Mt. Shasta City Council Regular City Council Meeting Agenda

Mt. Shasta Community Center, 629 Alder Street

Monday, September 12, 2016; 5:30 p.m.

"Our mission is to maintain the character of our "small town" community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the constant pursuit of excellence."

Page	Item STANDING AGENDA ITEMS
	1. Call to Order and Flag Salute
	2. Roll call
	3. Special Presentations & Announcements: D & S Canine Solutions – Dan Bell, Certified Trainer
	4. Public Comment: Welcome to our City Council meeting. The Council invites the public to address the Council on matters on the Consent Agenda and matters not listed on the agenda that are within the Council's subject matter jurisdiction. If the Public wishes to comment on matters that are on the agenda, the Council will request comment when the matter is heard. The Council reserves the right to limit public comment on matters that are outside its subject matter jurisdiction. The City Council may regulate the total amount of time on particular issues and for speakers (typically 3 minutes). The Council may place additional time limits on comments, to ensure members of the public have an opportunity to speak and the Council is able to complete its business. A group may be asked to choose a spokesperson to address the Council on a subject matter, or the Council may limit the number of persons addressing the Council whenever a group of persons wishes to address the council on the same subject matter. Speakers may not cede their time to another. The Mayor manages the City Council meeting with a commitment to effective engagement while maintaining a positive, respectful decorum. The Mayor will typically start the Public Comment period sharing the following reminders relating decorum and Brown Act compliance efforts: ✓ This is the time for the public to address the Council on matters on the Consent Agenda or matters NOT on the Council Agenda. This will be a comment period only. If the public wishes a response they may provide their contact information to the Deputy City Clerk. ✓ The Mayor will recognize each speaker in an orderly fashion. Most often, the Mayor will call the speakers whom have signed in first and shall then call for those who would like to address the Council but whom did not sign in by inviting them to come to the front of the room and wait to be recognized to speak. Once the speaker is recognized, the speaker will address the Council only and shall provide comment from the public microphone. Public Comment will typically not be taken from any person shouting from the audience. ✓ No heckling or shouting from the audience at a speaker shall be permitted. ✓ The City Council may ask "clarifying" questions only. Due to equity and Brown Act concerns, the Council will avoid engaging in dialogue or debate. ✓ If there is an item of great community significance/interest and is within the Council's subject matter jurisdiction, the Council may request the item be agendized for further consideration at a subsequent Council meeting.

	5. Meeting Recess (As Necessary)
	6. Council and Staff Comments
	CITY COUNCIL BUSINESS
Page 4-35	7. Consent Agenda - The City Manager recommends approval of the following Consent Agenda items. All Resolutions and Ordinances on this agenda, or added hereto, shall be introduced or adopted, as applicable, by title only, and the full reading thereof is hereby waived. a. Approval of Minutes: Regular City Council Meeting August 22, 2016, Special City Council Meeting August 18, 2016 b. Acceptance of Brown Act Committee Minutes: Active Transportation Committee, July 24, 2016 c. Approval of Disbursements: Accounts Payable, 8/17/16, 8/18/16, 8/24/16, and 8/31/16; Total Gross Payroll and Taxes: For Periods Ending 8/14/16 and 8/28/16. (Finance Director) d. Approve of Aiello, Goodrich, & Teuscher Audit Agreement, Resolution CCR-16-38
Page 36-40	8. Council Approval of Sewer and Water Rate Study Consultant Agreements Background: The City advertised a Request for Qualifications from June 15, 2016 through July 15, 2016. Four Statements of Qualifications were received. A Consultant Selection Committee reviewed and ranked all SOQ's. The Committee selected PACE Engineering as the highest ranked Consultant to perform the work. Report By: Rod Bryan, Public Works Director Recommended Council Action: Staff requests the City Council adopt Resolution CCR-16-37, authorizing the City Manager to execute necessary Agreement amendments and task orders between the City of Mt. Shasta and PACE Engineering, Inc. for the purpose of providing a Utility Rate Study.
Page 41-59	9. Landing Development Plan Review Background: The Roseburg property, also referred to as "The Landing", is a 127.5 acre Planned Development. The majority of the development is owned by the City of Mt. Shasta. The property development plan was approved and the property annexed in 2000 (CCO-00-01). Part of the annexation process was the creation of a development plan and Environmental Impact Report. The development plan outlines land use, development standards, and on-site infrastructure improvements. Report By: Juliana Lucchesi, City Planner Recommended Council Action: No Council action, information only

Page	10. Awarding Construction Contract for STIP Funded Guardrail Project Background: On Friday August 26, 2016 bids were received for the Mt. Shasta Boulevard Guardrail Project. The lowest and sole bidder was Apex Fence Co. Inc. with a bid amount of $99,425. Pace Engineering has evaluated the bids and is recommending that the City award the Construction Contract to Apex Fence Co. Inc. Report By: Rod Bryan, Public Works Director Recommended Council Action: Staff respectfully requests the City Council approve the proposed Resolution awarding the bid for the Mt. Shasta Boulevard Guardrail Project to Apex Fence Co. Inc.
	CITY COUNCIL/STAFF REPORTING PERIOD
	11. Council Reports on Attendance at Appointed/Outside Meetings
	12. Future Agenda Items (Appearing on the agenda within 60-90 days): a. Cannabis Dispensary Briefing – 9/26/16 b. Approve Art Agreement for Parker Plaza – 9/26/16 c. Cannabis Dispensary Ordinance – 10/10/16 d. Smoking Limitations – 10/24/16 e. Possible Downtown Traffic Flow Changes/Request for Qualifications (RFQ) – 10/24/16 f. Landing Costs for Future Discussion with the County – 10/24/16 g. Review of CCO-98-05, Extraction and Exportation of Groundwater – 11/14/16 h. Orchard Property Annexation – 11/14/16 i. Community Building Use Agreement – 11/28/16 j. Crystal Geyser Industrial User Permit – TBD, Pending County CEQA
	13. Closed Session: Anticipated Litigation pursuant to §54956.9(b), one potential case
	14. Adjourn Availability of Public Records: All public records related to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at City Hall located at 305 North Mt. Shasta Blvd., Mt. Shasta, CA at the same time the public records are distributed or made available to the members of the legislative body. Agenda related writings or documents provided to a majority of the legislative body after distribution of the Agenda packet will be available for public review within a separate binder at City Hall at the same time as they are made available to the members of the legislative body. The City of Mt. Shasta does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or provision of services. In compliance with the Americans with Disabilities Act, persons requiring accommodations for a disability at a public meeting should notify the City Clerk or Deputy City Clerk at least 48 hours prior to the meeting at (530) 926-7510 in order to allow the City sufficient time to make reasonable arrangements to accommodate participation in this meeting.

Mt. Shasta City Council Regular City Council Meeting DRAFT Minutes

Mt. Shasta Community Center, 629 Alder Street
Monday August 22, 2016; 5:30 p.m.

"Our mission is to maintain the character of our "small town" community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the constant pursuit of excellence."

STANDING AGENDA ITEMS

1. **Call to Order and Flag Salute:** At the hour of 5:33 p.m. Mayor Jeffrey Collings called the meeting to order and led the audience in the Pledge of Allegiance.

2. **Roll Call:** Council Members Present: Councilmembers Morter, Harkness, Stearns. Mayor Pro-Tem Burns, Mayor Collings
Council Members Absent: None

Council agreed to change the order of the agenda, holding Closed Session first, and reviewing the item regarding the Rate Study consultant agreement sooner.

3. **Closed Session:** Adjourned to Closed session 5:35 p.m.
   1. Public Employment, City Manager – Pursuant to Government Code §54957
   2. Conference with Legal Counsel – Anticipated Litigation pursuant to subdivision (b) of Section 54956.9 (two cases)
      a. City of Mt. Shasta vs. Ure
      b. City of Mt. Shasta vs. Quail Hill Estates

Council Action: City Attorney directed to continue negotiations.

4. **Public Comment:**

No public comment.

5. **Council and Staff Comments:**

Geoff Harkness, Councilmember – Bi-weekly update, sculpture project.
Kathy Morter, Councilmember – Public sculpture project, compliments to Public Works, passing of Paul Boerger.

6. **Council Approval of Sewer and Water Rate Study Consultant Agreement**

Review by Acting City Manager Parish Cross. Paul Reuter of PACE Engineering reviewed the proposal. Clarifying questions from Council.

COUNCIL ACTION: Approve PACE Engineering to perform professional services with the City at the agreed upon rate with the understanding that there will be further Resolutions with the specific language contracts returning to Council at the next meeting for approval. Mr. Reuter suggested altering the agreement included in the agenda packet to remove the sewer portion, and amend the current State-Mandated Project agreement for the sewer rate study.

MOTION TO APPROVE: Councilmember Stearns
SECOND: Councilmember Harkness
AYES: Councilmembers Morter, Stearns, Harkness, Mayor Pro-Tem Burns, Mayor Collings
NOES: None
ABSENT: None
ABSTAIN: None

CITY COUNCIL BUSINESS

7. Consent Agenda:

COUNCIL ACTION: Approved the following Consent Agenda items. All Resolutions and Ordinances on this agenda, or added hereto, shall be introduced or adopted, as applicable, by title only, and the full reading thereof is hereby waived.

a. Approval of Minutes: August 8, 2016 Regular City Council Meeting

b. Acceptance of Brown Act Committee Minutes: Community Economic Development Activities Committee (CEDAC) June 14, 2016 Minutes, Beautification Committee (BC) July 13, 2016 Minutes.

c. Approval of Disbursements: Accounts Payable, 8/4/16 and 8/8/16; Total Gross Payroll and Taxes: For Period Ending 7/31/16 (Finance Director)

d. Monthly Financial/Investment Report (Finance Director)

e. Surplus Equipment, CCR-16-36

COUNCIL ACTION: Approve consent agenda items a – e and CCR-16-36
MOTION TO APPROVE: Councilmember Morter
SECOND: Councilmember Stearns
AYES: Councilmembers Morter, Harkness, Stearns, Mayor Pro-Tem Burns, Mayor Collings
NOES: None
ABSENT: None
ABSTAIN: None

8. Siskiyou Opportunity Center – Recycling

Review by Muriel Howarth-Terrell, Finance Director and Councilmember Harkness. Clarifying questions from Council.
Councilmember Morter suggested surveying the community to determine what services are desired.
Councilmember Stearns stated that Crystal Geyser has expressed interest in recycling and promoting recycling in Mount Shasta, and recommended that staff look into to partner with them.

COUNCIL ACTION: Approve payment for additional cost for recycling as recommended by staff until the City can develop new charges for refuse collection for business and residential, and bring the matter before the City.
MOTION TO APPROVE: Councilmember Stearns
SECOND: Councilmember Morter
AYES: Councilmembers Morter, Harkness, Stearns, Mayor Pro-Tem Burns, Mayor Collings
NOES: None
ABSENT: None
ABSTAIN: None

9. Smith Sanitation – Refuse Removal During Transfer Station Closure

Muriel Howarth-Terrell, Finance Director, gave a brief summary. She suggested that Council table the item until the September 12, 2016 meeting for the purpose of gathering further information.

COUNCIL ACTION: Item tabled to the September 12, 2016 Regular City Council Meeting.

10. Broadband Update

Mayor Collings reviewed the proposal from Columbia Telecommunications Corporation (CTC) Technology and Energy. Clarifying questions and discussion.

COUNCIL ACTION: Approve payment of $33,333.34 to CTC pursuant to their proposal, subject to sister cities of Weed and Dunsmuir likewise approving their portions of the cost.
MOTION TO APPROVE: Councilmember Stearns

SECOND: Councilmember Morter
AYES: Councilmembers Morter, Harkness, Stearns, Mayor Pro-Tem Burns, Mayor Collings
NOES: None
ABSENT: None
ABSTAIN: None

CITY COUNCIL/STAFF REPORTING PERIOD

9. Council Reports on Attendance at Appointed/Outside Meetings:
Tim Stearns, Councilmember – Meeting with Craig Middleton, Executive Director of the Presidio Project
Geoff Harkness, Councilmember – Community Economic Development Activities Committee (CEDAC) Meeting

10. Future Agenda Items (Appearing on the agenda within 60-90 days):
COUNCIL ACTION: Reviewed Items a through k.

a. Annual Audit of City Finances – 9/12/16
b. Adopt Landing Development Plan Resolution – 9/12/16
c. Awarding Construction Contract for STIP Funded Guardrail Project – 9/12/16
d. Cannabis Dispensary Ordinance – 9/26/16
e. Noise Element for the General Plan – 10/24/16
f. Smoking Limitations – 10/24/16
g. Possible Downtown Traffic Flow Changes/Request for Qualifications (RFQ) – 10/24/16
h. Landing Costs for Future Discussion with the County – 10/24/16
i. Review of CCO-98-05, Extraction and Exportation of Groundwater – 11/14/16
j. Orchard Property Annexation – 11/14/16
k. Crystal Geyser Industrial User Permit – TBD, Pending County CEQA

12. Adjourn: There being no further business, the meeting was adjourned at 8:32 p.m.

Respectfully Submitted by: Kathryn M. Wilson, Administrative Assistant/Deputy City Clerk

Mt. Shasta City Council Special City Council Meeting DRAFT Minutes

305 N. Mt. Shasta Blvd.
August 18, 2016; 7:30 a.m.

"Our mission is to maintain the character of our "small town" community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the constant pursuit of excellence."

