

**City of Exeter
Agenda Item Transmittal**

Meeting Date: February 13, 2018

Agenda Item Number: **B1**

Wording for Agenda: Recap of Council's Desires and Concerns from their Feb. 3, 2018 Workshop

Submitting Department: Administration
Contact Name: Eric Frost
Phone Number: 592-4539
Email: eric@exetercityhall.com

For action by:

City Council

Regular Session:

Consent Calendar

Regular Item

Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation: That the City Council review the Council Desires and Concerns list and provide additional direction if needed.

Summary/Background: The City Council met on Feb. 3, 2018 to discuss a number of items of City business. In one exercise, Council brainstormed desires and concerns the City Council has for Exeter. Councilmembers were given 12 colored dots each and asked to place dots by the items they deemed most important. No limitation was given on the number of dots any given Council member could place on any one item.

Later, Council was presented with information about the City's financial condition. The information highlighted the fact that the City's General Fund is not currently meeting the goal of covering on-going operations on a sustainable basis. As a result, work must be done to bring that fund back into balance. In contrast to the General Fund, other funds have resources that may be put to use to accomplish the City's goals.

Staff has organized the Council's Concerns and Desires lists into three groups, namely: Items fund from the General Fund, Items funded partly by the General Fund or Items not funded by the General Fund. The lists and their respective votes are shown below in Table I, Council Concerns and Desires Brainstorming, 2/3/2018.

To the extent possible, staff will use this exercise to address these issues at least by the next budget cycle. For items that do not impact the General Fund, staff will strive to bring projects for Council review prior to the formal budget process and as resources are available.

Staff Next Steps. At the workshop, Council received reports about the status of Exeter's finances, the costs of running a police department and the options available for a revenue measure. Staff was directed to develop a sustainable two-year budget which will illustrate what the City's departments will need to do given Exeter's current fiscal condition. Staff's desire is to present that information to the Council at their first meeting in March.

Table I
Council Concerns and Desires Brainstorming, 2/3/2018

Votes		General Fund Items	Votes		Some General Fund
d	5	Code Enforcement	c	3	Industrial Park Economic Development
d	5	Downtown Police	c	2	Reserves - Fire Trucks, Police, Clarifier
d	5	Sales Tax - Budget			
d	3	Community Contributions - EDC, Chamber			
d	3	Lawsuits			
					Non-General Fund
d	3	Leave Dobson unchanged	d	6	Potholes
d	2	Animal Control	d	3	Water Conservation 1x per week
d	2	Downtown Parking	d	3	Water Leaks
d	2	EDC	d	2	Grants
d	2	Parking Lines	d	2	Railroad tracks
d	2	Policy Improvements	c	1	Belmont Project
d	1	Rec Program	d	1	Spruce/Anderson
d	1	Yokol development discontinued	c		Lot across from City Hall
d		City Park - Pool	d		Repayment of City Loans
c		Fields for Rec	c		Review of Current Contracts
			c		Sewer Projects

Note: d = Desire, c = Concern

Fiscal Impact: Unknown

Prior Council/Board Actions: Reporting of results from the Feb. 3, 2018 Council Workshop

Attachments: None

Recommended motion to be made by Council/Board: I move to accept the staff report.

**City of Exeter
Agenda Item Transmittal**

Meeting Date: February 13, 2018

Agenda Item Number: B2

Wording for Agenda: Review of Water and Road Funds from the June 30, 2016 audit.

Submitting Department: Administration and Finance
Contact Name: Chris Tavaréz
Eric Frost
Phone Number: 592-4539
Email: eric@exetercityhall.com

For action by:

City Council

Regular Session:

Consent Calendar

Regular Item

Public Hearing

Review:

**City Administrator
(Initials Required)**

ET

Department Recommendation:

That the City Council receive this report analyzing the June 30, 2016 Financial Report in order to determine the City's financial ability to carry out related projects.

Summary/Background:

At the Feb. 3 City Council Workshop, staff received input as to what are the Council's priorities in managing the affairs of the City. At the meeting, Council discussed how it is possible that some portion of the City's operations may need to control spending due to a lack of resources while other operations in the City may have resources and should be expending those resources to accomplish the City's goals. In order to address these concerns, staff will be discussing options available to the Council, given the City's resources.

Background.

The City's most recent completed audit is from June 30, 2016. The 2017 audit should be completed within the next month. However, to consider the City's ability to move ahead with projects for Water and road funds, staff proposes to review those fund's financial position as of the most recent audit.

Several different financial displays are available for review, namely:

Balance Sheet – This document shows a fund's assets and liabilities at a single point in time. The difference between these elements are the City's net equity or net loss. It follows the formula of Assets – Liabilities = Net Equity or Net Worth. Things to consider:

- **Does the fund have assets in excess of liabilities?** If so, then the fund has some ability to do more. It may be appropriate to set aside some amount for reserves, but after making that adjustment, the remaining amount may be available for projects or other uses.
- **Does the fund have sufficient cash to do the projects?** Sometimes a fund may have net equity but if the equity is tied up in a non-cash asset such as loans. In that case, even if the fund had net equity, projects could not be started for a lack of cash.

Income Statement – Income statements show the operations during a period of time. This display indicates whether or not during the operating period the fund generated more income than expenses. The objective would be that over the long run, the fund covers its operating expenses.

- **Did the fund cover its operating cost?** It is possible that unusual charges might have occurred in this time period which makes it likely that in future periods, the fund will cover its operating cost. However, the fund needs to be examined to determine if the current level of expenditures is sustainable.

Water Fund. Exeter's Water Fund Balance Sheet, Table I, shows that the fund has significant cash resources and net unrestricted equity. Thus, there appears to be a substantial ability to do projects. As a measure of safety, some level of reserves may want to be set-aside, say 10% of revenues. The water fund's income, as shown on Water Fund Income Statement, Table II, shows annual income of \$1.5 million. Thus, \$150,000 of the cash should be set aside as a cash reserve, leaving \$0.85 million available for projects. (The greater of net unrestricted equity or cash less amount for reserves (\$1.0 mm or \$1.7 mm, choose \$1.0 mm - \$0.15 mm = \$0.85mm)

Table I

City of Exeter Statement of Net Position Proprietary Funds June 30, 2016 Business-Type Activities - Enterprise Funds						
	Major Funds			Non-major Fund	Total Proprietary Funds	Governmental Activities - Internal Service Fund
	Water Operations	Sewer Operations	Sanitation Operations	Transit		
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 1,712,599	\$ 200,636	\$ -	\$ -	\$ 1,913,235	\$ 105,800
Accounts receivable, net of allowance	141,475	100,834	102,195	-	344,504	-
Intergovernmental receivable	-	-	-	112,857	112,857	-
Due from other funds	131,656	-	-	-	131,656	-
Loans Receivable	-	-	-	-	-	-
Inventories	34,064	-	-	-	34,064	-
Noncurrent assets:						
Restricted cash and cash equivalents	320,137	397,315	-	-	717,452	-
Capital assets:						
Nondepreciable	-	2,408,250	-	-	2,408,250	-
Depreciable, net	7,772,407	5,326,812	195	81,655	13,181,069	-
Total assets	10,112,338	8,433,847	102,390	194,512	18,843,087	105,800
DEFERRED OUTFLOWS OF RESOURCES						
Deferred bond issues costs/amort	18,901	-	-	-	18,901	-
Deferred pensions	136,030	133,434	24,233	42,138	335,835	19,739
Total deferred outflow of resources	154,931	133,434	24,233	42,138	354,736	19,739
LIABILITIES						
Current liabilities:						
Accounts and other payables	27,808	22,703	69,083	6,972	127,166	18,751
Accrued interest	74,153	82,513	-	-	156,666	-
Due to other funds	-	-	131,656	174,807	306,463	-
Compensated absences payable	26,355	22,991	4,369	10,593	64,308	4,289
Bonds, notes and leases payable	205,554	107,280	-	-	312,834	-
Noncurrent liabilities:						
Due to depositors	70,051	-	-	-	70,051	-
Compensated absences payable	9,772	7,068	1,516	3,991	22,347	1,410
Net pension liability	439,265	430,888	78,250	136,070	1,084,473	63,745
Bonds, notes and leases payable	6,694,185	3,701,031	-	-	10,395,216	-
Total liabilities	7,547,143	4,374,474	285,474	332,433	12,539,524	88,195
DEFERRED INFLOWS OF RESOURCES						
Deferred pensions	69,770	68,442	12,428	21,612	172,252	10,124
NET POSITION						
Net investment in capital assets	872,958	3,925,751	195	81,655	4,881,269	-
Restricted for inventory	34,064	-	-	-	34,064	-
Restricted for debt service	320,137	397,315	-	-	717,452	-
Restricted for self-insurance	-	-	-	-	-	27,220
Restricted for impact fees	408,956	-	-	-	408,956	-
Unrestricted	1,014,531	(199,701)	(171,474)	(199,050)	444,306	-
Total net position	\$ 2,650,356	\$ 4,124,365	\$ (171,279)	\$ (117,395)	\$ 6,486,047	\$ 27,220

The notes to the financial statements are an integral part of this statement.



