044	\$6,018,315
Net Revenues w/o Debt			\$1,743,209	\$3,765,305	\$5,369,351	\$6,245,211	\$6,388,892
New Debt							
Proposed Debt Issue			\$0	\$0	\$0	\$0	\$27,272,727
Debt Proceeds			\$0	\$0	\$0	\$0	\$24,000,000
Debt Service							
Bond Trustee Fees			\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Amortization Expense - 2006 bond			\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Madera PFA Water & Wastewater Revenue B			\$153,862	\$153,769	\$153,583	\$153,806	\$153,568
Madera PFA Water Revenue Bonds, Series 2C			\$781,113	\$779,513	\$782,513	\$778,063	\$783,463
Bond Trustee Fees			\$3,700	\$3,700	\$3,700	\$3,700	\$3,700
Amortization Expense-2010 bond			\$15,400	\$15,400	\$15,400	\$15,400	\$15,400
Proposed Debt Issue			\$0	\$0	\$0	\$0	\$1,774,130
Total Debt Service			\$958,775	\$957,082	\$959,895	\$955,668	\$2,734,961
Capital Expenditures							
Repair & Replacement Costs			\$1,719,352	\$4,876,715	\$4,048,292	\$2,681,519	\$15,164,100
NET CASH FLOWS			\$784,434	\$2,808,224	\$4,409,456	\$5,289,543	\$3,653,931
BEGINNING BALANCES			\$6,791,393	\$5,901,354	\$3,857,011	\$4,245,660	\$6,906,985
Plus: Debt Proceeds			\$0	\$0	\$0	\$0	\$24,000,000
Plus: Interest Earnings			\$44,878	\$24,148	\$27,485	\$53,301	\$0
Less: R&R CIP			\$1,719,352	\$4,876,715	\$4,048,292	\$2,681,519	\$15,164,100
ENDING BALANCES			\$5,901,354	\$3,857,011	\$4,245,660	\$6,906,985	\$19,396,816
TARGET BALANCES			\$8,188,225	\$8,235,316	\$8,284,470	\$8,335,781	\$8,389,348
Coverage Target			120%	120%	120%	120%	120%
Debt Coverage			182%	393%	559%	653%	234%

Sewer Cash Flows				FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020
Revenues								
Revenues under Existing Rates				\$5,861,340	\$5,861,340	\$5,861,340	\$5,861,340	\$5,861,340
Revenue Adjustments								
Year	%	Months						
FY 2016	9.0%	August	11	483,561	527,521	527,521	527,521	527,521
FY 2017	9.0%	July	12		574,997	574,997	574,997	574,997
FY 2018	9.0%	July	12			626,747	626,747	626,747
FY 2019	10.0%	July	12				759,061	759,061
FY 2020	10.0%	July	12					834,967
FY 2021	5.0%	July	12					
FY 2022	5.0%	July	12					
FY 2023	4.0%	July	12					
FY 2024	4.0%	July	12					
Total Revenue Adjustments:				\$483,561	\$1,102,518	\$1,729,265	\$2,488,326	\$3,323,292
Revenues								
Total Revenue from Rates				\$6,344,901	\$6,963,858	\$7,590,605	\$8,349,666	\$9,184,632
Other Revenues				533,766	537,148	540,564	544,014	547,499
Total Revenues				\$6,878,666	\$7,501,006	\$8,131,169	\$8,893,680	\$9,732,131
Expenditures								
Dept : Undesignated Activity				-	-	-	-	-
Dept 502: Sewer Utility - Finance Department				329,430	339,313	349,492	359,977	370,776
Dept 508: Sewer Utility - Maint./Ops.				1,424,300	1,482,246	1,542,690	1,605,747	1,671,534
Dept 509: Sewer Utility - W.W.T.P.				2,421,346	2,508,785	2,599,588	2,693,892	2,791,840
Dept 510: Sewer Utility - Billing/Collections				0	0	0	0	0
Dept 511: Sewer Utility- Capital Outlay				44,530	45,866	47,242	48,659	50,119
Total Operating Expenditures				\$4,219,606	\$4,376,210	\$4,539,013	\$4,708,275	\$4,884,270
Net Revenues w/o Debt				\$2,747,550	\$3,170,662	\$3,639,399	\$4,234,064	\$4,897,980
Debt Service								
Amortization Expense				23,297	23,995	24,715	25,457	26,220
Bond 2006-Trustee Fees				5,665	5,835	6,010	6,190	6,376
Madera PFA Water & Wastewater Revenue Bonds, Series 2006				\$2,157,801	\$2,157,801	\$2,156,494	\$2,153,880	\$2,157,007
Loan Fees-IBank loan				27,084	27,896	28,733	29,595	30,483
Interest Expense-IBank loan				259,069	266,841	274,846	283,091	291,584
Principal Repayment-IBank loan				286,216	294,803	303,647	312,756	322,139
Proposed Debt Issue				-	-	-	-	-
Total Debt Service				2,759,131	2,777,171	2,794,446	2,810,970	2,833,810
Capital Expenditures								
Repair & Replacement Costs				\$0	\$766,442	\$1,608,494	\$1,845,234	\$1,510,505
Net Cash Flow				(\$11,581)	\$393,491	\$844,953	\$1,423,094	\$2,064,170
Beginning Balances				\$7,207,613	\$7,256,915	\$6,941,317	\$6,227,638	\$5,851,194
Plus: Debt Proceeds				\$0	\$0	\$0	\$0	\$0
Plus: Interest Earnings				\$60,884	\$57,352	\$49,863	\$45,696	\$51,227
Less: R&R CIP				0	766,442	1,608,494	1,845,234	1,510,505
Ending Balances				\$7,256,915	\$6,941,317	\$6,227,638	\$5,851,194	\$6,456,087
Target Balances				\$3,337,472	\$3,376,623	\$3,417,324	\$3,459,640	\$3,503,638
Coverage Target				120%	120%	120%	120%	120%
Debt Coverage				127%	147%	168%	196%	226%

APPENDIX D – LOADING FACTORS

DESCRIPTION	UNIT OF MEASURE	FLOW (gpd)	COD (lb/day)	SOLIDS (lb/day)	COD (mg/L)	BOD (mg/L) =COD*0.6	SS (mg/L)
RESIDENTIAL							
Single Family Home	Dwelling Unit	260	1.22	0.59	563	338	272
Condominiums	Dwelling Unit	195	0.92	0.44	566	339	271
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35	561	337	269
Mobile Home Parks	No. of Spaces	156	0.73	0.35	561	337	269
COMMERCIAL							
Hotel/Motel/Rooming House	Room	125	0.54	0.28	518	311	269
Store	1,000 sq ft	100	0.43	0.23	516	309	276
Supermarket	1,000 sq ft	150	2.00	1.00	1599	959	799
Shopping Center	1,000 sq ft	325	3.00	1.17	1107	664	432
Regional Mall	1,000 sq ft	150	2.10	0.77	1679	1007	616
Office Building	1,000 sq ft	200	0.86	0.45	516	309	270
Medical, Dental, Veterinary Clinic or Building	1,000 sq ft	300	1.29	0.68	516	309	272
Restaurant	1,000 sq ft	1,000	16.68	5.00	2000	1200	600
Indoor Theatre	1,000 sq ft	125	0.54	0.28	518	311	269
Car Wash Tunnel - No Recycling	1,000 sq ft	3,700	15.86	8.33	514	308	270
Car Wash Tunnel - Recycling	1,000 sq ft	2,700	11.74	6.16	521	313	274
Car Wash - Wand	1,000 sq ft	700	3.00	1.58	514	308	271
Bank, Credit Union	1,000 sq ft	100	0.43	0.23	516	309	276
Service Shop, Vehicle Maintenance & Repair Shop	1,000 sq ft	100	0.43	0.23	516	309	276
Animal Kennels	1,000 sq ft	100	0.43	0.23	516	309	276
Gas Station	1,000 sq ft	100	0.43	0.23	516	309	276
Auto Sales	1,000 sq ft	100	0.43	0.23	516	309	276
Wholesale Outlet	1,000 sq ft	100	0.43	0.23	516	309	276
Nursery/Greenhouse	1,000 sq ft	25	0.11	0.06	528	317	288
Manufacturing	1,000 sq ft	200	1.86	0.70	1115	669	420
Light Manufacturing	1,000 sq ft	25	0.23	0.09	1103	662	432
Lumber Yard	1,000 sq ft	25	0.23	0.09	1103	662	432
Warehousing	1,000 sq ft	25	0.23	0.09	1103	662	432
Open Storage	1,000 sq ft	25	0.23	0.09	1103	662	432
Drive-in Theatre	1,000 sq ft	20	0.09	0.05	540	324	300
Night Club	1,000 sq ft	350	1.50	0.79	514	308	271
Bowling/Skating	1,000 sq ft	150	1.76	0.55	1407	844	440
Club & Lodge Halls	1,000 sq ft	125	0.54	0.27	518	311	259
Auditorium, Amusement	1,000 sq ft	350	1.50	0.79	514	308	271
Golf Course and Park (Structures and Improvements)	1,000 sq ft	100	0.43	0.23	516	309	276
Campground, Marina, Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14	741	445	305
Convalescent Home	Bed	125	0.54	0.28	518	311	269
Horse Stables	Stalls	25	0.23	0.09	1103	662	432
Laundromat	1,000 sq ft	3,825	16.40	8.61	514	308	270
Mortuary, Funeral Home	1,000 sq ft	100	1.33	0.67	1595	957	803
Health Spa, Gymnasium w/Showers	1,000 sq ft	600	2.58	1.35	516	309	270
Health Spa, Gymnasium w/o Showers	1,000 sq ft	300	1.29	0.68	516	309	272
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance	10	0.04	0.02	480	288	240
INSTITUTIONAL							
College/University	Student	20	0.09	0.05	540	324	300
Private School	1,000 sq ft	200	0.86	0.45	516	309	270
Library, Museum	1,000 sq ft	100	0.43	0.23	516	309	276
Post Office (Local)	1,000 sq ft	100	0.43	0.23	516	309	276
Post Office (Regional)	1,000 sq ft	25	0.23	0.09	1103	662	432
Church	1,000 sq ft	50	0.21	0.11	504	302	264

