

**AGENDA  
REGULAR MEETING  
CITY OF BANNING  
BANNING, CALIFORNIA**

June 24, 2014  
5:00 p.m.

Banning Civic Center  
Council Chambers  
99 E. Ramsey St.

*The following information comprises the agenda for a regular meeting of the City Council and a joint meeting of the Banning City Council and the City Council Sitting in Its Capacity of a Successor Agency and the Banning Utility Authority.*

*Per City Council Resolution No. 2010-38 matters taken up by the Council before 9:00 p.m. may be concluded, but no new matters shall be taken up after 9:00 p.m. except upon a unanimous vote of the council members present and voting, but such extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.*

**I. CALL TO ORDER**

- Invocation – Pastor Jona Campos – Canaan Assembly of God
- Pledge of Allegiance
- Roll Call – Councilmembers Miller, Peterson, Welch, Westholder, Mayor Franklin

**II. REPORT ON CLOSED SESSION**

**III. PUBLIC COMMENTS/CORRESPONDENCE**

**PUBLIC COMMENTS – *On Items Not on the Agenda***

A five-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, and appropriate Council Action.) See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

**CORRESPONDENCE:** Items received under the category may be received and filed or referred to staff for future research or a future agenda.

*The City of Banning promotes and supports a high quality of life that ensures a safe and friendly environment, fosters new opportunities and provides responsive, fair treatment to all and is the pride of its citizens*

## PRESENTATIONS:

1. Recognition of Outgoing Planning Commissions Barsh & Hawkins - *ORAL*

## **IV. CONSENT ITEMS**

*(The following items have been recommended for approval and will be acted upon simultaneously, unless a member of the City Council wishes to remove an item for separate consideration.)*

**Motion: That the City Council approve Consent Item 1 through 5**

**Items to be pulled \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ for discussion.**

*(Resolutions require a recorded majority vote of the total membership of the City Council)*

1. Approval of Minutes – Special Meeting – 06/10/14 *(Closed Session)* . . . . . **1**
2. Approval of Minutes – Special Meeting Workshop – 06/10/14. . . . . **2**
3. Approval of Minutes – Regular Meeting – 06/10/14 . . . . . **41**
4. Ordinance No. 1480 – 2<sup>nd</sup> Reading: An Ordinance of the City Council of the City of Banning, California, Authorizing the Execution of an Agreement for the Purchase of Renewable Energy from the Astoria 2 Solar Project Through A Power Sales Agreement with the Southern California Public Power Authority . . . . . **74**
5. Resolution No. 2014-48, Approving the City to Enter Into a Cooperative Agreement to Provide Fire Protection, Fire Prevention, Rescue and Medical Emergency Services to the City of Banning . . . . . **80**

- **Open for Public Comments**
- **Make Motion**

## **RECESS JOINT MEETING OF THE BANNING CITY COUNCIL MEETING AND THE BANNING UTILITY AUTHORITY AND CALL TO ORDER A JOINT MEETING OF THE BANNING CITY COUNCIL AND THE BANNING CITY COUNCIL SITTING IN ITS CAPACITY OF A SUCCESSOR AGENCY AND BANNING UTILITY AUTHORITY.**

## **V. REPORTS OF OFFICERS**

1. Adoption of Resolutions Related to the Revised Budget Plan for Fiscal Year 2014-15 and Fiscal Year 2015-2016 for the City of Banning, Banning Utility Authority, and Successor Agency; Adoption of the GANN Limit, and the Classification and Compensation Plan Amendments.  
Staff Report . . . . . **89**  
Recommendations:
  - a) **That the City Council adopt Resolution No. 2014-33, Adopting the Two Year Budget for the Fiscal Period July 1, 2014 through June 30, 2015 and July 1, 2015 through June 30m, 2016, Adopting the Five Year Capital Improvement Program, and Making Appropriations to**

**Meet Expenses Approved Therein, Approving Budgetary Policies and Recommendations.**

- b) That the Banning Utility Authority adopt Resolution No. 2014-07 UA, Two Year Budget for the Fiscal Period July 1, 2014 through June 30, 2015 and July 1, 2015 through June 30m, 2016, Adopting the Five Year Capital Improvement Program, and Making Appropriations to Meet Expenses Approved Therein, Approving Budgetary Policies and Recommendations.**
- c) That the Successor Agency Board adopt Resolution No. 2013-07 SA, Two Year Budget for the Fiscal Period July 1, 2014 through June 30, 2015 and July 1, 2015 through June 30m, 2016, Adopting the Five Year Capital Improvement Program, and Making Appropriations to Meet Expenses Approved Therein, Approving Budgetary Policies and Recommendations.**
- d) That the City Council adopt Resolution No. 2014-34, Establishing an Appropriations Limit for the Fiscal Year 2014-15, Pursuant to Article XIII B of the California Constitution.**
- e) That the City Council adopt Resolution No. 2014-44, Amending the Classification & Compensation Plan for the City of Banning.**
- f) That the City Council adopt Resolution No. 2014-43, Amending the Classification and Compensation Policy for Part-Time Employees of the City of Banning.**

**Adjourn Joint Meetings and reconvene the regular City Council Meeting.**

## **VI. REPORTS OF OFFICERS**

- 1. Resolution No. 2014-50, Establishing a Sign Advisory Committee.  
Staff Report ..... 202  
Recommendation: **Adopt Resolution No. 2014-50, Establishing a Sign Advisory Committee.**
- 2. Resolution No. 2014-46, Approving the First Amendment to the Professional Services Agreement with J. H. Douglas and Associates for the Certification of the Banning 2014-2021 Housing Element.  
Staff Report ..... 215  
Recommendation: **That the City Council adopt Resolution No. 2014-46, Approving the First Amendment to the Professional Services Agreement with J. H. Douglas and Associates in an amount of \$11,750.00 for additional services related to the completion of the 2014-2021 Housing Element for certification by the State Housing and Community Development (HCD).**
- 3. Resolution No. 2014-49, Authorizing the Execution of a Power Sales Agreement with the Southern California Public Power Authority for the Purchase of Renewable Energy from the Puente Hills Landfill Gas-to-Energy Facility  
Staff Report ..... 257

**Recommendation: That the City Council adopt Resolution No. 2014-49, Authorizing the Execution of the Puente Hills Landfill Gas-to-Energy Facility Power Sales Agreement with the Southern California Public Power Authority ("SCPPA) attached as Exhibit "A".**

**VII. ANNOUNCEMENTS/REPORTS** *(Upcoming Events/Other Items if any)*

- City Council
- City Committee Reports
- Report by City Attorney
- Report by City Manager

**VIII. ITEMS FOR FUTURE AGENDAS**

New Items – None

Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials
2. Discussion on how to handle loans or distributions to charities.
3. Discussion on how the City Council handles donations to the City.
4. Grocery Cart Policy
5. Workshop to discuss the future of the airport.
6. Discussion regarding Public Works Committee and Ad Hoc Committees
7. Discussion regarding City's ordinance dealing with sex offenders and child offenders
8. Discussion to move "Announcements" (events) up on the agenda after Public Comments.
9. Discussion regarding the discretionary limit of \$25,000.
10. Discussion regarding flex scheduling to keep city hall open five days a week.
11. Discussion regarding Animal Control Services.
12. Address staffing issues at the police department.

**IX. ADJOURNMENT**

*Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Thursday, 7 a.m. to 5 p.m.*

**NOTICE:** Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda, but is of interest to the general public and is an item upon which the Mayor and Council may act. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

**In compliance with the Americans with Disabilities Act**, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (951) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]

Ordinance No. 1480 – 2<sup>nd</sup> Reading: An Ordinance of the City Council of the City of Banning, California, Authorizing the Execution of an Agreement for the Purchase of Renewable Energy from the Astoria 2 Solar Project Through A Power Sales Agreement with the Southern California Public Power Authority.

MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

6/10/14  
SPECIAL MEETING

A special meeting of the Banning City Council was called to order by Mayor Franklin on June 10, 2014 at 3:00 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Miller  
Councilmember Peterson  
Councilmember Welch  
Councilmember Westholder  
Mayor Franklin

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Homer Croy, Interim City Manager  
David J. Aleshire, City Attorney  
Marie A. Calderon, City Clerk

CLOSED SESSION

City Attorney said the item on the closed session agenda is real property negotiations pursuant to Government Code Section 54956.8 involving: (a) Village at Paseo San Gorgonio (APN: 541-181-009 thru 012, 541-181-024 thru 028, 541-183-001 thru 004 and vacated rights-of-way as depicted on Tentative Parcel Map No. 36285 to give a status report.

Mayor Franklin said that two Councilmembers will recuse themselves due to conflicts and asked City Attorney to state way they are recusing themselves.

City Attorney said that Councilmember Peterson has property within 500 feet of the project and Councilmember Westholder has not been participating based upon prior opinions expressed about the project.