Cash



Net Unrestricted

Table II

City of Exeter
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds				Total Proprietary Funds	Governmental Activities - Internal Service Fund
	Major Funds		Non-major Fund			
	Water Operations	Sewer Operations	Sanitation Operations	Transit		
Operating revenues:						
Charges for services	\$ 1,462,627	\$ 1,055,889	\$ 877,520	\$ 8,097	\$ 3,404,133	\$ -
Connection fees	47,566	-	-	-	47,566	-
Internal Service Charges	-	-	135,237	-	135,237	947,582
Total operating revenues	1,510,193	1,055,889	1,012,757	8,097	3,586,936	947,582
Operating expenses:						
Personnel Services	367,231	347,752	55,346	121,429	891,760	59,525
General and administrative	31,772	26,866	21,816	54,810	135,264	957,260
Materials & Supplies	395,902	267,661	773,580	539	1,437,662	-
Depreciation/amortization	262,850	157,282	194	26,901	467,227	-
Total operating expenses	1,077,755	799,561	850,938	203,679	2,931,933	1,016,785
Operating income (loss)	432,438	256,328	161,819	(195,582)	655,003	(69,203)
Nonoperating revenues (expenses):						
Grants and reimbursements	-	-	(135,237)	154,687	19,450	-
Grants received for others	-	-	-	1,575,551	1,575,551	-
Payments made for others	-	-	-	(1,575,551)	(1,575,551)	-
Investment earnings	25,014	5,657	-	-	30,671	-
Interest expense	(306,637)	(126,308)	-	-	(432,945)	-
Total nonoperating revenue (expenses)	(281,623)	(120,651)	(135,237)	154,687	(362,824)	-
Change in net position	150,815	135,677	26,582	(40,895)	272,179	(69,203)
Total net position - beginning	2,499,541	3,988,888	(197,851)	(76,500)	6,213,868	96,423
Total net position - ending	\$ 2,650,356	\$ 4,124,565	\$ (171,279)	\$ (117,395)	\$ 6,486,047	\$ 27,220

Operating income

Net income

Staff has examined the preliminary results from the 6/30/2017 year and find the information substantially the same. As a result, **Council can be comfortable making one-time expenditures of \$850,000 or less in the Water fund to improve service.**

Road Funds. The City funds roads from several different sources, namely the General Fund, the Gas Tax fund, the Transportation Fund and the Measure R Fund. The General Fund has a Maintenance of Effort (MOE) to spend at least \$100,000 on road work each year or forfeit SB1 and Measure R monies. Because of fiscal problems in the General Fund, General Fund road expenditures have been limited just its MOE or \$100,000 a year. As a result, the remaining funds can be examined to determine their capacity to fund projects.

Table III, City of Exeter, Combining Balance Sheet, Non-Major Governmental Funds, shows that the Gas Tax, Transportation and Measure R funds have collectively \$1.6 million in fund equity. Typically, the Transportation Fund is for specific projects which have already been identified. However, Gas Tax and Measure R monies can be read for projects or maintenance. As a result, the Gas Tax and Measure R funds have almost \$0.9 million in available resources. Setting aside again 10% of revenues or \$100,000 (\$234,000 Gas Tax, \$506,000 Measure R = \$740,000 x 10% = \$74,000) as shown on Table IV, City of Exeter, Combining Income Statement, the City still has \$750,000 available for maintenance projects. (\$265,000 Gas Tax cash + \$586,000 Measure R cash = \$851,000 - \$74,000 reserve = \$777,000)

Table III

City of Exeter
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Special Revenue					Total Nonmajor Governmental Funds	
	Gas Tax	Transportation	Storm Drain	Grant Fund	Low/Mod Housing		Measure R Fund
ASSETS:							
Cash and cash equivalents	\$ 266,158	\$ 440,519	\$ 53,878	\$ 40,842	\$ 19,584	\$ 586,060	\$ 1,407,041
Receivables - misc (net):	-	-	-	-	-	-	-
Intergovernmental receivables	-	183,282	-	-	-	51,075	234,357
Due from other funds	1,766	78,466	-	-	-	-	80,232
Property held for resale	-	-	-	-	-	-	-
Notes receivables	-	-	-	210,000	389,156	-	599,156
Total assets	\$ 267,924	\$ 702,267	\$ 53,878	\$ 250,842	\$ 408,740	\$ 637,135	\$ 2,320,786
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts and other payables	\$ 2,902	\$ 1,000	\$ -	\$ 128	\$ -	\$ 13,645	\$ 17,675
Compensated absences payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,766	1,766
Deferred revenue	-	15,235	-	210,000	389,156	-	614,391
Total liabilities	2,902	16,235	-	210,128	389,156	15,411	633,832
Fund balances:							
Restricted	265,022	686,032	-	40,714	19,584	621,724	1,633,076
Committed	-	-	53,878	-	-	-	53,878
Assigned	-	-	-	-	-	-	-
Total fund balances	265,022	686,032	53,878	40,714	19,584	621,724	1,686,954
Total liabilities and fund balances	\$ 267,924	\$ 702,267	\$ 53,878	\$ 250,842	\$ 408,740	\$ 637,135	\$ 2,320,786

Cash

Available
Fund
Balance

Table IV

City of Exeter
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue					Total Nonmajor Governmental Funds	
	Gas Tax	Transportation	Storm Drain	Grant Fund	Low/Mod Housing		Measure R Fund
REVENUES							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	230,986
Gas Tax	230,986	-	-	-	-	-	713,882
Intergovernmental	-	207,962	-	483	6,221	490,216	12,839
Charges for services	-	-	12,839	-	-	-	-
Loan payments	-	-	-	-	-	6,948	16,462
Investment earnings	3,116	5,658	560	-	-	-	-
Total revenues	234,102	213,620	13,399	483	6,221	506,164	974,189
EXPENDITURES							
Community and economic development	-	-	-	800	-	-	800
General government	179,257	68,168	-	-	-	-	247,445
Debt service:	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	359,004	359,004
Capital outlay	-	-	-	-	-	-	-
Total expenditures	179,257	68,168	-	800	-	359,004	607,249
Excess (deficiency) of revenues over expenditures	54,845	145,632	13,399	(317)	6,221	147,160	366,940
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(100,000)	(50,000)	-	-	-	(50,000)	(200,000)
Total other financing sources and uses	(100,000)	(50,000)	-	-	-	(50,000)	(200,000)
Net change in fund balances	(45,155)	95,632	13,399	(317)	6,221	97,160	166,940
Fund balances - beginning	310,177	590,400	40,479	41,031	13,363	524,564	1,520,014
Fund balances - ending	\$ 265,022	\$ 686,032	\$ 53,878	\$ 40,714	\$ 19,584	\$ 621,724	\$ 1,686,954

Revenues

From this analysis, the Council can direct some \$775,000 toward needed street maintenance without affecting future budgets.

Fiscal Impact: None until the Council directs the use of these funds.

Prior Council/Board Actions: Council identified in the Feb. 3 workshop that the City needed to Work on reserves, fix pot holes and water leads.

Attachments: None

Recommended motion to be made by Council/Board: I move to accept the report on various the Water and several road funds.

**City of Exeter
Agenda Item Transmittal**

Meeting Date: February 13, 2018

Agenda Item Number: **B3**

Wording for Agenda: Discussion regarding the current status of the City's water system and road conditions, and recommendations for improvement

Submitting Department: Public Works

Contact Name: Daymon Qualls
Phone Number: 559.592.3318
Email: dqualls@exetercityhall.com

For action by:

City Council

Regular Session:

Consent Calendar

Regular Item

Public Hearing

Review:

**City Administrator
(Initials Required)**

EQ

Department Recommendation:

It is recommended that the City Council direct staff to develop projects to address water and street needs by:

Water

- 1) Develop a leak-prone main replacement project;
- 2) Develop alternatives for a water master plan; and,
- 3) Begin analysis for potential water storage project.
- 4) Acquire equipment to better assure non-contamination of water supplies by purchasing a dedicated backhoe and hydrovac for water related work.
- 5) Assure that maintenance staff may be fully engaged and equipped by acquiring used service trucks for City personnel.

Roads

- 1) Prepare a plan to repair water flow through culverts in the City, reducing the damage caused by water going over road surfaces rather than through culverts;
- 2) Prepare an annual maintenance plan beyond road projects to best maintain Exeter's streets.

Report

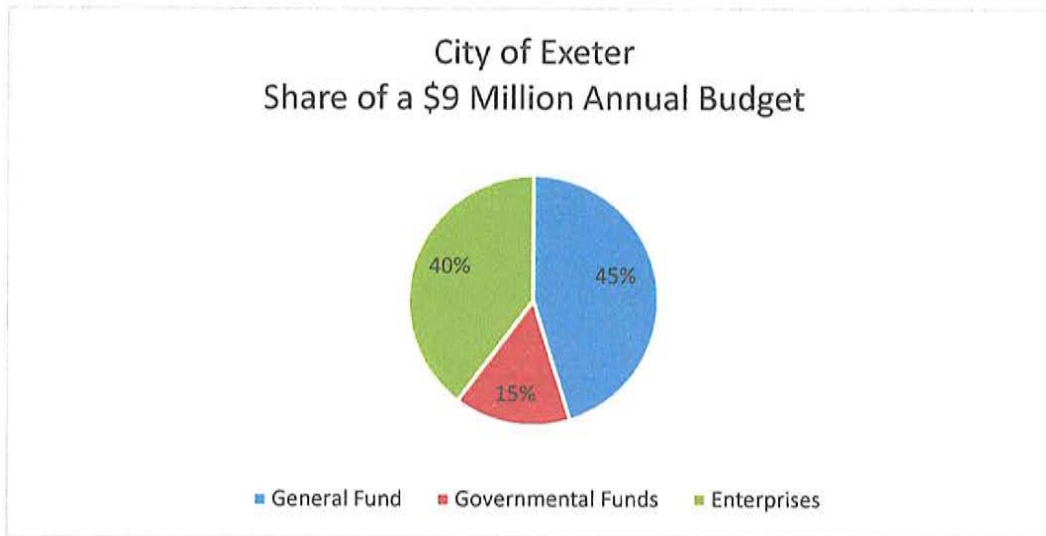
The City of Exeter operates more as a conglomerate than a single monolithic business because much of the money the City receives is dedicated to specific purposes. Consider Chart 1, City of Exeter.

