



COUNCIL AGENDA PACKET

NOVEMBER 26, 2012



CITY OF BISHOP

STUDY SESSION AGENDA

Council Chambers - 301 West Line Street - Bishop, California

NOTICES TO THE PUBLIC

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the City Clerk at 760-873-5863. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 13.102-35.104 ADA Title II)

Any writing that is a public record that relates to an agenda item for open session distributed less than 72 hours prior to the meeting will be available for public inspection at City Hall, 377 West Line Street, Bishop, California during normal business hours. Government Code § 54957.5(b)(1). Copies will also be provided at the appropriate meeting.

Members of the public desiring to speak on a matter appearing on the agenda should ask the Mayor for the opportunity to be heard when the item comes up for Council consideration. NOTE: Comments for all agenda items are limited to a speaking time of three minutes.

MONDAY, NOVEMBER 26, 2012

4:00 p.m.

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT - NOTICE TO THE PUBLIC: This time is set aside to receive public comment on matters not calendared on the agenda. When recognized by the Mayor, please state your name and address for the record and please limit your comments to three minutes. Under California law the City Council is prohibited from generally discussing or taking action on items not included in the agenda; however, the City Council may briefly respond to comments or questions from members of the public. Therefore, the City Council will listen to all public comment but will not generally discuss the matter or take action on it.

SCHEDULED DISCUSSION

1. Reorganization
2. Potential dates for Council Retreat
3. Public budget enhancement program - Stottlemyre
4. Current 7:00 p.m. agenda items
5. Future agenda items
6. Department Head Reports

DISCUSSION

1. Councilmember Jim Ellis
2. Councilmember Jeff Griffiths
3. Councilmember Laura Smith
4. Mayor Pro Tem Susan Cullen
5. Mayor Dave Stottlemyre

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATOR Keith Caldwell, City Administrator, pursuant to Government Code § 54957.6(a) – Bishop Police Officers Association.

ADJOURNMENT – To City Council meeting scheduled at 7:00 p.m. in the City Council Chambers.

AGENDA PLANNING FOR UPCOMING MEETINGS

MON – DECEMBER 10, 2012 MEETINGS

4:00 PM

- Update on research - food vendors in the park - ADM

7:00 PM

- Presentation of Citizen Award – 4th Qtr
- TENTATIVE - Unveiling of new City Slogan Banner and presentations to the winners – the Moore Family
- Accept grant deed for Wye Road property – PW
- Advertise First Street Drainage Project
- Approve Headworks Work Order 7 - PW
- Resolution for parking zone change – Sterling Heights – PW
- Policy sale of city-owned mobile homes
- Surplus of City Property - Administration

MON – DECEMBER 24, 2012 MEETINGS CANCELLED

MON – JANUARY 14, 2013 MEETINGS

4:00 PM

- TENTATIVE - Begin the process to fill a vacancy on the Council (allowed 60 days to appoint)
- Approve water and sewer rate study contract
- Mayoral Committee Appointments

7:00 PM

MON – JANUARY 28, 2013 MEETINGS

4:00 PM

7:00 PM



CITY OF BISHOP

CITY COUNCIL MEETING AGENDA

City Council Chambers - 301 West Line Street - Bishop, California

NOTICES TO THE PUBLIC

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the City Clerk at 760-873-5863. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 13.102-35.104 ADA Title II)

Any writing that is a public record that relates to an agenda item for open session distributed less than 72 hours prior to the meeting will be available for public inspection at City Hall, 377 West Line Street, Bishop, California during normal business hours. Government Code § 54957.5(b)(1). Copies will also be provided at the appropriate meeting.

Members of the public desiring to speak on a matter appearing on the agenda should ask the Mayor for the opportunity to be heard when the item comes up for Council consideration. NOTE: Comments for all agenda items are limited to a speaking time of three minutes.

MONDAY, NOVEMBER 26, 2012

7:00 P.M.

INVOCATION

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENT – NOTICE TO THE PUBLIC: This time is set aside to receive public comment on matters not calendared on the agenda. When recognized by the Mayor, please state your name and address for the record and please limit your comments to three minutes. Under California law the City Council is prohibited from generally discussing or taking action on items not included in the agenda; however, the City Council may briefly respond to comments or questions from members of the public. Therefore, the City Council will listen to all public comment but will not generally discuss the matter or take action on it.

DEPARTMENT HEAD REPORTS

- (1) Updates on department activities will be given by the Department Heads
- A. Fire Chief Ray Seguine
 - B. Police Chief Chris Carter
 - C. Public Works Director/City Engineer Dave Grah
 - D. City Administrator/Community Services Director Keith Caldwell

CONSENT CALENDAR – NOTICE TO THE PUBLIC: All matters under the Consent Calendar are considered routine by the City and will be acted on by one motion.

(2)

FOR APPROVAL/FILING

- (a) Personnel Status Change Report
- (b) Request to surplus found property – Log # BPD97-12

FOR INFORMATION/FILING

Agendas

- (c) Water and Sewer Commission – November 14, 2012
- (d) Planning Commission Notice of Meeting Cancellation 11/27/12

Minutes

- (e) Water and Sewer Commission – July 10, 2012

Reports

- (f) Patrol Statistics – Aug-Sept 2011 and Aug-Sept 2012
- (g) Water and Sewer Funds Monthly Balances Sept-Oct 2012
- (h) Application for Alcoholic Beverage License – Black Sheep Coffee Roasters LLC.

NEW BUSINESS

- (3) WAIVE HIRING FREEZE – Consideration to waive the hiring freeze to fill current and projected Police Officer positions – Police Department.
- (4) ORDINANCE NO. 524 – Consideration to approve the second reading and adoption of the ordinance relating to parking violations – Administration/Police Department.
- (5) SUNRISE MOBILE HOME PARK – Council consideration to approve the request to lower the rental rates for the owner-occupied mobile homes established at the November 13, 2012 meeting – Community Services Department.
- (6) PERSONNEL MANUAL UPDATE – Council consideration to approve a contract with Burke, Williams & Sorensen, LLP for updating the City Personnel Manual – Administration.
- (7) PARS SUPPLEMENTAL PLAN AMENDMENTS – Council consideration to adopt an excess benefit plan to cover those employees who will have their PARS benefits at retirement reduced by the limitations imposed by Section 415 of the Internal Revenue Code – Finance/Administration.
- (8) WATER AND SEWER RATE STUDY – Council consideration to approve the execution of a contract for conducting a water and sewer rate study – Public Works Department.

GENERAL MUNICIPAL ELECTION – RESULTS AND REORGANIZATION

- (9) Presentation of the consolidated election process and results of the City of Bishop General Municipal Election will be presented by Kammi Foote, Inyo County Clerk/Recorder.
- (10) Resolution No. 12-23 – Adoption of a resolution reciting the fact of the General Municipal Election held on November 6, 2012 and declaring the result and such other matters as provided by law – City Administrator/City Clerk.
- (11) Administration of the oath of office and delivery of Certificates of Election to David Stottlemire, Patricia Gardner and Laura Smith elected on November 6, 2012 for the three City Council seats and Robert Kimball for City Treasurer – City Administrator/City Clerk.
- (12) City Administrator/City Clerk will call for the selection of Mayor. The new Mayor will assume chair and call for nominations for Mayor Pro Tem.
- (13) Mayoral Committee Appointments – Review and discussion on 2013 Committee/Agency Assignments.

COUNCIL AND COMMITTEE REPORTS

ADJOURNMENT

Monday, December 10, 2012 - 4:00 p.m. Study Session / 7:00 p.m. Regular Meeting – Council Chambers
Monday, January 14, 2013 - 4:00 p.m. Study Session / 7:00 p.m. Regular Meeting – Council Chambers
Monday, January 28, 2012 - 4:00 p.m. Study Session / 7:00 p.m. Regular Meeting – Council Chambers
Monday, February 11, 2013, 4:00 p.m. Study Session / 7:00 p.m. Regular Meeting – Council Chambers

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR *kc*

SUBJECT: DEPARTMENT HEAD UPDATES

DATE: NOVEMBER 26, 2012

BACKGROUND/SUMMARY

The department heads from Fire, Police, Public Works and Administration/Community Services will provide updates on various departmental activities, current and on-going projects.

RECOMMENDATION

Hear the reports.

TO: City Council

SUBJECT: CONSENT CALENDAR - PERSONNEL STATUS CHANGE REPORT

DATE: November 26, 2012

The following personnel items have been submitted for action at this meeting:

PUBLIC WORKS DEPARTMENT

EFFECTIVE DATE

(A) Public Works Intern – Part Time
\$10.00/hourly
Hire – Robertson, Jamie N.

11/14/12

RECEIVED

NOV 19 2012

CITY OF BISHOP (b)

**Bishop Police Department
Interoffice Memorandum**

Date: 11/19/12

BPD Memo Log# BPD97-12

To: Keith Caldwell, City Administrator

From: Chris Carter, Chief of Police

Subject: Surplus and Found Property

I request approval from the City Council to authorize destruction, release or sale of the following property per the agreement with PropertyRoom.com per City of Bishop BCO 3.48.030 (Property held for three months deemed unclaimed).

SURPLUS PROPERTY

| CASE # | DESCRIPTION | SERIAL # | PROPERTY TAG # | DISPO DATE |
|---------|---|----------------|----------------|------------|
| 12-0529 | 8 items of costume jewelry, rings and earrings. | N/A | 8361 | 10/11/12 |
| 12-0570 | Bridgestone Mountain Bike | 1418852 | 8369 | 10/27/12 |
| 12-0579 | LG Thrill Smartphone | 110KPNY242975 | 8371 | 10/27/12 |
| 12-0681 | Honda Blue and Black MC Helmet | N/A | 8395 | 10/27/12 |
| N/A | HP Office Jet 4500 | CN281K40XR | BPD 812 | N/A |
| 12-0231 | Black Flip Phone | 912CYEA0496276 | 1 | 06/30/12 |
| 12-0628 | Scooter with pink tires | N/A | 8382 | 11/09/12 |
| 12-0665 | BMX Bike | X3S5I0258 | 8389 | 11/21/12 |
| 12-0674 | Brown Eifle purse | N/A | 8394 | 11/22/12 |
| 12-0682 | Blue Giant Nutra Bike | GZ1L1162 | 8397 | 11/24/12 |


Chris Carter, Chief of Police

Date 11-19-12

**Sent to CITY HALL
from Bishop PD**

NOV 19 2012

BY: 



CITY OF BISHOP

WATER AND SEWER COMMISSION

AGENDA

City Council Chambers – 301 West Line Street
Bishop, California 93514

Date: 14 November 2012
7:00 P.M.

Notice to the Public:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk (760) 873-5863. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title II).

Any writing that is a public record that relates to an agenda item for open session distributed less than 72 hours prior to the meeting will be available for public inspection at City Hall, 377 West Line Street, Bishop, California, during normal business hours.

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Public Comment:**
This time is set aside to receive public comment on matters not calendared on the agenda.
5. **Correspondence:**
Reference #7 – Dee Dean
6. **Approval of Minutes:**
Minutes of the Water and Sewer Commission meetings held on 10 July, 2012 subject for approval.
7. **Dee Dean – Owner, Sierra Wave Apartments**
8. **Charging multi-unit properties**
9. **Incentive Program Update**
10. **Water usage and revenue by general user category**
11. **Meter Readings**
12. **Cash balance and revenue and expenditures update**
13. **Public Works reports July and August**
14. **Staff and Commission Reports**
15. **Adjournment:**
The next regularly scheduled meeting will be 8 January 2013 at 7:00 P.M. in the City Council Chambers, 301 West Line Street, Bishop.

(C)

(d)

**City of Bishop
Planning Commission**

There will be no Planning Commission Meeting

November 27, 2012

The next regularly scheduled meeting will be

December 26, 2012
***typically cancelled**

Bishop City Council Chambers
301 West Line Street
Bishop, CA 93514
760/873-8458



CITY OF BISHOP

377 West Line Street - Bishop, California 93514
Post Office Box 1236 - Bishop, California 93515
760-873-8458 publicworks@ca-bishop.us
www.ca-bishop.us

(e)

Minutes

Water and Sewer Commission

10 July 2012

(1) Call to Order

Chairman Peci called the meeting to order at 7:00 P.M.

(2) Pledge of Allegiance

The Pledge of Allegiance was led by Chairman Peci

(3) Roll Call

Commissioners Present:

Martin, Peci, Cross, and Bhakta

Commissioners Absent:

Mathieu

Others Present:

David Grah, Public Works Director
Deston Dishion, Public Works Superintendent
Michele Thomas, Public Works Secretary
Keith Caldwell, City Administrator
Jim Ellis, City Council Member

(4) Public Comment

Chairman Peci welcomed newly elected John Martin to the Water and Sewer Commission.

(5) Correspondence

A letter was received from Cheryl Underhill informing the commission and staff of her resignation as a commissioner effective 14 May 2012.

(6) Approval of the Minutes

Chairman Peci moved to approve the minutes of the 8 May 2012 meeting as written and motion carried.

(7) Water Usage Graph

At the May meeting, the commission had asked staff to provide an updated graph showing water usage in general categories. Grah provided a May 2012 and an overall 2011 graph to show comparisons between the two. The two charts show to be similar in usage. For the September meeting, Grah will provide usage graphs for the months of July and August showing water usage during summer months along with a couple winter months to compare.

(8) Meter Readings

The City has meters installed in each of the different categories for informational purposes only. The information will be used during the next rate study to help determine more equitable rates for customers.

(9) Cash balance and revenue and expenditures update on water and sewer reserves

The overall balance for sewer is up from the start of the fiscal year. Non capital is down which suggest an erroneous estimate for non capital expenditures because this balance should be steady throughout the year. The bad estimate shows up in both water and sewer. The capital balance in sewer is up from the start of the year in anticipation of large expenditures for both the Headworks project and the Trunk Replacement project projected for the current fiscal year.

In water, the non capital balance is down and the capital balance is up due to the Tank Project that is not complete. Also, the Church Water Line Project was paid in the 11/12 fiscal year but is not shown in the spreadsheet and will be reflected next month.

At the meeting in September, the balance sheets will begin again showing July and August figures. The balances shown for capital and non capital are for Public Works staff and Water Sewer Commission information only to show how capital and non capital expenditures are spent and are not reflected in the City's official budget. The combined balances are the correct fund amounts that are a part of the City's budget balance.

(10) Public Works reports for May and June

Dishion went over public works reports for the commission. During the month of May, staff prepared the 2011 Consumer Confidence Report and it was mailed to all City of Bishop consumers. Crew member Dave Mappus completed annual testing of backflow valves. This year only 10 had failed and needed to be replaced. Others that only needed simple fixes were repaired by Mappus at time of inspection. Testing for Chromium-6 was done at Wells 2 and 4 and was non-detected. Staff continued work with Resource Concepts for pressurizing the line between Well 4 and the existing tank. Resource Concepts are suggesting a small 50,000 gallon tank at Well 4. Council approved the contract with RO Anderson for the design of the trunk line replacement. We hope to begin construction next calendar year. During sewer main videoing, a manhole was discovered on Short Street. An evaluation was completed of our sewer ponds. Operational changes were suggested to better our ponds and assist us in the removal of BOD and Ammonia. Crew made routine inspections of grease interceptors. Kmart / Little Ceasars had problems over the past weekend. The Headworks project is continuing slowing with the consultant. The new screen will be done in September and in place sometime in November.

In June, Conspec completed the Church Street Water Improvements Project for a total cost of \$76,135. Main line valve exercising resumed after purchasing a new valve exerciser. Staff began preliminary design work for relocation of aerators in Pond 1 and the addition of new baffles and curtains. Crew installed two new manholes on Church Street. Eastern Sierra Community Services District has identified what they think as a Nitrate issue in ground water, although city staff is not sure if there is an issue present. In cooperation with the district, the City has also looked into Nitrates in our system and has hired Steve Harris to evaluate our ponds. Peci questioned #10 under Miscellaneous and Grah said that at the 9 July City Council meeting,

Council approved the Digital 395 access agreement. The access will allow for installation of wiring within city buildings.

(11) Staff and Commission Reports

Grah shared with the commission a spreadsheet of identified capital improvement projects for water and sewer starting with the 2012/2013 and continuing through 2018/2019 and later. Using the current rate structure, \$350,000 is generated yearly for capital improvements in each water and sewer fund. The projects are listed in somewhat of a prioritized order, averaging each year's funds available over the years. The order of the projects is subject to change depending on needs.

The rate study will be started soon carrying on from the last study done in 2008. One difference in the upcoming study compared to the last is us looking and considering adjusting between categories factors that are charged to different user categories. The approach is to hire a consultant for the rate study to insure an objective analysis. Grah feels important parts of the study include reviewing the inflation rate and system life used in the last study. The RFP is intended to be released in July, with the study complete mid 2013, and new rates implemented July 2014.

Grah touched on the Headworks Project stating that it is still moving slowly. Over the past week, there has been progress with the new screen ordered and a delivery date. City Council will be considering the work order for the final engineering work at the next council meeting. Hopefully in the fall, work will begin with constructing the concrete work and by the end of the year have it in place.

Martin asked about the Digester Replacement; why it is listed for a later year and how it will be funded. Grah explained that even though it was constructed in 1950, it is still in pretty good shape. It is on the list because one day it will need to be replaced. Grah also believes that with scheduled cleanings of the digester, we will have some sort of warning if it will need to be replaced within possibly 10 years or more at the time of discovery. When the time comes, funds could be saved to complete the project or a bond could be obtained.

Items to be Discussed at the Meeting of 11 September 2012:

- Incentive program update
- Meter readings
- Public Works reports for May and June
- Cash balance and revenue and expenditures update on water and sewer reserves

(14) Adjournment

Chairman Pecsì adjourned the meeting at 7:58 P.M. The next regularly scheduled meeting will be Tuesday, 4 September 2012 at 7:00 P.M. in the City Council Chambers.