Source: LACSD Revenue Program Report pg. 21-22

lb/day to mg/L conversion

$$= (\text{lb/day}) * (1,000,000/\text{gpd}) * (1/8.34)$$

*Duplex, Triplex, and Fourplex are now considered "Multi-Unit Residential"

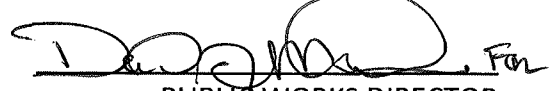
when modeling be careful to note the number of units listed for these types of residences

REPORT TO CITY COUNCIL

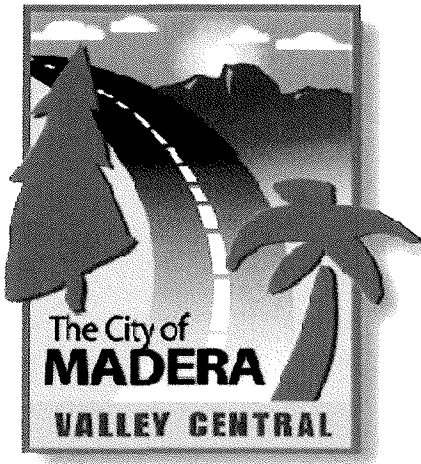
MEETING DATE: July 15, 2015

AGENDA ITEM NUMBER: C-2

Approved By:


PUBLIC WORKS DIRECTOR


CITY ADMINISTRATOR



SUBJECT:

Consideration of a Resolution Approving a Water Conservation Rebate Program and Authorizing and Approving Amendments to the City of Madera Fiscal Year 2015/2016 Budget in the Amount of \$500,000 to Fund the New Program.

RECOMMENDATION:

Staff recommends that Council approve the Water Conservation Rebate Program as outlined below and adopt the resolution amending the Fiscal Year 2015/16 Budget to include funding for this program.

SUMMARY:

City Council previously directed staff to move forward in creating a Water Conservation Rebate Program. The new water rates, which were scheduled for consideration as a separate item on the Council's agenda, will provide necessary funding for the proposed Water Conservation Rebate Program if adopted. Staff has created a list of rebates ready for implementation upon adoption. Additional programs may be added in the future as the public, Council, and staff identify new water conservation tools that would benefit the City and residents. The Fiscal Year 2015/16 budget will need to be amended to add an appropriation in the amount of \$500,000 to the Water Fund in order to fund this new program. A subsequent amendment may be approved later in the year to fund the program up to the \$1 Million maximum factored into the new rates.

DISCUSSION:

On July 1, 2015, City Staff presented eleven potential programs for the Council to consider and laid out how each program would operate, the anticipated cost of each program, the anticipated water savings from each program, and the anticipated cost per gallon of water saved by each program. The programs discussed were:

- Starter Drip Kit and Timer
- Laser Cut & Rotator Spray Replacement Head Rebates
- Turf Replacement Rebates
- Washing Machine Rebates
- Gray Water Diverters and Equipment
- Dishwasher Rebates
- Low Flow Toilet Rebates

- Smart Irrigation Controllers
- Mulch Rebates
- Soil Polymers
- Shower Head, Aerator & Tank Diverter Giveaways

This report provides the Council with information on those rebate programs that can be implemented immediately upon adoption by the Council. Program summaries are included below. More detailed descriptions will be provided in rebate handouts prepared for each specific program. Examples of the handouts for the turf replacement program and the washing machine replacement program are attached to this report. Handouts for the remaining programs are being completed and will be available for review at the City Council meeting. Note that in the summaries below, the estimates of gallons conserved per dollar invested are very general and based on factors which can vary significantly.

Turf Replacement

The turf replacement program will replace high water consumption turf in front yards with water efficient landscaping materials that still provide an aesthetically pleasing appearance consistent with community standards. This would include materials such as artificial lawns, xeriscape landscaping, increased use of mulch and cobble, etc. The City will provide a rebate check upon successful installation and inspection of the replacement. The rebate amount will be up to \$750, based on \$0.75 per square foot, up to a maximum of 1,000 square feet. To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Be the property owner of record of a single-family or multi-family residence or legally authorized representative.
- Provide a plan for the replacement landscaping which conforms to a community standard as determined by the City and which may be amended from time to time.
- The site must be inspected before renovation and after to verify that:
 - The landscaping being replaced is viable. If customer is proposing to replace landscaping that has been allowed to deteriorate for the purpose of conserving water, customer must demonstrate that landscaping was viable within last 12 months,
 - The proposed plan will result in a minimum water use reduction of 50%, and
 - Any drought tolerant plantings are irrigated by a low-flow/high efficiency irrigation system such as drip or micro spray.
- Convert lawn/turf within 60 days of the City's initial on-site inspection.
- Sign a statement that they will continue to use and maintain the new landscape.

Benefits: The potential savings is estimated based on an acknowledged 50% ratio of water saving for turf replacement. A 1,000 square foot lawn that uses 66 gallons per square foot per year, or 44 gallons per dollar invested for the first year.

Starter Drip Kit & Timer

To encourage customers that do not have an irrigation system to save water, this program will reimburse residents \$35 (based on 50% cost of a \$70 basic system, which can include a timer, 50 feet of hose, and twenty low flow emitters) for the purchase and installation of a drip system and timer or other automated controller. The City will provide a credit on an applicant's City utility account.

To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Provide an original receipt for the equipment purchased within the City of Madera. (Customer may request waiver if compliant equipment is not available in Madera.)
- Sign a statement that they have installed the system and will continue to use and maintain the system.
- Acknowledge that if their property is found without the system installed, the rebate credit will be forfeited and a penalty will be assessed to the account.

Benefits: The potential savings from the implementation of drip systems is reported as a potential decrease of 20 to 50% for a residential home¹. Potential savings from a starter drip kit, however, are modest, due to the relatively small area such a kit could serve. A drip system might use reduce water consumption by 75% in comparison to a conventional spray system, resulting in a significant return on investment within a given area. Large scale implementation of drip in most yards, though, would also require conversion of lawns and the purchase of other equipment and materials. While staff believes encouraging the introduction of drip systems is consistent with the City's conservation goals, estimating a conservation value per dollar spent is difficult. Eventually, the City may want to consider expanding this program to incentivize more wide-scale implementation.

Washing Machines

The Washing Machine Rebate will replace high water consumption clothes washers with High Efficiency Clothes Washers "HECW" that use less water. The City will provide a credit on the customer's City utility account based on the purchase and replacement of a non HECW with a new HECW. The rebate will be \$50 for washing machines. To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Purchase and provide an original receipt of a qualifying HECW washing machine purchased within the City of Madera. (Customer may request waiver if compliant equipment is not available in Madera.)
- Sign a statement that they have installed the equipment and will continue to use and maintain the system.
- Acknowledge that if their property is found without the system installed, the rebate credit will be forfeited and a penalty will be assessed to the account.
- For rental properties, one rebate per address every three years. Additional rebates may be issued only if all tenants at the address have turned over.

Benefits: The potential savings is estimated based on the premise that EHCW washing Machines will use 30-50% less water². Based on a residence that does 25 loads of laundry per months which save an average of 19 gallons per load the new device will save 5,700 gallons of water or 114 gallons per dollar invested for the first year, or 1,114 gallons per dollar invested if a ten year useful life projection is used.

¹ <http://www.epa.gov/watersense/outdoor/tech.html>

² <http://www.fresno.gov/NR/rdonlyres/092D5635-CB92-44C5-8F38-C498EB77B45E/29254/Allclotheswashers1.pdf>

Dishwashers

This rebate program will replace high water consumption dishwashers with Energy Star rated units that use less water. The City will provide a credit on the customer's City utility account based on the purchase and replacement of non Energy Star equipment with new Energy Star equipment. The rebate will be \$35 for dishwashers.

To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Purchase and provide an original receipt of an Energy Star dishwasher purchased within the City of Madera. (Customer may request a waiver if a compliant appliance is not available in Madera).
- Sign a statement that they have installed the equipment and will continue to use and maintain the equipment.
- Acknowledge that if their property is found without the system installed, the rebate credit will be forfeited and a penalty will be assessed to the account.
- For rental properties, one rebate per address every three years. Additional rebates may be issued only if all tenants at the address have turned over.

Benefits: The potential savings is based on energy star dishwashers use about one-third less water than other dishwashers averaging 4 gallons a cycle, compared to 6 gallons for other new dishwashers and 8 to 14 gallons for older models. Based on saving of 3.5 gallons per load and the dishwasher being used 365 times a year, it will save 1,278 gallons per year which is 26 gallons per dollar invested or 260 gallons per dollar invested based on a ten year useful life projection.

Low Flow Toilet

This program will replace high water consumption toilets with High Efficiency Toilets "HET" units that use 1.28 gallons per flush. The City will provide a credit on the customer's City utility account based on the replacement of replace high water consumption toilets with HET units (<1.28 gpf). The rebate will be \$50 for each HET Toilet up to 3 toilets per residence. To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Purchase and provide an original receipt of a qualifying HET unit (<1.28 gpf) purchased within the City of Madera. (Customer may request waiver if a compliant low flow toilet is not available in Madera.)
- Sign a statement that they have installed the unit and will continue to use and maintain the unit.
- Acknowledge that if their property is found without the unit installed, the rebate credit will be forfeited and a penalty will be assessed to the account.
- For rental properties, one rebate per address every three years. Additional rebates may be issued only if all tenants at the address have turned over.

Benefits: The potential savings is based on HET Toilets saving 38 gallons per day or 13,870 gallons per year³ which is 277 gallons per dollar invested or 2,774 gallons per dollar invested if we project a ten year useful life.

