

**CORCORAN CITY COUNCIL,  
JOINT POWERS FINANCE AUTHORITY,  
SUCCESSOR AGENCY FOR CORCORAN RDA,  
& HOUSING AUTHORITY  
AGENDA**

**City Council Chambers  
1015 Chittenden Avenue  
Corcoran, CA 93212**

**Tuesday, March 12, 2019  
5:30 P.M.**

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**Public Inspection:** A detailed City Council packet is available for review at the City Clerk's Office, located at Corcoran City Hall, 832 Whitley Avenue.

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**Notice of ADA Compliance:** In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerks Office at (559) 992-2151.

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**Public Comment:** Members of the audience may address the Council on non-agenda items; however, in accordance with government code section 54954.2, the Council may not (except in very specific instances) take action on an item not appearing on the posted agenda.

This is the time for members of the public to comment on any matter within the jurisdiction of the Corcoran City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item. The councilmembers ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome.

After receiving recognition from the chair, speakers shall walk to the rostrum, state their name and address and proceed with comments. Each speaker will be limited to five (5) minutes.

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**Consent Calendar:** All items listed under the consent calendar are considered to be routine and will be enacted by one motion. If anyone desires discussion of any item on the consent calendar, the item can be removed at the request of any member of the City Council and made a part of the regular agenda.

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**ROLL CALL**

Mayor:	Sidonio "Sid" Palmerin
Vice Mayor:	Patricia Nolen
Council Member:	Raymond Lerma
Council Member:	Jerry Robertson
Council Member:	Jeanette Zamora-Bragg

**INVOCATION**

**FLAG SALUTE**

**1. PUBLIC DISCUSSION**

2. **CONSENT CALENDAR (VV)**

- 2-A. Approval of minutes of the meeting of the City Council on February 26, 2019.
- 2-B. Authorization to read ordinances and resolutions by title only.
- 2-C. Approve Resolution 2962 and 2963 regarding the Water Meter Upgrade Project.

3. **APPROPRIATIONS (VV)**

Approval of Warrant Register dated March 12, 2019. *(Ruiz-Nuñez) (VV)*

4. **PRESENTATIONS**

- 4-A. Presentation on CalPERS Unfunded Accrued Liability and future budgetary impacts on the City of Corcoran. *(Meik)*
- 4-B. Corcoran Area Transit (CAT) fare workshop. *(Tromborg)*

5. **PUBLIC HEARINGS** – None

6. **WRITTEN COMMUNICATIONS** – None

7. **STAFF REPORTS**

- 7-A. Request approval of Resolution No. 2961 regarding Fiscal Year 2018-2019 fund for Low Carbon Transit Operations Program (LCTOP) *(VV) (Tromborg)*

8. **MATTERS FOR MAYOR AND COUNCIL**

- 8-A. Information Items
- 8-B. Staff Referral Items - *Items of Interest (Non-action items the Council may wish to discuss)*
- 8-C. Committee Reports

9. **CLOSED SESSION**

9-A. **THREAT TO PUBLIC SAFETY**

With respect to every item of business to be discussed in closed session pursuant to Sections 54957 of the Government Code:

Consultation with:

Corcoran Police Department:  
Police Chief Reuben Shortnacy  
Deputy Police Chief Gary Cramer

**9-B. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**  
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9:

Number of potential cases: One case.

**9-C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR(S)**

With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.8:

Property: 032-033-005  
1265 Bainum  
429 James  
1116 Sherman

Agency negotiator: City Manager

Negotiating parties: \_\_\_\_\_


Under negotiation: \_\_\_\_\_

**9-D. CONFERENCE WITH LABOR NEGOTIATOR(S)** (Government Code § 54957.6). It is the intention of this governing body to meet in closed-session to review its position and to instruct its designated representatives:

- Designated representatives: \_\_\_\_\_
- Name of employee organization: \_\_\_\_\_
- Position title(s) of unrepresented employee(s): CPOA, Local 39, CLOCEA, and Management Team.

**10. ADJOURNMENT**

I certify that I caused this Agenda of the Corcoran City Council meeting to be posted at the City Council Chambers, 1015 Chittenden Avenue on March 8, 2019.

  
\_\_\_\_\_  
Marlene Spain, City Clerk

**CORCORAN CITY COUNCIL,  
JOINT POWERS FINANCE AUTHORITY,  
SUCCESSOR AGENCY FOR CORCORAN RDA,  
& HOUSING AUTHORITY  
AGENDA**

**Tuesday, February 26, 2019**

The regular session of the Corcoran City Council was called to order by Mayor Palmerin, in the City Council Chambers, 1015 Chittenden Avenue, Corcoran, CA at 5:30 P.M.

**ROLL CALL**

Councilmembers present: Patricia Nolen, Raymond Lerma (arrived at 6:04pm), Sidonio Palmerin, and Jerry Robertson

Councilmembers absent: Jeanette Zamora-Bragg

Staff present: Joseph Faulkner, Ken Jorgensen, Kindon Meik, Reuben Shortnacy, Kevin Tromborg and Marlene Spain

Press present: None

**INVOCATION** Invocation was presented by Palmerin.

**FLAG SALUTE** The flag salute was led by Nolen.

**1. PUBLIC DISCUSSION – None**

**2. CONSENT CALENDAR**

Following Council discussion a **motion** was made by Robertson and seconded by Nolen to approve the Consent Calendar. Motion carried by the following vote:

**AYES:** Nolen, Palmerin and Robertson

**NOES:**

**ABSENT:** Lerma and Zamora-Bragg

**3. APPROPRIATIONS**

Following Council discussion a **motion** was made by Zamora-Bragg and seconded by Robertson to approve the Warrant Register for February 26, 2019. Motion carried by the following vote:

**AYES:** Nolen, Palmerin and Robertson

**NOES:**

**ABSENT:** Lerma and Zamora-Bragg

4. **PRESENTATIONS** – None
5. **PUBLIC HEARINGS** – None
6. **WRITTEN COMMUNICATIONS** – None

7. **STAFF REPORTS**

7-A. Community Development Director, Kevin Tromborg presented the Community Development Department 2018 Annual Report.

8. **MATTERS FOR MAYOR AND COUNCIL**

- 8-A. Council received information items.
- 8-B. Staff received referral items.
- 8-C. Committee reports.

**CLOSED SESSION**

At 6:03 p.m. Council recessed to closed session pursuant to:

**CLOSED SESSION**

9-A. **THREAT TO PUBLIC SAFETY**

With respect to every item of business to be discussed in closed session pursuant to Sections 54957 of the Government Code:

Consultation with:

Corcoran Police Department:  
Police Chief Reuben Shortnacy  
Deputy Police Chief Gary Cramer

9-B. **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9:

Number of potential cases: Two cases.

Closed session Item 9-A was tabled. Council received an update on the two cases of anticipated litigation.

**ADJOURNMENT**            **\_6:44\_ P.M.**

\_\_\_\_\_  
Sid Palmerin, Mayor

\_\_\_\_\_  
Marlene Spain, City Clerk

**APPROVED DATE:** \_\_\_\_\_

City of  
**CORCORAN**

Public Works Department

FOUNDED 1914

**CONCENT CALENDAR  
ITEM #: 2-C**

**MEMO**

**TO: Corcoran City Council**

**FROM: Joseph Faulkner, Public Works Director**

**DATE: March 5, 2019**

**MEETING DATE: March 12, 2019**

**SUBJECT: Approve Resolution No. 2962 and Resolution No. 2963**

**Recommendation:**

Resolution No. 2962 and Resolution No. 2963

**Discussion:**

The Public Works Department is completing a State Revolving Fund application to secure funding for a water meter upgrade project. Two resolutions are required, one to designate a authorize representative directed to sign and file, for and on behalf of the City. The second resolution, is promising reimbursement of the project.

**Budget Impact:**

No budget Impact.

# AUTHORIZING RESOLUTION/ORDINANCE

RESOLUTION NO: 2962

WHEREAS \_\_\_\_\_  
(insert appropriate findings)  
RESOLVED BY THE \_\_\_\_\_ OF THE  
(insert name of Governing Board of the Entity)  
\_\_\_\_\_  
(insert Entity name) (the "Entity"), AS FOLLOWS:

The \_\_\_\_\_ (the "Authorized Representative") or designee is  
(insert Title of Authorized Representative)  
hereby authorized and directed to sign and file, for and on behalf of the Entity, a Financial Assistance  
Application for a financing agreement from the State Water Resources Control Board for the planning, design,  
and construction of \_\_\_\_\_ (the "Project").  
(Corcoran Water Meter Project)

This Authorized Representative, or his/her designee, is designated to provide the assurances, certifications,  
and commitments required for the financial assistance application, including executing a financial assistance  
agreement from the State Water Resources Control Board and any amendments or changes thereto.

The Authorized Representative, or his/her designee, is designated to represent the Entity in carrying out the  
Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of  
the Entity and compliance with applicable state and federal laws.

## CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted  
at a meeting of the \_\_\_\_\_ held  
(insert name of Governing Board of the Entity)  
on \_\_\_\_\_.  
(Date)

\_\_\_\_\_  
(Name, Signature, and Seal of the Clerk or Authorized Record Keeper of the Governing Board of the Agency)



## REIMBURSEMENT RESOLUTION 2963

WHEREAS, the City of Corcoran (the "Agency") desires to finance the costs of  
*(Agency Name)*

constructing and/or reconstructing certain public facilities and improvements relating to its water system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, THE AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

**SECTION 1.** The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

**SECTION 2.** The reasonably expected maximum principal amount of the Project Funds is \$2,000,000.

**SECTION 3.** This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

**SECTION 4.** Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

**SECTION 5.** To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

**SECTION 6.** This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

**SECTION 7.** All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

### CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the \_\_\_\_\_ held on \_\_\_\_\_  
*(Governing Board of the Agency)* *(Date)*

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*(Name, Signature, and Seal of the Clerk or Authorized Record Keeper of the Governing Board of the Agency)*

#1

# Accounts Payable

## Blanket Voucher Approval Document



User: spineda  
Printed: 03/01/2019 - 10:42AM  
Warrant Request Date: 3/1/2019  
DAC Fund:

Batch: 00511.03.2019 - 03/12/19 Mnl Wrnt Rgstr FY

Line	Claimant	Voucher No.	Amount
1	Keenan & Associates	000067946	856.00
			<hr/>
			Page Total: \$856.00
			<hr/>
			Grand Total: \$856.00

# Accounts Payable

## Voucher Approval List

User: spineda  
Printed: 03/01/2019 - 10:42AM  
Batch: 00511.03.2019 - 03/12/19 Mnl Wrnt Rgstr FY19



Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
67946	3/1/2019	Keenan & Associates	Jan & Feb 2019 Plan#COMCARE001-PACE Marlene Spain	104-402-200-120	856.00
<b>Warrant Total:</b>					<b>856.00</b>