Joe Pecsì, Chairman

Michele Thomas, Secretary

**BISHOP POLICE DEPARTMENT****PATROL STATISTICS****REPORTING PERIOD: 08/01/2011 - 09/30/2011**

10/25/2012

| Statistic | Count |
|------------------------------------|-------|
| Total Incidents | 2517 |
| Calls for Service | 1301 |
| Officer Initiated Incidents | 1216 |
| Traffic Stops | 408 |
| Other OIA Incidents | 808 |
| Bus/Building checks | 33 |
| Veh/Ped Check | 71 |
| | |
| Total Officer Reports | 186 |
| Accident | 8 |
| Criminal Accident | 0 |
| Felony | 21 |
| Information | 82 |
| Infraction | 1 |
| Misdemeanor | 72 |
| Unclassified Reports | 2 |
| | |
| Total Misdemeanor & Felony Arrests | 64 |
| Misdemeanor Arrests | 47 |
| Felony Arrests | 17 |
| | |
| Total Citations | 178 |
| BISHOP MUNI CODE | 19 |
| Infraction | 63 |
| Misdemeanor | 29 |
| Parking | 51 |
| Unclassified | 16 |
| | |
| FIs | 0 |

(f)

AUG/SEPT. 2011

**BISHOP POLICE DEPARTMENT****PATROL STATISTICS****REPORTING PERIOD: 08/01/2012 - 09/30/2012**

10/25/2012

| Statistic | Count |
|------------------------------------|--------------|
| Total Incidents | 2695 |
| Calls for Service | 1326 |
| Officer Initiated Incidents | 1369 |
| Traffic Stops | 398 |
| Other OIA Incidents | 971 |
| Bus/Building checks | 27 |
| Veh/Ped Check | 63 |
| | |
| Total Officer Reports | 203 |
| Accident | 14 |
| Criminal Accident | 0 |
| Felony | 26 |
| Information | 90 |
| Infraction | 1 |
| Misdemeanor | 71 |
| Unclassified Reports | 1 |
| | |
| Total Misdemeanor & Felony Arrests | 49 |
| Misdemeanor Arrests | 35 |
| Felony Arrests | 14 |
| | |
| Total Citations | 179 |
| BISHOP MUNI CODE | 75 |
| FELONY | 1 |
| Infraction | 79 |
| Misdemeanor | 19 |
| Parking | 4 |
| Unclassified | 1 |
| | |
| FIs | 1 |

AUG/SEPT. 2012

(9)

Water Funds Monthly Balances 2012/2013

| | | End Previous | Change | | |
|------------------------|-------------|-----------------|-----------------|---------------------------------|-----------------|
| Start of Year Combined | | \$ 1,082,078.11 | \$ 1,082,078.11 | \$ - | |
| Non capital (6 months) | | \$ 311,940.00 | | \$ (311,940.00) Audit reconcile | |
| Capital | | \$ 770,138.11 | | \$ (770,138.11) Audit reconcile | |
| | | Start Balance | Expend | Revenue | End Balance |
| July | Combined | \$ 1,082,078.11 | \$ 141,501.81 | \$ 383,358.07 | \$ 1,323,934.37 |
| | Non Capital | \$ 311,940.00 | \$ 141,501.81 | \$ 237,682.00 | \$ 408,120.19 |
| | Capital | \$ 770,138.11 | \$ - | \$ 145,676.07 | \$ 915,814.18 |
| August | Combined | \$ 1,323,934.37 | \$ 72,468.66 | \$ 91,872.88 | \$ 1,343,338.59 |
| | Non Capital | \$ 408,120.19 | \$ 68,873.25 | \$ 56,961.19 | \$ 396,208.13 |
| | Capital | \$ 915,814.18 | \$ 3,595.41 | \$ 34,911.69 | \$ 947,130.46 |
| September | Combined | \$ 1,343,338.59 | \$ 93,208.54 | \$ 74,308.43 | \$ 1,324,438.48 |
| | Non Capital | \$ 396,208.13 | \$ 86,512.61 | \$ 46,071.23 | \$ 355,766.75 |
| | Capital | \$ 947,130.46 | \$ 6,695.93 | \$ 28,237.20 | \$ 968,671.73 |
| October | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| November | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| December | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| January | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| February | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| March | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| April | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| May | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| June | Combined | \$ 1,324,438.48 | \$ - | \$ - | \$ 1,324,438.48 |
| | Non Capital | \$ 355,766.75 | \$ - | \$ - | \$ 355,766.75 |
| | Capital | \$ 968,671.73 | \$ - | \$ - | \$ 968,671.73 |
| End of Year Combined | | | | | |
| Capital % | | | | 38% | |

Sewer Fund Monthly Balances 2012/2013

| | | End Previous | Change | | |
|-------------------------------|-------------|-----------------|---------------|---------------------|-----------------|
| Start of Year Combined | | \$ 720,361.67 | \$ 720,361.67 | \$ - | |
| Non capital (6 months) | | \$ 280,300.00 | \$ 193,404.09 | \$ (86,895.91) Over | |
| Capital | | \$ 440,061.67 | \$ 503,658.02 | \$ 63,596.35 Under | |
| | | Start Balance | Expend | Revenue | End Balance |
| July | Combined | \$ 720,361.67 | \$ 52,253.81 | \$ 355,822.29 | \$ 1,023,930.15 |
| | Non Capital | \$ 280,300.00 | \$ 52,253.81 | \$ 209,935.15 | \$ 437,981.34 |
| | Capital | \$ 440,061.67 | \$ - | \$ 145,887.14 | \$ 585,948.81 |
| August | Combined | \$ 1,023,930.15 | \$ 79,271.79 | \$ 89,480.84 | \$ 1,034,139.20 |
| | Non Capital | \$ 437,981.34 | \$ 68,888.09 | \$ 52,793.70 | \$ 421,886.95 |
| | Capital | \$ 585,948.81 | \$ 10,383.70 | \$ 36,687.14 | \$ 612,252.25 |
| September | Combined | \$ 1,034,139.20 | \$ 68,285.63 | \$ 70,631.93 | \$ 1,036,485.50 |
| | Non Capital | \$ 421,886.95 | \$ 55,860.79 | \$ 41,672.84 | \$ 407,699.00 |
| | Capital | \$ 612,252.25 | \$ 12,424.84 | \$ 28,959.09 | \$ 628,786.50 |
| October | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| November | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| December | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| January | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| February | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| March | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| April | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| May | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| June | Combined | \$ 1,036,485.50 | \$ - | \$ - | \$ 1,036,485.50 |
| | Non Capital | \$ 407,699.00 | \$ - | \$ - | \$ 407,699.00 |
| | Capital | \$ 628,786.50 | \$ - | \$ - | \$ 628,786.50 |
| End of Year Combined | | | | | |
| Capital % | | | | 41% | |

Sewer Fund Monthly Balances 2012/2013

| | | End Previous | Change | | |
|-------------------------------|-------------|-----------------|---------------|-----------------|-----------------|
| Start of Year Combined | | \$ 720,361.67 | \$ 720,361.67 | \$ - | |
| Non capital (6 months) | | \$ 280,300.00 | | \$ (280,300.00) | Audit reconcile |
| Capital | | \$ 440,061.67 | | \$ (440,061.67) | Audit reconcile |
| | | Start Balance | Expend | Revenue | End Balance |
| July | Combined | \$ 720,361.67 | \$ 52,253.81 | \$ 355,822.29 | \$ 1,023,930.15 |
| | Non Capital | \$ 280,300.00 | \$ 52,253.81 | \$ 209,935.15 | \$ 437,981.34 |
| | Capital | \$ 440,061.67 | \$ - | \$ 145,887.14 | \$ 585,948.81 |
| August | Combined | \$ 1,023,930.15 | \$ 79,271.79 | \$ 89,480.84 | \$ 1,034,139.20 |
| | Non Capital | \$ 437,981.34 | \$ 68,888.09 | \$ 52,793.70 | \$ 421,886.95 |
| | Capital | \$ 585,948.81 | \$ 10,383.70 | \$ 36,687.14 | \$ 612,252.25 |
| September | Combined | \$ 1,034,139.20 | \$ 68,285.63 | \$ 70,631.93 | \$ 1,036,485.50 |
| | Non Capital | \$ 421,886.95 | \$ 55,860.79 | \$ 41,672.84 | \$ 407,699.00 |
| | Capital | \$ 612,252.25 | \$ 12,424.84 | \$ 28,959.09 | \$ 628,786.50 |
| October | Combined | \$ 1,059,337.17 | \$ 55,447.58 | \$ 61,180.49 | \$ 1,065,070.08 |
| | Non Capital | \$ 407,699.00 | \$ 55,447.58 | \$ 36,096.49 | \$ 388,347.90 |
| | Capital | \$ 628,786.50 | \$ - | \$ 25,084.00 | \$ 653,870.51 |
| November | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| December | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| January | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| February | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| March | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| April | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| May | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| June | Combined | \$ 1,065,070.08 | \$ - | \$ - | \$ 1,065,070.08 |
| | Non Capital | \$ 388,347.90 | \$ - | \$ - | \$ 388,347.90 |
| | Capital | \$ 653,870.51 | \$ - | \$ - | \$ 653,870.51 |
| End of Year Combined | | | | | |
| Capital % | | | | 41% | |

Water Funds Monthly Balances 2012/2013

| | | End Previous | Change | | |
|-------------------------------|-------------|-----------------|-----------------|-----------------|-----------------|
| Start of Year Combined | | \$ 1,082,078.11 | \$ 1,082,078.11 | \$ - | |
| Non capital (6 months) | | \$ 311,940.00 | | \$ (311,940.00) | Audit reconcile |
| Capital | | \$ 770,138.11 | | \$ (770,138.11) | Audit reconcile |
| | | Start Balance | Expend | Revenue | End Balance |
| July | Combined | \$ 1,082,078.11 | \$ 141,501.81 | \$ 383,358.07 | \$ 1,323,934.37 |
| | Non Capital | \$ 311,940.00 | \$ 141,501.81 | \$ 237,682.00 | \$ 408,120.19 |
| | Capital | \$ 770,138.11 | \$ - | \$ 145,676.07 | \$ 915,814.18 |
| August | Combined | \$ 1,323,934.37 | \$ 72,468.66 | \$ 91,872.88 | \$ 1,343,338.59 |
| | Non Capital | \$ 408,120.19 | \$ 68,873.25 | \$ 56,961.19 | \$ 396,208.13 |
| | Capital | \$ 915,814.18 | \$ 3,595.41 | \$ 34,911.69 | \$ 947,130.46 |
| September | Combined | \$ 1,343,338.59 | \$ 93,208.54 | \$ 74,308.43 | \$ 1,324,438.48 |
| | Non Capital | \$ 396,208.13 | \$ 86,512.61 | \$ 46,071.23 | \$ 355,766.75 |
| | Capital | \$ 947,130.46 | \$ 6,695.93 | \$ 28,237.20 | \$ 968,671.73 |
| October | Combined | \$ 1,347,834.23 | \$ 62,145.99 | \$ 65,933.52 | \$ 1,351,621.76 |
| | Non Capital | \$ 355,766.75 | \$ 56,806.31 | \$ 40,878.78 | \$ 339,839.22 |
| | Capital | \$ 968,671.73 | \$ 5,339.68 | \$ 25,054.74 | \$ 988,386.79 |
| November | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| December | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| January | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| February | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| March | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| April | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| May | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| June | Combined | \$ 1,351,621.76 | \$ - | \$ - | \$ 1,351,621.76 |
| | Non Capital | \$ 339,839.22 | \$ - | \$ - | \$ 339,839.22 |
| | Capital | \$ 988,386.79 | \$ - | \$ - | \$ 988,386.79 |
| End of Year Combined | | | | | |
| Capital % | | | | 38% | |

Department of Alcoholic Beverage Control
APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE(S)
 ABC 211 (6/99)

State of California

(h)

RECEIVED

TO: Department of Alcoholic Beverage Control
 4800 STOCKDALE HWY
 STE 213
 BAKERSFIELD, CA 93309
 (661) 395-2731

File Number: 527824
 Receipt Number: 2143947
 Geographical Code: 1401
 Copies Mailed Date: November 15, 2012
 Issued Date:
 NOV 16 2012
 CITY OF BISHOP

DISTRICT SERVING LOCATION: **BAKERSFIELD**

First Owner: **BLACK SHEEP COFFEE ROASTERS LLC**
 Name of Business: **BLACK SHEEP COFFEE ROASTERS**
 Location of Business: **232 N MAIN ST
 BISHOP, CA 93514-2739**

County: **INYO**
 Is Premise inside city limits? **Yes** Census Tract **0004.00**

Mailing Address: **124 S MAIN ST
 BISHOP, CA 93514-3415**
 (If different from premises address)

Type of license(s): **40**

Transferor's license/name: Dropping Partner: Yes No

| <u>License Type</u> | <u>Transaction Type</u> | <u>Fee Type</u> | <u>Master</u> | <u>Dup</u> | <u>Date</u> | <u>Fee</u> |
|---------------------|-------------------------|-----------------|---------------|------------|-------------|-----------------|
| 40 - On-Sale Beer | ANNUAL FEE | NA | Y | 0 | 11/15/12 | \$261.00 |
| 40 - On-Sale Beer | ORIGINAL FEES | NA | Y | 0 | 11/15/12 | \$200.00 |
| NA | FEDERAL FINGERPRINTS | NA | N | 2 | 11/15/12 | \$48.00 |
| NA | STATE FINGERPRINTS | NA | N | 2 | 11/15/12 | \$78.00 |
| Total | | | | | | \$587.00 |

Have you ever been convicted of a felony? **No**
 Have you ever violated any provisions of the Alcoholic Beverage Control Act, or regulations of the Department pertaining to the Act? **No**
 Explain any "Yes" answer to the above questions on an attachment which shall be deemed part of this application.

Applicant agrees (a) that any manager employed in an on-sale licensed premises will have all the qualifications of a licensee, and (b) that he will not violate or cause or permit to be violated any of the provisions of the Alcoholic Beverage Control Act.

STATE OF CALIFORNIA County of INYO Date: November 15, 2012

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is an applicant, or one of the applicants, or an executive officer of the applicant corporation, named in the foregoing application, duly authorized to make this application on its behalf; (2) that he has read the foregoing and knows the contents thereof and that each of the above statements therein made are true; (3) that no person other than the applicant or applicants has any direct or indirect interest in the applicant or applicant's business to be conducted under the license(s) for which this application is made; (4) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor or transferor or to defraud or injure any creditor of transferor; (5) that the transfer application may be withdrawn by either the applicant or the licensee with no resulting liability to the Department.

Effective July 1, 2012, Revenue and Taxation Code Section 7057, authorizes the State Board of Equalization and the Franchise Tax Board to share taxpayer information with Department of Alcoholic Beverage Control. The Department may suspend, revoke, and refuse to issue a license if the licensee's name appears in the 500 largest tax delinquencies list: (Business and Professions Code Section 494.5.)

Applicant Name(s)

Applicant Signature(s)

See 211 Signature Page

BLACK SHEEP COFFEE ROASTERS LLC

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR

SUBJECT: Request to Waive the Hiring Freeze to Fill Current Vacancies

DATE: November 26, 2012

Attachments: Staff Memo

BACKGROUND/SUMMARY

Chief Carter has provided a summary of recent events within the Police Department. He has also described the challenges facing the department if required to operate with only 10 sworn officers.

RECOMMENDATION

Council consideration to waive the hiring freeze to fill one current police officer position and a potential second vacancy.



BISHOP POLICE DEPARTMENT

207 W. Line St.
Bishop, CA 93514
760-873-5866

Chris Carter, Chief of Police

To: Members of the Bishop City Council via
Mr. Keith Caldwell, City Administrator *KSC*

From: Chris Carter, Chief of Police *[Signature]*

Date: November 1, 2012

Subject: Request to Waive Hiring Freeze to Current and Projected Vacancies- Police Officer

As Council is aware, the Police Department is allocated a total of 14 Sworn positions within the classification of full-time employees. In January of 2012, Officer Steve Wilson resigned his position to take a job with the California Department of Transportation. Since that time, the Department has been operating with 11 full-time Sworn personnel. Currently one of our Officers is undergoing a background investigation and is pending employment with the Inyo County District Attorney's Office. It is my understanding that this Officer could leave the employment of the Bishop Police Department as early as December 1st. This would take our number of Officers to 10 and would create significant challenges in terms of deployment and service delivery. I am therefore requesting that the hiring freeze be lifted and I be allowed to fill the vacancy created in January of 2012. In addition, I am asking to be allowed to fill one additional vacancy contingent upon that vacancy being created by resignation of an existing employee within the next 90 days. I am available at your convenience should you have any questions or need any further information.

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR KAC

SUBJECT: **ADOPTION OF ORDINANCE NO. 542
RELATING TO PARKING VIOLATIONS**

DATE: NOVEMBER 26, 2012

Attachments: Draft Ordinance No. 542

BACKGROUND/SUMMARY

This ordinance revision is a housekeeping item to bring the Bishop Municipal Code into compliance with the current fee schedule. The updating and revisions to the code have been coordinated with the Police Department staff and City Attorney. This ordinance does not include any changes to the amounts charged for parking violations fines or penalties.

In order to complete the process for updating all related documents, the Fees and Charges for City Services effective July 1, 2013 will include the addition of the current parking penalty charges which have not been listed on the fee schedule in the past.

RECOMMENDATION

Review Ordinance No. 542 and if appropriate, adopt by title only.

ORDINANCE NO. 542

AN ORDINANCE OF THE CITY COUNCIL, CITY OF BISHOP, STATE OF CALIFORNIA, AMENDING BISHOP MUNICIPAL CODE TITLE 10 VEHICLES AND TRAFFIC, CHAPTER 10.28 RELATING TO PARKING VIOLATIONS

THE CITY COUNCIL OF THE CITY OF BISHOP, STATE OF CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. Bishop Municipal Code Title 10 VEHICLES AND TRAFFIC, Chapter 10.28 entitled Parking Violations - Fines, be and is hereby amended as follows:

Chapter 10.28

10.28.320 Parking violations – Fines.

10.28.340 Parking violations – Penalties and payments.

SECTION 2. Section 10.28.320 of the Bishop Municipal Code is hereby amended to read in its entirety as follows:

“10.28.320 – Parking violations – Fines. A. Persons charged with parking longer than the time of legal parking in any location may within twenty-one calendar days after issuance of a citation for such violation, deposit payment payable to the City of Bishop, through the processing center designated by the City Police Department, as penalty for and in full satisfaction of such violation, in the amount established by resolution of the City Council, unless otherwise specified by existing law.

B. Should payment of penalty not be made in the specified amount within the twenty-one calendar day period, a late payment penalty in the amount established by resolution of the City Council shall be imposed unless otherwise specified by existing law.”

SECTION 3. Section 10.28.340 of the Bishop Municipal Code is hereby amended to read in its entirety as follows:

“10.28.340 – Parking violations – Penalties and payments. The notice required by Section 10.28.330 to be given to owners or operators of vehicles which have parked in violation of this chapter shall contain substantially the following information:

A. That the penalty for violating overtime parking is the amount set by resolution by the City Council, unless otherwise specified by existing law, and that payment of such penalty shall be made within twenty-one calendar days.

B. That failure to pay the penalty within the twenty-one day calendar day period, or to contest the parking violation notice within said twenty-one day calendar period shall result in imposition of a late payment penalty in the amount set by resolution by the City Council, unless otherwise specified by existing law.

C. That the penalty may be paid by placing the check or money order in an envelope and mailing it to the processing center designated by the City Police Department, or by making such payment by such means as is acceptable to such processing center;

D. That the late payment penalty may be paid by placing the check or money order in an envelope and mailing it to the processing center designated by the City Police Department, or by making such payment by such means as is acceptable to such processing center;

E. That an additional citation may be issued for each additional hour of overtime parking, regardless of the time originally permitted;

F. That failure to pay the penalty or contest the parking violation notice within the twenty-one calendar day period shall constitute a waiver of any right to contest the notice of parking violation and the imposition of the late payment penalty;

G. That failure to pay any penalty or late payment penalty or to contest the parking violation will result in a notice being forwarded to the Department of Motor Vehicles which may prevent the owner's renewal of his vehicle registration;

H. That the procedure on parking violations and the administrative review process, shall be in accordance with Vehicle Code Division 17, Chapter 1, Article 3 (commencing with § 40200).

SECTION 4. Except as hereby specifically amended, all other terms and provisions of Chapter 10.28 of the Bishop Municipal Code shall remain in full force and effect.

SECTION 5. This ordinance shall be in full force and effect thirty (30) days from and after its passage and adoption.

SECTION 6. The City Clerk shall certify to the passage and adoption of this ordinance and shall cause the same to be published, in the manner and form provided by law, in the Inyo Register, a newspaper of general circulation printed and published in the City of Bishop, State of California which said newspaper is hereby designated for that purpose.

PASSED, APPROVED AND ADOPTED this 26th day of November, 2012.

DAVID STOTTLEMYRE, MAYOR

ATTEST: Keith Caldwell, City Administrator

By: _____
Denise Gillespie, Assistant City Clerk

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR *KSC*

SUBJECT: **Setting Rent Amount for Owner-Occupied Mobile Homes at Sunrise Mobile Home Park**

DATE: November 26, 2012

BACKGROUND/SUMMARY

At the October 29, 2012 City Council Meeting, Council set the rent at \$250.00 per month for those seniors living in owner-occupied mobile homes within Sunrise Mobile Home Park.

After receiving the most recent property tax assessment from the County of Inyo and verifying opportunities for cost reduction within public works, staff requests Council to consider reducing rent by \$25.00 per month.