1. Roll call: At the hour of 7:37 a.m. Mayor Collings called the meeting to order. Present: Councilmember Tim Stearns, Councilmember Geoff Harkness, Mayor Collings Absent: Mayor Pro-Tem Burns, Councilmember Morter
2. Coffee with City Council: Laurel Kessler – Environmentally friendly cleaning products and landscaping, posting medical orders in conspicuous places. Roslyn McCoy – Weekly update, well production, easements, broadband, infrastructure. John Adamson – Street repair, election, fuel reduction. Councilmember Harkness left the meeting at 8:11 a.m.
3. Adjourn: At the hour of 8:35 a.m. the meeting was adjourned.
Respectfully Submitted by: Kathryn M. Wilson, Administrative Assistant/Deputy City Clerk

Mt. Shasta Active Transportation Committee Meeting Minutes

Mt. Shasta City Hall, 305 North Mt. Shasta Blvd
Friday, June 24, 2016; 8:30 a.m.
Approved as Submitted

"Our mission is to maintain the character of our "small town" community while striking an appropriate balance between economic development and preservation of our quality of life. We help create a dynamic and vital City by providing quality, cost-effective municipal services and by forming partnerships with residents and organizations in the
constant pursuit of excellence."

ITEM	STANDING AGENDA ITEMS
1.	Call to Order & Roll Call: Melanie Finding called the meeting to order at 8:35 A.M. Committee Member Attendees: Melanie Findling, Mike Sojka, Mike Quinn Staff Attendees: Juliana Lucchesi - City Planner Guest: Ken Ryan
2.	Special Presentations & Announcements: Ken Ryan Presented the current status of the ATP funding request. It has been completed and approved by city council to move forward with funding request.
3.	Public Comment: This is an opportunity for members of the public to address the Committee. The Committee reserves the right to reasonably limit the length of individual comments and/or the total amount of time allotted to public comments. For items which are on this agenda, speakers may request that their comments be heard instead at the time the item is to be acted upon by the Committee. The Committee may ask questions but may take no formal action on items addressed during the Public Comment period except to direct staff to prepare a report or place the item on a future agenda.
	COMMITTEE BUSINESS
4.	Review and Approval of Minutes: a) ATC Draft Minutes for May 20, 2016 Meeting Recommended Action: Minutes were approved unanimously by all members present without changes.
5.	Report from Public Works Director Regarding Current City Projects Background: Monthly update on relevant public works projects. Report by: Juliana Lucchesi Recommended Action: The Landing Plans are modified to include bike and pedestrian trails. The city is reviewing current bike parking policies in support of the ATC Master Plan.
6.	Update on ROW Acquisition Background: Council funded ROW acquisition for Midtown trail easements (trail and utility) in April of 2015. Rod is working with the city engineer. Report by: Rod Bryan, Public Works Director Recommended Action: Carry forward to next meeting

7.	Recruitment of new ATC members Background: Down to only three members, we need to recruit new members. Several options were to discussed to include a published newspaper interview with Melanie to explain the responsibilities of the ATC, its accomplishments, and needs for additional community support. Additionally, suggestions were made to include vendor booths at various city events, as well as, continued use of personal contacts to recruit new members. Report by: Melanie Findling Recommended Committee Action: Melanie to contact newspaper for interview.
8.	ATC Response to CalTrans Hwy 89/So. Mt. Shasta Blvd. interchange improvement project. Background: ATC met in a special meeting in November to discuss ATC's response to Caltrans' project. Mike Sojka drafted a resolution for Council. Update. Report by: Mike Sojka and Rod Bryan Recommended Committee Action: Postponed until next meeting

9.	Creating a GIS layer showing ATC's projects Background: Mike Sojka contacted a GIS specialist to help ATC develop a GIS layer depicting ATC projects. Update. Report by: Mike Sojka Juliana accepted responsibility for this effort, and will report back with her progress after exploring current resources and capabilities. Recommended Committee Action: Review at a later date
10.	Pedestrian Safety Crossing Mt. Shasta Blvd. at Berryvale and Old McCloud. Background: ATC members have observed safety issues for pedestrians crossing MS Blvd. in at least these two locations. Report by: Mike Sojka and Melanie Findling Juliana states she was already reviewing acquisition of portable signage that can be placed at areas of concern to better alert motorists of upcoming potentially dangerous pedestrian and bike traffic. Recommended Action: Follow up at later meeting
11.	UC Berkeley Recommendations Background: UC Berkeley made traffic safety recommendations to the city of Mt. Shasta. ATC wishes to follow up on those recommendations. Report by: Mike Sojka Recommended Action: Carry forward to next meeting
12.	Dunsmuir to Weed Trail Background: Update on the planning process for the Dunsmuir to Weed Trail Report by: Mike Sojka Recommended Action: Carry forward to next meeting

13.	Review of Master Plan Appendices E and G Background: In an effort to keep the Bicycle Pedestrian Trails Master Plan current, ATC is reviewing sections that may need revisions. The first sections are Appendices E and G. ATC members were to review and will report suggested revisions. Report by: Melanie Findling Juliana will review the Master plan and present a proposal for better managing these items, and keeping it current. Recommended Committee Action: Follow-up at future meeting
14.	Discuss 2016 ATC Goals Background: Review ongoing projects and earlier goals, assign priorities and responsibilities. Report By: Chair and Committee Members Recommended Committee Action: Carry forward to future meeting
15.	Possible Action on Change in the Day/Time/Location and/or Frequency of Meetings Background: The committee is currently meeting on the 3rd Friday of each month at 8:30 a.m., in the City Hall conference room. Report by: Chair Recommended Committee Action: Carry forward to future meeting
	FUTURE AGENDA ITEMS
16.	At this time, members of the Committee may ask questions of staff, request that reports be made at a later date, or ask to place an item on the agenda, on any subject within the Committee's jurisdiction: • Stellar Way Non-Motorized Access • Previously Dedicated Castle Alley to Non-Motorized Use Only ☐Bus Stops • Traffic Collision Data
17.	Adjourn Meeting was adjourned by Melanie at 10:00 A.M.

5

City Council Agenda Item # 7c
Staff Report

Meeting Date:	September 12, 2016
To:	Mayor and City Council
From:	Muriel Howarth Terrell, Finance Director
Subject:	Approval of Warrants and Payroll

	Regular
x	Consent
	Closed
	Presentation

Recommendation:

Staff requests the Mayor and City Council Approve warrants paid including payroll benefits and withholding, and payroll distribution, in the amount of $526,302.73.

Background & Summary:

Approval of Check Numbers 38496-38609	$ 381,662.52
Total Payroll Distribution	$ 103,085.28
Total Payroll Taxes	$ 41,554.93
	$ 526,302.73

Financial Impact:

Espenditures are consistent with the Budget that the City Council has adopted.

Compliance with 2014-17 City Council Strategic Plan:

The City Council's leadership efforts to ensure adherence to the best possible financial practices and overall transparency falls under Strategic Focus IV – Grow Mt. Shasta Pride and Quality and the Municipal Responsibilities of Progressive Leadership and Financial Health and Economic Opportunity.

Attachments:

1.) Check Registers – 8/17/16, 8/18/16, 8/24/16, 8/31/16
2.) ACH Payroll Distribution – 8/17/16, 8/31/16
3.) EFTPS Reports – 8/23/16, 9/6/16

Check Register Report

Date: 08/17/2016
Time: 1:57 pm
Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
38496	08/17/2016	Printed		12185	CALIFORNIA P.E.R.S.	08/18/16 Rate Plan 925	3,484.75
38497	08/17/2016	Printed		12185	CALIFORNIA P.E.R.S.	08/18/16 Rate Plan 926	958.68
38498	08/17/2016	Printed		12185	CALIFORNIA P.E.R.S.	08/18/16 Rate Plan 927	3,923.54
38499	08/17/2016	Printed		12185	CALIFORNIA P.E.R.S.	08/18/16 Rate Plan 27429	1,754.91
38500	08/17/2016	Printed		12185	CALIFORNIA P.E.R.S.	08/18/16 Rate Plan 25861	1,366.84
38501	08/17/2016	Printed		12185	CALIFORNIA P.E.R.S.	08/18/16 Rate Plan 25862	408.03
38502	08/17/2016	Printed		28790	CALPERS 457 PLAN	08/18/16 457 SIP Deductions	841.00
38503	08/17/2016	Printed		12192	CALPERS FISCAL SERVICES DIV	Fees for GASB-68 Reports	3,250.00
38504	08/17/2016	Printed		18082	INTERNATIONAL INSTITUTE OF	2016-17 membership K Wilson	155.00
38505	08/17/2016	Printed		15240	NATIONWIDE RETIREMENT SOLUTION	08/18/16 457 SIP Deductions	2,066.00
38506	08/17/2016	Printed		27121	ROLL N ROCK CONSTRUCTION INC	Curb, gutter, sidewalk mainten	1,557.00
38507	08/17/2016	Printed		28068	SECRETARY OF STATE	Notary exam - K Wilson	40.00
38508	08/17/2016	Printed		28216	SHASTA REGIONAL MEDICAL GROUP	Smith, Joyce, Burns DMV physic	375.00
38509	08/17/2016	Printed		28609	DAWN SNURE	Travel mileage -Adv Dispatcher	164.16
38510	08/17/2016	Printed		28815	STERLING HEALTH ADMINISTRATION	08/18/16 HSA Deductions	120.00
38511	08/17/2016	Printed		29011	TEAMSTERS LOCAL 137	Aug 16 PD dues deductions	924.44
38512	08/17/2016	Printed		29140	TIMBERWORKS	Big Lakes Payment 3	154,317.61
38513	08/17/2016	Printed		32070	THE WELLNESS CENTER	Aug 16 Gym Dues Deductions	150.00
38514	08/17/2016	Printed		32182	WIN WIN CLEANING SERVICES	Window cleaning CH & PD	425.00

Total Checks: 19 **Checks Total (excluding void checks): 176,281.96**

Total Payments: 19 **Bank Total (excluding void checks): 176,281.96**

Total Payments: 19 **Grand Total (excluding void checks): 176,281.96**

Check Register Report

2015-16

Date: 08/17/2016
Time: 2:10 pm
Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
38515	08/17/2016	Printed		10424	ALLISON AUSTIN	Refund parking citation P2298	100.00
38516	08/17/2016	Printed		22071	MENDES SUPPLY COMPANY	Blk liner bags	449.32
38517	08/17/2016	Printed		28216	SHASTA REGIONAL MEDICAL GROUP	DMV physical - H Gubetta	125.00

Total Checks: 3 **Checks Total (excluding void checks): 674.32**

Total Payments: 3 **Bank Total (excluding void checks): 674.32**

Total Payments: 3 **Grand Total (excluding void checks): 674.32**

Check Register Report

Date: 08/18/2016
Time: 9:02 am
Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
38518	08/18/2016	Printed		12551	CITY OF MT SHASTA	Aug 16 Library irrigation h2o	18.35
38519	08/18/2016	Printed		12820	CROSS PETROLEUM	Jul 16 heat & fuel	4,044.96
38520	08/18/2016	Printed		12840	CROSS PETROLEUM-FIRE DEPT.	Jul 16 fuel	567.15
38521	08/18/2016	Printed		13045	DAVIS COURIER SERVICES	Jul 16 courier services	13.13
38522	08/18/2016	Printed		13067	DELL MARKETING, L.P.	4 Hard Drives	2,909.21
38523	08/18/2016	Printed		13073	DEMCO	Misc library supplies	159.77
38524	08/18/2016	Printed		14140	DON ERICKSON SHELL JOBBER	Heating fuel City Hall	212.17
38525	08/18/2016	Printed		29015	DOUGLAS TERRELL	Refund bal water meter proj	59.26
38526	08/18/2016	Printed		15030	FERGUSON ENTERPRISES, INC.	Urinal parts - public restroom	41.37
38527	08/18/2016	Printed		17037	HARDY DIAGNOSTICS	WWTP lab supplies	1,261.65
38528	08/18/2016	Printed		18000	IDEXX LABORATORIES	WWTP lab supplies	169.63
38529	08/18/2016	Printed		18063	INTERSTATE BATTERY	Core charge refund	811.37
38530	08/18/2016	Printed		20126	CAROL KOHO	Refund bal of utilities survey	86.09
38531	08/18/2016	Printed		22071	MENDES SUPPLY COMPANY	Paper towels - Library	141.11
38532	08/18/2016	Printed		28620	MT SHASTA AREA NEWSPAPERS	Legal #7612 Fire Assmnt Tax	213.20
38533	08/18/2016	Printed		22200	MT. SHASTA CHAMBER OF COMMERCE	Apr - Jun 16 VCB Allocation	17,000.00
38534	08/18/2016	Printed		22300	MT. SHASTA RECREATION & PARKS	Senior Nutrition Program	2,000.00
38535	08/18/2016	Printed		22317	MT. SHASTA SHELL	Fuel & p.s. fluid	34.96
38536	08/18/2016	Printed		22320	MT. SHASTA SPRING WATER	Jul 16 WWTP water	9.70
38537	08/18/2016	Printed		22352	MUNICIPAL EMERGENCY SERVICES	SCBA testing - Fire & WWTP	2,359.42
38538	08/18/2016	Printed		22370	MUNIMETRIX SYSTEMS CORP.	Image Silo software	39.99
38539	08/18/2016	Printed		25020	PACE CIVIL, INC.	Jul 16 City Engineer Svcs	44,141.08
38540	08/18/2016	Printed		27060	REDDING FLEET TRUCK SUPPLY	Fire equipment parts	167.52
38541	08/18/2016	Printed		28560	SISKIYOU OPPORTUNITY CENTER	Jul 16 recycling pickups	825.00
38542	08/18/2016	Printed		28680	SPORTSMEN'S DEN INC	Fire supplies	5.38
38543	08/18/2016	Printed		29169	STATEWIDE TRAFFIC SAFETY &	Street tabs	243.50
38544	08/18/2016	Printed		75080	TIMOTHY H. STEARNS	City Mgr Recruitment	20.65
38545	08/18/2016	Printed		31042	VERIZON WIRELESS	Jul 16 cell phone	1,175.96