Mayor Franklin opened the closed session items for public comments and seeing no one in the audience she closed public comments.

Meeting went into closed session at 3:01 p.m. and reconvened at 3:55 p.m.

ADJOURNMENT

By common consent the meeting adjourned at 3:55 p.m.

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Marie A. Calderon, City Clerk

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MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

6/10/14  
SPECIAL MEETING

A special meeting workshop of the Banning City Council, the City Council Sitting in Its Capacity of a Successor Agency and the Banning Utility Authority was called to order by Mayor Franklin on June 10, 2014 at 4:02 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Miller  
Councilmember Peterson  
Councilmember Welch  
Councilmember Westholder  
Mayor Franklin

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Homer Croy, Interim City Manager  
June Overholt, Administrative Services Dir./Deputy City Manager  
David J. Aleshire, City Attorney  
Fred Mason, Electric Utility Director  
Duane Burk, Public Works Director  
Bill Manis, Economic Development Director  
Zai Abu Bakar, Community Development Director  
Tim Chavez, Battalion Chief  
Heidi Meraz, Community Services Director  
Phil Holder, Lieutenant – Banning Police  
Michelle Green, Deputy Finance Director  
Rita Chapparosa, Deputy Human Resources Director  
Daniele Savard, Executive Assistant  
John McQuown, City Treasurer  
Marie A. Calderon, City Clerk

WORKSHOP ITEM

1. Budget Workshop Related to the Budget Plan for Fiscal Years 2014-15 and 2015-16  
(Staff Report – June Overholt, Administrative Services Director/Deputy City Manager)

Director Overholt thanked the Council for the opportunity to make this presentation. She said a big “thank you” goes out to the city of Banning. On June 3<sup>rd</sup> we had the election and the TOT/Measure E (Transient Occupancy Tax) passed by 83%. If it had not passed, the conversation probably would have been different tonight so she is quite grateful that it did pass and wanted to acknowledge all of those that participated in voting. At this time she started her power-point presentation (Exhibit “A”). She displayed an organization chart of the City and the functions we have under the different directors. The agenda tonight is to briefly touch on our

process to put the budget together. Most of the focus is on the General Fund because that is the fund where we have our discretionary resources to pay for our public safety services and all of our administration. She will also give some update of where we are at with personnel changes, other funds in the city and the Capital Improvement Program.

Director Overholt gave an overview of the Budget Process and Documents, Budget Content, Budget Document and Supplemental Information

### General Fund

This is where we collect our general tax receipts and fee revenues that are not allocated by law. When we say “allocated by law” that just means there are rules and laws out there that restrict how we use funds and if they are not restricted, then the General fund is the recipient of it. This is also the fund where we pay for our general services and if there are any other governmental funds that get into trouble the General Fund is responsible for it. The proposed budget for 2015 is a balanced budget and its \$13,921,923.00. It does include some improved revenues and does include expenditures that that have been contained to stay within the resources that we have available. The Preliminary budget for Fiscal Year 2016 though it does not show balance at this time we do have on-going expenses and she hopes that as the economy is improving, if it sustains the current trend of improving, then that structural deficit that you see for 2016 will be resolved by the time they bring it back for approval next year. She displayed a slide showing the General Fund Revenues and property taxes that are listed in the top grouping and that is the area you see from 2013 through 2016 that has been gross in the revenues. So for property taxes based on the information that they have from the County their estimating an increase of 4% so that was factored into the budget. Every time a house is sold then that changes the valuation with the County and that improves our property tax revenues. With Sales Tax we receive benefit from the expansion that occurs at Cabazon so since they expanded their facilities the County had been talking about increase in their revenues of 40% so that was factored in on our little piece of the pie that we get. The TOT reflects the assumption of what was passed on June 3<sup>rd</sup>. Otherwise the revenues are somewhat consistent with small growth in the other areas.

### General Fund – Expenditures by Department

What she has observed is that we have been able to do a pretty good job of maintaining our expenditures staying pretty consistent and constant with the 2014 budget. A couple of things that will change between now and the next document is that they have had some discussion to move Code Enforcement out of Community Development and move it under Police so you will see the shift of the dollars moving from one line item and moving up to police in 2015 and 2016. There were a couple of reasons why that came up and one is there will be some efficiencies of scale that will occur and code enforcement has a lot of compliance and sometimes they enter into delicate situations and being able to coordinate with police will be helpful and in addition to benefitting from some of the training that is available through Public Safety. It will also benefit Community Development because a lot of their resources will now be available for the development projects that will be coming up. The pie chart shows that Dispatch and Fire Services are the two largest components of the budget. Fire Services costs have gone up and all of the services have gone up as a result of PERS costs going up. The revenue increases that we have had have covered the costs that have increased and that is the benefit of being able to come before the Council. She highlighted some of the other changes such as the methodology of how

we handle the charges to the General Fund for the City Attorney costs, the Landscape Maintenance District that has been outsourced for maintaining those districts, and requests for positions were not able to be included in order to maintain a balanced budget and she will go over those later.

#### General Fund Reserves FY 15

We are projecting for the end of 2015, \$2,858,705 and this is based on the mid-year projections. The actual reserves are always updated after the audit is completed. The policy is always to have 25% of the operating budget in reserves. The audit for 2013 did reflect a 25% set aside for reserves.

#### DEPARTMENT HIGHLIGHTS & SERVICES (General Fund Services)

Director Overholt went over each of the departments giving information on what services they provide and also highlighted their accomplishments (see attached exhibit).

#### Personnel Changes

The personnel changes are pretty minor this year. Citywide 7.38 position changes which means part time changes occurred. Full Time Reclassifications - 1; Full Time additions - 6; and Part Time reclassifications, additions and reductions - 0.38. For the General Fund the net impact of the changes was 0.83 and basically they occurred in the Police Department. A couple of part-time positions to make a full-time position and this allows for some of the administrative needs to be taken care of. Reduction in staffing was done at the airport and that was a result of being able to put in the automated fueling station. For Transit a manager was added and changed some of the part-time funding. For Electric they added the apprentices that are needed so five new positions are for the Apprentice Program and this is pretty critical because right now we have Edison who is going after some of our employees because they have so many vacancies. We have employees who will be retiring in five years and we know that we need to start building a succession planning program.

#### Other City Funds & Citywide Perspective

In regards to the Citywide Overview it summarizes by fund and the grouping of funds that we have.

#### Special Revenue Funds

Those are funds that are restricted by some kind of a law or an agreement so for example, the Riverside County/Police MOU is for the jail operations and we currently fund four officers there. So in 2016 the funding that we get from the County is not sufficient to pay for the four officers so the General Fund picks up the difference to supplement that funding. Gas Tax and Measure A are all related to streets and CDBG is related to grants. In regards to CFDs and LMD's she is less concerned about whether or not there is deficit spending because sometimes the timing between when we get revenues and the timing of when we spend them is not the same.

#### Capital Improvement Funds

They are also restricted and are related to the development impact funds. We did use capital improvement funds to complete the city hall bathroom and also we have the Sunset Grade Separation Project.

### Enterprise Funds

These include the Airport, Transit and Refuse. Electric is also an Enterprise Fund but that is presented separately. We have some completed projects for the Airport and those are Taxiway Relocation Project, the design for the Fuel Facility Relocation Project and the construction was completed. These are all major projects at the airport and we also do have on our list to have a workshop to discuss the future of the airport but in the meantime we are in compliance with what the FAA wants us to do at the airport based on the master plan.

### Transit

For transit the ridership is up 8% and we have gotten a new vehicle.

### Internal Service Funds

These are the funds that provide services to the other operations in the City. So in the budget they have included a vehicle in each year for the utility billing services. Our meter readers need vehicles because the vehicles they have keep breaking down.

### Water Funds and Wastewater Funds

We are in a balanced position for both the Water Fund and Wastewater Fund. The Wastewater Fund being the one fund that is in the most delicate situation. Projects had to be pushed out to the future in order to be balanced. But in the Water Funds we do have projects that are moving forward and those are listed in the CIP. Projects that were completed include improving the Water Department parking lot, updating the SCADA radio and Telemetry system, and completed repairs to Well M-3. In the Wastewater Funds they had to replace an 8" sewer main on Florida Street and also replace a primary sludge pump at the treatment plant.

### Reclaimed Water Funds

The projects that are moving forward relate to the recycled water lines and Section A was done and in the CIP we have Section B.

### Electric Funds

Completed Phase 1 and 2 of the Downtown Undergrounding, installed decorative street lights, completed Phase 1 and part of 2 of the Sunset Grade Separation, and overall the entire project is upgraded from 4 kV to 12 kV so that it is prepared for the upgrades at the substations. Bond funds are being used for the projects. For Water, Wastewater and Electric the policy in the budget does have what is the recommended reserve and all of those funds have met the targeted reserve requirements. Just to make a note, overall in the City we have 11,800 customers.