Staff believes the amount of \$225.00 per month per owner-occupied resident would adequately cover all necessary costs associated with maintenance of the park.

RECOMMENDATION

Council consideration to approve the rent adjustment to \$225.00 for owner-occupied mobile homes in Sunrise Mobile Home Park.

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR KSC

SUBJECT: City Personnel Manual Update

DATE: November 26, 2012

Attachments: Contract Services Agreement- Burke, Williams, & Sorensen, LLP

BACKGROUND/SUMMARY

The City of Bishop's original Personnel Manual was adopted in 1986. Since that date all negotiated items have been included in negotiation contracts. Eventually over the past 10 years all information has been included in bargaining groups Memorandums of Understanding. During that time, it has been necessary for staff to research more than one document. In recent years an update has been attempted in house but available time to work on the project has been limited. With changes in state law, a better result for updating the Personnel Manual would be accomplished by having the document reviewed and revised by attorneys working in labor law.

In the last several months working through labor negotiations, Burke, Williams, & Sorensen, LLP has provided excellent counsel to the City creating a trusted relationship.

Additionally, the firm has recently updated several California cities personnel manuals to reflect current law and has the experience to provide a revised version of Bishop's.

Burke, Williams, & Sorensen are willing to bill in two fiscal years, so the total of a not-to-exceed price of \$20,000.00 can be divided into two fiscal years.

RECOMMENDATION

Council consideration to approve the Agreement with Burke, Williams, & Sorensen, LLP to update the City of Bishop Personnel Manual for the not-to-exceed amount of \$20,000.00.

November 8, 2012

Mr. Keith Caldwell
City Administrator
City of Bishop
377 West Line Street
Bishop, California 93515

Re: Retainer Agreement for Legal Services

Dear Mr. Caldwell:

We are pleased to represent the City of Bishop with respect to the matters described in this Agreement. The following sets forth the terms pursuant to which **BURKE, WILLIAMS & SORENSEN, LLP** ("Burke") and the **CITY OF BISHOP** ("Client") agree that Burke will provide legal services to Client. The hallmark of any productive professional relationship is effective communication, and we would invite you to contact us at any time during or after our representation with regards to any questions you may have associated with our representation or the matters described herein.

1. **CONDITIONS.** This Agreement will not take effect, and Burke will have no obligation to provide legal services, until Client returns a signed copy of this Agreement.

2. **SCOPE OF SERVICES.** Client hires Burke to review and revise its personnel rules as set forth in Attachment "A" to this Agreement. No representation outside of the matters set forth in Attachment "A" to this Agreement shall be provided by Burke to Client. Burke will provide those legal services reasonably required to represent Client. Burke will take reasonable steps to keep Client informed of progress and to respond to Client's inquiries. If a court action is filed, Burke will represent Client through trial and post-trial motions. This Agreement does not cover representation on appeal or in execution proceedings after judgment. Separate arrangements must be agreed to for those services. Services in any matter not described above will require a separate written agreement or a written modification to this Agreement.

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 2

3. CLIENT'S DUTIES. Client agrees to be truthful with Burke, to cooperate, to keep Burke informed of any information or developments which may come to Client's attention, to abide by this Agreement, to pay Burke's bills on time, and to keep Burke advised of Client's address, telephone number and whereabouts. Client will assist Burke in providing necessary information and documents and will appear when necessary at legal proceedings.

4. CONFLICTS OF INTEREST. Before accepting representation of Client, Burke has undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest or adversity of positions between Client and any other person or entity that would bar Burke from representing Client in general or in any of the specific matters listed in Attachment "A". Burke has reviewed this issue in accordance with the Rules of Professional conduct adopted in California. Burke believes that those rules, rather than the rules of any other jurisdiction, are applicable to Client's representation. Client's execution and return of the enclosed copy of this letter represents an express agreement to the applicability of the Rules of Professional Conduct adopted in California to any and all representation arising under this Agreement.

5. DISCLOSURE. Pursuant to the requirements of California Business & Professions Code Section 6148, Burke hereby discloses that it maintains professional errors and omissions insurance.

6. LEGAL FEES AND BILLING PRACTICES. Client agrees to pay by the hour at Burke's prevailing rates for all time spent on Client's matter by Burke's legal personnel. Current hourly rates for legal personnel are set forth in Attachment "B" to this Agreement.

Burke's rates are subject to change on 30 days' written notice to Client. Rates shall automatically increase annually on January 1 of each year as set forth in Attachment "B" to this Agreement. If Client declines to pay increased rates, Burke will have the right to withdraw as attorney for Client.

The time charged will include the time Burke spends on telephone calls relating to Client's matter, including calls with Client, witnesses, opposing counsel or court personnel. The legal personnel assigned to Client's matter may confer among themselves about the matter, as required and appropriate. When they do confer, each person will charge for the time expended, as long as the work done is reasonably necessary and not duplicative. Likewise, if more than one of the legal personnel

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 3

attends a meeting, court hearing or other proceeding, each will charge for the time spent. Burke will charge for waiting time in court and elsewhere and for travel time, both local and out-of-town.

7. COSTS AND OTHER CHARGES.

(a) Burke will incur various costs and expenses in performing legal services under this Agreement. Client agrees to pay for all costs, disbursements and expenses in addition to the hourly fees. The costs and expenses commonly include, service of process charges, filing fees, court and deposition reporters' fees, jury fees, notary fees, deposition costs, messenger and other delivery fees, photocopying and other reproduction costs, parking, transportation, meals and hotel costs, investigation expenses, consultants' fees, expert witness, professional, mediator, arbitrator and/or special master fees, and other similar items. Except for the items listed below, all costs and expenses will be charged at Burke's cost.

| | |
|-----------------------------------|---------------------------|
| In-office photocopying/page: | \$.20 |
| In-office color photocopying/page | \$ 1.00 |
| Facsimile charges/page: | \$ 1.00 |
| Mileage/mile: | \$.555 (per IRS notices) |
| Other: | |

(b) Out-of-town travel. Client agrees to pay reasonable transportation, meals, lodging and all other costs of any necessary out-of-town travel by Burke's personnel. Client will also be charged the hourly travel rates set forth in Attachment "B" for the time legal personnel spend traveling.

(c) Experts, Consultants and Investigators. To aid in the preparation or presentation of Client's case, it may become necessary to hire expert witnesses, consultants, investigators, and outsourced support services. Client agrees to pay such fees and charges, subject to the City's prior written approval. Burke will select any expert witnesses, consultants, investigators or support services to be hired, and Client will be informed of persons chosen and their charges.

Additionally, Client understands that if the matter proceeds to court action or arbitration, Client may be required to pay fees and/or costs to other parties in the action. Any such payment will be entirely the responsibility of Client.

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 4

8. BILLING STATEMENTS. Burke will send Client periodic statements for fees and costs incurred. Each statement will be payable within 30 days of its mailing date. Client may request a statement at intervals of less than 30 days. If Client so requests, Burke will provide one within 10 days. The statements shall include the amount, rate, basis of calculation or other method of determination of the fees and costs, which costs will be clearly identified by item and amount.

9. DISCHARGE AND WITHDRAWAL. Client may discharge Burke at any time. Burke may withdraw with Client's consent or for good cause. Good cause includes Client's breach of this Agreement, refusal to cooperate or to follow Burke's advice on a material matter or any fact or circumstance that would render Burke's continuing representation unlawful or unethical. When Burke's services conclude, all unpaid charges will immediately become due and payable. After services conclude, Burke will, upon Client's request, deliver Client's file, and property in Burke's possession, whether or not Client has paid for all services.

10. DOCUMENT RETENTION POLICY. Client is entitled upon written request to any files in Burke's possession relating to the legal services performed by Burke for Client, excluding Burke's internal accounting records and other documents not reasonably necessary to Client's representation, subject to Burke's right to make copies of any files withdrawn by Client. Once a matter is concluded, Burke will close the file, and Client will receive notice thereof. Client's physical files may be sent to storage offsite, and thereafter there may be an administrative cost for retrieving them from storage. Thus, it is recommended that Client request the return of a file at the conclusion of a matter. Under Burke's document retention policy, Burke normally destroys files five (5) years after a matter is closed, unless other arrangements are made with Client.

All client-supplied materials and all attorney end product (referred to generally as "client material") are the property of Client. Attorney end product includes, for example, finalized contracts, pleadings, and trust documents. Attorney work product is the property of Burke. Attorney work product includes, for example, drafts, notes, internal memoranda and electronic files, and attorney representation and administration materials, including attorney-client correspondence and conflicts materials.

After the close of a matter, Burke will notify Client of any client materials that remain in Burke's possession. Client will be invited to retrieve these client materials within 45 days of notice, or Client may direct Burke to forward the client materials to Client, at Client's expense. If within 45 days of this notice Client fails to retrieve the client

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 5

materials or request Burke to forward them, Client authorizes Burke to destroy the client materials.

After the 45-day period, Burke will, consistent with all applicable rules of professional conduct, use its discretion as to the retention or destruction of all attorney work product and any client materials that remain with Burke.

11. DISCLAIMER OF GUARANTEE AND ESTIMATES. Nothing in this Agreement and nothing in Burke's statements to Client will be construed as a promise or guarantee about the outcome of the matter. Burke makes no such promises or guarantees. Burke's comments about the outcome of the matter are expressions of opinion only. Any estimate of fees given by Burke shall not be a guarantee. Actual fees may vary from estimates given.

12. ATTORNEYS' FEES CLAUSE. The prevailing party in any action or proceeding arising out of or to enforce any provision of this Agreement, with the exception of a fee arbitration or mediation under Business and Professions Code Sections 6200-6206, will be awarded reasonable attorneys' fees and costs incurred in that action or proceeding, or in the enforcement of any judgment or award rendered. Any such action would occur in Monterey County.

13. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

14. SEVERABILITY IN EVENT OF PARTIAL INVALIDITY. If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

15. MODIFICATION BY SUBSEQUENT AGREEMENT. This Agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them, or an oral agreement only to the extent that the parties carry it out.

16. EFFECTIVE DATE. This Agreement will govern all legal services performed by Burke on behalf of Client commencing with the date Burke first performed services. The date at the beginning of this Agreement is for reference only. Even if this

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 6

Agreement does not take effect, Client will be obligated to pay Burke the reasonable value of any services Burke may have performed for Client.

THE PARTIES HAVE READ AND UNDERSTOOD THE FOREGOING TERMS AND AGREE TO THEM AS OF THE DATE BURKE FIRST PROVIDED SERVICES. IF MORE THAN ONE CLIENT SIGNS BELOW, EACH AGREES TO BE LIABLE, JOINTLY AND SEVERALLY, FOR ALL OBLIGATIONS UNDER THIS AGREEMENT. CLIENT SHALL RECEIVE A FULLY EXECUTED DUPLICATE OF THIS AGREEMENT.

DATED: _____

CITY OF BISHOP

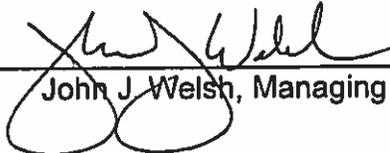
By: _____

Keith Caldwell,
City Administrator
City of Bishop
377 West Line Street
Bishop, California 93515
(760) 873-5863

DATED: 11/8/12

BURKE, WILLIAMS & SORENSEN, LLP

By: _____


John J. Welsh, Managing Partner

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 7

Attachment "A"

1. Burke will review and revise the City of Bishop's personnel rules and regulations. The review and revision will include two phases. Phase one of the review and revision will include, but is not limited to, review of current rules, policies, and memoranda of understanding; legal research regarding relevant portions of personnel rules and regulations; drafting of new personnel rules and related policies (and provisions in municipal code, if necessary); discussion of new rules and related policies with City Administrator and/or department heads; and revision of personnel rules and related policies following such discussions. Phase two of the review and revision will include, but is not limited to, distribution of the new personnel rules and related policies to the employee organizations; conducting negotiation sessions (if necessary) over the new personnel rules and related policies; providing advice and counsel on issues raised during negotiation sessions with the employee organizations; revising the personnel rules and related policies as a result of negotiations with the employee organizations; and presentation of the personnel rules and related policies to the City Council for final adoption.

Mr. Keith Caldwell
City of Bishop
November 8, 2012
Page 8

Attachment "B"

Hourly Rates for Attorneys through December 31, 2012

\$275 - \$295 Partners
\$200 - \$225 Associates
\$135 Law Clerks and Paralegals

Hourly Travel Rates for Attorneys through December 31, 2012

\$200 Partners
\$175 Associates

All work performed under this agreement shall be billed at Burke's hourly rates. Phase one of the review and revision shall not exceed \$20,000.00.

Effective January 1, 2013, and on each January 1 thereafter, the foregoing base rates shall be increased based on the U.S. Department of Labor Bureau of Labor Statistics Los Angeles-Riverside-Orange County Consumer Price Index-All Urban Consumers ("CPI-U"), using the CPI-U for October 2007 as the base and the value for October 2008 (and each October thereafter) to escalate the hourly rates in the ratio of the most recent October CPI-U value to that of the October 2007 CPI-U value, rounded up to the nearest \$5 increment.

The following U.S. Department of Labor, Bureau of Labor Statistics (BLS) web site page will be the source of the data utilized (if the URL is changed, the parties shall agree on the replacement web page to be as close as reasonably possible to the page detailed herein):

http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=dropmap&series_id=CUURA421SA0.CUUSA421SA0

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR *KJC*

SUBJECT: PEPRA PLAN AMENDMENT FOR PARS SUPPLEMENT RETIREMENT PLAN

DATE: NOVEMBER 26, 2012

Attachments: Correspondence from PARS dated November 12, 2012
Excess Benefit Plan
Excess Benefit Trust Agreement

BACKGROUND/SUMMARY

An excess benefit plan is established under Section 415(m) of the Internal Revenue Code and works in tandem with their qualified PARS Supplement Plan to cover those employees who will have their PARS benefits at retirement reduced by the limitations imposed by Section 415 of the Code. The 415 limits could affect on the combined benefit from both CalPERS and the PARS plan.

The California Public Employees' Pension Reform Act (PEPRA) prohibits the implementing of an excess benefit plan or benefit replacement plan on or after January 1, 2013.

Currently the IRS limit is \$200,000 combined with PERS and PARS. CalPERS has the same plan called A Replacement Value Plan.

The excess benefit plan is optional and there is no additional cost to the City. The actuarial determines our contribution rate and would take this plan into calculations.

RECOMMENDATION

Review the documents and consider action to adopt and execute the PARS Excess Benefit Plan.

Making retirement work for you

November 12, 2012

RECEIVED

NOV 13 2012

CITY OF BISHOP

Denise Gillespie
Assistant City Clerk
City of Bishop
377 West Line Street
Bishop, CA 93515

Subject: PEPRA Plan Amendments

Dear Denise:

On September 12, 2012, the Governor enacted into law the California Public Employees' Pension Reform Act (PEPRA) of 2013 which affects most California retirement systems.

One of the provisions of the new law prohibits public employers from offering a supplemental defined benefit plan to any new employee hired on or after January 1, 2013. Because the City's PARS supplemental retirement plan already limits participation in the plan to eligible employees hired prior to July 1, 2012, we have not enclosed an amendment addressing PEPRA.

However, PEPRA prohibits the implementing of an excess benefit plan, or benefit replacement plan, on or after January 1, 2013. An excess benefit plan is established under Section 415(m) of the Internal Revenue Code and works in tandem with the qualified PARS supplemental retirement plan to cover those employees who will have their PARS benefits at retirement reduced by the limitations imposed by Section 415 of the Code. The 415 limits are based on the combined benefit from both CalPERS and the PARS supplemental retirement plan.

We are providing you with the necessary excess benefit plan and trust documents which must be adopted by December 31, 2012 in the event you choose to pay benefits in excess of the Section 415 limits. The resolution adopted on July 9, 2001 authorizes the Plan Administrator to implement a replacement benefit program.

Should you choose to implement this benefit replacement program, please sign and date the enclosed plan and trust documents. Please return one original plan document and all three original excess benefit trust documents by December 17, 2012. We will in turn forward the documents on to the trustee for signature and return a fully executed trust agreement to your attention.

Public Agency Retirement Services is not licensed to provide and does not offer tax, accounting, legal, investment or actuarial advice. We present these documents with the understanding that you will have them reviewed and approved by your respective counsel.

4350 Von Karman Ave., Ste. 100
Newport Beach, CA 92660-2043
800.540.6369
fax 800.660.8057
www.pars.org

Denise Gillespie
Assistant City Clerk
November 12, 2012
Page Two

If you have any questions about this PEPPRA amendment process and/or the excess benefit program, or would like additional information on PEPPRA, please feel free to contact Dennis Yu at (800) 540-6369 x 104 or by email at dyu@pars.org.

Sincerely,

A handwritten signature in cursive script, appearing to read "Shauna Volcan".

Shauna Volcan
Vice President, Plan Implementation

Enclosures

CITY OF BISHOP
EXCESS BENEFIT PLAN
EFFECTIVE DECEMBER 1, 2012

DEFINED BENEFIT PLAN

TABLE OF CONTENTS

| | | |
|--------------------|---|---|
| ARTICLE I | PURPOSE | 1 |
| ARTICLE II | PARTICIPATION | 1 |
| ARTICLE III | BENEFITS; VESTING | 1 |
| 3.1 | Amount of Benefit | 1 |
| 3.2 | Payment of Benefit | 1 |
| 3.3 | Vesting | 2 |
| 3.4 | Actuarial Equivalence | 2 |
| ARTICLE IV | ADMINISTRATION AND AMENDMENT OF THE PLAN | 2 |
| 4.1 | Rules and Regulations..... | 2 |
| 4.2 | Non-Alienation of Benefits..... | 2 |
| 4.3 | Funding | 3 |
| 4.4 | Taxes | 3 |
| 4.5 | Amendment and Termination | 3 |
| 4.6 | Compliance with Laws | 3 |
| ARTICLE V | DEFINITIONS | 4 |

ARTICLE I

PURPOSE

The purpose of this Plan is to supplement the benefits of certain Employees under the City of Bishop Public Agency Retirement System (PARS) Retirement Enhancement Plan (the “**Supplemental Retirement Plan**”) to the extent that such benefits are reduced by the limitations on benefits imposed by Section 415 of the Internal Revenue Code of 1986 as amended (the “**Code**”).

ARTICLE II

PARTICIPATION

Those Employees who are participants in the Supplemental Retirement Plan and whose benefits at the time of payment are reduced by the limitation on benefits imposed by Section 415 of the Code shall be Participants hereunder.

ARTICLE III

BENEFITS; VESTING

3.1 Amount of Benefit.

The value of the benefits which each Participant shall be entitled to receive under this Plan shall be equal to the Actuarial Equivalent of the difference between the actual benefits of such Participant under the Supplemental Retirement Plan and the Actuarial Equivalent of the benefits that would have been payable to the Participant under such plan except for the limitations on benefits imposed by Section 415 of the Code.

3.2 Payment of Benefit.

The benefits payable under this Plan shall be payable to the Participant or to any other person who is receiving or entitled to receive benefits with respect to the Participant (the “**Distributee**”) under the Supplemental Retirement Plan. The benefits will be paid in the same form, at the same times and for the same period as benefits are paid with respect to the Distributee under the Supplemental Retirement Plan. Notwithstanding the foregoing, in the event that the present value of the Actuarial Equivalent of the benefit to be paid under this Plan (as determined by the Employer upon the advice of the actuary for PARS) at the commencement

of payment is \$5,000 or less, the Employer may, in its discretion, elect to pay the benefit in a single lump sum.

3.3 Vesting.

A Participant will be fully vested in his Retirement Benefit upon meeting the requirements of Article II.

3.4 Actuarial Equivalence.

For the purpose of establishing Actuarial Equivalence, the mortality assumption shall be 1983 GAM and the interest assumption shall be 6% per annum.