Total Checks: 28 — **Checks Total (excluding void checks): 78,731.58**

Total Payments: 28 — **Bank Total (excluding void checks): 78,731.58**

Total Payments: 28 — **Grand Total (excluding void checks): 78,731.58**

Check Register Report

Date: 08/24/2016
Time: 8:58 am
Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
38546	08/24/2016	Printed		11120	BANK OF AMERICA-CITY	Jul 16 misc charges	572.21
38547	08/24/2016	Printed		12681	COMMUNITY STAFFING SOLUTIONS	Aug 16 Library Operations	10,666.66
				Total Checks: 2		**Checks Total (excluding void checks):**	**11,238.87**
				Total Payments: 2		**Bank Total (excluding void checks):**	**11,238.87**
				Total Payments: 2		**Grand Total (excluding void checks):**	**11,238.87**

Check Register Report

Date: 08/31/2016
Time: 7:41 am
Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
38548	08/31/2016	Printed		10373	ARAMARK	Aug 16 Linen Services	219.06
38549	08/31/2016	Printed		11140	BASIC LABORATORY INC.	WWTP lab services	1,261.40
38550	08/31/2016	Printed		11146	BAXTER AUTO PARTS	Street painting supplies	90.53
38551	08/31/2016	Printed		11154	MARK BEGNAUD	Aug 16 Refund EVMM-554-03	57.30
38552	08/31/2016	Printed		11423	WILLIAM BULLINGTON	8/22 court mileage	27.00
38553	08/31/2016	Printed		12182	CALIFORNIA LAW ENFORCEMENT	2016 Membershiip Dues	50.00
38554	08/31/2016	Printed		12591	CLA-VAL	Service Call	1,255.46
38555	08/31/2016	Printed		12681	COMMUNITY STAFFING SOLUTIONS	Library Misc supplies	346.83
38556	08/31/2016	Printed		13199	DIGITAL PATH INC	Sept WWTP internet	99.95
38557	08/31/2016	Printed		13231	CHRISTINE & ALLEN DOSS	Refund IVYE-328-02	26.70
38558	08/31/2016	Printed		34040	GOLD NUGGET PRINTING	Round Vehilce Decal	299.17
38559	08/31/2016	Printed		17100	HEATON STEEL & SUPPLY	Supplies for signs	173.54
38560	08/31/2016	Printed		17157	MURRAY HUGGINS	Refund WASS-500-00	57.30
38561	08/31/2016	Printed		17155	HUNTER ORCHARDS	Aug 16 Fresh Produce Program	112.50
38562	08/31/2016	Printed		18063	INTERSTATE BATTERY	Batteries	514.83
38563	08/31/2016	Printed		20110	JOSH KIRBY	Refund Overpaid Planning Fee	190.00
38564	08/31/2016	Printed		22004	MARBLE MOUNTAIN FARM	Aug 16 Fresh Produce Program	350.00
38565	08/31/2016	Printed		22105	MOUNTAIN COUNTIES SUPPLY CO.	Car Wash x2	35.00
38566	08/31/2016	Printed		22240	MT. SHASTA ELECTRIC INC	Sign repair, south end of town	158.47
38567	08/31/2016	Printed		22320	MT. SHASTA SPRING WATER	Aug 16 WWTP water	9.70
38568	08/31/2016	Printed		22340	MT. SHASTA SUPERMARKET	Chip Seal lunches	163.22
38569	08/31/2016	Printed		22352	MUNICIPAL EMERGENCY SERVICES	Canvas Salvage Covers	254.42
38570	08/31/2016	Printed		23023	NATIVE GROUNDS NURSERY	Liq Fert for baskets	77.57
38571	08/31/2016	Printed		23052	NORTHLAND CABLE TELEVISION INC	Sept 16 CH PD FD internet	181.39
38572	08/31/2016	Printed		24003	KATE OBRIEN	Sept 16 Fresh Produce Program	172.75
38573	08/31/2016	Printed		24000	OFFICE DEPOT	Ink	224.18
38574	08/31/2016	Printed		24021	MARK OLIVEIRA	Sept 16 Refund CarShow	30.00
38575	08/31/2016	Printed		24048	RACHEL OULES	Mileage/Meal 16-3770	286.66
38576	08/31/2016	Printed		25080	PACIFIC POWER & LIGHT	Jul 16 Electric Services	9,291.54
38577	08/31/2016	Printed		25082	PACIFIC SUPPLY	Springs Repairs - Cement	37.08
38578	08/31/2016	Printed		25116	JAY POLK	2016-17 PW boot/clothing allow	215.71
38579	08/31/2016	Printed		27000	RAMSHAW'S ACE HARDWARE INC	Aug 16 misc supplies	394.64
38580	08/31/2016	Printed		27060	REDDING FLEET TRUCK SUPPLY	Fire Equipment parts	44.69
38581	08/31/2016	Printed		28591	SEQUOIA CYBER SOLUTIONS INC	Park cameras & backhaul	1,709.26
38582	08/31/2016	Printed		28173	SHASTA CLEANING & MAINTENANCE	Library Cleaning 7/14-7/25	240.00
38583	08/31/2016	Printed		28372	SISKIYOU COUNTY ECONOMIC	Jul 16 Assess/Cleanup	19,046.23
38584	08/31/2016	Printed		28430	SISKIYOU COUNTY OFFICE OF	2016-17 office supplies CH	842.76
38585	08/31/2016	Printed		22043	SISKIYOU MEDIA COUNCIL	1st half 2016/2017	2,625.00
38586	08/31/2016	Printed		28595	JOHN SMITH SANITATION INC	Aug 16 Solid Waste & recycling	30,358.15
38587	08/31/2016	Printed		28595	JOHN SMITH SANITATION INC	Aug 16 dumpster rental	45.00
38588	08/31/2016	Printed		28609	DAWN SNURE	Travel mileage -Adv Dispatcher	164.16
38589	08/31/2016	Printed		28640	SOUSA READY MIX LLC	Base rock	276.63
38590	08/31/2016	Printed		29169	STATEWIDE TRAFFIC SAFETY &	Sign rental for chip seal	238.00
38591	08/31/2016	Printed		29070	THE LIBRARY STORE	Revolving CD spinner	225.82
38592	08/31/2016	Printed		32153	J W WOOD COMPANY INC	Irrigation Timer Wash/Everitt	122.63

Total Checks: 45 **Checks Total (excluding void checks): 72,602.23**

Total Payments: 45 **Bank Total (excluding void checks): 72,602.23**

Total Payments: 45 **Grand Total (excluding void checks): 72,602.23**

Check Register Report

Date: 08/31/2016
Time: 9:29 am
Page: 1

City of Mt. Shasta

BANK: TRI COUNTIES BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
TRI COUNTIES BANK Checks							
38593	08/31/2016	Printed		12185	CALIFORNIA P.E.R.S.	09/01/16 Rate Plan 925	3,487.53
38594	08/31/2016	Printed		12185	CALIFORNIA P.E.R.S.	09/01/16 Rate Plan 926	958.68
38595	08/31/2016	Printed		12185	CALIFORNIA P.E.R.S.	09/01/16 Rate Plan 927	3,911.85
38596	08/31/2016	Printed		12185	CALIFORNIA P.E.R.S.	09/01/16 Rate Plan 27429	1,754.60
38597	08/31/2016	Printed		12185	CALIFORNIA P.E.R.S.	09/01/16 Rate Plan 25861	1,366.84
38598	08/31/2016	Printed		12185	CALIFORNIA P.E.R.S.	09/01/16 Rate Plan 25862	413.54
38599	08/31/2016	Printed		28790	CALPERS 457 PLAN	09/01/16 457 SIP Deductions	866.00
38600	08/31/2016	Printed		12300	CASH	Change for the Car Show	100.00
38601	08/31/2016	Printed		12640	COLONIAL LIFE & ACCIDENT INSUR	Sep 16 Life/Accident Insurance	546.60
38602	08/31/2016	Printed		12679	COMMUNITY RESOURCE CENTER	2016-17 CEP allocation	2,000.00
38603	08/31/2016	Printed		13071	DELTA HEALTH SYSTEMS	Sep 16 Health Insurance	19,615.00
38604	08/31/2016	Printed		22066	MCLANE MAINTENANCE	Aug 16 hanging basket watering	2,310.00
38605	08/31/2016	Printed		15240	NATIONWIDE RETIREMENT SOLUTION	09/01/16 457 SIP Deductions	2,066.00
38606	08/31/2016	Printed		25191	BRUCE POPE	CM Candidate mileage reimb	349.92
38607	08/31/2016	Printed		25160	POSTMASTER	Bulk mail replenishment	2,250.00
38608	08/31/2016	Printed		28365	SISKIYOU COUNTY RECORDER	Record Cross easement-wtr line	17.00
38609	08/31/2016	Printed		28815	STERLING HEALTH ADMINISTRATION	09/01/16 HSA Deductions	120.00

Total Checks: 17 — **Checks Total (excluding void checks): 42,133.56**

Total Payments: 17 — **Bank Total (excluding void checks): 42,133.56**

Total Payments: 17 — **Grand Total (excluding void checks): 42,133.56**

tri counties bank

Approval History

Select the appropriate criteria for the approvals you want to see and click Submit. When approvals display, click a batch ID for more detail.

Type: All
Originator: All
Approver: All
From Initiated Date: 8/12/2016
To Initiated Date: 8/17/2016
Submit

Type	ID	Name	Initiated Date	Effective Date	Approval Expiration Date	Approval Action Date	Originator	Approver	Transfer From	Transfer To	Action	Amount
ACH PPD Credits (PPD, PPD+)	161304		8/17/2016	8/18/2016	8/17/2016	8/17/2016	Polk, Jodi	Howarth Terrell, Muriel	City of Mt Shasta		Approved	$51,002.95

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Approval History

Select the appropriate criteria for the approvals you want to see and click Submit. When approvals display, click a batch ID for more detail.

