

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

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

**Monday, February 1, 2016
6:00 P.M.**

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.

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 ext. 235.

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.

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.

ROLL CALL

Mayor:	Jerry Robertson
Vice Mayor:	Mark Cartwright
Council Member:	Jim Wadsworth
Council Member:	Raymond Lerma
Council Member:	Sidonio "Sid" Palmerin

INVOCATION
FLAG SALUTE

1. PUBLIC DISCUSSION

2. **CONSENT CALENDAR (VV)**

2-A. Approval of minutes of the City Council regular meeting of January 19, 2016, and minutes of the City Council special meeting of January 26, 2016

2-B. Authorization to read ordinances and resolutions by title only.

3. **APPROPRIATIONS (VV)**

Approval of Warrant Register dated February 1, 2016. **(Ruiz- Nunez) (VV)**

4. **PRESENTATIONS** - None

5. **PUBLIC HEARINGS** - None

6. **WRITTEN COMMUNICATIONS** - None

7. **STAFF REPORTS**

7-A. Consider approval of Resolution 2820 implementing an emergency rate increase for water rates in order to meet debt service coverage requirements. **(Meik) (VV)**

7-B. Approval of Resolutions 2821, 2822, and 2823 authorizing the City Manager, acting as the Executive Director of the Successor Agency, to enter into contracts for Bond Counsel, Municipal Advisor and Placement Agent for the refunding of Redevelopment Agency Tax Allocation Bonds Series 2004. **(Meik) (VV)**

7-C. Authorization to negotiate a design/build contract with Integrated Engineers Inc. for sludge agitation system at the Water Treatment Plant. **(Rodriguez) (VV)**

7-D. Consider appointments to Kings Waste and Recycling Authority. **(Cruz) (VV)**

7-E. Budget amendments for the water fund. **(Ruiz-Nunez) (VV)**

7-F. Upcoming ordinances and resolutions in February and in March. **(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. **PENDING LITIGATION** (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:
Conference with legal counsel – ANTICIPATED LITIGATION (Government Code § 54956.9(d)). **Initiation of litigation** (Government Code § 54956.9(d)(4)).
Number of potential cases is: 1 .

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 January 28, 2016.



Karla Cruz, City Clerk

**MINUTES
CORCORAN CITY COUNCIL,
JOINT POWERS FINANCE AUTHORITY,
SUCCESSOR AGENCY FOR CORCORAN RDA
& HOUSING AUTHORITY
REGULAR MEETING
Tuesday, January 19, 2016**

The regular session of the Corcoran City Council was called to order by Mayor Robertson, in the City Council Chambers, 1015 Chittenden Avenue, Corcoran, CA at 6:00 P.M.

ROLL CALL

Councilmembers present: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

Councilmembers absent:

Staff present: Karla Cruz, Michael Farley, Kindon Meik, Soledad Ruiz-Nuñez, Baldomero Rodriguez, Reuben Shortnacy, and Kevin Tromborg

Press present: Jeanette Todd, "The Corcoran Journal"

INVOCATION

Invocation was presented by Cartwright.

FLAG SALUTE

The flag salute was led by Lerma.

1. PUBLIC DISCUSSION - None

2. CONSENT CALENDAR

Following Council discussion a **motion** was made by Cartwright and seconded by Lerma to approve Consent Calendar. Councilman Lerma made a request to receive a copy of the claim filed by Paula Barrera. Motion carried by the following vote:

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT:

2-A. Approval of minutes of the City Council regular meeting of December 7, 2015.

2-B. Authorization to read ordinances and resolutions by title only.

2-C. Authorization to ratify Resolution 2815 accepting grants of interest in real property on behalf of the City.

2-D. Approve Resolution 2816 accepting the revised City of Corcoran Records Management Program and Retention/Disposition Schedule.

2-E. Approval of Proclamations 2016-01 through 2016-04, Honoring Man, Woman, Youth, and Organization of the Year.

2-F. Consider claim of Paula Barrera alleging damage.

3. APPROPRIATIONS

Following Council discussion a **motion** was made by Palmerin and seconded by Cartwright to approve the Warrant Register dated January 19, 2016. Motion carried by the following vote:

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

4. **PRESENTATIONS** – None

5. **PUBLIC HEARINGS**- None

6. **WRITTEN COMMUNICATIONS**

6-A. Following Council discussion a **motion** was made by Wadsworth and seconded by Lerma to approve the request from Veterans Outreach to waive fees associated with renting the Veterans Memorial building. It was also recommended by Council to consider amending Resolution 2708 which stipulates the fee structure for renting the Memorial Building.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7. **STAFF REPORTS**

At this time Council moved to Agenda item 7-O. Council returned to the regular agenda sequence after discussion of the item.

7-O. The City Manager presented an update on preparations for continued El Niño weather patterns.

7-A. Following Council discussion a **motion** was made by Cartwright and seconded by Lerma to enter into contract with Hoffman Finn & SCP for Police Facility estimating services.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-B. Following Council discussion a **motion** was made by Lerma and seconded by Palmerin to accept completion of Well #11A Phase 1 Project.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-C. Following Council discussion a **motion** was made by Cartwright and seconded by Palmerin to award a contract to Quad Knopf to design Lift Station #14.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-D. Following Council discussion a **motion** was made by Wadsworth and seconded by Lerma to purchase an Iron Analyzer for the Water Treatment Plant.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-E. The Finance Director presented the Mid-year Budget Review to the City Council.

7-F. Following Council discussion a **motion** was made by Lerma and seconded by Cartwright to approve appointments to the Corcoran Planning Commission.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-G. Following Council discussion a **motion** was made by Lerma and seconded by Cartwright to approve Resolution 2817 authorizing submittal of Housing Related Parks Program grant.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-H. Following Council discussion a **motion** was made by Palmerin and seconded by Lerma to approve Resolution 2818 the inclusion of properties within the City limits in The California Statewide Communities Development Authority (CSCDA) Open PACE Program.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-I. Following Council discussion a **motion** was made by Palmerin and seconded by Lerma to approve Resolution 2819 noting Public Convenience and Necessity for an on-sale liquor License.

AYES: Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: Mark Cartwright

ABSENT: None

7-J. The Community Development Director presented the Community Development yearend review – January through December 2015 to the City Council.

7-K. Following Council discussion a **motion** was made by Cartwright and seconded by Wadsworth to approve the San Joaquin Valley Air Pollution Control District (SJVAPCD) Charge-UP Grant for electric charging station allowing staff to determine how many stations to create.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-L. Following Council discussion a **motion** was made by Palmerin and seconded by Cartwright to approve the letter of appreciation to Congressman David Valadao.

Dennis Tristao, residing at 1515 Norboe Avenue, addressed the City Council with a public comment regarding the letter of support for Congressman Valdao. Tristao thanked the City Manager for his efforts and hard work to change the language included in USDA grants. He also commended Congressman Valdao for being astute and introducing the language needed to modify USDA funding requirements to allow the City of Corcoran to be eligible for funds. He noted this change in requirements would allow the City to benefit not only from USDA funds, but also from other State and Federal funding for disadvantaged communities.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

7-M. Following Council discussion a **motion** was made by Lerma and seconded by Wadsworth to approve City of Corcoran expenditure plan for county-wide sales tax initiative.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

Councilman Lerma left the dais at 7:20 p.m., he returned to the dais at 7:22 p.m.

7-N. Following Council discussion a **motion** was made by Cartwright and seconded by Palmerin to approve participation in the San Joaquin Valley Water Infrastructure JPA and appoint City delegate

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth and Jerry Robertson

NOES: None

ABSENT: None

8. MATTERS FOR MAYOR AND COUNCIL

8-A. Council received information items.

8-B. Staff received referral items.

8-C. Committee reports.

9. CLOSED SESSION

At 7:37 p.m. Council recessed to closed session pursuant to:

9-A. PENDING LITIGATION (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:

Conference with legal counsel – ANTICIPATED LITIGATION (Government Code § 54956.9(d)). **Initiation of litigation** (Government Code § 54956.9(d)(4)).

Number of potential cases is: 1 .

9-B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR(S) (Government Code § 54956.8). It is the intent of this governing body to meet in closed session to confer with its real property negotiator concerning the purchase, sale, exchange, or lease of real property by or for this local agency as follows:
Property Description (Specify street address, or if no street address, the parcel number or other unique reference): 750 North Avenue, Corcoran, CA 93212
Our Negotiator: Kindon Meik
Parties with whom negotiating: _____
Instructions to negotiator concerning: Price Terms of payment TBD

The regular meeting was reconvened at 8:06 p.m. Mayor Robertson reported direction was provided on item 9-A and 9-B.

ADJOURNMENT

8:07 P.M.

Jerry Robertson, Mayor

Karla Cruz, City Clerk

APPROVED DATE: _____

**AGENDA
CORCORAN CITY COUNCIL
SPECIAL MEETING
CITY HALL
1015 CHITTENDEN AVENUE
January 26, 2016, 5:00 P.M.**

The special session of the Corcoran City Council was called to order by Vice- Mayor Cartwright, in the City Council Chambers, 1015 Chittenden Avenue, Corcoran, CA at 5:00 P.M.

ROLL CALL

Councilmembers present: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, and Jim Wadsworth

Councilmembers absent: Jerry Robertson

Staff present: Karla Cruz, Rick Joyner, Kindon Meik, Baldomero Rodriguez, Soledad Ruiz-Nuñez, Reuben Shortnacy, and Kevin Tromborg

Press present: Jeanette Todd, “The Corcoran Journal”

INVOCATION None

FLAG SALUTE None

1. **PUBLIC DISCUSSION** None

2. **STAFF REPORTS**

2-A. City Manager, Kindon Meik, gave a report on the emergency water rates proposed to meet debt service coverage requirements. Meik noted that the debt service coverage is established in the bond covenants and requires the City to maintain a 120% debt service ratio of revenues to bond payments. The rate increase is necessary to remain in compliance with the bond covenants and will be essential as the City works to extend or renew the letter of credit associated with the bond. Following Meik’s report there was oral testimony from Michael Boyett, 1027 Estes Avenue, who suggested the City search for waivers; Richard Valle, 631 Burnett Drive, also expressed his interest in having the City search for alternative options such as the Public Finance Authority created by Kings County; Janet Watkins, 1614 Heffner Avenue, stated she considered the current rates too expensive and that she was not receiving the services she was paying for; Jason Mustain, 1017 Josephine Avenue, suggested Council revise the proposed resolution to not allow automatic increases and instead allow the increases to be discussed by Council annually; Stephen Ketner, 1902 Estes Avenue, expressed his concern about the increase in rates; Carlo Wilcox, 231 Estes Avenue, suggested Council needs to look at the City’s overall budget and consider changes in overhead charges to the enterprise funds; Denise SiFuentes, 406 6 ½ Avenue, stated she would not be able to afford the increase; Maribel Alcantar, 1029 Birch Avenue, expressed her concerns for low income residents; Mary Gonzalez Gomez, 2001 Bell Avenue, suggested Council table the item and look for

alternative solutions. Council members responded to questions and made further comments regarding the proposed emergency rate increases.