# Accounts Payable

## Blanket Voucher Approval Document



User: spineda  
 Printed: 03/07/2019 - 11:00AM  
 Warrant Request Date: 3/12/2019  
 DAC Fund:

Batch: 00501.03.2019 - 03/12/19 Wrnt Rgstr FY19

Line	Claimant	Voucher No.	Amount
1	Accelerated Modular Concepts, Inc.	000067947	466,410.58
2	American Business Machines	000067948	8.00
3	Anthony Chavez	000067949	100.00
4	ASI Administrative Solutions, Inc	000067950	483.80
5	Auto Zone, Inc.	000067951	10.65
6	BankCard Center- Bank of the West Credit Cards	000067952	226.07
7	BankCard Center- Bank of the West Credit Cards	000067953	1,675.00
8	BC Laboratories, Inc	000067954	130.00
9	Best Deal Food Co Inc.	000067955	56.87
10	Caves & Associates	000067956	510.00
11	Central Valley Lawn Care	000067957	350.00
12	Central Valley Sweeping LLC	000067958	4,750.00
13	City of Avenal	000067959	4,401.38
14	City of Corcoran	000067960	221.04
15	College of the Sequoias	000067961	2,536.00
16	CopWare, Inc	000067962	615.00
17	Corcoran City Petty Cash	000067964	280.06
18	Corcoran City Petty Cash	000067963	482.20
19	Corcoran Community Foundation	000067965	64,000.00
20	County of Kings	000067966	3,000.00
21	Courtney Stauffer	000067967	219.71
22	Data Ticket Inc	000067968	955.00
23	David Arredondo	000067969	65.00
24	Ewing Irrigation Products, Inc	000067970	343.21
25	FedEx	000067971	78.51
26	Felder Communications	000067972	139.42
27	Ferguson Enterprises, Inc	000067973	2,133.71
28	Frontier Communications	000067974	65.85
29	Frontier Communications	000067975	51.36
30	Gary V. Burrows Inc.	000067976	2,618.78
31	Gonzalez Lawn Service	000067977	80.00
32	Government Finance Officers Association	000067978	190.00
33	Hinderliter, deLlames & Assoc	000067979	1,194.51
34	Images/RadioShack Dealer	000067980	19.46
35	Industrial Test Systems Inc	000067981	578.07
36	Jones Electric	000067982	292.00
37	Jorge Lopez	000067983	1,355.05
38	JP Morgan Chase Bank NA	000000000	1,718.35
39	Kings County Clerk	000067984	16.00
40	Kings County Department of Agriculture	000067985	60.00
41	Kings Waste & Recycling	000067986	9,138.63
42	L. N. Curtis & Sons	000067987	80.17
43	Law & Associates Investigations	000067988	600.00
44	Lowe's	000067989	271.69
45	Matson Alarm Co. Inc.	000067990	121.50
46	Matt Chavez	000067991	41.00

Page Total: \$572,673.63

Line	Claimant	Voucher No.	Amount
47	Midnight Crane Services, Inc.	000067992	1,025.00
48	Miguel Meneses	000067993	880.00
49	MYbark Co. Inc.	000067994	5,760.26
50	PG&E	000068002	122.37
51	PG&E	000068003	10.51
52	PG&E	000067998	10.51
53	PG&E	000067997	10.52
54	PG&E	000067999	10.52
55	PG&E	000067995	75,823.90
56	PG&E	000068000	10.51
57	PG&E	000068001	6,945.54
58	PG&E	000067996	5,786.95
59	Prudential Overall Supply	000068004	455.78
60	Quad Knopf, Inc.	000068005	6,522.25
61	Quality Pool Service	000068006	1,541.77
62	Radius Tire Co.	000068007	638.68
63	Reliable Status Towing	000068008	360.00
64	Richard's Chevrolet	000068009	703.62
65	San Diego Police Equipment Co	000068010	1,192.89
66	Sawtelle & Rosprim Hardware	000068011	322.87
67	Sawtelle Rosprim Machine Shop	000068012	359.28
68	Serrano Construction & Remodel	000068013	1,600.00
69	Shell Fleet Plus	000068014	9,550.96
70	Sherwin Williams Co	000068015	104.44
71	SHI International Corp.	000068016	2,421.20
72	Soledad Ruiz-Nunez	000068017	25.99
73	State Water Res Control Board	000068018	16,347.00
74	Stoney's Sand & Gravel, LLC	000068019	265.88
75	Sun Badge Co	000068020	341.33
76	Telstar Instruments	000068021	1,788.00
77	The Gas Company	000068022	15.26
78	The Gas Company	000068023	4,138.79
79	The Printer	000068024	67.98
80	Trent Augustus	000068025	89.73
81	Tulare County Jail-Industries Engraving Program	000068026	188.56
82	Tulare-Kings Veterinary ER Svc	000068027	107.00
83	Tule Trash Company	000068028	3,865.48
84	Turnupseed Electric Svc Inc	000068029	429.95
85	unWired Broadband	000068030	199.95
86	US Bank Equipment Finance	000068031	198.86
87	USA Blue Book	000068032	939.52
88	USPS	000068033	3,500.00
89	Water Systems Optimization	000068034	2,500.00
90	Wright's Electric	000068035	394.61

Page Total: \$157,574.22

Grand Total: \$730,247.85

# Accounts Payable

## Voucher Approval List

User: spineda  
 Printed: 03/07/2019 - 11:00AM  
 Batch: 00501.03.2019 - 03/12/19 Wrmt Rgstr FY19



Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
67947	3/12/2019	Accelerated Modular Concepts, Inc.	NEW POLICE DPT. HQ PROJECT	315-421-300-200	466,410.58
67948	3/12/2019	American Business Machines	FREIGHT COST FOR COPIER TONER	104-432-300-210	8.00
67949	3/12/2019	Anthony Chavez	REIMB: EXAM ENROLLMENT	105-437-300-160	100.00
67950	3/12/2019	ASI Administrative Solutions, Inc	FSA ANNUAL FEE 2019 PLAN YEAR	104-402-300-200	398.00
67950	3/12/2019	ASI Administrative Solutions, Inc	COBRA ADMN JAN 2019	104-402-300-200	85.80
67951	3/12/2019	Auto Zone, Inc.	VEHICLE REPAIR PARTS FOR UNIT#202	104-421-300-260	10.65
67952	3/12/2019	BankCard Center- Bank of the West Credit Cards	DESANTIS HOLSTER/GUN HOLSTER-ACCT#3325	104-421-300-210	89.15
67952	3/12/2019	BankCard Center- Bank of the West Credit Cards	SHELL OIL/FUEL CHIEF UNIT/ACCT#3325	104-421-300-250	29.00
67952	3/12/2019	BankCard Center- Bank of the West Credit Cards	LATE FEES-ACCT#3325	104-421-300-200	107.92
67953	3/12/2019	BankCard Center- Bank of the West Credit Cards	PD CHALLENGE COINS-ACCT#3049	104-421-300-210	1,675.00
67954	3/12/2019	BC Laboratories, Inc	MONTHLY ARSENIC ANALYSIS WELLS 1-4	105-437-300-200	130.00
67955	3/12/2019	Best Deal Food Co Inc.	DOG FOOD	104-421-300-203	14.05
67955	3/12/2019	Best Deal Food Co Inc.	DEPT SUPPLIES	120-435-300-210	42.82
67956	3/12/2019	Caves & Associates	NEGOTIATIONS MARCH 2019	104-402-300-200	510.00
67957	3/12/2019	Central Valley Lawn Care	MONTHLY SVC: PHEASANT RIDGE	111-602-300-202	350.00
67958	3/12/2019	Central Valley Sweeping LLC	STREET SWEEPING: FEB 2019	112-438-300-200	1,583.34
67958	3/12/2019	Central Valley Sweeping LLC	STREET SWEEPING: FEB 2019	109-434-300-200	1,583.33
67958	3/12/2019	Central Valley Sweeping LLC	STREET SWEEPING: FEB 2019	121-439-300-200	1,583.33
67959	3/12/2019	City of Avenal	AC SVC AGREEMNT AVENAL/CORCORAN JAN 2019	104-421-300-203	4,401.38
67960	3/12/2019	City of Corcoran	ACCT#002166-002 2410 BELL AVE.	301-430-300-316	84.80
67960	3/12/2019	City of Corcoran	ACCT#002166-004 24434 6 1/4 AVE	301-430-300-316	74.15
67960	3/12/2019	City of Corcoran	ACCT#002166-006 429 JAMES AVE.	301-430-300-316	62.09
67961	3/12/2019	College of the Sequoias	MODULE 1,2,3 /K BOLLAND, C STAUFFER POLICE ACADEM	104-421-300-270	2,536.00
67962	3/12/2019	CopWare, Inc	CA PEACE OFFICER LEGAL SOURCE	104-421-300-200	615.00
67963	3/12/2019	Corcoran City Petty Cash	POSTAGE	104-432-300-152	5.94
67963	3/12/2019	Corcoran City Petty Cash	CHAMBER BANQUET DECOR M SPAIN REIMB.	104-401-300-215	54.26
67963	3/12/2019	Corcoran City Petty Cash	DMV PRINTOUT A LEYVA SIERRA: PROTEUS /MAINT.	104-412-300-200	15.00
67963	3/12/2019	Corcoran City Petty Cash	DMV COM LIC REIMB. D ARREDONDO	105-437-300-270	2.00
67963	3/12/2019	Corcoran City Petty Cash	LEAGUE OF CA CITIES GEN MEMB DINNER: MEIK REIMB.	104-401-300-270	75.00
67963	3/12/2019	Corcoran City Petty Cash	RENEWAL OF GPPV LIC W/CHP REIMB. N LOPEZ	145-410-300-200	12.00
67963	3/12/2019	Corcoran City Petty Cash	PER DIEM: R AGUIRRE MAGNUS LEADERSHIP 3/11-19/19	104-421-300-270	156.00

