



Willows City Council Regular Meeting

January 8, 2019
Willows City Hall
7:00 p.m.

201 North Lassen Street
Willows, CA 95988
(530) 934-7041

Agenda

City Council
Gary Hansen, Mayor
Kerri Warren, Vice Mayor
Lawrence Mello, Council Member
Joe Flesher, Council Member
Larry Domenighini, Council Member

Interim City Manager
Wayne Peabody

City Clerk
Tara Rustenhoven

1. **CALL TO ORDER- 7:00 p.m.**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PUBLIC COMMENT/WRITTEN COMMUNICATIONS**

a. **Public Comments:**

Members of the public wishing to address the Council on any item(s) not on the agenda may do so at this time when recognized by the Mayor/Vice Mayor; however, no formal action will be taken unless a majority consensus of the Council directs staff to place the item on a future agenda. Public is advised to limit discussion to one presentation per individual. While not required, please state your name and address for the record. (Oral communications will be limited to three minutes)

5. **CONSENT AGENDA**

Consent items are considered to be routine by the City Council and will be enacted in one motion. There will be no separate discussion on these items unless a Council Member requests, in which event the item will be removed from the consent agenda. It is recommended that the Council:

- a. Approval of general checking, payroll & direct deposit check registers 36438-36532, Z09632-Z09687, 37733-37767.
- b. Approval of minutes of the Regular City Council Meeting held on December 11, 2018.

Comments from the public are welcome. The Mayor will allow an opportunity for comments related to Public Hearings and each action item on the agenda. Please limit comments to three minutes per topic, and one comment per person per topic. Once comments conclude, please allow the Council the opportunity to continue its consideration of the item without interruption.

6. PUBLIC HEARING

- a. Conduct a public hearing for the 2018/2019 Appropriation Limit for the City of Willows and adopt a resolution establishing said limit.

7. REGULAR BUSINESS AGENDA/ITEMS REQUIRING COUNCIL ACTION

- a. Adopt the Resolution of the City of Willows awarding the Contract for Services to Morrison & Company for a Biomass Cogeneration Feasibility Study and Business Case Development Analysis and Direct Interim City Manager to negotiate and sign terms of agreement.

8. COUNCIL/ STAFF REPORTS/COMMENTS

- a. Staff Reports/Comments:
- b. Council Reports/Comments:

9. ADJOURNMENT

This agenda was posted on January 3, 2019



Tara Rustenhoven, City Clerk

A complete agenda packet, including staff reports and back-up information, is available for public inspection during normal work hours at City Hall or the Willows Public Library at 201 North Lassen Street in Willows or on the City's website at www.cityofwillows.org.

In compliance with the Americans with Disabilities Act, the City of Willows will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's office at 934-7041 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

The City of Willows is an Equal Opportunity Provider



CONSENT AGENDA



Period

12/6/2018 TO 1/2/2019

General Checking 36438 TO 36532

Payroll Direct Deposit Z09632 TO Z09687

Payroll Checks 37733 TO 37767

APPROVAL DATE 1/15/2019

APPROVED _____

REPORT.: Dec 18 18 Tuesday
 RUN...: Dec 18 18 Time: 11:10
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
 Check Listing for 12-18 Bank Account.: 1045

PAGE: 001
 ID #: PY-DP
 CTL.: WIL

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
036438	12/03/18	GLE13	GLENN CO. CLERK-RECORDER	-128.00	.00	-128.00	B81120u	Ck# 036438 Reversed
036465	12/18/18	ABF01	CERTIFIED/FORTRESS SECURI	78.00	.00	78.00	4605646	ALARM MONITORING 1/1-3/31
036466	12/18/18	AME02	AMERIPRIDE UNIFORM SVCS.	247.89	.00	247.89	B81217	NOVEMBER STMT PER ATTACHE
036467	12/18/18	AME43	AMERICAN RED CROSS HEALTH	285.00	.00	285.00	22151612	BASIC LIFE SUPPORT COURSE
036468	12/18/18	BAD00	BADAWI & ASSOCIATES	2500.00	.00	2500.00	1605	GASB PREPARATION
036469	12/18/18	CAC00	CACEO	95.00	.00	95.00	300009474	PROFESSIONAL MEMBERSHIP D
036470	12/18/18	COA00	COASTLAND CIVIL ENGINEERI	33.75 437.50 710.00 544.59 132.75	.00 .00 .00 .00 .00	33.75 437.50 710.00 544.59 132.75	44889 44970 44971 44978 44981	WILLOWS LLAD THROUGH 11/3 BASIN ST RESIDENTIAL THRO WILLOWS CITY ENGINEERING EDA GRANT THROUGH 11/30/1 WALDEN ACADEMY THROUGH 11
Check Total.....:				1858.59	.00	1858.59		
036471	12/18/18	COM16	COMCAST CABLE	145.93	.00	145.93	B81217	ADMIN INTERNET 11/29-12/2
036472	12/18/18	DEE02	DEERE & COMPANY	58535.50	.00	58535.50	116459590	LAWN MOWER
036473	12/18/18	DIS00	DISCOUNT SCHOOL SUPPLY	40.23	.00	40.23	842300101	BLOCKS
036474	12/18/18	FED00	FEDEX	138.11	.00	138.11	637219242	SHIPPING EDA DOCS
036475	12/18/18	FGL00	FGL ENVIRONMENTAL	55.00 22.00	.00 .00	55.00 22.00	878705AIN 878727AIN	BACTI ANALYSIS BACTI ANALYSIS
Check Total.....:				77.00	.00	77.00		
036476	12/18/18	GAN01	GANDY-STALEY OIL CO.	5115.77	.00	5115.77	B81217	NOVEMBER STMT PER ATTACHE
036477	12/18/18	GLE21	GLENN CO. SHERIFFS DEPT.	114629.16	.00	114629.16	102218-10	CONTRACTUAL LAW ENFORCEME
036478	12/18/18	GLE29	COUNTY OF GLENN	6474.03	.00	6474.03	43965	CONSOLIDATED ELECTION
036479	12/18/18	GLE54	GLENN COUNTY BUILDING DEP	1642.05	.00	1642.05	19-4039	BUILDING INSPECTION SERVI
036480	12/18/18	HAN15	JOSE HANSEN	90.12	.00	90.12	B81217	MILEAGE/MEAL REIMBURSEMEN
036481	12/18/18	HUN02	ROBERT W HUNT	2585.30	.00	2585.30	18-12	GENERAL LEGAL SERVICES NO
036482	12/18/18	INK01	THE INKWELL	75.02 23.60 97.89	.00 .00 .00	75.02 23.60 97.89	1863 1877 1883	CALENDARS PAPER CALENDARS
Check Total.....:				196.51	.00	196.51		
036483	12/18/18	ITF01	INDUSTRIAL TRUCK & FARM	178.00	.00	178.00	B81217	NOVEMBER STMT PER ATTACHE
036484	12/18/18	JER00	JEREMY'S PEST STOMPERS	35.00	.00	35.00	1251813	PEST CONTROL DEC 2018
036485	12/18/18	MAT01	MATSON & ISOM TECHNOLOGY	2843.00 180.00	.00 .00	2843.00 180.00	66539 66582	MANAGED PARTNER AGREEMENT OFFSITE BACKUP DEC 2018
Check Total.....:				3023.00	.00	3023.00		
036486	12/18/18	MEN02	MENDES SUPPLY COMPANY	99.08	.00	99.08	R0320700	TOWELS/TISSUE
036487	12/18/18	MET01	METROPOLITAN TRANSPORTATI	1500.00	.00	1500.00	492611010	STREET SAVER ANNUAL SUBSC
036488	12/18/18	MJB01	MJB WELDING SUPPLY, INC.	38.00	.00	38.00	1228434	CYLINDER RENTAL
036489	12/18/18	NSW00	NSWTS	100.00	.00	100.00	41	MONTHLY SERVICE
036490	12/18/18	O'R01	O'REILLY AUTO PARTS	60.90	.00	60.90	487823191	WIPER BLADES
036491	12/18/18	PGE01	PG & E	21.03	.00	21.03	B81217	P.G. & E. 1600 S TEHAMA
036492	12/18/18	RAY03	RAY MORGAN COMPANY	63.28	.00	63.28	2308461	PROF. SERVICES GENERAL OF
036493	12/18/18	REC00	RECOLOGY OSTROM ROAD	13081.56	.00	13081.56	1049709	SLUDD REMOVAL
036494	12/18/18	SAC08	SACRAMENTO VALLEY MIRROR	107.10	.00	107.10	15734	LEGAL AD SURPLUS/SOLAR
036495	12/18/18	SAF03	SAFETY TIRE SERVICE	71.76	.00	71.76	36454	DAMAGE CLAIM
036496	12/18/18	SEV00	INFRAMARK, LLC	54219.41	.00	54219.41	36297	WILLOWS OPERATION DEC 201
036497	12/18/18	SUC01	SUCCESS PRINTING	18.50	.00	18.50	5274	BUSINESS LICENSES
036498	12/18/18	SWR01	SWRCB FEES	2286.00 7081.00	.00 .00	2286.00 7081.00	WD0140952 WD0143414	ANNUAL PERMIT-POTABLE WAT ANNUAL PERMIT-WASTEWATER