Following Council discussion a **motion** was made by Lerma and seconded by Palmerin to table Resolution No. 2820, and to instead bring the item back for further discussion at the next regularly scheduled City Council meeting being February 1, 2016.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, and Jim Wadsworth
NOES: None
ABSENT: Jerry Robertson

3. **CLOSED SESSION** -None

ADJOURNMENT

6:30 P.M.

Jerry Robertson, Mayor

Karla Cruz, City Clerk

APPROVED DATE: _____

Accounts Payable

Blanket Voucher Approval Document

User: spineda
Printed: 01/25/2016 - 11:47AM
Warrant Request Date: 01/25/2016
DAC Fund:



Batch: 00511.02.2016 - 02/01/2016-Manual Check

Line	Claimant	Voucher No.	Amount
1	Reserve Account	000059862	3,000.00
Page Total:			\$3,000.00
Grand Total:			\$3,000.00

Accounts Payable

Voucher Approval List

User: spineda
Printed: 01/25/2016 - 11:48AM
Batch: 005111.02.2016 - 02/01/2016-Manual Check



Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59862	1/25/2016	Reserve Account	Postage Refill For Meter At City Hall	104-432-300-152	3,000.00

Warrant Total: 3,000.00

Accounts Payable

Blanket Voucher Approval Document

#2



User: spineda
 Printed: 01/27/2016 - 9:54AM
 Warrant Request Date: 02/01/2016
 DAC Fund:

Batch: 00501.02.2016 - 02/01/2016-Manual Check

Line	Claimant	Voucher No.	Amount
1	Accela, Inc., #774375	000059863	1,033.00
2	Amtrak	000059865	1,625.00
3	Amtrak	000059866	590.00
4	Amtrak	000059867	590.00
5	Amtrak	000059864	1,625.00
6	ASI Administrative Solutions, Inc	000059868	322.00
7	Auto Zone, Inc.	000059869	389.50
8	Best Deal Food Co Inc.	000059870	40.51
9	BSK Associates	000059871	1,105.20
10	California Building Standards Comm	000059872	175.50
11	California Department of Transportation	000059873	57.60
12	Chemical Waste Management Inc	000059874	372.00
13	Corcoran Chamber of Commerce	000059875	240.00
14	Corcoran Hardware	000059876	0.49
15	Corcoran Heating & Air	000059877	988.00
16	Dept of Conservation	000059878	460.59
17	Erick Nunez Del Prado	000059879	2,012.51
18	Ferguson Enterprises, Inc	000059880	982.21
19	ICSC	000059881	750.00
20	Keenan & Associates	000059882	49,682.70
21	Kings Rehabilitation Center	000059883	7,193.00
22	League of California Cities	000059884	8,099.00
23	Lord's Uniform	000059885	2,152.97
24	MES, Medical Eye Services	000059886	772.27
25	Mutual of Omaha	000059887	1,607.34
26	Oliver Whitaker Co.	000059888	2,011.81
27	PG&E	000059889	5,511.21
28	Principal, PLIC-SBD Grand Island	000059890	4,827.94
29	Proctor Farms	000059891	55.00
30	Quad Knopf, Inc.	000059892	767.97
31	Quality Pool Service	000059893	322.50
32	Radius Tire Co.	000059894	20.00
33	Robert A. Blak	000059895	350.00
34	Safety-Kleen Systems, Inc	000059896	334.93
35	Shyam Bhaskar, MD	000059897	130.00
36	Staples Business Advantage	000059898	40.79
37	Telstar Instruments	000059899	3,553.00
38	TF Tire & Service	000059900	20.00
39	The Gas Company	000059901	760.94
40	Toshiba Financial Services	000059902	330.51
41	Turnupseed Electric Svc Inc	000059903	239.70
42	unWired Broadband	000059904	199.95
43	USA Blue Book	000059905	128.38
44	Valley Pump & Dairy Systems, Inc.	000059906	90.30
45	Verizon California	000059907	348.45
46	Verizon Wireless	000059908	1,673.88

Page Total: \$104,583.65

Line	Claimant	Voucher No.	Amount
47	Vulcan Materials Company	000059909	415.00
48	Zoom Imaging Solutions Inc	000059910	94.92
			<hr/>
		Page Total:	\$509.92
			<hr/>
		Grand Total:	\$105,093.57

Accounts Payable

Voucher Approval List

User: spineda
 Printed: 01/27/2016 - 9:54AM
 Batch: 00501.02.2016 - 02/01/2016-Manual Check



Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59863	2/1/2016	#774375 Accela, Inc.	December 2015 Monthly Web Payment	104-405-300-200	1,033.00
Warrant Total:					1,033.00
59864	2/1/2016	Amtrak	Tickets /125 Core to Hanf	145-410-351-076	812.50
59864	2/1/2016	Amtrak	Tickets /125 Hanf to Corc	145-410-351-076	812.50
59865	2/1/2016	Amtrak	Tickets /125 Hanf to Corc	145-410-351-076	812.50
59865	2/1/2016	Amtrak	Tickets /125 Corc to Hanf	145-410-351-076	812.50
59866	2/1/2016	Amtrak	Tickets / Ten 10-Ride Passes	145-410-300-292	590.00
59867	2/1/2016	Amtrak	Tickets / Ten 10-Ride Passes	145-410-300-292	590.00
Warrant Total:					4,430.00
59868	2/1/2016	ASI Administrative Solutions, Inc	Section 125 Admin-January 2016	304-000-202-010	322.00
Warrant Total:					322.00
59869	2/1/2016	Auto Zone, Inc.	Duralast Battery -Unit#216	145-410-300-260	120.39
59869	2/1/2016	Auto Zone, Inc.	Filters-Stock	145-410-300-260	48.80
59869	2/1/2016	Auto Zone, Inc.	Filter Stock	104-421-300-260	147.69
59869	2/1/2016	Auto Zone, Inc.	Filters-Stock	104-412-300-260	18.15
59869	2/1/2016	Auto Zone, Inc.	Filters-Stock	109-434-300-260	18.15
59869	2/1/2016	Auto Zone, Inc.	Filters-Stock	120-435-300-260	18.16
59869	2/1/2016	Auto Zone, Inc.	Filters-Stock	105-437-300-260	18.16
Warrant Total:					389.50
59870	2/1/2016	Best Deal Food Co Inc.	Department Supplies	104-432-300-210	5.97
59870	2/1/2016	Best Deal Food Co Inc.	Department Supplies	120-435-300-210	34.54
Warrant Total:					40.51
59871	2/1/2016	BSK Associates	Ground Water Sampling/Project Management -WWTP	120-435-300-200	1,105.20
Warrant Total:					1,105.20
59872	2/1/2016	California Building Standards Comm	Bldg Strnds Admin Splc Revolving Fund -4th Qtr 2015 Oct - Dec	104-000-202-013	175.50

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59873	2/1/2016	California Department of Transportation	Signal & Lighting Oct-Dec 2015	109-434-300-160	175.50
Warrant Total:					175.50
59874	2/1/2016	Chemical Waste Management Inc	Bin Rental	105-437-300-200	57.60
Warrant Total:					57.60
59875	2/1/2016	Corcoran Chamber of Commerce	Admin Tickets for Chamber Dinner-Meik, K. & Cruz, K	104-402-300-270	60.00
59875	2/1/2016	Corcoran Chamber of Commerce	Admin Tickets for Chamber Dinner- K. Tromborg	104-406-300-270	30.00
59875	2/1/2016	Corcoran Chamber of Commerce	Admin Tickets for Chamber Dinner- B. Rodriguez	104-431-300-270	30.00
59875	2/1/2016	Corcoran Chamber of Commerce	Admin Tickets for Chamber Dinner-S. Ruiz-Nunez	104-405-300-270	30.00
59875	2/1/2016	Corcoran Chamber of Commerce	Council Tkts for Chamber Dinner-Wadsworth, Robertson, Palmerin	104-401-300-270	90.00
Warrant Total:					240.00
59876	2/1/2016	Corcoran Hardware	Dept Supplie/Evidence	104-421-300-210	0.49
Warrant Total:					0.49
59877	2/1/2016	Corcoran Heating & Air	Heater Repair-WTP	105-437-300-140	988.00
Warrant Total:					988.00
59878	2/1/2016	Dept of Conservation	Strong Motion Inst & Map Fee-4th Qtr Oct-Dec 2015	104-000-202-013	460.59
Warrant Total:					460.59
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 01/19-23/16	104-421-300-270	167.95
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 01/25-26/16	104-421-300-270	67.18
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 12/7-12/15	104-421-300-270	211.44
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 11/1-7/15	104-421-300-270	211.44
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 11/8-13/15	104-421-300-270	176.20
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 11/15-21/15	104-421-300-270	211.44
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 11/23-27/15	104-421-300-270	70.48
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 11/30-12/5/15	104-421-300-270	211.44
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 12/14-19/15	104-421-300-270	211.44
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 12/21-22/15	104-421-300-270	70.48
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 12/4-9/15	104-421-300-270	201.51
59879	2/1/2016	Erick Nunez Del Prado	COS Police Academy 01/11-16/16	104-421-300-270	201.51
Warrant Total:					2,012.51