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
67963	3/12/2019	Corcoran City Petty Cash	PER DIEM: T. AUGUSTUS & S CHEE 2/25-26/19	104-421-300-270	162.00
67964	3/12/2019	Corcoran City Petty Cash	RANGE FEE: K BOLLAND REIMB.	104-421-300-210	20.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: CHAVARRIA	104-421-300-270	24.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: S CHEE	104-421-300-270	24.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: P CASTRO	104-421-300-270	24.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: S CHEE	104-421-300-270	12.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: CHAVARRIA	104-421-300-270	12.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: T AUGUSTUS	104-421-300-270	12.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: P CASTRO	104-421-300-270	12.00
67964	3/12/2019	Corcoran City Petty Cash	PD VEH CAR WASH	104-421-300-260	60.00
67964	3/12/2019	Corcoran City Petty Cash	INMATE MEALS	104-421-300-148	8.06
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: T AUGUSTUS	104-421-300-270	36.00
67964	3/12/2019	Corcoran City Petty Cash	PER DIEM: S PFARR	104-421-300-270	36.00
67965	3/12/2019	Corcoran Community Foundation	50% OF CONTRACT	138-419-300-200	64,000.00
67966	3/12/2019	County of Kings	2019 ARIEL IMAGERY PARTICIPATION-COST	104-406-300-197	1,000.00
67966	3/12/2019	County of Kings	2019 ARIEL IMAGERY PARTICIPATION -COST	104-406-300-198	1,000.00
67966	3/12/2019	County of Kings	2019 ARIEL IMAGERY PARTICIPATION -COST	104-406-300-190	1,000.00
67967	3/12/2019	Courtney Stauffer	CADET REIMB/UNIFORMS	104-421-300-270	219.71
67968	3/12/2019	Data Ticket Inc	CODE ENFORCEMENT CITATION PROCESSING FOR JAN 201	104-406-300-200	955.00
67969	3/12/2019	David Arredondo	REIMB. EXAM ENROLLMENT	105-437-300-160	65.00
67970	3/12/2019	Ewing Irrigation Products, Inc	DEPT SUPPLIES: STOCK	104-412-300-210	343.21
67971	3/12/2019	FedEx	SHIPPING-TESCO CONTROLLER REPAIRS X2	120-435-300-200	78.51
67972	3/12/2019	Felder Communications	PD FLASHLIGHT EQUPT 1574	104-421-300-141	85.84
67972	3/12/2019	Felder Communications	PD FLASHLIGHT EQUPT 15157	104-421-300-141	53.58
67973	3/12/2019	Ferguson Enterprises, Inc	METERS	105-437-300-210	1,614.47
67973	3/12/2019	Ferguson Enterprises, Inc	LIDS	105-437-300-210	519.24
67974	3/12/2019	Frontier Communications	ACCT#55999286801122995-VETS HALL	104-432-320-220	65.85
67975	3/12/2019	Frontier Communications	ACCT#55999212650917185-WWTP	120-435-300-220	51.36
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	104-406-300-250	19.77
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	104-412-300-250	74.22
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	104-421-300-250	1,333.19
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	104-431-300-250	90.80
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	104-433-300-250	85.76
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	109-434-300-250	625.79
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	120-435-300-250	148.56
67976	3/12/2019	Gary V. Burrows Inc.	FUEL STATEMENT FOR FEB 2019	105-437-300-250	240.69
67977	3/12/2019	Gonzalez Lawn Service	INTER HOUSE CLEAN UP & PROP @ 2410 BELL AVE.	301-430-300-200	80.00
67978	3/12/2019	Government Finance Officers Association	GFOA MEMBERSHIP	104-405-300-170	190.00
67979	3/12/2019	Hinderliter, deLlames & Assoc	CONTRACT SVC : TRANS TAX 1Q	104-405-300-200	450.00

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
67979	3/12/2019	Hinderliter, deLlames & Assoc	AUDIT SVCS SALES TAX	104-405-300-200	744.51
67980	3/12/2019	Images/RadioShack Dealer	WALKIE TALKIE BATTERIES	120-435-300-210	19.46
67981	3/12/2019	Industrial Test Systems Inc	DEPT SUPPLIES: ARSENIC PAD. REAGENT	105-437-300-210	578.07
67982	3/12/2019	Jones Electric	R. SMITH PARK REPAIR LIGHTS	104-411-500-540	292.00
67983	3/12/2019	Jorge Lopez	B SMITH PARK : PARK ENTRANCE	104-412-500-540	1,355.05
0	3/12/2019	JP Morgan Chase Bank NA	COMCAST: PD PHONE SVC	104-421-300-220	1,181.04
0	3/12/2019	JP Morgan Chase Bank NA	COMCAST: SVC ACCT#1872	104-432-300-220	291.08
0	3/12/2019	JP Morgan Chase Bank NA	COMCAST: SVC ACCT#177130	120-435-300-220	246.23
67984	3/12/2019	Kings County Clerk	FULL RECONVEYANCE: 2405 GARVEY, CORCORAN CA 9321	301-430-300-200	8.00
67984	3/12/2019	Kings County Clerk	FULL RECONVEYANCE: 2405 GARVEY, CORCORAN CA 9321	301-430-300-200	8.00
67985	3/12/2019	Kings County Department of Agriculture	PESTICIDE SAFETY COURSE: P MCBRIDE & R. RODRIGUEZ	104-412-300-270	20.00
67985	3/12/2019	Kings County Department of Agriculture	PESTICIDE SAFETY COURSE: J GUERRERO	105-437-300-270	10.00
67985	3/12/2019	Kings County Department of Agriculture	PESTICIDE SAFETY COURSE:ESPINOZA, MATA, & MODESTO	120-435-300-270	30.00
67986	3/12/2019	Kings Waste & Recycling	GREEN WASTE: 194.22 UNITS/TONS	112-436-300-192	8,333.60
67986	3/12/2019	Kings Waste & Recycling	BLUE CANS 62.91 UNITS/TONS	112-436-300-192	711.57
67986	3/12/2019	Kings Waste & Recycling	TIRES 1.0 UNITS/TONS	112-436-300-192	3.00
67986	3/12/2019	Kings Waste & Recycling	MISC COMMODITY 8.04 UNITS/TONS	112-436-300-192	90.46
67987	3/12/2019	L. N. Curtis & Sons	VEST GEAR: S CHEE	114-414-300-210	80.17
67988	3/12/2019	Law & Associates Investigations	BACKGROUD SVCS	104-421-300-200	600.00
67989	3/12/2019	Lowe's	CREDIT	104-412-500-540	-3.41
67989	3/12/2019	Lowe's	B SMITH PARK: DECING BOARDS FOR BENCHES	104-412-500-540	275.10
67990	3/12/2019	Matson Alarm Co. Inc.	RAO ALARM SYSTEM: MONITORING & SVC.	104-432-300-200	121.50
67991	3/12/2019	Matt Chavez	PER DIEM: 3/13-14/19: HOW TO RUN A COLLECTION SYSTEM	120-435-300-270	41.00
67992	3/12/2019	Midnight Crane Services, Inc.	WTP IMPROVEMENTS PH ADJUSTMENT	105-437-500-540	1,025.00
67993	3/12/2019	Miguel Meneses	YARD SVC: 6 1/2 & ORANGE JAN & FEB 2019 BILLING	111-601-300-202	240.00
67993	3/12/2019	Miguel Meneses	YARD SVC: SUNRISE VILLA JAN & FEB 2019 BILLING	111-601-300-202	400.00
67993	3/12/2019	Miguel Meneses	YARD SVC: APPERON JAN & FEB 2019 BILLING	111-601-300-202	240.00
67994	3/12/2019	MYbark Co. Inc.	B SMITH PARK: IMPACT FEES -WOOD CHIPS-LANDSCAPE M	119-412-300-210	4,708.88
67994	3/12/2019	MYbark Co. Inc.	B SMITH PARK: IMPACT FEES -WOOD CHIPS-LANDSCAPE M	119-412-300-210	1,051.38
67995	3/12/2019	PG&E	ACCT#1056173633-0	301-430-300-316	29.17
67995	3/12/2019	PG&E	ACCT#99497000756-9	111-601-300-240	9.86
67995	3/12/2019	PG&E	ACCT#99497000756-9	145-410-300-240	690.56
67995	3/12/2019	PG&E	ACCT#99497000756-9	104-411-300-240	3,055.61
67995	3/12/2019	PG&E	ACCT#99497000756-9	104-412-300-240	489.28
67995	3/12/2019	PG&E	ACCT#99497000756-9	104-432-300-240	5,250.67
67995	3/12/2019	PG&E	ACCT#99497000756-9	104-432-320-240	100.38
67995	3/12/2019	PG&E	ACCT#99497000756-9	109-434-300-240	318.27
67995	3/12/2019	PG&E	ACCT#99497000756-9	120-435-300-240	20,560.82
67995	3/12/2019	PG&E	ACCT#99497000756-9	121-439-300-240	1,021.24



Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
67995	3/12/2019	PG&E	ACCT#99497000756-9	105-437-300-240	43,133.51
67995	3/12/2019	PG&E	ACCT#99497000756-9	104-432-320-240	100.00
67995	3/12/2019	PG&E	ACCT#99497000756-9	120-435-300-240	1,064.53
67996	3/12/2019	PG&E	ACCT#5304135173-4	111-601-300-240	94.09
67996	3/12/2019	PG&E	ACCT#5304135173-4	111-603-300-240	9.27
67996	3/12/2019	PG&E	ACCT#5304135173-4	111-604-300-240	100.64
67996	3/12/2019	PG&E	ACCT#5304135173-4	104-412-300-240	13.69
67996	3/12/2019	PG&E	ACCT#5304135173-4	109-434-300-240	5,569.26
67997	3/12/2019	PG&E	ACCT#9417235641-5	301-430-300-316	10.52
67998	3/12/2019	PG&E	ACCT#8465964727-9	301-430-300-316	10.51
67999	3/12/2019	PG&E	ACCT#9417235641-5	301-430-300-316	10.52
68000	3/12/2019	PG&E	ACCT#8846471595-7	301-430-300-316	10.51
68001	3/12/2019	PG&E	ACCT#2777783766-0	105-437-300-240	6,945.54
68002	3/12/2019	PG&E	ACCT#0264009458-3	120-435-300-240	122.37
68003	3/12/2019	PG&E	ACCT#5188607767-9	301-430-300-316	10.51
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	145-410-300-200	48.72
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	136-415-300-200	31.29
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-432-300-200	178.69
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-432-300-200	21.73
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-432-300-200	23.51
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-433-300-200	31.63
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	104-433-300-200	21.51
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	120-435-300-200	49.84
68004	3/12/2019	Prudential Overall Supply	ENTRANCE RUGS/SHOP TOWELS/DUST MOP	105-437-300-200	48.86
68005	3/12/2019	Quad Knopf, Inc.	IMPROV STANDARD PRINTED BOOKS	120-435-300-200	107.16
68005	3/12/2019	Quad Knopf, Inc.	WTP: CAUSTIC CONTAIN PROJECT	105-437-500-540	946.89
68005	3/12/2019	Quad Knopf, Inc.	PW CORP: YARD BILDG PROJECT	105-437-500-520	414.12
68005	3/12/2019	Quad Knopf, Inc.	PW CORP: YARD BILDG PROJECT	120-435-500-530	414.11
68005	3/12/2019	Quad Knopf, Inc.	PW CORP: YARD BILDG PROJECT	109-434-500-520	414.11
68005	3/12/2019	Quad Knopf, Inc.	PW CORP: YARD BILDG PROJECT	104-432-500-520	414.11
68005	3/12/2019	Quad Knopf, Inc.	WELL 11: CONSTRUCT ADMIN/MGMT/SURVEY	105-437-500-513	1,747.35
68005	3/12/2019	Quad Knopf, Inc.	WATER METER REPLACEMENT PROJECT	105-437-300-200	222.84
68005	3/12/2019	Quad Knopf, Inc.	GEN ENG SVC	105-437-300-200	613.85
68005	3/12/2019	Quad Knopf, Inc.	GEN ENG SVCS	120-435-300-200	613.85
68005	3/12/2019	Quad Knopf, Inc.	GEN ENG SVCS	104-432-300-200	613.86
68006	3/12/2019	Quality Pool Service	REPLACE PRESSURE RELEASE VALVE	138-419-300-206	412.53
68006	3/12/2019	Quality Pool Service	REMOVE & REPLACE FLANGE FROM HEATER	138-419-300-206	279.24
68006	3/12/2019	Quality Pool Service	MONTHLY POOL SVC.	138-419-300-206	850.00
68007	3/12/2019	Radius Tire Co.	TIRE REPLACEMENT UNIT#102	109-434-300-260	638.68