Smart Irrigation Controllers

This rebate program will encourage customers to install a smart irrigation controller that adjusts watering times based on weather and moisture data. The City will provide a credit on the customer's City utility account based on the purchase and replacement of an older model irrigation controller with a new smart irrigation controller from a City approved list. The rebate will be \$100 per customer. To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Purchase and provide an original receipt of an approved smart irrigation controller purchased within the City of Madera. (Customer may request waiver if a compliant smart controller is not available in Madera).
- Sign a statement that they have installed the equipment and will continue to use and maintain the equipment.
- Acknowledge that if their property is found without the system installed, the rebate credit will be forfeited and a penalty will be assessed to the account.

Benefits: The potential savings is based on an estimate that smart controllers will reduce overwatering by 20% in a year or 13,200 gallons/year based on 66,000 gallons of water use for a small 1,000 sq ft lawn, which equates to 1,320 gallons per dollar invested.

Laser Cut & Rotator Spray Replacement Heads

A rebate for laser cut and rotator spray heads will improve the efficiency of water application on existing spray irrigation systems by having water applied more precisely, at slower rates, which reduces overspray and runoff. This is intended to be implemented by providing rebates for low evapotranspiration (ET) replacement heads for existing sprinkler systems that use conventional spray heads. The City will provide up to a \$100 credit on an applicant's City utility account. Specific rebate values will be set for each type of equipment included on an approved list, which is currently being prepared. To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Provide an original receipt for the equipment purchased within the City of Madera. (Customer may request waiver if compliant replacement heads are not available in Madera).
- Equipment must be listed on approved equipment list.
- Sign a statement that they have installed the replacement heads and will continue to use and maintain the modified irrigation system.
- Acknowledge that if their property is found without the system installed, the rebate credit will be forfeited and a penalty will be assessed to the account.

³ <http://www.fresno.gov/NR/rdonlyres/092D5635-CB92-44C5-8F38-C498EB77B45E/29255/070213ALLToiletRebateGuidelinesApplication102413.pdf>

Benefits: The potential savings is estimated based on the premise that efficient heads will use 25% less water. If we assume a sprinkler system that uses 500 gallons it will net 375 gallons for 104 cycles per year, or 39,000 gallons per year which represents 390 gallons per dollar invested for the one year period. If a four year life is projected the program saves 1,560 gallons per dollar invested.

Mulch Rebates

This program will encourage customers to save water through the use of mulch by applying mulch around bushes and trees to reduce surface evaporation. The City will provide a credit on the customer's City utility account based on the purchase and placement of mulch around bushes and trees. The rebate will be \$50 per customer. To qualify for a rebate, the applicant must:

- Must have a City of Madera utility account.
- Submit a completed application form.
- Have a utility account in good standing.
- Purchase and provide an original receipt of mulch purchased within the City of Madera. (Customer may request a waiver if adequate mulch is not available in Madera.)
- Sign a statement that they have read and understand the mulching tips and information guide provided, answered a simple five questions test correctly.
- Customers must also attest that they have placed the mulch around bushes and trees, will reduce watering times according to the mulching information
- Acknowledge that if the mulch has not been applied, the rebate credit will be forfeited and a penalty will be assessed to the account.

Benefits: Data shows the potential savings of mulch use (which may reduce the evapotranspiration "ET" of soil by 25%⁴) is estimated to save on average 6,600 gallon per year for a residence with about 400 square feet of tree and bushes. That represents a cost of 132 gallons per dollar invested.

Shower Head, Aerator, & Tank Diverters Giveaways

The purpose of this program is to reduce domestic water consumption, provide customers with a low flow shower head, faucet aerator, and tank diverter free of charge. Items in this program will be made available, along with advice and literature, free of charge at various public counters and public events where water conservation is being promoted.

Benefits: Programs giving away these types of devices have been ongoing for several years and only low flow fixtures may be purchased in California. The percentage of old devices that are still in use is unknown. Hence, it is uncertain how large of an impact this program will have.

IMPLEMENTATION

Staff has developed the following implementation plan for the above named rebates:

- Develop applications for each rebate.
- Develop approved equipment lists for replacement head program and the smart irrigation controller program.
- Identified staff to coordinate and implement the rebate program.
- Developed a plan for inclusion on the City's website, Facebook account and news briefings.
- Identified City locations for application hard copies.

⁴ http://aggie-horticulture.tamu.edu/newsletters/hortupdate/hortupdate_archives/2006/nov06/ScienceFair.html

Additionally, it should be noted that the above list of rebates should not be seen as permanently fixed. New proposals that could conserve water may be developed in partnership with the community and be brought back to the Council for adoption by resolution. Public participation may be higher or lower than estimated in the table and the Council could later adjust those program budget limits as we move forward.

FINANCIAL IMPACT:

The current approved City budget does not have funds allocated for water conservation rebate incentive programs. The cost to implement these rebate programs is estimated at \$500,000 for the first year. While the new water rate is expected to generate \$1,000,000 for water conservation programs, the Water Reserve Fund will fund the initial expense. The new revenue stream will then repay the Water Reserve Fund as it is collected. Expenses will need to be allocated within the Water Fund and would not have any impact on the General Fund. Additionally, potential reductions in consumption caused by these programs could have a slight effect of reducing revenues to the water budgets, but would not cause equal reductions in expenses. Reductions in revenues could result in the Fund Balance being reduced and/or maintenance and Capital Projects having to be delayed causing increased deferred liabilities in the water system infrastructure.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

While this item is not directly addressed in the Vision Plan, it is consistent with Action Item 434: Insure continued water supplies to meet the demands through innovative reclamation, conservation, and education on water use.

**A RESOLUTION OF THE COUNCIL OF THE CITY OF MADERA,
CALIFORNIA, APPROVING A WATER CONSERVATION
REBATE PROGRAM AND AUTHORIZING AND APPROVING
AMENDMENTS TO THE CITY OF MADERA FISCAL YEAR
2015/2016 BUDGET TO FUND THE PROGRAM**

WHEREAS, the City of Madera is committed to insure continued water supplies to meet demands through conservation and education on water use; and

WHEREAS, it is widely recognized that water conservation provides the most immediate means of being able to meet our future water demands; and

WHEREAS, in an effort to encourage further conservation the City has developed a Water Conservation Rebate Program; and

WHEREAS, the City has determined that it is necessary to provide funding for the Water Conservation Rebate Program; and

WHEREAS, expenditure accounts will need to be increased within the Water fund for said Water Conservation Rebate Program; and

WHEREAS, an adequate fund balance is available in said Funds to allow for said increase of appropriations.

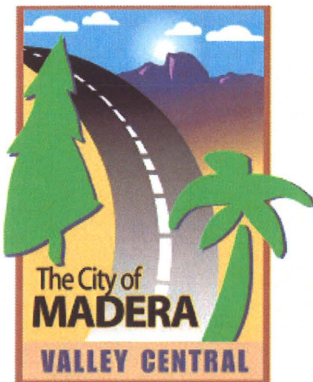
NOW, THEREFORE, THE COUNCIL OF THE CITY OF MADERA HEREBY finds, orders and resolves as follows:

1. The above recitals are true and correct.
2. The Water Conservation Rebate Program guidelines, attached hereto and incorporated herein by reference are approved.
3. The budgets of the Water Fund are hereby amended as shown in Exhibit AA to this resolution.

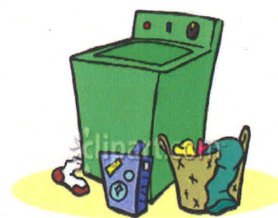
4. A signed copy of this resolution shall be forwarded to the Director of Finance who shall prepare entries necessary to reflect the budget changes in Exhibit AA.
5. This resolution is effective immediately upon adoption.

EXHIBIT AA
CITY OF MADERA
Appropriation Adjustment

FUND	ACCOUNT NUMBER	DESCRIPTION		
20300 -				
<u>Water Quality - 713</u>				
	2995-XXXX	Water Conservation Program	500,000	+
Water System Utility Fund Totals			<u><u>500,000</u></u>	



High Efficiency CLOTHES WASHER Residential Rebate Program – Rebate \$50



Residential customers may receive a **\$50 rebate** for purchasing a qualifying High Efficiency Clothes Washer (HECW)!

Save Energy and Water: Clothes washers account for more than 20% of water used inside the home. Conventional clothes washers can use more than 40 gallons per load (gpl). In contrast, an HECW uses about 18-25 gpl and can hold larger loads! Using an HECW reduces water use and energy consumption. This adds up to savings for you and a big boost for the environment. Replacing old washers with HECW models helps ensure the future water supply is adequate and helps maintain low water rates.

What's in it for the Customer?

SAVE WATER! High Efficiency Clothes Washers use 30-50% less water. Customers with water meters will especially notice a difference. **SAVE ENERGY!** HECWs use less energy to operate. Also, with less water to heat, energy costs can be reduced about 50%, so you save there too. **SAVE TIME!** Better water extraction means less dryer time for more energy savings. Most HECWs have a larger load capacity than conventional washers for even more time and energy savings. **MORE SAVINGS: Save on Laundry Products!** HECWs use less water, so less detergent and softeners are needed. **Save on Clothing!** The tumbling motion of a HECW is gentler on fabrics which helps extend clothing life.

How the Program Works

1. Obtain an application using one of the following methods:
 - Telephone: (559) 661-5466
 - Email: lmcperson@cityofmadera.com
 - Web site: www.cityofmadera.gov (\$Rebates under Water Conservation)
 - FAX: (559) 661-0760
 - Drop by our office:
City of Madera Public Works - Water Conservation Program
1030 S. Gateway Dr., Madera, CA 93637
2. Do not purchase clothes washer until you verify that the HECW you want meets rebate criteria listed in the *HECW Rebate Program Guidelines & Conditions, Clothes Washers Qualifying for Rebates*.
3. Purchase new qualifying High Efficiency Clothes Washer **in the City of Madera** and install it per the manufacturer's instructions. If a compliant washing machine is not available in Madera, you may request a waiver from the City in advance of purchasing the item.
4. Send completed application to the Public Works Department.
5. Once application is approved, submit a copy of original dated itemized sales purchase receipt to the above address.