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59880	2/1/2016	Ferguson Enterprises, Inc	Water Meter (4)	105-437-300-210	982.21
				Warrant Total:	982.21
59881	2/1/2016	ICSC	ICSC Gold Level Sponsorship -Monterey Idea Exchange Booth	104-402-300-200	750.00
				Warrant Total:	750.00
59882	2/1/2016	Keenan & Associates	February 2016 Statement	104-000-202-011	30,455.63
59882	2/1/2016	Keenan & Associates	February 2016 Statement	105-000-202-011	4,692.60
59882	2/1/2016	Keenan & Associates	February 2016 Statement	109-000-202-011	1,374.60
59882	2/1/2016	Keenan & Associates	February 2016 Statement	112-000-202-011	1,493.30
59882	2/1/2016	Keenan & Associates	February 2016 Statement	120-000-202-011	3,391.65
59882	2/1/2016	Keenan & Associates	February 2016 Statement	121-000-202-011	376.85
59882	2/1/2016	Keenan & Associates	February 2016 Statement	145-000-202-011	6,776.22
59882	2/1/2016	Keenan & Associates	February 2016 Statement	105-000-202-010	1,121.85
				Warrant Total:	49,682.70
59883	2/1/2016	Kings Rehabilitation Center	Janitorial Services	136-415-300-200	3,022.21
59883	2/1/2016	Kings Rehabilitation Center	Janitorial Services	104-432-300-200	3,770.79
59883	2/1/2016	Kings Rehabilitation Center	Janitorial Services	145-410-300-200	400.00
				Warrant Total:	7,193.00
59884	2/1/2016	League of California Cities	2016 Membership Dues for Calendar Year	104-401-300-170	8,099.00
				Warrant Total:	8,099.00
59885	2/1/2016	Lord's Uniform	Ignacio Larios/Uniform/Academy	114-414-300-210	1,452.97
59885	2/1/2016	Lord's Uniform	Eric Prado /Uniform/Academy	114-414-300-210	700.00
				Warrant Total:	2,152.97
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	104-000-202-011	516.12
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	105-000-202-011	60.43
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	109-000-202-011	19.27
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	112-000-202-011	19.27
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	120-000-202-011	41.41
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	121-000-202-011	4.60
59886	2/1/2016	Medical Eye Services MES	Feb 2016 Statemet	145-000-202-011	111.17
				Warrant Total:	772.27
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	104-000-202-011	1,077.89

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	105-000-202-011	72.87
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	109-000-202-011	22.75
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	112-000-202-011	103.00
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	120-000-202-011	105.41
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	121-000-202-011	11.71
59887	2/1/2016	Mutual of Omaha	February 2016 Statement	145-000-202-011	213.71
			Warrant Total:		1,607.34
59888	2/1/2016	Oliver Whittaker Co.	Air Dryer/ Fiting/Labor-Unit#170	145-410-300-260	1,808.51
59888	2/1/2016	Oliver Whittaker Co.	Cable/Terminal/Hose/Fiting/Hyd. Crimp Unit#134	112-438-300-140	203.30
			Warrant Total:		2,011.81
59889	2/1/2016	PG&E	Acc#5304135173-4	111-601-300-240	88.31
59889	2/1/2016	PG&E	Acc#5304135173-4	111-603-300-240	8.54
59889	2/1/2016	PG&E	Acc#5304135173-4	111-604-300-240	97.49
59889	2/1/2016	PG&E	Acc#5304135173-4	104-412-300-240	17.56
59889	2/1/2016	PG&E	Acc#5304135173-4	109-434-300-240	5,299.31
			Warrant Total:		5,511.21
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	104-000-202-011	3,138.43
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	105-000-202-011	406.25
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	109-000-202-011	130.11
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	112-000-202-011	130.11
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	120-000-202-011	432.09
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	121-000-202-011	48.01
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	145-000-202-011	673.05
59890	2/1/2016	PLIC-SBD Grand Island Principal	Feb 2016 Statement	304-000-202-026	-130.11
			Warrant Total:		4,827.94
59891	2/1/2016	Proctor Farms	Training Course fee 11/24/15-First Aide/Sexual Harassment	104-421-300-270	55.00
			Warrant Total:		55.00
59892	2/1/2016	Quad Knopf, Inc.	Eng. Svcs-Streets-HPMS Data(Highway Perf Monitor System)	109-434-300-200	767.97
			Warrant Total:		767.97
59893	2/1/2016	Quality Pool Service	Soda Bicarb.	104-411-300-210	322.50
			Warrant Total:		322.50

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59894	2/1/2016	Radius Tire Co.	Flat Tire Repair-Unit#216	145-410-300-260	20.00
				Warrant Total:	20.00
59895	2/1/2016	Robert A. Blak	Police Department Employee POST Psych Test	104-421-300-200	350.00
				Warrant Total:	350.00
59896	2/1/2016	Safety-Kleen Systems, Inc	Parts Cleaner Service	104-433-300-200	334.93
				Warrant Total:	334.93
59897	2/1/2016	Shyam Bhaskar, MD	Public Works Employee Physicals D. Arnold	120-435-300-200	10.00
59897	2/1/2016	Shyam Bhaskar, MD	Police Department Employee Physical L. Larios	104-421-300-200	120.00
				Warrant Total:	130.00
59898	2/1/2016	Staples Business Advantage	Department Supplies	104-421-300-150	40.79
				Warrant Total:	40.79
59899	2/1/2016	Telsiar Instruments	Influent Pump Station Display Board	120-435-300-140	3,553.00
				Warrant Total:	3,553.00
59900	2/1/2016	TF Tire & Service	Flat Repair-Unit#190	105-437-300-260	20.00
				Warrant Total:	20.00
59901	2/1/2016	The Gas Company	Acct#00891595001	104-432-300-242	656.13
59901	2/1/2016	The Gas Company	Acct#20001594009	104-432-300-242	39.58
59901	2/1/2016	The Gas Company	Acct#06981596833	104-432-320-242	65.23
				Warrant Total:	760.94
59902	2/1/2016	Toshiba Financial Services	Copier Service Rental	104-421-300-180	330.51
				Warrant Total:	330.51
59903	2/1/2016	Turnupseed Electric Svc Inc	Hospital STA-Blown Fuse	120-435-300-140	239.70
				Warrant Total:	239.70
59904	2/1/2016	unWired Broadband	Internet Service-WTP	105-437-300-220	199.95
				Warrant Total:	199.95
59905	2/1/2016	USA Blue Book	Dispenser/Sample 100 Tests	105-437-300-210	128.38

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59906	2/1/2016	Valley Pump & Dairy Systems, Inc.	Could's 316SS (Split Gland)	105-437-300-140	128.38
				Warrant Total:	90.30
59907	2/1/2016	Verizon California	Acct#454602392924743904	104-432-300-220	348.45
				Warrant Total:	348.45
59908	2/1/2016	Verizon Wireless	Dept Cellular Svc Acct#672038320-00001	104-421-300-221	1,546.08
59908	2/1/2016	Verizon Wireless	Cell Phone Service Acct#209258669-00001	145-410-300-220	107.67
59908	2/1/2016	Verizon Wireless	Cell Phone Service Acct#209258669-00001	145-410-300-220	18.40
59908	2/1/2016	Verizon Wireless	Cell Phone Service Acct#209258669-00001	105-437-300-220	1.73
				Warrant Total:	1,673.88
59909	2/1/2016	Vulcan Materials Company	Cold Mix	109-434-300-213	415.00
				Warrant Total:	415.00
59910	2/1/2016	Zoom Imaging Solutions Inc	Copier Rental	104-421-300-180	94.92
				Warrant Total:	94.92

City of

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STAFF REPORTS ITEM #: 7-A

MEMO

TO: Corcoran City Council

FROM: Kindon Meik, City Manager

DATE: January 28, 2016

MEETING DATE: February 1, 2016

SUBJECT: Consider emergency rate increase for water rates.

Recommendation:

Approve Resolution No. 2820 implementing an emergency rate increase for water rates in order to meet debt service coverage requirements.

Discussion:

Corcoran's Water System:

The City of Corcoran relies solely on groundwater from nine active wells to provide water to its residents. Because the City pulls water from underground aquifers, the water contains traces of arsenic, nitrate, and hydrogen sulfide. To deal with these impurities, the water is treated at the City's Water Treatment Plant and routinely monitored to ensure that it meets or exceeds State and Federal regulatory requirements.

The Water Treatment Plant was constructed in 2006. Water treatment plants are classified on a scale from T1 to T5 with a T5 plant being the most comprehensive treatment plant. The City's Water Treatment Plant is now categorized as a T4 plant. The City is required to maintain this classification based on the amount of water that is treated and the need to treat for arsenic and nitrate. The City's plant can treat up to 21 million gallons of water per day and is also used to remove arsenic concentration from the water and to blend water from different wells to reduce the overall nitrate concentration to meet safe drinking standards.

Debt Service Coverage and Water Rates:

To pay for the construction of the Water Treatment Plant, it was necessary for the City to secure bond financing. In order to be eligible for bond funds, the City was required to accept the terms of the bond as outlined in the bond covenants or agreement. As part of the covenants, the City must maintain a debt service coverage of 1.20 (or 120%) in the water fund. In effect, this means

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the City is legally obligated to ensure that net revenues are 20% greater than its total debt service.

In 2005, following a rate study and the Proposition 218 process, the City Council adopted Resolution No. 2222 establishing annual increases in water rates over a four year period. The rate study and the increases made it possible for the City to maintain its debt service coverage on an annual basis over the next ten years.

As part of Resolution No. 2222, the City Council approved the following annual increases on rates as they existed at the time:

- a. January 1, 2006 – 24%
- b. January 1, 2007 – 24%
- c. January 1, 2008 – 24%
- d. January 1, 2009 – 24%

Additionally, Resolution No. 2222 outlined periodic cost of living increases in Section 4 of the resolution stating:

“Nothing contained herein shall prohibit the City from imposing additional cost of living increases and/or other increases to the water rates paid by its Citizens, as is necessary. Such increases, if any, shall be in addition to those rate increases provided for above in relation to the Water Treatment Plant.”

Notwithstanding the allowable increases stipulated in the aforementioned resolution, the City subsequently implemented the following rate increases:

- a. January 1, 2006 – 24%
- b. January 1, 2007 – 24%
- c. January 1, 2008 – 16%
- d. January 1, 2009 – 16%

The City has not raised water rates since 2009 nor has it implemented the cost of living increases approved in Resolution No. 2222. Simply stated, there have been no increases in water rates for over six years.

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As a result of no increases, the debt service coverage in the water fund has declined. The NHA Advisors memorandum distributed to Council provides further information on the debt service coverage for the water fund since FY 2009/10. A summary is provided below:

Year	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16*
DS Coverage	2.16	1.62	1.57	1.65	1.48	1.23	0.94

*estimated

Prolonged Drought and Water Revenues:

With the ongoing drought, it has become apparent that State mandated water conservation efforts have caused a significant reduction in water fund revenues. From FY 2013/14 to FY 2014/15 charges for services in the water fund dropped \$350,000 and for the FY 2015/16 it is possible the City will see a further reduction in that revenue line as a result of more stringent watering restrictions mandated by the State.