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
68008	3/12/2019	Reliable Status Towing	TOWING: 24542 5 1/2 AVE. CORCORAN	104-406-300-194	60.00
68008	3/12/2019	Reliable Status Towing	TOWING: 24542 5 1/2 AVE. CORCORAN	104-406-300-194	60.00
68008	3/12/2019	Reliable Status Towing	TOWING: 26 5 1/2 AVE. CORCORAN	104-406-300-194	60.00
68008	3/12/2019	Reliable Status Towing	TOWING: 26 5 1/2 AVE. CORCORAN	104-406-300-194	60.00
68008	3/12/2019	Reliable Status Towing	TOWING: 26 5 1/2 AVE. CORCORAN	104-406-300-194	60.00
68008	3/12/2019	Reliable Status Towing	TOWING: 26 5 1/2 AVE. CORCORAN	104-406-300-194	60.00
68009	3/12/2019	Richard's Chevrolet	REPAIR: REPLACE OF GAS TANK COMM DEV VEHICLE	104-406-300-260	703.62
68010	3/12/2019	San Diego Police Equipment Co	ARMORY SUPPLIES	114-414-300-210	1,192.89
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	105-437-300-210	14.43
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	120-435-300-210	28.87
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	120-435-300-210	32.50
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	120-435-300-210	28.87
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	105-437-300-210	39.99
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	120-435-300-210	28.87
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	120-435-300-210	55.06
68011	3/12/2019	Sawtelle & Rosprim Hardware	DEPT SUPPLIES	105-437-300-210	11.13
68011	3/12/2019	Sawtelle & Rosprim Hardware	EQUPT MAINT	105-437-300-140	22.47
68011	3/12/2019	Sawtelle & Rosprim Hardware	EQUIPT MAINT.	105-437-300-140	60.68
68012	3/12/2019	Sawtelle Rosprim Machine Shop	IMPACT FEES: B SMITH PARK BENCHES	119-412-300-210	189.28
68012	3/12/2019	Sawtelle Rosprim Machine Shop	REPAIRS TO MANHOLE COVER	120-435-300-140	170.00
68013	3/12/2019	Serrano Construction & Remodel	LABOR & MATERIALS FOR PROP REPAIRI 1116 SHERMAN A'	301-430-300-200	1,600.00
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	104-406-300-250	74.93
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	145-410-300-250	2,838.61
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	104-412-300-250	415.86
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	104-421-300-250	3,609.73
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	104-431-300-250	64.62
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	109-434-300-250	169.98
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	120-435-300-250	573.21
68014	3/12/2019	Shell Fleet Plus	FUEL STATEMENT FOR FEB 2019	105-437-300-250	1,804.02
68015	3/12/2019	Sherwin Williams Co	250 MARINE OIL/GAL-RAGS: ROTARY FUNDS FOR DOWNTX	104-412-300-210	104.44
68016	3/12/2019	SHI International Corp.	PRINTER LOCATED @ FRONT COUNTER: CITY HALL	120-435-300-210	484.24
68016	3/12/2019	SHI International Corp.	PRINTER LOCATED @ FRONT COUNTER: CITY HALL	121-439-300-210	484.24
68016	3/12/2019	SHI International Corp.	PRINTER LOCATED @ FRONT COUNTER: CITY HALL	112-436-300-210	484.24
68016	3/12/2019	SHI International Corp.	PRINTER LOCATED @ FRONT COUNTER: CITY HALL	104-432-300-150	484.24
68016	3/12/2019	SHI International Corp.	PRINTER LOCATED @ FRONT COUNTER: CITY HALL	145-410-300-210	484.24
68017	3/12/2019	Soledad Ruiz-Nunez	LCW NUTS & BOLTS MILEAGE	104-405-300-270	25.99
68018	3/12/2019	State Water Res Control Board	FACILTY ID: 5C16NC00013-PLYMOUTH & 5TH	120-435-300-160	16,347.00
68019	3/12/2019	Stoney's Sand & Gravel, LLC	B SMITH PARK: DECOMPOSED GRANITE	104-412-500-540	265.88
68020	3/12/2019	Sun Badge Co	NEW PD BADGES	104-421-300-210	276.48

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
68020	3/12/2019	Sun Badge Co	NEW PD BADGES	104-421-300-210	64.85
68021	3/12/2019	Telstar Instruments	FLARE REPAIR	120-435-300-140	1,788.00
68022	3/12/2019	The Gas Company	ACCT#17151733304-2410 BELL AVE.	301-430-300-316	15.26
68023	3/12/2019	The Gas Company	ACCT#11484795064-POOL	138-419-300-200	4,138.79
68024	3/12/2019	The Printer	TAXES DUE ON INV#45935	104-432-300-150	67.98
68025	3/12/2019	Trent Augustus	CADETS/AMMO/GUN KITS-REIMB.	104-421-300-210	89.73
68026	3/12/2019	Tulare County Jail-Industries Engraving Program	PD STICKERS	104-421-300-210	188.56
68027	3/12/2019	Tulare-Kings Veterinary ER Svc	VET SVCS/ANIMAL CONTROL-C19000312	104-421-300-203	107.00
68028	3/12/2019	Tule Trash Company	PULL FEE	112-436-300-200	980.00
68028	3/12/2019	Tule Trash Company	DUMP FEE#543894	112-436-300-192	216.75
68028	3/12/2019	Tule Trash Company	DUMP FEE#544011	112-436-300-192	99.90
68028	3/12/2019	Tule Trash Company	DUMP FEE#544187	112-436-300-192	127.80
68028	3/12/2019	Tule Trash Company	DUMP FEE#544344	112-436-300-192	144.90
68028	3/12/2019	Tule Trash Company	DUMP FEE: 544254	112-436-300-192	111.75
68028	3/12/2019	Tule Trash Company	PULL FEE	112-436-300-200	245.00
68028	3/12/2019	Tule Trash Company	PULL FEE	112-436-300-200	245.00
68028	3/12/2019	Tule Trash Company	PULL FEE	112-436-300-200	245.00
68028	3/12/2019	Tule Trash Company	DUMP FEE#544215	112-436-300-192	69.75
68028	3/12/2019	Tule Trash Company	DUMP FEE#545967	112-436-300-192	89.10
68028	3/12/2019	Tule Trash Company	PULL FEE	112-436-300-200	240.00
68028	3/12/2019	Tule Trash Company	PULL FEE	112-436-300-200	710.03
68028	3/12/2019	Tule Trash Company	DUMP FEE#543263	112-436-300-192	340.50
68029	3/12/2019	Turnupseed Electric Svc Inc	BAINUM & LETTS STA. B: FLOAT/MOTOR REPAIR	120-435-300-200	408.00
68029	3/12/2019	Turnupseed Electric Svc Inc	BAINUM & LETTS STA. B: FLOAT/MOTOR REPAIR	120-435-300-140	21.95
68030	3/12/2019	unWired Broadband	INTERNET SVCS-WTP	105-437-300-220	199.95
68031	3/12/2019	US Bank Equipment Finance	PW-COPIER LEASE	109-434-300-180	198.86
68032	3/12/2019	USA Blue Book	WTP UPGRADES-RAW WATER MIXING	105-437-300-200	939.52
68033	3/12/2019	USPS	POSTAGE FOR BILLING	104-405-300-150	3,500.00
68034	3/12/2019	Water Systems Optimization	ANNUAL FEE: LEVEL 1 VALIDATION	105-437-300-160	2,500.00
68035	3/12/2019	Wright's Electric	REPAIR LIGHTING ON NORTH ENTRANCE	109-434-300-200	355.81
68035	3/12/2019	Wright's Electric	LIGHT REPAIR AT JAIL: PARTS	104-432-300-210	38.80
<b>Warrant Total:</b>					<b>730,247.85</b>

City of

# CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

**PRESENTATION  
ITEM #: 4-A**

## **MEMORANDUM**

**TO:** City Council

**FROM:** Kindon Meik, City Manager

**DATE:** March 7, 2019

**MEETING DATE:** March 12, 2019

**SUBJECT:** CalPERS Unfunded Accrued Liability and future budgetary impacts on the City of Corcoran.

### **Recommendation:**

Information item.

### **Discussion:**

Presentation by City staff providing an overview of the CalPERS and the Unfunded Accrued Liability and its ramifications on City finances.

### **Budget Impact:**

The CalPERS unfunded liability is the most pressing issue on city governments throughout the state of California. A proactive approach by the City will help mitigate future budgetary impacts.

### **Attachments:**

- CalPERS Pension Cost Update – Pension Summary Report Prepared by NHA Advisors
- Presentation handouts to be provided at the council meeting.

MARCH  
2019



# CALPERS PENSION COST UPDATE

**NHA 2018/19 PENSION SUMMARY REPORT**

*"TRANSLATING THE 6/30/2017 PERS ACTUARIAL REPORT"*

**INCLUDING PLAN OVERVIEW, HISTORICAL STATISTICS,  
COST PROJECTIONS AND ALTERNATIVE REPAYMENT  
AND COST MANAGEMENT STRATEGIES**

## OBJECTIVE

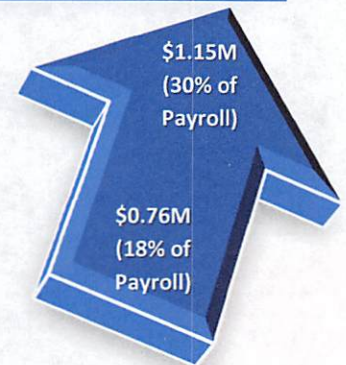
As a financial consultant and municipal advisor to cities and other local government agencies throughout the State of California, NHA Advisors, LLC (“NHA”) works with many agencies to distill and *translate* the complex nature of the CalPERS (“PERS”) annual actuarial reports. NHA’s financial expertise provides a more comprehensive historical trend analysis, simplified education materials (for elected officials, City staff and community stakeholders), and alternative repayment and cost management strategies.