Type: All
Originator: All
Approver: All
From Initiated Date: 8/26/2016
To Initiated Date: 8/31/2016
Submit

Type	ID	Name	Initiated Date	Effective Date	Approval Expiration Date	Approval Action Date	Originator	Approver	Transfer From	Transfer To	Action	Amount
ACH PPD Credits (PPD, PPD+)	163104		8/31/2016	9/1/2016	8/31/2016	8/31/2016	Polk, Jodi	Howarth Terrell, Muriel	City of Mt Shasta		Approved	$52,082.33

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FEDERAL PAYROLL TAX PAYMENT (EFTPS-941)		
PAYROLL PERIOD ENDING:		08/14/16
PAYROLL DATE:		08/18/16
ACCOUNT NAME:	ACCT.#	AMOUNT
SOCIAL SECURITY	11-000-2110	$9,287.26
MEDICARE	11-000-2110	$2,172.06
FED. WITHHOLDING	11-000-2120	$6,882.60
TOTAL DEPOSIT:		$18,341.92
EFTPS CONFIRMATION NO:		11437254
EFTPS BANK DEBIT DATE:		8/23/2016
APPROVED:		

STATE PAYROLL TAX PAYMENT (EDD)		
PAYROLL PERIOD ENDING:		08/14/16
PAYROLL DATE:		08/18/16
ACCOUNT NAME:	ACCT.#	AMOUNT
STATE WITHHOLDING	11-000-2130	$1,748.87
STATE DISABILITY INS	11-000-2140	$446.81
TOTAL DEPOSIT:		$2,195.68
EDD CONFIRMATION # (STATE):		227927
EDD CONFIRMATION # (SDI):		227942
EDD BANK DEBIT DATE:		8/23/2016
APPROVED:		

STATE DISBURSEMENT UNIT - CHILD SUPPORT		
PAYROLL PERIOD ENDING:		08/14/16
PAYROLL DATE:		08/18/16
PARTICIPANT NUMBER	CASE NUMBER	AMOUNT
930000056061	0930073919-01	$210.46
TOTAL DEPOSIT:		$210.46
SDU CONFIRMATION # :		W3V4RGL6657
SDU BANK DEBIT DATE:		8/22/2016
APPROVED:		

FEDERAL PAYROLL TAX PAYMENT (EFTPS-941)		
PAYROLL PERIOD ENDING:		08/28/16
PAYROLL DATE:		09/01/16
ACCOUNT NAME:	ACCT.#	AMOUNT
SOCIAL SECURITY	11-000-2110	$9,422.40
MEDICARE	11-000-2110	$2,203.58
FED. WITHHOLDING	11-000-2120	$6,742.51
TOTAL DEPOSIT:		$18,368.49
EFTPS CONFIRMATION NO:		71931961
EFTPS BANK DEBIT DATE:		9/6/2016
APPROVED:		

STATE PAYROLL TAX PAYMENT (EDD)		
PAYROLL PERIOD ENDING:		08/28/16
PAYROLL DATE:		09/01/16
ACCOUNT NAME:	ACCT.#	AMOUNT
STATE WITHHOLDING	11-000-2130	$1,792.92
STATE DISABILITY INS	11-000-2140	$435.00
TOTAL DEPOSIT:		$2,227.92
EDD CONFIRMATION # (STATE):		274342
EDD CONFIRMATION # (SDI):		274356
EDD BANK DEBIT DATE:		9/6/2016
APPROVED:		

STATE DISBURSEMENT UNIT - CHILD SUPPORT		
PAYROLL PERIOD ENDING:		08/28/16
PAYROLL DATE:		09/01/16
PARTICIPANT NUMBER	CASE NUMBER	AMOUNT
930000056061	0930073919-01	$210.46
TOTAL DEPOSIT:		$210.46
SDU CONFIRMATION # :		MG08UBA6657
SDU BANK DEBIT DATE:		9/2/2016
APPROVED:		

City Council Agenda Item # 7d
Staff Report

Meeting Date:	September 12, 2016
To:	Mayor and City Council
From:	Muriel Howarth Terrell, Director of Finance
Subject:	Audit Services

	Regular
X	Consent
	Closed
	Presentation

Recommendation:

Adopt Resolution CCR-16-38, A Resolution of the City Council of the City of Mt. Shasta Approving an Agreement with Aiello, Goodrich & Teuscher (AGT) for Independent Auditing of the City's Financial Statements for Fiscal Years Ending June 30, 2016, 2017 and 2018.

Background & Summary:

The City of Mt Shasta's annual financial statements have been audited by the local firm of Aiello, Goodrich and Teuscher (AGT) since 1984. The current agreement for audit services expired with the end of the 2014-2015 fiscal year's financial statements.

The award of audit committee contracts is a professional service engagement and the City is not required to go out for bid or award to the lowest bidder. There are essentially two schools of thought regarding audit services. One school holds that the organization should change auditors every few years so that the organization gains a fresh perspective on its financial operations. The other school holds that an auditor should develop an in depth familiarity and knowledge with an organization so that it can have better insights into the operation.

Fourteen years ago in 2001, the Council indicated that they believed it was prudent for the City to periodically issue a Request for Proposals for audit services to keep the City in touch with the market, as well as to have some basis for judging the proposal from the current auditors. When this was done, the City received only one other proposal from all of the firms to which RFP's were submitted, and that proposal was substantially higher than AGT's. If we were to seek out another audit firm, it would likely come from Redding or Sacramento which would mitigate against both familiarity and the idea of buying locally in addition to the travel and lodging costs we do not incur at this time.

The City approved resolution CCR 15-57, November 9th 2015 accepting the engagement with AGT to provide audit services for the next three fiscal years at a not to exceed fee of $17,500, $18,000 and $18,500 per year respectively, plus additional fees if a Single Audit Act reporting is required should the City have federal expenditures in excess of $500,000 in any year. This was

a no increase in the current and second year with only a slight increase of about 3% in the last year. The Single Audit Act fee has been around $1,500 for any year in which it might occur. AGT has returned to us with an increase in their prior proposal to audit the next three fiscal years in the amounts of $19,900, $20,400 and 20,900 for the years ended June 30, 2016, 2017 and 2018 respecively plus the Single Audit Act fee of $1,500 sould a Single Audit be requires and an additional $750 for each additional major program beyond two programs. The auditing environment has changed significantly over the last decade with the advent of new regulations about financial reporting and how audits are conducted so these rates seem to be appropriate for the work involved.

Staff is recommending that the City accept the proposal from Aiello, Goodrich and Teuscher for the next three year auditing cycle without going out for additional proposals this year. AGT is very familiar with the City's financial situation and has always worked with the City on its financial issues to the degree that it can and still maintain its status as an independent auditor. The Finance Department has not received any inquiries about our audit needs or requirements since the last agreement was executed which is an indication that the market is not extremely competitive at this time. It is very unlikely that we would get a proposal in the range of that from AGT.

Staff has prepared a resolution for Council approval authorizing the City Manager to execute a letter of agreement with AGT for audit services for the next three fiscal years.

Financial Impact:

The City Council annually approves budget expenditures to support the annual audit process. The budgeted expense is proportionally allocated to a variety of City operating funds.

Compliance with 2014-17 City Council Strategic Plan: The City Council's leadership efforts to ensure a thorough annual audit process conducted by a third party falls under Strategic Focus IV – Grow Mt. Shasta Pride and Quality and Municipal Responsibilities of Progressive Leadership and Financial Health and Economic Opportunity.

Attachments:

- Proposed Resolution CCR-16-38
- Summary of Services from AGT

Aiello, Goodrich & Teuscher
An Accountancy Corporation

August 24, 2016

To the City Council and Management

We are pleased to confirm our understanding of the services we are to provide City of Mt. Shasta for the years ended June 30, 2016, 2017, and 2018. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of City of Mt. Shasta as of and for the years ended June 30, 2016, 2017, and 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Mt. Shasta's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Mt. Shasta's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

2) Budgetary Comparison Schedules for Major Funds

We have also been engaged to report on supplementary information other than RSI that accompanies City of Mt. Shasta's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1) Schedule of expenditures of federal awards (if a Single Audit is required).

2) Non-major governmental funds combining statements.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

P.O. Box 158 • 205 N. Mt. Shasta Blvd., Suite 300 • Mt. Shasta, California 96067 • (530) 926-3881 • Fax (530) 926-6296 • www.agtcpa.com

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* (if a Single Audit is required).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. If a Single Audit is required, the OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133 (if a Single Audit is required), and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133 (if a Single Audit is required), and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Council and management of City of Mt. Shasta. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal awards received and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of

expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for (a) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (b) following laws and regulations; (c) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (d) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review by the start of our fieldwork.

You are responsible for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written

representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards.* In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any

material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Mt. Shasta's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance*

Supplement for the types of compliance requirements that could have a direct and material effect on each of City of Mt. Shasta's major programs. The purpose of these procedures will be to express an opinion on City of Mt. Shasta's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

If a Single Audit is required, at the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to you; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Aiello, Goodrich & Teuscher and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a Cognizant or Oversight Agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Aiello, Goodrich & Teuscher personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a Cognizant Agency, Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Steven Drageset, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We estimate that our fee for these services will be $19,900, $20,400 and $20,900 for the years ended June 30, 2016, 2017 and 2018, respectively, plus mileage at the standard IRS rate. Should a Single Audit be required, our fee will be increased by $1,500 each year for the first two major programs, and $750 for each additional major program.

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be

suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to City of Mt. Shasta and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. I f you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Aiello, Goodrich + Teuscher

Aiello, Goodrich & Teuscher
An Accountancy Corporation

RESPONSE:

This letter correctly sets forth the understanding of City of Mt. Shasta.

Management signature: _____

Title: _____

Date: _____

RESOLUTION NO. CCR-16-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MT. SHASTA AUTHORIZING THE ENGAGEMENT OF AIELLO, GOODRICH, & TEUSCHER TO PERFORM FINANCIAL STATEMENT AUDIT SERVICES FOR THE CITY FOR FISCAL YEARS ENDING JUNE 30, 2016, 2017 AND 2018.

WHEREAS, the city of Mt. Shasta requires the independent audit of its financial statements in accordance with Government Auditing Standards; and

WHEREAS, the City has utilized the services of Aiello, Goodrich & Teuscher for many years; and

WHEREAS, the City staff has recommended that the City continue with Aiello, Goodrich & Teuscher; and

WHEREAS, the City has received a proposal from Aiello, Goodrich, & Teuscher to provide the audit of the financial statements for the next three years for the respective fees of $19,900, $20,400, and $20,900 plus an additional fee if Single Audit Act reporting is required.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mt. Shasta as follows:

1. The City Council approves the terms of engagement set forth in the attached proposal from Aiello, Goodrich & Teuscher.
2. The City Manager is authorized to execute the agreement for audit services with Aiello, Goodrich & Teuscher.

ROLL CALL VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED: September 12, 2016

CITY OF MT. SHASTA

_____

Jeffrey Collings, Mayor

ATTEST:

_____

Kathryn M. Wilson, Deputy City Clerk

City Council Agenda Item # 8
Staff Report

Meeting Date: September 12, 2016

To: Mayor and City Council

From: Rod Bryan, Public Works Director

Subject: Utility Rate Study

X	Regular
	Consent
	Closed
	Presentation

Recommendation:

Staff requests the City Council adopt the proposed Resolution authorizing the City Manager to execute necessary Agreement amendments and task orders between the City of Mt. Shasta and PACE Engineering, Inc. for the purpose of providing a Utility Rate Study.

Background & Summary:
The City is in need of a comprehensive water and sewer rate study to establish a fair apportionment of costs to it's customers.

The City advertised a Request for Qualifications from June 15, 2016 through July 15, 2016. Four Statement of Qualifications were received.

A Consultant Selection Committee reviewed and ranked all SOQ's. The Committee selected PACE Engineering as the highest ranked Consultant to perform the work.

PACE's proposal was reviewed after the ranking and the attached Agreement, Scope of Work, and Cost Proposal was agreed upon. The final Not to Exceed (NTE) amount is $73,372

Since each utility rate study will be funded from separate funding sources (i.e. the water rate study will be funded by Drinking Water State Revolving Fund planning grant and the sewer rate study will be funded by the Clean Water State Revolving Fund planning grant), staff is recommending the amendments to the existing Engineering services Agreement be executed separately. This will help separate the invoicing and grant reimbursement processes.

Staff is recommending adoption of the proposed Resolution allowing PACE Engineering to perform the Utility Rate Study.

Attachments:

1. Proposed Resolution
2. Amendment #2
3. Task Order 2016-05

RESOLUTION NO. CCR-16-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MT. SHASTA APPROVING AGREEMENT AMENDMENTS BETWEEN THE CITY OF MT. SHASTA AND PACE ENGINEERING, INC. FOR PROFESSIONAL SERVICES TO PERFORM A UTILITY RATE STUDY

WHEREAS, the City of Mt. Shasta has solicited for and received formal Statements of Qualifications from Engineering firms to provide engineering consultant services for the City of Mt. Shasta; and

WHEREAS, four Statement of Qualifications were received; and

WHEREAS, the Engineering firm of Pace Engineering, Inc. is selected as the best qualified to provide Utility Rate Study engineering services to the City of Mt. Shasta; and

WHEREAS, a scope of work and proposal in the amount of $73,372 was negotiated; and

WHEREAS, staff is recommending the execution of separate water and sewer utility rate study Agreement amendments for Pace Engineering, Inc. to provide engineering consultant services to the City of Mt. Shasta to perform a Utility Rate Study.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Mt. Shasta hereby authorizes the City Manager to execute Amendments to existing Professional Services Agreements For Utility Rate Study Services Between The City of Mt. Shasta And Pace Engineering, Inc. in the amount of $73,372

The foregoing resolution was passed and adopted this 12th day of September, 2016 by the following vote:

ROLL CALL VOTE

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED:

CITY OF MT. SHASTA

_____

Jeffrey Collings, Mayor

ATTEST:

_____

Kathryn M. Wilson, City Clerk

AMENDMENT NO. 2 TO AGREEMENT JOB NO. 111.44

THIS AMENDMENT NO. 2 TO AGREEMENT JOB NO. 111.44 made and entered into as of this 12th day of September, 2016, amends the Agreement heretofore entered between City of Mt. Shasta, an incorporated California city, hereinafter referred to as "Client," and PACE Engineering, Inc, hereinafter referred to as "Consultant."

RECITALS

WHEREAS, the Client and Consultant entered into an "Agreement", dated May 15, 2013, hereinafter referred to as "Agreement," for Professional Services for Preparation of Wastewater Treatment and Disposal Feasibility Study as requested by Client, and

WHEREAS, the Client desires to authorize engineering services to complete a sewer utility rate study and fiscal sustainability plan for acquisition of funding for the State-mandated improvements to its wastewater treatment and disposal facilities.