Learn More about HECWs: Consortium for Energy Efficiency (CEE): <http://www.cee1.org/resid/seha/rwsh/rwsh-prod.pdf>
PG&E: <http://www.pge-rebates.com/>. ENERGY STAR: http://www.energystar.gov/index.cfm?c=clotheswash.pr_clothes_washers
California Urban Water Conservation Council - H₂O House: <http://www.h2ouse.org/>

Program Rebate Guidelines and Conditions

Clothes Washers Qualifying for Rebate (Not all high efficiency appliances qualify for this rebate.)

- **New High Efficiency Clothes Washer.**
- **Qualifies as an ENERGY STAR® labeled appliance.**
- **Meets Consortium for Energy Efficiency (CEE) standards for energy and water consumption standards with a Water Factor of 6.0 or less. Ask your appliance dealer or find qualifying HECWs can be found at the Consortium for Energy Efficiency (CEE) website: <http://www.cee1.org/resid/seha/rwsh/rwsh-prod.pdf> . Call 661-5466 if you have questions.**

Who Qualifies?

- City of Madera customers who pay a water utility bill to the City of Madera and who have property with existing single-family or multi-family dwellings within the City service area. (For detail, see **Rebates**)

Timelines

- Program applies to qualifying High Efficiency Clothes Washers purchased on or after July 16, 2015.
- Application must be post marked and received within **60 days** of purchase date of qualifying HECW clothes washer or rebate will not be processed.

Installation, Inspection, Documentation

- Qualifying HECW must be completely installed at approved service location listed on the customer's City of Madera water utility bill account and noted on rebate application. Qualifying HECW must be new. Pre-owned or leased equipment is not eligible. Rebates may be subject to on-site compliance inspection by City representatives to verify installation of HECW at customer's City of Madera utility account service address.
- Customer must provide a copy of original dated itemized sales purchase receipt of purchase for the qualifying HECW. *Item must be purchased with the City of Madera* (Waiver may be granted in advance of purchase if an HECW cannot be purchased in Madera). Receipt must list manufacturer and model.

Rebates

- Rebates will be credited to customer's City of Madera Utility Service account after approval.
- Level of incentive is \$50 per qualified account. Rebate amount cannot exceed purchase price of new unit.
- Rebates are limited to one rebate per single family utility billing account. PUD's, HOA's, mobile homes, condos/townhouses, under a shared utility billing account, also qualify as individual units and may received.
- Multi-family residential billing accounts are limited to one per utility billing account.

Application and Rebate Approval or Denial

- Customers must fulfill all program guidelines to be eligible for incentives. Incomplete, incorrect or and unsigned applications cannot be processed and will be returned to applicant.

Other Considerations

- The Rebate Program is not responsible for materials delayed or lost by mail.
- Submission or possession of a rebate application does not guarantee receipt of a rebate.
- Funding for this rebate program is limited to available resources. This program shall at all times be subject to change or termination without prior notice. Rebates are processed on a first come, first served basis.
- Offer void where prohibited or restricted by law.
- Customer is responsible for disposal of old washer.

Resources: City of Madera, Solid Waste Division: recycling center (check yellow pages). Ask the dealer who sold the washer if they can dispose of the old one. If it is a relatively efficient working washer, consider donating.

The City of Madera

TURF REPLACEMENT REBATE PROGRAM

Reduce Outdoor Water Use

Save water and money by removing live turf on your property by replacing it with water-efficient landscaping. The City of Madera will pay qualified customers \$0.75 per square foot to remove up to 1,000 square feet of irrigated turf. Turf grass is commonly planted in residential and commercial landscapes and it requires a substantial amount of water for the lush green look we are accustomed to see. It is often planted in underutilized areas. Most customers find that they can replace some or all of the turf in their landscape without reducing enjoyment of the property. Water-efficient landscapes can use up to 50% less water. The amount saved depends on amount of turf removed, type of plants installed, irrigation system, and soil type. A water-efficient landscape uses less water and usually requires less maintenance.



Rebate Process

1. Do not begin removing your turf until your property and plan have been approved. You must read and verify that you meet the rebate criteria listed in *the Rebate Program Guidelines & Conditions*, have submitted the required application and have received a pre-inspection of the proposed renovation area.
2. Complete application, take required photos and measurements of renovation area.
3. Prepare a plan or drawing showing the landscaping you are proposing to install and how it will be irrigated.
4. Send completed application, drawing with measurements and clear, color photos that are dated along with a recent City of Madera utility bill to the City of Madera Water Conservation Program.
5. You will be contacted and scheduled for a pre-job inspection.
6. Upon approval, remove turf, install replacement water-efficient landscape and after appropriate irrigation changes, take required clear, color, dated photos and submit to City of Madera Water Conservation Program.
7. You will be contacted and rescheduled for a final inspection.
8. Your rebate will be mailed within approximately 8 weeks after application approval and final inspection has been completed.

IMPORTANT

Eligible water-efficient replacement landscaping: drought-tolerant plants appropriate for this area, mulch, rock, stepping stones, permeable hardscape, and artificial turf. Visit the City's website or consult with staff regarding applicable standards for replacement landscaping.

Turf Replacement Guidelines and Conditions

Who can apply for a rebate

- This rebate is available to City of Madera water customers or landlords of property serviced by City of Madera Water Division where a tenant is the water customer.
- Limit one rebate per following qualified account: PUD's, HOA's, mobile homes, condos/townhouses or any other shared billing accounts also qualify as individual units and may receive this rebate. Commercial, industrial, and institutional customers whose meter supplies water to an irrigation system are eligible. Multi-Family complexes may also qualify. Renters or tenants must provide written approval from property owner or property manager.

Landscaping and improvements eligible for inclusion in the rebate

- The replacement of existing landscaping with viable turf located within the front yard or visible street frontage of a customer's property. Landscaping allowed to die or deteriorate in order to conserve water may be eligible if the customer demonstrates such landscaping was viable within the 12 months prior to July 16, 2015.
- New landscaping must result in a minimum reduction of 50% less water and any drought tolerant plantings must be irrigated by an approved low-flow/high efficiency irrigation system.
- The following landscaping and improvements are not eligible: installation of new landscaping where none previously existed; installation of landscaping for new construction; projects that were started or completed prior to the City of Madera review; installation of vegetable gardens in lieu of turf, and the installation of water features and fountains.

Program requirements

- Submit a completed application and supporting information including:
 - A copy of a recent City of Madera utility bill.
 - At least 5 clear, color, dated photos of the areas where you plan to remove turf. Photos must include your home, street or fence as reference point.
 - A measured plan drawing showing turf and landscape to be removed. Drawing must include landmarks such as sidewalks, fences, driveways, etc. Free printable graph templates are available online. One example of an online source is: <http://www.printablepaper.net/category/graph>.
 - A plan or drawing showing the landscaping you plan to install and indicating how it will be irrigated. The new landscaping will need to conform to the community standard as set by the City. You should consult with the City to identify applicable standards which will be applied to the new landscaping.
- The City of Madera will review applications and will either approve, deny or require more information.
- The City will schedule a pre-job inspection.
- Upon approval by the City, you will install the new landscape that meets the terms and conditions as contained herein. **Only the following are eligible water-efficient replacement landscaping: drought-tolerant plants appropriate for this area, mulch, rock, stepping stones, permeable hardscape and artificial turf.**
- When your project is complete, submit a minimum of 5 clear, color, dated photos of each area where turf was removed and replacement landscaping installed, including any irrigation system changes.
- A final project inspection will be scheduled.
- All projects must be completed within 60 days of the City's initial inspection of your property.
- Upon final approval, a rebate check will be mailed within approximately 8 weeks after project completion and final inspection.

Application and Rebate Approval or Denial

- Final rebate cannot be larger than identified in your original application materials. It is important that you estimate and measure your project area correctly.
- Turf removal and water-efficient landscaping must be installed at the approved service location listed on the customer's City of Madera water utility bill account. A second rebate for turf replacement will not be issued for the property. If live turf is reinstalled within 10 years of your receipt of the rebate, the entire rebate must be refunded to the City of Madera.
- Incomplete, incorrect or unsigned applications cannot be processed and will be denied and returned.
- By submitting this application you are agreeing to a verification inspection to be eligible for rebate.
- Customers must fulfill all program guidelines to be eligible for rebates. Rebates will only be awarded after verification of proper installation and compliance with the Guidelines and Conditions.
- Accounts must be current and non-delinquent.
- The program applies to turf removed after 7/16/15. Retroactive rebates are not available.

Rebate Program Details and Disclosures

- A rebate amount of \$.75 per square foot is available for qualifying turf grass removed and replaced with water-efficient landscaping. The maximum square footage for a rebate is 1,000 square feet, so the maximum rebate allowable under the program is \$750.
- Rebate amounts do not apply to labor or other costs. This rebate may not exceed the cost of the rebate offer.
- The Rebate Program is not responsible for materials lost by mail.
- Submission or possession of a rebate application does not guarantee a rebate.
- Rebates are processed on a first come, first served basis and funding is limited to available resources. *This program shall at all times be subject to change or termination without prior notice.*
- The City is not responsible for product performance or water savings. No warranty or guarantee of the products used or the vendor is provided.