REPORT.: Dec 18 18 Tuesday
 RUN...: Dec 18 18 Time: 11:10
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
 Check Listing for 12-18 Bank Account.: 1045

PAGE: 002
 ID #: PY-DP
 CTL.: WIL

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
Check Total.....:				9367.00	.00	9367.00		
036499	12/18/18	TIM00	TIMIOS TITLE, A CALIFORNI	400.00	.00	400.00	143213	TITLE REPORT
036500	12/18/18	USB02	US BANK	222.92	.00	222.92	371882697	EQUIP. LEASE 11/20-12/20/
036501	12/18/18	USB04	U.S. BANK CORPORATE PAYME	3903.18	.00	3903.18	B81217	NOVEMBER STMT PER ATTACHE
036502	12/18/18	VAL14	VALLEY TRUCK & TRACTOR CO	1845.96	.00	1845.96	B81217	NOVEMBER STMT PER ATTACHE
036503	12/18/18	VER02	VERIZON WIRELESS	188.96	.00	188.96	981919052	TELEPHONE EXP. 10/27-11/2
036504	12/18/18	WAL07	WAL-MART COMMUNITY	397.59	.00	397.59	B81217	NOVEMBER STMT PER ATTACHE
036505	12/18/18	WIL17	WILLDAN	6148.00	.00	6148.00	712671	CONTRACT PLANNING THROUG
				122.48	.00	122.48	2-20187	PLAN CHECK
Check Total.....:				6270.48	.00	6270.48		
036506	12/18/18	WILHD	WILLOWS HARDWARE, INC.	257.61	.00	257.61	B81217	NOVEMBER STMT PER ATTACHE
036507	12/18/18	WILHI	WILLOWS ACE HARDWARE	125.94	.00	125.94	B81217	NOVEMBER STMT PER ATTACHE
Cash Account Total.....:				290202.45	.00	290202.45		
Total Disbursements.....:				290202.45	.00	290202.45		
Cash Account Total.....:				.00	.00	.00		

REPORT.: Dec 28 18 Friday
 RUN...: Dec 28 18 Time: 10:32
 Run By.: JANE COLLINS

CITY OF WILLOWS
 Cash Disbursement Detail Report
 Check Listing for 12-18 Bank Account.: 1045

PAGE: 001
 ID #: PY-DP
 CTL.: WIL

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
036508	12/28/18	ACM00	ACME RIGGING & SUPPLY COM	377.44	.00	377.44	298955	GUTTERBROOM WIRE
036509	12/28/18	AME43	AMERICAN RED CROSS HEALTH	57.00	.00	57.00	22152387	BASIC LIFE SUPPORT COURSE
036510	12/28/18	ATT01	A.T.& T.	1000.41	.00	1000.41	B81227	TELEPHONE EXP. 11/19-12/1
036511	12/28/18	BAK06	BAKER & TAYLOR BOOKS	505.60	.00	505.60	401237941	NEW PRINT MAT. LIBRARY
				206.17	.00	206.17	401240097	NEW PRINT MAT. LIBRARY
			Check Total.....:	711.77	.00	711.77		
036512	12/28/18	CAL01	CALIFORNIA WATER COMPANY	2520.19	.00	2520.19	B81227	WATER EXPENSE 11/8-12/10/
036513	12/28/18	CAL56	CALIFA GROUP	3992.10	.00	3992.10	1809	BROADBAND JULY-SEPT 2018
036514	12/28/18	CAL57	CALIFORNIA CHAMBER OF COM	144.78	.00	144.78	11261164	LABOR LAW POSTERS
036515	12/28/18	CIT07	CITY CLERKS ASSOCIATION O	90.00	.00	90.00	27	CCAC MEMEBERSHIP THROUGH
036516	12/28/18	COM16	COMCAST CABLE	150.93	.00	150.93	B81227	FD INTERNET 12/19/18-1/18
036517	12/28/18	COR02	CORBIN WILLITS SYSTEMS	407.87	.00	407.87	B812151	CONT.SERV. FINANCE JAN 20
036518	12/28/18	DEM02	DEMSEY FILLIGER & ASSC.,	750.00	.00	750.00	B81227	GASB 75 MEDICAL BENEFITS
				3500.00	.00	3500.00	AB81228	GASB 75 VALUATION
			Check Total.....:	4250.00	.00	4250.00		
036519	12/28/18	FED00	FEDEX	52.70	.00	52.70	640711766	SHIPPING
036520	12/28/18	FGL00	FGL ENVIRONMENTAL	22.00	.00	22.00	890176A	BACTI ANALYSIS
036521	12/28/18	KNI03	KNIFE RIVER CONSTRUCTION	242.55	.00	242.55	205447	WET PATCH
036522	12/28/18	MAX01	MAXIMUM SECURITY SYSTEMS	60.00	.00	60.00	30835	PROF. SERVICES PARKS/PUB.
036523	12/28/18	MCD01	MCDONALD'S ELECTRIC STORE	235.36	.00	235.36	24462	ELECTRICAL COMPONENTS
036524	12/28/18	PGE01	PG & E	8252.97	.00	8252.97	B81228	P.G. & E. 11/14-12/12/18
036525	12/28/18	POL01	POLY RISER & PIPE	37.39	.00	37.39	13234	LEAF TRUCK REPAIR
036526	12/28/18	RAY03	RAY MORGAN COMPANY	63.28	.00	63.28	2342929	PROF. SERVICES GENERAL OF
036527	12/28/18	SAC08	SACRAMENTO VALLEY MIRROR	107.10	.00	107.10	15759	LEGAL ADS WALDEN/FA INVES
036528	12/28/18	SPP00	SPP FUND III, LLC	3530.35	.00	3530.35	156786750	SOLAR ELECTRICITY 11/1-11
036529	12/28/18	SUN07	SUN LIFE FINANCIAL	5079.04	.00	5079.04	B81228	GAP COVERAGE 11/1-12/31/1
036530	12/28/18	UNI15	UNION PACIFIC RAILROAD	3000.00	.00	3000.00	03031-98	ENCROACHMENT PERMIT-S TEH
036531	12/28/18	WAL07	WAL-MART COMMUNITY	416.05	.00	416.05	B81227	NOVEMBER STMT PER ATTACHE
036532	12/28/18	WIL17	WILLDAN	4929.00	.00	4929.00	712614	CONTRACT PLANNING SERVICE
				8718.50	.00	8718.50	712644	CONTRACT PLANNING SERVICE
				7181.50	.00	7181.50	712699	CONTRACT PLANNING SERVICE
			Check Total.....:	20829.00	.00	20829.00		
			Cash Account Total.....:	55630.28	.00	55630.28		
			Total Disbursements.....:	55630.28	.00	55630.28		
			Cash Account Total.....:	.00	.00	.00		