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Chart 1



The chart shows that of the City's approximately \$9+ million in annual revenues, 45% is for the General Fund, or a little more than \$4 million. That leaves another \$5 million to be accounted for as follows: roughly \$3.5 million for the utilities and \$1.5 million for special revenues or other governmental funds besides the General Fund.

It is clear that the General Fund is and has been running a deficit. However, the other 55% of the budget has money that needs to be put to work as shown in Table I, Major Exeter Funds, Cash Balances as of 6/30/17.

Notice that there is significant cash in the Water and the several road funds. Unlike the General Fund, these funds are generating more cash than is now being consumed. This provides the City an opportunity to invest in these areas without affecting the General Fund. As a result, staff recommends that we assess the funds' situation and, where appropriate, make strategic changes.

Table I

Major Exeter Funds	
Cash Balance as of 6/30/2017	
All Amounts in Thousands	
General Fund	384
Water Fund	1,794
Sewer Fund	212
Refuse Fund	(138)
Road Related Funds	1,200
All Other Funds	1,222
	4,674

Summary/Background:

Status of Water Infrastructure and Road Condition

Water:

The City's water system consists of six wells which are equipped with chlorination treatment pumps, one elevated storage tank with a capacity of 100,000 gallons, and a loop distribution system. No surface water is used by the system and all water is pumped directly from the ground.

The water tower, which provides pressure for the entire system, is equipped with a float mechanism that communicates with a computer located at the base of the tower. When the water level in the tower drops below normal levels, the computer communicates with the wells and water is pumped to the tower until the water level is back to normal (approximately twenty-seven feet).

Wells are digitally programmed to kick on in sequence based on system pressure. That sequence can be changed as needed. Well pumps are controlled by pressure switches that regulate the "on/off" status of the pump. These pressure settings were developed by City staff for turning the pumps on and off to maintain an average city-wide pressure during varying demands.

The low settings will turn the pumps on to maintain a constant safe operating pressure throughout the system, while the high settings will turn the pumps off to prevent high pressures from damaging City water mains and/or end user plumbing.

Water is delivered to homes and businesses through underground supply lines that are laid out in a grid-like manner (over forty-three miles of pipe) so that there are no dead ends of major mains. This process is also known as looping. The existing distribution piping ranges from 6" to 12" in diameter. In 2004 the City replaced most of its old cast iron pipe water mains with C-900 polyvinyl chloride (PVC) pipes. The distribution system is within one pressure zone ranging between 40 and 60 psi.

The system is capable of producing and delivering approximately 6 million gallons of water per day.

The two largest concerns for the City's water system are: 1) What condition are the City's pipes in?; and, 2) What is the City's ability to supply water? In both of these areas, there are opportunities for improvement.

Residential Water Service Lines:

In the 1970s, many municipalities were beginning to use PVC piping that was less expensive than steel piping and potentially offering as long or longer service life. However, some of the piping purchased by municipalities from overseas sources has turned out to be less reliable. As a result, cities which source pipe from overseas have been seeing a larger than expected failure rate.

Exeter is not exempt from this problem. Exeter has a number of streets which have seen almost every home of the block require a water service line repair. The problem with this approach, however, is that once a repair is made, the service line frequently breaks again on either side of the repair. As a result, City crews have visited some homes more than once to

make service line repairs. Map 1, Frequent Water Leak Streets, shows which streets seem most affected by this problem:

Map 1
Frequent Water Leak Streets



Solution Instead of continuing the piecemeal repair of water service lines, staff is exploring the wholesale replacement of lines which have required multiple repairs. This solution will solve the problem by replacing lines that have been subject to multiple repairs, requiring multiple visits by City crews and the inconvenience of having water service disrupted multiple times. Staff is working with the City Engineer, Lisa Wallis-Dutra, to determine the cost of this project and its potential benefit, mainly in the avoidance of continuous leak call outs. Because this would be a water project, funds should be available to do the project.

Storage and/or production:

Water pressure for the City's distribution system is provided by the City's 100,000 gallon downtown water tank. The current system sounds an alarm when the water tank's water level falls below 16 feet. This currently occurs frequently in the summer. When such an event occurs, water pressure in the whole system declines and water deliveries are slowed until well production has time to catch up with demand.

Solution In an effort to meet short-term peak demand, the City could either build more wells or build additional storage to handle peak demand. Given that the need tends to be peak demand, water storage is probably a better solution than an additional well.

Staff recommends two activities: 1) Determine the cost and timeline of performing an Exeter Water Master Plan to assess and meet the long-term needs of the City; and, 2) begin preliminary work on locating a 0.5 - 2 million gallon water storage facility to serve the City. The

potential cost of the water storage project according to QK (based on recent projects they've completed) is about \$1.25 per gallon of storage or \$0.75M - \$2.5M for a working estimate. This project would improve water pressure, improve fire response, reduce operating costs by shifting electrical costs from peak to off peak hours and provide emergency storage for the City in the case of power failures.

It is further recommended that the City acquire equipment to better assure non-contamination of water supplies by purchasing a dedicated backhoe and hydrovac for water related work. New or used service trucks should also be acquired to ensure that our maintenance staff is fully equipped respond and operate efficiently.

Roads:

Annually, the City receives approximately \$1 million for roads each year from the General Fund (\$100,000), Measure R (\$300,000), Gas Tax (\$300,000) and various smaller sources. The City currently has \$1.2 million in road monies that can be put to work to improve roads. However, the key is to use the money Exeter receives in the best manner, fixing and maintaining roads at the lowest cost per mile.

Chart I, Pavement Condition Index (PCI), explains the relative cost of maintaining roads. A road begins its life with a rating of 100. Over time the elements degrade the road but at a slow rate a first. From the chart, a road may stay in good condition for 16 years before having significant deterioration. However, after approximately 16 years, without additional maintenance, the road begins to greatly decline and becomes more costly to repair as shown in Table II, Relative

Repair Costs for Road Maintenance

Chart I

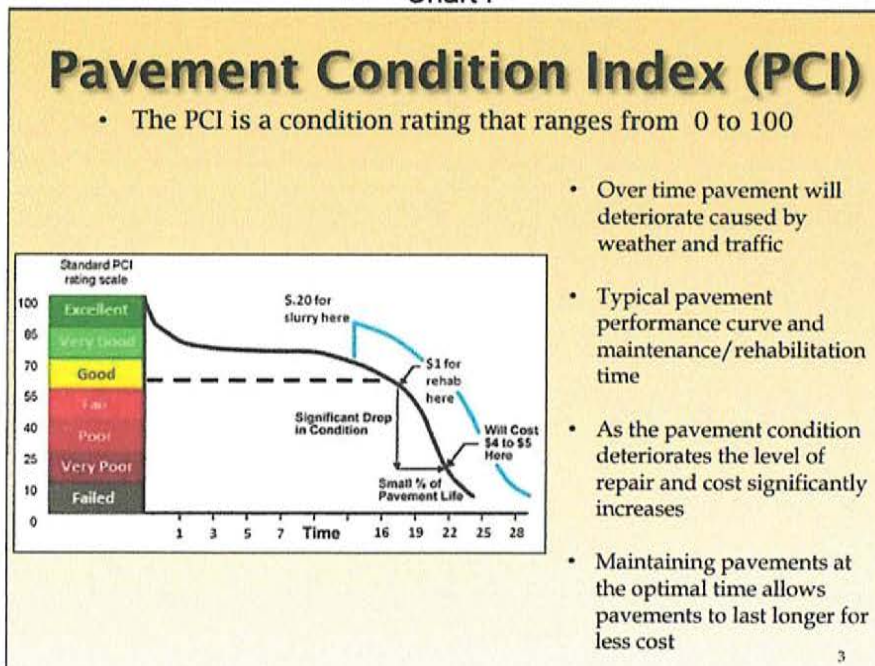


Table II
Relative Road Repair Costs, One Maintenance Cycle

Repair Type	Cost per Square Foot	Cost to Maintain All Streets *	Ratio to Dig Out
Slurry Seal	\$0.20	\$ 1.6 million	20
Rehab	\$1.00	\$ 8.0 million	4
Dig Out	\$4.00	\$32.0 million	1

*The City has 42 miles of streets. Assuming average street width of 36 feet, the City has approximately 8 million square feet of street pavement

The PCI chart shows that a slurry seal treatment to roads could be done 20 times before its cost was equal to that of a dig out or complete road replacement. By having an active road maintenance program, the roads can be maintained at a better level at a lower cost.

The challenge for Exeter is that currently, the average road index is at 59, just beginning the steepest downward slope of the deterioration curve. The City should actively inventory its streets, determine which streets would benefit from a lower cost maintenance program and implement that program for such roads. The more deteriorated streets may take longer to repair, but such a program will eventually cost the City less money.

Solution Design a maintenance repair program to maintain streets at or above a 60 PCI rating in order to keep maintenance costs at a lower level.