Corrective Action Plan:

The reduction in revenues is problematic in that, based on current revenue projections, the City will not be in compliance with the 1.20 debt service coverage required in the 2008 Revenue Bonds.

In order to be in compliance with the bond covenants for this fiscal year, staff is recommending the following:

1. Emergency rate increase
2. Reduce expenses in the water fund
3. Utilize cash reserves as a rate stabilization fund (RSF)
4. Authorize rate study for future solidity of the water fund

To meet the required debt service coverage threshold, it will be necessary to implement an 18% increase in water rates effective February 1, 2016. The proposed increase will be assessed on all connection or base rates, usage rates, and all other factors used to determine water rates for metered and flat rate customers. With this, it is anticipated that the water fund will generate approximately \$310,000 in additional revenue by the end of the fiscal year.

In an effort to offset rate increases, budgeted expenses in the water fund will be reduced by \$120,000. Though helpful, this action is a temporary fix during this fiscal year and is unlikely to be maintained in future years.

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Additionally, the City will transfer \$150,000 in water fund reserves into a rate stabilization fund and subsequently to the bond trustee as a temporary revenue to reach the desired debt service coverage number. As the water fund stabilizes over the next year, the \$150,000 would return to the water fund reserves and be available as needed.

Finally, the City will work with an outside consultant to carry out a new rate study. Once completed, the report will be presented to Council for review. Subsequently, the City will implement a rate structure that maintains the ongoing financial viability of the water fund.

The combined benefit of these initiatives will establish an anticipated debt service coverage of 1.31 for the current fiscal year.

It is important to note that failure to take corrective action at this time could be detrimental to the City. Over the last year, the City has been working diligently to extend or renew the Letter of Credit (LOC) on the 2008 Revenue Bonds which expires in March 2016. Moreover, the City is currently being reviewed by Standard & Poor's to update its credit rating on the water fund. As such, it is critical that the City prove its ability to meet its debt service coverage now and in the future. By being proactive, the City protects itself against potential penalties, interest rate increases, changes in its credit rating, and/or additional debt requirements that could lead to higher water rates for its residents.

Budget Impact:

The efforts to reduce expenses and generate new revenues will strengthen the water fund immediately and ensure that the City is able to meet the debt service coverage requirements set forth in the 2008 Revenue Bonds.

Attachments:

Resolution No. 2820

Resolution No. 2222

RESOLUTION NO. 2820

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN
ESTABLISHING NEW WATER RATES FOR THE CITY OF CORCORAN'S MUNICIPAL
WATER SERVICE

WHEREAS, Title 8, Chapter 1 of the Corcoran Municipal Code provides that the rates for water shall be set by Resolution by the City Council; and,

WHEREAS, in October 2005, and in compliance with Proposition 218, the City Council adopted Resolution No. 2222 approving an annual rate increase of 19% to 24% per year for four consecutive years and further approved the implementation of a cost of living adjustment (COLA) as necessary; and,

WHEREAS, notwithstanding the allowable increases stipulated in the aforementioned resolution, the City implemented following rate increases:

- a. January 1, 2006 – 24%
- b. January 1, 2007 – 24%
- c. January 1, 2008 – 16%
- d. January 1, 2009 – 16%

WHEREAS, the City has not increased rates nor has it implemented a cost of living increase since 2009; and,

WHEREAS, it is necessary for the City to cover the operating and maintenance costs of the water system; and:

WHEREAS, the City is legally obligated to maintain a minimum debt service coverage of 120% (net revenues divided by total debt service) as part of the covenants associated with the 2008 Revenue Bond for the water treatment plant; and,

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Corcoran that all prior resolutions establishing or amending water rates are repealed and the City Council establishes an emergency rate increase effective February 1, 2016 as outlined below:

Flat rate service, based on lot size:

- (1) Single family residences on lots up to 41 feet in width or 4,000 square feet in size, \$49.05 per month, payable in arrears.
- (2) Single family residences on lots from 41 to 50 feet in width, or 4,001 to 5,000 square feet in size, \$55.46 per month, payable in arrears.

- (3) Single family residences on lots greater than 50 feet in width or 5,000 square feet in size, \$55.46 per month \$1.14 for each additional foot over 50 feet in width or for each additional 100 square feet, payable in arrears.
- (4) Churches \$37.96 per month payable in arrears.
- (5) Multi-family dwellings (apartments, duplexes, etc.), \$49.05 per unit per month, payable in arrears.
- (6) The Corcoran Unified School District rate shall be and \$10,310.20 per month, payable in arrears.

Metered Service Rates:

- (1) Metered services per unit shall be \$49.05 for the first 600 hundred cubic feet and \$1.31 for each 100 additional cubic feet per month, payable in arrears.
- (2) Hydrant meter services shall be charged the same usage rates as regular meters.

Penalties:

A late charge of \$5.00 shall be added to any bill not paid by the 15th of the month rendered.

An additional late charge of \$10.00 shall be added to any bill when it is not paid within forty-five days of the billing date.

A turn-on charge of \$10.00 shall be added to any bill when the service has been turned off for nonpayment and is turned back on.

NOW THEREFORE, BE IT FURTHER RESOLVED, the City may, pursuant to its findings in Resolution No. 2222, may impose additional cost of living increases as necessary each fiscal year. Said increases shall be the greater of 3% or the average consumer price index (CPI) for the prior fiscal year. Cost of living increases shall require Council action and are to be authorized by resolution.

PASSED AND ADOPTED at a special meeting of the City Council of the City of Corcoran held on the 1st day of February 2016 by the following vote:

AYES:

NOES:

ABSENT:

APPROVED: _____
Jerry Robertson, Mayor

ATTEST: _____
Karla Cruz, City Clerk

I 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 1st day of February 2016, by the vote as set forth herein.

DATED: _____
City Clerk

RESOLUTION NO. 2222

RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF CORCORAN
ESTABLISHING ANNUAL INCREASES OVER A FOUR YEAR PERIOD
TO FACILITATE ISSUANCE OF BONDS FOR
WATER TREATMENT PLANT PROJECT

At a regular meeting of the City Council of Corcoran duly called and held on October 12, 2005 at 7:00 p.m., upon motion of Council Member Baltierra, seconded by Council Member Haile, and duly carried, the following resolution was adopted:

WHEREAS, Federal and State legislative bodies have imposed new Arsenic level standards for the water utilized by the residents of the City of Corcoran;

WHEREAS, the failure to meet such standards will result in the imposition of excessive fines and penalties against the City;

WHEREAS, in order to meet the new Arsenic level standards in a timely manner, the City is required to immediately upgrade its water treatment plant and all related equipment and infrastructure;

WHEREAS, the City is unable to shoulder the financial costs of the Water Treatment Plant Project without the issuance of bonds to finance the upgrades; and

NOW THEREFORE, BE IT RESOLVED that the City of Corcoran does establish, as follows:

1. In order to achieve the issuance of bonds necessary to fund the Water Treatment Plant Project, water rates paid by the residents of the City of Corcoran shall be subject to the following annual rate increases over the current rates as they exist at the time of the subject increase:

- a. January 1, 2006, 19 - 24%
- b. January 1, 2007, 19 - 24%
- c. January 1, 2008, 19 - 24%
- d. January 1, 2009, 19 - 24%

2. The actual rate increase to be paid by the residents of the City of Corcoran shall be subject to modification within the approved percentage depending on bond pricing and other factors which may impact the increase amount. Under no circumstances, however, shall the assessed rate be less than 19%.

3. The actual rate increase shall be imposed by the City without further action by the City Council. The City Manager and/or his agent is hereby vested with the authority to certify the actual rate increase to be paid by the residents of the City of Corcoran

following a reasonable review of bond pricing information and all other factors which impact, directly and indirectly, the rate to be assessed.

4. Nothing contained herein shall prohibit the City from imposing additional cost of living increases and/or other increases to the water rates paid by its Citizens, as is necessary. Such increases, if any, shall be in addition to those rate increases provided for above in relation to the Water Treatment Plant Project.

5. This resolution shall become effective immediately upon its passage, with no period of appeal.

Passed and Adopted at the regular meeting of the City Council of the City of Corcoran held on October 12, 2005 by the following vote:

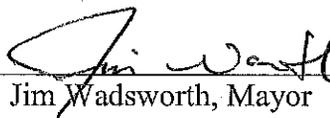
AYES: Councilmembers: Lerma, Baltierra, Haile and Wadsworth

NOES: None

ABSENT: Councilmember: Robertson

ABSTAIN: None

APPROVED:



Jim Wadsworth, Mayor

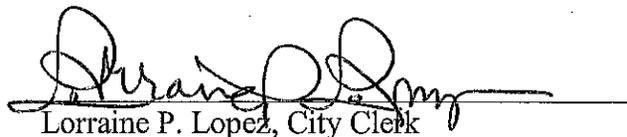
ATTEST:



Lorraine P. Lopez, City Clerk

I 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 12th day of October 2005 by vote as set forth herein.

Dated: October 12, 2005



Lorraine P. Lopez, City Clerk

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STAFF REPORTS ITEM #: 7-B

MEMO

TO: Successor Agency Board Members

FROM: Kindon Meik, Executive Director

DATE: January 28, 2016

MEETING DATE: February 1, 2016

SUBJECT: Authorize the Executive Director of the Successor Agency to the Redevelopment Agency of the City of Corcoran to enter into contracts for Bond Counsel, Municipal Advisor and Placement Agent for the Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004

Recommendation:

It is recommended that the Successor Agency Board adopt:

- ◆ Resolution No. 2821, Authorizing the Executive Director to enter into an engagement with Nossaman LLP to Serve as Bond Counsel for Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004
- ◆ Resolution No. 2822, Authorizing the Executive Director to enter into an engagement with NHA Advisors LLC to Serve as Municipal Advisor for Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004
- ◆ Resolution No. 2823, Authorizing the Executive Director to enter into a Contract with Hilltop Securities, Inc. to Serve as Placement Agent for Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004

Discussion:

Since the elimination of redevelopment, with the passage of AB 1484 (Health and Safety Code 34177.5), the State has allowed for the refinancing of existing bonds (the "Refunding Bonds") if certain requirements are met. These requirements include:

- a) Not incurring additional interest costs;
- b) Not incurring additional principal other than the amount needed to redeem the outstanding bonds;

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- c) Savings should pay for issuance costs; and
- d) Agency must meet the required debt reserves.