### Electric – Capital Projects: Distribution Infrastructure and Facilities

Projects that are continuing downtown are the Downtown Undergrounding, the Sunset Grade Separation still needs to be completed, the conversion is still going on at the substations and at the last Council Meeting she believes the Council approved working with an engineer for a lot of these major projects. The facilities projects are the Electric Warehouse and Operations Building (Corporate Yard Building) and also a project is being worked on for the Hydro Generating Units in the Canyon. This is unit that has existed and it has been disabled and it will be reactivated once the repairs are done.

### Electric - Challenges

This was touched on earlier in the presentation and these do relate to succession planning. We have 50% of the personnel that are eligible for retirement over the next five years and there is a lot of work that needs to be done today in order to prepare for this. To be a Lineman you have to go through an apprentice program and that takes about five year so that is why they are recommending adding positions. Some of the positions are supervisors and managers and so we do want to make sure that we build the staff up so that they are prepared for when we have the retirements coming up. Part of the challenge with recruiting is that we have distance from large populations, the pay scale, and the retirement plan. So some employees look at other agencies that have different plans but that is a challenge that we are facing.

### Electric – Regulatory

A big challenge that the Council has been aware of and has heard many times is the regulatory world. The mandates coming down from both the federal and state level are pretty significant whether it is renewable energy, greenhouse gas emissions or cap & trade, all of these affect the utility's operating costs.

## CAPITAL IMPROVEMENT PLAN

### Capital Improvement Program

The plan is for five years and it shows those projects that are in progress and the projects that are included are often times dictated through our plan with Measure A, Transit, FAA through the airport, or master plans.

### Capital Improvement Program – Funding Summary

Right now what you see in the CIP it shows projects to date of \$9 million and then budgets that have been approved for projects of \$17 million that will be carried forward. So if all of the funding sources come through we would have \$91 million in projects that we would be working on over the next five years. Some of the projects that are in future years are been listed because they need to be worked on but the funding source has not been identified. For example, we know we need to do upgrades to the Wastewater Treatment Plant and that is \$20 million plus up to \$35 million depending on the level of repairs. We don't have a funding source for that right now but the project is listed in the CIP.

### Concluding Thoughts

Director Overholt said the budget really does rely on the continuing improvements in the economy. She appreciates and applauds and thanks the departments for their efforts to contain costs. It doesn't include extraordinary events like if there is litigation or if there are settlements, those types of things are not anticipated in the budget. So if something were to happen of that nature staff would come to Council separately and make a decision at that point.

### Future Challenges

PERS rates affect all of the operating funds. One of the things that PERS is doing is that they are trying to address concerns that have been raised to them so in their efforts to address the complaints that they see in the paper regarding their funding levels so when they resolve their

issues it trickles down to the City and the City's rates go up. One of the other things that you will be seeing in the next year is what is our unfunded pension liability. Through GASB (Government Accounting Standards Board) there is going to be a shift in how we report our funded liability and so in the past it has either been a part of the footnote or hasn't been required and we just pay as you go. So in the next audit cycle you will be seeing the unfunded liability for the pensions the City has. Also in regards to the deferred maintenance and equipment replacement one of the things that has happened because we have lived with such a tight budget we keep deferring purchases for equipment or maintenance and we kind of handle it on a crisis basis or as a grant becomes available. This budget does have some fleet replacements and they are in the Electric area and Water and the Utility Billing as mentioned earlier but will need to come up with a strategy to plan for the future. For example, she mentioned the fire apparatus and they would need to be replaced by 2024. The General Plan update is needed by 2021 so the project is usually around a million dollars and she was generous in saying possible we could get it for \$500,000 but they typically run closer to the \$1 million. So those are areas where we will need to come up with a strategy to save one-time monies or some methodology there. Another item on the horizon is the end of the Successor Agency and right now we get \$250,000 towards some of our administrative costs so the General Fund will pick those up when that ends. For the Electric area she already mentioned some of the regulatory compliance issues. The Water is also facing regulatory issues with chromium 6 and that is a challenge on the horizon based on the requirements to test for chromium 6 and then if it is identified what is required to remove it from the water is cost prohibitive so there are cities that are already suing the State because of this regulation. A workshop will be scheduled to go over that in more detail. They did not factor into the budget the costs to address this particular regulatory issue so that will be something that will come up separately.

Director Overholt said she is open for any questions from the Council and at the June 24<sup>th</sup> meeting she will be doing a short presentation and seek approval of the budget document.

Mayor Franklin thanked all the departments that worked on the budget because she knows it was a lot of work for everybody. She thanked June and her department and all the department personnel.

Councilmember Peterson asked various questions:

- In regards to the Red Lion Inn is that confirmed that they are coming to Hargrave and Ramsey; is that a confirmed deal. He is only asking because it was mentioned in the report.
- On regards to the Banning Business Center on Lincoln he knows that sold and there are two new owners; do you know when they are going to do something.
- In regards to the Apprentice Program and he remembers when the Council approved that and we have five apprentice employees and now with us becoming the training center what are we going to do to maintain these people that we train.

Director Abu Bakar stated that in regards to the Red Lion Inn they are still working with the developer on that project. There was a previous developer that wanted to develop a Ramada Inn and then the property changed hands so now there is a new owner that wants to develop Red Lion Inn.

Director Overholt said what that illustrates is that sometimes things may or may not happen but the work still has to occur by staff so when a developer comes and presents plans the staff still has to address it and hopefully they will move forward with it.

Director Manis said that in regards to the Banning Business Center staff met with two of the three property owners. One of the three sold to the gentleman who bought the middle parcel. They met about a month and a half ago and they are sizing everything up and looking at the zoning of it because it is actually zoned differently between parcels so it is not consistent. Some of it is commercial and some is industrial. The one gentleman that now owns two of the parcels is trying to buy the third and do a larger project. Staff is actually communicating with him and staying in touch as they move forward.

Director Mason said that with the Apprentice Program there is actually an agreement that they enter into that says that they have to stay a specified period of time and if he recalls it is two years but he believes that Rick Diaz, Operations Manager is working with Human Resources to increase that to five because if we are spending all this money to train them, we want a commitment.

Councilmember Miller asked various questions:

- On the chromium 6 is there any evidence that it presents a problem; do we have that in our water.
- It was mentioned that we have the four officers from Riverside County and that they are not fully funded by the Council and why is that?
- we are always in almost a crisis mode and we managed to balance the budget and we are happy about that but in regard to the long distance future do you see anything that is going to put us out of the crisis mode so that we can hire more police so that we can bring everything up to the level that we should have.

Director Burk addressed the chromium 6 question and stated that they have tested our deep wells and some wells have now the maximum contaminate level. The maximum contaminate level prior to July 1st was 50 parts per billion and the state is lowering it down to 10 parts per billion. We have wells that have 11 parts per billion and 12 parts per billion. So staff would like to come back to the Council and talk about some timelines, implementation, and things like that.

Director Overholt said in regards to the four officers the City has a contract with the County for a specific dollar amount and that dollar amount was based on estimates at the time the contract was entered into and it does have a COLA and the COLA is not at the same rate of the increase in costs. So as the increase in costs increase then the General Fund is responsible for covering the difference.

Director Overholt said in regards to the crisis mode the secret formula to help City revenues is that you have development and in general the rules are if you have roof tops then that generates shopping areas, shopping areas generate sales tax so the roof tops help with the property tax, the shops help with the sales tax and all of those combined help to grow the revenue stream for the General Fund that then allows for flexibility and adding staffing. So we do know that we have

some developments that have already been approved such as Pardee so once that gets moving then that will start that chain of affects. In addition to that within that project and any other major project that would come along in the future is the requirement of a CFD (Community Facilities District) to help with operational costs so in looking toward the future that was a sustainability component that was built into the development agreement.

Councilmember Peterson said that you mentioned that the Successor Agency also funds a couple of staff positions; what are those positions.

Director Overholt said right now it funds the Economic Development Director.

Councilmember Westholder asked Director Overholt to help him understand this a little bit – we can afford five new apprentices for the Electric Department but we have no money for police officers. We own the Electric Department and they pay a certain amount of money to the City for administrative costs now if we are the parent company, if they are making more money and can afford to do this, can't we charge them more money for our administrative costs and get more officers on the street.

Director Overholt said right now the budget already includes the administrative costs from the Electric Department and that is already factored in to paying for our costs.

Councilmember Westholder said they raise our rates so why can't we raise their rates. Director Overholt said the cause and effect is that the rates then go up for the residents.

Councilmember Westholder said that we already had an increase, 12% last May. Director Overholt said that was correct and usually when rates are calculated there are assumptions that are made as to where the costs are going to come from so when the model was put together it assumed the relationship with the General Fund. So if you change that relationship, then that changes the model. If the model changes, then all the assurances from Director Mason about what the rates are change because there is a cause and effect.