Cross Water Culvert Flow:

A much smaller program that would help to improve and preserve our streets is a cross water culvert flow through program. Water deteriorates streets. Moving the water off streets keeps them better maintained. In a number of places in the City, no storm drains exist but water is channeled along the streets and towards storm drain inlets. Where there is not a storm drain inlet or culvert, the City could improve the streets with by installing or repairing cross water culverts.

Solution All of these projects will take time to design and bring back to Council; however, the purpose of this report is to receive Council's input and agreement that the City should pursue these projects.

Prior Council/Board Actions: None

Attachments: None

Recommended motion to be made by Council/Board: I move to direct staff to proceed with the recommended solutions and develop projects to address the City's water and street needs.



MEMO

Date: February 7, 2018
To: Eric Frost, City Administrator
Honorable Mayor and City Council Members
From: Lisa M. Wallis-Dutra, City Engineer
Subject: Project Updates
cc: Daymon Qualls, City of Exeter
Ron Wathen and Tom McCurdy, QK

Project No.: E180008/01

ACTIVE ITEMS:

Visalia Road Improvements (E150079): This is a Measure R project to widen Visalia Road from the west city limits to Orange Avenue. Improvements include median, sidewalk, street lighting, and traffic signal upgrades.

- *QK completed their review of the 95% plans submitted by Omni-Means and returned comments on March 28, 2017.*
- *On April 17, 2017, Omni-Means submitted exhibits of areas that do not meet ADA-compliance along Visalia Road for the City's review and comment. QK reviewed and provided comments to Omni-Means on May 9, 2017.*
- *Revised exhibits were submitted again on May 26, 2017 and more on June 15, 2017.*
- *QK's review has been put on hold until funding concerns are resolved. The project is now estimated to be approximately twice the original allocation.*
- *QK and City staff met with TCAG on October 3, 2017 to discuss project funding.*
- *Staff provided an update to Council at the October 24, 2017 City Council meeting. Council approved discussing the option of segmenting the project with TCAG for funding.*
- *QK has finalized funding estimates to complete the project. TCAG is scheduling a meeting in February 2018 to discuss possible funding solutions.*

Rocky Hill Drive Multi-Modal Concept Alternatives (E150086): This is a Measure R project to complete a Concept Alternatives Report for Rocky Hill Drive from Kaweah Drive (current State Route 65) to the approximate future alignment of State Route 65.

- *Concept alternatives were presented to Council at the September 22, 2015 City Council Meeting for discussion. Concept alternatives were presented again at the May 10, 2016 City Council Meeting. Staff received direction from Council on two alternatives to pursue further.*
- *Project has been on hold; however, it needs to begin again. QK and City staff need to coordinate discussions with business owners on Rocky Hill Drive, as well as on 1st, 2nd, and 3rd Streets.*
- *TCAG is scheduling a kick-off meeting for the concepts for the County portion of Rocky Hill Drive. The meeting is anticipated to be scheduled for February 15, 2018.*



Non-Motorized Corridor Study (150097): This is a Measure R project to prepare a feasibility study for a proposed shared use path along the railroad tracks between Visalia and Exeter.

- *On April 3, 2017, Genesee & Wyoming indicated they will send a request to their third-party outside reviewer, XORail, to initiate a formal review of the project. XORail requested a reimbursement agreement for TCAG's consideration and authorization to begin review.*
- *QK met with TCAG on May 4, 2017 and City of Visalia on May 5, 2017 to discuss the review process and reimbursement agreement. Both agencies were in favor of continuing the review process with the railroad and paying additional review fees. Agreements and application were submitted to the railroad.*
- *QK received comments from the railroad agency. QK met with TCAG and the City of Visalia on August 22, 2017 to review the comments received and discuss the next steps to finalize the project.*
- *TCAG indicated QK should finalize the report based on the comments received without further review from the railroad agency. QK completed the draft report and sent copies to the agencies on December 22, 2017.*
- *QK has received comments from Tulare County and is awaiting comments from other agencies to finalize the report.*

Belmont Bike Path Phase 1 (E150113): This is a CMAQ-funded project to construct a Class I Bike Path along the west side of Belmont Road just south of Visalia Road to Chestnut Avenue. The existing irrigation ditch will be piped and the bike path constructed on top.

- *Omni-Means submitted the request for construction authorization (E-76) to Caltrans on the July 28, 2017 deadline for funding obligation.*
- *The City was notified by Caltrans that although they did submit the project by the July 28, 2017 deadline, all funding had already been allocated.*
- *On October 10, 2017, Caltrans requested additional changes to the submittal for construction authorization. All revisions were made and documents resubmitted on October 11, 2017.*
- *Construction authorization was received from Caltrans on October 20, 2017.*
- *City Council authorized staff to bid the project. Bid opening was held on January 10, 2018. QK and City staff have reviewed the bids for completeness/responsiveness and determined the low bidder is Emmett's Excavation with a bid of \$1,279,083.35. A request for contract award is anticipated at a future City Council meeting.*
- *The pipe specified for the project is no longer manufactured. The Consolidated People's Ditch Company must approve a change in product. QK has contacted them with all the requested information and is awaiting their approval.*
- *The City must also request proposals for Construction Management services. The City should have a Construction Management firm on board when construction begins.*
- *Due to the above outstanding items, the City has determined that the construction schedule will be postponed until the Fall 2018.*

Glaze Avenue Shoulder Stabilization (E150261.01): City received CMAQ funding for the construction of paved shoulders and Class II bike lanes on Glaze Avenue between Belmont Road and State Route 65.

- *Bid and contract award to Dunn's Inc. in the amount of \$312,810.00 was approved at the March 14, 2017 City Council meeting. The construction contracts have been executed.*
- *City Council approved hiring Provost & Pritchard (P&P) as the Construction Management firm for the project. Contract and task order have been executed.*
- *QK, P&P, and the Public Works Director met on July 17, 2017 to discuss the project and procedures for Construction Management.*
- *A pre-construction meeting was held with the Contractor on July 25, 2017.*

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- Contractor was issued a Notice to Proceed with an anticipated start date of August 28, 2017.
- QK completed the Award Package and submitted to Caltrans on August 10, 2017.
- **Construction is complete. QK is awaiting final project close-out documents to be completed by P&P.**
- **No change.**

Sludge Drying Beds (E160125):

- A work authorization for QK to complete the sludge drying bed projects was approved by City Council on April 12, 2016.
- QK researched lining options and found that soil cement lining appears to be the most feasible.
- Geotechnical report due to QK on March 10, 2017. Additional testing was required and the geotechnical was to be submitted to QK by April 5, 2017. QK received information from the geotechnical consultant needed for final design on April 7, 2017.
- QK has finalized plans and specifications based on the geotechnical report received. The City Attorney has reviewed and approved the specifications.
- Bid opening was held on May 30, 2017. Bush Engineering was the lowest responsive bidder. However, bids received were higher than anticipated. City staff reviewed budget options based on the bid received.
- **Construction contract award was approved at the January 23, 2018 City Council meeting. Contracts and Notice of Award were submitted to the Contractor on February 6, 2018. Construction is anticipated to begin in March or April 2018.**

Urban Water Management Plan (UWMP) (170120):

- QK completed the draft UWMP and submitted to the City for review on July 14, 2017.
- QK met with City staff on September 20, 2017 to review the document and their comments.
- QK requested and received additional information from the City Planner which has been incorporated into the report. The report was sent to Exeter Irrigation District and Kaweah Delta Water Conservation District (KDWCD) for their input. KDWCD responded with no comments. QK still waiting on a response from Exeter Irrigation District.
- **A public hearing is set for adoption of plan at the March 13, 2018 City Council meeting.**

Yarber Tentative Parcel Map (TPM) (170163):

- QK attended the Site Plan Review meeting to review the TPM with the applicant and City staff on May 18, 2017. Engineering comments were provided in a memorandum and marked on the TPM and submitted to the City Planner on May 19, 2017 for incorporation into comments provided to the applicant.
- **No change.**

Argyles Site Plan Review (170164):

- QK attended the Site Plan Review meeting to review the submitted plans with the applicant and City staff on May 18, 2017. Engineering comments were provided in a memorandum and marked on the plans and submitted to the City Planner on May 24, 2017 for incorporation into project conditions of approval.
- The applicant submitted grading plans for review on September 18, 2017. QK reviewed the plans and returned comments on September 29, 2017.
- At the applicant's request, QK and City staff met on site on November 9, 2017 to discuss previous comments provided.



- *Revised improvement plans were submitted on November 22, 2017. QK reviewed and returned comments on December 19, 2017.*
- *Easement documents were submitted on December 6, 2017, but were incomplete. QK met with City staff at the project site on January 8, 2018 to discuss the easement issues. Comments were returned to the applicant's engineer on January 15, 2017.*
- ***QK is currently awaiting final, revised improvement plans.***
- ***Easement documents were resubmitted and approved. Request for City Council acceptance of the easement is anticipated for the February 27, 2018 City Council meeting.***

Belmont Road Tantau Site Plan Review (170206):

- *QK attended the Site Plan Review meeting to review the submitted plans with the applicant and City staff on June 29, 2017. Engineering comments were provided in a memorandum and marked on the plans and submitted to the City Planner on June 30, 2017 for incorporation into project conditions of approval.*
- ***No change.***

Tooleville Water System (170208):

- *QK attended a meeting with the Tooleville Community Services District (CSD), State Office of Drinking Water, and City staff on June 22, 2017.*
- *QK met with City staff on July 12, 2017 to discuss follow up actions for possible connection of the Tooleville water system to the City's. QK to prepare a scope and fee for development of a water system master plan to determine current deficiencies and needs.*
- *QK requested additional information from the engineer for the Tooleville CSD to assist in preparing estimated costs. On September 19, 2017, QK again requested information which has now been received.*
- *QK calculated recommended rates and reviewed with the City Manager and Director of Public Works. City sent information to the State for their consideration.*
- ***A conference call with the State Water Board was held January 9, 2018 and it appears that the State is recommending approval of the base rate suggested by City staff. The State Water Board is to schedule a meeting with all stakeholders.***

Highway Safety Improvement Program (HSIP) CM Services (170214): This project is to complete pedestrian safety improvements along State Route 65 and around the high school.