SUMMARY MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD December 11, 2018

Meeting audio is available at the City of Willows website. This is not a live feature. Audio recordings are posted the succeeding business day following the scheduled City Council Meeting.
Please visit www.cityofwillows.org for free PodBean recordings.

Mayor Warren called the meeting to order at 7:00 p.m.

The meeting opened with the Pledge of Allegiance led by Council Member Hansen.

Roll Call:

Council Members Present: Council Members Flesher, Domenighini, Hansen, Vice Mayor Mello, Mayor Warren.

Council Members Absent:

Staff Present: Interim City Manager Wayne Peabody, City Clerk Tara Rustenhoven and Sheriff Warren.

Public Comment/ Written Communications: No public comments or written communications.

Consent Agenda:

- a. Approval of general checking, payroll & direct deposit check registers (36438-36464, Z09600-Z09631, 37717-37732).
- b. Approval of minutes of the Regular City Council Meeting held on November 27, 2018.

Action:

Motion: Council Member Hansen/Second: Council Member Domenighini

Moved to approve the Consent Agenda as presented above and the following item(s).

The motion passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Hansen, Vice Mayor Mello, Mayor Warren

NOES:

ABSENT:

ABSTAIN:

Regular Business:

- a. Approve the proposed extension agreement and authorize the Interim City Manager to sign one year extension with Waste Management.

Interim City Manager Peabody reported that Waste Management has granted the City with a one year extension to the current contract.

Council Member Hansen commented that he thought it was the right thing to do.

Action:

Motion: Council Member Mello/Second: Council Member Domenighini
Moved to approve the proposed extension agreement and authorize the Interim City Manager to sign one year extension with Waste Management.

The motion passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Hansen, Mello, Warren

NOES:

ABSENT:

ABSTAIN:

b. Receive nominations to elect Mayor and Vice-Mayor for 2019.

MAYOR NOMINATIONS

Mayor Warren opened nominations for Mayor 2019.

Council Member Mello nominated Council Member Hansen for Mayor 2019.

Following all nominations for Mayor 2019, Mayor Warren closed nominations.

Action:

Moved to approve Council Member Hansen take the 2019 Mayor Seat.

Passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Hansen, Mello, Warren

NOES:

ABSENT:

ABSTAIN:

VICE-MAYOR NOMINATIONS

Mayor Warren opened nominations for Vice-Mayor 2019.

Council Member Hansen nominated Mayor Warren for Vice-Mayor 2019.

Following all nominations for Vice-Mayor, Mayor Warren closed nominations.

Action:

Moved to approve Mayor Warren take the 2019 Vice-Mayor Seat.

Passed unanimously 5/0 carried by the following voice vote:

AYES: Flesher, Domenighini, Hansen, Mello, Warren

NOES:

ABSENT:

ABSTAIN:

c. Discuss possible appointments to various committees/panels for the 2019 calendar year.

The following appointments were determined.

COMMITTEE	MEMBER(S)	MEETING DATES/TIME	TERM EXPIRES
*Airport Land Use Committee	Mayor		5/03/2020
*Glenn County Waste Management Regional Agency	Mello Flesher (Alternate)	3 rd Thursday Quarterly	01/2020
*Transit Committee	Hansen Flesher Warren (Alternate)	3 rd Thursday monthly 9am	01/2020
*Transportation Commission	Hansen Flesher (Alternate)	3 rd Thursday of every month following the Transit Committee Meeting	01/2020
*LAFCO (Term is four years)	Domenighini (Alternate)	2 nd Monday monthly 9am in the Supervisors Chambers	5/03/2020 12/2019
City Select Committee	Mayor	Month of January annually	12/2019
Countywide Mosquito & Vector Committee	Vince Holvik Mayor (Alternate)		12/2019
Finance Committee	Warren Flesher	As needed	12/2019
GCID Voting Delegate	Mayor	As needed	12/2019
League Legislative Delegate	Mayor		12/2019
Library Board	Domenighini		12/2019
3CORE (Formally known as Tri-Counties Economic Development Committee)	Warren Mello (Alternate)		12/2019
CDBG Loan Committee	Warren Mello	As needed	12/2019
Public Safety (Police & Fire) Committee	Hansen Flesher	As needed	12/2019
City & Counties Economic Development Steering Committee	Domenighini Warren Hansen (Alternate)		12/2019
Sustainable Groundwater Management Act (SGMA) Board Committee	Hansen Cal Water		12/2020

Council/Staff Reports/Comments:

a. Staff Reports/Comments:

- Interim Manager Peabody announced the birth of Former City Clerk Robyn Johnson's new baby girl, Journey Johnson, born on Sunday December 9, 2018.

b. City Council Reports/Comments:

Council Member Hansen:

- Nov 28th attended Glenn Ground Water Authority Board of Directors meeting.
- Museum open house is on Thursday December 13, 2018 from 5pm-7pm
- Thanks again to the Public Works department on and outstanding job on the leaf pick up.
- The Sheriff's Department is doing a fine job.

Council Member Flesher:

- Wanted to thank everyone for their support and looks forward to working with everyone.

Mayor Warren:

- Attended the Willows High School Winter Concert last week.

Adjournment:

The Meeting was adjourned at 7:19 p.m.

Dated: December 13, 2018


Tara Rustenhoven, City Clerk



PUBLIC HEARING

AGENDA ITEM

TO: Wayne Peabody, Interim City Manager
FROM: Tim Sailsbery, Administrative Services Director
SUBJECT: 2018/19 Appropriation Limit

RECOMMENDATION

Conduct a Public Hearing regarding the 2018/2019 Appropriation Limit for the City of Willows and adopt resolution establishing said limit.

SITUATION (or BACKGROUND):

The City is required to establish its appropriations limit annually by Council resolution. The appropriation limitation imposed by Propositions 4 and 111 creates a restriction on the amount of revenue that can be appropriated in any fiscal year. The limit is based on the actual appropriations during the 1978-79 fiscal year and is increased each year using the growth of population and inflation. Not all revenues are restricted by the limit, only those that are designated as "proceeds of taxes" are included.