Councilmember Westholder said so bottom line we can afford more electric guys than we can police officers. Director Overholt said at this moment in time that is correct.

Mayor Franklin said that you did mention that you would be coming back to us in six months to let us know where we are in terms of being on track or being off or if there are any changes overall. Director Overholt said that was correct.

Mayor Franklin said then the amount you showed for the difference for Fiscal Year 16 is less than \$200,000 so if we do get development that may be closed if we don't have any additional expensed.

Director Overholt said that was right. So everything that we know about the costs for that second year out, they built into it. A week before we did our draft they heard from PERS that they are implementing a change. It affects that year, so staff had already built that into it so that is part of that number. Everything they knew to be true they included in there. What she doesn't

do when she budgets the revenues is count on a Red Lion Inn because they could go through the entire process and then at the very end sit on it for two years. Staff cannot make an assumption about things that look promising until they know it is true.

Mayor Franklin said having to do with the unfunded portion of the pensions what does that mean to us.

Director Overholt said from a budget perspective we budget on a pay as you go methodology. From a reporting perspective in the audit they will now see on the face of the audit what that amount is so it will show as liability. And then what they will need to do is to come back and say what is our strategy to reduce that number so from an operational perspective at this moment there is no change to it but she thinks the key is to continue to find ways to improve transparency and disclosure. She thinks the information is available but it is not obvious and so through GASB they are trying to make it more obvious.

Mayor Franklin opened the item for public comments; there were none.

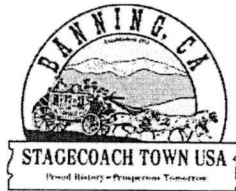
#### ADJOURNMENT

By common consent the meeting adjourned at 4:48 p.m.

---

Marie A. Calderon, City Clerk

**THE ACTION MINUTES REFLECT ACTIONS TAKEN BY THE CITY COUNCIL. A COPY OF THE MEETING IS AVAILABLE IN DVD FORMAT AND CAN BE REQUESTED IN WRITING TO THE CITY CLERK'S OFFICE.**



# Budget Workshop

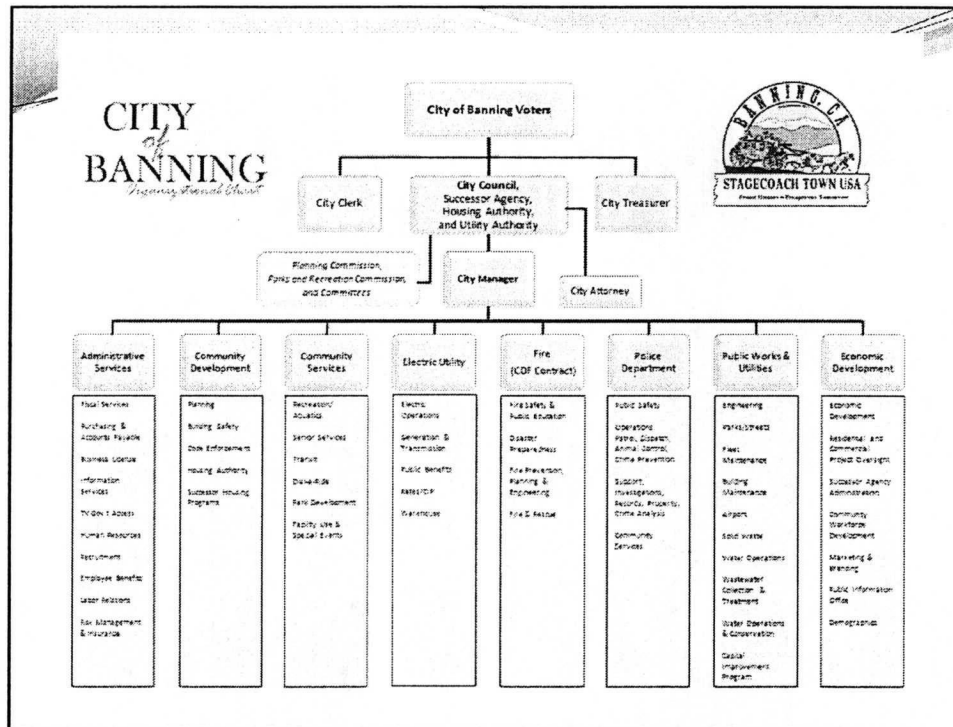
Fiscal Years  
2014-15 & 2015-16

June Overholt  
Administrative Services Director/  
Deputy City Manager

CITY OF BANNING

# Thank you Banning!!

- TOT / Measure E passed by 83%



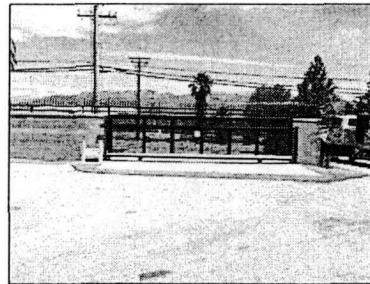
## Agenda

- Budget process and document overview
- General Fund
  - Department highlights
- Personnel changes
- Other Funds
  - Department highlights
- Capital Improvement Program

## Budget Process & Documents



*New Corporate Yard Perimeter Wall*



*New Corporate Yard Main Gate*

## Budget Process

- Department submittals
- Interim City Manager & Deputy City Manager review and direction
- Finance review and compilations
- Budget includes...
  - Conservative estimates
  - Revenues – estimates based on trends and/or external information
  - Expenditures – estimates based on trends, savings, or new requests

## Budget Content

- Actual activity for FY13
- Revised budget for FY14
  - Includes midyear and other Council actions
- Proposed budget for FY15 & preliminary budget FY16
  - Budget information is based on most current information
  - Midyear review process updates the budget after six months

## Budget Document - *Draft*

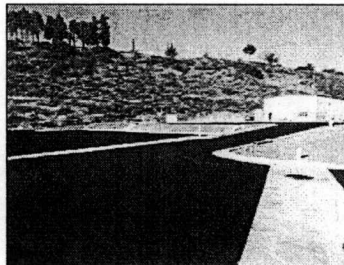
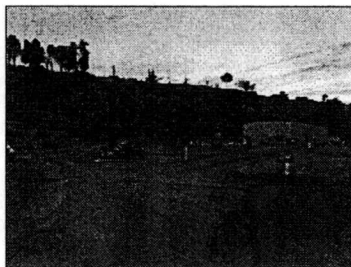
- Budget Message (being finalized)
- Fund Summaries – All funds
  - Tables & Graphs
- General Fund
  - Overview, Tables and graphs
- Personnel – position control
- Capital Improvement Program
- Supplemental Information
  - Policies, Gann limit, fund descriptions

## Supplemental Information

- Gann Limit
- Budget and Fiscal Policies
- Description of Funds
- Glossary of Terms
- Acronyms

## General Fund

Budget overview & departmental highlights



*Before and After: Water Yard Parking Lot project*

## General Fund

- Collects the general tax receipts and fee revenue not allocated by law.
- Pays for general services (police, fire, public works, administration)
- Responsible for all other governmental funds that operate at a deficit

## General Fund – Proposed Budget FY15

- Balanced budget
  - Revenues \$13,921,923
  - Expenditures \$13,921,923
- Balancing included –
  - Improved revenues
  - Expenditures contained

## General Fund – Preliminary Budget FY16

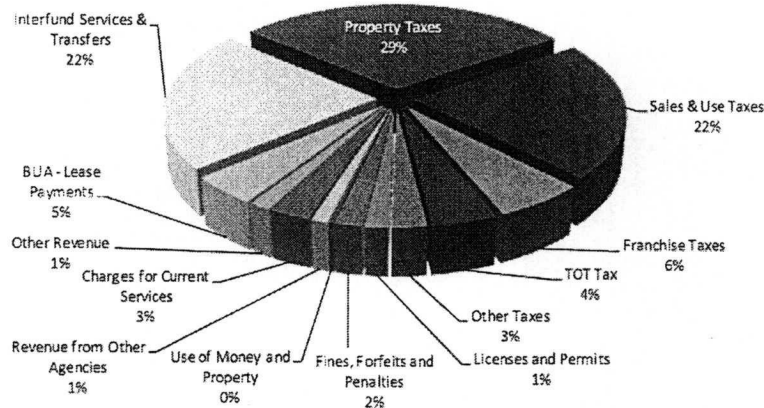
- Budget
  - Revenues \$14,150,397
  - Expenditures \$14,280,764
- Budget challenges
  - On going increases in costs (i.e. pension)
  - Structural deficit should be resolved as development and new businesses expand into the City and new revenues can be verified