NOW, THEREFORE, the parties agree that the aforesaid Agreement be amended as follows:

1. The Consultant shall provide additional professional engineering services as described in the Statement of Qualifications, dated July 15, 2016, titled, *Statement of Qualifications, Professional Services for Water and Sewer Rate Studies*. This amendment shall only apply to the sewer portion of the rate studies. In addition, the City must prepare a Fiscal Sustainability Plan (FSP) to be eligible for CWSRF implementation (construction) funding. This amendment covers that work as well. Finally, the fee amount for Phase 800 – Proposition 218 Assistance, added by Amendment No. 1, shall be reduced from $12,088 to $10,000 to reflect the eligible amount authorized in the CWSRF planning grant.

2. The Consultant's compensation shall be for services rendered as follows:

a. Sewer Rate Study:	$35,000
b. Fiscal Sustainability Plan:	$20,000
c. Proposition 218 Assistance:	($2,088)
TOTAL AMENDMENT NO. 2:	$52,912.

The City is receiving a $200,000 planning grant through CWSRF which will reimburse the City for 100% of Amendment No. 2 costs, plus an additional $147,088 toward environmental and other planning expenditures.

Except as otherwise provided herein, the Agreement entered into by the Client and Consultant dated May 15, 2013, remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 to Agreement at Mt. Shasta, California, the day and year first above written.

CONSULTANT	CLIENT
PACE Engineering, Inc.	City of Mt. Shasta
By: Paul J. Reuter Paul J. Reuter, President	By:_____ Parish Cross, Interim City Manager
Date: 9-3-16	Date:_____

M:\Jobs\0111\0111.44 Wastewater Treatment & Disposal Feasibility Study\Post Feasibility Study Work\Agreements-Scope\Engr-Amendment-2_9-3-16.doc

City of Mt. Shasta
Public Works Department

(Task Order Request to Professional Services Agreement for Engineering Consultant Services Between City of Mt. Shasta and PACE Engineering, Inc., dated February 8, 2016)

Project #	
Task Order#	2016-05

TASK ORDER REQUEST

A. REQUEST TO: PACE ENGINEERING | **PROJECT TITLE: Water Rate Study**

1. Description of Requested Service:	PACE shall perform a water utility rate study.

2. Requested Schedule:	March 6, 2017 (Present Draft Report)	**3. Approximate Budget:**	**NTE** $38,372

4. Requestor:	Rod Bryan, Public Works Director	**5. Telephone:**	530-926-7526	**Department Review:**	

B. RESPONSE FROM: PACE

Job No.	111.65	**Billing Group No.**	n/a
		Computer No.	n/a

1. Description of Service to be Provided:	Refer to the water rate study portion of the *Statement of Qualifications, Professional Services for Water and Sewer Rate Studies*, dated June 15, 2016. The sewer portion of the study will be completed under a separate contract for the State-Mandated WWTP Improvements (Job No. 111.44).
2. Schedule to Deliver	Same as above.
3. Budget (Fixed/Estimate)	**NTE** $38,372 (water only) (Sewer is $35,000 for total amount of $73,372)

4. Responder:	Paul J. Rutter	9/3/16 **Date**	**5. Responder Approval:**	N/A	**Date**

C. CITY APPROVAL

1. Comments:		**TOTAL COST:**	
		Account #:	
		Account #:	
		Account #:	
2. Department Approval:		**Date**	**Finance Certification:**

Planning Department Staff Report

Monday, September 12, 2016

Project Number: 2016.11

Project Title: Roseburg Property Development Report

Type of Project: Development Plan

Prepared by: Juliana Lucchesi, City Planner

Background:

The Roseburg property, also referred to as “The Landing”, is a 127.5 acre Planned Development. The majority of the development is owned by the City of Mt. Shasta. The property development plan was approved and the property annexed in 2000 (CCO-00-01). Part of the annexation process was the creation of a development plan and Environmental Impact Report. The development plan outlines land use, development standards, and on-site infrastructure improvements.

The land use aspect of the development plan created seven development areas with permitted uses, administrative uses, and conditional use situations; which are illustrated in Attachments 1 through 7. The permitted land uses are those which have been approved prior to development and assessed in the Environmental Impact Report. If a development is brought to the Planning Department, the Planner uses discretion to locate the permitted use in the proper development area (City of Mt. Shasta Municipal Code §18.16.020 Table 11). Administrative uses are approved through consultation with the Planning Department. Finally, conditional uses must file a conditional use permit application and gain approval from the City of Mt. Shasta Planning Commission. All levels of review and approval are appealable to the City Council.

General Plan Connection:

The General Plan Land Use Element contains extensive detail on the application of “Mixed Use” planning concepts to the Roseburg property. Mixed use planning, or Planned Development, is concerned with combining land use types like commercial, light

industrial, and residential to create a flexible mixture of uses. The purpose of promoting this type of zoning is to encourage a mixture of economic development opportunities.

The General Plan focuses on utilizing the mixed use planning approach on the Roseburg and Orchard properties. The Orchard property is an additional property purchased by the City from Roseburg Forest Products. The two properties are meant to serve as examples of the Planned Development zone capabilities. The Planned Development zone can be applied to other parcels within the City limits with Planning Department assistance.

Development Process:

The development process for the Roseburg Property is similar to other developments within the City limits (Attachment 9). Each development begins with the Planning Department. The developer and the City Planner work to find an appropriate area within the Planned Development that permits the intended use.

For example, a restaurant would like to develop on the Roseburg property. The Planner would identify development zones 1, 2, and 5 as appropriate areas. The discussion would continue until a specific property is identified by the developer and Planner that meets the developer and City needs.

The second step of the process is a financial agreement between the developer and the City. Since the City owns the majority of the Planned Development, the City will determine an appropriate agreement indicating if the land is sold or leased to the developer. The City and developer may also outline other development terms. Once an agreement is reached the developer moves to on-site development.

The On-site development process is similar to the current development process. The developer would submit a comprehensive plan outlining architectural design, landscaping, sewer and water hook-ups, parking, and building plans. The plan will be reviewed and approved by the Planning, Fire, Public Works, and Building Departments to determine if they meet City development standards. A final inspection is scheduled by the developer post construction to ensure compliance with all pre-development plans and development standards.

Environmental Review:

The 1998 development plan was approved by the City Council, and subsequently moved into the California Environmental Quality Act (CEQA) Environmental Impact Report process. The Environmental Impact Report (EIR) assessed the proposed land use and development standards presented in the plan.

The EIR found that the development of the Roseburg property would result in significant environmental impacts and would require mitigation measures for the following categories;

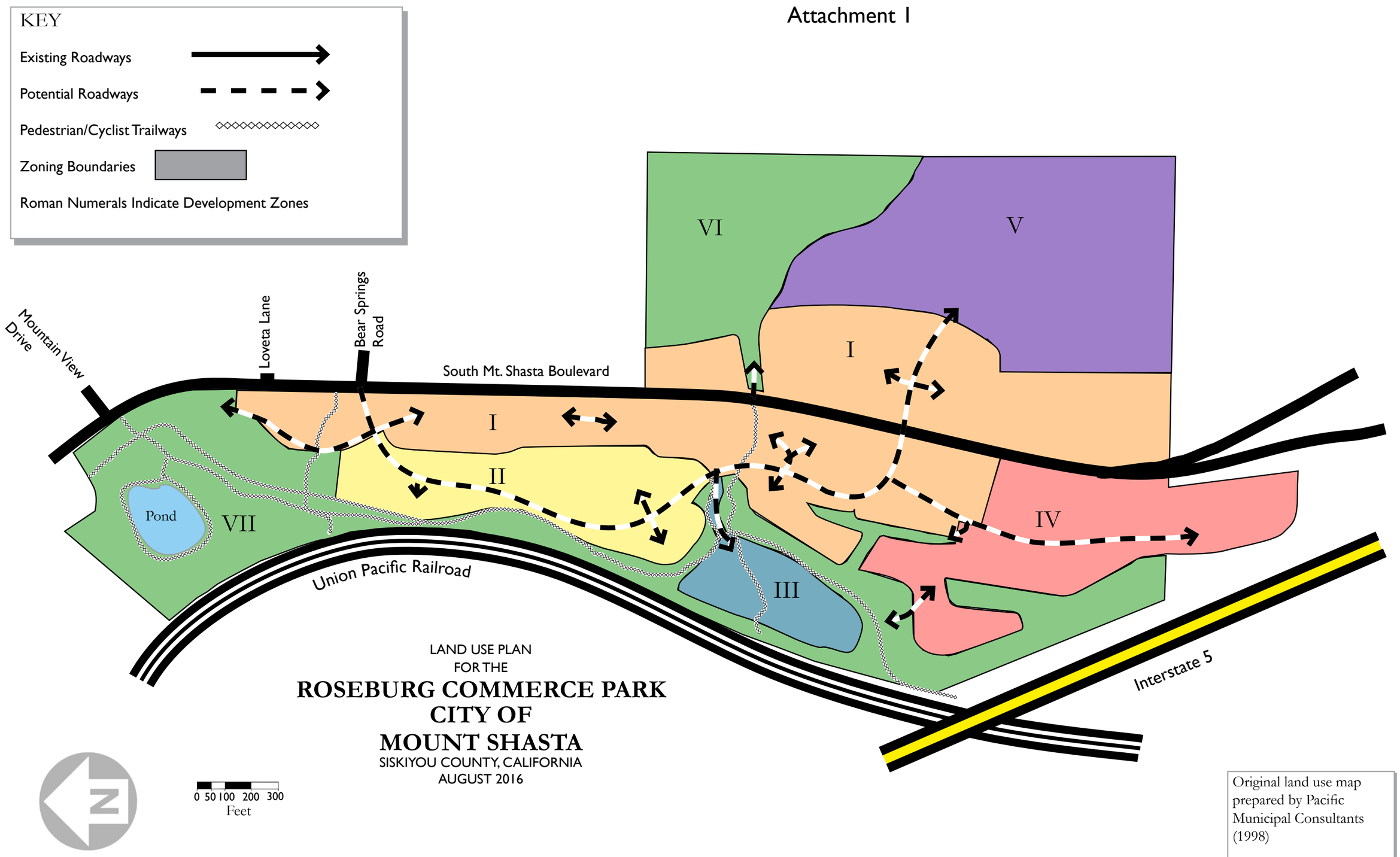
- Circulation: Increased development, especially light industrial and tourism related, would result in heavier traffic on South Mount Shasta Boulevard
- Noise: The location of buildings within 180 feet of the railroad tracks could experience some vibration and noise issues. The increase in traffic due to development will affect the noise environment of existing neighborhoods and on-site on the north end of the development, but this is unavoidable.
- Air Quality: Increased traffic will result in an increase of CO_2 and criteria pollutants
- Biological Resources: There are a number of specially protected bird species on the eastside of the Roseburg property development
- Community Services: The eastside of the Roseburg property contains and is in proximity to heavily wooded areas, which could result in a wildfire hazard. The construction of multi-story buildings would result in the Fire Department requiring new equipment. (i.e. ladder truck). An increase in light industrial and development on-site will require more police protection services.
- Water and Wastewater Systems: The Roseburg property does not currently have on-site or off-site access to adequate water and wastewater systems.
- Cultural Resources: The abandoned service station on the south end of the property may hold historic value.
- Risk of Upset: In reference to the possibility of Brownfields, there may be pollutants located on-site that may be harmful to the community.

The discussed environmental impacts include a number of mitigation measures discussed in the development plan. The current activity on-site is in conjunction with the Risk of Upset mitigation recommendations.