The City's appropriation limit for fiscal year 2018/19 is \$10,026,501. With qualified proceeds of taxes \$3,358,935 for the year, the City is \$6,667,566 under the limit. The City Auditor has applied testing procedures to the worksheets.

FINANCIAL CONSIDERATIONS:

No direct financial consideration as the City is below the Appropriation Limit for 2018/19.

NOTIFICATION

Notice of Public Hearing published in local newspaper

ALTERNATE ACTIONS

1. Adopt by Resolution
2. Request additional information from staff
3. Reject staff recommendation and/or direct item to be returned at later date.

RECOMMENDATION

Conduct a Public Hearing regarding the 2018/2019 Appropriation Limit for the City of Willows and adopt resolution establishing said limit.

Respectfully submitted,

/s/ Tim Sailsbery

Tim Sailsbery
Administrative Services Director

Attachments:

Resolution
City of Willows Appropriations Limit Worksheets-Fiscal Year 2018/19

ATTACHMENT A

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS
ESTABLISHING 2018/2019 APPROPRIATION LIMIT

WHEREAS, Proposition 4 which was on the ballot at a special election held on November 6, 1979, added Article XIII B to the Constitution to place various limitations on the fiscal powers of local government; and

WHEREAS, Proposition 111 amended Article XIII B requiring the city to choose adjustment factors annually; and

WHEREAS, the adjustment factors used to determine the 2018/19 appropriation limit are the California per capita income increase and county population growth.

NOW, THEREFORE, BE IT RESOLVED that the City of Willows' 2018/19 Appropriation Limit is \$10,026,501.

PASSED AND ADOPTED by the City Council of the City of Willows this 8th day of January, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Gary Hansen, Mayor

ATTEST:

Tara Rustenhoven, City Clerk

ATTACHMENT B

CITY OF WILLOWS
APPROPRIATIONS LIMIT WORKSHEETS
FISCAL YEAR 2018/2019

ROY R. SEILER

CERTIFIED PUBLIC ACCOUNTANT

201 C. North Tehama
Willows, CA 95988

Phone: 530-934-8841

Fax: 530-934-8849

E mail: Roy.Seiler@yahoo.com

Independent Accountant's Report on Agreed Upon Procedures
Applied to Appropriations Limit Worksheets

City Council
City of Willows, California

I have applied the procedures enumerated below to the accompanying Appropriations Limit Worksheets No.1 through No.7 for the City of Willows, California (City) for the 2018/2019 fiscal year. These procedures, which were agreed to by the City and the League of California Cities (as presented in the League publication entitled *Article XIII B Appropriations limitation Uniform Guidelines*) were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution.

This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and my findings were as follows:

1. I obtained completed worksheets No. 1 through No. 7 and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. I also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of the procedures.

2. For the accompanying Appropriations Limit worksheet No. 6, I added line A of last's year's limit, to line E, total adjustments, and compared the resulting amount to line F, this year's limit.

Finding: No exceptions were noted as a result of the procedures.

3. I compared the current information presented in the accompanying Appropriations Limit worksheet No. 6 to the prior year appropriation limit adopted by the City Council for the prior year.

Finding: No exceptions were noted as a result of the procedures.

4. I compared the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.

Finding: No exceptions were noted as a result of the procedures.

I was not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheets No. 1 through No. 7. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*.

This report is intended solely for the information of the City of Willows Council and management and is not intended to be and should not be used by anyone other than those specified parties.



Roy R. Seiler,
Certified Public Accountant
December 12, 2018

**CITY OF WILLOWS
FISCAL YEAR 2018-2019**

APPROPRIATIONS LIMIT GUIDELINES

USERS FEES VERSUS COSTS (Enterprise Funds)

**WORKSHEET #1
BUDGET X ACTUAL**

Program Areas

	Water	Sewer	Sewer Industries	TOTAL
A. COSTS REASONABLY BORNE	7,692	1,976,119		1,983,811
B. FEES:	7,000	1,670,960		1,677,960
FEE REVENUE	7,000	1,670,960		1,677,960
C. AMOUNT FEE EXCEEDS COST (i.e., TAX PROCEEDS)	(692)	(305,159)	0	(305,851)
D. AMOUNT OF FEE REVENUE GREATER THAN COST				(305,851)
E. Use the results to complete Worksheet #2				

CITY OF WILLOWS
 FISCAL YEAR 2018-2019

APPROPRIATIONS LIMIT GUIDELINES

CALCULATION OF PROCEEDS OF TAXES

WORKSHEET #2

BUDGET X ACTUAL

REVENUES	PROCEEDS OF TAXES	NON-PROCEEDS OF TAXES	TOTAL
TAXES:			
PROPERTY TAX	772,800		772,800
SALES & USE TAX	1,325,000		1,325,000
BUSINESS LICENSE TAX	21,000		21,000
UTILITY USERS TAX			0
TRANSIENT OCCUPANCY TAX	640,000		640,000
SPECIAL POLICE OR FIRE	14,500		14,500
ADMISSIONS TAX			0
PARKING TAX			0
OTHER TAXES			0
FROM STATE:			
MOTOR VEHICLE IN LIEU	560,000		560,000
TRAILER COACH IN LIEU			0
OFF-HIGHWAY VEHICLES			0
GASOLINE TAX		238,664	238,664
TRANSPORTATION		63,767	63,767
CIGARETTE TAX			0
HOMEOWNERS' RELIEF TAX	7,500		7,500
WILLIAMSON OPEN SPACE			0
TIDELANDS TRUST			0
POST REIMBURSEMENTS		0	0
REPEALED SUBVENTIONS:			0
LIQUOR LICENSE TAX			0
HIGHWAY CARRIERS			0
FINANCIAL AID TO LOCALS			0
BUSINESS INVENTORY			0
LIBRARY GRANTS		50,000	50,000
REAL PROP TRANSFER TAX	10,000		10,000
OTHER		148,746	148,746

**APPROPRIATIONS LIMIT GUIDELINES
WORKSHEET # 2
CONTINUED**

OTHER GOVERNMENTS:

**COUNTY LIBRARY ALLOCATION
COMMUNITY DEVELOPMENT
HOUSING
DISASTER RELIEF
OTHER**

	87,062	87,062
	6,273,954	6,273,954
		0
		0
		0

LOCALLY RAISED:

**SPECIAL BEN ASSESSMENTS
LICENSES AND PERMITS
BUSINESS LICENSES
FRANCHISE FEES
DEVELOPMENT FEES
RENTS, ROYALTIES, PENALTIES
FINES AND FORFEITURES
CHARGES FOR SERVICES
USER FEES (From Worksheet # 1)
OTHER MISC.**

	11,312	11,312
	42,300	42,300
		0
	189,500	189,500
	1,500	1,500
	20,000	20,000
	1,000	1,000
	183,170	183,170
	1,670,960	1,670,960
	25,000	25,000

SUB-TOTAL (For Worksheet # 3)

3,350,800	9,006,935	12,357,735
-----------	-----------	------------

**INTEREST EARNINGS
(From Worksheet # 3)**

8,135	21,865	30,000
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**TOTAL REVENUE
(use for worksheet #4)**

3,358,935	9,028,800	12,387,735
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RESERVE WITHDRAWALS

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TOTAL OF THESE FUNDS

3,358,935	9,028,800	12,387,735
-----------	-----------	------------

OTHER FUNDS NOT INCLUDED

		0
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GRAND TOTAL

3,358,935	9,028,800	12,387,735
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CITY OF WILLOWS
FISCAL YEAR 2018-2019