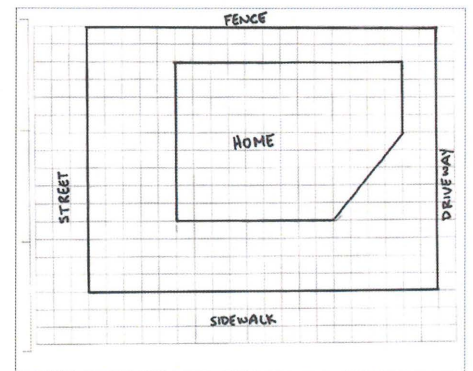
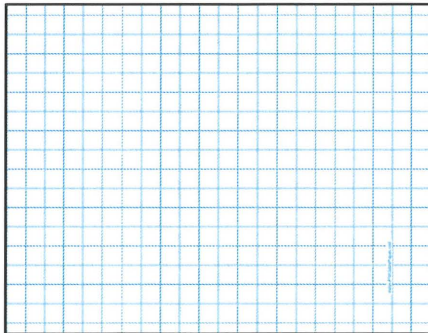
Measuring your lawn area for rebate

- Make a drawing of your home and borders of its yard. Write in descriptions of areas near turf to help orient you.
- Divide the project area into easily measured shapes.
- Take measurements to determine the square footage of each shape so a total square footage can be determined.
- Add those calculated areas to your drawing.

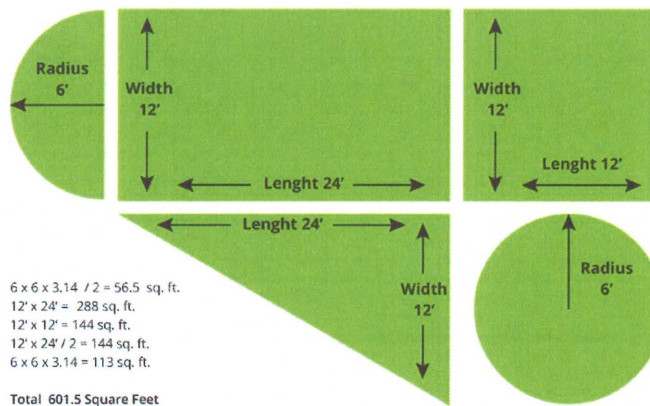
There are many online area calculator tools that will calculate the square footage of common shapers after you enter the required measurements. One example: <http://www.mathsisfun.com/area-calculation-tool.html>. You can also watch demonstrations on-line to learn how to measure your lawn. YouTube is one such option

Graph paper works well for drawings. Free printable graph templates are available online: <http://www.printablepaper.net/category/graph>

Start by drawing landmarks on your site.



Calculate the lawn area to be removed on your site and put into your drawing.

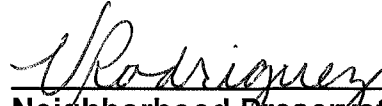


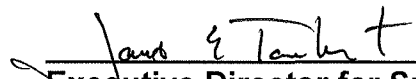
CITY OF MADERA REPORT TO THE CITY COUNCIL

CITY COUNCIL MEETING OF: July 15, 2015

AGENDA ITEM NUMBER: C-3

APPROVED BY:


Neighborhood Preservation Supervisor


Executive Director for Successor Agency


City Administrator

Subject: Public Hearing and Consideration of a Resolution of the City Council of the City of Madera Confirming Weed Abatement Report and Ordering Cost of Abatement to be a Special Assessment on the Respective Properties

Summary: Public Hearing and Adoption of a Resolution Confirming Weed Abatement and Special Assessment

I. HISTORY/BACKGROUND

On January 7, 2015 the City Council adopted Ordinance 913 C.S. and declared weeds to be a nuisance and ordered the abatement of that nuisance as called for in Chapter 3-15 of the Madera Municipal Code.

On March 11, 2015 a City-wide inspection for lots and properties in violation of the Weed Abatement Ordinance was completed and 387 lots were noted in violation. Between April 10, 2015 and April 16, 2015 a Notice of Violation was issued to 218 properties. The deadline for owners to abate their properties was May 31, 2015.

On June 10, 2015 the City Council reviewed the list of the properties that were still in violation, conducted a public hearing, and ordered the abatement. At this public hearing, no objections were noted.

On July 1, 2015 a follow up inspection was made to confirm the status of the violation(s). Of the 51 properties inspected, 45 had removed the violation(s) and were in compliance with

the city ordinance. This left a total of five properties that were inspected and found to have continuing violations, and therefore scheduled for abatement.

On July 2, 2015 the remaining five (5) properties were abated.

II. SITUATION

The parcels of land listed on Exhibit "A" (attached) have been inspected and, at the time of inspection were found in violation of the Madera Municipal Code § 3-15.01. These weeds have the potential to become a fire hazard. The City of Madera Neighborhood Revitalization Department took proper steps to notify the affected property owners by mail of the proposed weed abatement action on respective properties. The City Clerk posted Weed Abatement Assessment Report as required.

Property owners may object to the charges for weed abatement levied against their properties. The charges consist of \$150.00 Administrative Fee, Inspection Costs and Contractor's Cost to abate the violation.

All charges incurred by the City of Madera for the weed abatement services will be included as a special assessment on bills for property taxes levied against the respective lots and parcels of land, which are considered liens on these properties.

The costs associated with the cleanup of those properties are identified in the Resolution as Exhibit "A".

III. LINKAGE TO VISION 2025

Strategy 134 – Visual Standards: Establish and enforce visual standards for neighborhoods and businesses in Madera including design review and code enforcement.

Strategy 137 – Code enforcement: promote sound redevelopment and code enforcement practices city-wide.

Action 201.3 – Enforce zoning and redevelopment codes and regulations.

IV. RECOMMENDATION

Staff recommends that Council hold a public hearing to hear and consider any objections from affected property owners of the proposed assessments related to the completed weed abatement work and adopt the attached resolution confirming the report and ordering abatement costs to be a special assessment.

Attachment:

- Resolution
- Exhibit A

RESOLUTION NO:

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA CONFIRMING
WEED ABATEMENT REPORT AND ORDERING COST OF ABATEMENT TO BE A
SPECIAL ASSESSMENT**

WHEREAS, On January 7, 2015 the City Council adopted Ordinance 913 C.S. and declared weeds to be a nuisance; and

WHEREAS, the Ordinance ordered the abatement of that nuisance as called for in Chapter 3-15 of the Madera Municipal Code; and

WHEREAS, at the time of the abatement the parcels were found to be in violation of Madera Municipal Code § 3-15.01

WHEREAS, each property owner was notified by mail of the proposed weed abatement action on respective properties; and

WHEREAS, the City Clerk posted notice of the lien confirmation hearing as required by the Municipal Code; and

WHEREAS, the parcels of land listed on Exhibit "A" attached hereto have been abated on July 2, 2015; and

WHEREAS, all charges incurred by the City of Madera for the weed abatement services will be included as a special assessment to be collected along with regular property taxes levied against the respective lots and parcels of land, and are considered liens against these properties.

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF MADERA does hereby resolve, find and order as follows:

1. The above recitals are true and correct.
2. The report and assessment list is in all respects complete and correct and is hereby confirmed. The amounts of the cost for abating the nuisance are confirmed and those

remaining unpaid, as shown on Exhibit "A" attached hereto, shall constitute special assessments against the respective parcels of land and are a lien on the property for the amount of the respective assessment.

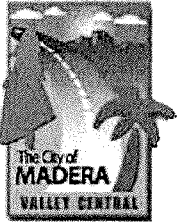
3. All written or oral protests or objections to said report and assessment list have been considered.
4. The unpaid costs of abatement shown on Exhibit "A" shall be a special assessment and shall be submitted to the Madera County Auditor for inclusion on the 2015-2016 tax roll against the respective parcels of land.
5. This resolution is effective immediately after adoption.

* * * * *

City of Madera

Weed Abatement Assessment Report

Location of Violation	Parcel Number	Property Owner Name	Administrative Service Fee	Abatement Amount	Inspection Costs	Amount Due
011-340-005	011-340-005	Gregory Daulton & Cynthia Diane Bradford	\$150.00	\$226.00	\$23.33	\$399.33
013-010-085	013-010-085	Billy Wells/Lucy Najarian-Wells	\$150.00	\$226.00	\$23.33	\$399.33
009-600-004	009-600-004	Redus El LLC	\$150.00	\$252.00	\$23.33	\$425.33
245 Westberry Drive	009-600-006	Marcello Monticelli	\$150.00	\$182.00	\$23.33	\$355.33
003-240-019	003-240-019	Richard J. Bosio	\$150.00	\$122.00	\$23.33	\$295.33



NOTICE OF HEARING TO CONFIRM ABATEMENT REPORT AND ORDERING COST OF ABATEMENT TO BE A SPECIAL ASSESSMENT

Notice is hereby given that:

The Council of the City of Madera will conduct a public hearing at the date, time and location indicated below to determine whether to confirm the report of the City Administrator, and his or her designee, on the abatement of weeds, dirt, brush rubbish and rank growth on the following properties and levy a special assessment against each property as shown.

City of Madera Weed Abatement Assessment Report		
Parcel Number	Property Owner Name	Amount Due
011-340-005	Gregory Daulton & Cynthia Diane Bradford	\$399.33
013-010-085	Billy Wells/Lucy Najarian-Wells	\$285.33
009-600-004	Redus El LLC	\$425.33
009-600-006	Marcello Monticelli	\$355.33
003-093-008	Narcisco & Ana B. Puentes	\$252.33
003-240-019	Richard J. Bosio	\$295.33

All property owners having objections to the abatement costs recovery are hereby notified to attend the public hearing to be held on July 15, 2015, at 6:00 p.m. at the City Hall Council Chambers, 205 West 4th Street, Madera, California 93637, where and when all objections will be heard and given due consideration.

Any inquiries regarding this notice or action proposed to be taken should be directed to the City of Madera Neighborhood Revitalization Department by calling (559) 661-5114.

REPORT TO THE CITY COUNCIL

Approved By:



PLANNING MANAGER



CITY ADMINISTRATOR

SUBJECT:

Second Reading and Consideration of Adoption of an Ordinance Rezoning an 8.25-acre parcel located at 2832 North Golden State Boulevard from the IP (Industrial Park) Zone District to the I (Industrial) Zone District.