Attachments:

1. **Roseburg Land Use Plan**
2. **– 7. Roseburg Land Division Information Sheets**
8. **Roseburg Development Process**

Attachment 1



Original land use map prepared by Pacific Municipal Consultants (1998)

Development Area I

Permitted Uses

- Arboretums and horticulture gardens
- Art galleries & exhibit centers
- Automobile rental agencies, offices only
- Barber and beauty shops
- Bicycle rental shops
- Eating and drinking establishments
- Gift, novelty, and souvenir shops
- Hotels, motels, and accessory shops
- Indoor commercial recreational facilities such as ice skating rinks, amusement centers, & bowling alleys
- Travel agencies, ticket agencies
- Theaters, dance halls, community assembly halls
- Any other visitor-serving uses as determined by the City Council to serve the purpose of the area

Development Area II

Permitted Uses

- Accountants, attorneys, business and management consultants and other professional offices
- Administrative or executive offices of any type of business
- Architects, landscape architects, planners, engineers and surveyors, geologists, graphic designers, interior designers, not including retail sales on premises
- Barber shops and beauty salons
- Eating and drinking establishments
- Employment agencies, travel agencies, and airline ticket agencies
- Financial institutions including banks, savings and loan associations, finance companies, and credit unions
- Government buildings and service facilities, excluding storage equipment, repair, or warehouses
- Health and exercise clubs
- Indoor commercial recreational facilities such as ice skating rinks, amusement centers, & bowling alleys
- Insurance brokers and services, investment brokers, real estate brokers and offices, and title and escrow companies
- Medical, dental, and health related offices and clinics
- Oculists, opticians, and optometrists
- Prescription pharmacies
- Schools and studios for arts, crafts, photography, music, and dance
- Theaters, dance halls, community assembly halls

Development Area III

Permitted Uses

- Cabinet shops and furniture manufacturing
- Ceramic products manufacturing, using only pulverized clay and kilns fired by electricity or gas
- Cold storage
- Die and pattern making
- Machine shop
- Manufacturing, assembly, and repair of:
  Aircraft accessories and parts
  Electronic and computer equipment and components
  Business machines
  Electrical devices
  Garments
  Household appliance
  Machine Tools
  Medical instruments, devices, and equipment
  Accessories and parts for motor vehicles, motorcycles, recreational vehicles, boats and trailers,
  Outdoor and indoor recreational clothing and equipment
- Small miscellaneous consumer products
  Sheet metal shops
  Soils engineering and testing firms
  Upholstering shops
  Wholesale distribution

Development Area IV

Permitted Uses

- Bakeries and bottling plants
- Contractor shops, offices and storage where entirely within completely enclosed buildings
- Furniture and major appliance sales
- Home furnishing sale
- Microbreweries
- New and used automobile sales and service centers
- Recreational vehicle and boat sales and service centers
- Civil engineering and testing firms
- Wholesale distribution

Development Area V

Permitted Uses

- Arboretums and horticulture gardens
- Art galleries & exhibit centers
- Automobile rental agencies, offices only
- Barber and beauty shops
- Bicycle rental shops
- Eating and drinking establishments
- Gift, novelty, and souvenir shops
- Hotels, motels, and accessory shops
- Indoor commercial recreational facilities such as ice skating rinks, amusement centers, & bowling alleys
- Travel agencies, ticket agencies
- Theaters, dance halls, community assembly halls
- Any other visitor-serving uses as determined by the City Council to serve the purpose of the area

Development Area VI

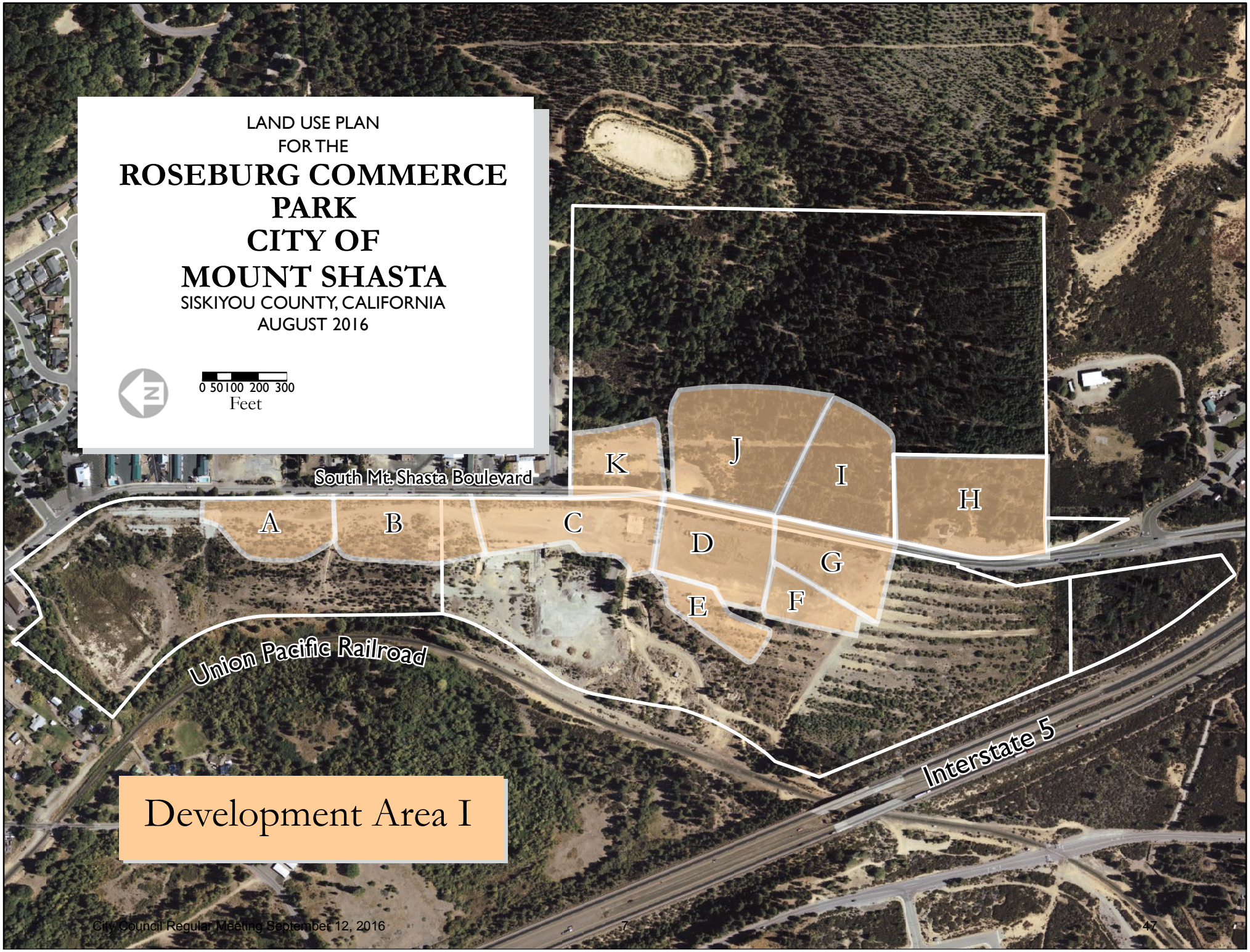
Permitted Uses

- Recreational trails
- Habitat and wetland restoration area, wetland mitigation bank
- Private wildlife, wilderness preserve

Development Area VII

Permitted Uses

- Open Space
- Wetland restoration and enhancement area, wetland mitigation bank
- Natural community creation and enhancement area
- Trails, paths for pedestrians and bicycles


LAND USE PLAN
FOR THE
ROSEBURG COMMERCE PARK
CITY OF
MOUNT SHASTA
SISKIYOU COUNTY, CALIFORNIA
AUGUST 2016
0 50100 200 300
Feet
South Mt. Shasta Boulevard
A
B
C
D
E
F
G
H
I
J
K
Union Pacific Railroad
Interstate 5
Development Area I

Development Area I - 32.5 Acres

The purpose of Development Area I is to provide for light commercial and office uses that will serve the Mt. Shasta community and nearby towns, with emphasis on highway and visitor-serving commercial uses.

Permitted Uses

Arboretums and horticulture gardens, art galleries, exhibit centers, automobile rental agencies (offices only), barber and beauty shops, bicycle rental shops, eating and drinking establishments, gift, novelty and souvenir shops, hotels, motels, and accessory shops, indoor commercial recreational facilities such as ice skating rinks, amusement centers, bowling alleys, travel agencies, ticket agencies, theaters, dance halls, community assembly halls, and any other visitor serving uses as determined by the City Council to serve the purpose of this Area.

Administrative Uses

Administratively the Planning Department can issue permits for antennas and communications facilities on undeveloped lots.

Conditional Uses

Permitted uses in DA-II, retail business establishments permitted in the C-1 zone, as set forth in the City's Zoning Ordinance, and service stations.

Sub-Development Areas

Development Area I is separated into multiple separate sub-development areas. The sub-development areas are meant as suggestions to the division of each Development Area to encourage multiple uses within the area and encourage appropriate scaling of individual developments.

Division A -1.5 acres

Division B - 3.0 acres

Division C - 3.5 acres

Division D - 2.0 acres

Division E - 2.0 acres

Division F - 1.0 acres

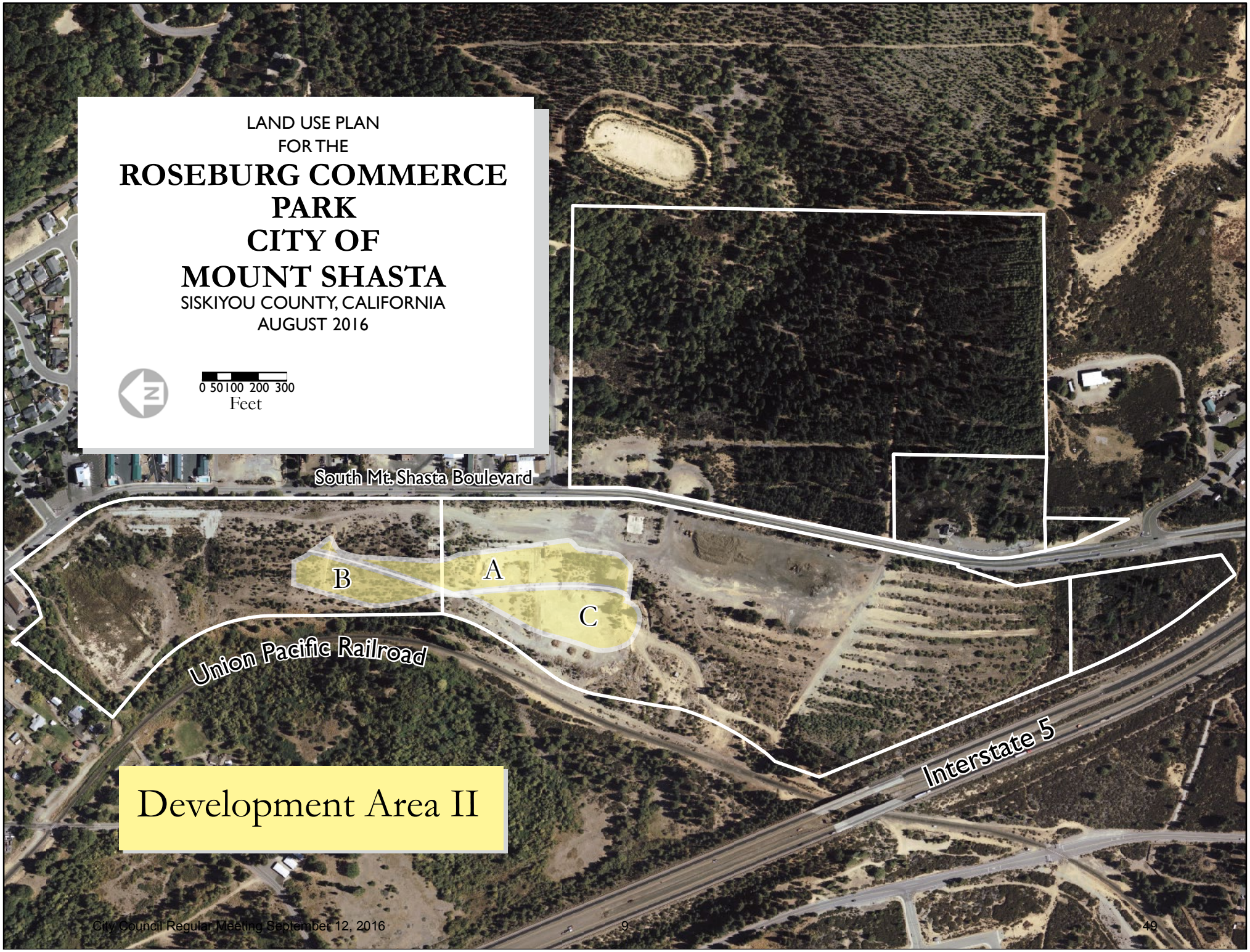
Division G - 2.0 acres

Division H - 6.0 acres (Not City Owned)

Division I - 3.5 acres

Division J - 6.0 acres

Division K - 2.0 acres


LAND USE PLAN
FOR THE
ROSEBURG COMMERCE PARK
CITY OF
MOUNT SHASTA
SISKIYOU COUNTY, CALIFORNIA
AUGUST 2016
0 50100 200 300
Feet
South Mt. Shasta Boulevard
B
A
C
Union Pacific Railroad
Interstate 5
Development Area II

Development Area II - 8.5 Acres

The purpose of Development Area 2 is to provide for light commercial and office uses that will serve the Mt. Shasta community and nearby towns.

Permitted Uses
Accountants, attorneys, business and management consultants and other professional offices, administrative or executive offices of any type, architects, landscape architects, planners, engineers, surveyors, geologists, graphic designers, interior designers, barber shops, beauty salons, eating and drinking establishments, employment agencies, travel agencies, airline ticket sales, financial institutions, government buildings and service facilities, health and exercise clubs, indoor commercial recreational facilities such as ice skating rinks and amusement centers, insurance brokers and services, real estate brokers, medical, dentist, and health related offices, oculists, opticians, optometrists, prescription pharmacies, schools and studios for arts, crafts, photography, music, and dance, theaters, dance halls, and community assembly halls.

Administrative Uses
Administratively the Planning Department can issue permits for antennas and communications facilities on undeveloped lots and accessory uses and buildings customarily appurtenant to permitted uses.

Conditional Uses
Commercial laundries, community care facilities, child care centers, hotels, motels and accessory shops and other visitor serving uses, light industrial uses that meet the performance standards set forth for the site as a whole and that are not incompatible with the permitted uses in this Area, outdoor commercial entertainment and recreation facilities, printing and publishing or lithographic shops, public and quasi-public uses, and veterinary clinics subject to special conditions.