ARTICLE IV

ADMINISTRATION AND AMENDMENT OF THE PLAN

4.1 Rules and Regulations.

The Employer has full discretionary authority to supervise and control the operation of this Plan in accordance with its terms and may make rules and regulations for the administration of this Plan that are not inconsistent with the terms and provisions hereof. The Employer shall determine any questions arising in connection with the interpretation, application or administration of the Plan (including any question of fact relating to age, employment, compensation or eligibility of employees) and its decisions or actions in respect thereof shall be conclusive and binding upon any and all persons and parties.

4.2 Non-Alienation of Benefits.

Except as otherwise provided in the Plan, no right or benefit under the Plan shall be subject to anticipation, alienation, sale, assignment, pledge, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, pledge, encumber or charge such right or benefit shall be void. No such right or benefit shall in any manner be liable for or subject to the debts, liabilities or torts of a Participant or other benefit recipient. In addition, no right of a Participant or other benefit recipient under the Plan is transferable by inter vivos gift or testamentary disposition.

4.3 Funding.

The Plan shall be unfunded, and benefits under the Plan shall be paid from the general or retirement fund of the Employer through an Excess Benefit Plan Fund hereby established for payment of administration expense and benefit payments, subject to the claims of the Employer's general creditors. No person other than the Employer shall by virtue of the provisions of the Plan have any interest in such amounts. Title to and beneficial ownership of any assets, whether cash or other investments which the Employer may earmark to pay any amount under the Plan, shall at all times remain with the Employer, and Participants and any other persons entitled to benefits hereunder shall not have any property interest whatsoever in any specific assets of the Employer. The obligation of the Employer to make payments pursuant to the Plan is contractual only. No Participant or other person entitled to benefits hereunder shall have a preferred claim or lien on any assets of the Employer.

4.4 Taxes.

The Plan Administrator shall make appropriate arrangements to deduct from all amounts paid under the Plan any taxes required to be withheld with respect to the Plan by any government or governmental agency.

4.5 Amendment and Termination.

The Employer shall have the right to amend the Plan (other than this section) or terminate the Plan at any time. If the Plan is terminated, the actuarial equivalent present value of any remaining benefits payable to a Participant or other person, increased by an amount determined by the Employer to permit approximately the same after-tax payout over time to Participants as would have been realized in the absence of such termination, shall be paid in a lump sum 30 days after the termination of the Plan.

4.6 Compliance with Laws.

It is the intention that this Plan be a "qualified governmental excess benefit arrangement" within the meaning of Section 415(m) of the Code, and may at any time be amended to comply with the Code requirements to maintain such qualification and status.

ARTICLE V

DEFINITIONS

Whenever the following terms are used in the Plan, with the first letter capitalized, they shall have the meanings first specified below.

“Code” shall mean the Internal Revenue Code of 1986 as amended.

“Employer” shall mean the City of Bishop that has adopted this Plan.

“Employee” shall mean an employee of the Employer.

“Normal Retirement Age” shall mean sixty-two (62) years of age.

“Participant” shall mean those Employees eligible for participation in the Plan.

“Plan” shall mean this City of Bishop Excess Benefit Plan, as amended.

“Retirement Benefits” shall mean the benefits payable to the Participant following retirement, as described in Article III.

“Supplemental Retirement Plan” shall mean the City of Bishop Public Agency Retirement System (PARS) Retirement Enhancement Plan, effective July 1, 2001, as amended.

**CITY OF BISHOP
EXCESS BENEFIT PLAN**

The City of Bishop Excess Benefit Plan is hereby adopted effective December 1, 2012.

By: _____

Title: City Administrator

Date: _____

CITY OF BISHOP
EXCESS BENEFIT TRUST AGREEMENT

**ACCOUNT IS ENTERED INTO BY CLIENT
AND U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE**

This document is entered into by U.S. Bank National Association ("U.S. Bank"), as trustee. U.S. Bank succeeded Union Bank, N.A. as the trustee on February 1, 2012. All references in this document and all account related documents to Union Bank of California, N.A. and/or Union Bank, N.A. ("Union Bank"), are replaced with U.S. Bank.

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| ARTICLE I ESTABLISHMENT AND GENERAL OPERATION OF TRUST | |
| 1.1 Establishment of Trust..... | 2 |
| 1.2 Revocability | 2 |
| 1.3 Grantor Trust | 2 |
| 1.4 Trust Contributions | 2 |
| 1.5 Payments to Employer..... | 2 |
| 1.6 Signing Authority, Administrator..... | 2 |
| 1.7 Acceptance of Assets; Trust Composition | 3 |
| 1.8 Trust Contributions | 3 |
| 1.9 No Duty of Trustee to Enforce Collection | 3 |
| 1.10 Plan Administration..... | 3 |
| 1.11 Participant Accounts | 3 |
| 1.12 Tax Reporting | 3 |
| 1.13 Trust Administrator | 4 |
| ARTICLE II INVESTMENTS | |
| 2.1 Employer Directs Investments | 4 |
| 2.2 Appointment of Trustee (or Other Individual or Entity) as Investment Manager | 4 |
| 2.3 Funding Policy and Investment Guidelines..... | 4 |
| 2.4 Disposition of Income | 5 |
| ARTICLE III TRUSTEE'S POWERS | |
| 3.1 General Trustee's Powers | 5 |
| 3.2 Additional Powers | 7 |
| 3.3 Delegatee | 9 |
| 3.4 Directions to Trustee..... | 9 |
| 3.5 Trust Administrator | 10 |
| 3.6 Additional Trust Administrator Services | 11 |
| 3.7 Trust Administrator's Compensation..... | 11 |
| 3.8 Resignation or Removal of Trust Administrator | 11 |
| ARTICLE IV TRUSTEE AND EMPLOYER DUTIES | |
| 4.1 Legal Duties..... | 11 |
| 4.2 Payments to Participants | 11 |

| | | |
|---------------------|---|----|
| 4.3 | Accounts and Records..... | 12 |
| 4.4 | Reports | 13 |
| 4.5 | Follow Employer Direction | 13 |
| 4.6 | Information to be Provided to Trustee | 13 |
| ARTICLE V | RESTRICTIONS ON TRANSFER | |
| 5.1 | Persons to Receive Payment | 14 |
| 5.2 | Assignment and Alienation Prohibited | 14 |
| ARTICLE VI | RESIGNATION, REMOVAL AND SUCCESSION | |
| 6.1 | Resignation or Removal of Trustee | 15 |
| 6.2 | Designation of Successor | 15 |
| 6.3 | Upon Resignation | 15 |
| 6.4 | Court Appointment of Successor | 15 |
| 6.5 | Successor's Powers..... | 15 |
| 6.6 | Successor's Duties | 16 |
| ARTICLE VII | AMENDMENT | |
| 7.1 | Power to Amend | 16 |
| ARTICLE VIII | LIABILITIES | |
| 8.1 | Declaration of Intent..... | 16 |
| 8.2 | Liability of the Trustee..... | 16 |
| 8.3 | Indemnification | 17 |
| ARTICLE IX | DURATION, TERMINATION AND REPAYMENTS TO EMPLOYER | |
| 9.1 | Revocation and Termination..... | 18 |
| 9.2 | Duration | 19 |
| ARTICLE X | MISCELLANEOUS | |
| 10.1 | Emergencies and Delegation..... | 19 |
| 10.2 | Expenses and Taxes | 19 |
| 10.3 | Third Parties | 20 |
| 10.4 | Adoption by Affiliate Employer..... | 20 |
| 10.5 | Binding Effect; Successor Employer..... | 21 |
| 10.6 | Relation to Plan | 21 |
| 10.7 | Arbitration of Disputes | 21 |
| 10.8 | Attorney Fees and Costs | 21 |
| 10.9 | Partial Invalidity..... | 22 |
| 10.10 | Construction..... | 22 |

| | | |
|--------------------|---|----|
| 10.11 | Notices | 22 |
| ARTICLE XI | DISTRIBUTIONS IN THE EVENT OF INSOLVENCY OF EMPLOYER | |
| 11.1 | Trustee Responsibility | 22 |
| ARTICLE XII | EFFECTIVE DATE | |
| 12.1 | Effective Date | 25 |
| | Addresses of Parties for Notice | 25 |

TRUST UNDER THE CITY OF BISHOP EXCESS BENEFIT PLAN

This Trust Agreement (the "Trust Agreement" or "Trust") is made by and between the City of Bishop (the "Employer"), Public Agency Retirement Services ("PARS" and/or "Trust Administrator") and UNION BANK, N.A., a national banking association (the "Trustee"), and shall be effective upon the Trustee's receipt of assets to be held in trust hereunder.

PURPOSE

(a) WHEREAS, the Employer has adopted the plan or plans attached as Exhibit A or which subsequently may be designated in writing by the Employer (the "Plan") pursuant to which the Employer expects to incur unfunded liabilities with respect to certain employees of the Employer.

(b) WHEREAS, Employer wishes to establish a trust (hereinafter called "Trust") and to contribute to the Trust assets that shall be held therein, subject to the claims of Employer's creditors in the event of Employer's Insolvency, as herein defined, until paid to Plan participants in such manner and at such times as specified in the Plan;

(c) WHEREAS, it is the intention of the parties that this Trust shall constitute an unfunded arrangement and shall not affect the status of the Plan as an unfunded plan maintained for the purpose of providing deferred compensation for a select group of employees;

(d) WHEREAS, it is the intention of Employer to make contributions to the Trust to provide itself with a source of funds to assist it in the meeting of its liabilities under the Plan;

NOW, THEREFORE, the parties do hereby establish the Trust and agree that the Trust shall be comprised, held and disposed of as follows:

ARTICLE I

ESTABLISHMENT OF TRUST

- 1.1 Establishment of Trust. The Employer hereby deposits with Trustee in Trust a sum of money which shall become the principal of the Trust to be held, administered and disposed of by Trustee as provided in the Trust Agreement.

REVOCABILITY

- 1.2 Revocability. The Trust hereby established shall be revocable by Employer.
- 1.3 Grantor Trust. The Trust is intended to be a grantor trust, of which Employer is the grantor, within the meaning of Subpart E, Part I, Subchapter J, Chapter 1, Subtitle A of the Internal Revenue Code of 1986, as amended, and shall be construed accordingly.
- 1.4 Trust Assets. The principal of the Trust, and any earnings thereon shall be held separate and apart from other funds of Employer and shall be used exclusively for the uses and purposes of Participants and Employer's general creditors as herein set forth. Plan participants and beneficiaries of deceased participants (hereinafter called "Participants") shall have no preferred claim on, or any beneficial ownership interest in, any assets of the Trust. Any rights created under the Plan and this Trust Agreement shall be mere unsecured contractual rights of Participants against Employer. Any assets held by the Trust will be subject to the claims of Employer's general creditors under federal and state law in the event of Insolvency, as defined in Article XI herein.
- 1.5 Payments to Employer. The Employer shall maintain the right and power to direct Trustee to return to Employer or to divert to others any of the Trust assets before all payment(s) of benefits have been made to Participants pursuant to the terms of the Plan.
- 1.6 Signing Authority; Administrator. The Employer shall certify in writing to the Trustee the names and specimen signatures of all those who are authorized to act as or on behalf of the Employer, and those names and specimen signatures shall be updated as necessary by a duly authorized official of the Employer. The Employer shall promptly notify the Trustee if any person so designated is no longer authorized to act on behalf of the Employer. Until the Trustee receives written notice that a person is no longer authorized to act on behalf of the Employer, the Trustee may continue to rely on the Employer's designation of such person.

- 1.7 Acceptance of Assets; Trust Composition. All contributions or transfers shall be received by the Trustee in cash or in any other property acceptable to the Trustee. The Trust shall consist of the contributions and transfers received by the Trustee, together with the income and earnings from them and any increments to them. The Trustee shall hold, manage and administer the Trust in accordance with this Trust Agreement without distinction between principal and income.
- 1.8 Trust Contributions. Employer, in its sole discretion, may at any time, or from time to time, make additional deposits of cash or other property in trust with Trustee to augment the principal to be held, administered and disposed of by Trustee as provided in this Trust Agreement. Neither Trustee nor any Participant shall have any right to compel such additional deposits.
- 1.9 No Duty of Trustee to Enforce Collection. Notwithstanding anything herein to the contrary, Trustee shall have no authority or obligation to enforce the collection of any contribution or transfer to the Trust.
- 1.10 Plan Administration. The Employer and not the Trustee shall be responsible for administering the Plan (including without limitation determining the rights of the Employer's employees to participate in the Plan, determining any Participant's right to benefits under such Plan), and issuing statements to Participants of their interest in the trust and Plan. The Employer may delegate such responsibilities to a record keeper.
- 1.11 Participant Accounts. If required, the Employer shall maintain in an equitable manner a separate account for each Participant under the Plan ("Account") in which it shall keep a record of the share of such Participant under such Plan in the Trust. The Employer may appoint a record keeper to maintain such Accounts. A Participant's Account under the Plan shall represent the portion of the Trust allocated to provide such Participant benefits under such Plan. If the Trustee is directed by the Employer to segregate the Trust into separate Accounts for each Participant, at the time it makes a contribution to the Trust, the Employer shall certify to the Trustee the amount of such contribution being made in respect of each Participant under each Plan.

The Trustee may rely on information provided to the Trustee by the Employer and the Trustee's and Employer's determination of Account values shall be conclusive and binding on all interested parties.

- 1.12 Tax Reporting. The Trustee shall be responsible for individual tax reporting and withholding as directed by the Employer. The Employer agrees to indemnify and defend the Trustee against any liability for the payment of such taxes, interest or penalties resulting from or related to the Trust.

- 1.13 Trust Administrator. The Trust Administrator shall be Public Agency Retirement Services.

ARTICLE II

INVESTMENTS

- 2.1 Employer Directs Investments. Except as provided in Section 2.2 below, the Employer shall have all power over, and responsibility for, the management, disposition and investment of the Trust assets, and the Trustee shall comply with proper written directions of the Employer concerning those assets. The Employer shall not issue directions in violation of the terms of the Plan and Trust or prohibited by the laws and Constitution of the State of California and applicable federal laws and regulations. Except to any extent required by the laws and Constitution of the State of California and applicable federal laws and regulations, or otherwise provided in this Trust Agreement, the Trustee shall have no duty or responsibility to review, initiate action, or make recommendations regarding Trust assets and shall retain all such assets until directed in writing by the Employer to dispose of them.
- 2.2 Appointment of Trustee (or Other Individual or Entity) as Investment Manager. The Employer may appoint the Trustee or other appropriately regulated individual or entity as Investment Manager, thereby delegating to the Trustee or other individual or entity the full power, authority and duty to direct the investment and management of all or any portion of the assets of the Trust as specified by the Employer and to the extent provided in Article III, subject to the investment guidelines established by the Employer as provided below. The Employer represents and warrants that any appointment made pursuant to this Section 2.2 complies with the laws and Constitution of the State of California and applicable federal laws and regulations. No appointment and delegation made pursuant to this Section 2.2 shall be effective unless made in writing and signed by both the Trustee and the Employer.
- 2.3 Funding Policy and Investment Guidelines. The Employer shall have the responsibility for establishing and carrying out a funding policy and method, consistent with the objectives of the Plan and, subject to the laws and Constitution of the State of California and applicable federal laws and regulations, taking into consideration the Plan's short-term and long-term financial needs. To the extent that the Trustee is appointed Investment Manager of all or a portion of the assets of the Trust in accordance with Section 2.2 above, the Trustee's responsibility for investment and diversification of such portion of the assets shall be subject to, and is limited by, the investment guidelines issued to it by the Employer in writing. It is understood that, unless otherwise agreed in writing, the Employer, rather than the Trustee, shall be responsible for the overall diversification of Trust assets.

- 2.4 Disposition of Income. During the term of this Trust, all income received by the Trust, net of expenses and taxes, shall be accumulated and reinvested.

ARTICLE III

TRUSTEE'S POWERS

- 3.1 General Trustee's Powers. Trustee shall have, without exclusion, all powers conferred on Trustees by applicable law, unless expressly provided otherwise herein, provided, however, that if an insurance policy is held as an asset of the Trust, Trustee shall have no power to name a beneficiary of the policy other than the Trust, to assign the policy (as distinct from conversion of the policy to a different form) other than to a successor Trustee, or to loan to any person the proceeds of any borrowing against such policy.
- (a) To invest and reinvest the Trust or any part thereof in any one or more kind, type, class, item or parcel of property, real, personal or mixed, tangible or intangible; or in any one or more kind, type, class, item or issue of investment or security; or in any one or more kind, type class or item of obligation, secured or unsecured; or in any combination of them;
 - (b) To acquire, sell and exercise options to buy securities ("call" options) and to acquire, sell and exercise options to sell securities ("put" options);
 - (c) To buy, sell, assign, transfer, acquire, loan, lease (for any purpose, including beyond the life of this Trust), exchange and in any other manner to acquire, manage, deal with and dispose of all or any part of the Trust property, for cash or credit;
 - (d) To make deposits with any bank or savings and loan institution, including any such facility of the Trustee or an affiliate thereof, provided that the deposit bears a reasonable rate of interest;
 - (e) To retain all or any portion of the Trust in cash temporarily awaiting investment or for the purpose of making distributions or other payments, without liability for interest thereon, notwithstanding the Trustee's receipt of float;
 - (f) To borrow money for the purposes of the Trust from any source other than a party in interest of the Plan, with or without giving security; to pay interest; to issue promissory notes and to secure the repayment thereof by pledging all or any part of the Trust assets;

- (g) To take all of the following actions: to vote proxies of any stocks, bonds or other securities; to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privileges, subscription rights or other options, and to make any payments incidental thereto; to consent to or otherwise participate in corporate reorganizations or other changes affecting corporate securities and to delegate discretionary powers and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held in the Trust;
- (h) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;
- (i) To pay or cause to be paid from the Trust any and all real or personal property taxes, income taxes or other taxes or assessments of any or all kinds levied or assessed upon or with respect to the Trust or the Plan;
- (j) Subject to the limitations of 3.1, to hold term or ordinary life insurance contracts or to acquire annuity contracts on the lives of Participants (but in the case of conflict between any such contract and a Plan, the terms of the Plan shall prevail); to pay from the Trust the premiums on such contracts; to distribute, surrender or otherwise dispose of such contracts; to pay the proceeds, if any, of such contracts to the proper persons in the event of the death of the insured Participant; to enter into, modify, renew and terminate annuity contracts of deposit administration, of immediate participation or other group or individual type with one or more insurance companies and to pay or deposit all or any part of the Trust thereunder; to provide in any such contract for the investment of all or any part of funds so deposited with the insurance company in securities under separate accounts; to exercise and claim all rights and benefits granted to the contract holder by any such contracts. All payments and exercise of all powers with respect to insurance contracts shall be solely on the direction of Employer;
- (k) To exercise all the further rights, powers, options and privileges granted, provided for, or vested in trustees generally under applicable federal or state laws, as amended from time to time, it being intended that, except as otherwise provided in this Trust, the powers conferred upon the Trustee herein shall not be construed as being in limitation of any authority conferred by law, but shall be construed as in addition thereto.

- (l) Notwithstanding any powers granted to Trustee pursuant to this Trust Agreement or to applicable law, Trustee shall not have any power that could give this Trust the objective of carrying on a business and dividing the gains therefrom, within the meaning of section 301.7701-2 of the Procedure and Administrative Regulations promulgated pursuant to the Internal Revenue Code.