RECOMMENDATION:

It is recommended that the Council adopt the ordinance rezoning the subject property.

DISCUSSION:

The project site is within the I (Industrial) General Plan land use designation, which allows for both light and heavy industrial development. The requested rezoning from the IP (Industrial Park) Zone District to the I (Industrial) Zone District is consistent with the I (Industrial) General Plan land use designation. The I (Industrial) Zone District is also the dominant zone applied to the adjacent Airport Industrial Park and is the applicable land use designation of Specific Plan No. 1. The requested rezone to the I (Industrial) Zone District provide better cohesiveness with the adjoining industrial lands in proximity to the Airport Industrial Park and provides a more expansive use schedule. The proposed rezone to the I (Industrial) Zone District is consistent with land use planning principle.

The rezoning and associated entitlements were considered by the Planning Commission at its June 14, 2015 meeting. The City Council introduced the rezoning ordinance at its July 1, 2015 meeting. The second reading and adoption of the rezoning ordinance would complete the rezoning process. The project has been determined to be categorically exempt under the California Environmental Quality Act (CEQA) guidelines, Section 15301, (Existing Facilities).

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The first of the four core vision statements in the Vision Plan is “a well-planned city”. Rezoning property consistent with the General Plan and applicable specific plan documents supports this essential concept.

FISCAL IMPACT:

None.

REFERENCE MATERIALS:

Rezoning Ordinance

Exhibit A – Amended Zoning Map

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
MADERA AMENDING THE OFFICIAL CITY OF MADERA ZONING
MAP TO REZONE APPROXIMATELY 8.25 ACRES OF PROPERTY
LOCATED ON THE WEST SIDE OF NORTH GOLDEN STATE
BOULEVARD APPROXIMATELY 800 FEET NORTH OF THE ELLIS
STREET OVERPASS FROM THE IP (INDUSTRIAL PARK) ZONE
DISTRICT TO THE I (INDUSTRIAL) ZONE DISTRICT.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MADERA AS FOLLOWS:

SECTION 1. The Planning Commission of the City of Madera and this Council have held public hearings upon the rezoning of this property and have determined that the proposed rezoning is consistent with the General Plan as amended and subsequent development will be in conformance with all standards and regulations of the Municipal Code.

SECTION 2. The City of Madera Zoning Map as provided for in Chapter 3 of Title 10 of the Madera Municipal Code is hereby amended as illustrated in the hereto attached Exhibit "A" which indicates the segment of the City of Madera Zoning Map to be amended. Unless the adoption of this amendment to the Zoning Map is lawfully stayed, thirty-one (31) days after adoption of this amendment, the Planning Director and City Clerk shall cause these revisions to be made to the City of Madera Zoning Map which shall also indicate the date of adoption of this revision and be signed by the Planning Director and City Clerk.

SECTION 3. Based upon the testimony and information presented at the hearing, the adoption of the proposed rezoning is in the best interest of the City of Madera, and the Council hereby approves the rezoning based on the following findings:

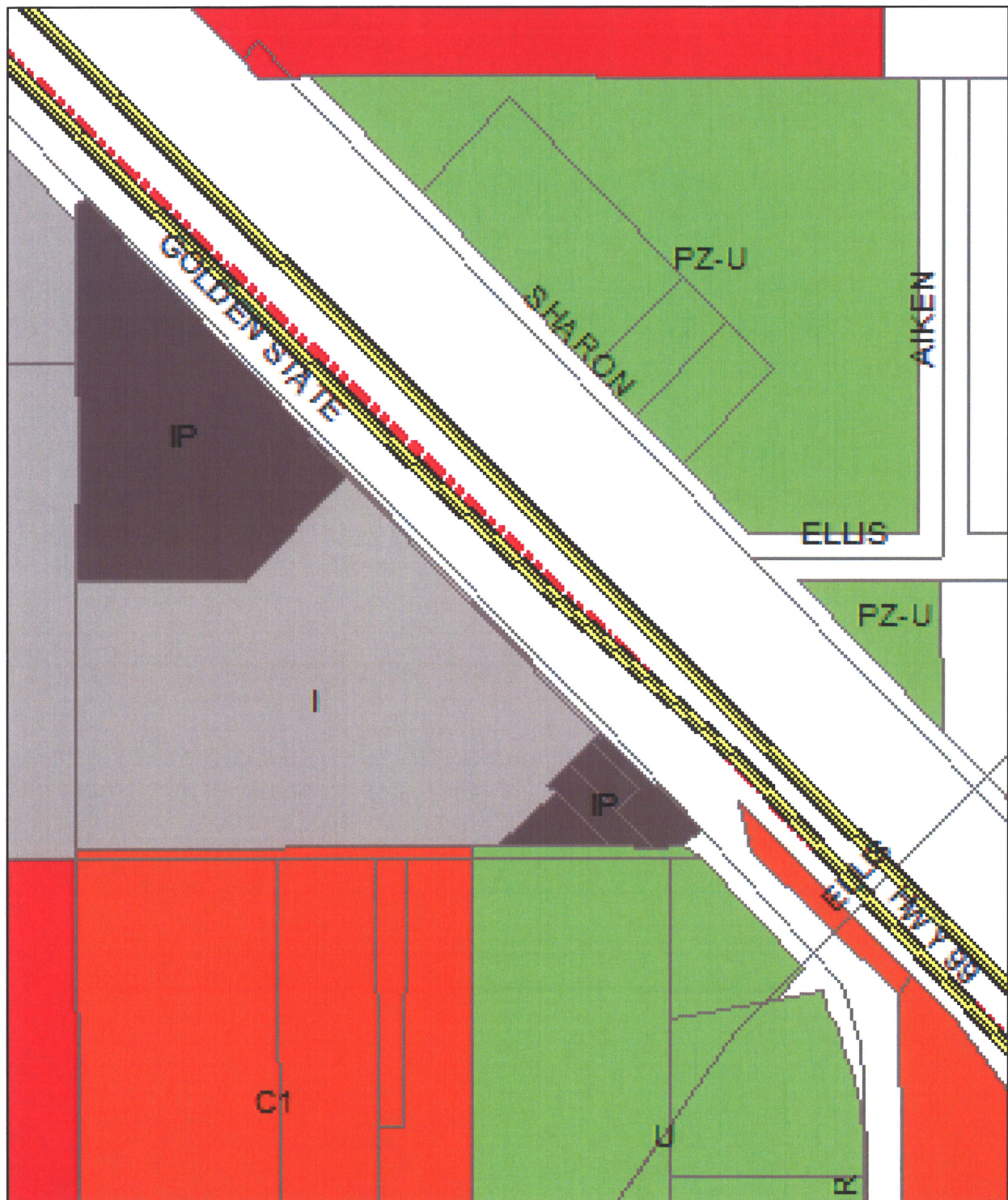
FINDINGS:

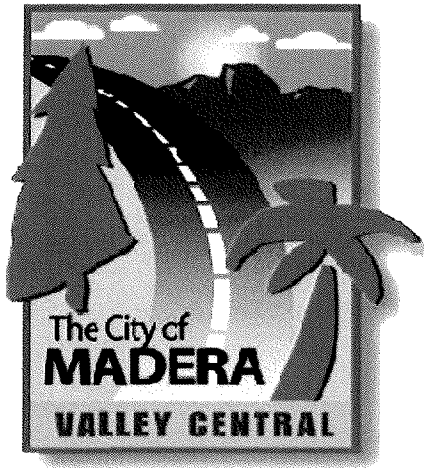
1. THE PROPOSED REZONE WILL PROVIDE THE REQUIRED CONSISTENCY BETWEEN THE GENERAL PLAN AMENDMENT AND ZONING.
2. THE REZONE IS NOT EXPECTED TO BE DETRIMENTAL TO THE HEALTH, SAFETY, PEACE, COMFORT OR GENERAL WELFARE OF THE NEIGHBORHOOD OR THE CITY.
3. CITY SERVICES AND UTILITIES ARE AVAILABLE OR CAN BE EXTENDED TO SERVE THE AREA.

SECTION 4. This Ordinance shall be effective and of full force and effect at 12:01 a.m. on the thirty-first day after its passage.

* * * * *

EXHIBIT "A"



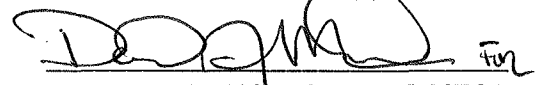


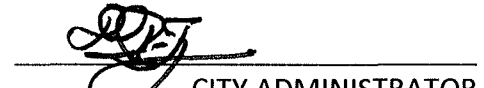
REPORT TO CITY COUNCIL

MEETING DATE: July 15, 2015

AGENDA ITEM NUMBER: C-5

Approved By:


PUBLIC WORKS DIRECTOR


CITY ADMINISTRATOR

SUBJECT:

Second Reading and Consideration of Adoption of an Ordinance Amending Portions of Chapter 5 of Title V of the Madera Municipal Code Relating to Water Restrictions

RECOMMENDATION:

That the Council conduct a second reading and adopt an ordinance amending portions of Chapter 5 of Title V of the Madera Municipal Code pertaining to outdoor water restrictions.

DISCUSSION:

The Council previously introduced the subject ordinance at its regular meeting held on July 1, 2015, to amend sections of the Madera Municipal Code (MMC) pertaining to outdoor water use restrictions. The amended ordinance allows for Council to prohibit non-commercial car washes by resolution when warranted and added language to help provide clarity for daily watering of food production gardens that are on a drip system. The subject ordinance accomplishes this and is presented to the Council for consideration of adoption.

FISCAL IMPACT:

There will be no direct fiscal impact to the City's General Fund; however the Water Fund will continue to incur costs for maintaining all the water conservation personnel year round. This cost is approximately \$25,000.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN

The activity described in this report is consistent with action item 434.1 “Increase water-usage monitoring through meter reading and water patrol to increase conservation.”