Sub-Development Areas
Development Area 2 is separated into three separate sub-development areas. The sub-development areas are meant as suggestions to the division of each Development Area to encourage multiple uses within the area and encourage appropriate scaling of individual developments.

Division A - 5.0 acres

Division B - 2.0 acres

Division C - 1.5 acres

LAND USE PLAN
FOR THE
ROSEBURG COMMERCE PARK
CITY OF
MOUNT SHASTA
SISKIYOU COUNTY, CALIFORNIA
AUGUST 2016
0 50100 200 300
Feet
South Mt. Shasta Boulevard
Union Pacific Railroad
Interstate 5
Development Area III

Development Area III - 3.5 Acres

The purpose of Development Area 3 is to provide for light industrial uses such as manufacturing, processing, assembly, and storage. Outdoor manufacturing is not permitted in this area. Uses that may include outdoor storage and the emission of visible gases, steam, heat, vibration, particulates, and noise must comply with City standards.

Permitted Uses

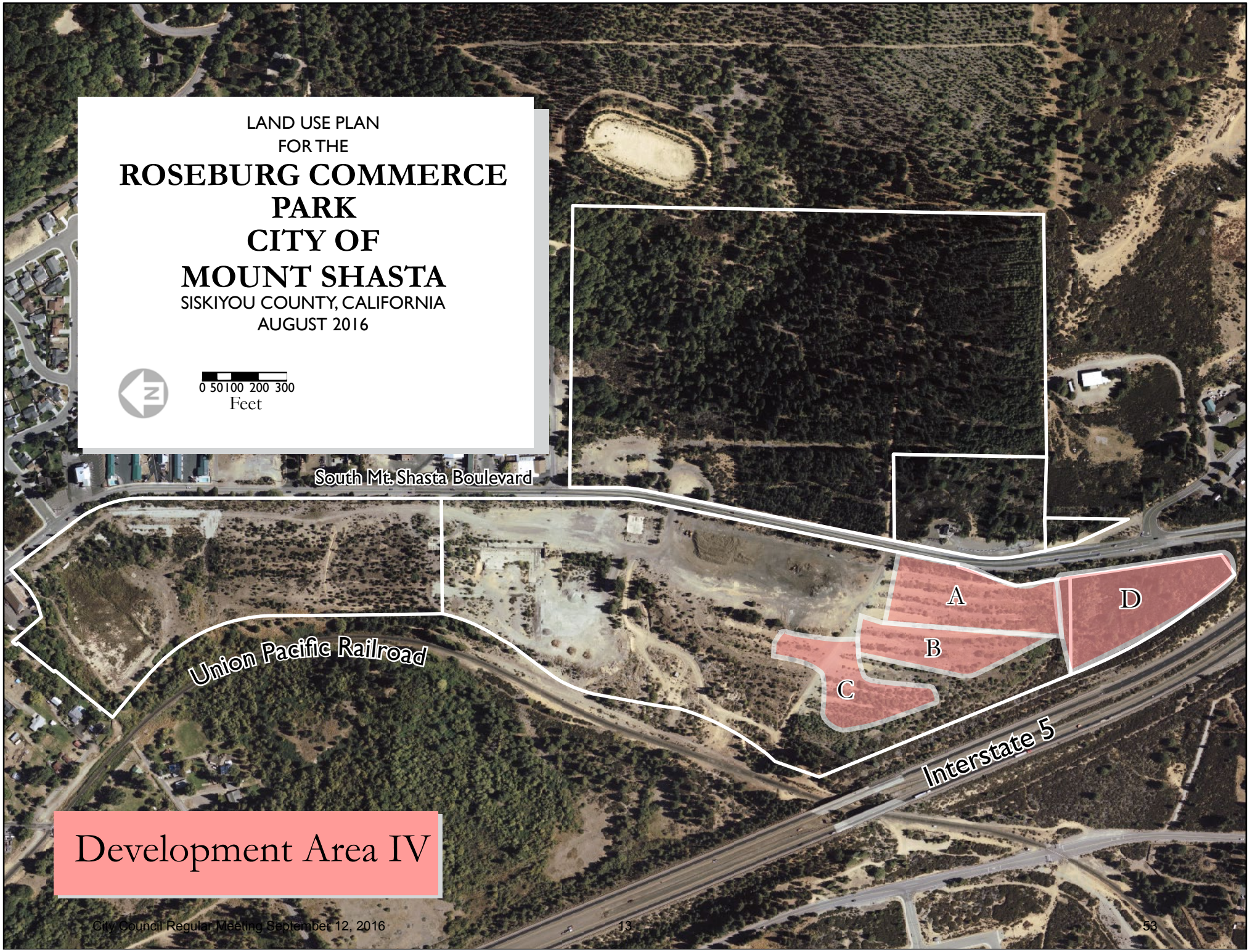
Cabinet shops and furniture manufacturing, ceramic products manufacturing using only pulverized clay and kilns fired by electricity or gas, cold storage plants, die and pattern making, machine shops, sheet metal shops, soils engineering and testing firms, upholstering shops, wholesale distribution manufacturing, assembly and repair of: aircraft accessories and parts, electronic and computer equipment and components, business machines, electrical devices, garments, household appliances, machine tools, medical instruments, devices, and equipment, accessories and parts for motor vehicles, motorcycles, recreational vehicles, motorcycles, boats, and trailers, outdoor and indoor recreational clothing and equipment, and small miscellaneous consumer products.

Administrative Uses

Administratively the Planning Department can issue permits for antennas and communications facilities on undeveloped lots, administrative offices directly related to the activity on site, guard offices, excluding those with living facilities, employee cafeterias, and outdoor storage areas.

Conditional Uses

Commercial laundries, heavy equipment sales and rental, repair and painting of motor vehicles, recreational vehicles, boats, farm equipment, and motorcycles, mini-storage and warehousing, research offices and laboratories for the conduct of scientific research, eating and drinking establishments, and trade schools and training centers.


LAND USE PLAN
FOR THE
ROSEBURG COMMERCE PARK
CITY OF
MOUNT SHASTA
SISKIYOU COUNTY, CALIFORNIA
AUGUST 2016
0 50100 200 300
Feet
South Mt. Shasta Boulevard
Union Pacific Railroad
Interstate 5
A
B
C
D
Development Area IV

Development Area IV - 12.5 Acres

The purpose of Development Area 4 is to provide a variety of uses that serve the Mt. Shasta community, some of which may not be considered appropriate in other development areas at the Roseburg Site. In some portions of Development Area 4, industrial uses permitted in Development Area 3 are allowed here.

Permitted Uses

Bakeries, bottling plants, contractor shops, offices, storage where entirely within completely enclosed building, furniture and major appliance sales, home furnishing sales, microbreweries, new and used automobile sales and service centers, recreational vehicle and boat sales and service centers, civil engineering and testing firms, and wholesale distribution.

Administrative Uses

Administratively the Planning Department can issue permits for antennas and communications facilities on undeveloped lots and accessory uses and buildings customarily adjacent to permitted uses

Conditional Uses

Eating and drinking establishments, hotels and motels with no accessory shops, outdoor and indoor entertainment and recreation facilities, printing and publishing or lithographic shops, public and quasi-public uses appropriate in a commercial/office area, uses generally and conditionally in DA-III may be permitted on sites adjacent to DA-III.

Sub-Development Areas

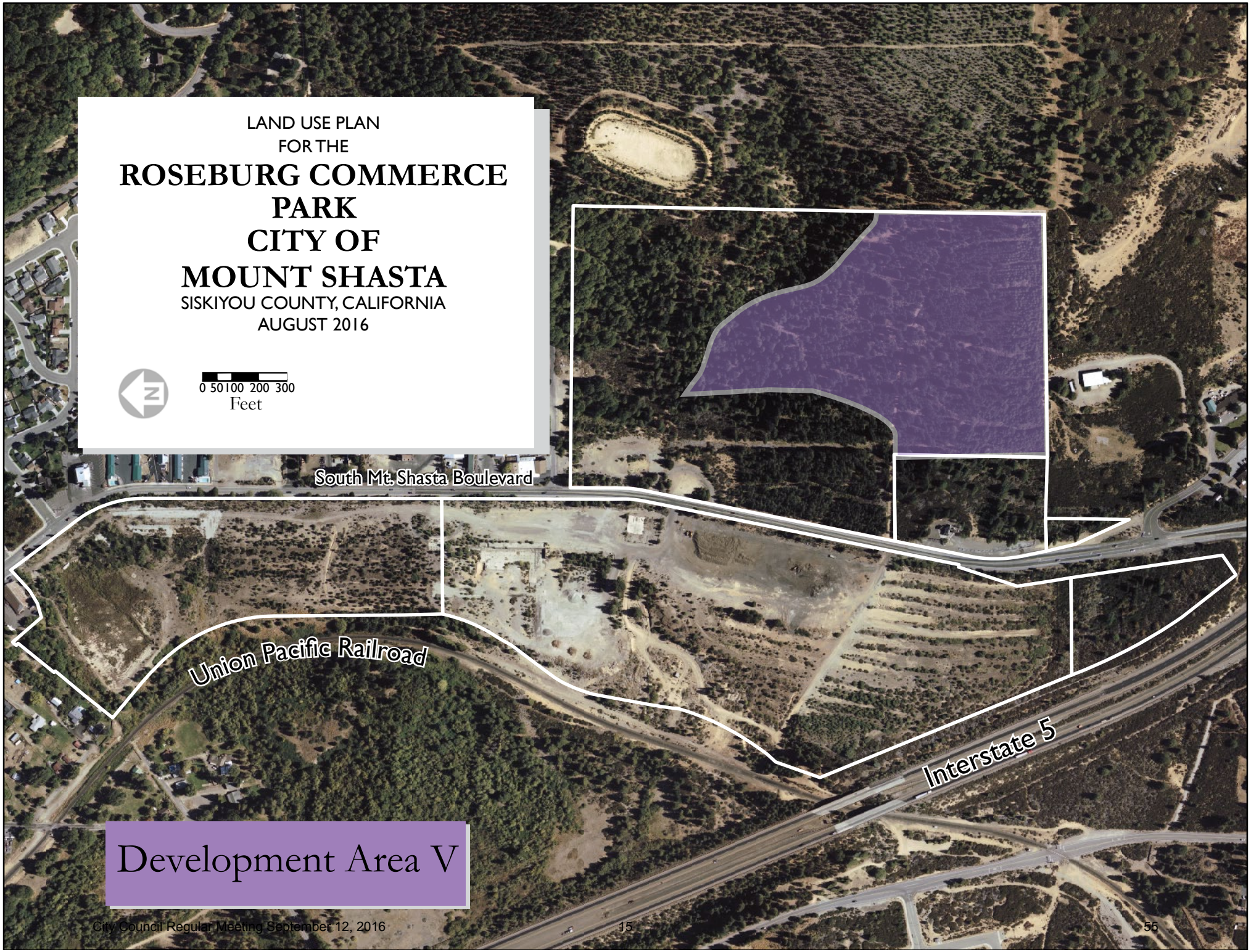
Development Area 4 is separated into four separate sub-development areas. The sub-development areas are meant as suggestions to the division of each Development Area to encourage multiple uses within the area and encourage appropriate scaling of individual developments.

Division A - 4.0 acres

Division B - 3.0 acres

Division C - 2.5 acres

Division D - 3.0 acres (Not City Owned)


LAND USE PLAN
FOR THE
ROSEBURG COMMERCE PARK
CITY OF
MOUNT SHASTA
SISKIYOU COUNTY, CALIFORNIA
AUGUST 2016
N
0 50100 200 300
Feet
South Mt. Shasta Boulevard
Union Pacific Railroad
Interstate 5
Development Area V

Development Area V - 24.5 Acres

The purpose of Development Area 5 is to provide for commercial uses primarily oriented towards visitor services.