## GF – Revenues

Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
General Fund Revenues By Category				
<b>Taxes</b>				
Property Taxes	3,794,362	4,015,414	4,085,755	4,146,165
Sales & Use Taxes	2,738,500	2,742,137	2,997,666	3,117,566
Franchise Taxes	813,682	825,000	851,000	861,000
TOT Tax	626,255	590,000	620,000	620,000
Other Taxes	314,838	402,746	341,800	343,800
<b>Taxes</b>	<b>8,287,637</b>	<b>8,576,297</b>	<b>8,906,221</b>	<b>9,088,531</b>
Licenses and Permits	171,406	205,516	213,500	215,500
Fines, Forfeits and Penalties	291,465	261,550	257,950	257,950
Use of Money and Property	40,377	44,227	46,700	46,700
Revenue from Other Agencies	1,732,940	349,585	158,014	158,014
Charges for Current Services	576,580	423,450	369,957	387,957
Other Revenue	136,345	201,578	198,963	200,127
BUA - Lease Payments	651,000	651,000	651,000	651,000
Interfund Services & Transfers	3,032,289	3,142,818	3,119,618	3,144,618
<b>Total</b>	<b>14,920,039</b>	<b>13,856,021</b>	<b>13,921,923</b>	<b>14,150,397</b>

## GF – Revenues FY15

General Fund Revenues  
Total = \$13,921,923



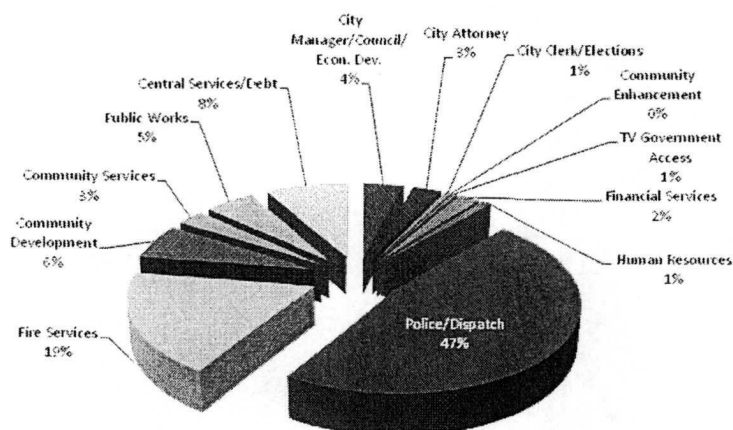
## GF – Expenditures by Department

Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b>General Fund Expenditures By Department</b>				
City Manager/Council/Econ. Dev.	489,190	631,191	600,280	605,743
City Attorney	315,666	425,897	422,534	422,534
City Clerk/Elections	105,499	93,341	133,412	94,053
Community Enhancement	4,795	7,491	-	-
TV Government Access	16,429	56,800	70,100	70,100
Financial Services	242,834	288,506	292,688	298,672
Human Resources	99,935	215,485	143,021	143,725
Police/Dispatch	6,546,280	6,740,267	6,469,918	6,779,720
Fire Services	2,352,287	2,617,430	2,588,892	2,639,626
Community Development	720,790	876,243	906,608	917,003
Community Services	351,311	374,810	392,148	396,008
Public Works	519,327	726,433	743,256	732,838
Central Services/Debt	1,081,729	1,300,598	1,159,066	1,180,742
<b>Total</b>	<b>12,846,072</b>	<b>14,354,492</b>	<b>13,921,923</b>	<b>14,280,764</b>

18

## GF – Expenditures FY15

General Fund Expenditures  
Total = \$13,921,923



## General Fund Reserves FY15

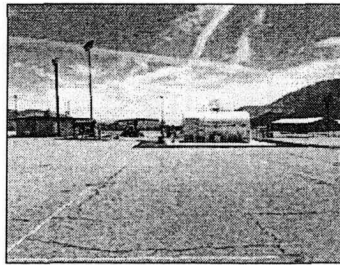
Projected FY15 ending balance \$2,858,705

### Note:

- Based on FY14 midyear estimates
- Actual reserves are updated during audit
- Policy goal is 25% of operating budget
- Audit for FY13 reflects full 25% set aside as reserves

# Department Highlights & Services

General Fund Services



*Airport Fuel Facility Replacement*

## Council/Manager/Clerk

- Council
  - Policy & direction
  - Committees
  - Lobby for funds
- Manager
  - Oversight City operations
  - Quarterly newsletter
- Clerk
  - Elections
  - Keeper of the Records

20

## Economic Development

- ***Business Retention & Attraction***
  - Working with our Existing Companies
  - Recruiting New Companies (Talking with Brokers, Investors, Developers, Tenants, and Business Owners)
- ***Workforce Development***
  - Helping Local Businesses with their Workforce Needs
  - Helping Local Job Seekers to Find Work
- ***Encouraging Public-Private Partnerships***
  - Bridging Conversations Between Local Property Owners & Potential Investors
  - Eliminating Under-Developed & Blighted Properties
- ***Marketing & Branding***
  - Highlighting Banning as a Place to Do Business
  - Increasing the Awareness of our Development Activities & Opportunities
- ***Former RDA Related Responsibilities***
  - Overseeing the Banning Oversight Board & Related State Mandates

## Economic Development – Highlights

- ***Employment "JOB" Resource Fair***
  - 35 companies & over 500 job seekers (September 2013)
- ***Banning Business Center***
  - Under new ownership with improvements being proposed
- ***New Businesses***
  - 64 new businesses in town & 25 new home based businesses since June 2013
- ***Diamond Hills Automotive***
  - Over \$500,000 in façade and building improvements underway
- ***Sales Tax***
  - Up 6.2% Year to Date
- ***Former Deutsch Property***
  - New owner and tenant (Brands On Sale) on-site with plans to open a Museum of Pinball
- ***Successor Agency***
  - State continues to approve all Banning related items
  - Coyne property scheduled to close escrow in June 2014 & move forward with expansion project
- ***Measure E***
  - Successfully passed on June 3, 2014 (by 82.75%)

## Administrative Services

- **Fiscal Services**
  - Accounting, payroll, accounts receivable, accounts payable, purchasing, business licenses
  - Audits, budget, compliance reporting
- **Human Resources**
  - Recruitments, benefits, employee relations, negotiations, risk management, wellness program, training, compliance reporting
- **Technology**
  - TV, maintenance – workstation, software, and network, projects
- **Utility Billing**
  - Billing – Wastewater, Water, Electric, and Refuse, Cashiering for citywide transactions

## Administrative Services – Highlights

- New phone system installed
- Upgrade to Council chambers sound system
- Audit of Utility accounts with Waste Management
- Clean Financial Audit
- Employee Benefits fair, Safety Training, Wellness classes

## Police – Highlights

- Implementation of COPlogic online reporting system
- Another successful year of BPAL program
- Shop with a Hero program
- Implementation of Volunteer program to monitor City cameras
- Police Department lobby hours expanded to four days from two
- Police Department's radio system was upgraded to provide additional coverage for officers in the field
- Continued participation in the Disaster Preparedness Expo
- **Core Services**
  - Patrol, Dispatch, Investigations, Records, Community Outreach

## Fire Department – Highlights

- EOC grant received – to purchase equipment
- EOC training, procedures and manuals being updated
- **2013 Statistics**
  - 4121 response calls
  - 78.5% were medical response (3236 calls)
- **Core Services**
  - Fire, Medical, Traffic Collisions, Hazmat, and False Alarms

## Community Development

- **General Plan**
  - Blueprint for growth and development of the City
- **Zoning**
  - Regulations of uses of land and building in the City for residential, commercial, and industrial.
  - California Environmental Quality Act (CEQA)
- **Building Code**
  - Specific standards regarding building constructions to make sure that it is safe for people to occupy including when earthquake happens.

## Community Development - Highlights

- Approval of Coyne Powersports new 10,000 square feet showroom building at 2301 W. Ramsey Street.
- Approval of a 24-unit industrial work lofts on a parcel on East Lincoln Street near the Airport.
- Adoption of four (4) general plan amendments
- Processing Pre-Applications with 23 potential developers and business owners
- Active Major development projects:
  - Rancho San Geronio Specific Plan (849-acre property)
  - St. Boniface School Site (a 65-acre property). 172 single-family residential plan.
  - Red Lion Inn Hotel/Restaurant at the northwest corner of Hargrave and Ramsey Street.
- Total Number of all permits issued during the last 12 months was 646 for a total valuation of \$6,229,970.00.

## Community Services

- **Recreation**

- Sports leagues and Leisure Classes
- Aquatics
- Facility Rentals
- Special events

- **Senior services**

- Classes, Activities & Special Events
- Referral agency for legal, medical & financial assistance
- "Fill the Cupboard" food program

## Community Services - Highlights

- **Recreation**

- Provided or facilitated youth sports programs
  - 1,400 participants in Basketball, Football, Baseball and Tennis
- Held annual Halloween Fest with attendance of approximately 500
- Added several leisure classes for both adults and youth

- **Aquatics**

- Provided Learn-to-Swim Lessons for 562 participants
- Increased opportunities for the community to use the Aquatics Center by adding Family Night Swims on Tuesdays and Thursdays.