APPROPRIATIONS LIMIT GUIDELINES

INTEREST EARNINGS PRODUCED BY TAXES

WORKSHEET #3

	AMOUNT	SOURCES
A. TAX PROCEEDS NOT INCLUDING INTEREST	3,350,800	(WORKSHEET #2)
B. MINUS EXCLUSIONS	0	(WORKSHEET #7)
C. NET INVESTED TAXES	3,350,800	(A-B)
D. TOTAL REVENUES NOT INCLUDING INTEREST	12,357,735	(WORKSHEET #2)
E. TAX PROCEEDS AS A PERCENT OF BUDGET	27.12%	
F. INTEREST EARNINGS	30,000	
G. AMOUNT OF INTEREST EARNED FROM TAXES	8,135	(E*F)
H. AMOUNT OF INTEREST EARNED FROM NON-TAXES	21,865	(F-G)

**CITY OF WILLOWS
FISCAL 2018-2019**

APPROPRIATIONS LIMIT GUIDELINES

APPROPRIATIONS SUBJECT TO LIMITATION

WORKSHEET #4

	<u>AMOUNT</u>	<u>SOURCES</u>
A. PROCEEDS OF TAXES	3,358,935	(WORKSHEET #2)
B. EXCLUSIONS	0	(WORKSHEET #7)
C. APPROPRIATIONS SUBJECT TO LIMITATIONS	3,358,935	(A-B)
D. CURRENT YEAR LIMIT	10,026,501	(WORKSHEET #6)
E. OVER/(UNDER) LIMIT	(6,667,566)	(C-D)

CITY OF WILLOWS
FISCAL YEAR 2018-2019

APPROPRIATIONS LIMIT GUIDELINES

POPULATION INCREASE

WORKSHEET #5

LIMITATION COMPUTATION:	CITY		COUNTY	
	POPULATION	PERCENT	POPULATION	PERCENT
1987-1988	01/01/86	5154	22875	
	01/01/87	5238	22867	-0.03%
1988-1989	01/01/87	5206	22867	
	01/01/88	5273	23180	1.37%
1989-1990	01/01/88	5269	23180	
	01/01/89	5302	23588	1.76%
1990-1991	01/01/89	5331	23588	
	01/01/90	5479	24473	3.75%
1991-1992	01/01/90	5936	24473	
	01/01/91	6092	25241	3.14%
1992-1993	01/01/91	6082	25241	
	01/01/92	6167	25693	1.79%
1993-1994	01/01/92	6180	25693	
	01/01/93	6324	26240	2.13%
1994-1995	01/01/93	6310	26240	
	01/01/94	6325	26431	0.73%
1995-1996	01/01/94	6335	26431	
	01/01/95	6472	26990	0.73%
1996-1997	01/01/95	6290	26219	
	01/01/96	6357	27195	1.02%
1997-1998	01/01/96	6367	26529	
	01/01/97	6388	26695	.63%
1998-1999	01/01/97	6382	26673	
	01/01/98	6388	26861	.70%
1999-2000	01/01/98	6364	26759	
	01/01/99	6387	26943	.29%
2000-2001	01/01/99	6370	26765	
	01/01/00	6392	27107	0.84%

The Demographic Research Unit has adopted a revised method of estimating population for the cities and counties. This revised method has been used to adjust the 1/1/95 population figures.

CITY OF WILLOWS
FISCAL YEAR 2018-2019

APPROPRIATIONS LIMIT GUIDELINES

POPULATION INCREASE

WORKSHEET #5

LIMITATION COMPUTATION:		CITY		COUNTY	
		POPULATION	PERCENT	POPULATION	PERCENT
2001-2002	01/01/01	6286		26688	
	01/01/02	6251	-0.56%	26707	0.07%
2002-2003	01/01/02	6236		26635	
	01/01/03	6282	0.74%	26962	1.19%
2003-2004	01/01/03	6365		27273	
	01/01/04	6385	0.47%	27630	1.31%
2004-2005	01/01/04	6400		27824	
	01/01/05	6438	0.59%	28197	1.34%
2005-2006	01/01/05	6466		28156	
	01/01/06	6432	-0.37%	28540	1.37%
2006-2007	01/01/06	6392		28384	
	01/01/07	6469	1.20%	28791	1.51%
2007-2008	01/01/07	6453		28709	
	01/01/08	6502	0.76%	29085	1.31%
2008-2009	01/01/08	6472		29070	
	01/01/09	6486	0.22%	29239	0.58%
2009-2010	01/01/09	6480		29212	
	01/01/10	6505	0.39%	29434	0.76%
2010-2011	01/01/10	6165		28004	
	01/01/11	6144	-0.34%	28153	0.53%
2011-2012	01/01/11	6165		28004	
	01/01/12	6144	-0.34%	28153	0.53%
2012-2013	01/01/12	6129		28116	
	01/01/13	6161	0.52%	28247	0.47%
2013-2014	01/01/13	6137		28136	
	01/01/14	6154	0.28%	28255	0.42%
2014-2015	01/01/14	6226		28596	
	01/01/15	6206	-0.32%	28630	0.12%
2015-2016	01/01/15	6119		28579	
	01/01/16	6213	1.54%	28668	0.31%
2016-2017	01/01/16	6198		28543	
	01/01/17	6187	-0.18%	28636	0.32%
2016-2017	01/01/17	6066		28634	
	01/01/18	6064	-0.03%	28696	0.22%

The Demographic Research Unit has adopted a revised method of estimating population for the cities and counties. This revised method has been used to adjust the 1/1/95 population figures.

**CITY OF WILLOWS
FISCAL YEAR 2018-2019**

APPROPRIATIONS LIMIT GUIDELINES

APPROPRIATIONS LIMIT

WORKSHEET #6

	Amount	Source
A. LAST YEARS LIMIT	9,650,324	
B. ADJUSTMENT FACTORS		
1. Population %	1.0022	Worksheet #5 State Finance or Assessor
2. Inflation %	1.0367	
Total Adjustment %	1.03898074	(B1 * B2)
C. ANNUAL ADJUSTMENT	376,177	(B*A)
D. OTHER ADJUSTMENTS		
1. Lost Responsibility	0	
2. Transfers to Private	0	
3. Transfers to Fees	0	
4. Assumed Responsibility	0	
Subtotal	0	
E. TOTAL ADJUSTMENT	376,177	(C+D)
F. THIS YEAR'S APPROPRIATION LIMIT	10,026,501	(A+E)

**CITY OF WILLOWS
FISCAL YEAR 2018-2019**

APPROPRIATIONS LIMIT GUIDELINES

EXCLUDED APPROPRIATIONS

WORKSHEET # 7

<u>EXCLUSION CATEGORY</u>	<u>AMOUNT</u>
A. COURT ORDERS	<input type="text" value="0"/>
B. FEDERAL MANDATES	<input type="text" value="0"/>
C. QUALIFIED CAPITAL OUTLAY	<input type="text" value="0"/>
D. QUALIFIED DEBT SERVICE	<input type="text" value="0"/>
TOTAL EXCLUDABLE	<input type="text" value="0"/>



REGULAR BUSINESS

January 8, 2019

AGENDA ITEM

TO: Wayne Peabody, Interim City Manager

FROM: Tim Sailsbery, Administrative Services Director

SUBJECT: Award Contract for Services-Cold Storage Feasibility Study and Business Case Development Analysis

RECOMMENDATION:

Adopt the Resolution of the City Council of the City of Willows Awarding the Contract for Services to Morrison & Company for a Biomass Cogeneration Feasibility Study and Business Case Development Analysis and Direct the Interim City Manager to Negotiate and Sign Terms of Agreement

SITUATION (or BACKGROUND):

City Staff, with Council approval sought funding for a Biomass Cogeneration Facility Feasibility Study and Business Case Development Study. Staff, with the assistance of Jody Samons, Glenn County Community Development Director, applied to the United States Department of Agriculture ("USDA") for a Rural Business Development Grant ("RDBG") for grant funding for the study.