The NHA Pension Summary Report is meant to provide an executive summary of key PERS pension information in order to assist the City with cash flow budgeting, future fiscal sustainability planning, and general education. Pension liabilities should be considered collectively with other long-term general fund obligations. NHA believes taking a comprehensive view of the entire general fund liabilities provides a better picture of future financial commitments.

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Why Are Pension Costs Increasing So Rapidly?	Page 1
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Alternative Repayment/Cost Management Strategies	Page 6

## EXECUTIVE SUMMARY

Rising pension costs are the most pressing financial issue facing California public agencies. **The City’s annual pension costs have risen from \$755,000 (18% of payroll) to an estimated \$1.15 million (30% of payroll) from FYE 2014 to FYE 2020.** These costs are approximately 5% of the City’s total (all funds) budget and 13% when only including the General Fund (General Fund allocable PERS costs as a percentage of the General Fund budget). Increasing pension costs reduce the ability for the City to fund other operations, capital projects and grow reserves.



Amortization of the City’s Unfunded Accrued Liability (UAL) is the most rapidly growing component of costs given that it has **increased 141% (from \$3.2M → \$7.8M)** over the last 5 years. The overall payments for the General Fund portion of the pension cost are expected to grow from approximately \$850,000 to more than \$1.2M over the next four years, stay between \$1.0 and 1.2M from FYE 2024 to FYE 2038, and then decrease through FYE 2048.

Additionally, there are various tools cities can use to address the fiscal challenge created by rising pension costs to provide greater financial and retirement security (see Alternative Repayment and Cost Management Strategies on Pages 6 through 8). NHA encourages PERS members approach all impacted stakeholders in a collaborative manner to ensure long-term sustainability of the system. We hope that this document can help educate all stakeholders in an effective and transparent way.

## WHY ARE PENSION COSTS INCREASING SO RAPIDLY?

Several factors are resulting in increased employer and in some case employee contributions:

- **The “Great Recession”:** A primary reason for pension cost increases was the economic downturn in 2008 when PERS suffered negative returns with a gross impact of a 34.75% loss to the fund. More detail can be found on Page 3 related to historical investment performance.

- Lowering of Discount Rate:** When PERS lowers its investment return target, also known as the “discount rate,” member agencies must increase contributions to make up the difference. PERS dropped the discount rate from 8.25% to 7.75% in 2003, down to 7.50% in 2014 and then to 7.00% in 2016. This last adjustment will be phased in over three years with member rates rising rapidly each year.
- Enhanced Pension Benefits:** These benefit enhancements authorized by state law in 2000 for public safety employees and 2001 for all other public employees also included a retroactivity credit for years of service.
- Mortality Rates:** People are living and drawing pensions longer, leading PERS to adjust assumptions for longer lifespans.
- Lower Active vs. Retired Ratios:** There are fewer active employees for each retiree. In 2001, there were two active workers for each retiree. By 2016, that dropped to 1.3 and PERS projects that in 10–20 years there will be just 0.6 active workers per retiree. Fewer people paying into the system means higher contribution rates from local agencies and their employees. Page 3 depicts active/retired ratios for the City of Corcoran.



### “CALPERS 101” – GLOSSARY OF TERMS

- Normal Cost (NC):** Annual cost for current employees
- Unfunded Accrued Liability (UAL):** Actuarial Liability *minus* Actuarial Value of Assets
  - “How much we currently have vs. how much we should have
  - UAL is amortized over 20 to 30 years
- Funded Ratio:** Percentage of assets available today to pay the pension benefits promised to employees.
- Defined Benefit Plan (DBP):** A type of pension plan in which an employer/sponsor promises a specified monthly benefit upon retirement that is predetermined by a formula based on the employee’s earnings history, tenure of service and age. The City’s PERS plans are DBPs.
- Actuarial Report:** An actuarial valuation is a type of appraisal that makes economic and demographic assumptions to estimate future liabilities. The assumptions are typically based on a mix of statistical studies and experienced judgment.
- Discount Rate:** Also known as the expected rate of return or the assumed rate of return. It is the estimated long-term average return expected to be earned on investments.
- PEPRA - Public Employees’ Pension Reform Act of 2013:** A pension reform bill that went into effect January 1, 2013. The bill impacts new public employees and establishes a limit on the amount of compensation that can be used to calculate a retirement benefit.

### CITY OF CORCORAN PENSION PLANS - OVERVIEW

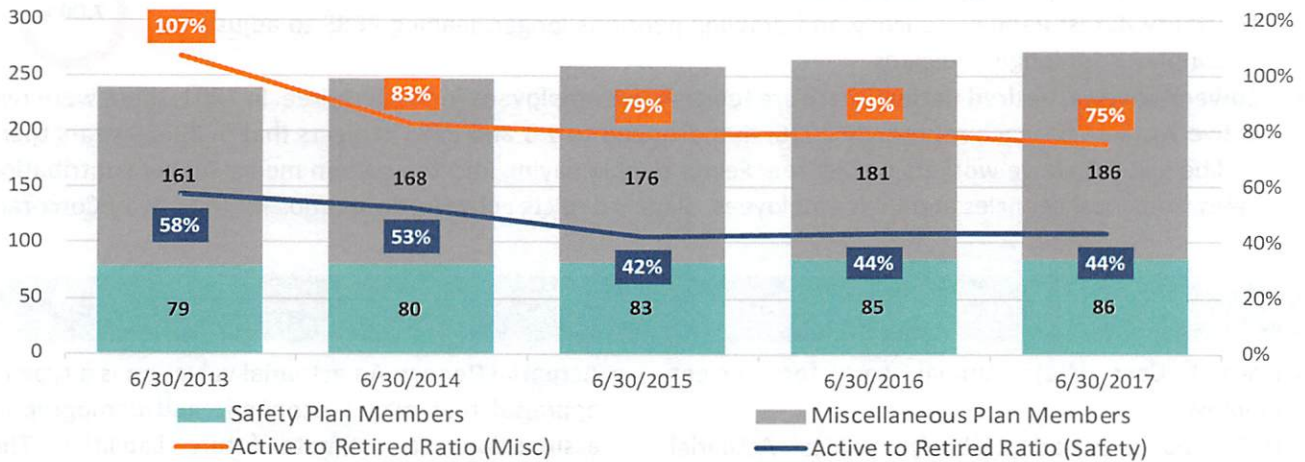
The City currently has four active plans with CalPERS. The Miscellaneous Plan and PEPRA Miscellaneous Plan (“Miscellaneous Plans”) cover all non-safety employees. The Safety Plan, PEPRA Safety Police Plan (“Safety Plans”), which cover all sworn police employees. As shown in the table below, there are 46 active employees covered by the Miscellaneous Plans and 17 active employees covered by the Safety Plans. About 28% of the active Miscellaneous Employees, and 18% of the active Safety Employees, are subject to the new PEPRA limitations, while the remaining active employees are covered under the classic (pre-PEPRA) plans. The breakdown of active employees by benefit group and benefit formula is shown below.

MISCELLANEOUS PLANS				SAFETY PLANS			
Benefit Group	# of Actives	Formula	# of Inactives	Benefit Group	# of Actives	Formula	# of Inactives
Miscellaneous	33	2.0% @ 55	132	Safety	14	3.0% @ 55	67
PEPRA Miscellaneous	13	2.0% @ 62	8	PEPRA Safety Police	3	2.7% @ 57	2

Source: 2018 CalPERS Actuarial Report (Pages 18 and 20)

The total number of employees (including active, retired, separated, and transferred employees) covered under the City’s plans has grown 13%, from 250 to 272, over the last five years. About 68% of covered employees are covered by the Miscellaneous Plans, with the remaining 32% covered by the Safety Plans. In addition to the increasing level of overall members, the ratio of active vs. retired employees continues to fall, meaning fewer people are paying into the plans compared to those receiving benefits. The ratio has fallen from 107% to 75% for the Miscellaneous Plan and from 58% to 44% for the Safety Plan as shown in the chart below.

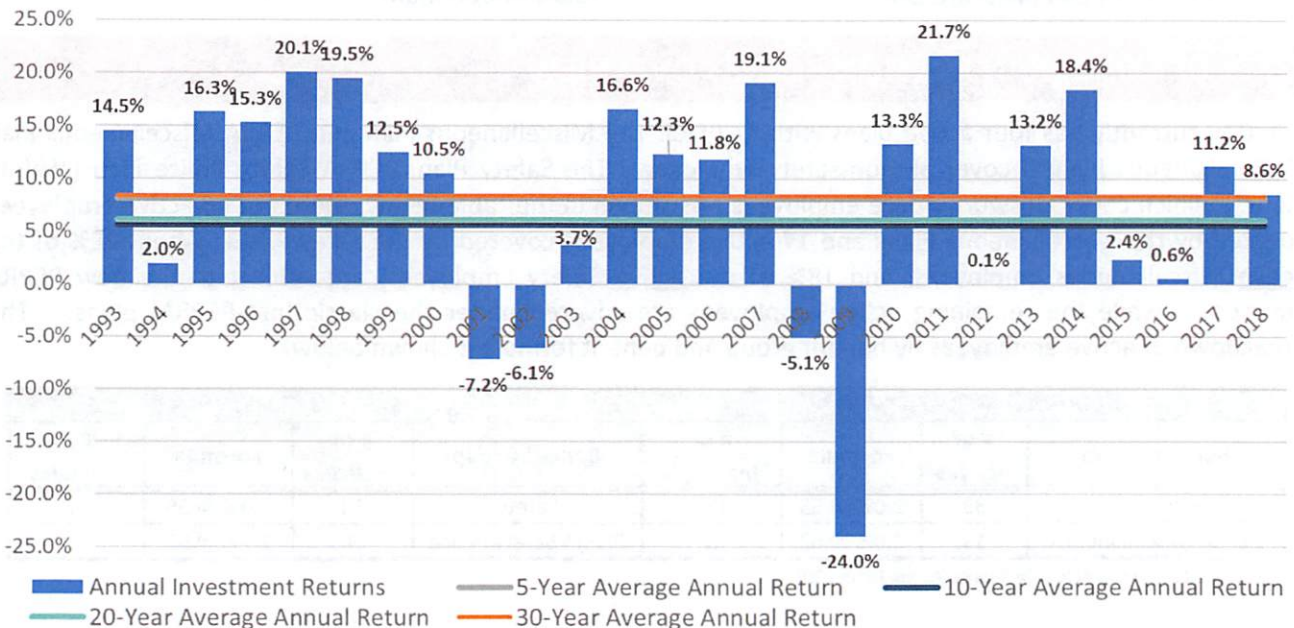
### Member Statistics and Active to Retired Ratio