- **Senior Services**

- Painted and carpeted interior of the Senior Center
- Opened a computer lab with four work stations
- Funding from Sun Lakes Charities donations

## Public Works - Highlights

- ***Core Services***

- Street & Park Maintenance
- Engineering plan review & permitting for development on private property
- Building Maintenance

- ***Highlights***

- Initiated 5 day Parks & Street Maintenance program
- Worked with Community Services on development projects

## Personnel Changes

## Personnel Changes - Citywide

Authorized positions for FY14 159.02

FT – Reclassifications (Police & Streets) 1.00

FT – Additions (Transit & Electric) 6.00

PT – Reclassifications, additions, reductions 0.38

All authorized positions for FY15 166.40

*(includes part time and elected positions)*

## Personnel Changes by Fund

Personnel Changes	Full Time	Part Time	Total FTE
001 General Fund	1.00	(0.17)	0.83
600 Airport	-	(0.35)	(0.35)
610 Transit	1.00	0.90	1.90
670 Electric Operations	5.00	-	5.00
Net Changes in Positions >>>	7.00	0.38	7.38

## Personnel Changes by position

FY2013-14 Budgeted Positions

159.02

### FY2014-15 Full-Time (FT) Position Changes

001 Police	Police Assistant I	PT position upgraded to FT	1.00
100 Streets	Executive Secretary	Position reclassified to PW Analyst	(1.00)
100 Streets	Public Works Analyst	Position reclassified from Exec Secretary	1.00
610 Transit	Transit Manager	New position	1.00
670 Electric	Powerline Technicians	New position (underfill w/apprentice)	5.00
Net			7.00

### FY2014-15 Part-Time (PT) Position Changes

001 Police	Part-Time Exec Secretary	Position Eliminated	(0.25)
001 Police	Part-Time Police Assistant I	PT position upgraded to FT	(0.60)
001 Code Enforcement	Part-Time Code Compliance Officer	New position	0.45
001 Recreation	Recreation Leaders	Hours increased	0.21
001 Aquatics	Lifeguards	Hours increased	0.02
600 Airport	Airport Attendant	Hours decreased	(0.35)
610 Transit	Part-Time Bus Drivers	Hours increased	0.90
Net			0.38

Total Changes to Budgeted Positions

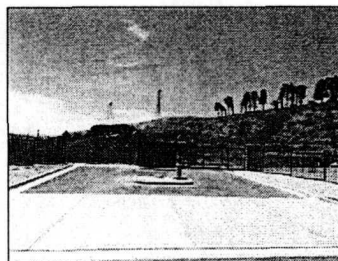
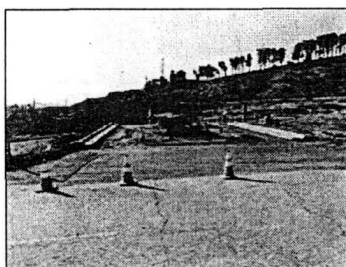
7.38

Total FY2014-15 Budgeted Positions

166.40

## Other City Funds

&amp; Citywide perspective



Before and After: Water Yard Parking Lot project.

## Citywide Overview

Revenues	Funds	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
	General Fund	14,920,039	13,856,021	13,921,923	14,150,397
	Special Revenue	3,145,217	4,711,897	3,067,403	3,139,811
	Capital Improvement	272,914	2,640,747	6,705	6,705
	Banning Utility Authority	16,621,453	19,047,753	17,301,524	19,841,217
	Enterprise*	4,810,136	6,713,760	5,477,416	5,217,375
	Electric	33,364,190	33,512,410	33,261,017	34,568,619
	Internal Service	5,705,684	5,907,020	5,902,405	6,037,751
	Successor Agency	7,004,254	7,627,937	6,598,520	6,650,515
	<b>Total</b>	<b>85,843,887</b>	<b>94,017,554</b>	<b>85,536,913</b>	<b>89,612,390</b>

Expenditures	Funds	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
	General Fund	12,846,072	14,354,492	13,921,923	14,280,764
	Special Revenue	3,096,394	6,022,080	3,298,102	3,504,860
	Capital Improvement	1,809,379	526,232	180,000	-
	Banning Utility Authority	15,631,772	25,560,094	16,672,027	22,895,398
	Enterprise*	4,506,624	6,708,514	5,379,471	5,156,345
	Electric	33,973,043	41,205,822	37,825,940	36,689,275
	Internal Service	5,315,262	5,956,272	5,892,143	5,985,399
	Successor Agency	10,453,978	8,893,941	6,361,753	6,427,798
	<b>Total</b>	<b>87,632,524</b>	<b>109,227,447</b>	<b>89,531,359</b>	<b>94,939,839</b>

## Special Revenue Funds

- Includes funds that are restricted in use. Examples include:
  - Riverside /Police MOU
  - Gas Tax
  - Measure A
  - CDBG & other Grants
  - CFDs and LMDs

FY15 - Total Adjusted Revenues      \$ 3,067,403

FY15 - Total Adjusted Expenditures      \$ 3,298,102

## Capital Improvement Funds

- Includes funds that are restricted in use.
  - i.e. Development impact funds, major capital projects
- Projects will be budgeted when presented to Council

FY15 - Total Adjusted Revenues     \$ 6,705

FY15 - Total Adjusted Expenditures \$ 180,000

### *Highlights*

- Completed City Hall bathroom
- Assisted the County in the commencement of the construction of the Sunset Grade Separation Project

## Enterprise Funds

- Includes funds that are considered to be like a business. Examples include:
  - Airport
  - Transit – Bus services & Dial a ride
  - Refuse
 (Electric will be discussed separately)

FY15 - Total Adjusted Revenues     \$ 5,477,416

FY15 - Total Adjusted Expenditures     \$ 5,379,471

## Airport - Highlights

- Completed the design of the Taxiway Relocation Project
  - Received a \$193,922 grant from the FAA
- Completed the design of the Fuel Facility Relocation Project
  - Received a \$93,600 grant from the FAA
- Completed the construction of the Fuel Facility Relocation Project
  - Received a \$558,225 grant from the FAA
  - Received a \$27,911 grant from the DOT

## Transit - Highlights

- 147,747 unlinked passenger trips, representing an increase of 8% in ridership from previous year
- Dial-A-Ride provided 9,244 unlinked trips during the year, showing a slight increase in ridership
- Purchased a new Dial-A-Ride Vehicle – delivered in April.

## Internal Service Funds

- Include funds that provide services to other City operations.
  - Risk Management (worker's compensation, general liability, unemployment, city attorney)
  - Fleet
  - Information services
  - Utility billing services

FY15 - Total Adjusted Revenues           \$ 5,902,405

FY15 - Total Adjusted Expenditures   \$ 5,892,143

## Water Funds

<u>Water Funds</u>		<u>Revenues</u>	<u>Expenditures</u>	<u>Projected balance @ 6/30/2015</u>
660	Water Operations	10,669,000	9,879,065	8,724,207
661	Water Capital Facility Fee	26,964	200,000	1,448,598
663	BUA Water Capital Project Fund	2,900	300,000	1,547,991
669	BUA Water Debt Service Fund	2,290,087	2,291,187	83,253
Combined Fund Balance >>>		\$ 12,988,951	\$ 12,670,252	\$ 11,804,049

### **Core Functions**

- Water Production, Distribution and Transmission
- Engineering and Capital Improvements

### **Highlights**

- Completed parking lot improvements at Water Department yard
- Installed new SCADA radios & Telemetry system
- Completed repairs to Well M-3

## Wastewater Funds

<u>Wastewater Funds</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Projected balance</u> <u>@ 6/30/2015</u>
680 Wastewater Operations	3,212,104	3,189,143	1,022,290
681 Wastewater Capital Facility Fees	34,644	115,000	9,836,890
683 BUA WWtr Capital Project Fund	1,300	-	2,730,029
685 State Revolving Loan	301,275	299,882	772,106
689 BUA Wastewater Debt Service Fund	398,250	397,750	90,151
Combined Fund Balance >>>	\$ 3,947,573	\$ 4,001,775	\$ 14,451,466

### Core Functions

- Sewer Collections and Treatment
- Engineering and Capital Improvements

### Highlights

- Replaced 8" sewer main on Florida Street
- Replaced primary sludge pumps at Treatment Plant

## Reclaimed Water Funds

<u>Reclaimed Water</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Projected balance</u> <u>@ 6/30/2015</u>
662 Irrigation Water	2,500	-	2,500
682 Wastewater Tertiary	362,500	-	2,556,690
Combined Fund Balance >>>	\$ 365,000	\$ -	\$ 2,559,190