The City received word in August that we were awarded \$50,000 for the study (with approximately \$11,000 in "in kind" match, which will be covered by existing staff personnel cost). Staff proceeded to complete the necessary documents to complete the grant acceptance in September, and subsequently received the approval to proceed.

Staff utilized the request for proposal documents and methodologies previously approved by Council in seeking proposals for the Cold Storage Feasibility Study (approved in 2017). Staff then distributed the RFP to 11 entities/organizations via e-mail that were determined to potentially have an interest and capability of performing the study and placed the RFP on the City website. Ultimately, the City received one proposal for service by the deadline, from Morrison and Company. Staff has reviewed the proposal and has found it to be responsive, responsible, and within budget (\$50,000).

For full disclosure purposes, please note that I worked at an accounting firm in Sacramento from 1990 to 1992 where the Founding Principal of Morrison and Company, Brent Morrison, was a Senior Manager at the time. Please note that I do not recall any contact with Mr. Morrison following my departure

January 8, 2019

in 1992 (other than negotiation of the Cold Storage Feasibility Study contract), and this RFP process was conducted at arm's length and completely independent of any and all prospective bidders.

FINACIAL CONSIDERATIONS:

USDA Funding and In-Kind Match Already Appropriated by Council

NOTIFICATION:

USDA upon completion of service agreement

ALTERNATE ACTIONS:

- 1: Request additional information from Staff
- 2: Reject Staff recommendation and/or direct item to returned.

RECOMMENDATION:

Adopt the Resolution of the City Council of the City of Willows Awarding the Contract for Services to Morrison & Company for a Biomass Cogeneration Feasibility Study and Business Case Development Analysis and Direct the Interim City Manager to Negotiate and Sign Terms of Agreement

Respectfully Submitted

/s/ Tim Sailsbery

Tim Sailsbery
Administrative Services Director

ATTACHMENT:

1. Resolution
2. Morrison and Company Proposal

RESOLUTION NO. XX-XXXX

Resolution of the City Council of the City of Willows Awarding the Contract for Services to Morrison & Company for a Biomass Cogeneration Facility Feasibility Study and Business Case Development Analysis and Direct the Interim City Manager to Negotiate and Sign Terms of Agreement

WHEREAS, the City of Willows was awarded \$50,000 from the United States Department of Agriculture-Rural Business Development Program for the purposes of conducting a Biomass Cogeneration Feasibility Study and Business Case Development Analysis, and

WHEREAS, the City conducted a Request for Proposal process to receive bids from qualified entities, and

WHEREAS, the City strives to work within the grant requirements of the USDA-RBDG Program, and

WHEREAS, Morrison and Company provided the lowest, responsive, responsible bid for services,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willows does hereby award the Contract for Services to Morrison and Company,

BE IT FURTHER RESOLVED that the City Council of the City of Willows directs the Interim City Manager to complete all necessary negotiations and sign the resulting agreement on the City's behalf

PASSED AND ADOPTED by the Willows City Council this 8th day of January, 2019 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Tara Rustenhoven, City Clerk



**RESPONSE TO THE CITY OF WILLOWS
REQUEST FOR PROPOSAL**

for a

**BIOMASS COGENERATION FACILITY FEASIBILITY
AND BUSINESS CASE DEVELOPMENT ANALYSIS**

December 19, 2018

Morrison & Company
Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

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MORRISON & COMPANY

Address: 10 Landing Circle, Ste. 5, Chico, CA 95973 • Phone: (530) 893-4764
Fax (530) 893-4978 • www.morrisonco.net

December 19, 2018

Tara Rustenhoven, City Clerk
City of Willows
201 North Lassen Street
Willows, CA 95988

Dear Tara:

I would like to thank you for this opportunity to present our proposal to assist in the preparation of a feasibility study and business case for the City of Willows as it relates to a biomass cogeneration facility feasibility study and business case development analysis.

Morrison & Company boasts a team of 12 highly experienced full-time professionals working in four major service lines: Planning & Feasibility, Interim/Outsource Executives, Grants, and People Solutions. Our business is a small business and of our three owners, one is a woman.

We have had the privilege of developing dozens of high quality, cost-effective feasibility studies and business cases for major proposed ventures for clients over the years with a wealth of experience in this area. Our clients have included a wide variety of organizations including governmental entities, individual farms and ranches, start-up businesses, economic development corporations, agricultural cooperatives, universities, for-profit businesses, and other groups. We specialize in food and agriculture, uniquely qualifying us for a project of this scope, considering the biomass generated in this region is tied to that industry.

We possess the competency, experience, and education to perform the scope of services requested, and have prior experience working in and with Glenn County and related entities on similar projects. In 2013, Morrison & Company conducted a fiscal analysis and feasibility study of the Colusa, Glenn, and Trinity Community Action Partnership, a contract that was the result of a similar competitive bidding process. This project demonstrated Morrison & Company's competency and exemplified our strong integrity and dedication to the highest business ethics.

Perhaps most similarly, we conducted a business plan and feasibility study for a multi-state effort to find commercial uses for residues from corn, wheat, soybeans, and other major crops. This included researching potential uses for crop residues, determining markets for related products, researching the availability and readiness of technologies to produce possible products, and determining the financial viability of producing such products.

We are personally invested in the North State and in our local business community and are thrilled at the opportunity to offer our expertise on such an important project for the City of Willows and our region as a whole. Please contact me with any questions or comments at your convenience.

Sincerely,

Toni Scott
Principal

Morrison & Company
Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

Section III. – Firm Description and Background

Morrison & Company was founded in February 2002 to provide specialized consulting services including planning and feasibility services, interim/outsource executive assistance, special projects, people solutions, and specialized grant writing. We have had the pleasure of serving farms and ranches, start-up businesses, economic development corporations, institutions of higher education, industry associations, and others across the nation. Our clients include:

- 3CORE (Economic development corporation)
- Agricultural Council of California
- American Olive Oil Producers Association
- Baugher Ranch Organics
- Biomass Working Group, LLC
- Blue Diamond Growers (World's largest marketer of almonds)
- California Association of Winegrape Growers
- California Center for Cooperative Development
- California Olive Ranch (Largest North American producer of olive oil)
- California State University, Chico
- California Sustainable Winegrowing Alliance
- ChicoBag
- Chico Health Imaging
- Challenge Dairy Products
- Girls With Guns
- Gorrill Ranch
- Lundberg Family Farms
- National Cooperative Business Association
- National Farmers
- Northern California Regional Land Trust
- Michigan Blueberry Growers (Largest grower-marketer of blueberries in the world)
- Napa Valley Grapegrowers
- Rancho Llano Seco
- Sheraton Real Estate
- Springboard Biodiesel
- Sohnrey Family Foods
- Sonoma County Winegrowers
- Sunsweet Growers (World's largest marketer of prune products)
- Top O' the Morn Farms
- University of California, Davis
- University of Florida
- Wine Institute
- Work Truck Solution
- Yuba-Sutter Economic Development Corporation