Based on a preliminary analysis, staff determined that there appears to be sufficient interest rate savings to warrant a further detailed analysis to determine whether a refunding is warranted. Pursuant to AB 1484, as part of receiving approval and ultimately refunding existing bonds, there are multiple steps involved in receiving approval and issuing Refunding Bonds. The steps necessary to issue the Refunding Bonds include the following:

- Successor Agency Board approval of Refunding Bond documents.
- Oversight Board approval of Refunding Bonds.
- State Department of Finance (DOF) approval of financing plan and Refunding Bonds.
- Drafting and approval of Refunding Bond Official Statement required to sell bonds (in the event that a private placement does not yield significant savings).
- Refunding Bonds credit and rating process.
- Sale of Refunding Bonds, and
- Close financing and redeem the prior bonds.

REVIEW AND ANALYSIS

The attached resolutions begin the process necessary to refund the bonds by authorizing the engagement of (a) Nossaman LLP to serve as the Bond Counsel to the Corcoran Successor Agency; (b) NHA Advisors LLC to act as Municipal Advisor for the Successor Agency; and (c) Hilltop Securities to act as the exclusive placement agent for the Successor Agency in connection with the private sale and issuance of the Refunding Bonds.

Specifically, the role of Nossaman as **Bond Counsel** is to give the traditional bond counsel opinion. Such opinion customarily opines that the bonds have been validly issued and, if tax exemption is intended, that the bonds are considered tax-exempt bonds. The Successor Agency currently contemplates placing the Refunding Bonds as a private placement.

The Bond Counsel will also prepare all documents that need to be approved by the Successor Agency that are required for the authorization, sale and issuance of the bonds. Included is the preparation of the Bond Resolution and the Indenture, the issue of a tax and a validity opinion.

The role of NHA Advisors is to act as **Municipal Advisor** for the bonds. The role of municipal advisor is to act as the Agency's representative to ensure that the financing project is evaluated

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and executed such that the best interests of the Agency and the affected taxing entities are best met.

The role of Hilltop Securities, Inc. is to act as **Placement Agent** for the bonds. The role of placement agent is to act as the intermediary between issuers and investors and to assist the Successor Agency in ensuring the marketability of the bonds at the lowest possible interest rate. Placement agents sell bonds in market as a private placement. Staff has selected Hilltop Securities as the placement agent for this refunding based on the firm's prior history with bond deals and reference checks.

The placement agent will work with Bond Counsel and the Municipal Advisor to structure the bonds to meet the Successor Agency's objectives as well as recommend a financing structure, maturity schedule for the bonds, redemption term, and other terms of notice for the sale.

At a future meeting, the Successor Agency will also be asked to authorize the Executive Director to contract for Fiscal Consulting Services if it is determined that these services will be required for a successful issuance of the Refunding Bonds.

It is recommended that your Successor Agency Board adopt:

- ◆ Resolution No. 2822, Authorizing the Executive Director to enter into an engagement with Nossaman LLP to Serve as Bond Counsel for Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004
- ◆ Resolution No. 2823, Authorizing the Executive Director to enter into an engagement with NHA Advisors LLC to Serve as Municipal Advisor for Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004
- ◆ Resolution No. 2824, Authorizing the Executive Director to enter into a Contract with Hilltop Securities, Inc. to Serve as Placement Agent for Refunding of Redevelopment Agency Tax Allocation Bonds Series 2004

Budget Impact:

The proceeds from the Refunding Bonds will be used to recover staff time and to pay the fees to the various team members. The breakdown of the cost to the various team members is outlined below: However, if after the Fiscal Report, the refunding of the bonds is not warranted, the costs for the Fiscal Report (which are non-contingent) will be covered by the allowable administrative portion of the Recognized Obligation Payment Schedule (ROPS), which is \$166,000.

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Breakdown of costs:

Bond Counsel	\$35,000 (contingent upon successful closing)
Municipal Advisor	\$47,500 (for private placement, contingent upon successful closing)
Placement Agent	\$15,000 (for private placement, contingent upon successful closing)
Fiscal Agent	\$15,000 (consultant to be determined, if engaged, not contingent)
Staff time	\$10,000 (estimate for staff – Finance, City Attorney, and City Manager)

Attachments:

Resolution No. 2822

Resolution No. 2823

Resolution No. 2824

Draft Debt Service Comparison

Agreement with Nossman LLP

Agreement with NHA Advisors

Agreement with Hilltop Securities

RESOLUTION NO. 2821

A RESOLUTION OF THE SUCCESSOR AGENCY OF THE CORCORAN REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN ENGAGEMENT LETTER WITH NOSSAMAN LLP, A PROFESSIONAL LAW CORPORATION, TO SERVE AS BOND COUNSEL FOR REFUNDING OF REDEVELOPMENT AGENCY TAX ALLOCATION BONDS

WHEREAS, the Successor Agency to the Redevelopment Agency of the City of Corcoran (“Agency”) desires to engage Nossaman LLP, A Professional Law Corporation, (“Nossaman”) as Bond Counsel in connection the Refunding of Successor Agency (Former Redevelopment Agency) Bonds; and

WHEREAS, bonds were issued in 2004 to finance all redevelopment projects; and

WHEREAS, the Successor Agency intends to issue or cause to be issued approximately \$4 million in tax exempt securities (“Bonds”); and

WHEREAS, Nossaman possesses the necessary professional capabilities and resources to perform the duties of Bond Counsel; and

WHEREAS, Nossaman will be compensated in an amount estimated at \$35,000 for Bond Counsel legal services, plus reasonable costs; and

WHEREAS, all fees and costs will not be charged to the General Fund and will be paid for out of the proceeds of the Refunding.

NOW THEREFORE, BE IT RESOLVED that the Successor Agency does hereby resolve that the Executive Director is authorized to execute an Engagement Letter with Nossaman for Bond Counsel Services for the refunding of former Redevelopment Agency Bonds.

PASSED AND ADOPTED at a regular meeting of the Successor Agency to the Redevelopment Agency of the City of Corcoran held on the 1st day of February 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jerry Robertson, Mayor

ATTEST:

Karla Cruz, City Clerk

RESOLUTION NO. 2822

A RESOLUTION OF THE SUCCESSOR AGENCY OF THE CORCORAN REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN ENGAGEMENT LETTER WITH NHA ADVISORS LLC TO SERVE AS MUNICIPAL ADVISOR FOR REFUNDING OF REDEVELOPMENT AGENCY TAX ALLOCATION BONDS

WHEREAS, the Successor Agency to the Redevelopment Agency of the City of Corcoran (“Agency”) desires to engage NHA Advisors LLC (“NHA Advisors”) as Municipal Advisor in connection the Refunding of Successor Agency (Former Redevelopment Agency) Bonds; and

WHEREAS, bonds were issued in 2004 to finance all redevelopment projects; and

WHEREAS, the Successor Agency intends to issue or cause to be issued approximately \$4 million in tax exempt securities (“Bonds”); and

WHEREAS, NHA Advisors possesses the necessary professional capabilities and resources to perform the duties of Municipal Advisor; and

WHEREAS, NHA Advisors will be compensated in an amount estimated at \$47,500 for Municipal Advisor services, plus reasonable costs; and

WHEREAS, all fees and costs will not be charged to the General Fund and will be paid for out of the proceeds of the Refunding.

NOW THEREFORE, BE IT RESOLVED that the Successor Agency does hereby resolve that the Executive Director is authorized to execute an Engagement Letter with NHA Advisors for Municipal Advisor Services for the refunding of former Redevelopment Agency Bonds.

PASSED AND ADOPTED at a regular meeting of the Successor Agency to the Redevelopment Agency of the City of Corcoran held on the 1st day of February 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jerry Robertson, Mayor

ATTEST:

Karla Cruz, City Clerk

RESOLUTION NO. 2823

A RESOLUTION OF THE SUCCESSOR AGENCY OF THE CORCORAN REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH HILLTOP SECURITIES, INC., TO SERVE AS PLACEMENT AGENT FOR REFUNDING OF REDEVELOPMENT AGENCY TAX ALLOCATION BONDS

WHEREAS, the Successor Agency to the Redevelopment Agency of the City of Corcoran (“Agency”) desires to hire Hilltop Securities, Inc., (“Hilltop”) as placement agent in connection the Refunding of Successor Agency (Former Redevelopment Agency) Bonds; and

WHEREAS, bonds were issued in 2004 to finance redevelopment projects; and

WHEREAS, the Successor Agency intends to issue or cause to be issued approximately \$4 million in tax exempt securities (“Bonds”); and

WHEREAS, Hilltop possesses the necessary professional capabilities and resources to perform the duties of placement agent; and

WHEREAS, Hilltop will be compensated in the amount of \$15,000 for successful placement of the Refunding Bonds; and

WHEREAS, fees and costs will not be charged to the General Fund and will be paid for out of the proceeds of the Refunding Bonds.

NOW THEREFORE, BE IT RESOLVED that the Successor Agency does hereby resolve that the Executive Director is authorized to execute a contract with Hilltop for placement agent services for the refunding of former Redevelopment Agency Bonds.