### Core Functions

- Engineering and Capital Improvements in order to have Collection, Distribution and Transmission System

### Highlights

- Completed Section A of the Recycled Water Line

## Electric Funds

Electric Funds		Revenues	Expenditures	Projected balance @ 6/30/2015
670	Electric Operations	29,773,000	29,110,905	10,285,222
672	Rate Stability	10,000	-	6,022,169
673	Electric Improvement	15,141	415,000	6,524,450
674	2007 Elec Rev Bond Project Fund	5,350	4,850,000	1,588,955
675	Public Benefit Fund	784,250	776,959	312,025
678	2007 Elec Rev Bond Debt Service	2,673,276	2,673,076	297,270
Combined Fund Balance >>>		\$ 33,261,017	\$ 37,825,940	\$ 25,030,091

### Core Activities

- Generation, Distribution and Transmission System

### Highlights

- Completed Phase 1 & 2 of the Downtown UG
- Started installing the decorative streetlights
- Completed Phase 1 and part of 2 of the Sunset Grade Separation
- Continue upgrading system: the 4kV – 12kV work in preparation of rebuilding and upgrading the Alola and Airport Substations

## Electric – Capital Projects

### • Distribution Infrastructure

- Downtown Undergrounding & Decorative Lights
- Sunset Grade Separation
- 4kV – 12kV Conversion
- Rebuild/Upgrade Alola and Airport Substations

### • Facilities

- Replace Electric Warehouse and Operations Building (Corporate Yard Building)
- Rebuild Hydro Generating Units in the Canyon

## Electric - Challenges

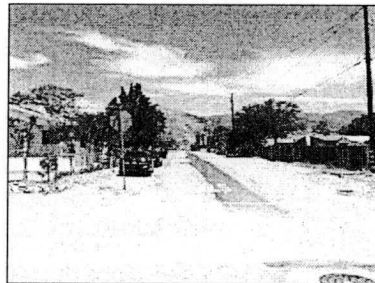
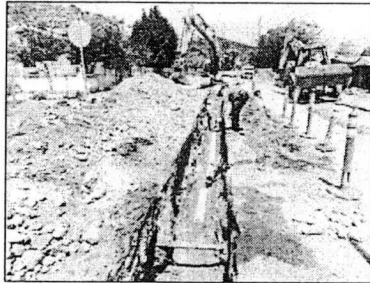
- **Succession Planning – Personnel Challenges**
  - 50% of the Electric Utility personnel are eligible for retirement over the next five years
  - Many affected positions are in the Powerline Technician series (Technician – Crew Supervisor – Operations Mgr)
  - Utilizing Apprentices Program to backfill positions and prepare for retirements
  - Recruitments will be challenging due to a number of issues: Geography, Pay Scale, and Retirement Plan

## Electric - Regulatory

- Renewable Energy Mandates
- Greenhouse Gas Emissions Reductions
- Cap & Trade Program
- Environmental Protection Agency (EPA) Clean Air/ Emission Reduction Mandates
- More stringent Title 24 Building Requirements make it difficult to meet Energy Conservation Mandates
- New Cal-OSHA Safety Requirements

*All of these mandates increase the Utility's operating costs*

## Capital Improvement Plan



*Before and After: Florida Street Sewer Main Replacement*

## Capital Improvement Program

- Five year plan FY14/15 to FY18/19
- Program includes:
  - Projects in progress
  - Projects from Plans reported to other agencies. For Example:
    - Measure A
    - Transit
    - Airport
  - Projects from other planning tools
    - Master Plans
    - Studies

## Capital Improvement Program – Funding Summary

Project to date (as of June)	9,308,621
Budget Carryforward (as of June)	17,761,350
FY15	8,369,132
FY16	9,544,132
FY17	6,587,000
FY18	21,529,000
FY19	17,936,000
<u>Total Capital Improvement Program</u>	<u>\$ 91,035,235</u>

## Completed CIP Projects

- City Hall bathroom
- Corporate yard perimeter wall
- Parking lot improvements at Water Department yard
- Installed new SCADA radios for water system
- Replaced 8" sewer main on Florida Street
- Replaced primary sludge pumps at Treatment Plant
- Section A of the Irrigation Water Line
- Completed plans for new Corporate yard building

# Conclusion

## Concluding Thoughts

- Budget relies on continuing improvements in economy
- Departments containing costs
  - Extraordinary events not included
    - Example: litigation and settlements

## Future Challenges

- ***General Fund (and other funds)***
  - PERS rates continuing to increase
    - Unfunded pension liability reporting (GASB 68 & GASB 71)
  - Deferred maintenance & equipment replacement
    - Aging fleet
    - Example: Fire apparatus (\$500,000 x 2) by 2024
  - General Plan update by 2021
    - Estimated cost \$500,000 to \$ 1 million
  - End of Successor Agency funding of \$250,000

## Future Challenges

- Regulatory compliance (State and Federal mandates)
- ***Upcoming Workshops***
  - Airport use
  - Water - compliance with chromium 6/ drought impacts & recommendations for Banning

## End of Presentation

- Request for adoption of budget will be presented during the regular Council meeting – June 24th

MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

6/10/2014  
REGULAR MEETING

A regular meeting of the Banning City Council was called to order by Mayor Franklin on June 10, 2014 at 5:05 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Miller  
Councilmember Peterson  
Councilmember Welch  
Councilmember Westholder  
Mayor Franklin

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Homer Croy, Interim City Manager  
June Overholt, Administrative Services Dir./Deputy City Manager  
David J. Aleshire, City Attorney  
Fred Mason, Electric Utility Director  
Duane Burk, Public Works Director  
Bill Manis, Economic Development Director  
Zai Abu Bakar, Community Development Director  
Tim Chavez, Battalion Chief  
Heidi Meraz, Community Services Director  
John McQuown, City Treasurer  
Marie A. Calderon, City Clerk

The invocation was given by District Elder Preston Norman, Jr., Praise Tabernacle Church. Councilmember Miller led the audience in the Pledge of Allegiance to the Flag.

REPORT ON CLOSED SESSION

City Attorney said that the Council met in closed session to discuss a matter of real property negotiations concerning the Village at Paseo San Gorgonio a status report was given on negotiations and there was no reportable action taken.

PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS

PUBLIC COMMENTS – On Items Not on the Agenda

Inge Schuler, resident of Banning addressed the Council commending the following people who have been extremely helpful. Interim Chief Diaz is excellent in working with any of the citizen's issues particularly in regard to the dog bit situation at 933 E. Barbour Street. Also Zai Abu Bakar, Marie Calderon, and Interim City Manager Croy have been extremely helpful in responding to any questions that she has had and they are very prompt in their responses. In

regards to the overlay issue Zai has given her some very detailed answers to her questions. Regarding the animal control issue she has a chance to review, thanks' to Marie's cooperation, to look at the contract we have with Beaumont and it is renewable automatically every year without any examination of what it says. The bottom part of that contract has a nice little issue about compensation and she hopes that it will be revised as soon as possible. In regards to the compensation issue they get \$50.00 per call out and that is where the specifics end. The rest of it is plus any actual costs incurred including but not limited to the impoundment of large or wild animals, tranquilizers, veterinary services, shelter services, additional officers, animal cruelty investigations and any additional services not included within basic services billed monthly. Apparently there hasn't been a bill for the last three years. The services are not specified by a fee schedule. She said that she couldn't do this to her clients and she has to have fee indications for everything that she does to boarded horses. There is nothing in this contract and the last figure that was available was that we paid Beaumont \$115,000 in 2011; this is 2014. She said she has checked with the estimated cost of having animal control and her estimated figures of \$200,000 to \$250,000 per year were too conservative. She checked with Ramona Humane Society and they placed it at an additional 50%. Why aren't we getting any of this information from Beaumont Animal Service? She thinks it still is the most reasonable that we can do but it didn't show up in the budget report how much we spend per year. We don't know how they are padding their bills. She said if you are actually going to get billed for the impoundment of large or wild animals or having to euthanize them and then dispose of the body, you are talking \$500 per animal, conservatively. Medium size animals such as goats, sheep, alpacas, etc. run closer to \$200. So we are looking at horrendous costs if we would do our own business; we can't afford it. A truck for animal transport that is air-conditioned would be \$100,000.00 and she doesn't even want to look at the costs to rehabilitate our animal shelter; it is not feasible. We should stay with Beaumont but we must insist on some transparency.