- *Bid opening was held on January 17, 2017. Bid and contract award to JTZ Inc. (Todd Company) in the amount of \$312,696.24 was approved at the March 14, 2017 City Council meeting.*
- *Construction contracts have been executed.*
- *City Council approved hiring QK as the Construction Management firm for the project. Contract and task order were provided to QK for execution on June 15, 2017.*
- *QK held a pre-construction meeting with the Contractor and Public Works Director on July 12, 2017.*
- *QK submitted an encroachment permit extension to Caltrans which was approved through November 15, 2017.*
- ***Construction is approximately 95% complete. Signing and striping remained and was delayed due to roadway conditions. QK received notice that Caltrans will be overlaying and restriping SR 65. QK is contacting Caltrans to coordinate this work so efforts are not duplicated.***

**530 E. Walnut Site Plan Review (170263):**

- *QK received site plans for review on August 7, 2017 from the City Planner. Initial engineering requirements/comments were returned to the City Planner on August 11, 2017 for incorporation into comments provided to the applicant.*
- *No change.*

LeFever Grove (170282):

- *Met with P&P, the developer's engineer for the subdivision project. P&P requested information about the existing irrigation ditch. QK contacted CPDC and determined one customer is still served by the existing ditch. The irrigation ditch would have to be piped to continue the service.*
- *P&P to submit improvement plans for review.*

406 & 410 S. F Street (170332):

- *QK attended a site plan review meeting with the applicant and the City Planner on November 2, 2017. QK provided initial engineering requirements/comments to the City Planner on November 8, 2017 for incorporation into comments provided to the applicant.*
- *Improvement plans were submitted for review on January 5, 2018. QK reviewed and returned comments on January 29, 2018.*
- *QK is awaiting submittal of improvement plans for further review and approval.*

Palm Street (170366):

- *QK submitted scope and fee on September 22, 2017 to complete the required design work for the reconstruction of Palm Street and received authorization on December 11, 2017.*
- *QK received the soils report on January 12, 2018.*
- *QK has completed the topographic survey, 50% Project Design Report (PDR), and conceptual design plans. The PDR and conceptual plans were reviewed with and approved by the Director of Public Works on February 2, 2018.*
- *QK is continuing with project design.*

Brent Baker Site Plan Review (170367):

- *QK attended a site plan review meeting with the applicant and the City Planner on December 21, 2017. QK provided initial engineering requirements/comments to the City Planner on December 22, 2017 for incorporation into comments provided to the applicant.*
- *QK is awaiting submittal of improvement plans for further review.*

Development Review Process and Impact Fees:

- *QK met with the City Manager and Director of Public Works on October 18, 2016 to review and discuss the current development review process.*
- *QK is coordinating with the Director of Public Works and was directed by City Council at the November 22, 2016 City Council meeting to proceed with reviewing and reanalyzing the development impact fees.*
- *City to schedule meeting with staff, City Engineer, and City Planner to begin project.*
- *No change.*

Water Master Plan Update (P170406):

- *QK submitted scope and fee on October 18, 2017 to complete an update to the Water Master Plan. Waiting for authorization to proceed.*



- *QK submitted the proposal to State Water Board staff on December 19, 2017 for their consideration to fund the project.*
- *The State Water Board indicated the update could be funded as part of a grant application submitted for a specific project. This information was provided to City staff. City to complete the application and submit to the State for funding.*

Water Service Line Replacement Project (P180076):

- *QK submitted scope and fee on February 2, 2018 to complete the construction documents, bidding, and construction management of a water service line replacement project in various neighborhoods throughout the City. Waiting for authorization to proceed.*

LMWD/TMc

**EXETER CITY COUNCIL
JANUARY 23, 2018**

7:00 p.m. REGULAR SESSION

The Exeter City Council met in regular session on January 23, 2018, at 7:00 p.m., in the Council Chambers of City Hall, located at 137 North F Street in Exeter. Mayor Boyce called the meeting to order. Following the pledge of allegiance, Pastor Joel Luckemeyer led the invocation. Roll call showed Petty, Sally, Waterman-Philpot, and Boyce present and Gerdes absent.

PUBLIC COMMENTS

Mayor Boyce opened public comment portion of the meeting.

Ted Macaulay addressed the Council regarding Dobson Field and requested the Council receive public comment in the event they decide to sale it in the future.

Receiving no further public comment, Mayor Boyce closed this portion of the meeting and proceeded with Scheduled Matters.

A- Special Presentations- None.

B. SCHEDULED MATTERS

- B-1 Update on Tulare County Economic Development Corporation.** President & CEO Paul Saldana provided an update on Tulare County Economic Development Corporation to Council.
- B-2 Kahoot Finance Quiz regarding City of Exeter's finances.** Interim City Administrator Eric Frost led the Council through a finance quiz on Kahoot regarding the City of Exeter's finances.
- B-3 Review and discuss potential financial policies.** Finance Director Chris Tavarez provided a report for Council's review and consideration. Following discussion, no action was requested and none was taken.
- B-4 Award and authorize the City Administrator to sign a contract with Bush Engineering, Inc. of Fresno, CA in the amount of \$304,000.00 for construction of the sludge drying bed lining project at the Waste Water Treatment Plant.** QK Public Works Manager Tom McCurdy provided a report for Council's review and consideration. Following discussion, it was moved by Council Member Sally, seconded by Mayor Pro Tem Waterman-Philpot and carried 4-0 (Council Member Gerdes absent) to approve the item as presented.

AYES: Sally, Waterman-Philpot, Petty, and Boyce
ABSENT: Gerdes

C. CITY COUNCIL REPORTS AND INITIATIVES-

Mayor Boyce reported on events that she recently attended.

D. CITY MANAGER COMMENTS AND OTHER REPORTS-

Interim City Administrator Eric Frost inquired if Council would be open to receive agendas electronically. The consensus of the Council was to move toward electronic agendas.

Mr. Frost also presented the tentative agenda for the Council retreat.

**EXETER CITY COUNCIL
PAGE 2, JANUARY 23, 2018**

E. CONSENT CALENDAR

1. Minutes, Meeting of January 9, 2018
2. Payment of the Bills
3. Payroll: January 12, 2018
4. Set March 13, 2018 as the Public Hearing date for adoption of the City's updated Urban Water Management Plan (UWMP).
5. Adopt Resolution 2018-01 authorizing the City of Exeter to enter into Program Supplement Agreement No. 013-F with the California Department of Transportation for the Belmont Road Bike Path, Phase 1 Project CML-5195(017) and Authorize the Public Works Director to Sign the Agreement.

Mayor Pro Tem Waterman-Philpot moved and Council Member Petty seconded a motion to adopt the Consent Calendar.

AYES: Waterman-Philpot, Petty, Sally, and Boyce
ABSENT: Gerdes

7:58 p.m. Prior to going into Closed Session, Council took a brief recess.

F. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION(S) –

1. Conference with Real Property Negotiators pursuant to Government Code Section 54956.8
Property: Dobson Field
Under Negotiations: Terms and conditions of property sale
Negotiating Parties: Eric Frost (City of Exeter) and Tim Hire (Exeter Unified School District)
2. Public Employment, pursuant to Government Code Section 54957
Classification: City Administrator
3. Conference with Legal Counsel pursuant to Government Code Sections 54956.9(d)(2),
Significant Exposure to Litigation: One Case: 11/28/17 Letter from Doug Roy, Esq.
4. Liability Claims pursuant to Government Code Section 54956.95
Claimant: City of Grover Beach
Agency claimed against: City of Exeter
5. Conference with Legal Counsel, Existing Litigation pursuant to Government Code Section 54957(b)(1)
Name of Case: Fear v. City of Exeter, et al. SLOSC Case No. 17cv-0529

G. REPORT OF FINAL ACTIONS TAKEN IN CLOSED SESSION

8:45 p.m. Council returned to open session from closed session. City Attorney Julia Lew reported that on a motion made by Council Member Sally, seconded by Mayor Pro Tem Waterman-Philpot and carried 4-0 (Council Member Gerdes absent) to declare the claim submitted by City of Grover Beach untimely, or if not late, rejected.

No further action was requested, or taken.

H. ADJOURNMENT

The meeting was adjourned at 8:45 p.m.

Shonna Oneal City Clerk

**EXETER CITY COUNCIL
FEBRUARY 3, 2018**

A. CALL TO ORDER SPECIAL MEETING & WELCOME

The Exeter City Council held a special meeting for the annual planning workshop on February 3, 2018 at 8:05 a.m., in the Council Chambers of City Hall, located at 137 North F Street in Exeter. Mayor Boyce called the meeting to order. Roll call showed Petty, Gerdes, Sally, Waterman-Philpot and Boyce present.

B. PUBLIC COMMENT (Time limits at discretion of Mayor) - None

C. ORDER OF THE DAY

Interim City Administrator Eric Frost advised the Council of the schedule for the workshop.