PASSED AND ADOPTED at a regular meeting of the Successor Agency to the Redevelopment Agency of the City of Corcoran held on the 1st day of February 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jerry Robertson, Mayor

ATTEST:

Karla Cruz, City Clerk

\$2,793,604

Corcoran Successor Agency
2016 TAB Refunding
(2004 TABs)

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	OLD D/S	Savings
12/01/2016	305,308.14	2.750%	38,412.05	343,720.19	367,207.50	23,487.31
12/01/2017	275,632.07	2.750%	68,428.12	344,060.19	367,547.50	23,487.31
12/01/2018	282,891.95	2.750%	60,848.24	343,740.19	367,227.50	23,487.31
12/01/2019	289,671.47	2.750%	53,068.72	342,740.19	366,227.50	23,487.31
12/01/2020	300,937.44	2.750%	45,102.76	346,040.20	369,527.50	23,487.30
12/01/2021	306,563.22	2.750%	36,826.98	343,390.20	366,877.50	23,487.30
12/01/2022	316,741.21	2.750%	28,396.48	345,137.69	368,625.00	23,487.31
12/01/2023	81,351.59	2.750%	19,686.10	101,037.69	124,525.00	23,487.31
12/01/2024	85,158.76	2.750%	17,448.94	102,607.70	126,095.00	23,487.30
12/01/2025	83,825.63	2.750%	15,107.06	98,932.69	122,420.00	23,487.31
12/01/2026	87,455.83	2.750%	12,801.86	100,257.69	123,745.00	23,487.31
12/01/2027	90,940.87	2.750%	10,396.82	101,337.69	124,825.00	23,487.31
12/01/2028	94,276.74	2.750%	7,895.96	102,172.70	125,660.00	23,487.30
12/01/2029	97,459.35	2.750%	5,303.34	102,762.69	126,250.00	23,487.31
12/01/2030	95,389.48	2.750%	2,623.22	98,012.70	121,500.00	23,487.30
12/01/2031	-	-	-	-	121,750.00	121,750.00
12/01/2032	-	-	-	-	121,750.00	121,750.00
12/01/2033	-	-	-	-	121,500.00	121,500.00
12/01/2034	-	-	-	-	126,000.00	126,000.00
Total	\$2,793,603.75	-	\$422,346.65	\$3,215,950.40	\$4,059,260.00	\$843,309.61

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	530,319.43
Transfers from Prior Issue DSR Fund	(360,000.00)
Net Present Value Benefit	\$170,319.43
Net PV Benefit / \$2,940,000 Refunded Principal	5.793%
Net PV Benefit / \$2,793,604 Refunding Principal	6.097%

Refunding Bond Information

Refunding Dated Date	6/01/2016
Refunding Delivery Date	6/01/2016

AGREEMENT FOR BOND COUNSEL SERVICES

THIS AGREEMENT (the "Agreement") is made and entered into this __ day of February, 2016, between the Successor Agency to the Redevelopment Agency of the City of Corcoran, whose address is 832 Whitley Avenue, Corcoran, CA 93212 (the "Successor Agency"), and Nossaman LLP, a partnership including professional corporations ("Nossaman") whose address is 18101 Von Karman Ave., Ste. 1800, Irvine, California 92612.

W I T N E S S E T H:

WHEREAS, the Successor Agency proposes to refinance certain obligations of the former Redevelopment Agency of the City of Corcoran (the "Former Agency"); and

WHEREAS, Nossaman is specifically trained and experienced in the conduct of proceedings for accomplishing the refinancing of the Obligations through the preparation, sale and delivery of privately placed, tax-exempt refunding obligations for such purposes (the "Obligations"); and

NOW, THEREFORE, in consideration of the covenants and premises herein contained and other good and valuable consideration, the parties hereto agree as follows:

1. Duties. Nossaman shall provide legal services in connection with the authorization, execution and delivery of the Obligations (the "Transaction"). Such services shall include, but not be limited to, the following:

a. Conferring and consulting with the Successor Agency, the officers, administrative staff, financial advisor, placement agent, fiscal consultant and other representatives of the Successor Agency, the Oversight Board of the Successor Agency, the Department of Finance, and the purchaser of the Obligations, in connection with the preparation and formulation of the Transaction.

b. Attendance at all meetings of the Successor Agency, Oversight Board, and any administrative meetings at which the Transaction is to be discussed or otherwise deemed necessary for the proper planning of the Transaction, when requested to attend such meetings by the Successor Agency.

c. Preparation of the Resolution of Issuance, security documents and all other resolutions, agreements, notices and other documents necessary for the proper conduct and consummation of the Transaction.

d. A review of all financial documents for legal sufficiency.

e. Supervision of title work with respect to the Transaction.

f. Preparation of an incumbency certificate, an arbitrage certificate, and any and all other closing documents required of the Successor Agency to accompany delivery of the financing documents.

g. Attendance at and supervision of the closing, and issuing the legal opinion of Nossaman stating that the interest payments with respect to the Obligations is exempt from present Federal and State income taxes, as the case may be, and approving in all respects the legality of all proceedings for the authorization, issuance, sale and delivery of the Obligations and other agreements relating to the Transaction.

h. Preparation of a transcript of the closing of the Transaction.

i. Conferring and consulting with Successor Agency officials and agents with regard to any problems which may arise prior to the maturity of the issuance.

j. Providing any other necessary services, including ongoing monitoring of the Transaction after the sale of the Obligations and assistance to the Successor Agency regarding the Transaction, generally expected of Nossaman not listed above.

2. Compensation. For provision of the services to be rendered pursuant to this Agreement relating to the issuance of the Obligations, the Successor Agency shall pay Nossaman a fee of \$35,000, which fee shall include any out-of-pocket expenses incurred by it in the course of this engagement, such as reproduction and printing costs, word processing time, long distance telephone calls, travel at the request of the Successor Agency and similar items. Said fee is payable only upon issuance of the Obligations, and shall be paid from proceeds thereof.

In the event Nossaman is requested to perform additional work outside of its normal and customary services as special counsel, such as litigation, Nossaman will be paid additional compensation therefor following the submission of monthly, itemized bills at the hourly rate of the attorney performing such services; provided, however, there shall be no additional compensation due Nossaman under the paragraph without the prior approval of the Successor Agency.

3. Assignment. This Agreement may be assigned by the Successor Agency to any other issuer of the securities as may be necessary to consummate the Transaction, without the consent of but with notice to Nossaman.

4. No Guarantees; Entire Agreement. Nothing in this Agreement and nothing in our statements to you should be construed as a guarantee or promise about the outcome of the Transaction or any phase thereof. We make no such guarantees or promises. Comments about the course or outcome of the Transaction or any phase thereof which we may make from time to time are expressions of opinion only. The written Agreement constitutes the entire Agreement between the parties hereto with respect to Nossaman services and neither party has been induced to make or enter into this Agreement by reason or promise, agreement, representation, statement or warranty other than as herein contained.

5. Other Representation. Nossaman may, from time to time, have clients with interests which may be potentially adverse to the Successor Agency. Nossaman reserves the right to represent said clients except on matters directly relating to the issuance and sale of the Obligations. We will disclose any such potential conflict to you and will seek a waiver of that conflict. We will of course work with you and our other clients to construct an appropriate ethical wall to protect the confidences of all of our clients and to clearly separate our work in any such case. Although we are not asking for a waiver now since these conflicts may not emerge, we ask that you agree to give good faith consideration to our requests for any such waivers in the future. This will allow us to better serve all of our clients.

6. Work Product. Our files developed in the course of work undertaken pursuant to this Agreement are your property. We will release those files to you or to anyone else you designate upon your written request delivered to the attorney in charge of this matter. However, such a request will signify the end of this engagement if it is then still ongoing. You agree that we may, in our sole discretion, copy all or any portion of such files at your expense and retain such copies, and that we may have a reasonable period of time before releasing the documents to you or your designee in order to make the copies. We will from time to time send portions of your files that are not currently needed to an off-site storage facility. The cost of using this facility will be our sole expense. However, we are not the guarantor of the security of any off-site storage facility. Accordingly, you agree that the firm will not be responsible for any damages which may occur as a result of the loss of any of your files which we store at an off-site storage facility. You also agree that we may, after the passage of two years without our having performed any work for you pursuant to this engagement, destroy the files of this engagement without further notice to you unless you have previously provided us with written instructions to forward the files to you or to another person you designate.

7. Insurance. We carry professional liability insurance which would cover the services we will be providing under the terms of this Agreement. That insurance is subject to a self-insured retention.

8. Privacy Policy. Please be advised that we have adopted a privacy policy in compliance with the requirements of the Gramm-Leach-Bliley Act, a copy of which is attached to this letter. If you have any questions concerning our Privacy Policy, please contact us.

9. Arbitration. If an action or proceeding is commenced to enforce this Agreement or any provision hereof, the prevailing party in such an action or proceeding shall be entitled to recover the reasonable amount of his, her or its fees and costs thereof, in addition to compensatory damages. For the purposes of enforcing this Agreement only, and as otherwise required by law, you agree that this Agreement may be disclosed to a court or arbitrator.

10. Notices. All notices, demands, requests, consents and approvals given, required or permitted to be given hereunder, shall be contained in writing and shall be deemed sufficiently given if sent by express delivery service or by registered or certified mail, postage

prepaid and return receipt requested, addressed to the parties at the addresses set forth above or on any addendum or counterpart to this Agreement, or to such other address as the recipient shall have notified the sender of in writing. You agree to keep us currently informed of any change in your address or telephone numbers so that we may effectively communicate with you. We will also advise you promptly of any change in the firm's business address, electronic mail address, telephone or facsimile numbers.

11. California Law. This Agreement is made under and shall be construed in accordance with the substantive laws of the State of California, without reference to choice of law rules.

12. Counterparts. This Agreement may be executed in counterparts each of which shall be deemed an original but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers and representatives thereto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF CORCORAN**

By: _____
City Manager

NOSSAMAN LLP, a partnership including
professional corporations

By: _____
Albert R. Reyes, a Partner

PRIVACY POLICY OF NOSSAMAN LLP

Lawyers, as providers of certain personal services, are now required by the Gramm-Leach-Bliley Act to inform their clients of their policies regarding privacy of client information. Our law firm understands your concerns as a client for privacy and the need to ensure the privacy of all your information. Your privacy is important to us and maintaining your trust and confidence is a high priority. Lawyers have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by such Act. Therefore, we have always protected your right to privacy. The purpose of this notice is to explain, as now required by law, our Privacy Policy with regard to personal information about you that we obtain and how we keep that information secure.

NONPUBLIC PERSONAL INFORMATION WE COLLECT

We collect nonpublic personal information about you that is provided to us by you or obtained by us with your authorization or consent, or otherwise furnished to us in the performance of our engagement, as through discovery in litigation.

WE DO NOT DISCLOSE ANY PERSONAL INFORMATION ABOUT OUR CLIENTS OR FORMER CLIENTS TO ANYONE, EXCEPT AS PERMITTED OR REQUIRED BY LAW AND ANY APPLICABLE STATE ETHICS RULES.

We do not disclose any nonpublic personal information about current or former clients obtained in the course of representation of those clients, except as expressly or impliedly authorized by those clients to enable us to effectuate the purpose of our representation or as required or permitted by law or applicable provisions of codes of professional responsibility or ethical rules governing our conduct as lawyers. In that regard, California law generally provides that lawyers are absolutely required not to reveal confidential information about clients, except as authorized by the client or as compelled by law.