ORDINANCE NO. _____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MADERA
AMENDING PORTIONS OF CHAPTER 5, OF TITLE V OF THE
MADERA MUNICIPAL CODE RELATING TO WATER RESTRICTIONS**

WHEREAS, the Governor of the State of California has declared a State of Emergency to exist throughout the State of California due to severe drought conditions.

WHEREAS, on April 1, 2015, the Governor issued Executive Order B-29-15, which directed the State Water Resources Control Board (Water Board), to impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016.

WHEREAS, these restrictions will require water suppliers to California's cities and towns to reduce usage as compared to the amount used in 2013.

WHEREAS, on April 7, 2015, the Water Board issued a Draft Regulatory Framework, which could require the City of Madera to reduce water usage by 32%.

WHEREAS, the City needs to prepare for the necessary reductions in water usage by amending the Municipal Code to specifically provide for the City Council to respond to drought emergencies by adopting a resolution mandating water usage regulations on customers and penalties for violations.

WHEREAS, in adopting this ordinance, the Council finds that it is needed for the immediate preservation of the public peace, health, and safety. This finding is based upon the State of Emergency declared by the Governor for drought conditions, the pending Water Board regulations that will mandate Madera reduce water usage by as much as 28% from 2013 levels, and the need to begin taking steps to meet that reduction in water usage before a regular ordinance can be adopted, all for the benefit of the community in addressing the drought, and as further supported by the preceding findings.

**THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA,
DOES ORDAIN AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Section 13, of Chapter 5, of Title V of the Madera Municipal Code is hereby amended to read as follows:

(A) Drought Levels: When the City Council by resolution determines that water supplies are limited and additional conservation measures are necessary to reduce water consumption, the Council may enact one of five drought water restriction levels A through E as set forth in this subsection, and restrictions under each section shall be enforced for such period of time as designated by the City Council or until lifted by them by separate resolution.

Level A

When the City Council by resolution determines it is warranted that additional water restrictions are necessary to reduce water consumption by limited means, the following restrictions shall apply:

Outdoor application of water for irrigation and recreation uses shall be restricted to the hours of ~~7:00 p.m. to 10:00 a.m.~~ [12:00 a.m. to 10:00 a.m. and 7:00 p.m. to 12:00 a.m.]

Level B

When the City Council by resolution determines it is warranted that additional water restrictions are necessary to reduce water consumption by moderate means, the following restrictions shall apply:

Outdoor application of water for irrigation, recreation uses shall be restricted to the hours of ~~7:00 p.m. to 10:00 a.m.~~, [12:00 a.m. to 10:00 a.m. and 7:00 p.m. to 12:00 a.m.] and restricted to usage on Sunday and Wednesday for parcels with even numbered street addresses and Saturday and Tuesday day for parcels with odd numbered street addresses.

Level C

When the City Council by resolution determines it is warranted that additional water restrictions are necessary to reduce water consumption by significant means, the following restrictions shall apply:

Outdoor application of water for irrigation and recreation uses shall be restricted to the hours of ~~7:00 p.m. to 10:00 a.m.~~, [12:00 a.m. to 10:00 a.m. and 7:00 p.m. to 12:00 a.m.] and restricted to usage on Sunday for parcels with even numbered street addresses and Saturday for parcels with odd numbered street addresses.

Level D

When the City Council by resolution determines it is warranted that additional water restrictions are necessary to reduce water consumption by aggressive means, the following restrictions shall apply:

Outdoor application of water for irrigation of plants shall be limited drip system designed to only irrigate trees and bushes to minimally maintain their viability the [application of water shall be restricted to the hours of 12:00 a.m. to 10:00 a.m. and 7:00 p.m. to 12:00 a.m., and restricted to usage on Sunday for parcels with even numbered street addresses and Saturday for parcels with odd numbered street addresses.]

Level E

When the City Council by resolution determines it is warranted that additional water restrictions are necessary to reduce water consumption by extreme means, the following restrictions shall apply:

All outdoor application of water for irrigation of plants other than edible crops for personal consumption shall be eliminated.

~~Upon adoption of Level C restrictions or greater, all organized carwashes not conducted as part of a licensed car wash business shall be prohibited.~~ [The City Council at any time may prohibit all organized carwashes not conducted as part of a licensed car wash business, if it determines by resolution it is warranted to contribute to other enacted water restrictions intended to reduce water consumption.]

(B) Exception: The City in enforcing the above provisions may use reasonable discretion in its interpretation in order to affect the water conservation purpose and reasonableness in application of the restrictions. Exception to these provisions may be granted by the Public Works Department when a written application for an exception is filed with the Public Works Department and the Department makes written determinations that compliance with these regulations in a particular circumstance causes a severe hardship that is unique and not common to other water customers, and would be significantly injurious to public health, safety, public economic welfare, or would by its implementation precludes the reasonable ability to enjoy the functionality of the premises. The burden of proof that enforcement of the provisions would cause severe hardships upon the applicants, and demonstration that a situation is unique and significantly injurious to the public interests is upon the applicant. Issues of convenience for economic efficiencies shall not constitute cause for exceptions hereunder. The Department in granting the exceptions may make such conditions as it deems necessary to maximize water conservation. Examples include but are not limited to; allowing a playfield to be watered on days when it is not normally used, preserving significant wildlife habitat, and accommodations for special public events, etc.

(C) Food for personal consumption: Watering of plants by drip irrigation that is grown as food for personal consumption (not for medicinal use) shall always be allowed to be watered on any day of the week ~~between the hours of 7:00~~

~~p.m. to 10:00 a.m. [except between the hours of 10:00 a.m. to 7:00 p.m. The legislative intent of this subsection is to allow for significant food production gardens for household that utilize them as a major element of their personal food supply. It is not intended to alter landscaping plantings to edible selections. For the purposes of this subsection the referenced plants grown for personal consumption must be in a concentrated area intended exclusively for growing food rather than serving an ornamental purpose. Such concentrated areas shall not be located within a front yard or street side yard. Edible plants and fruit trees located in front yards, and other ornamental landscape areas are subject to standard water restriction and are given no relief under this subsection.]~~

- (D) Household Gray Water: Up to 100 gallons per household per parcel per day of reused domestic water from showers, washing, etc. “Gray Water” may be reutilized for outdoor watering, subject to applicable health and safety regulations.
- (E) Importation of Water: Except as permitted elsewhere in this section, no water which is obtained from a source other than the City’s municipal water system may be used for outdoor watering.
- (F) Imported Recycled and Gray Water: Recycled or “gray” water imported from outside of the City may be used for outside watering with no restrictions other than applicable health and safety regulation.
- (G) Penalties for Violation of Restrictions: Violation of the provisions of this section shall be an infraction, and fines shall be imposed pursuant to Section 1-9.06(B) of the Madera Municipal Code.

Section 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or void for any other reason.

Section 4. Effective Date. This ordinance shall be effective and of full force and effect upon the 31st day after its adoption.

* * * * *

Madera – I-Lan Sister City Corporation Return to Agenda

July 2, 2015

Madera – I-Lan Sister City Corp.
1717 Howard Road
Madera, CA 93637

Madera City Council
205 W. 4th Street
Madera, CA 93637

Honorable Council Members:

We're writing to request your financial support to host a delegation from our Sister City, I-Lan, Taiwan, R.O.C., from August 16 – 21, 2015.

This delegation is sent by the Mayor of I-Lan, Tsong-Yuan Jiang, and consists of 14 adult members from the Sonar Choir and 8 youth from the Plucked String Band of the Formosa Melody Music Center.

Our Corporation will be responsible for arranging meals, itineraries (such as City and farm tours) and planning various performances including an official concert on Thursday, August 20th at the United Methodist Church of Madera.

The tentative estimate of the cost for the various activities are as follows:

Meals	\$4,500
Fossil Discovery Center	\$250
Forestiére Underground Garden	\$450
Grizzly Baseball Game	\$500
Yosemite National Park	\$300
Total	\$6,000

We're requesting your support of \$3,000 to assist us to defray the costs of this visit.

Your kind consideration of this matter is highly appreciated!

Sincerely,



Chris Simonian, President
Madera – I-Lan Sister City Corporation

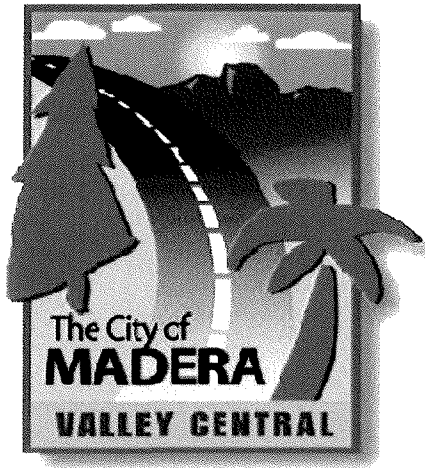
RECEIVED

City of Madera City Clerk

By: D. Alvarez

Date: 7/2/15

C: City Administrator
City Attorney
Comm. Dev. Dir.
Finance Director

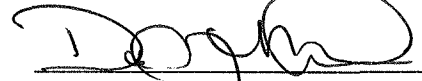


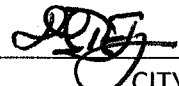
Return to Agenda
REPORT TO CITY COUNCIL

MEETING DATE: July 15, 2015

AGENDA ITEM NUMBER: E-1

Approved By:


PUBLIC WORKS DIRECTOR


CITY ADMINISTRATOR

SUBJECT:

Weekly Water Conservation Reports

RECOMMENDATION:

Staff recommends that the Council review the attached weekly report of water conservation activities and progress in reducing residential water consumption.

SUMMARY/ DISCUSSION:

The attached weekly report is being presented to the Council in order to keep everyone informed of ongoing efforts and resulting reductions in residential consumption. The information is intended to illustrate:

- Week's reduction of water consumption in comparison to the same week in 2013
- Cumulative progress, starting from June 1st, in meeting the States 28% reduction mandate
- Comparison of current temperatures and precipitation to conditions in 2013
- Description of public informational activities
- Summary of public service requests related to water
- Summary of water restriction enforcement activities
- Chart of day by day comparisons of 2013, 2015, and target consumption data

Prior to the Council meeting the newly completed weekly report which sequentially follows the one included with this report will be provided to the council.