For a larger list of representative clients please see our website (<http://morrisonco.net/clients>)

Morrison & Company
Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

Corporate Profile

Office Location	10 Landing Circle Chico, CA 95973
Federal Employer ID	80-0323332
State Employer ID	C3183116
Primary Business	Business & Professional Consulting Services
Insurance	General Liability Policy Issuer: CNA Insurance Business Liability: \$2,000,000 General Aggregate: \$4,000,000
	Workers Comp Policy Issuer: CNA Insurance Policy Coverage: \$1,000,000
	Auto Policy Issuer: CNA Insurance Policy Coverage: \$1,000,000
Current Staffing	11 Professionals

Morrison & Company will obtain a business license with the City of Willows prior to the commencement of any work performed, per the published Request for Proposal. Morrison & Company acknowledges that any work performed is done so as an independent contractor with the City of Willows.

If successfully awarded the project Morrison & Company will provide a Certificate of Insurance naming the City of Willows as an additional insured, per the Request for Proposal. Our insurance coverage amounts exceeds the City's requirements.

Section IV. – Experience

We have conducted dozens of business plans and feasibility studies throughout our 16+ year history. These have included analyses of start-ups, well-established organizations, and expansions. Additionally, we have extensive experience in financial modeling, cash flow analysis, and projections to help organizations achieve fiscal sustainability.

The Morrison Team includes several Certified Public Accountants (CPAs), including Principal and Founder Brent Morrison and Geoff Chinnock, who have served in both industry and consulting capacities as financial executives. Our relevant firm experience includes:

Feasibility Studies:

- An assessment of the marketing, technical, and financial feasibility of a multi-state venture to convert food processing waste to fuel-grade ethanol. The study included appraisals of feedstock availability and costs, assessment of available technologies and needed innovations, a review of markets, site reviews, preliminary engineering, and financial projections.
- Feasibility assessment of the establishment of a regional community food hub to connect local growers to consumers and other markets, including evaluations of supply and buyer

Morrison & Company
Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

interest to determine a market analysis. Assessment included stakeholder interviews and financial projections under two separate operating models.

- Financial assessment and feasibility study of a community action partnership to identify program funding adequateness and options for organizational structure.
- Feasibility study for a start-up food processing and home delivery business including determining sufficient equipment and capacity and surveying regional customer base to determine adequate market demand for projecting expected sales revenue.

Business Plans:

- Research and business plan for a California state commission seeking expanded business opportunities for an economic segment suffering under competition from imports.
- Plans to introduce new projects and/or service lines for several clients, including regional, national, and international organizations.
- Business plan and feasibility study (including five-year financial projections and statements) for a large Midwest processing plant covering facility and equipment needs, engineering, information technology needs, marketing and distribution, capital needs, and risk analysis. The success of the project led to the company planning an additional facility in a different state.
- Business plan, strategic study, and financial projections for a joint processing and marketing operations by four companies; three based in North America and one in South America. This plan included a due diligence review of a target acquisition company in the United States.

Other Related Projects:

- Served as Interim Chief Financial Officer for company during construction of a \$10 million+ new facility that increased production capacity 10-fold. Our role included modeling capacity requirements, cash flow and capital need requirements, and managing banking relationships.
- Designed numerous budgets and budgeting processes to help organizations plan and monitor results and to satisfy the needs of stakeholders.
- Assessed and suggested improvements for a long-established organization's departmental and management structure.

Section V. – Qualifications and Assigned Individuals

Morrison & Company boasts a team of highly-experienced professionals who will be assigned as needed; see backgrounds on our professional team at morrisonco.net/about/. Morrison & Company's ability to perform the scope of services within the outlined timeframe is due to leveraging our team in the most efficient manner possible.

The project will be overseen and managed by Founder and Principal Brent Morrison, with assistance from Principal Toni Scott, Geoff Chinnock, and Tim Peters. Their roles will be as follows:

- Brent Morrison: General oversight, planning, evaluation of operations and management plan, financial analysis
- Geoff Chinnock, CPA: General oversight, planning, financial analysis

Morrison & Company
Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

- Toni Scott: Project planning, oversight of determining market demand and competition, oversight and execution of final report
- Tim Peters, CPA: Financial analysis
- Dean Pritchett, CPA: Financial analysis

Principal and Founder R. Brent Morrison, has served processing, agribusiness, distribution, manufacturing, and other companies as an executive and advisor since 1981.

Brent was formerly Vice President and Chief Financial Officer of Sunsweet Growers Inc., one of the nation's premier producers of juices and dried fruit products. Before joining Sunsweet, he was President of Butte County Rice Growers Association (BUCRA), an agribusiness service and supply company.

While Senior Manager with the "Big Four" accounting firm Deloitte, Brent led the Sacramento office's Food & Consumer Products Industry Group and helped found and direct the Sacramento office forensic accounting practice, assisting clients with business-related legal issues. He was previously controller for a manufacturer of heavy equipment and structural steel components. He began his career with a predecessor firm of KPMG.

Brent holds a bachelor's degree in business administration and is a Certified Public Accountant (inactive). He is a graduate fellow of the California Agricultural Leadership Program, a two-year educational fellowship hosted by four participating universities. He is a certified Six Sigma "Champion," the continuous process improvement methodology favored by General Electric and other major manufacturers.

Brent is a member and past President of the Far Western Chapter of the National Society of Accountants for Cooperatives, a member of the Chico Rotary Club, and a past director of the California Agricultural Leadership Alumni. He has served with many professional and civic organizations, including an appointment to a state advisory board by then California Secretary of Food & Agriculture (and later USDA Secretary) Ann Veneman. A published writer, Brent wrote "The Brent Morrison Column," which appeared in several western newspapers for over eight years.

Principal and Grants Practice Manager Toni Scott, M.S. directs our grant services and conducts research, assists with business plans and feasibility studies, provides project management, and writes competitive state and federal grant proposals for Morrison & Company clients in the areas of marketing, risk management, and alternative energy, serving clients in food, agribusiness, manufacturing, production agriculture, processing, and marketing. She also oversees grant administration of client projects and directs Morrison & Company's external communications and industry outreach.

Toni has provided oversight and assisted with multiple business plan and feasibility study projects. Most recent projects include a feasibility study and business plan for a family-owned value-added nut company; a feasibility study and business plan for the launch of an existing

Morrison & Company
Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

product line in a new foreign market; and a feasibility study and business plan for a dairy company looking to expand their geographic market.

Toni holds a bachelor's degree in political science and agriculture business from California State University, Chico, and a master's degree in print journalism from Boston University. She worked for the Chico Enterprise-Record, a daily newspaper, for three years, covering city government and stories related to business, agriculture, education, and public safety.

Toni is the Chair of the City of Chico Planning Commission and is the past Chair of the Board for the Chico Chamber of Commerce. She is the past President of the Chico Chamber of Commerce Young Professionals Organization, a member of the Butte County Farm Bureau Board of Directors, a founding director of the Butte Agriculture Foundation, past chair of the Butte County Young Farmers and Ranchers, a former appointed member of the City of Chico Sustainability Task Force and a former appointed member of the Butte County Library Advisory Board. She is a graduate of the California Farm Bureau Federation's Leadership Farm Bureau program and a former contributing business columnist for the Chico News and Review.