CONFIDENTIALITY AND SECURITY

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and to comply with professional guidelines or requirements of law. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

- Consultant has no affiliate that provides any advice, service, or product to or on behalf of the Agency
- Consultant has not made any payments either directly or indirectly to obtain or retain business with the Agency
- The only compensation Consultant will receive in connection with the Scope of Work – Tax Allocation Bond Refinancing & Restructuring outlined below within this EXHIBIT D is identified and specified within Compensation section in this EXHIBIT D. Consultant has not and will not receive any payments from third parties in connection with this engagement
- Consultant has not and will not enter into any fee-splitting arrangements with any provider of investments or services to the Agency
- Consultant is not aware of any conflicts of interest that may arise from the Agency’s payment of the municipal advisory fee for the activities to be performed pursuant to this engagement
- To the best of its knowledge, none of Consultant’s other engagements or relationships will impair Consultant’s ability either to render unbiased and competent advice to the Agency or to fulfill Consultant’s fiduciary duty to the Agency
- Consultant is not aware of any legal or disciplinary event that is material to the Agency’s evaluation of Consultant or the integrity of its management or advisory personnel

No legal or disciplinary event has been disclosed by Consultant to the Securities and Exchange Commission as may be required under applicable rules or regulations.

Scope of Work – Tax Allocation Bond Refinancing & Restructuring

Consultant will provide multiple services to Agency related to the outstanding tax allocation bonds. Services will include the following components:

◆ ***Baseline Redevelopment Financial Advisor Services (AB 1484) – Receive State Department of Finance Approval***

Section 34177.5(h) of AB 1484 requires the successor agency shall make diligent efforts to ensure that the lowest long-term cost financing is obtained. The financing shall not provide for any bullets or spikes and shall not use variable rates. The successor agency shall make use of an independent financial advisor in developing financing proposals and shall make the work products of the financial advisor available to the Department of Finance (“DOF”) at its request.

Consultant will serve as the independent registered municipal advisor (financial advisor) of record for the City/Successor Agency to the DOF and provide the following services:

- Quantify the direct cash flow benefit to the Successor Agency and other taxing entities from any refinancing resulting in cash flow savings

- Identify any potential covenant defaults under existing contractual obligations of the Successor Agency that would be avoided by the refinancing
- Evaluate the tax increment cash flow management plan for the City/Successor Agency. Determine whether the cash flow management plan for the Redevelopment Property Tax Trust Fund (“RPTTF”) will work with respect to Recognized Obligation Payment Schedule (“ROPS”) procedures of the City/Successor Agency and the timing of debt payments by the City/Successor Agency to all of its obligors. If potential problems are foreseen, recommend changes to the City/Successor Agency’s RPTTF.
- Determine whether the tax increment cash flow data provided by the City/Successor Agency is sufficient to provide adequate continuing disclosure information for investors in any refinancing. If the cash flow data is found to be insufficient, recommend a method to the City/Successor Agency to provide this information over the long run.
- Evaluate the marketing plan for the bond underwriter and recommend whether or not a Notice of Final and Conclusive Determination from the DOF is warranted. Make this recommendation based on an assessment of long-term liability of the Successor Agency with respect to investors in the proposed refinancing.

Consultant will provide a bond report to DOF as well as be available to meet, discuss, and provide technical assistance with the approval process.

The bond report identifies the structure of the proposed financing, confirms that legislative requirements of any refunding are met, and provides the required test results (no variable rate bonds, no bullets, no spikes, and estimated savings projections).

◆ ***Quantitative Analysis and Financial Structuring***

Consultant will prepare, review, analyze, and provide structuring advice for the refunding bonds. Given the unique nature of post-redevelopment agency financing, it is important to quantify the benefit to all taxing agencies in order to mitigate potential hurdles at the Oversight Board or DOF level as a refunding moves forward. Being proactive and providing the benefit analysis to all agencies that request information will minimize delays or opposition.

In addition, Consultant will evaluate the method of sale (i.e. private placement or public offering), bond structure, legal approaches, and financial advantages for each alternative. This will include the bond terms and call provisions as well as potential senior/subordinate benefits and parity provisions. Review of the bond structure will also include the analysis on credit enhancement options including bond insurance and reserve surety bond policies. Consultant has experience with active credit

enhancement/insurance companies and will meet with these firms and discuss transaction as appropriate.

◆ ***Bond Financing Process***

- Provide information and advice on the timing of bond issuance and financing process (schedule) and develop timeline for issuance of the tax allocation bonds.
- If public offering method of sale, prepare and coordinate a comprehensive credit presentation to the rating services. This presentation will cover all relevant tax increment information regarding the financing and will be designed to address the Agency's ability to fund the annual debt service payments through its revenue base. Prepare a similar credit package to bond insurance companies, if applicable. This credit presentation/write-up will also be utilized with respect to a direct placement to a bank.
- Coordinate the efforts of bond and disclosure counsel and any other legal counsel, with respect to the preparation and approval of the financing documents by the Agency and Oversight Boards.
- Provide advice on financing structure for incorporation into bond documents.
- If a public offering method of sale is utilized, and based on information provided to Consultant by the Agency and other participants in the financing, work with the Agency's disclosure counsel to assemble the official statement for the financing in a manner consistent with existing laws and regulations and standards of the securities industry. The official statement serves as a marketing instrument and disclosure document for the Agency with respect to the financing.
- Manage financing process
- Assist the Agency in the negotiation of underwriting spread and interest rates on behalf of the Agency, and monitor the underwriter's sales effort to ensure the lowest financing costs are achieved
- Manage bond pricing and final financing structure (debt service, bond terms)
- Work with bond counsel to finalize documents for execution by Agency and prepare a closing memorandum outlining a detailed flow of funds at the time of closing.
- Coordinate the delivery, printing and final approval of legal documents, and the preparation of closing certificates and final official statement
- Coordinate the work of the Agency and members of the financing team to ensure that the issue is consummated within a reasonable period of time
- Coordinate all post-closing activities by working with the financing team to memorialize the bond transaction.
- At the Agency's request, Consultant is prepared to make presentations or attend meetings with stakeholders to answer questions or provide the final results of the process to Agency Board.
- If requested, assist in planning for investment of funds and coordinate the activities

Compensation Schedule – Tax Allocation Bond Refinancing & Restructuring

For work described in above Scope of Work within this EXHIBIT D, Consultant will be compensated at the time of closing. Compensation will be contingent on completion of the financing and be paid from proceeds of the transaction (no budget impact). For work related to the Agency’s **placement of bonds with a private party** (requiring no offering), Consultant will be entitled to a fee for Scope of Work services not to exceed \$47,500 which roughly breaks down as follows:

- Baseline Redevelopment Financial Advisor Services - \$27,500
- Quantitative Analysis and Financial Structuring - \$10,000
- Bond Financing Process (includes Credit, Market Preparation & Closing work) - \$10,000

Expenses (Out-of-Pocket)

All financing related expenses (data needs, credit rating, fiscal consultant, etc.) will be billed directly at cost to the Agency. To the extent that some third party vendor data is purchased directly by Consultant, these expenses shall be billed at cost by Consultant to the Agency. California travel costs of Consultant will not be expensed.

CONSULTANT

NHA Advisors



Eric J. Scriven, Principal

Date: February 1, 2016

CITY & AGENCY

City of Corcoran / Corcoran
Successor Agency

Kindon Meik, City Manager

Date

SUCCESSOR AGENCY TO THE CORCORAN RDA

2016 TAX ALLOCATION REFUNDING BONDS

(REFUNDING OF 2004 BONDS)

PLACEMENT AGENT AGREEMENT

Successor Agency to the Corcoran Redevelopment Agency

832 Whitley Avenue
Corcoran, CA 93212

The undersigned, Hilltop Securities Inc. (the "Placement Agent"), offers to enter into the following agreement (this "Agreement") with the Successor Agency to the Corcoran Redevelopment Agency (the "Agency"), which, upon acceptance by the Agency, will be binding upon the Agency and the Placement Agent.

The Agency acknowledges and agrees that (i) the placement of the Bond (as defined below) pursuant to this Agreement is an arm's-length commercial transaction between the Agency and the Placement Agent; (ii) in connection therewith and with the discussion, undertakings, and procedures leading up to the consummation of such transaction, the Placement Agent is not acting as a fiduciary of or a financial advisor to the Agency; (iii) the Placement Agent has not assumed (individually or collectively) an advisory or fiduciary responsibility in favor of the Agency with respect to (a) the offering of the Bond or the process leading thereto (whether or not the Placement Agent has advised or is currently advising the Agency on other matters); or (b) any other obligation to the Bond except the obligations expressly set forth in this Placement Agent Agreement; and (iv) the Agency has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bond.

Upon the terms and conditions and upon the basis of the representations, warranties, and agreements set forth herein, the Placement Agent and Agency hereby agree as follows:

1. Appointment of Placement Agent; Placement of Bond.

(A) The Agency hereby appoints the Placement Agent to act, and the Placement Agent hereby agrees to act, as the exclusive placement agent for the Agency in connection with the private sale and issuance of its 2016 Tax Allocation Refunding Bonds (the "Bond") and the Placement Agent hereby accepts such appointment. As compensation for its services hereunder, the Placement Agent shall charge a fee equal to \$15,000.00. At the closing of any such sale, the Agency shall pay or cause to be paid such fee to the Placement Agent by wire transfer or immediately available funds. The above fee does not include any services the Placement Agent may render in the future to the Agency with respect to any offering or placement of municipal securities other than the Bond.

(B) The Agency understands that the Placement Agent will be acting as the agent of the Agency in the offering and sale of the Bond, and agrees that, in connection therewith, the

Placement Agent will use its “best efforts” to place the Bond. This Agreement shall not give rise to any expressed or implied commitment by the Placement Agent to purchase or place any of the Bond.

2. Covenants, Representations and Warranties of the Agency. The Agency represents, warrants, and agrees as follows:

(A) the Agency is, and will be at the Closing Date, a duly organized, validly existing and operating pursuant to the laws of the State of California (the “State”) with full power and authority to observe and perform the covenants and agreements set forth in this Agreement;

(B) by official action of the Agency, prior to or concurrently with the acceptance hereof, the Agency (i) has duly adopted a resolution authorizing and approving the execution and delivery of this Agreement, and the performance of its obligations contained herein; and (ii) such resolution is in full force and effect and has not been amended or supplemented as of the date hereof, except as such resolution may be amended pursuant to the purchase contract for the Bond;

(C) the execution and delivery of this Agreement and compliance with the provisions on the Agency’s part contained herein do not and will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, statute, indenture, mortgage, deed of trust, bond, note, resolution, agreement, or other instrument to which the Agency is a party or by which the Agency is bound;

(D) any certificate signed by an authorized officer of the Agency and delivered to the Placement Agent shall be deemed a representation and warranty by the Agency in connection with this Agreement to the Placement Agent as to the statements made therein for the purposes for which such statements are made;

(E) The Agency represents that the Bond is exempt from registration pursuant to Section 3(a)(2) of the United States Bonds Act of 1933, as amended (the “Act”); and

(F) The Agency agrees promptly from time to time to take such action as the Placement Agent may reasonably request to qualify, if such qualification is necessary, the Bond for offering and sale as a private placement under the securities laws of such States as the Placement Agent may reasonably request, and the Agency further agrees to comply with such laws so as to permit such offers and sales. Any applicable filings will be prepared by the Agency’s counsel, whose fees and disbursements in connection therewith shall be for the account of the Agency.