D. COUNCIL DESIRES/CONCERNS

Interim City Administrator Eric Frost introduced the item. City Clerk/Personnel Officer Shonna Oneal led the Council through the exercise.

E. PAST RESULTS AND CURRENT TRENDS

Interim City Administrator Eric Frost provided a PowerPoint presentation highlighting the City's recent history and probable results unless processes are changed. Following brief discussion, the Council took a break at 9:15 a.m. and resumed at 9:25 a.m.

F. POLICE DEPARTMENT

Chief of Police John Hall provided a PowerPoint presentation highlighting the Police Department's operations.

G. ALTERNATIVE ACTIONS

Interim City Administrator Eric Frost provided a PowerPoint presentation highlighting a revenue measure. Following a brief discussion, the Council took a break at 10:35 a.m. and resumed at 10:55 a.m.

H. COUNCIL DISCUSSION OF DESIRES/CONCERNS, NEXT STEPS

The Council reviewed the list of desires and concerns.

I. ADJOURNMENT OF SPECIAL MEETING

Council meeting adjourned at 11:07 a.m.

Shonna Oneal City Clerk

72

Approved on 1/19/2018 for Payments Through 1/19/2018

Vendor Name	Description	Amount
AFLAC	DEC AFLAC PREMIUMS	4,202.07
ALI AGAHI	1/3/18 ALDRIDGE, GUNNER	105.00
ASI ADMINISTRATIVE SOLUTIONS	JAN ADMIN FEES	1,364.15
BINESH/ BEHROUZ	SMOG CHECK- 08 FORD #467	330.00
BSK ASSOCIATES	METALS, CAM-017 3050	1,757.50
CALIFORNIA BUSINESS MACHINES	1/13-2/12/18 COPIER-PW	62.55
CARD MEMBER SERVICES	MULTI-DOMAIN SSL CERTIFI	3,774.65
CARRETERO/ VANESSA	FUEL REIMB-CARRETERO	15.00
CENTRAL CAL WATERWORKS, INC	JAN 2018 WTP	2,000.00
CENTRAL VALLEY TOXICOLOGY INC	LAB FEES-DEC	392.00
CHARLES T YOSHIDA, DDS	1/3/18 BRASSFIELD, TRAVI	135.00
CITY OF EXETER	11/18 - 12/18/17 ASSESSM	3,754.12
COLLINS & SCHOETTLE	DEC PLANNING	1,267.50
CRAIGS AUTO PARTS	EXTRA HD ON OFF SWITCH	862.13
CSJVRMA	WORKERS COMP RETRO ADJUS	189,236.00
CULLIGAN	DEC PD WATER SERVICE	126.50
DEPT OF JUSTICE	DEC FINGERPRINTS	373.00
DUNN'S SAND INC	CMAQ 5195 (018) PROJECT	344,091.00
EMD NETWORKING SERVICES, INC.	FEB MONTHLY BILLING	1,207.69
EXETER MERCANTILE CO.	KEY MASTER-INGLISHART	79.90
EXETER SMALL ENGINE REPAIR	FUEL MIX-GOMEZ	11.34
EXETER UNIFIED SCHOOL DISTRICT	CUSTODIAL FEE	640.00
EXETER VETERINARY HOSPITAL	EXAM/EUTHANASIA	300.75
EYE SURGICAL & MEDICAL	10/2/17 QUIROZ, OWEN	225.00
FASTENAL COMPANY	800'EN MOTION ROLL TWL	150.60
FP MAILING SOLUTIONS	POSTBASE INK CARTRIDGE	259.93
FRONTIER CALIFORNIA INC.	5714/1-4 TO 2/3/18	83.17
HIGH SIERRA LUMBER CO.	80 LB CONCRETE MIX	181.41
IACP	2018 MEMBERSHIP DUES-HAL	150.00
JT2 INC	HSIP 5195 (0150) PROJECT	80,432.25
MCCORMICK KABOT JENNER & LEW	DEC LEGAL SERVICES	6,288.06
MID VALLEY DISPOSAL, LLC	DEC MID VALLEY	73,966.98
MILLER & NARAHARA O.D.'S	1/3/18 MATLOCK, TERRI	172.72
PROSPERITY PEST CONTROL	PEST CONTROL @ PD	190.00
QUAD KNOPE ENGINEERING	170008 EXETER 17 GEN ENG	11,278.67
SHRED-IT US JV LLC	SHREDDING AT PD	102.01
SIMMONS TIRE SERVICE	FLAT/DW-QUIROZ	18.00
SOUTHERN CALIFORNIA EDISON	9109A/12-11 TO 1/10/18	7,991.58
SOUTHERN CALIFORNIA GAS CO.	7144/12-1 TO 1/1/18	379.92
SWRCB	7/1-6/30/18 WTR FEE CONN	14,043.00
TOP DOG TRAINING CENTER	K9 MONTHLY TRAINING	2,700.00
US BANK N.A.	DEC CUSTODY CHARGES	61.00
VALLEY EXPETEC	SONIC WALL SECURITY/FIRE	4,605.12
WALKER/PAUL	FUEL REIMB-WALKER	20.00
XTRME GREEN ELECTRIC VEHICLES	2 SENTINEL/1 UTV	61,469.22

Final Totals... 820,856.49

**

ACS/XEROX FINANCIAL SYSTEM
1/19/2018 10:43:09 Payments for Publication
TOTAL NUMBER OF RECORDS PRINTED 219

CITY OF EXETER
GI335R-V08.05 PAGE

EJ

PERIOD 2 DATING 1/08/2018- 1/21/2018 CHECK DATE 1/26/2018
DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ	CHECK
42988	138.00	CA STATE DISBURSEMENT	UN 1	1	VENDOR CHECK
42989	63.69	CA STATE DISBURSEMENT	UN 2	1	VENDOR CHECK
42990	354.92	CA STATE DISBURSEMENT	UN 8	1	VENDOR CHECK
42991	115.38	CA STATE DISBURSEMENT	UN 81	1	VENDOR CHECK
42992	134.60	FRANCHISE TAX BOARD	7A	1	VENDOR CHECK
42993	1,237.38	BILLUPS/DELBERT R	501	1	
42994	1,792.13	PHILIPS/KEVIN M	429	1	
42995	159.17	ENGLAND/QUINCEY	566	1	
42996	131.99	GARVER/ELIJAH MORGAN	507	1	
42997	306.89	KOO/CIANA	549	1	
42998	63.49	VELASQUEZ/FRANCHESCA	560	1	

TOTALS FOR CHECK FORM: CHEK

NEGOTIABLE CHECKS

	AMOUNT	COUNTS
*EMPLOYEE CHECKS	3,691.05	6
*VENDOR CHECKS	806.59	5
*BANK CHECKS	0.00	0
**TOTAL NEGOTIABLE CHECKS	4,497.64	11

OTHER CHECKS

	AMOUNT	COUNTS
*MANUAL CHECKS	0.00	0
*CANCELLED CHECKS	0.00	0

4,497.64 **TOTAL FOR CHECK FORM

NON-NEGOTIABLE CHECKS

	AMOUNT	COUNTS
*DIRECT DEPOSIT STUBS	0.00	0
*VENDOR DIR DEP STUBS	0.00	0

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ
45304	288.00	CLOCEA	4	1
45305	351.00	EXETER POLICE OFFICER AS	3	1
45306	314.35	FROST/ERIC	204	1
45307	1,927.40	ONEAL/SHONNA N	203	1
45308	1,327.82	HERNANDEZ/XOCHITL	306	1
45309	963.48	IBARRA/MARLENE	302	1
45310	3,272.11	TAVAREZ/CHRISTOPHER	309	1
45311	1,257.35	MATLOCK/TERRI	308	1
45312	408.32	SEE/EKHONG	304	1
45313	1,165.62	CARRETERO/VANESSA	402	1
45314	1,514.20	CORREA/GABRIEL JR	436	1
45315	2,001.77	DURKEE/MARK	404	1
45316	2,344.53	FERNANDEZ/CESAR	434	1
45317	1,847.28	FRICK/JOCELYNN LEANN	407	1
45318	1,239.90	GARCIA/BRANDI L	433	1
45319	1,839.93	GIEFER/MICHAEL DAVID	438	1
45320	1,629.24	GUZMAN/TIMOTHY CHARLES	410	1
45321	3,436.12	HALL/JOHN T	406	1
45322	1,677.61	HAYES/CURTIS W	437	1
45323	2,460.57	INGLEHART/BRETT A	411	1
45324	1,327.79	MACLEAN/JANET L	413	1
45325	1,532.85	MCINTOSH/JEFF A	440	1
45326	1,745.24	SALINAS/ALEXANDER	419	1
45327	1,787.02	STARK/KYLE	421	1
45328	1,959.62	WALKER/PAUL	425	1
45329	2,319.91	YARBER/ISABEL	422	1
45330	990.34	ALDRIDGE/GARY	618	1
45331	1,335.80	ARROYO/MARIE	623	1
45332	1,167.56	BRASSFIELD/TRAVIS	619	1
45333	1,965.14	ESPINOLA/DANIEL M	602	1
45334	1,303.42	HUGGINS/KYLE AARON	621	1
45335	2,753.15	QUALLS/DAYMON	607	1
45336	1,909.61	RAMIREZ/JUAN	608	1
45337	568.51	WHITTENBURG/ALLEN	612	1
45338	1,223.13	CHARTER/AMY JO	502	1
45339	311.01	MILLER/SKYLAR	558	1
45340	349.40	TAMOUZIAN/CLAYTON G	516	1
45341	1,094.51	WACHTER/LINDA S	517	1
45342	1,026.02	GOMEZ/RUBEN	546	1
45343	1,270.82	QUIROZ/PATRICK P	512	1
45344	1,030.80	MILLAN/MARCUS	622	1
45345	1,024.35	MILLER/JAMES	624	1

**City of Exeter
Agenda Item Transmittal**

Meeting Date: February 13, 2018

Agenda Item Number: **E4**

Wording for Agenda: Approve appropriation of \$71,087.00 into expenditure account 107.441.074.000 and authorize Warren & Baerg Manufacturing, Inc. of Dinuba, CA to perform emergency repairs on the screw pumps at the Waste Water Treatment Plant.