3.2 Additional Powers. In addition to the other powers enumerated above, the Trustee is authorized and empowered:

- (a) To invest funds in any type of interest-bearing account including, without limitation, time certificates of deposit or interest-bearing accounts issued by UNION BANK, N.A. To use other services or facilities provided by the UnionBanCal Corporation (UNBC), its subsidiaries or affiliates including Union Bank, N.A. (Bank), to the extent allowed by applicable law and regulation. Such services may include but are not limited to (1) the placing of orders for the purchase, exchange, investment or reinvestment of securities through any brokerage service conducted by, and (2) the purchase of units of any registered investment company managed or advised by Bank, UNBC, or their subsidiaries or affiliates and/or for which Bank, UNBC or their subsidiaries or affiliates act as custodian or provide other services for a fee, including, without limitation, the HighMark Group of mutual funds. The parties hereby acknowledge that the Bank may receive fees for such services in addition to the fees payable under this Agreement. Fee schedules for additional services shall be delivered to the appropriate party in advance of the provision of such services. Independent fiduciary approval of compensation being paid to the Bank will be sought in advance to the extent required under applicable law and regulation.

If Union Bank, N.A. does not have investment discretion, the services referred to above, as well as any additional services, shall be utilized only upon the appropriate direction of an authorized party.

- (b) To cause all or any part of the Trust to be held in the name of the Trustee (which in such instance need not disclose its fiduciary capacity) or, as permitted by law, in the name of any nominee, including the nominee name of any depository, and to acquire for the Trust any investment in bearer form; but the books and records of the Trust shall at all times show that all such investments are a part of the Trust and the Trustee shall hold evidences of title to all such investments as are available;

- (c) To serve as custodian with respect to the Trust assets, to hold assets or to hold eligible assets at the Depository Trust Company or other depository;
- (d) To employ such agents and counsel as may be reasonably necessary in administration and protection of the Trust assets and to pay them reasonable compensation; to employ any broker-dealer covered in the self-dealing section, and pay to such broker-dealer its standard commissions; to settle, compromise or abandon all claims and demands in favor of or against the Trust; and to charge any premium on bonds purchased at par value to the principal of the Trust without amortization from the Trust, regardless of any law relating thereto;
- (e) To abandon, compromise, contest, arbitrate or settle claims or demands; to prosecute, compromise and defend lawsuits, but without obligation to do so, all at the risk and expense of the Trust;
- (f) To permit such inspections of documents at the principal office of the Trustee as are required by law, subpoena or demand by United States or state agency during normal business hours of the Trustee;
- (g) To comply with all requirements imposed by law;
- (h) To seek written instructions from the Employer on any matter and await written instructions without incurring any liability. If at any time the Employer should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion it deems advisable under the circumstances for carrying out the purposes of this Trust. Such actions shall be conclusive on the Employer and the Participants on any matter if written notice of the proposed action is given to Employer five (5) days prior to the action being taken, and the Trustee receives no response;
- (i) To compensate such executive, consultant, record keeper, actuarial, accounting, investment, appraisal, administrative, clerical, secretarial, custodial, depository and legal firms, personnel and other employees or assistants as are engaged by the Employer in connection with the administration of the Plan and to pay from the Trust the necessary expenses of such firms, personnel and assistants, to the extent not paid by the Employer;
- (j) To impose a reasonable charge to cover the cost of furnishing to Participants statements or documents;
- (k) To act upon proper written directions of the Employer or any Participant including directions given by photostatic teletransmission

using facsimile signature. If oral instructions are given, to act upon those in Trustee's discretion prior to receipt of written instructions. Trustee's recording or lack of recording of any such oral instructions taken in Trustee's ordinary course of business shall constitute conclusive proof of Trustee's receipt or non-receipt of the oral instructions;

- (l) To pay from the Trust the expenses reasonably incurred in the administration of the Trust;
- (m) To maintain insurance for such purposes, in such amounts and with such companies as the Employer shall elect, including insurance to cover liability or losses occurring by reason of the acts or omissions of fiduciaries (but only if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary);
- (n) As directed by the Employer, to cause the benefits provided under the Plan to be paid directly to the persons entitled thereto under the Plan, and in the amounts and at the times and in the manner specified by the Plan, and to charge such payments against the Trust and Accounts with respect to which such benefits are payable;
- (o) To exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Plan; and in addition to the powers listed herein, to do all other acts necessary or desirable for the proper administration of the Trust, as though the absolute owner thereof.

3.3 Delegatee. The Employer may delegate certain authority, powers and duties to an entity to act in those matters specified in the delegation ("Delegatee"). Any such delegation must be in a writing that names and identifies the Delegatee, states the effective date of the delegation, specifies the authority and duties delegated, is executed by the Employer and is acknowledged in writing by the Delegatee, the Trust Administrator (if not the Delegatee) and the Trustee. Such delegation shall be effective until the Trustee and the Trust Administrator are directed in writing by the Employer that the delegation has been rescinded or modified.

3.4 Directions to Trustee. Except as otherwise provided in this Trust Agreement, all directions to the Trustee from the Employer or Delegatee must be in writing and must be signed by the Employer or Delegatee, as the case may be. For all purposes of this Trust Agreement, direction shall include any certification, notice, authorization, application or instruction of the Employer, Delegatee or Trustee appropriately communicated. The above

notwithstanding direction may be implied if the Employer or Delegatee has knowledge of the Trustee's intentions and fails to file written objection.

The Trustee shall have the power and duty to comply promptly with all proper direction of the Employer, or Delegatee, appointed in accordance with the provisions of this Trust Agreement. In the case of any direction deemed by the Trustee to be unclear or ambiguous the Trustee may seek written instructions from the Employer, the Agency or the Delegatee on such matter and await their written instructions without incurring any liability. If at any time the Employer or the Delegatee should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust Program and/or any Agency Trust which may include not taking any action. The Trustee may request directions or clarification of directions received and may delay acting until clarification is received. In the absence of timely direction or clarification, or if the Trustee considers any direction to be a violation of the Trust Agreement or any applicable law, the Trustee shall in its sole discretion take appropriate action, or refuse to act upon a direction.

3.5 Trust Administrator. The Employer has appointed PARS as the Trust Administrator. The Trust Administrator has accepted its appointment subject to the Employer's delegation of authority, to act as such, pursuant to Section 3.3 of this Trust Agreement. The Trust Administrator's duties involve the performance of the following services pursuant to the provisions of this trust agreement and the Agreement for Administrative Services:

- (a) Performing periodic accounting of the Agency Trust;
- (b) Directing the Trustee to make distributions from the Agency Trust to Participants pursuant to the provisions of the Plan and liquidate assets in order to make such distributions;
- (c) Notifying the Investment Fiduciary of the amount of Assets in the Agency Trust available for further investment and management by the Investment Fiduciary;
- (d) Allocating contributions, earnings and expenses to each Agency Trust;
- (e) Directing the Trustee to pay insurance premiums, to pay the fees of the Trust Administrator and to do such other acts as shall be appropriate to carry out the intent of the Agency Trusts.
- (f) Such other services as the Employer and the Trust Administrator may agree.

- 3.6 Additional Trust Administrator Services. The Employer may at any time retain the Trust Administrator as its agent to perform any act, keep any records or accounts and make any computations which are required of the Employer by this Trust Agreement or by the Plan. The Trust Administrator shall be separately compensated for such service and such services shall not be deemed to be contrary to the Trust Agreement.
- 3.7 Trust Administrator's Compensation. As may be agreed upon from time to time by the Employer and Trust Administrator, the Trust Administrator will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties.
- 3.8 Resignation or Removal of Trust Administrator. The Trust Administrator may resign at any time by giving at least one hundred twenty (120) days written notice to the Employer and the Trustee.

ARTICLE IV

TRUSTEE AND EMPLOYER DUTIES

- 4.1 Legal Duties. The Trustee and Employer shall exercise any of the foregoing powers from time to time as required by law.
- 4.2 Payments to Participants
- (a) Employer shall deliver to Trustee a schedule (the "Payment Schedule") that indicates the amounts payable in respect of each Participant, that provides a formula or other instructions acceptable to Trustee for determining the amount so payable, the form in which such amount is to be paid (as provided for or available under the Plan), and the time of commencement for payment of such amounts. Except as otherwise provided herein, Trustee shall make payments to the Participants in accordance with such Payment Schedule. As directed by Employer, the Trustee shall make provision for the reporting and withholding of any federal, state or local taxes that may be required to be withheld with respect to the payment of benefits pursuant to the terms of the Plan and shall pay amounts withheld to the appropriate taxing authorities or determine that such amounts have been reported, withheld and paid by Employer.
- (b) The entitlement of a Participant to benefits under the Plan shall be determined by Employer or such party as it shall designate under the Plan, and any claim for such benefits shall be considered and reviewed under the procedures set out in the Plan.

- (c) Employer may make payment of benefits directly to Participants as they become due under the terms of the Plan. Employer shall notify Trustee of its decision to make payment of benefits directly prior to the time amounts are payable to Participants. In addition, if the principal of the Trust, and earnings thereon, are not sufficient to make payments of benefits in accordance with the terms of the Plan, Employer shall make the balance of each such payment as it falls due. Trustee shall notify Employer where principal and earnings are not sufficient. Trustee shall have no duty or obligation to enforce or compel Employer to make payments hereunder. Employer may direct Trustee to reimburse Employer for payments made directly by Employer to Participants, and shall provide the Trustee with such documentation to evidence those direct payments as the Trustee may reasonably request.
- (1) In the event payments are made by Employer directly to Participants, Employer shall have sole responsibility for the reporting and withholding of any federal, state, or local taxes that may be required to be withheld with respect to the payment of benefits pursuant to the terms of the Plan and shall pay amounts withheld to the appropriate taxing authority.
 - (2) Trustee shall have no duty or responsibility with respect to the above stated reporting, withholding or payment of taxes and shall have no responsibility to determine that Employer has provided for such reporting, withholding or payment of such taxes.
 - (3) Employer shall indemnify and hold Trustee harmless from any and all losses, claims, penalties or damages which may occur as a result of Trustee following in good faith the written direction of the Employer to reimburse Employer for payments made hereunder to Participants and arising from Employer's tax reporting, withholding and payment obligations hereunder.
- (d) Upon the satisfaction of all liabilities of the Employer under the Plan to all Participants the Trustee shall hold or distribute the Trust in accordance with the written instructions of the Employer. Except as provided in (c) above, at no time prior to the Employer's Insolvency, as defined in Article XI, or the satisfaction of all liabilities of the Employer under the Plan in respect of all Participants having Accounts hereunder shall any part of the Trust revert to the Employer.

4.3 Accounts and Records. The Trustee shall keep accurate and detailed records of all investments, receipts, disbursements and all other transactions required to be done, including such specific records as shall be agreed upon

in writing between the Employer and the Trustee. All such accounts, books and records shall be open to inspection and audit at all reasonable times by the Employer and by the Participants. Within sixty (60) days after the close of each quarter and Plan year and within sixty (60) days after the resignation or removal of the Trustee as provided in Article VI hereof, the Trustee shall render to the Employer a written account showing in reasonable summary the investments, receipts, disbursements and other transactions engaged in by the Trustee during the preceding Plan Year or accounting period with respect to the Trust. Such account shall set forth the assets and liabilities of the Trust. The Employer shall have ninety (90) days after the Trustee's mailing of each such quarterly or final account within which to file with the Trustee written objections to such account. Upon approval or by failure to file with the Trustee written objections to such account within the 90-day period, the Employer shall release and discharge the Trustee from all liability and accountability to the Employer as to all matters and items set forth in such account as if such account had been settled and allowed by a decree from a court of competent jurisdiction, such settlement and allowance to be final and binding.

Notwithstanding anything herein to the contrary, the Trustee shall have no duty or responsibility to obtain valuations of any assets of the Trust Fund, the value of which is not readily determinable on an established market. Employer shall bear sole responsibility for determining said valuations and shall be responsible for providing said valuations to Trustee in a timely manner. Trustee may conclusively rely on such valuations provided by Employer and shall be indemnified and held harmless by Employer with respect to such reliance.

- 4.4 Reports. The Trustee shall file such descriptions and reports and shall furnish such information and make such other publications, disclosures, registrations and other filings as are required of the Trustee by law. The Trustee shall have no responsibility to file reports or descriptions, publish information or make disclosures, registrations or other filings unless directed by the Employer.
- 4.5 Follow Employer Direction. The Trustee shall have the power and duty to comply promptly with all proper directions of the Employer.
- 4.6 Information to be Provided to Trustee. The Employer shall maintain and furnish the Trustee with all reports, documents and information as shall be required by the Trustee to perform its duties and discharge its responsibilities under this Trust Agreement, including without limitation a certified copy of each of the Plan and all amendments thereto.

The Trustee shall be entitled to rely on the most recent reports, documents and information furnished to it by the Employer. The Employer shall be

required to notify the Trustee as to the termination of employment of any Participant by death, retirement or otherwise.

The Employer shall arrange for each Investment Manager if appointed pursuant to Section 2.2, and each insurance company issuing contracts held by the Trustee pursuant to Section 3.1(j), to furnish the Trustee with such valuations and reports as are necessary to enable the Trustee to fulfill its obligations under this Trust Agreement, and the Trustee shall be fully protected in relying upon such valuations and reports.

ARTICLE V

RESTRICTIONS ON TRANSFER

5.1 Persons to Receive Payment.

- (a) The Trustee shall, except as otherwise provided in section 4.2(d) and subsection (b) hereunder, pay all amounts payable hereunder only to the person or persons designated under the Plan or deposit such amounts to the Participant's checking or savings account as directed by the Employer and not to any other person or corporation, and only to the extent of assets held in the Trust, and shall follow written instructions by the Employer. The Employer's written instructions, to the Trustee to make distributions or not to make distributions, and the amount thereof, shall be conclusive on all Participants.
- (b) Should any controversy arise as to the person or persons to whom any distribution or payment is to be made by the Trustee, or as to any other matter arising in the administration of the Plan or Trust, the Trustee may retain the amount in controversy pending resolution of the controversy or the Trustee may file an action seeking declaratory relief and/or may interplead the Trust assets in issue, and name as necessary parties the Employer, the Participants and/or any or all persons making conflicting demands.
- (c) The Trustee shall not be liable for the payment of any interest or income, except for that earned as a Trust investment, on any amount withheld or interpleaded under subsection (b).
- (d) The expense of the Trustee for taking any action under subsection (b) shall be paid to the Trustee from the Trust.

5.2 Assignment and Alienation Prohibited. Benefits payable to Participants under this Trust Agreement may not be anticipated, assigned (either at law or in equity), alienated, pledged, encumbered or subjected to attachment,

garnishment, levy, execution or other legal or equitable process. Notwithstanding the foregoing, the Trust shall at all times remain subject to the claims of creditors of the Employer in the event the Employer becomes Insolvent as provided in Article XI.

ARTICLE VI

RESIGNATION, REMOVAL AND SUCCESSION

- 6.1 Resignation or Removal of Trustee. Trustee may resign at any time by written notice to the Employer, which shall be effective thirty (30) days after receipt of such notice unless Employer and Trustee agree otherwise. The Employer may remove the Trustee at any time by written notice to the Trustee, which shall be effective thirty (30) days after receipt of such notice unless the Trustee and Employer otherwise agree.
- 6.2 Designation of Successor. Upon notice of the Trustee's resignation or removal, the Employer shall promptly designate a successor Trustee who will accept transfer of the assets of the Trust.

If no successor Trustee is designated within thirty (30) days of notice of Trustee's resignation or removal, then the Trustee may apply to a court of competent jurisdiction for appointment of a successor or instructions as provided in Section 6.4 below.

- 6.3 Upon resignation or removal of Trustee and appointment of a successor Trustee, all assets shall subsequently be transferred to the successor Trustee. The transfer shall be completed as soon as administratively feasible after receipt of notice of resignation, removal or transfer and appointment of and acceptance by successor Trustee, unless Employer extends the time limit.
- 6.4 Court Appointment of Successor. If Trustee resigns or is removed, a successor shall be appointed, in accordance with Section 6.2 hereof, by the effective date of resignation or removal under paragraph 6.1 of this section. If no such appointment has been made, Trustee may apply to a court of competent jurisdiction for appointment of a successor or for instructions. All expenses of Trustee in connection with the proceeding shall be allowed as administrative expenses of the Trust. Until a successor Trustee has accepted its appointment and received transfer of the Trust assets, the Trustee shall be entitled to be compensated for its services according to its published fee schedule then in effect for acting as Trustee.
- 6.5 Successor's Powers. A successor Trustee shall have the same powers and duties as those conferred upon the original Trustee hereunder. A resigning

Trustee shall transfer the Trust assets and shall deliver the assets of the Trust to the successor Trustee as soon as practicable. The resigning Trustee is authorized, however, to reserve such amount as may be necessary for the payment of its fees and expenses incurred prior to its resignation, and the Trust assets shall remain liable to reimburse the resigning Trustee for all fees and costs, expenses or attorneys' fees or losses incurred, whether before or after resignation, due solely to Trustee's holding title to and administration of Trust assets.

- 6.6 Successor's Duties. A successor Trustee shall have no duty to audit or otherwise inquire into the acts and transactions of its predecessor.

ARTICLE VII

AMENDMENT

- 7.1 Power to Amend. This Trust Agreement may be amended by a written instrument executed by Trustee and Employer. No such amendment shall conflict with the terms of the Plan.

ARTICLE VIII

LIABILITIES

- 8.1 Declaration of Intent. To the full extent permitted by law, it is the intent of this Article to relieve each fiduciary from all liability for any acts or omissions of any other fiduciary or any other person and to declare the absence of liabilities of all persons referred to in this Article to the extent not imposed by law or by provisions of this Trust Agreement. Each of the following Sections, in declaring such limitation, is set forth without limiting the generality of this Section but in each case shall be subject to the provisions, limitations and policies set forth in this Section.
- 8.2 Liability of the Trustee.
- (a) The Trustee shall have no powers, duties or responsibilities with regard to the administration of the Plan or to determine the rights or benefits of any person having or claiming an interest under the Plan or in the Trust or under this Trust Agreement or to examine or control any disposition of the Trust or part thereof which is directed by the Employer, as applicable.
 - (b) The Trustee shall have no liability for the adequacy of contributions for the purposes of the Plan or for enforcement of the payment thereof.

- (c) The Trustee shall have no liability for the acts or omissions of the Employer or Fiduciaries.
- (d) The Trustee shall have no liability for following proper directions of Employer or Employer's designated Fiduciaries, or any Participant when such directions are made in accordance with this Trust Agreement and the Plan.
- (e) During such period or periods of time, if any, as Employer or Investment Manager (collectively, "Fiduciary") is directing the investment and management of Trust assets, the Trustee shall have no obligation to determine the existence of any conversion, redemption, exchange, subscription or other right relating to any securities purchased on the directions of such Fiduciary if notice of any such right was given prior to the purchase of such securities. If such notice is given after the purchase of such securities, the Trustee shall notify such Fiduciary. The Trustee shall have no obligation to exercise any such right unless it is instructed to exercise such right, in writing, by the Fiduciary within a reasonable time prior to the expiration of such right.
- (f) During such period or periods of time, if any, as a Fiduciary is directing the investment and management of Trust assets, if such Fiduciary directs the Trustee to purchase securities issued by any foreign government or agency thereof, or by any corporation domiciled outside of the United States, it shall be the responsibility of the Fiduciary to advise the Trustee in writing with respect to any laws or regulations of any foreign countries or any United States territories or possessions which shall apply, in any manner whatsoever, to such securities, including, but not limited to, receipt of dividends or interest by the Trustee for such securities.