Source: CalPERS Actuarial Reports; Participant Data Section

### 2018 INVESTMENT PERFORMANCE AND HISTORICAL RETURNS

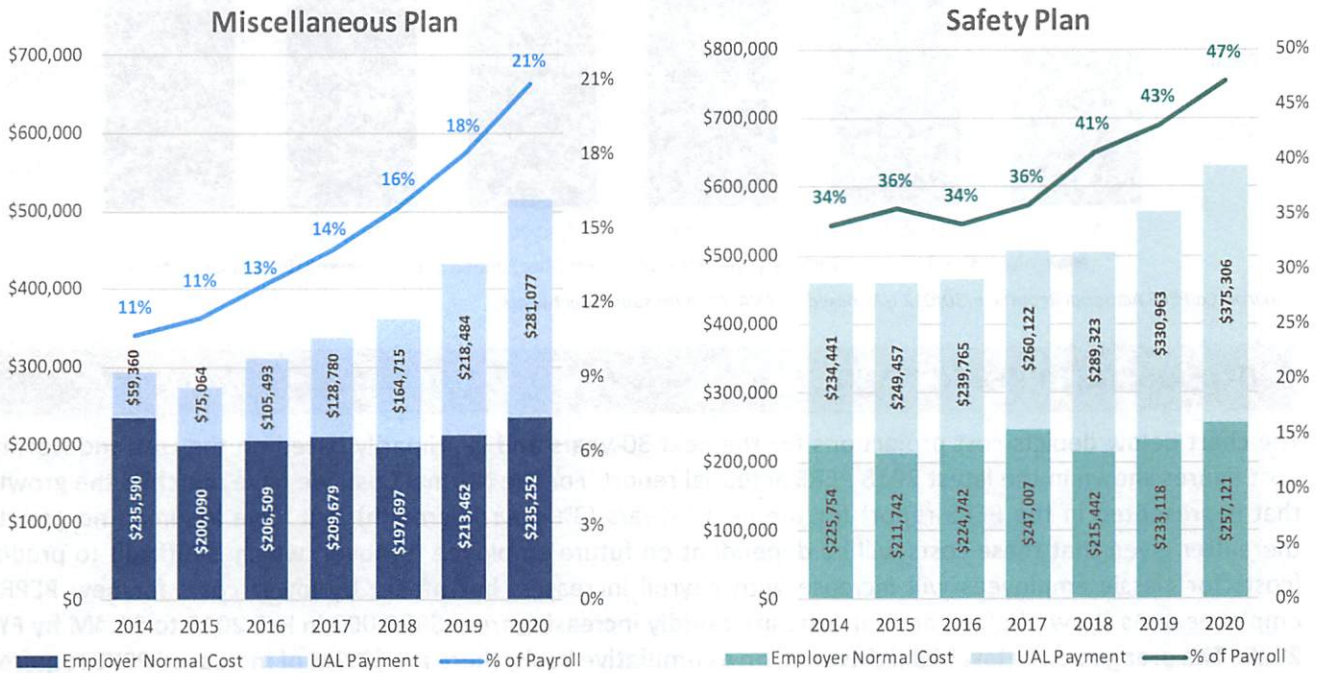
This was the second consecutive year in which PERS outperformed its target rate, earning 8.6% in FYE 2018 following a strong 11.2% return in FYE 2017. This is a positive trend coming off two down years that returned 0.6% (FYE 2016) and 2.4% (FYE 2015). The 5-year average return is currently 8.8%, 4.4% for the 10-year average return, 6.6% for the 20-year average return, and 8.4% for the 30-year average return. Moving forward, annual investment performance will continue to be a key driver to future increases and decreases in the UAL. These changes will be incorporated annually, with increases from lower than expected investment returns (or conversely, decreases if there are strong investment returns) amortized over a 20-year period.





## 7-YEAR HISTORY OF NORMAL AND UAL COSTS AND % OF PAYROLL

The two charts below provided a breakdown of Normal and UAL costs for both of the City’s plans over the last seven (7) years, as well as the percentage of total payroll that those payments represent. Note that the Normal Cost component only includes the Employer share and does not include the Employee share, or any portion of the Employee share being picked up by the City. As shown, Miscellaneous Plan payments will have grown from \$294,000 (11% of payroll) in FYE 2014 to \$516,000 (21% of payroll) for FYE 2020. Similarly, Safety Plan payments will have grown from \$460,000 (34% of payroll) to \$632,000 (47% of payroll) by FYE 2020.



Source: 2014 - 2018 CalPERS Actuarial Reports

## UAL HISTORY AND SENSITIVITY

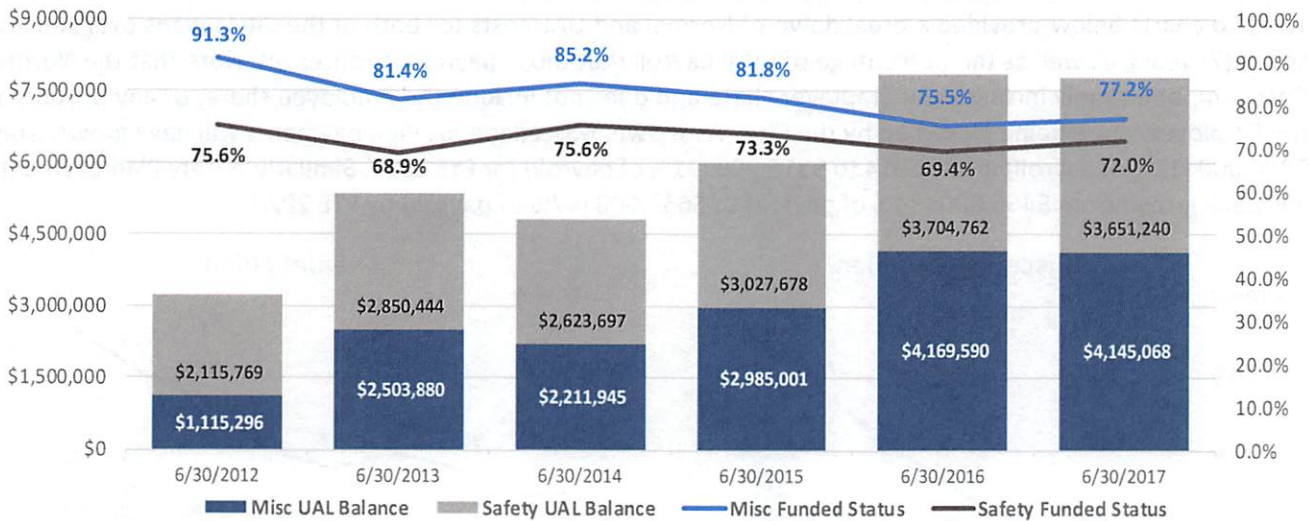
The chart at the top of the next page depicts the City’s UAL and Funded Status for each plan annually from June 30, 2012 valuation date through June 30, 2017 valuation date. Overall, the City’s UAL has more than doubled during that time, increasing by \$4.6M (from \$3.2M to \$7.8M). Funded ratios for the plans have dropped from 91.3% to 77.2% for Miscellaneous and from 75.6% to 72.0% for Safety. The key factors impacting the UAL fluctuations over this period include:

- **2013 → 2014:** Discount Rate lowered from 7.75% to 7.50%; PERS changed mortality assumptions (people living longer) and moved from an actuarial valuation of assets (“AVA”) to a market valuation of assets (“MVA”) which significantly increased the UAL
- **2014 → 2015:** Strong returns of 13.2% (2013) and 18.4% (2014) factor into a reduced UAL
- **2015 → 2016 → 2017:** Below average returns of 2.4% and 0.6%, combined with discount rate reduction from 7.50% to 7.00% (phased in over 3 years) factor into an increased UAL
- **2017 → 2018:** Above average returns of 11.2% factor into a reduced UAL

Based on the 8.6% returns for FYE 2018, we expect the City’s UAL to decrease slightly. However, it will likely be off-set by the final year of the phased discount reduction from 7.25% to 7.00%, which will drive the UAL higher.

**Sensitivity Analysis:** Based on the PERS report, if the discount rate is lowered to 6.0% (or long-term investment returns equal 6.0%), the City’s UAL would increase an additional 72%, or \$5.6 million.

UAL History and Funded Status

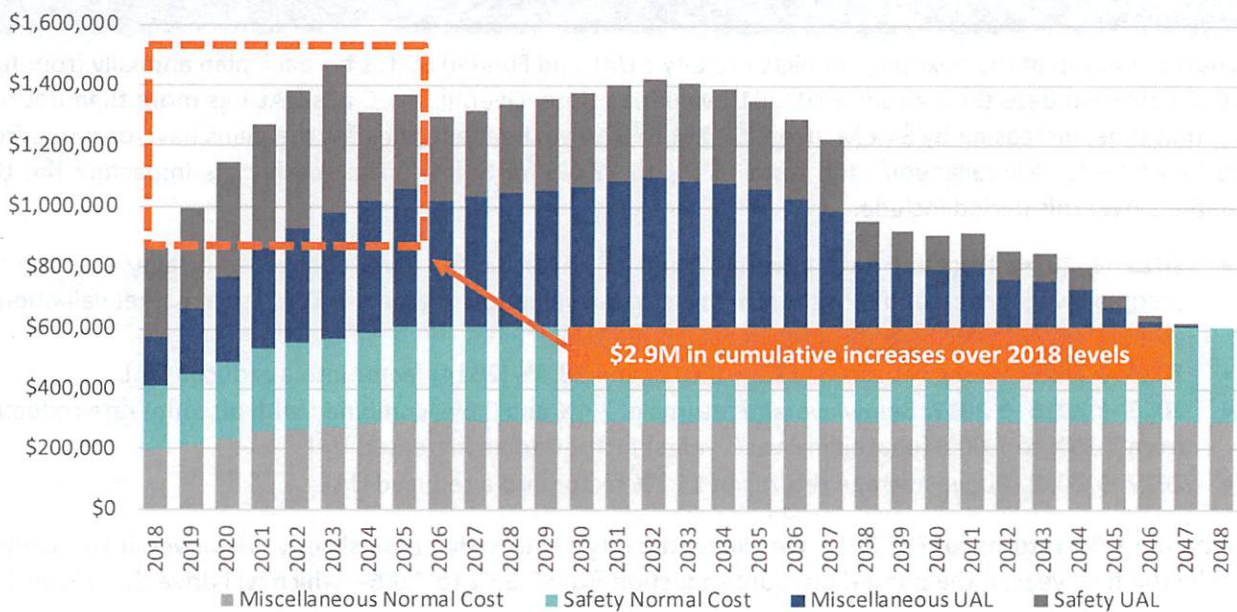


Source: CalPERS Actuarial Reports; 6/30/012 UAL based on AVA; MVA for subsequent years

30-YEAR COST PROJECTIONS

The chart below depicts cost projections for the next 30-years and is primarily based on the UAL and Normal Cost figures shown in the latest 2018 PERS actuarial report. For the Normal Cost, we have matched the growth that is presented in the PERS report for the next 5-years (3% payroll growth), but have assumed no growth thereafter given that these costs will be dependent on future employee turnover, which is difficult to predict (costs for classic employees will increase with payroll increases, but off-set by lower costs for new PEPRAs employees). As shown below, annual costs are rapidly increasing from \$870,000 in FYE 2018 to \$1.4M by FYE 2025. The orange box below highlights that, on a cumulative basis, there are \$2.9M of increased PERS required payments above 2018 levels over the next 7 years.