Submitting Department: Public Works
Contact Name: Daymon Qualls
Phone Number: 559.592.3318
Email: dqualls@exetercityhall.com

For action by:

City Council

Regular Session:

Consent Calendar

Regular Item

Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that Council approve the appropriation of \$71,087.00 into expenditure account 107.441.074.000 and authorize Warren & Baerg Manufacturing, Inc. of Dinuba, CA to perform emergency repairs on the screw pumps at the Waste Water Treatment Plant.

Summary/Background:

The Waste Water Treatment Plant is equipped with two (2) large circular screw pumps that operate twenty-four (24) hours per day and seven (7) days per week. These pumps pull sewage from the headworks into the clarifiers.

The screws have been in need of rehab for a number of years, but due to budgetary constraints, the work has been deferred. Recently, one of the gear boxes suddenly stopped working. Warren & Baerg Manufacturing, Inc, a Dinuba company, who specializes in this type of work, was contacted and asked to evaluate the screw pumps for emergency repairs. Warren & Baerg Manufacturing, Inc's evaluation concluded that there was a broken tooth on the east gear box. They also confirmed that both pump bearings were in immediate need of replacement. Since both screws have to be disassembled and removed in order to replace the pump bearings, it was also recommended that both screws be re-coated to preserve their life span and improve pumping efficiency. Staff also contacted M Wood Company for a secondary opinion and cost estimate. M Wood Company's findings concurred with those of Warren & Baerg Manufacturing, Inc's; however, their cost estimate was significantly higher.

Warren & Baerg Manufacturing, Inc provided a detailed cost estimate for the described work. The estimated costs are:

Repair Gear Box:	\$1,236.00
Repair Screw Pumps:	\$64,586.00
Allowance for tax:	<u>\$5,265.00</u>
Total:	\$71,087.00

Copies of the detailed quotes have been provided as an attachment to this report. Because this was not an anticipated expenditure, an appropriation for the emergency repairs is necessary.

Fiscal Impact: The sewer fund has limited cash, but this project is essential. Potentially, a rate increase may be necessary to properly finance this fund.

Prior Council/Board Actions: None

Attachments: Cost estimates provided by Warren & Baerg Manufacturing, Inc

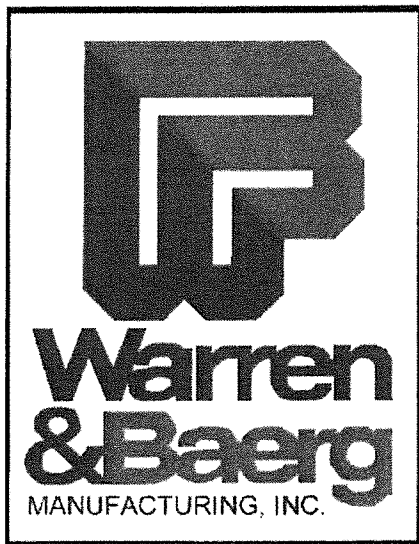
Recommended motion to be made by Council/Board: I move to approve the appropriation of \$71,087.00 into expenditure account 107.441.074.000 and authorize Warren & Baerg Manufacturing, Inc. of Dinuba, CA to perform emergency repairs on the screw pumps at the Waste Water Treatment Plant.

Warren & Baerg Manufacturing, Inc.

39950 Road 108, Dinuba, California 93618 USA Feb. 9, 2018

Screw Pump Gearbox Repair

For Exeter, City of



Warren & Baerg Contact Information:

Please contact our Outside Sales Representative - Jeff Zoulek / Dynamic Solutions & Repairs LLC. if you have any questions or concerns. Thank You!

Jeff Zoulek / Owner of Dynamic Solutions and Repairs LLC. - Sales Representative for Warren & Baerg Corp. Cell # 559-283-4461 / Email: jeff@dsandrepairs.com

Mary Villarreal / Inside project Coordinator
Office # 559-591-6790 / Email: mary@warrenbaerg.com

Description of Services:

DESCRIPTION	COST, EACH
Repairs for Gearbox on Screw Pump: Cost estimate is an EACH price.	
Shop Labor to Repair Gearbox 8 hours	\$ 680.00*
Parts and Materials, Seal Kit (Assuming all gears are in good condition)	\$ 556.00*
<ul style="list-style-type: none"> - Disassemble - Clean - Inspect - Polish - Check all: <ul style="list-style-type: none"> o Shafts o Bearings o Fits o Clearances - New Gear Oil - Assemble and Reinstall Gearbox <p>Note: Time and Material will be charged for unforeseen items such as:</p> <ul style="list-style-type: none"> o Repairs to motors. o Any unseen machine work. o Broken gears or shafts o All Time and Material items will be preapproved by the City of Exeter. <p>The following items are not included in the proposal:</p> <ul style="list-style-type: none"> o All permits to be handled by City of Exeter 	
TOTAL FOR REPAIRING GEARBOX	\$ 1,236.00*

*Note: Applicable sales tax will be billed on final invoice.

Terms of Payment

NET 30

Warren & Baerg Manufacturing, Inc.
February 9, 2018

CONFIDENTIAL

Proposal Acceptance

WE PROPOSE hereby to furnish material and labor, complete in accordance with above specifications, for the sum of: *as accepted*

Payments to be made in accordance with terms stated herein. Any sum not paid when due will bear interest at the rate of 10% per annum.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire and other necessary insurance. Our workers are fully covered by Workmen's Compensation insurance.

Authorized

Signature: *Larry Baerg*

NOTE: This proposal may be withdrawn by us if not accepted within:

60 days.

Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. In the event any action is required to enforce any of the terms of this agreement the prevailing party will be entitled to reasonable attorney fees in addition to any other remedies.

Signature: _____

Signature: _____

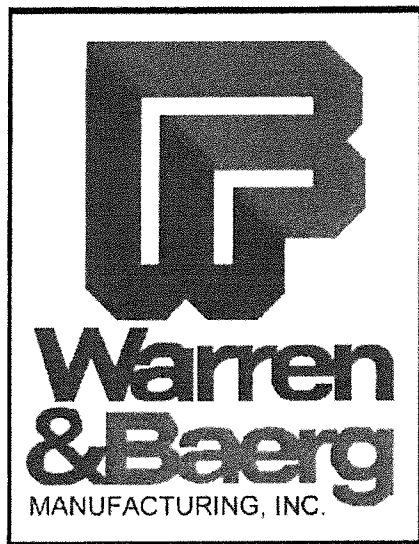
Date of Acceptance: _____

Warren & Baerg Manufacturing, Inc.

39950 Road 108, Dinuba, California 93618 USA Feb. 9, 2018

Screw Pump Bottom Bearing Replacement and Repairs

For Exeter, City of



Warren & Baerg Contact Information:

Please contact our Outside Sales Representative - Jeff Zoulek / Dynamic Solutions & Repairs LLC. if you have any questions or concerns. Thank You!

Jeff Zoulek / Owner of Dynamic Solutions and Repairs LLC. - Sales Representative for Warren & Baerg Corp. Cell # 559-283-4461 / Email: jeff@dsandrepairs.com

Mary Villarreal / Inside project Coordinator
Office # 559-591-6790 / Email: mary@warrenbaerg.com

Description of Services:

DESCRIPTION	COST, EACH
<ul style="list-style-type: none"> - This proposal covers the repair of the two (2) Screw Pump Units at the Exeter, California facility. Each have similar item requiring repair. - One unit will be repaired first. Once it is up and running WB will work with Exeter to begin repair of the second unit based on their needs and schedule. - Cost listed here are EACH for the repairs and optional items. It is expected that repairs needed will be very similar on each of the two (2) Units. 	
New 4 ½ " Lower Bearing Assembly Without Shaft	\$ 6,266.00*
Labor: 29.53 Job Hours	
2.35 Hours Travel	\$ 2,710.00*
Crane Charge	\$ 1,000.00*
Screw Flighting Repair and Coating	\$ 3,820.00*
<ul style="list-style-type: none"> - Before start of job review site safety and lock out / tag out procedures with facility Supervisors. Follow required safety requirements. - Crane services. For removing Screw Pump. - Disassemble the Screw Pump and completely remove for repair. <ul style="list-style-type: none"> o Disconnect electrical to gearbox o Disassemble guard skirting for removal - Weld / Build Up flighting of Screw Pump to original dimensions and hardface. <ul style="list-style-type: none"> o Machine / Grind flighting O.D. to original dimensions o Coat complete Screw Pump - Hydraulic jacks as needed to lift Screw Pump for new bearing install. - Disassemble Lower Bearing Assembly and remove without damaging the grout and mountings. - Disconnect Auto Grease Lines and inspect for needed repair/cleaning. - Disassemble top end of Screw Pump - Prep and Clean these areas to inspect for any additional wear caused by the failed bearing. Determine if any other repair is needed to this area. - Reinstall the Screw Pump 	
<p>Note: Time and Material will be charged for unforeseen items such as:</p> <ul style="list-style-type: none"> o Repairs to geardrives or motors. o Any unseen machine work. o All Time and Material items will be preapproved by the City of Exeter. 	
<p>The following items are not included in the proposal:</p> <ul style="list-style-type: none"> o Cleaning of Screw Pump o Draining and cleaning of Screw Pumps Sumps o All permits to be handled by City of Exeter 	
TOTAL FOR LOWER BEARING ASSEMBLY	\$13,796.00*

OPTION: 1 – If bearing shaft is damaged we can repair as follows Repair Shaft by removing, welding up and machining to fit new bearing. Labor: 7.1 Job Hours 2.35 Hours Travel	\$ 800.00*
OPTION: 2 Install new Bearing Assembly Shaft	\$ 2,904.00*
OPTION: 3 Labor: 10 Job Hours (If replaced at same time as lower bearing hours would be reduced) Upper Bearing Replacement	\$ 850.00* \$ 4,443.00*
OPTION: 4 Labor: 2.3 Job Hours Auto Grease Unit	\$ 200.00* \$ 9,300.00*

*Note: Applicable sales tax will be billed on final invoice.