8.3 Indemnification.

- (a) The Trustee shall not be liable for, and Employer shall indemnify, defend, and hold the Trustee (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of (1) any acts taken by the Trustee in accordance with directions (or failure to act in the absence of directions) from the Employer, Investment Manager or any other person or entity authorized to act on their behalf which the Trustee reasonably believes to have been given by them, or (2) the Employer's active or passive

negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

- (b) The Employer shall not be liable for, and Trustee shall indemnify, defend, and hold the Employer (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.
- (c) Promptly after receipt by an indemnified party of notice or receipt of a claim or the commencement of any action for which indemnification may be sought, the indemnified party will notify the indemnifying party in writing of the receipt or commencement thereof. When the indemnifying party has agreed to provide a defense as set out above that party shall assume the defense of such action (including the employment of counsel, who shall be counsel satisfactory to such indemnitee) and the payment of expenses, insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the indemnifying party. Any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the indemnifying party unless (i) the employment of such counsel has been specifically authorized by the indemnifying party or (ii) the named parties to any such action (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. The indemnifying party shall not be liable to indemnify any person for any settlement of any such action effected without the indemnifying party's consent.

ARTICLE IX

DURATION, TERMINATION AND REPAYMENTS TO EMPLOYER

- 9.1 Revocation and Termination. The Trust shall not terminate until the date on which Participants are no longer entitled to benefits pursuant to the terms of the Plan, unless sooner revoked in accordance with Section 1.2 hereof. Upon termination of the Trust any assets remaining in the Trust shall be returned to Employer. In the event the Trust is terminated following the distribution of all payments and benefits called for herein, from the date of such termination of the Trust and until the final distribution of the remaining Trust assets, if any,

the Trustee shall continue to have all the powers provided under this Trust Agreement that are necessary or desirable for the orderly liquidation and distribution of the Trust.

- 9.2 Duration. This Trust shall continue in full force and effect for the maximum period of time permitted by law and in any event until the expiration of twenty-one years after the death of the last surviving person who was living at the time of execution hereof who at any time becomes a Participant in the Plan, unless this Trust is sooner terminated in accordance with this Trust Agreement.

ARTICLE X

MISCELLANEOUS

10.1 Emergencies and Delegation.

- (a) In case of an emergency, the Trustee may act in the absence of directions from any other person having the power and duty to direct the Trustee with respect to the matter involved and shall incur no liability in so acting.
- (b) By written notice to the Trustee, the Employer may authorize the Trustee to act on matters in the ordinary course of the business of the Trust or on specific matters upon the signature of its delegate.

10.2 Expenses and Taxes.

- (a) The Employer, or at its option, the Trust, shall quarterly pay the Trustee its expenses in administering the Trust and reasonable compensation for its services as Trustee at a rate to be agreed upon by the parties to this Trust Agreement, based upon Trustee's published fee schedule. However, the Trustee reserves the right to alter this rate of compensation at any time by providing the Employer with notice of such change at least thirty (30) days prior to its effective date. Reasonable compensation shall include compensation for any extraordinary services or computations required, such as determination of valuation of assets when current market values are not published and interest on funds to cover overdrafts. The Trustee shall have a lien on the Trust for compensation and for any reasonable expenses including counsel, appraisal, or accounting fees, and these shall be withdrawn from the Trust and may be reimbursed by the Employer.
- (b) Reasonable counsel fees, reasonable costs, expenses and charges of the Trustee incurred or made in the performance of its duties,

expenses relating to investment of the Trust such as broker's commissions, stamp taxes, and similar items and all taxes of any and all kinds that may be levied or assessed under existing or future laws upon or in respect to the Trust or the income thereof, and the Trustee's charges for issuing distribution checks to Participants or their representatives shall be paid from, and shall constitute a charge upon the Trust.

- (c) In the event any Participant is determined to be subject to federal income tax on any amount under this Trust Agreement prior to the time of payment hereunder, the entire amount determined to be so taxable shall, at the Employer's direction, be distributed by the Trustee to such Participant from the Trust. For the above purposes, a Participant shall be determined to be subject to federal income tax with respect to the Trust upon the earlier of: (a) a final determination by the United States Internal Revenue Service ("IRS") addressed to the Participant which is not appealed to the courts; (b) an opinion of legal counsel designated in writing by the Employer, addressed to the Employer and the Trustee, that, by reason of Treasury Regulations, amendments to the Code, published IRS rulings, court decisions or other substantial precedent, amounts hereunder subject the Participant to federal income tax prior to payment. The Employer shall undertake at its discretion and at its sole expense to defend any tax claims described herein which are asserted by the IRS against any Participant, including attorney fees and costs of appeal, and shall have the sole authority to determine whether or not to appeal any determination made by the IRS or by a lower court. The Employer also agrees to reimburse any Participant under this Section for any interest or penalties in respect of tax claims hereunder upon receipt of documentation thereof.

10.3 Third Parties.

- (a) No person dealing with the Trustee shall be required to follow the application of purchase money paid or money loaned to the Trustee nor inquire as to whether the Trustee has complied with the requirements hereof.
- (b) In any judicial or administrative proceedings, only the Employer and the Trustee shall be necessary parties and no Participant or other person having or claiming any interest in the Trust shall be entitled to any notice or service of process (except as required by law). Any judgment, decision or award entered in any such proceeding or action shall be conclusive upon all interested persons.

10.4 Adoption by Affiliated Employer. Any affiliate of the Employer (an "Affiliated Employer") may adopt one or more of the Employer's Plans with the approval

of the Employer, and the Affiliated Employer shall concurrently become a party to this Trust Agreement by giving written notice of its adoption of the Plan and this Trust Agreement to the Trustee. Upon such written notice, the Affiliated Employer shall become a signatory to this Trust Agreement.

- 10.5 Binding Effect; Successor Employer. This Trust Agreement shall be binding upon and inure to the benefit of any successor to the Employer or its business as the result of merger, consolidation, reorganization, transfer of assets or otherwise and any subsequent successor thereto. In the event of any such merger, consolidation, reorganization, transfer of assets or other similar transaction, the successor to the Employer or its business or any subsequent successor thereto shall promptly notify the Trustee in writing of its successorship and shall promptly supply information required by the Trustee.
- 10.6 Relation to Plan. All words and phrases used herein shall have the same meaning as in the Plan, and this Trust Agreement and the Plan shall be read and construed together. In the event of any conflict between the terms of the Plan and this Trust Agreement with respect to the rights and duties of the Trustee, this Trust Agreement shall control. Whenever in the Plan it is provided that the Trustee shall act as therein prescribed, the Trustee shall be and is hereby authorized and empowered to do so for all purposes as fully as though specifically so provided herein or so directed by the Employer.
- 10.7 Mediation and Arbitration of Disputes. If a dispute arises under this Trust Agreement between or among the Employer and Trustee or any Participant, except as provided in Sections 5.1(b) and 6.4, the parties agree first to try in good faith to settle the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association. Thereafter, any remaining unresolved controversy or claim arising out of or relating to this Agreement, or the performance or breach thereof, shall be decided by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and Title 9 of California Code of Civil Procedure Sections 1280 et seq. The sole arbitrator shall be a retired or former Judge associated with the American Arbitration Association. Judgement upon any award rendered by the arbitrator shall be final and may be entered in any court having jurisdiction. Each party shall bear its own costs, attorney's fees and its share of arbitration fees. The Alternate Dispute Resolution Agreement in this Agreement does not constitute a waiver of the parties' rights to a judicial forum in instances where arbitration would be void under applicable law, and does not preclude Bank from exercising its rights to interplead the funds of the Account at the cost of the Account.
- 10.8 Attorney Fees and Costs. If any action is brought by the Trustee or the Employer against the other in a court of law in order to compel arbitration pursuant to Section 10.7 above, the prevailing party in such proceeding to

compel arbitration shall be entitled to recover from the other party reasonable attorneys' fees, court costs and necessary disbursements incurred in connection with such proceeding, including but not limited to copying costs, filing fees, expert costs and fees and word processing fees.

- 10.9 Partial Invalidity. Any provision of this Trust Agreement prohibited by law shall be ineffective to the extent of any such prohibition, without invalidating the remaining provisions hereof. In the event of any such holding, the Employer and Trustee and, if applicable, Participants, will immediately amend this Trust Agreement as necessary to remedy any such defect.
- 10.10 Construction. This Trust Agreement shall be governed by and construed in accordance with the laws of California.
- 10.11 Notices. Any notice, report, demand or waiver required or permitted hereunder shall be in writing, shall be deemed received upon the date of delivery if given personally or, if given by mail, upon the receipt thereof, and shall be given personally or by prepaid registered or certified mail, return receipt requested, addressed to Employer and Trustee as listed below in Article XII; if to a Participant, to the last mailing address provided to the Trustee with respect to such individual, provided, however, that if any party or his or its successor shall have designated a different address by written notice to the other parties, then to the last address so designated.

ARTICLE XI

DISTRIBUTIONS IN THE EVENT OF INSOLVENCY OF EMPLOYER

- 11.1 Trustee and Employer Responsibility upon notice of Employer's Insolvency:
- (a) Insolvency. Trustee shall cease payment of benefits to Participants if the Employer is Insolvent. Employer shall be considered "Insolvent" for purposes of this Trust Agreement if (i) Employer is unable to pay its debts as they become due, or (ii) Employer is subject to a pending proceeding as a debtor under the United States Bankruptcy Code.
 - (b) At all times during the continuance of this Trust, as provided in Section 1.4 hereof, the principal and income of the Trust shall be subject to claims of general creditors of Employer under federal and state law as set forth below.
 - (1) The Governing Board and the Plan Administrator designated by the Employer shall have the duty to inform Trustee in writing of Employer's Insolvency. If a person claiming to be a creditor of Employer alleges in writing to Trustee that Employer has

become Insolvent, Trustee shall determine whether Employer is Insolvent and, pending such determination, Trustee shall discontinue payment of benefits to Participants. If Trustee is unable to obtain information sufficient to ascertain Insolvency, Trustee may seek instructions of a court of law or submit the matter for arbitration before the American Arbitration Association or interplead the Trust Assets at the expense of the Trust.

- (2) Unless Trustee has actual knowledge of Employer's Insolvency, or has received written notice from Employer or a person claiming to be a creditor alleging that Employer is Insolvent, Trustee shall have no duty to inquire whether Employer is Insolvent. Trustee may in all events rely on such evidence concerning Employer's solvency as may be furnished to Trustee and that provides Trustee with a reasonable basis for making a determination concerning Employer's solvency.
 - (3) If at any time Trustee has determined that Employer is Insolvent, Trustee shall discontinue payments to Participants and shall hold the assets of the Trust for the benefit of Employer's general creditors. Nothing in this Trust Agreement shall in any way diminish any rights of Participants to pursue their rights as general creditors of Employer with respect to benefits due under the Plan or otherwise.
 - (4) Trustee shall resume the payment of benefits to Participants in accordance with Section 4.2 of this Trust Agreement only after Trustee has determined that Employer is not Insolvent (or is no longer Insolvent).
- (c) Determination of Insolvency. Upon receipt of the aforesaid written notice of the Employer's Insolvency, the Trustee shall notify the Employer, and the Employer, within thirty (30) days of receipt of such notice, shall engage an arbitrator (the "Arbitrator") acceptable to Trustee, from the American Arbitration Association to determine the Employer's solvency or Insolvency. The Employer shall cooperate fully and assist the Arbitrator, as may be requested by the Arbitrator, in such determination and shall pay all costs relating to such determination. The Arbitrator shall notify the Employer and Trustee separately by registered mail of its findings. If the Arbitrator determines that the Employer is solvent or if once found Insolvent the Employer is no longer Insolvent, the Trustee shall resume holding the Trust assets for the benefit of the Participants and may make any distributions called for under this Trust Agreement, including any amounts which should have been distributed during the period when

the Trustee suspended distributions in response to a notice of the Employer's Insolvency, including earnings (or losses) on such suspended distributions. If the Arbitrator determines that the Employer is Insolvent or is unable to make a conclusive determination of the Employer's Insolvency, the Trustee shall continue to retain the assets of the Trust until the Employer's status of solvency or Insolvency is decided by a court of competent jurisdiction or it distributes all or a portion of the Trust assets to any duly appointed receiver, trustee in bankruptcy, custodian or to the Employer's general creditors, but only as such distribution is ordered by a court of competent jurisdiction.

The Trustee shall have no liability for relying upon the determination of the Arbitrator as to the Employer's solvency or Insolvency.

- (d) If a court of competent jurisdiction orders distribution of only part of the Trust assets and does not specify the manner in which Trust assets are to be liquidated, the Trustee shall liquidate Trust assets as directed by the Employer.

If the Employer fails to provide instructions as to the manner of liquidation within five (5) business days prior to the date the Trustee is required to comply with the court's order, the Trustee shall liquidate and shall have the authority to order any Investment Manager to liquidate the Trust assets in such manner as the Trustee shall determine in its sole and absolute discretion. The Trustee shall not be liable for any damages resulting from the Trustee's exercise in good faith of its power to liquidate assets as provided in this paragraph.

- (e) Provided that there are sufficient assets, if Trustee discontinues the payment of benefits from the Trust pursuant to subsection (b)(3) hereof and subsequently resumes such payments, the first payment following such discontinuance shall include the aggregate amount of all payments due to Participants under the terms of the Plan for the period of such discontinuance, less the aggregate amount of any payments made to Participants by Employer in lieu of the payments provided for hereunder during any such period of discontinuance of which Trustee has actual knowledge.

Nothing in this Trust Agreement shall in any manner diminish any right of a Participant to pursue his or her rights as a general creditor of the Employer with regard to payments under the Trust or otherwise.

ARTICLE XII

EFFECTIVE DATE

This Trust Agreement shall be effective upon the Trustee's receipt of assets to be held in trust hereunder, and is signed by the parties on the date(s) set forth below their names.

U.S. Bank National Association
"Trustee"

(Address)

By: _____

(typed or printed name)

Date: _____

City of Bishop
"Employer", Sponsor of the

City of Bishop PARS Excess Benefit Plan
(Plan)

377 West Line Street
(Address)

Bishop, CA 93515

By: _____

Keith Caldwell, City Administrator
(typed or printed name)

Date: _____

THE TRUST ADMINISTRATOR

PUBLIC AGENCY RETIREMENT
SERVICES

By: _____

Title: _____

Date: _____

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR KSC

SUBJECT: 2013 Water and Sewer Rate Study - Contract

DATE: November 26, 2012

Attachments: Staff Memo
Agreement for Professional Services including Scope of Services and Fees
for Service

BACKGROUND/SUMMARY

As part of an ongoing rate study process established in 2004, Director Grah has provided background leading up to the current request for the 2013 rate study. This study would suggest rates for the 2014-2015 through 2019-2020 fiscal years.

Director Grah goes on to describe factors involved in establishing the rates and rate equity, as well as, the public input process being a key component in the study.

Provided for Council review is the funding request and Request for Proposal results.

RECOMMENDATION

Council consideration to approve the execution of the contract with Willdan for the 2013 rate study and authorize the expenditure of up to \$29,885. Budgeted funds are evenly split between the water and sewer programs.



To: Keith Caldwell, City Administrator *KSC*
From: David Grah, Director of Public Works *DG*
Subject: Approve Contract for 2013 Water and Sewer Rate Study
Date: 19 November 2012
Previous: 7 May 2012
Funding: Water and Sewer Professional and Technical

General:

Public Works expects to be ready to execute a consultant contract for a review of water and sewer rates by the time of the 26 November 2012 City Council meeting.

Background:

To avoid large rate adjustments and for financial stability, it is important that water and sewer fees be reviewed periodically. When a study of water and sewer rates in the City of Bishop was done in 2004 it had been many years since the rates had been last reviewed and adjusted. Because of the long time between reviews, the rate adjustments suggested by that 2004 study were large and were unpopular with many customers.

To avoid large adjustments in the future, the City Council's adoption of the 2004 rates included a requirement that a new study be done in 2008. The 2008 rate study process established rates for the 2010/2011 through 2013/2014 fiscal years. To avoid a gap, the 2008 study called for the next rate study to be done in 2013. The 2013 rate study would suggest rates for the 2014/2015 through 2019/2020 fiscal years.

In addition to recommending adjustments to single family residential base rates, the 2013 rate study is intended to review factors used to apply base rates to other customer categories. In fact, since rate equity is one of the most major topics of Water and Sewer Commission discussion, the review of rate factors is the primary focus of the 2013 rate study. More specifically, equity would be addressed by adjusting the Equivalent Dwelling Unit (EDU) factors used in our various user billing categories as well as reviewing and refining the current 22 categories. New EDU factors would be developed in part with water meter information that is now available from all current user categories.

To complete the study and hearing process in time for the 2014/2015 fiscal year, the rate review process should start in the next month or two. Following this schedule, the study would be complete in mid 2013 with the remainder of the time spent refining the study and going through the related hearing and implementation process.

Because the review is expected to include the review of user categories and since this review of categories is expected to be complex, it is proposed to conduct the review through a consultant. The Bishop Water and Sewer Commission supports a consultant conducting the review.

The 2012/2013 fiscal year budget has \$30,000 budgeted for the rate review split evenly between the water and sewer programs in Professional Technical, Line Items 002-051-52015 and 004-050-52015.

A Request for Proposals for the 2013 rate study was released 9 August with proposals due 14 September. Three proposals were received:

| Firm | Location | Cost |
|-------------|----------------------|-------------|
| Willdan | Temecula, California | \$29,885 |
| SRE | Reno, Nevada | \$30,000 |
| UFS | Holland, Michigan | \$45,485 |

All three firms were interviewed by a panel made of city staff, a Water and Sewer Commissioner, and a representative from the Eastern Sierra Community Services District. Willdan was identified as the top firm and a contract is being negotiated for the work. The draft contract is attached.

Recommendation:

Approve the execution of the contract with Willdan for the 2013 rate study and authorize the expenditure of up to \$29,885 through that contract for the study.

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this _____ day of November, 2012, by and between WILLDAN FINANCIAL SERVICES ("WFS"), a corporation, and the CITY OF BISHOP, hereinafter referred to as "Client."

WHEREAS, Client desires to employ WFS to furnish ongoing professional services in connection with 2013 Water and Sewer Rate Review, hereinafter referred to as the "Project."

NOW, THEREFORE, in consideration of the mutual premises, covenants and conditions herein contained, the parties agree as follows:

SECTION I – BASIC SERVICES

WFS shall provide to the Client the basic services described in detail in "Exhibit A," Scope of Services, attached hereto and incorporated herein by this reference.

SECTION II –COMPENSATION

WFS shall be compensated for basic services rendered under Section I, as in accordance with the terms and conditions indicated in "Exhibit B," Fees for Services. WFS will not be compensated for any additional services unless such services and fees are authorized under a written addendum to this Agreement executed by both parties.

WFS may submit monthly statements for basic and additional services rendered. It is intended that Client will make payments to WFS within thirty (30) days of invoice. All invoices not paid within thirty (30) days shall bear interest at the rate of one and one-half (1½) percent per month or the then legal rate allowed.

SECTION III – INDEMNITY

WFS shall indemnify and hold harmless Client, its officers, officials, directors, employees, designated agents, and appointed volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of the performance of the services described herein, caused in whole or in part by the negligent acts, errors, or omissions of WFS, any subconsultant, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence or willful misconduct of Client or Client's officers, agents, or employees.

//
//
//
//

SECTION IV - INSURANCE REQUIRED

Without in any way limiting WFS' liability pursuant to the indemnification described above, WFS shall maintain, during the term of this contract, the following insurance:

| Coverage | Minimum Limits |
|---|---|
| General Liability Comprehensive General Liability, including: Premises and Operations Contractual Liability Personal Injury Liability Independent Contractors Liability (if applicable) | \$1,000,000 Combined Single Limit, per occurrence and general aggregate |
| Automobile Liability Comprehensive Automobile Liability (including owned, non-owned and hired autos) | \$1,000,000 Combined Single Limit, per occurrence |
| Workers' Compensation and Employer's Liability Workers' Compensation Insurance Employer's Liability | Statutory, \$1,000,000 |
| Professional Liability Professional Liability Insurance | \$1,000,000 per claim and annual aggregate |

SECTION V – INDEPENDENT CONTRACTOR STATUS

WFS shall be an independent contractor and shall have responsibility for and control over the details and means of providing the services under this Agreement.