FINANCIAL IMPACT:

The expenses for implementing and administering these water conservation activities occur within the Water Fund and does not impact on the General Fund.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The proposed action is not specifically addressed as part of the Plan, but is not in conflict with it and is sympathetic of the underling principals of the 2025 Plan.

City of Madera

Weekly Water Conservation Report June 29 – July 5, 2015



Week's Conservation Avg. 30%	Today's (7/9/15) High 86° 10 day forecast Avg. High 94°
June Conservation Avg. 30%	Week's Avg. High - 3° from 2013 Avg. High

General Water Conservation News:

This year, June was slightly cooler compared to 2013 but still higher than the historical average. A new water conservation graphic that was created by the Park's Department and posted on the City's Facebook page has created some community dialogue. Additionally, the new graphic was posted to the City's webpage. In advance of the 4th of July event at the Madera Municipal Airport, staff placed large banners along Avenue 17 informing passersby of the need to conserve water and that water restrictions are in effect. We are still receiving a fair number of calls in regards to the proposed water and sewer rate increases, many simply wanting to know how much their individual bill is. An agenda item for adoption of the water and sewer rates is on this Council Agenda, as is implementing a water conservation rebate program.

Public Service Requests:

Approximate 12 calls were received this week reporting water wasting (not leak calls)

3 Calls were received regarding water and City facilities

1 Leaks were reported:

- 1 repaired in less than 3 business days of being reported (No underground excavation)
- 0 repaired within 3 business days of being reported
- 0 repaired within 4 business days of being reported
- 0 repaired within more than 4 business days of being reported

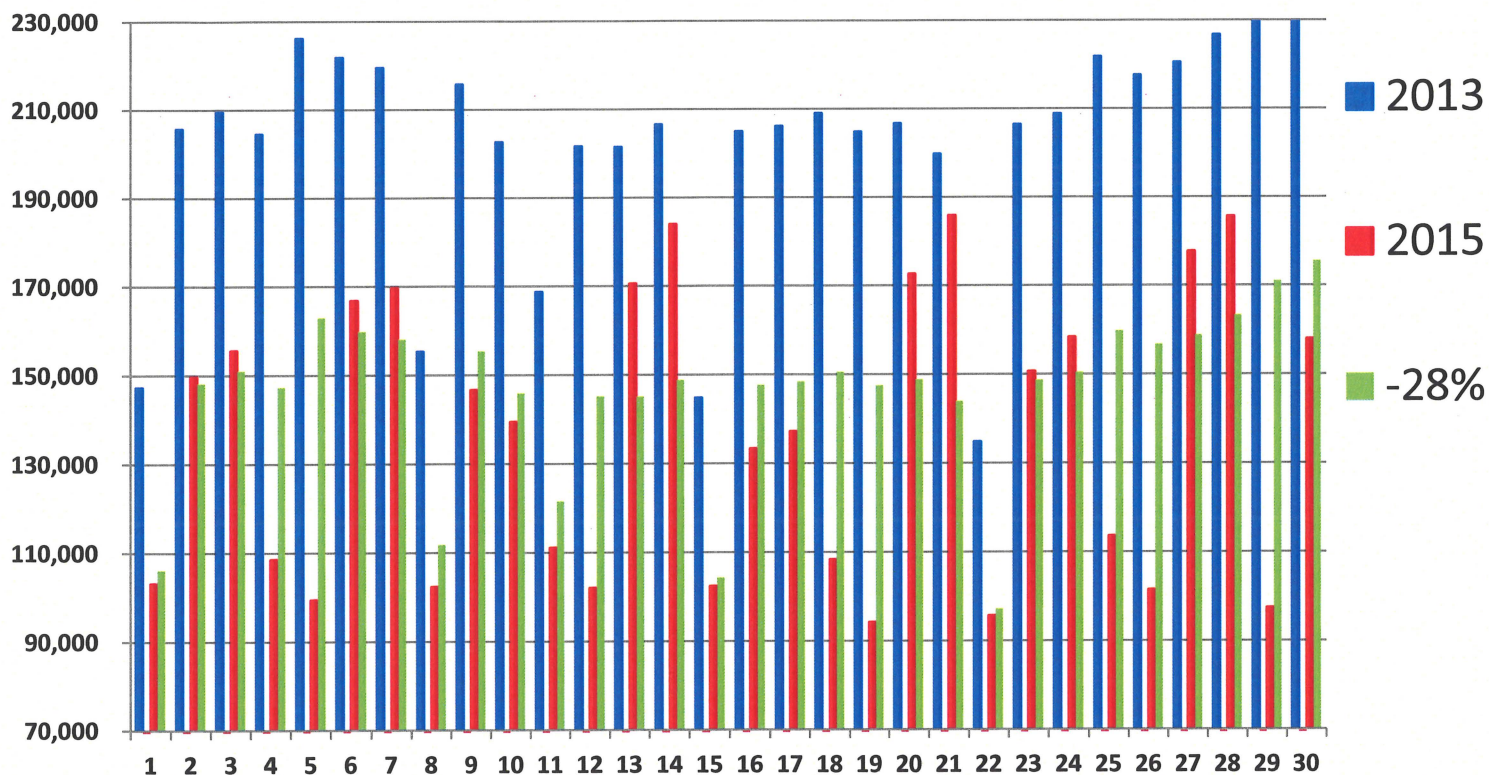
An estimated 100+ calls were received this week requesting information regarding water issues. This is roughly half the number of calls received the previous week. This week there were also three customer inquiries regarding the amount of their consumption which resulted in leaks being discovered at one property and recommended irrigation timer changes at two properties. There were also 6 Meter repairs based on internal system evaluations.

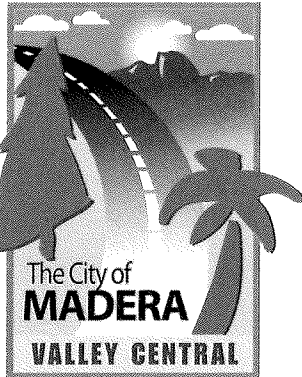
48 Contacts with the Public to educate and provide advice

22 Verbal warnings issued

11 Citations issued:

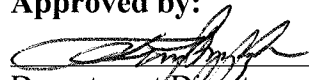
- 9 1st offenses (\$75)
- 2 2nd offenses (\$250)
- 0 3rd or more offense (\$500)





REPORT TO CITY COUNCIL

Approved by:


Department Director


City Administrator

Council Meeting of: July 15, 2015

Agenda Number: E-2

SUBJECT: Report on Policy and Procedure Changes in Utility Billing and Request for Authorization from Council to Delay the Application of Late Penalties Related to the Delinquency Date of July 27, 2015 until after July 30, 2015

RECOMMENDATION: Council to authorize staff to delay the application of late penalties related to the delinquency date of July 27, 2015 until after July 30, 2015

SUMMARY:

At the May 20, 2015 City Council meeting, amendments to the City of Madera Utility Services Policy and Ordinance Chapter 7 of Title VIII of the Madera Municipal Code were approved by Council. Those modifications included changes to the delinquency date and dates for ten-day and five-day noticing with regards to service interruption (shut-offs). In light of the changes, we received many phone calls of concern in relation to the wording on the July utility bills. Further steps are being taken to help customers understand the new policies and procedures and to minimize the late fees that customers are charged as they become familiar with the new policies and procedures.

DISCUSSION:

After implementing the policy changes in regards to the delinquency date, we have experienced an increase in the number of phone calls questioning the changes on the July utility bill. Some of the feedback from the customer calls has been opposition to the changing of the statement. However, there have also been calls from customers that are happy with the changes made because the billing is less confusing. The July statement is the transitional statement which, in

and of itself, tends to be slightly confusing. The issue stems from the June billing being due by the 5th of July and the July bill being due by July 27th. The confusion will likely be reduced because the August statement will reflect all payments and penalties for the month of July and reflect the true balance due. To help customers through this transition, the staff would like to propose holding off on penalizing the accounts immediately after the July 27th due date. If approved by Council, customers will be given an extra three days prior to the printing of the August utility bills to pay their July balance before penalties will be applied. This decision to delay the application of penalties will not be communicated to the public. Doing so could further confuse customers and discourage those who do understand the new policies from paying in a timely manner. However, customers that come in to pay will be reminded in person of the new delinquency dates and additional notices will be placed in the August and September Utility Newsletters.

In the last several months leading up to the implementation of the amended policy and ordinance, the Utility Billing Department has enforced the previous policy for noticing and service interruption more consistently than in the past. The efforts imposed have reduced the accounts receivable totals from \$773,233 at the end of the fiscal year for 2013/2014 to \$500,964 at the end of the fiscal year for 2014/2015; reducing the accounts receivable by \$272,269 or 35%. It is staff's intention to continue to improve our utility billing collections by implementing and consistently enforcing policies that are understandable to the public. Establishing delinquency dates that do not overlap onto the next utility bills so that customers can know the correct amount that is due at the time they receive their utility bill is an important step in that direction.

During this portion of the meeting, staff will briefly review the changes being made to the utility bills, discuss how the changes have created some confusion and seek direction from Council as to how the City's Utility Billing Department might be able to improve communication with the public as we implement the policy and ordinance changes that were approved by Council in May.

FINANCIAL IMPACT:

There will be no impact to the general fund from the utility billing statement changes.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

Effective government is demonstrated through responsible stewardship of resources; improving communication internally and with community stake-holders; dedication to improvement; and creation of new programs, services and internal systems in response to collected data and community needs.

Agenda: July 15, 2015

Item: F-1

Mayor's Appointment of Ad Hoc Committee for Tax Sharing Agreement

There is no report for this item.