Terms of Payment

NET 30

Proposal Acceptance

WE PROPOSE hereby to furnish material and labor, complete in accordance with above specifications, for the sum of: *as accepted*

Payments to be made in accordance with terms stated herein. Any sum not paid when due will bear interest at the rate of 10% per annum.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire and other necessary insurance. Our workers are fully covered by Workmen's Compensation insurance.

Authorized

Signature: _____



NOTE: This proposal may be withdrawn by us if not accepted within:

60

_____ days.

Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. In the event any action is required to enforce any of the terms of this agreement the prevailing party will be entitled to reasonable attorney fees in addition to any other remedies.

Signature: _____

Signature: _____

Date of Acceptance: _____

**City of Exeter
Agenda Item Transmittal**

Meeting Date: February 13, 2018

Agenda Item Number: E5

Wording for Agenda: Approve appropriation of \$142,000.00 into expenditure account 105.461.071.003, and authorize Ingram Equipment Co. of Visalia, CA to perform emergency repairs to Well E13-W.

Submitting Department: Public Works
Contact Name: Daymon Qualls
Phone Number: 559.592.3318
Email: dqualls@exetercityhall.com

For action by:

City Council

Regular Session:

Consent Calendar

Regular Item

Public Hearing

Review:

**City Administrator
(Initials Required)**



Department Recommendation:

Staff recommends that Council approve the appropriation of \$142,000.00 into expenditure account 105.461.071.003, and authorize Ingram Equipment Co. of Visalia, CA to perform emergency repairs to Well E13-W.

Summary/Background:

After a recent pump failure at Well E13-W (the well located at Unger Park), it was discovered that the pump shaft had frozen and the well could not be restarted. Diagnostic work performed by Ingram Equipment concluded that the pump and bearings had frozen and immediate repair was needed. Further inspection revealed that the bowls were also beyond repair and needed to be replaced. Of the five wells currently online, this well is our top producer at just under 1,500 GPM. This represents roughly 36% of our total production capabilities by 36%.

Attached to this report is a detailed quote provided by Ingram Equipment.

Because such costly repairs are beyond our normally budgeted amount for well maintenance, an appropriation is necessary.

Fiscal Impact: As of last audit, \$850,000.00 was available in cash.

Prior Council/Board Actions: None

Attachments: Cost estimate provided by Ingram Equipment.

Recommended motion to be made by Council/Board: I move to approve the appropriation of \$142,000.00 to expenditure account 105.461.071.003, and authorize Ingram Equipment Co. of Visalia, CA to perform emergency repairs to Well E13-W.

INGRAM EQUIPMENT CO., INC.

1748 E. Caldwell Ave.
 Visalia, CA 93292

Estimate

Date	Estimate #
1/9/2018	1535

Name / Address
City Of Exeter 137 North F Street Exeter, CA 93221

Project
1182-Job

Description	Qty	Rate	Total
HYDRO JET	1	21,000.00	21,000.00T
PUMP 1500@306 TDH WITH SCOTCHKOTE COATING	1	15,841.65	15,841.65T
10" STAINLESS CONE SCREEN STRAINER MALE THREAD	1	536.25	536.25T
10X1.5 RETAINER BARRINGS	36	166.65	5,999.40T
10" X 10' COLUMN BUTT GREEN T & C	14	630.30	8,824.20T
1.5X10' 10TH LH SHAFTING	38	338.25	12,853.50T
REPAIR PACKING GLAND AND REBUILD COLLUMN	1	5,371.61	5,371.61T
1 1/2" X 20' PVC WHITE SCH80 DROP PIPE THREADED	400	2.0625	825.00T
PRESSURE TRANSDUCER (0-200)	1	2,455.46	2,455.46T
CRANE RENTAL PER WEEK	1	3,430.00	3,430.00T
DAILY COMPRESSOR RENTAL - AIR JET WELL INCLUDES HOSES AND OPERATOR	2	950.00	1,900.00
LABOR TO AIRLIFT WELL INSTALL WITH HYDRO CRANE 4 MEN	60	525.00	31,500.00
CRANE RENTAL	2	2,527.80	5,055.60T
VIDEO WELL	1	555.00	555.00
LABOR TO INSTALL NEW PUMP AND SHAFTING	40	315.00	12,600.00
ANY CRANE WORK BEYOND ESTIMATED COST WILL BE ADDED WITH A CHANGE ORDER			
ANY ADDITIONAL PARTS AND LABOR NOT LISTED WILL BE ADDED WITH A CHANGE ORDER		Subtotal	\$128,747.67
		Sales Tax (7.75%)	\$6,369.93
		Total	\$135,117.60

**City of Exeter
Agenda Item Transmittal**

Meeting Date: February 13, 2018

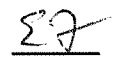
Agenda Item Number: **E6**

Wording for Agenda: Adopt Resolution 2018-02 Declaring two (2) Dial-a-Ride buses and spare parts inventory to be Surplus and Authorizing its Disposition to the City of Tulare in the amount of \$95,000.00.

Submitting Department: Public Works
Contact Name: Daymon Qualls
Phone Number: 559.592.3318
Email: dqualls@exetercityhall.com

For action by:
 City Council

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Review:
**City Administrator
 (Initials Required)**


Department Recommendation:
 Staff recommends that Council adopt Resolution 2018-02 declaring the two (2) Dial-a-Ride buses and spare parts surplus; and accept the City of Tulare's offer of \$95,000.00 for the purchase of the City's surplus Dial-a-Ride buses and spare parts inventory.

Summary/Background:
 Per an agreement approved by Council, and finalized on June 27th, 2017, the City of Visalia assumed the responsibility for Dial-a-Ride services in the City of Exeter, effective July 1, 2017.

The City of Exeter was left with two (2) Dial-a-Ride vehicles, a 2008 Ford E450 Starcraft bus, and a 2014 Ford E450 Glaval bus, which are no longer needed. Because these buses were purchased with federal monies, the City is obligated to sell them to another Federal Transportation Agency, (FTA) qualified agency. Additionally, the City was left with a substantial inventory of spare parts for the 2014 bus.

Table 1, Transit Asset Sale – 2017/18, shows the original cost of the buses and spare parts, along with the remaining value after depreciation:

City of Exeter Transit Asset Sale -2017/18		
Transit 2014 Bus Parts	Original Cost	Remaining Value
	23,523	13,477
	15,527	8,896
		22,372
	Transit Buses	
2014 Ford E450 (Glaval)	109,000	62,448
2008 Ford E450 (Starcraft)	52,963	20,000
		104,820

The City of Tulare has offered \$95,000.00 for both buses and all of the spare parts. It is staff's opinion that the offer is reasonable and appropriate based on the calculated remaining value.

Fiscal Impact:

If Council approves this sale, the proceeds will be receipted into the City's transit fund to offset the deficit left when the City ended its Dial-a-Ride program.

Prior Council/Board Actions: None

Attachments: None

Recommended motion to be made by Council/Board: I move to adopt Resolution 2018-02 Declaring two (2) Dial-a-Ride buses and spare parts inventory to be Surplus and Authorizing its Disposition to the City of Tulare in the amount of \$95,000.00.

RESOLUTION NO. 2018-02

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EXETER,
DECLARING TWO (2) DIAL-A-RIDE BUSES AND SPARE PARTS INVENTORY TO BE
SURPLUS AND AUTHORIZING ITS DISPOSITION TO THE CITY OF TULARE IN THE
AMOUNT OF \$95,000**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EXETER, AS FOLLOWS,
TO WIT:**

SECTION 1. That certain property listed below is hereby declared to be surplus property of the City of Exeter

Surplus Items:

<u>Year</u>	<u>Make</u>	<u>Model</u>
2014	Ford	E450 (Glaval)
2008	Ford	E450 (Starcraft)

Transit 2014 Bus Parts Inventory

SECTION 2. The Finance Director/Treasurer of the City of Exeter is hereby authorized to dispose of said property by sale to the City of Tulare in the amount of \$94,000.00 and to deposit any funds received in the transit funds of the City of Exeter to help offset the deficit remaining in this account.

Passed and Adopted upon a motion of Council Member _____, and seconded by Council Member _____, at a regular meeting of the City Council of the City of Exeter duly called and held on the 13TH day of February, 2018 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

MAYOR TERESA BOYCE

ATTEST:

CITY CLERK SHONNA ONEAL