SECTION VI – OWNERSHIP AND MAINTENANCE OF DOCUMENTS

WFS may rely upon the accuracy of any documents provided to WFS by Client. Products of WFS'S services are not intended, nor represented to be suitable for reuse by Client or any others on extensions of this Project or on any other project. Any modification or reuse without specific written verification and adoption by WFS for the specific purposes intended will be at user's sole risk. Client agrees to save, keep and hold harmless WFS from all damages, costs or expenses in law and equity including costs of suit and attorneys' fees resulting from such unauthorized reuse.

Client acknowledges that its right to utilize the services and instruments of services of WFS will continue only so long as Client is not in default of the terms and conditions of this Agreement and Client has performed all obligations under this Agreement. Client further acknowledges that WFS has the unrestricted right to use the services provided pursuant to this Agreement, as well as to all instruments of service provided pursuant to this Agreement.

Client agrees not to use or permit any other person to use any instruments of service prepared by WFS, which are not final and which WFS does not sign. Client agrees to be liable for any such use of non-final instruments of service not signed, stamped or sealed by WFS and waives liability against WFS for their use.

WFS' records, documents, calculations, test information and all other instruments of service shall be kept on file in legible form for a period of not less than two (2) years after completion of the services covered in this Agreement.

SECTION VII – SUSPENSION OF SERVICES

Client may, at any time, by thirty (30) days' written notice, suspend further performance by WFS. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and WFS shall be paid for all services performed and reimbursable expenses incurred prior to the suspensions date.

SECTION VIII – TERMINATION

Either party may terminate this Agreement at any time by giving thirty (30) days' written notice to the other party of such termination. If this Agreement is terminated as provided herein, WFS will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of WFS covered by this Agreement, less payments of compensation previously made.

SECTION IX – COMPLIANCE WITH LAW

Each party hereto will use reasonable care to comply with applicable laws in effect at the time the services are performed hereunder, which to the best of their knowledge, information and belief apply to their respective obligations under this Agreement.

SECTION X – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the parties; but either party, without written consent of the other party, shall not assign it.

SECTION XI – ATTORNEYS' FEES

In the event that any judgment is entered in any action upon this Agreement, the party hereto against whom such judgment is rendered agrees to pay the amount equal to the reasonable attorneys' fees of the prevailing party in such action and that such amount may be added to and made a part of such judgment.

SECTION XII – ALTERNATIVE DISPUTE RESOLUTION

If a dispute arises between the parties relating to this Agreement, the parties agree to use the following procedure prior to either party pursuing other available remedies:

A. A meeting shall be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.

B. If, within thirty (30) days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will jointly appoint a mutually-acceptable neutral person not affiliated with either of the parties (the "neutral"), seeking assistance in such regard if they have been unable to agree upon such appointment within forty (40) days from the initial meeting. The parties shall share the fees of the neutral equally.

C. In consultation with the neutral, the parties will select or devise an alternative dispute resolution procedure ("ADR") by which they will attempt to resolve the dispute, and a time and place for the ADR to be held, with the neutral making the decision as to the procedure, and/or place and time (but unless circumstances require otherwise, not later than sixty (60) days after selection of the neutral) if the parties have been unable to agree on any of such matters within twenty (20) days after initial consultation with the neutral.

D. The parties agree to participate in good faith in the ADR to its conclusion, as designated by the neutral. If the parties are not successful in resolving the dispute through the ADR, then the parties may agree to submit the matter to binding arbitration or a private adjudicator, or either party may seek an adjudicated resolution through the appropriate court.

SECTION XIII – RECORDS

Records of WFS' direct labor costs, payroll costs, and reimbursable expenses pertaining to the Project covered by this Agreement will be kept on a generally recognized accounting basis and made available during normal business hours upon reasonable notice.

WFS' records will be available for examination and audit if and as required.

SECTION XIV – MISCELLANEOUS PROVISIONS

This Agreement is subject to the following special provisions:

A. The titles used in this Agreement are for general reference only and are not a part of the Agreement.

B. This Agreement shall be interpreted as though prepared by both parties.

C. Any provision of this Agreement held to violate any law shall be deemed void, and all remaining provisions shall continue in full force and effect.

D. This Agreement shall be interpreted under the laws of the State of California.

E. This Agreement comprises a final and complete repository of the understandings between the parties and supersedes all prior or contemporary communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement.

F. Any notices given pursuant to this Agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.

G. WFS shall not be liable for damages resulting from the actions or inactions of governmental

agencies, including, but not limited to: permit processing, environmental impact reports, dedications, General Plans, and amendments thereto; zoning matters, annexations, or consolidations; use or Conditional Use Permits; project or plan approvals; and building permits.

H. WFS' waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition, or covenant.

I. Client acknowledges that WFS is not responsible for the performance of services by third parties, provided that said WFS has not retained third parties.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions, and provisions above stated, as of the day and year first above written.

WILLDAN FINANCIAL SERVICES

CITY OF BISHOP

By: _____
Chris Fisher
Title: Vice President
Address: 27368 Via Industria, Suite 110
Temecula, California 92590-3661

By: _____
Name: _____
Title: _____
Address: 377 West Line Street
Bishop, California 93514

Exhibit A

Scope of Services

Outlined below are the general tasks necessary to facilitate the City's engagement for the water and sewer utilities. These tasks would be conducted concurrently for each utility.

Project Management Process

To ensure a timely and accurate work product, this project must be carefully managed, organized and led. Immediately following receipt of a notice to proceed, the Willdan Team will develop and actively maintain appropriate schedules, outlining meetings and deliverables, and contact lists for both parties. Mr. Habib Isaac, project manager, will be dedicated to making certain the City's needs are satisfied and deliverables are provided on schedule. He will be responsible for the completion of the various tasks, the development of interim submittals, and will attend all scheduled meetings with the City.

Task 1: Project Kick-off Meeting and Rate and Fee Preparation

Willdan will request an all-hands kick-off meeting with stakeholder considerations and objectives outlined. At this meeting, we will review and identify the following: 1) areas where the existing rates have been successful and/or specific areas of concern; 2) components to incorporate into the updated revenue requirements, such as, capital improvements and annual repair and replacement; 3) existing and continued conservation objectives; 4) policy objectives and considerations; and 5) strategy and level of effort for a public outreach and education campaign.

To guarantee further efficiency and continued collaboration, the kick-off meeting will include a financial policy discussion. This will serve to address and document the City's financial policies proactively for the utilities to be studied. Topics of discussion may include:

- Rate design alternatives;
- Reserve options and target levels (operating, rate stabilization, repair and replacement);
- Capital Improvement Plan (CIP) financing options;
- Customer characteristics and classifications;
- Cost of service factors;
- Proposition 218; and
- Communicating the results.

In addition, we will take the lead in requesting and acquiring data necessary to conduct the analysis. We will provide the City with a detailed list of data requirements pertaining to the subsequent financial and consumption analysis. As these studies are data intensive, and in order to remain on schedule, it is imperative that all data be provided in a timely manner and be delivered in an electronic format.

Task 2: Water Rate Study

The following task outlines services exclusive to the water rate study.

Task 2.A: Consumption Analysis

Willdan will review historical water consumption data and assess water demands. We understand that water customers are not metered, therefore traditional consumption data is not available. As appropriate, we will review aggregate water and wastewater demand characteristics, and incorporate necessary factors into our forecasted projections, future water demands, annual consumption trends and seasonal trends. We will also analyze the performance of the existing water rate structure in regard to meeting revenue requirements.

Task 2.B: Revenue Requirements Analysis

Revenues are the livelihood of a utility. Without adequate revenues, the quality of service will deteriorate from the lack of proper maintenance and improvements. In developing reliable and accurate revenue and financial projections, it is necessary to project and analyze the impact and sensitivity of multiple and sometimes complicated variables. Willdan's solution to addressing the endless array of variables and "what-ifs" is GUIDE.

Exhibit A

Willdan's fundamental emphasis is providing long-term financial solutions through the development of financial models that account for current revenue requirements as well as future (short and long-term) needs and expenses, and provide insight on the effects of changes to certain parameters (also known as the elasticity). Since a utility's revenue requirements (financial plan) and rate structure are directly dependent on one another, our goal during the development of the revenue requirements is to clearly identify each variable and describe the result of adjustments to the overall revenue requirements and rates. This will allow City staff, the Commission, and the Council to examine the effect of decisions made at the policy level on the City revenue requirements and rates.

Willdan has developed GUIDE – an easy to use, graphical scenario and financial planning manager – within our financial model that clearly identifies each parameter with a slider that City staff can adjust to create and test new scenarios, while instantly visualizing and balancing those outcomes with the impact to the water rates, operating revenues and reserve balances. Changes to inputs and variables, via the intuitive interface, will directly affect other modules and outputs throughout the model without having to filter through multiple worksheets. The entire model is reflected in one, easy-to-understand page. This innovative approach allows Willdan to analyze the sensitivity dependence of each variable. We recognize that rate setting is commonly an iterative process; therefore, GUIDE enables additional scenario building to reap truly comprehensive projections. In harmony with the City, Willdan will analyze and test a multitude of scenarios to ensure all stakeholders concerns are reviewed, considered and managed.

Reasonable projections of revenue must be considered appropriately. As previously noted, it is often necessary to normalize or adjust historical data to reflect abnormal conditions that may have caused unusual variations. Each variable may play a significant challenge to the utility's ability to accurately project revenue. GUIDE is designed to illustrate and signify the impacts of specific City variables instantly, on expenditures, revenues, reserve requirements and rates — all at the slide of a bar.

Task 2.C: Baseline Analysis

Before variables are identified and projected into the revenue requirements and GUIDE, a baseline revenue and rate analysis is performed. Willdan will utilize a "cash-needs" approach, where cash needs refer to the total revenue required by the utility to meet its cash expenditures. Basic revenue requirement components of the cash-needs approach include O&M expenses, debt-service payments, contributions to specified reserves and the cost of capital expenditures that are not debt-financed or contributed from other sources. The revenue requirements analysis will be developed based upon the utility's existing financial statements, to test for base year revenue sufficiency. If operating revenues are shown to be deficient, revenue adjustments will be implemented to adequately recover costs.

Task 2.D: Cost Analysis – Scenario Building

Building from the baseline scenario generated in the previous task, we will start generating different expenditure scenarios by varying operation, depreciation, capital costs and reserve levels. We will review current CIP information to determine: 1) short-term, high-priority needs; 2) annual depreciation of assets, replacement and repair schedules; and 3) assumptions and methodologies used to assess the basis for the CIP projects. To ensure adequate funding in later years, we will include a 10-year analysis of anticipated capital requirements, as well as adequate reserve funding. In reviewing the CIPs, it is necessary to know current policy on available funding sources and the type of improvements and costs to fund through rates on a Pay-As-You-Go basis (PAYGO) or connection fees. As such, these funding options play a role in determining the total amount of revenue required in any given year. These options will be included within GUIDE to **allow staff the ability to optimize PAYGO and CIP financing while minimizing shock on water rates**. In addition, GUIDE provides the ability to visually-study the fiscal impacts of decisions made at the policy level to the funding of the CIP.

Task 2.E: Cost of Service Analysis

The principal in establishing adequate rate schedules that are fair and equitable is that rates should reflect the costs of providing service. Our approach recognizes differences in the cost of providing services to different types of customers, areas and levels of service. The cost incurred by the users for use should be incurred by those whom benefit. Accordingly, cost allocation procedures should recognize the particular service requirements of the customer for not only total volume of water, but pumping/distribution costs and other factors.

Exhibit A

Task 2.F: Customer Class Review

In reviewing current customer categories and Equivalent Dwelling Units assignments, the City should consider service characteristics and demand patterns. Service characteristic differences may be illustrated by recognizing that customers are unique in their water demands. Demand patterns of various customers differ, depending on their peak-day and peak-hour rates of demand relative to average demands. Since the City does not individually meter its customers, we will use other available standards or approaches to evaluate the equity between classes.

Task 2.G: Rate Design Analysis and Update

Utilizing the cost-of-service approach, the level of the City's rates is a function of the utility's costs and customer demands.

As previously mentioned, rate studies are circular – where changes in assumptions or methodology can influence previous and future variables. Willdan will fully modify and provide scenario planning to reflect the impact of different rates and/or revenue adjustments. Willdan will recommend updates to the current flat water rates that are designed to address and uphold key objectives, notably short and long-run financial stability and equity. Our recommendations will comply with the cost-of-service guidelines of Proposition 218, existing bond covenants and current legislation.

The methodology utilized to determine how the water utility costs are allocated is expressed in the bullets below. While the methodology may be an "industry standard," our experience and understanding of key variables allow for a comprehensive and well-rounded rate design process. Our rate design methodology and experience, allow us to weave complex and sometimes competing priorities into a succinct, logical and accurate balance.

- **Existing Rate Compatibility to the City's Objectives:** Rate structure is the area of the study that tends to generate the most attention and scrutiny. Prior to implementing new rates, Willdan will work collaboratively with staff to identify and address key objectives for stakeholders, such as understandability, avoidance of rate shock, public outreach (public buy-in), conservation, revenue stability, etc. Successfully identifying and outlining all objectives will help the City prioritize and align policy and pricing objectives.
- **Existing Rate Structure:** In considering an update to the existing rates, there are numerous variables and considerations, ranging from access and quality of data, cost-causation, price elasticity and weather conditions. Willdan will work with staff to provide recommended revisions to the City's existing water rate structure to ensure key issues are addressed.

Task 3: Sewer Rate Study

The sewer analysis closely mirrors the cost of service and rate setting approach for water. The following task outlines unique services specific to the sewer rate study.

Task 3.A: Determine Discharge Characteristics and Loadings

As sewer flows are not independently metered, Willdan will first calculate the average and total sewer discharged by each user class. Additionally, we will determine the number of users by class, annual water use, projected growth, and appropriate discharge factors. Similar to water, flow is not the only factor to consider. Loading factors, based on the strength of the effluent (discharge), will be calculated and incorporated into the rate analysis. Based on the design of the sewer system and facilities, we will make recommendations regarding appropriate classification of customers.

Task 3.B: Cost Projection Analysis

To determine annual required revenue, we will analyze and project the utility Operations Fund and Capital Fund. Furthermore, we will discuss the best way to finance the essential and prioritized projects required to operate the sewer system. Willdan will analyze the City's planned CIP, and any necessary adjustments, based on staff discussions and reviews of the existing planning documents. As such, we will generate "what-if" funding scenarios (financing, phasing and costs) to illustrate the impact of different options on revenues and rates.

Exhibit A

Task 3.C: Revenue Requirements Analysis

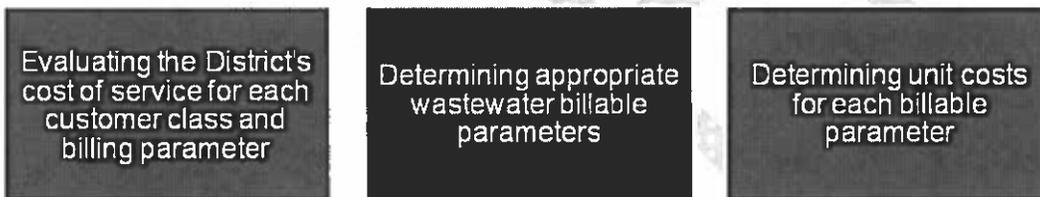
Similar to the water utility, we will prepare a comprehensive financial forecast for the sewer enterprise with the objective of funding the utility's cash needs. Numerous financial projections of cash-flows will be based on various scenarios that reflect adjustments to O&M, capital expenditures and funding sources, debt covenants, and reserve targets. We will make recommendations on reserve funds and rate of accrual to reach reserve targets. Willdan will summarize total cash flows for a period of 10 years. To create a baseline, the project team will confirm the current rate-based revenues based on the customer loads by comparing the calculated and actual revenues by customer class under the current rate structure.

Task 3.D: Scenario Planning (GUIDE Walk-through)

As previously mentioned, it is important to identify and avoid rate shock from excessive and compounding simultaneous changes. **As such, the rate recommendations will include an evaluation of the effects of the combined utility bills on customers under several variations of inputs.** In addition to the financial presentation of data, for each scenario our model also displays a sample customer bill to easily demonstrate the customer bottom line.

Task 3.E: Cost Distribution to Billable Parameters

A system of billable parameters is required to relate the costs of providing sewer service to the City's customers, as prescribed by the Water Environment Federation rate setting recommendations. Specific subtasks include:



Task 3.F: Sewer Rate Design Analysis and Update

Based on the costs distribution developed in the prior task, we will update the current flat rate structures based on feedback received from City staff. We will review the rate structure and provide various recommendations for residential, multi-family and commercial rates based upon water use, discharge and strength characteristics, or other bases to achieve equity between customer classes. Each alternative derives the same required revenue and will be adaptable to work on the current billing system. Each revenue requirement scenario developed in GUIDE will demonstrate the impact of different assumptions on each of the developed rate structures. Willdan will list the advantages and disadvantages of each alternative, and prepare comparison bills for each scenario. For the recommended alternative, we will project the annual unit rates for each customer class, and the current versus proposed bills for typical customers in each class.

Task 4: Communicating the Results

Willdan believes in proactive stakeholder outreach, feedback and understanding during the entire process, not only at the time the results are proposed. Throughout the course of the study, in addition to the kick-off meeting, **Willdan will meet with key staff and stakeholders twice** to walk-through the model, discuss the preliminary findings, and to discuss the draft results and study findings. Additionally, we have increasingly been utilizing the effective communication tools provided by GoToMeeting® to better facilitate discussion and feedback. This has proven to be far more beneficial than common conference calls and does not count as a formal meeting, which can add unnecessary additional costs to the project.

Beyond meetings, we will also conduct a presentation of the combined findings and reports to the City Council in a public workshop format. The presentations will include easy-to-follow graphics and color handouts of the study assumptions, methodologies, findings and conclusions, and will include a discussion period for questions and answers.

Exhibit A

Task 5: Local Rate Comparison

Based on the City's direction for each utility, Willdan will collect rate structure information from up to five (5) neighboring area agencies. For ease of comparing different agency rates, Willdan will develop "sample bills" with the current and proposed City rates. Willdan maintains an extensive database of utility charges, which will be utilized to generate the rate comparison in both tabular and graphic format. We summarize our comparison findings of the total utility bills from the City and the neighboring agencies.

Task 6: Prepare and Document Rate Recommendations

Willdan will document the results of the study in a report consistent with the tasks identified throughout this section. The documentation will include an executive summary, methodology, background assumptions, findings, recommendations and conclusions. We will provide City staff with a digital copy of the preliminary draft report for review and comment, and based on the comments received, prepare a final printed and digital copy of the report. The City will also have full access to Willdan's fully customized, non-proprietary, Excel based model for its use in the future.

Willdan will hold a stakeholder meetings to ensure that City staff, Commission, Council, and customers are fully briefed and aware of the methodologies, results, and remaining processes.

Task 7: Proposition 218 Procedural Requirements

Based on our 15 year history with Proposition 218 compliance, we will create notices that will explain: 1) the purpose of the rates; 2) how the rates are structured; 3) the time and place of the public hearing; and 4) provide details on what constitutes the existence of a majority protest, as it relates to the implementation of a new/increased utility rate structure. We will work with City staff to develop and distribute an easy-to-understand Proposition 218 notice that will describe the following major components: 1) rate structures; 2) reason for the increases; and 3) date, time, and place of the public hearings for each of the two utilities.