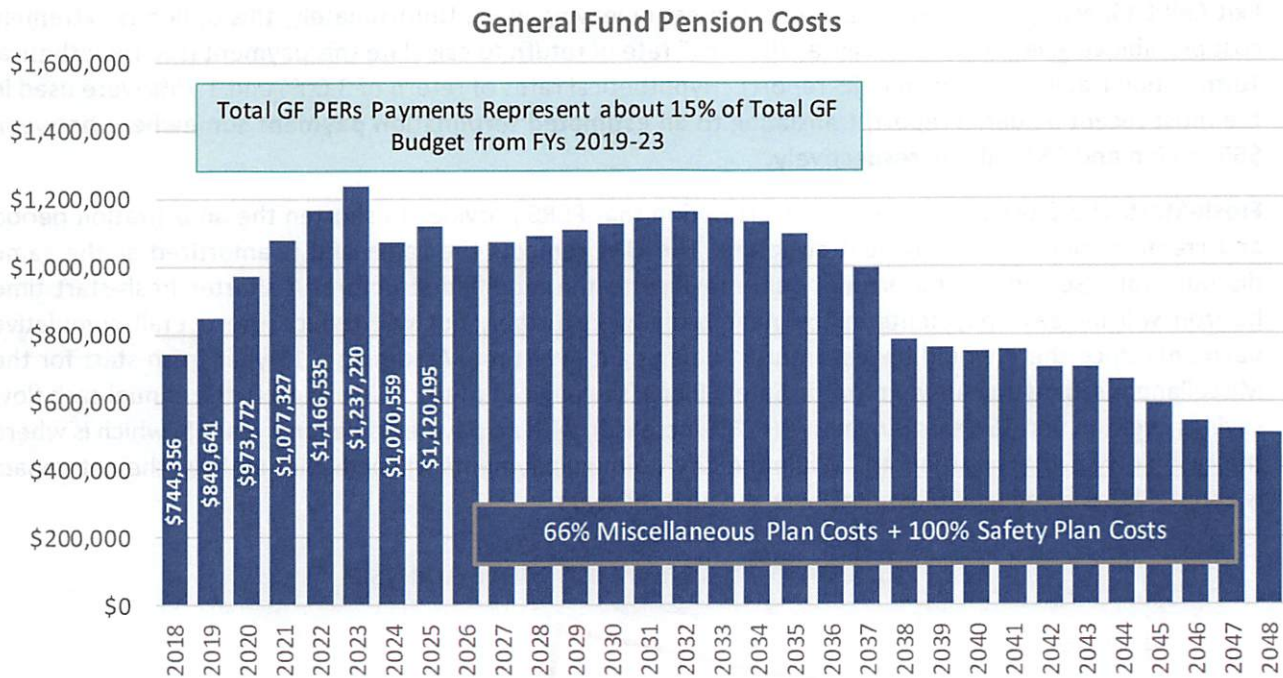
30-Year Projected PERS Costs - UAL & Normal Cost



Source: 2018 CalPERS Actuarial Reports; UAL through 2025 from page 5, UAL from 2026 through 2048 from page 11; Normal Cost assumes 3% growth for next five years and 0% thereafter

**Why Is My Payment Schedule Increasing So Rapidly?** – The City’s UAL is comprised of several components (called “bases”), each of which has a different time period for repayment. This schedule is shown on Page 9 of the 2018 PERS actuarial reports. When viewed in totality, a large portion of the bases and applicable UAL are being amortized over the next 20 years. Additionally, most of the recent increases are being amortized on a “step-up” schedule, meaning that the increases are phased in over the first five (5) years before plateauing at the full 100% required payment. This exacerbates the “increasing” repayment shape in the near term. Given that some of the City’s largest amortization bases are paid off over the next 20 years, the City will see a drop off in payments in FYE 2038 (this of course assumes no major changes to the UAL moving forward).

**What Costs are Attributable to Only the General Fund and How Much of the Total Budget is That?** – The chart below estimates projected PERS costs that are attributable to the City’s General Fund. **Based on a 33.9% allocation of Miscellaneous Plan costs to the City’s utility and other funds, only the remaining 66.1% of this Plan’s costs are included in the chart below.** While the City has no outstanding general fund debt, rising PERS costs are projected to put pressure on the City’s budget, with PERS costs representing approximately 15% of the City’s overall budget for the next 5 years.



Source: 2018 CalPERS Actuarial Reports and FYE 2017 City CAFR

## ALTERNATIVE REPAYMENT AND COST MANAGEMENT STRATEGIES

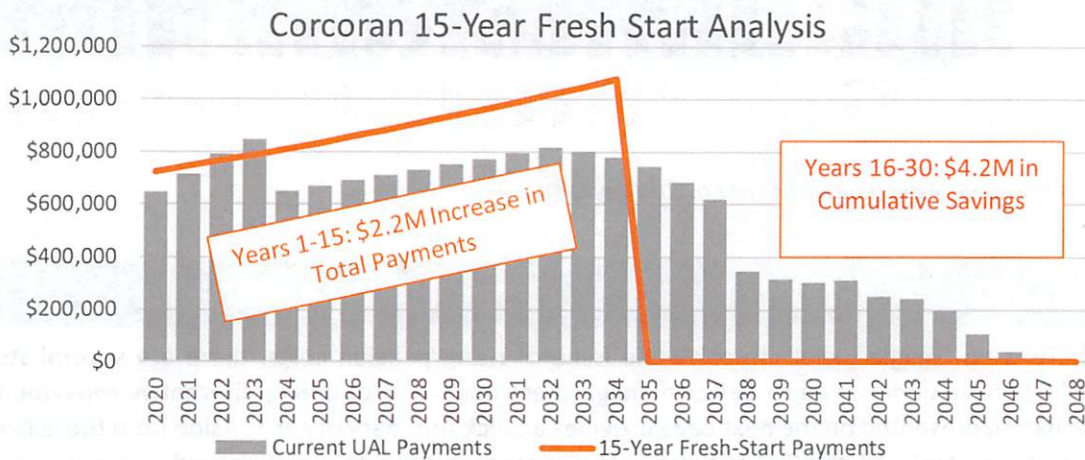
While there is no “magic bullet” to solve the issue of rising pension costs, there are several strategies that municipalities have undertaken to better manage these costs and/or create alternative repayment schedules. The information presented on the next page provides a quick summary of each. Aside from these five (5) pension specific strategies outlined, the City can also evaluate other internal cost cutting/budgetary measures. NHA can provide a more precise analysis if the City is interested in learning more about any of the five strategies shown below and the cost/benefits of each.



1. **Pre-Pay UAL at Beginning of Fiscal Year:** Instead of making monthly payments, the City can prepay its annual UAL payment and receive a 3.5% discount (half the discount rate) on the required amount. This prepayment is often made from cash reserves or from the proceeds of a Tax and Revenue Anticipation Note (TRAN).

**FYE 2020 Estimated Savings:** Based on a total required UAL contribution of \$656,000 for FYE 2020, the City of Corcoran would save \$23,000 by executing a pre-payment strategy by July 31<sup>st</sup> of 2019.

2. **Exit CalPERS:** Many cities have expressed interest in leaving PERS. Unfortunately, this option is extremely cost prohibitive given that PERS uses a “risk-free” rate of return to calculate this payment (see Hypothetical Termination Liability section in PERS report). Hypothetical rates of return of 3.00% and 1.75% were used in the most recent actuarial report, translating to an estimated termination payment somewhere between \$55 million and \$63 million, respectively.
3. **Fresh-Start:** The City can use the fresh start option that PERS provides to shorten the amortization period and create a more linear payment structure. The UAL remains the same and is amortized at the same discount rate, so there is no present value savings to the modified structure. A shorter fresh-start time horizon will increase payments in the near term even further, but will reduce the overall cumulative payments since there would be less interest being paid over time. Assuming a 15-year fresh-start for the Miscellaneous Plans and 15-year for the Safety Plans (see page 11 of the PERS reports), the annual cash flow savings over the first 15 years is negative (≈23% increase), with no payments beyond year 15, which is where the cash flow savings are realized. While the City’s annual payments will be higher initially, the net impact is about \$2.0M in reduced payments over the next 30 years.



Source: 2018 CalPERS Actuarial Report

4. **Use Cash to Increase Contributions:** The City can use cash reserves to make additional contributions in one of two ways. It can directly pay off a portion of the amortization bases with PERS or it can set up a separate Section 115 trust that is managed by a separate entity, such as Public Agency Retirement Services (PARS).

For a direct pay down, the City can choose any amortization base within either of its plans and will get credit at the discount rate of 7.0%, thereby eliminating the future payments associated with that amortization base that is paid off. It is important to note that the longer (maturity) the amortization base is, the more cumulative cash flow savings there is, but less on an annual basis. Conversely, a shorter amortize base paid off translates into more annual savings, but less on a cumulative basis. **As an example, the table to the right depicts the future payment reductions from a \$500,000 pay-down, both for a 10-year base and a 20-year base.**

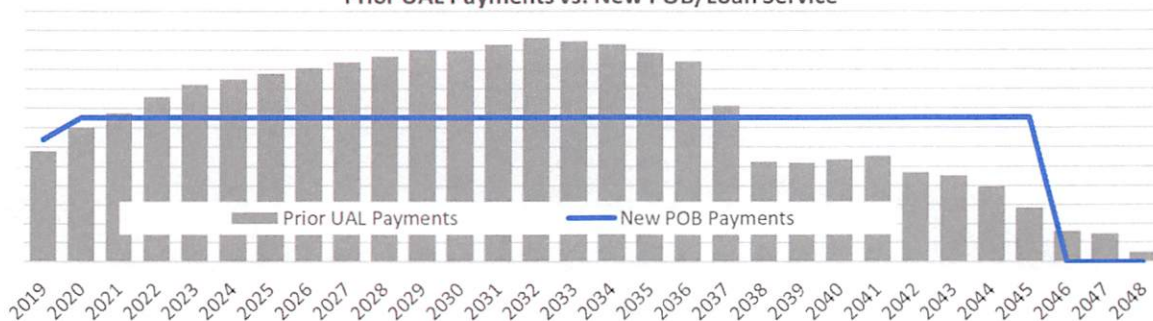
Fiscal Year	Reduced Payments from \$500,000 Pay Down	
	20-Year Amortization Base	10 Year Amortization Base
2020	37,356	61,963
2021	38,337	63,589
2022	39,343	65,259
2023	40,376	66,972
2024	41,436	68,730
2025	42,523	70,534
2026	43,640	72,385
2027	44,785	74,286
2028	45,961	76,236
2029	47,167	78,237
2030	48,405	-
2031	49,676	-
2032	50,980	-
2033	52,318	-
2034	53,692	-
2035	55,101	-
2036	56,547	-
2037	58,032	-
2038	59,555	-
2039	61,118	-
<b>Reduced Payments</b>	<b>966,348</b>	<b>698,190</b>
<b>Initial Deposit</b>	<b>(500,000)</b>	<b>(500,000)</b>
<b>Net Savings</b>	<b>466,348</b>	<b>198,190</b>

*Assumes a 7.00% Discount Rate and 2.625% Annual Payroll Growth*

In June 2018, the City established a Section 115 trust to be used to fund pension and OPEB costs and funded it with an initial investment of \$450,000. While the funds must be used for pensions, the City can elect when and how it would like to apply these funds to the outstanding pension obligations. The funds can be invested in a variety of ways, with varying investment objectives available based on the City’s desired risk tolerance. Funds can be left in the account to grow over time, can be used to make additional contributions directly to PERS, or can be used to make the City’s required annual PERS payments during challenging budgetary years.