Permitted Uses

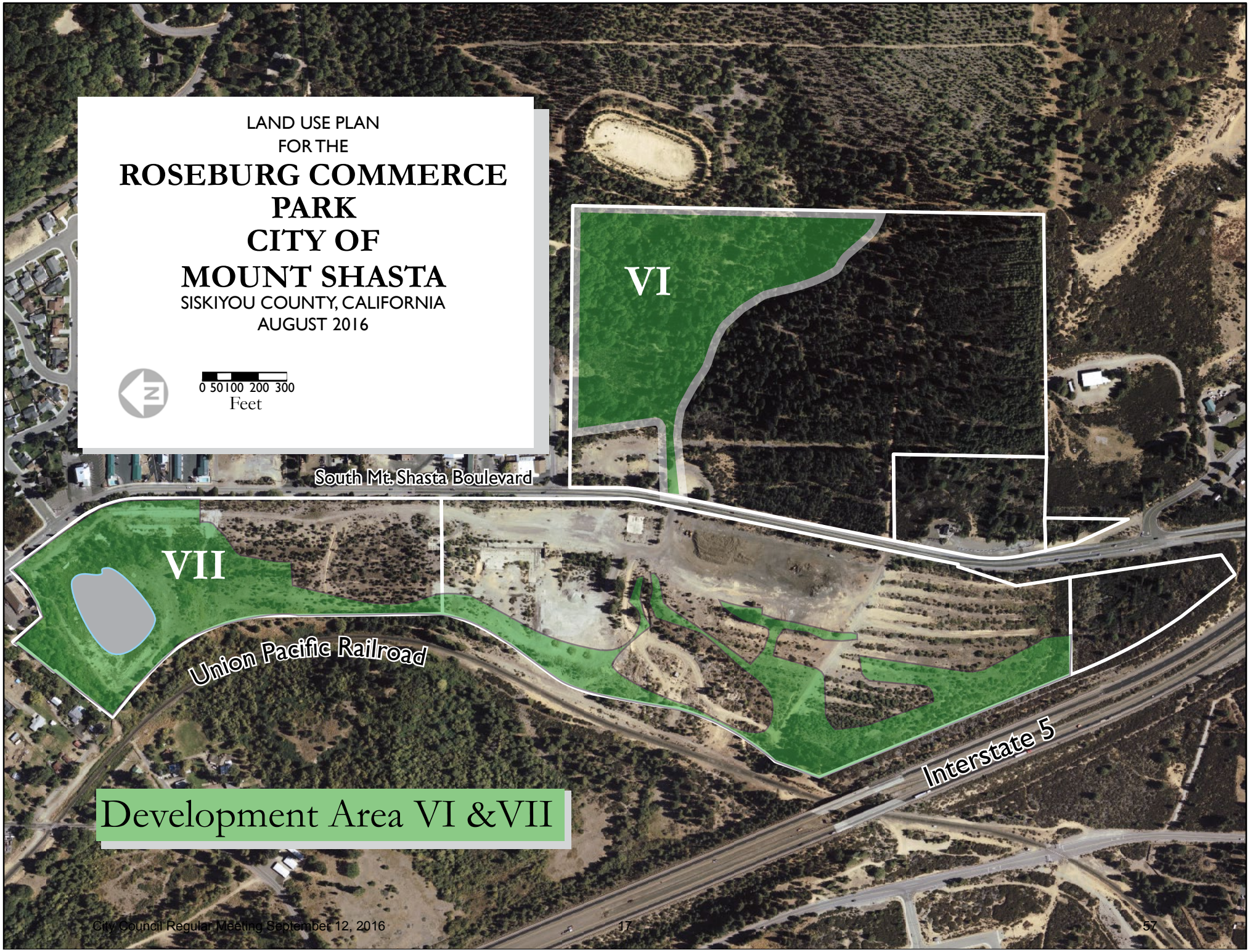
Hotels, motels, and accessory shops (such as gift shops, beauty shops, etc.) and any other visitor-serving uses as determined by the City Council to serve the purpose of the Area, eating and drinking establishments, resorts, conference centers, theaters, dance halls, nightclubs, indoor recreational facilities such as ice skating rinks, amusement centers, schools and studies for arts, crafts, photography, music, and dance, arboretums and horticulture gardens, and art galleries, exhibit centers.

Administrative Uses

Administratively the Planning Department can issue permits for antennas and communications facilities on undeveloped lots and accessory uses and buildings customarily adjacent to permitted uses

Conditional Uses

Uses permitted in Development Area 2, outdoor commercial entertainment and recreation facilities, and health and exercise clubs.


LAND USE PLAN
FOR THE
ROSEBURG COMMERCE PARK
CITY OF
MOUNT SHASTA
SISKIYOU COUNTY, CALIFORNIA
AUGUST 2016
0 50100 200 300
Feet
VI
VII
South Mt. Shasta Boulevard
Union Pacific Railroad
Interstate 5
Development Area VI &VII

Development Area VI - 15.0 Acres

Development of Area 6 is difficult due to the presence of hillside slopes exceeding 25% and jurisdictional wetlands. Development Area 6 has been set aside for open space and recreational uses.

Permitted Uses
Recreational trails, habitat and wetland restoration, and wildlife, wilderness preserve

Administrative Uses
Administratively the Planning Department can issue permits for interpretive trails and signage, offices, and storage sheds.

Conditional Uses
Uses that are essential to adjacent Development Area 5 and visitor center adjacent to permitted uses.

Development Area VII - 13.5 Acres

The purpose of Development Area 7 is to provide a site for a park, along with recreational uses appropriate to a park. Another purpose is to provide an area for the promotion and enhancement of the natural and cultural resources of the Mt. Shasta community and region.

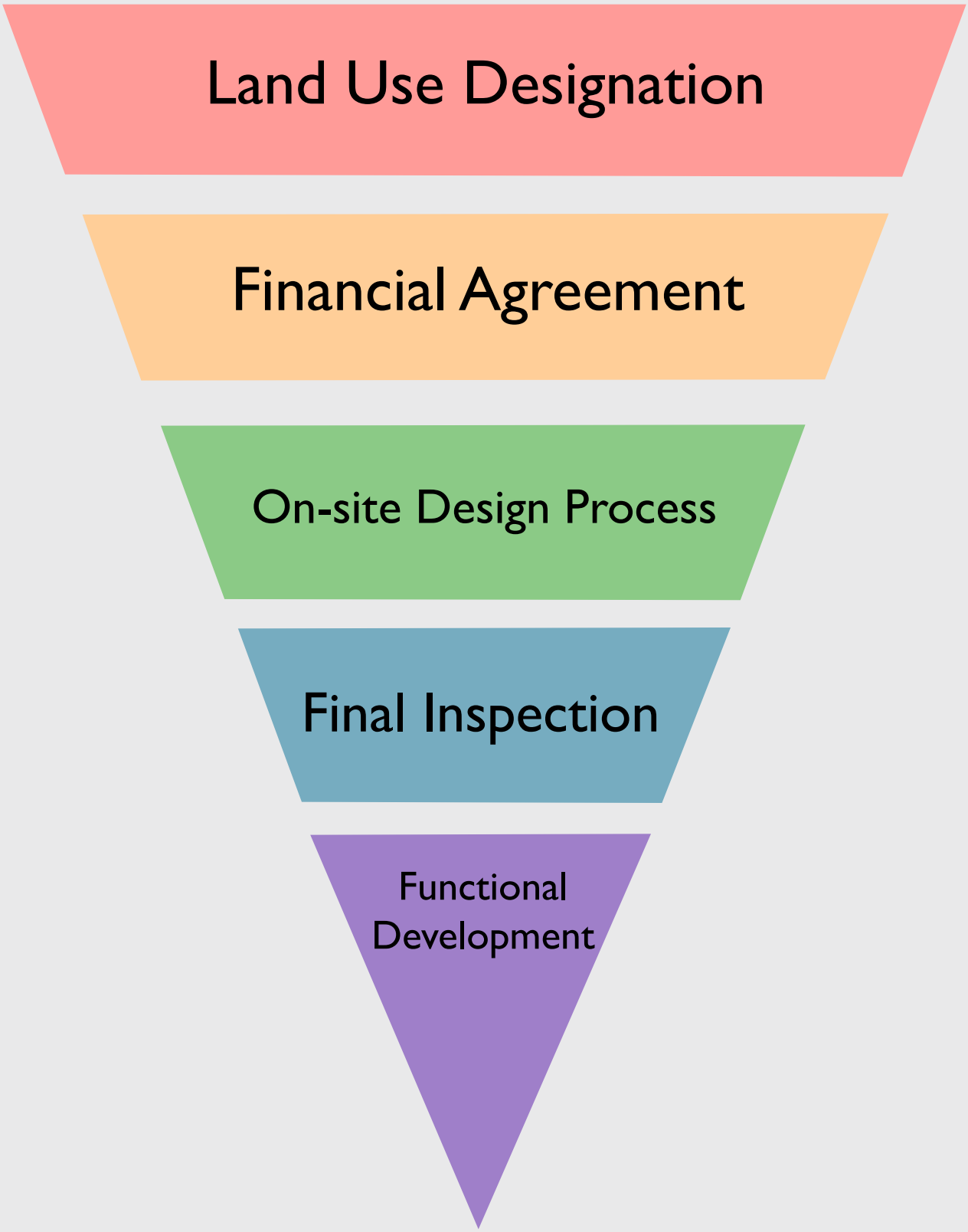
Permitted Uses
Wetland Restoration, natural community creation and enhancement area, and trails

Administrative Uses
Administratively the Planning Department can issue permits for facilities to accommodate park users, such as: restrooms, picnic areas, playgrounds, park benches, interpretive trails and signage, parking lots, outdoor lighting, and public telephones. Other administrative uses are water features with fish, outdoor sports fields and activities, amphitheater, and historical displays.

Conditional Uses
Seasonal or year-round concessions selling goods and services, arboretums and horticulture gardens, and drainage channels, watercourses, spreading grounds, and basins

Attachment 8

Development Process



City Council Agenda Item # 10
Staff Report

Meeting Date:	September 12, 2016
To:	Mayor and City Council
From:	**Rod Bryan, Public Works Director**
Subject:	Mt. Shasta Blvd. Guardrail Project Bid Award

X	Regular
	Consent
	Closed
	Presentation

Recommendation:

Staff respectfully requests the City Council approve the proposed Resolution awarding the bid for the Mt. Shasta Boulevard Guardrail Project to Apex Fence Co. Inc.

Background & Summary:

On Friday August 26, 2016 bids were received for the Mt. Shasta Boulevard Guardrail Project.

The lowest and sole bidder was Apex Fence Co. Inc. with a bid amount of $99,425. Pace Engineering has evaluated the bids and is recommending that the City award the Construction Contract to Apex Fence Co. Inc.

This is a Caltrans STIP reimbursable project. The City was previously allocated $34,000 for the Environmental Studies and Permits (E&P), and Plans Specifications, and Estimates (PS&E) phases of the project. The total Construction budget allocated in May of this year was $207,000, which includes costs for construction Engineering as well as a contingency.

Attachments:

1. Recommendation of Award
2. Bid Summary
3. Proposed Resolution

RESOLUTION NO. CCR-16-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MT. SHASTA AWARDING THE 2016 MT. SHASTA BOULEVARD GUARDRAIL PROJECT CONTRACT TO APEX FENCE CO. INC. IN THE AMOUNT OF $99,425 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND ISSUE A NOTICE TO PROCEED

WHEREAS, the 2016 Mt. Shasta Boulevard Guardrail Project was advertised according to formal bidding procedures and sealed bids were opened in public on Friday August 26, 2016; and

WHEREAS, the lowest bid was received from Apex Fence Co. Inc. in the amount of $99,425; and

WHEREAS, the project is being funded by State-Only Funding received from the State of California Department of Transportation and;

WHEREAS, the City Engineer found the lowest bidder's proposal to be correct and acceptable.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City Council hereby awards the contract in the amount of $99,425 to Apex Fence Co. Inc.
2. The City Council hereby authorizes the City Manager to execute the contract documents on behalf of the City.
3. The City Council hereby authorizes the City Manager to issue a Notice to Proceed upon satisfactory completion and execution of all contract documents by the Contractor.

The foregoing resolution was passed and adopted this 12th day of September, 2016 by the following vote:

ROLL CALL VOTE

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED: September 12, 2016

ATTEST:

_____

Kathryn M. Wilson, Deputy City Clerk

CITY OF MT. SHASTA:

_____

Jeffrey Collings, Mayor

BID OPENING

Mount Shasta Blvd. Guardrail Project
Bids Will Be Received Until
Friday, August 26, 2016 – 1:00 pm

BIDDER	AMOUNT
Apex Fence Co Inc	$ 99,425.00
	$
	$
	$
	$
	$
	$
	$
	$
	$
	$
	$
	$

Rod Bryan
w/ Rhonda 8/26/16

PACE ENGINEERING

September 1, 2016

111.66

SENT BY MAIL AND EMAIL
RBryan@mtshastaca.gov

Rod Bryan
City of Mt. Shasta
305 N. Mt. Shasta Blvd.
Mt. Shasta, CA 96067

Dear Rod:

Subject: RECOMMENDATION OF AWARD
Mt. Shasta Guardrail Project

The bid opening for the subject project was held on August 26, 2016. Apex Fence Company, Inc. was the only bidder on this project. The total bid amount is $99,425.00. PACE Engineering, Inc. (PACE) has examined the low bidder's Proposal and finds it to be correct and acceptable. Therefore, it is recommended that the City of Mt. Shasta award the Contract to Apex Fence Company, Inc.

Once PACE is notified that the Contract has been awarded, a Notice of Award will be sent to the Contractor, together with Agreement and Bond forms. Instructions will be included for the Contractor to sign and complete the necessary documents and return them to PACE for review. PACE will then forward them to the City for signature, which will constitute execution of the Contract.

Sincerely,

Jim Elkins

Jim Elkins
Project Manager

M:\Jobs\0111.66 Guardrail Project Contract Admin\Recommendation of Award - Ltr.docx

1730 SOUTH STREET • REDDING, CA 96001-1811 • (530) 244-0202 • FAX (530) 244-1978