Should the City request, we can develop the materials, create a parcel database of properties subject to the new proposed rates, and coordinate the printing and mailing of the materials in conjunction with a mail house that we typically work with on these types of projects. The additional cost for these services is \$1.00 per parcel and includes direct costs associated with the mailing.

City Staff Responsibilities

Willdan recommends that the City assign a key individual as project manager. As our analysis is developed, it is expected that the City's appointed project manager will:

- Coordinate responses to informational requests;
- Coordinate review of work products; and
- Identify appropriate staff members for participation in meetings.

We will ask for responses to initial information, follow-up requests and comments on reports within five business days or otherwise agreed upon timetable. If there are delays, the project manager will follow up with the parties involved to establish an estimated date for the delivery of information and/or feedback. To ensure continued progression, the project manger will reconvene with the rest of the Willdan Team to identify tasks that can be started while waiting for requested data.

Exhibit B

Fees for Services

Based on our scope of work, we propose a fixed fee of \$29,885. We will bill the City monthly based on percentage of project completed.

| City of Bishop - 2013 Water and Sewer Rate Review | | | | | | | |
|--|-------------------------------|-------------------------------------|------------------------------|--------------------------------|------------------------------|--------------|------------------|
| | C. Fisher Group Manager | H. Isaac Principal-In- Charge | G. Tobler Task Manager | J. McGarvey Tech Advisor | D. Wilson Tech Advisor | Total | |
| | \$200 | \$175 | \$135 | \$180 | \$165 | Hours | Cost |
| Task 1: Project Kick-off Meeting and Rate and Fee Preparation (<i>meeting</i>) | 1.0 | 1.0 | 2.0 | - | 1.0 | 5.0 | \$ 610 |
| Task 2: Water Rate Study | | | | | | | |
| Task 2.A: Consumption Analysis | - | 2.0 | 4.0 | 1.0 | 1.0 | 8.0 | \$ 1,235 |
| Task 2.B: Revenue Requirements Analysis | 0.5 | 4.0 | 8.0 | 0.5 | - | 13.0 | 1,970 |
| Task 2.C: Baseline Analysis | - | 4.0 | 10.0 | 1.0 | - | 15.0 | 2,230 |
| Task 2.D: Cost Analysis - Scenario Building | 1.0 | 2.0 | 8.0 | 1.0 | 1.0 | 13.0 | 1,975 |
| Task 2.E: Cost of Service Analysis | - | 3.0 | 6.0 | 0.5 | 1.0 | 10.5 | 1,590 |
| Task 2.F: Customer Class Review | - | 2.0 | 4.0 | 0.5 | - | 6.5 | 980 |
| Task 2.G: Rate Design Analysis and Update | 1.0 | 2.0 | 4.0 | 1.0 | - | 8.0 | 1,270 |
| Task 3: Sewer Rate Study | | | | | | | |
| Task 3.A: Determine Discharge Characteristics and Loadings | 1.0 | 2.0 | 4.0 | 1.0 | 1.0 | 9.0 | \$ 1,435 |
| Task 3.B: Cost Projection Analysis | - | 2.0 | 4.0 | - | 1.0 | 7.0 | 1,055 |
| Task 3.C: Revenue Requirements Analysis | 0.5 | 1.0 | 4.0 | 1.0 | - | 6.5 | 995 |
| Task 3.D: Scenario Planning (GUIDE Walk-through) | 1.0 | 1.0 | 4.0 | 0.5 | - | 6.5 | 1,005 |
| Task 3.E: Cost Distribution to Billable Parameters | - | 1.0 | 2.0 | - | 1.0 | 4.0 | 610 |
| Task 3.F: Sewer Rate Design Analysis and Update | 1.0 | 2.0 | 4.0 | 1.0 | - | 8.0 | 1,270 |
| Task 4: Communicating the Results (<i>meetings</i>) | 10.0 | 12.0 | 12.0 | 0.5 | 1.0 | 35.5 | 5,975 |
| Task 5: Local Rate Comparison | 0.5 | 0.5 | 2.0 | - | 0.5 | 3.5 | 540 |
| Task 6: Prepare and Document Rate Recommendations (<i>reports and meeting</i>) | 2.0 | 8.0 | 16.0 | 0.5 | - | 26.5 | 4,050 |
| Task 7: Proposition 218 Procedural Requirements | - | 2.0 | 4.0 | - | - | 6.0 | 890 |
| Subtotal Willdan Labor Costs | 19.5 | 51.5 | 102.0 | 10.0 | 8.5 | 191.5 | 29,885 |
| Total Cost | | | | | | | \$ 29,885 |

Exhibit B

Hourly Rates

Additional services may be authorized by the City and will be billed at our then-current hourly overhead consulting rates. Our current hourly rates are:

| Willdan Financial Services Hour Rate Schedule | |
|--|-------------|
| Position | Hourly Rate |
| Group Manager | \$210 |
| Principal Consultant/Managing Principal | \$200 |
| Senior Project Manager | \$165 |
| Project Manager | \$145 |
| Senior Project Analyst | \$130 |
| Senior Analyst | \$120 |
| Analyst | \$100 |
| Assistant Analyst | \$75 |

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR 

SUBJECT: PRESENTATION BY INYO COUNTY CLERK/RECORDER
ELECTION CONSOLIDATION

DATE: NOVEMBER 26, 2012

BACKGROUND/SUMMARY

Kammi Foote, Inyo County Clerk/Recorder will be in attendance to present the certified results of the consolidated general election held November 6, 2012. This is the first consolidated election between the City of Bishop and County of Inyo.

RECOMMENDATION

Hear the presentation.

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR *KAC*

SUBJECT: RESOLUTION NO. 12-23 DECLARING RESULTS OF NOV 6TH ELECTION

DATE: NOVEMBER 26, 2012

Attachments: Resolution No. 12-23 and Exhibit A

BACKGROUND/SUMMARY

The County Clerk/Recorder Kammi Foote certified and presented the results of the Presidential General Election held November 6, 2012 to the Board of Supervisors. This was the first City of Bishop General Election consolidated with the County.

Resolution No. 12-23 sets forth the results of the November 6, 2012 City of Bishop General Municipal Election establishing the election of David Stottlemyre, Patricia Gardner and Laura Smith for the three City Council Member seats and Robert Kimball as City Treasurer.

Statistics of this election are as follows:

| | | |
|--------------------------------------|-------|-----------------------------|
| Total registered voters in the City: | 1,663 | (Increase of 169 over 2011) |
| Total Poll Votes Cast: | 543 | (Increase of 343 over 2011) |
| Total Vote By Mail Ballots Received: | 793 | (Increase of 320 over 2011) |
| OVERALL TURNOUT: | 1,336 | 80.34% |

In comparison to past elections:

| | |
|----------------------|-------|
| 2007 OVERALL TURNOUT | 29.7% |
| 2009 OVERALL TURNOUT | 38.0% |
| 2011 OVERALL TURNOUT | 45.1% |

RECOMMENDATION:

Review Resolution No. 12-23 for adoption by title only.

RESOLUTION NO. 12-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BISHOP, STATE OF CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 6, 2012 DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW

WHEREAS, a General Municipal Election was held and conducted in the City of Bishop, California, on Tuesday, November 6, 2012, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in general law cities; and

WHEREAS, the County Election Department canvassed the returns of the election and has certified the results to this City Council, the results are received, attached and made a part hereof as "Exhibit A".

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BISHOP, STATE OF CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the whole number of ballots cast in the precincts except *vote by mail* voter ballots was 543. That the whole number of *vote by mail* voter ballots cast in the City was 793, making a total of 1,336 ballots cast in the City.

SECTION 2. That the names of persons voted for at the election for Member of the City Council are as follows: Susan Cullen, David Stottlemire, Laura Smith, Patricia L. Gardner, and Keith Glidewell.

SECTION 3. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates were as listed in "Exhibit A" attached.

SECTION 4. The City Council does declare and determine that: David Stottlemire was elected as Member of the City Council for the full term of four years; Patricia L. Gardner was elected as Member of the City Council for the full term of four years; Laura Smith was elected as Member of the City Council for the full term of four years; and Robert Kimball was elected as City Treasurer for the full term of four years.

SECTION 5. The City Clerk shall enter on the records of the City Council of the City, a statement of the result of the election showing: (1) The whole number of ballots cast in the City; (2) The names of the persons voted for; (3) For what office each person was voted for; (4) The number of votes given at each precinct to each person; (5) The total number of votes given to each person.

SECTION 6. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED on the 26th day of November, 2012.

David Stottlemyre, Mayor
CITY OF BISHOP

ATTEST: Keith Caldwell, City Clerk

By: _____
Denise Gillespie, Assistant City Clerk

STATEMENT OF ALL VOTES CAST

CERTIFICATE OF REGISTRAR OF VOTERS/COUNTY CLERK
RESULT OF THE CANVASS OF
CITY OF BISHOP
ELECTION RETURNS

STATE OF CALIFORNIA)
)
COUNTY OF INYO) SS,
)

I, KAMMI FOOTE, REGISTRAR OF VOTERS/COUNTY CLERK OF SAID COUNTY DO HEREBY CERTIFY THAT, PURSUANT TO THE PROVISIONS OF SECTION 15301 OF THE ELECTIONS CODE, I DID CANVASS THE RETURNS OF THE VOTES CAST IN INYO COUNTY AT THE PRESIDENTIAL GENERAL ELECTION HELD NOVEMBER 6, 2012, AND THAT THE STATEMENT OF VOTES CAST TO WHICH THIS CERTIFICATE IS ATTACHED, SHOWS THE TOTAL NUMBER OF VOTES CAST IN INYO COUNTY IN CONSOLIDATED PRECINCTS 105-107, AND THAT THE TOTALS AS SHOWN FOR ALL CANDIDATES ARE FULL, TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL THIS 20TH DAY OF NOVEMBER 2012.



KAMMI FOOTE
INYO COUNTY CLERK
REGISTRAR OF VOTERS



INYO COUNTY Statement of Vote
INY_20121106_E

| 100013 | BISHOP | | | | | | | | | | | | | | |
|----------------------------|--------------|--------------|-------------|--|--|-------------------|-------------|---------------------|-----------------|--|--|--|--|--|--|
| | Registration | Ballots Cast | Turnout (%) | | *BISHOP MEMBER, CITY COUNCIL SUSAN CULLEN | DAVID STOTTLEMYRE | LAURA SMITH | PATRICIA L. GARDNER | KEITH GLIDEWELL | | *BISHOP CITY TREASURER ROBERT KIMBALL | | | | |
| 105 0105 | 877 | 300 | 34.21 | | 94 | 151 | 143 | 150 | 106 | | 222 | | | | |
| 105 - Vote by Mail | 877 | 418 | 47.66 | | 145 | 234 | 210 | 234 | 128 | | 299 | | | | |
| 106 0106 | 439 | 140 | 31.89 | | 34 | 66 | 57 | 60 | 52 | | 91 | | | | |
| 106 - Vote by Mail | 439 | 215 | 48.97 | | 62 | 121 | 103 | 91 | 76 | | 151 | | | | |
| 107 0107 | 347 | 103 | 29.68 | | 31 | 59 | 38 | 45 | 30 | | 67 | | | | |
| 107 - Vote by Mail | 347 | 160 | 46.11 | | 53 | 93 | 73 | 79 | 43 | | 109 | | | | |
| Precinct Totals | 1663 | 543 | 32.65 | | 159 | 276 | 238 | 255 | 188 | | 380 | | | | |
| Vote by Mail Totals | 1663 | 793 | 47.68 | | 260 | 448 | 386 | 404 | 247 | | 559 | | | | |
| Grand Totals | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| CALIFORNIA | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| 8th CONGRESSIONAL DISTRICT | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| 8th STATE SENATE DISTRICT | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| 26th ASSEMBLY DISTRICT | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| 1st EQUALIZATION | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| 2nd SUPERVISOR DISTRICT | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| INYO | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |
| BISHOP | 1663 | 1336 | 80.34 | | 419 | 724 | 624 | 659 | 435 | | 939 | | | | |

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR *KAC*

SUBJECT: OATH OF OFFICE / CERTIFICATES OF ELECTION

DATE: DECEMBER 10, 2012

BACKGROUND/SUMMARY

Newly-elected Council Members David Stottlemyre, Patricia Gardner and Laura Smith and City Treasurer Bob Kimball will be given the Oath of Allegiance and presented with Certificates of Election.

RECOMMENDATION

The City Administrator/City Clerk will issue the Oath of Allegiance to the newly-elected officials.

It has been customary after Certificates of Election have been issued and the oath has been administered to the newly elected officers for the current Mayor to call any newly-elected Council Member to the Council table, the outgoing member(s) giving way to them. At this time the Mayor may extend the privilege of the floor to each for any remarks he or she may wish to make.

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR KJC

SUBJECT: ELECTION OF MAYOR AND MAYOR PRO TEM

DATE: DECEMBER 10, 2012

BACKGROUND/SUMMARY

This time is set aside for reorganization and the Council to hold an election for the appointment of Mayor and Mayor Pro Tem for the City of Bishop. This process is done following the declaration of results for elections held in November of even-numbered years and in odd-numbered years at the first meeting in December.

RECOMMENDATION

The normal procedure is for the City Administrator/City Clerk to conduct the election for Mayor. The newly-elected Mayor will then conduct the election for Mayor Pro Tem.

TO: CITY COUNCIL

FROM: KEITH CALDWELL, CITY ADMINISTRATOR

SUBJECT: REVIEW OF MAYORAL COMMITTEE APPOINTMENTS LIST

DATE: NOVEMBER 26, 2012

Attachments: Mayoral Committee Appointments/Assignments List

BACKGROUND/SUMMARY

Following the reorganization of the Council, the Mayoral Committee Appointments List is reviewed. The Council can review the appointments and the Mayor may recommend action at this or an upcoming meeting. Consideration can be made to wait until an appointment has been made to fill Councilmember Griffith's anticipated vacancy.

RECOMMENDATION

To allow the Mayor more time to review assignments, Council may hold discussion and schedule action for modifications to the Mayoral Committee Appointments and Assignments for 2013 at a future meeting.

**BISHOP CITY COUNCIL
COMMITTEE/AGENCY ASSIGNMENTS
2012**

| COMMITTEE/AGENCY | MEMBER | General Info/ Appt Date |
|---|---|--|
| Bishop Airport Task Force | Caldwell, Stottlemyre, Smith | Notice sent when meeting planned |
| Collaborative Planning Committee | Caldwell Griffiths | 10/1/10 3/8/10 |
| Desert Mountain Division Voting Delegate * | Cullen | 3/9/09 |
| Desert Mountain Resource Conservation & Development Council | Cullen | 3/8/10 |
| ESCOG* Eastern Sierra Council of Governments | Griffiths Cullen Alternate: Stottlemyre | 3/9/09 3/12/07 3/14/11 |
| ESTA* Eastern Sierra Transit Authority | Griffiths Stottlemyre | 3/12/07 3/9/09 |
| EMS Emergency Medical Services | Smith Alternate: Fire Chief Seguire | 3/9/09 3/24/03 |
| IGLCBC* Indian Gaming Local Community Benefit Committee | Cullen Alternate: Stottlemyre | 3/14/05 3/9/09 |
| IMAAA Advisory Council Inyo Mono Area Agency on Aging | Ellis Alternate: Smith | 3/14/11 3/8/10 |
| IMACA Inyo Mono Association for Community Action | Cullen | 3/14/05 |
| Inyo Council for the Arts (This is an Informal Membership) | Smith Alternate: Griffiths Alternate: Cullen | 3/9/09 3/12/07 3/14/05 |
| Joint Land Use Studies State of California | Smith Alternate: Ellis | 3/9/09 3/14/11 |
| JPIA * Joint Powers Insurance Authority | Stottlemyre Alternates: Griffiths, Cullen, Caldwell | 3/9/09 |
| LAFCO * Local Agency Formation Commission | Cullen Griffiths Alternate: Ellis | 3/12/07 3/9/09 3/14/11 |
| Liaison Committee City Council and Board of Supervisors | Griffiths Smith Alternate: Stottlemyre | 3/10/08 3/14/11 3/14/11 |
| LTC * Local Transportation Commission | Smith Cullen Alternate: Ellis Non-Council Rep: Bob Kimball - No term limit | 3/9/09 3/9/09 3/14/11 3/26/01 |
| RAN Remote Access Network | Ellis | 3/14/11 |

*Formal Appointment
Updated: 3/13/12

**COMMITTEES/AGENCIES
REFERENCE LIST**

| COMMITTEE/AGENCY | CONTACT PERSON/ADDRESS |
|--|---|
| <p>DESERT MOUNTAIN RC&D 1525 N. Norma Street, Suite C Ridgecrest, CA 93555 760-446-1974</p> <p>Meetings held Quarterly</p> | <p>Purpose to develop partnerships and projects that enhance economic development and protect the environment, creating a better quality of life for the communities we serve.</p> |
| <p>E.S.C.O.G. – EASTERN SIERRA COUNCIL OF GOVERNMENTS – Meetings held quarterly. Members: Town of Mammoth Lakes, City of Bishop, County of Inyo, County of Mono</p> <p>Each member appointed will serve a 4-year term</p> | <p>Lead agency changes each year. Meetings held quarterly and are coordinated with dates for ESTA meetings.</p> |
| <p>E.S.T.A. – EASTERN SIERRA TRANSIT AUTHORITY Meetings held monthly (Bishop and Mammoth)</p> <p>Established October 2006 Members on this Board cannot be a member of LTC because of a conflict of interest.</p> <p>FPPC reporting required Send to Committee Secretary</p> | <p>Susan Rottner ESTA Board Clerk P.O. Box 1357 Bishop, CA 93515 Phone: 760-872-1901 Fax: 760-872-0936 E-mail:</p> |
| <p>E.M.S. Laura Smith, appointed member Fire Chief will attend these meetings.</p> | <p>Department of Public Health Emergency Medical Services Agency 164 W. Hospitality lane, Suite 4A San Bernardino, CA 92415-0060</p> <p>Meetings held on 4th Mondays 6:00 p.m.</p> |
| <p>E.S.A.A.A. Advisory Council Inyo County Health & Human Services Eastern Sierra Area Agency on Aging 163 May St. Bishop 873-3305</p> | <p>Gina Ellis, Executive Secretary 760-873-3305</p> <p>Meetings held quarterly at 912 N. Main Street</p> |
| <p>I.G.L.C.B.C. – Indian Gaming Local Community Benefit Committee – Meetings held when grant money is available. Established May 2004</p> <p>Membership changed from 3 seats to 1 seat 6/09 1 alternate is alright</p> <p>FPPC reporting required – send to Committee Secretary (Assistant to County Administrator)</p> | <p>County Administrator is the coordinator for the Committee. The purpose of the committee will be to allocate certain funds which are made available to mitigate impacts caused by gaming.</p> <p>County of Inyo Assistant to County Administrator P. O. Drawer N Independence, CA 93526 T: 760/878-0292 F: 760/878-2241 E-mail:</p> |

| COMMITTEE/AGENCY | CONTACT PERSON/ADDRESS |
|---|--|
| <p>L.A.F.C.O. FPPC reporting required Send to Committee Secretary</p> <p>Commission consists of 5 members 2 City, 2 County and 1 public.</p> | <p>P.O. Drawer L Independence 878-0263 or 872-2706 This is a paid commission Contact: County Planning Department</p> |
| <p>L.T.C. Meetings held 3rd Wednesday of each month. First meeting in each quarter held in south county. All other meetings are held in Bishop.</p> <p>FPPC reporting required Send to Committee Secretary</p> | <p>Inyo County Public Works P.O. Drawer L Independence, CA 93526 872-2707 (no reimbursements)</p> |
| <p>R.A.N. Board</p> | <p>Inyo District Attorney's Office oversees Disbursement of funding for law enforcement agencies in County.</p> <p>Committee meets once a year.</p> |