Geoffrey R. Chinnock, CPA, has more than 15 years of professional experience in finance, accounting, and business, serving with Morrison & Company since 2007 as an advisor to clients involved in marketing, processing, agribusiness, distribution, manufacturing, and production agriculture.

Geoff leads Morrison's Interim/Outsource practice area, guiding a broad range of clients, from small businesses to companies with international operations. Geoff assists clients in managing key relationships, such as vendors, financial institutions, and insurance providers; directs short and long range financial forecasting; assists with cash flow management and inventory management; and manages internal staffing with a focus on professional development.

Geoff's expertise encompasses cost controls, systems improvement, and finance/accounting efficiency. He has served several clients as an interim CFO or controller and conducts planning and feasibility projects regularly.

Geoff joined Morrison & Company after three years with the finance and accounting department of Feather River Hospital in Paradise, California, where he played an integral part in the hospital's financial management.

Prior to joining Feather River Hospital, Geoff served with local and regionally based CPA firms for four years, providing advisory, tax, audit, and financial services to independent business clients. He holds a bachelor's degree in business administration with an emphasis in accounting and is a member of the National Society of Accountants for Cooperatives, serving on the National Society of Accountants for Cooperatives Far Western Chapter Board. He is an alumnus of the Butte Civic Pioneers leadership program.

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Biomass Cogeneration Facility Feasibility and Business Case Development Analysis
City of Willows

Tim Peters, CPA, joined Morrison & Company in 2011 and brings his expertise in finance, accounting, and business planning and management to serve Morrison clients in the development, maintenance, and oversight of business processes and systems.

Tim assists Morrison & Company clients in industries including agribusiness, alternative energy, manufacturing and processing, distribution, and marketing, with a focus on cost controls, cash flow budgeting and management, financial reporting and analysis, business efficiency, and short- and long-range planning.

Prior to joining the Morrison team, Tim worked for Matson and Isom (now KCoe Isom), the region's leading public accounting firm. While there, Tim worked in the firm's tax and audit departments, assisting both locally-owned and investor-owned companies in agribusiness, healthcare, and a variety of other industries.

Tim grew up in Willits, CA, and is a graduate of California State University, Chico, where he earned a degree in accounting and received the 2006 Harry L. Jefferson award for excellence in accounting. He is a member of the Chico Chamber of Commerce's Young Professionals Organization and the National Society of Accountants for Cooperatives.

Dean Pritchett, CPA, brings over a decade of professional accounting experience to the Morrison & Company Interim/Outsource team. Dean has served a wide variety of industries including service in controller-level and advisory positions. His focus has included management of accounting functions, accounting and business impact of business decisions, internal control structures, financial reporting and audit preparation, and multi-entity accounting and consolidation.

Prior to joining Morrison, Dean worked as Accounting Director for RevLove LLC, which specializes in asset protection planning, tax strategies, cash flow analytics, and other financial planning. He managed the accounting function of the company and its parent and sister companies, as well as prepared tax returns and provided accounting services for clients.

Dean previously served as a Senior Assistant Controller for Oracle Corporation, with controller-level responsibilities for financial records and reporting for the North America Hardware and Consulting business lines. Dean's experience includes six years in public accounting, including four with the west coast regional accounting firm Macias, Gini & O'Connell LLP (MGO), where he managed audit engagements, researched complex accounting issues, and assessed potential accounting methodologies and their related financial statement impact.

Dean graduated from Pennsylvania State University in 2008 with a bachelor's of science in accounting and is a licensed Certified Public Accountant.

Section VI. – Scope of Services and Related Costs

The following is a summary of the specific activities Morrison & Company would perform for the City of Willows, with costs itemized by activity. A timeline of activities is also included.

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Activity #	Task Name and Description	Start Date	End Date	Estimated Project Costs
1	<p><i>Project Planning and Organization</i></p> <ul style="list-style-type: none"> • Initial project meeting between contractor, city and county officials to confirm project scope and timelines. • Ongoing project management needed to coordinate stakeholders, manage planning process, monitoring budget, and completing required reporting to stakeholders and USDA. • At least two in-person meetings to communicate project status. 	01/15/19	06/30/19	\$9,000
2	<p><i>Evaluating Demand and Available Supply (Market and Competitors)</i></p> <ul style="list-style-type: none"> • Conduct surveys of producers and processors to determine need/likely use/factors that would influence use of biomass cogeneration facility. • Assess fee tolerance of producers/processors likely to use biomass cogeneration facility. • Evaluate alternative Biomass Cogeneration options in geographic region and any competitive advantages of alternatives. • Determine likely demand for producers/processors. 	01/15/19	03/31/19	\$11,250
3	<p><i>Evaluating Operations Plan</i></p> <ul style="list-style-type: none"> • Assess potential locations for biomass cogeneration facility with direction from City and County staff on preferred locations. City and County staff to provide information on any permitting needs and traffic patterns. • Assess equipment needs and costs. • Assess any land/building acquisition needs and costs. 	01/15/19	03/31/19	\$5,625

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4	<p><i>Evaluating Management and Organization Needs</i></p> <ul style="list-style-type: none"> • Assess needed personnel to operate biomass cogeneration facility and costs. • Identify likely expertise/qualifications needed to operate facility. • Assess potential hours/days of operation. • Assess potential management and organization structure of facility. 	01/15/19	03/31/19	\$5,625
5	<p><i>Conducting Financial Analysis</i></p> <ul style="list-style-type: none"> • Develop 3-5 years of financial projections to determine financial feasibility of operation. • Assess outside capital needs for operation. • Identify potential funding sources, including public/private partnerships. • Conduct risk assessment, identifying potential risks to operation. 	03/01/19	05/01/19	\$9,000
6	<p><i>Preparing and Presenting Final Report</i></p> <ul style="list-style-type: none"> • Develop draft of business case report to be presented in-person to City and County officials and stakeholders for feedback and input. • Receive input on draft and make any needed changes • Issue final report. Provide report to city and county officials and USDA. 	05/01/19	06/30/19	\$9,000

Charges will be billed at \$225 per hour for all professional staff. The costs above include only professional time; in addition we anticipate in-person visits/interviews for which mileage reimbursement would be requested. Total mileage costs are rounded to \$500. Therefore, the total bid for this project is **\$50,000**.

We do not charge for administrative costs such as postage, copying, technology or other incidental costs. Once the project has started, we would work with you to optimize use of our time and minimize costs. Fees for any services outside the scope of this proposal would be discussed in advance. Invoices for services will be sent at the end of each calendar month and are due within 30 days of receipt.

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Section VII. – References

Please feel free to contact the following past and current clients for references. Additional references are available on request.

Marc Nemanic, Executive Director

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Dave Reed, National Secretary/Controller

National Farmers

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Ames, Iowa 50010-2508

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(515) 598-4646

Mayo Ryan, General Manager

North State Hulling Cooperative, Inc.

757 Miller Avenue

Chico, CA 95928-6921

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(530) 895-8686

Thank you for the opportunity to provide the City of Willows with our qualifications. If you have any questions, or want to discuss this project any further, please do not hesitate to contact us.



M O R R I S O N & C O M P A N Y

DECEMBER 19, 2018

PRESENTED BY:
Toni Scott
Principal
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