- Borrow Money to Pay Portion of UAL:** Some cities have borrowed money (either internally from other funds, or publicly from investors through a Pension Obligation Bond (POB) issuance) to pay down a portion of their UAL and replace those PERS payments with new payments at a lower interest rate. It is important to note that any prepayment of UAL is not without risks, most notably, reinvestment/market timing risk in this instance. The rule of thumb is that a borrowing will produce positive present value (“PV”) savings if the investment earnings earned by PERS is greater than the rate paid on the new borrowing. The ability to restructure (“smooth-out”) the overall payment shape to enhance budget predictability is, in our view, a more important consideration than trying to create PV savings through arbitrage. Recently, there have been cities in California who have executed both of these strategies in order to restructure their payments and reduce and/or eliminate their UAL.

**Hypothetical POB/Loan for Smoothing**  
Prior UAL Payments vs. New POB/Loan Service



*Note: New POB/loan payments are solely estimates; graphic is meant to visually depict the strategy of “payment smoothing”*

**OTHER RESOURCES**

- League of California Cities: <https://www.cacities.org/>
  - Pension: <https://www.cacities.org/Policy-Advocacy/Hot-Issues/Retirement-System-Sustainability>
- Government Finance Officers Association: <http://www.gfoa.org/>
  - Pension: <http://www.gfoa.org/pension-resource-center>
- CalPERS: <https://www.calpers.ca.gov/>
  - List of Actuaries: <https://www.calpers.ca.gov/docs/opeb-actuaries.pdf>

City of

# CORCORAN

FOUNDED 1914

A MUNICIPAL CORPORATION

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**STAFF REPORT  
ITEM #: 4-B**

## MEMORANDUM

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg, Community Development Director

**DATE:** March 8, 2019

**MEETING DATE:** March 12, 2019

**SUBJECT:** Presentation on Corcoran Area Transit (CAT) Workshop

### **RECOMMENDATION:**

Information item.

### **DISCUSSION:**

Presentation by City staff on Corcoran Area Transit fares and farebox for information of the Council.

### **BUDGET IMPACT:**

None as of this time.

### **ATTACHMENTS:**

Presentation materials to be disseminated at the council meeting.

City of

# CORCORAN

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**STAFF REPORT  
ITEM #: 7-A**

## **MEMORANDUM**

**TO:** Corcoran City Council

**FROM:** Kevin J. Tromborg, Community Development Director

**DATE:** 3/06/2019

**MEETING DATE:** 3/12/2019

**SUBJECT:** Low Carbon Transit Operations Program (LCTOP)

### **RECOMMENDATION: (Voice Vote)**

That Resolution No. 2961 regarding Fiscal Year 2018-2019 LCTOP fund in the amount of \$40,848 be approved.

That the Council authorizes the City Manager to sign on their behalf for Fiscal Year 2018-2019 LCTOP Assurances Signature Page committing the Council and City of Corcoran to comply with all Statutes, Regulations, Executive Orders, and Requirements applicable to each application it makes to the Low Carbon Transit Operations Program (LCTOP) in Federal Fiscal Year 2018-2019.

### **DISCUSSION:**

The LCTOP is currently awarding funds to agencies to help reduce carbon particulates in the air. The Corcoran Area Transit is requesting that these funds be used to replace the bus shelter located on Whitley Avenue in front of Cost Less Market.

### **BUDGET IMPACT:**

None

### **ATTACHMENTS:**

Resolution No. 2961  
Authorized Agent Form

**RESOLUTION NO. 2961**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN FOR THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES AND AUTHORIZED AGENT FORMS FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP): Bus Stop at Cost Less (2001 Whitley Avenue) FISCAL YEAR 2018-2019**

**WHEREAS,** the *City of Corcoran's Transit Division Corcoran Area Transit (CAT)* is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) now or sometime in the future for transit projects; and

**WHEREAS,** the statutes related to state-funded transit project require a local or regional implementation agency to abide by various regulations; and

**WHEREAS,** Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

**WHEREAS,** the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

**WHEREAS,** the City of Corcoran wishes to delegate authorization to execute these documents and any amendments thereto to Kindon Meik – City Manager, Kevin J. Tromborg – Community Development Director, Soledad Ruiz-Nunez Finance Director, and or Valerie Bega-Transit Coordinator. LCTOP project (s) listed above.

**NOW, THEREFORE, BE IT RESOLVED,** by the City Council of the City of Corcoran that the fund recipient agrees to comply with all conditions and requirements set forth in the applicable statutes, regulations, and guidelines for all LCTOP funded transit projects.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Corcoran that it hereby authorizes the submittal of the following project nomination(s) and allocations request(s) to the Department in FY 2016-2017 LCTOP funds:

*List project(s), including the following information:*

*Project Name: Replace Bus Shelter at Cost Less 2001 Whitley Avenue*

*Amount of LCTOP funds requested: \$40,848*

*Short description of project: Replace bus shelter at 2001 Whitley Avenue*

*Contributing Sponsors (if applicable) Kings County Association of Government (KCAG)*



**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Corcoran held on the 12<sup>th</sup> day of March, 2019, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**APPROVED:** \_\_\_\_\_  
Sidonio "Sid" Palmerin, Mayor

**ATTEST:** \_\_\_\_\_  
Marlene Spain, City Clerk

**CLERKS CERTIFICATE**

I, Marlene Spain, hereby certify that the foregoing is a full, true, and correct copy of a resolution passed and adopted by the City Council of the City of Corcoran at a meeting held on the 12<sup>th</sup> day of March 2019, by the vote as set forth therein.

**DATED:** \_\_\_\_\_  
Marlene Spain, City Clerk

# Authorized Agent

**AS THE** Mayor

(Chief Executive Officer/Director/President/Secretary)

**OF THE** City of Corcoran

(Name of County/City/Transit Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Kindon Meik, City Manager

(Name and Title of Authorized Agent)

OR

Kevin J. Tromborg, Community Development Director

(Name and Title of Authorized Agent)

OR

Soledad Ruiz-Nunez, Finance Director

(Name and Title of Authorized Agent)

OR

Valerie Bega, Transit Coordinator

(Name and Title of Authorized Agent)

OR

Sidonio Palmerin

(Print Name)

Mayor

(Title)

\_\_\_\_\_  
(Signature)

Approved this 12 day of March, 2019

## **Certifications and Assurances**

**Lead Agency:** City of Corcoran  
**Project Title:** Replacement of Bus Shelter  
**Prepared by:** Valerie Bega

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

### **A. General**

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

### **B. Project Administration**

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.
8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).

9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

**C. Reporting**

1. The Lead Agency must submit the following LCTOP reports:
  - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
  - b. A Final Report within six months of project completion.
  - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
  - d. Project Outcome Reporting as defined by CARB Funding Guidelines.
2. Other Reporting Requirements: CARB is developing Funding Guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with CARB's Funding Guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

**D. Cost Principles**

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
  - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
  - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform

Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs submit to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

**E. Record Retention**

1. The Lead Agency agrees and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP) and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment.

The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

**F. Special Situations**

Caltrans may perform an audit and/or request detailed project information of the project sponsor's LCTOP funded projects at Caltrans' discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Kevin J. Tromborg

*(Print Authorized Agent)*

Community Development Director

*(Title)*

\_\_\_\_\_  
*(Signature)*

\_\_\_\_\_  
*(Date)*

**MATTERS FOR MAYOR AND COUNCIL  
ITEM #: 8-A**

**MEMORANDUM**

**MEETING DATE:** March 12, 2019  
**TO:** Corcoran City Council  
**FROM:** Kindon Meik, City Manager  
**SUBJECT:** Matters for Mayor and Council

UPCOMING EVENTS / MEETINGS

- March 20, 2019 (Wednesday) City/County Coordinating Meeting – 5:30 PM Tachi Palace
- March 26, 2019 (Tuesday) Ethics Training – 4:30 PM, Council Chambers
- March 26, 2019 (Tuesday) City Council Meeting – 6:30 PM, Council Chambers
- April 9, 2019 (Tuesday) City Council Meeting – 5:30 PM, Council Chambers
- April 11, 2019 (Thursday) SSJVD - League of CA Cities General Membership Meeting – 6:00 PM, (location to be determined)
- April 23, 2019 (Tuesday) City Council Meeting – 5:30 PM, Council Chambers

A. Information Items

1. Burnham Smith Park – Ribbon Cutting
2. Prop 68 Park Grant Funds
3. Fire Feasibility Study
4. Audit and Financial Statements

B. Council Comments – *This is the time for council members to comment on matters of interest.*

1. Staff Referral Items

C. Committee Reports



**COUNCIL REQUESTS OR REFERRAL ITEMS  
PENDING FURTHER ACTION or RESOLUTION BY STAFF**

<b>DATE</b> Sent to Council/ Request made	<b>REQUEST</b>	<b>STATUS</b>	<b>DEPARTMENT</b> <b>RESPONSIBLE</b> Dept/Division
02/12/19	Council requested a report from the PD on gang activity in Corcoran. Report to be provided at the March 12, 2019 council meeting.	In Progress	Police Chief
10/09/18	Request by City Council to review transit revenues and rates.	In progress	Community Development
06/12/18	The City Council approved Finance Department Policy and Procedures Handbook.	Completed	City Manager/ Finance Director
03/27/18	City Council provided direction on the components of a General Fund reserve policy. Staff will draft language for further consideration and review.	Completed	
12/12/17	The City Council adopted a Measure A Expenditure Plan. Subsequent policies will be presented to the Council leading up to the budget process.	Completed	
05/09/17	City Council requested that Staff present draft finance policies relating to General Fund reserves, balanced budget, etc.	Ongoing	