3. Reliance. The Agency recognizes that, in providing services under this Agreement, the Placement Agent will rely upon and assume the accuracy and completeness of the financial, accounting, tax, and other information discussed with or reviewed by the Placement Agent for such purpose, and the Placement Agent does not assume responsibility for the accuracy and completeness thereof. The Placement Agent will have no obligation to conduct any independent evaluation or appraisal of the assets or the liabilities of the Agency or any other party or to advise or opine on related solvency issues. Nothing in this Agreement is intended to confer upon any other person (including creditors, employees, or other constituencies of the Agency) any rights or remedies hereunder or by reason hereof.

4. Termination. The Placement Agent’s authorization to carry out its duties hereunder may be terminated by the Agency or the Placement Agent at any time with or without cause, effective upon receipt of written notice to that effect by the other party.

5. **Notices.** Any notice or other communication to be given to any of the parties to this Agreement may be given by delivering the same in writing, addressed as follows:

If to the Agency:

City of Cocoran
832 Whitley Avenue
Corcoran, CA 93212
Attention: Kindon Meik

If to the Placement Agent:

Hilltop Securities Inc.
2535 South Coast Highway 101, Suite 250
Cardiff by the Sea, CA 92007
Attention: Todd Smith

6. **Survival of Representations, Warranties, and Agreements.** This Agreement is made solely for the benefit of the Agency and the Placement Agent, and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties, and agreements of the Agency contained in this Agreement shall remain operative and in full force and effect regardless of delivery of any payment for the Bonds.

7. **Counterparts.** The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

8. **Effectiveness.** This Agreement shall become effective upon the execution of the acceptance hereof by a duly authorized signatory of the Agency, which acceptance hereof shall be indicated on the signature page hereof, and shall be valid and enforceable as of the time of such acceptance. This Agreement may be executed by facsimile transmission and in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[Signature Page Follows]

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Hilltop SECURITIES INC.,
as Placement Agent

By: _____
Todd Smith, Managing Director

Agreed and accepted this ___ day of
_____, 2016.

By: _____
Kindon Meik, City Manager

City of

CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

WRITTEN COMMUNICATIONS

ITEM #: 7-C

MEMO

TO: Corcoran City Council

FROM: Baldomero Rodriguez, Public Works Director - Interim

DATE: January 26, 2016

MEETING DATE: February 1, 2016

SUBJECT: Authorization to Negotiate a Design/Build Contract with Integrated Engineers, Inc. for Sludge Agitation System at the Water Treatment Plant

Recommendation: That the City Council authorize the Public Works Director to negotiate a design/build contract with Integrated Engineers of Coarsegold, CA. The design/build contract will include the preparation of plans & specifications and the installation of a sludge agitation system placed within the City's two 47' diameter backwash reclaim tanks. The negotiated design/build contract will be presented to the City Council for approval prior to the start of any design or construction activity.

Discussion: Arsenic, in the form of a heavy sludge, is removed during the filter backwash process. The sludge is piped from the filter assembly to two 47' diameter reclaim tanks. The heavy mud consistency sludge is pumped from the reclaim tanks to a sludge press where the presses remove as much water as possible before being dried and transported to Kettleman City Landfill.

Unfortunately, the thick sludge coalesces at the bottom of the reclaim tanks and must be agitated loose with a high pressure hose. The pressure hose operation requires that treatment plant staff enter the reclaim tanks via a 24" diameter side mounted manway. A plywood platform is placed on top of the sludge and a worker, standing on the platform, loosens and circulates the sludge with a high velocity water stream.

Clearly this is not a Best Management Practice (BMP) nor is it safe. Staff notes that when the sludge builds up, the backwash process doubles compared to when the sludge is removed from the reclaim tank in a timely manner. The double backwash effort means more power and chemicals are needed.

City Offices

The Chief Plant Operator recently inspected a facility in Arizona that has a sludge agitation system comprised of high impact plastic parts. While the system worked well in Arizona, Corcoran's sludge consistency is heavier and requires that system components be constructed of coated steel. The Rotamix System meets this requirement. Integrated Engineers have successfully designed and constructed sludge agitation systems using Rotamix components and are uniquely qualified to design and build the Corcoran sludge agitation system

Budget Impact: Funding for the project was included in the 2015/2016 Capital Improvement Budget.

STAFF REPORTS
ITEM #: 7-D

MEMO

TO: Corcoran City Council

FROM: Karla Cruz, Assistant to the City Manager/City Clerk

DATE: January 28, 2016 **MEETING DATE:** February 1, 2016

SUBJECT: Review and reconsider Council Committee Appointment to Kings Waste and Recycling Authority

Recommendation: (Voice Vote)

Council can re-appoint the current representatives or designate other representatives.

Discussion:

Appointments are made among Council to represent the City of Corcoran on various boards and commissions. Staff recently received a request from the Kings Waste and Recycling Authority to designate a representative to their Board. The last review for appointment to the Kings Waste and Recycling Authority Board was made on December 15, 2014.

Currently Councilman Jim Wadsworth is the representative with Mayor Robertson serving as the alternate. This committee meets on the second Wednesday of every month at 8:05 a.m. in Hanford at the Kings Waste Recycling Authority Administration Building Conference room.

Any changes made tonight, will be forwarded immediately to the agency by staff.

Budget Impact:

None.

CITY OFFICES:

City of

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STAFF REPORT
ITEM #: 7E

MEMORANDUM

TO: City Council

FROM: Soledad Ruiz-Nunez, Finance Director

DATE: January 28, 2016

MEETING DATE: February 1, 2016

SUBJECT: Budget Amendments for the Water Fund

Recommendation:

Approve the Water Fund budget amendment of a \$120,000 decrease in expenses.

Discussion:

The Interim Public Works Director and the Chief Plant Operator have reviewed the approved budget and the current fiscal year to date expenses and were able to identify several projects and expenses which were budgeted for in the current fiscal year that will be completed in the next fiscal year. This allows the City Council to amend the current budget. The decrease in budget expenditures will also help as we continue to work on renewing the Letter of Credit for the 2008 Water Bond.

Account Description	Approved Budget	Amendment	New Budget
Sludge Removal	\$60,000	(\$30,000)	\$30,000
Professional Services	\$445,000	(\$62,500)	\$382,500
Special Department Supplies	\$74,500	(\$20,000)	\$54,500
Fuel	\$30,000	(\$7,500)	\$22,500
Total Budget Decrease:		<u>(\$120,000)</u>	

Budget Impact:

Decrease in budgeted expenses.

Attachments:

None

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STAFF REPORT ITEM #: 7F

MEMORANDUM

TO: City Council

FROM: Kevin Tromborg: Community Development Director

DATE: January 26, 2016

MEETING DATE: February 1, 2016

SUBJECT: Ordinances and Resolutions to be presented as a public hearing on February 16, and in March of 2016

Discussion: The Community Development Department will be presenting to the City Council for their approval the following Ordinances and Resolutions.

1. Ordinance to require Rapid Entry Systems (Knox Box) on all Commercial and Industrial buildings or structures. (March 7)
2. Revision to Ordinance 622 Water Efficiency Landscape Design and Installation (per Governor Brown's Drought Executive Order of April 2015 (February 15)
3. Ordinance to require security cameras to be installed on all new Commercial and Industrial construction and remodels. (March 7)
4. Resolution to adjust Planning and Code Enforcement fees and fines (March 21)
5. Resolution to approve the 2016-2024 Housing Element (March 21)

Budget Impact: TBD

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

MEMORANDUM

MEETING DATE: February 1, 2016
TO: Corcoran City Council
FROM: Kindon Meik, City Manager
SUBJECT: Matters for Mayor and Council

UPCOMING EVENTS / MEETINGS

- February 10, 2016 (Wednesday) City County Coordinating Meeting – 6:00 PM, Hanford, CA
- February 11, 2016 (Thursday) League of California Cities SSJVD General Membership Meeting – 6:00 PM, Visalia, CA
- February 15, 2016 (Monday) Presidents Day Holiday – City Offices will be closed.
- February 16, 2016 (Tuesday) City Council Meeting – 6:00 PM, Council Chambers

- A. Information Items
None
- B. Council Comments – *This is the time for council members to comment on matters of interest.*
 - 1. Staff Referral Items
- C. Committee Reports
- D. Council Goals:



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

DATE Sent to Council/ Request made	REQUEST	STATUS	DEPARTMENT RESPONSIBLE Dept/Division
04/01/13	Council directed staff to explore options to establish electronic council packets (e-packets) and cost of tablets including funding options.	Ongoing	City Manager
04/01/13	Council directed staff to explore options to upgrade audio visual (AV) equipment, including audio (microphone), video projection and display in the Council Chambers.	Ongoing	City Manager
07/01/13	UPDATE: 02/17/15 Council authorized NHA Advisors to prepare financial strategic plan. Plan will discuss city revenues and projected expenses. 09/16/13 Staff presented revenue generating options to Council. Council requested additional information on specific items.	Ongoing	City Manager
03/16/15	UPDATE: Water reduction percentages: December 22% November 34% October 30% September 26% August 31% July 36% 11/02/15 The City adopted a one-day irrigation schedule to take effect December 1, 2015. 06/10/15 Direct mailer with Stage 2 rules and restrictions finalized and sent to printer. 05/26/15 Council approved Ordinance No. 625 amending Chapter 1 of Title 8 and approved Resolution No. 2778 implementing Water Conservation Stage 2. 05/04/15 Council provided final comments on Chapter 1 of Title 8. An ordinance amending said section of the municipal code will be introduced at a special meeting on May 26, 2015.	Ongoing	City Manager/ Public Works/ Community Development