Dorothy Familetti-McLean said she is getting excited about this year's Banning Stagecoach Days running September 5 – 7, 2014. They are having a rodeo put on by the Grand Canyon Professional Rodeo Association. There will be some fun and wild events taking place such as bareback bronco riding, steer wrestling, bull riding and more. In addition, they will have a bigger and better carnival plus 50 to 70 vendors. They have some enthusiastic volunteers this year who have added this professional rodeo plus a Miss Stagecoach Days competition open to ladies within a 50 mile radius of Banning. You can check their website at [www.stagecoachdays.net](http://www.stagecoachdays.net) for more information, an application for Miss Stagecoach Days Contest, vendor applications or a parade application. It would be wonderful to see businesses, services clubs, and churches entering floats in the parade. They are hoping to get businesses involved in their Stagecoach Days Window Dressing Contest. This year's slogan is "Believe in Banning Then and Now". They will be updating the public regularly on the website and through City Council meetings.

George Moyer addressed the Council as a Member of the Banning Community Advisory Committee (see Exhibit "A").

Ann Price representing Banning Pass Little League addressed the Council stating that they served approximately 500 children this year from Cherry Valley, Beaumont, Banning, Cabazon and Whitewater and their closing exercise is this Saturday, June 14<sup>th</sup> at 10:00 a .m. and they

invite anyone from the City to come out and visit them at Lions Park. They really appreciate the Council allowing them to use Lions Park throughout the year. They have been selected to host the District Baseball All-Stars Tournament for 10 and 11 year olds starting on June 21<sup>st</sup> and then they will be hosting a Section Tournament for softball starting July 6<sup>th</sup>. They really appreciate the Council's support.

Gerald Miller representing JML, Inc. addressed the Council about the extension of Banning Police Activities League. He said that throughout the summer there are no active programs for teenagers and children to attend. A lot of children cannot go back to their home because their parents will ask them to leave until the street lights come on. One day last summer while driving with his parents he notice a young man walking down the street and it was so hot that his lip has blistered and started to bleed due to the heat and that is just unacceptable for our youth to be in such heinous conditions with nowhere else to go. That is why he would like to have the Banning Police Activities League extended to offer a place of refuge and structure for those children who really have nowhere else to go. He said that he and his father offer peer to peer mentorship and structure to those who need it. They mostly work with the LPW level 12 group home assisting in their structure and in their progress as young individuals. They have dedicated themselves to the betterment of youth who have not had the same opportunities in life that they have had.

CORRESPONDENCE – There was none.

#### PRESENTATIONS

##### 1. Recognition – Happy Healthy Hoffer Mile Club

Mayor Franklin asked Talitha Brown, Julian Miramontes and Polly Flores to come forward.

Mayor Franklin said that reference was made earlier in regards to Banning being a Healthy City and we did start a pilot-program at Hoffer School and she asked Polly Flores to comment on that program.

Polly Flores addressed the audience stating that she has been a long-time employee for the Banning Unified School District and her current employment is as an Intern School Counselor and she had the opportunity to work with Mayor Franklin along with a representative from the San Geronio Memorial Hospital and together they went into one designated classroom where the teacher piloted the "Happy Healthy Hoffer". For about 8 to 10 weeks they went into the classroom and had a structure of information, character and activity so with that in mind they would go in every other week and they would inform the children on nutritional facts and she explained what topics they covered. The kids really responded well and they did a before check as to how do you feel about yourself and what do you know about this information and then they did a post-test. The information gathered was positive and they felt it was successful. At the end of that short program they didn't want to let it end so they collaborated and came up with the "Hoffer Mile Club" where they encouraged the students to come out and walk, run or crawl going around the playground 4 times which would equal a mile and they received charms for the miles they achieve. Talitha Brown was the top girl and ran 32 miles in

six weeks. Julian Miramontes was the top boy and he ran 38 miles. They had approximately 150 to 175 kids participating. They yard duty persons and the principle noticed that the behavior on the playground was lessened by the kid's participation in this program. It was a great program and she hopes to continue it next year.

Mayor Franklin commended Polly on making the program successful for the students. She presented Talitha Brown with a shirt (donated by Zenia Printing), a pin from the City of Banning and a Certificate of Recognition. She said the same items will be presented to Julian Miramontes who could not be present this evening.

### CONSENT ITEMS

Mayor Franklin stated that Consent Item No. 9 is being pulled for discussion.

1. Approval of Minutes – Special Meeting – 05/27/14 (*Closed Session*)

Recommendation: That the minutes of the Special Meeting of May 27, 2014 be approved.

2. Approval of Minutes – Regular Meeting – 05/27/14

Recommendation: That the minutes of the Regular Meeting of May 27, 2014 be approved.

3. Ordinance No. 1477, An Ordinance of the City Council of the City of Banning, California, Repealing Ordinance No. 842 and Chapters 15.20 of the Banning Municipal Code Regarding Snow Load and Wind Load Requirements.

Recommendation: That Ordinance No. 1477 pass its second reading and be adopted.

4. Ordinance No. 1479, An Ordinance of the City Council of the City of Banning, California Amending Ordinance No. 1412, to Include New Exemptions for New Constructed Specially Adapted Homes for Severely Disabled Veterans Under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program.

Recommendation: That Ordinance No. 1479 pass its second reading and be adopted.

5. Resolution No. 2014-36, Calling a General Municipal Election on November 4, 2014.

Recommendation: That the City Council adopt Resolution No. 2014-36

6. Resolution No. 2014-37, Adopting Regulations for Candidates for Elective Office, Pertaining to the Electorate and the Costs Thereof for the General Municipal Election to be Held in the City on Tuesday, November 4, 2014.

Recommendation: The City Council adopt Resolution No. 2014-37.

7. Approve Contract Between Banning Unified School District and the City of

Banning for Assignment of a School Resource Officer at Banning High School and Nicolet Middle School for the 2014-15 School Year.

Recommendation: The City Council approves entering into a contract between the Banning Unified School District and the City of Banning, which will provide a School Resource Officer (SRO) at Banning High School and Nicolet Middle School during the school year.

8. Notice of Completion for Project No. 2013-02W, Repairs to Water Well C-6.

Recommendation: That the City Council accepts Project 2013-02W, Repairs to Water Well No. C-6, as complete and direct the City Clerk to record the Notice of Completion.

**Motion Welch/Miller that the City Council approve Consent Items 1 through 8.** Mayor Franklin opened the item for public comments; there were none. **Motion carried, all in favor.**

9. Report of CPI Increase for Waste Management Service Charges for the Collection, Transportation and Disposal of Solid Waste for Fiscal Year 2014-2015.

Mayor Franklin as staff to give a quick update as to what this means to everybody.

Director Burk addressed the Council giving the staff report as contained in the agenda packet. He explained that this is a receive and file report. In 2012 the City entered into what is called a "Proposition 218 Notice" where they notified everyone that the City could raise the rate per the CPI (Consumer Price Index) for five years consecutively and they promised to come back and tell the Council what the CPI was under receive and file. What was identified at the time in this rate increase was that the residential refuse collection of \$18.79 per month, per household would be raised to \$18.97 per month which is a .095% increase based on the Los Angeles-Riverside-Orange County CPI and this would be good to July 1, 2015.

Mayor Franklin asked Director Burk to speak to how our rates compare to other cities.

Director Burk said that when the City did its rate study it was compared to a senior at the time because of the demographics that they studied. The City of Banning's rates are lower and the City benefits by receiving the lowest residential rate at the curb within Riverside County area.

Councilmember Peterson said the staff report says per Section 18 of the Franchise Agreement, the refuse collection rate can be adjusted and doesn't say it has to be and that this rate adjustment on the CPI is based about the LA County and Orange County and Riverside as a whole and what would the difference be as far as a CPI just in Riverside very LA and Orange County.

Director Burk said when the City agreed to this Franchise Agreement that was the blend they would use.

There were further Council and staff discussion regarding this increase and the rates. Councilmember Miller asked when this CPI automatic increase would end. Director Burk said there are two more years left in the agreement.

City Attorney said in speaking with staff they put this item on the agenda for informational purposes. State law provides that you do have to go through the Proposition 218 process but now allows that you could build in CPI increases for up to a 5-year period. So when we went through the Public Hearing process a couple of years ago the CPI process was built in. Certainly the City could negotiate put that wasn't part of the discussion last time. The intent was that the contractor would get the CPI and staff wanted to be sure and the contractor agreed that we put it on the agenda so that the Council would be informed and aware of what the rate structure was. But there wasn't a re-negotiation of that process at the time.

Mayor Franklin opened the item for public comments.

Don Smith, resident of Banning stated that he pays trash bills in six different jurisdictions and he can guarantee that ours is lower by far. In his recollection when we had the Prop 218 hearing was that we were told about this CPI increase happening every year for the next five years. Most of the CPI increases are caused by the fact that the Riverside County dump has raised the fee for Waste Management to put our trash there and that is where a lot of these rates come from; it doesn't go directly to Waste Management. He said in regards to the letter from Waste Management on page 45 in addition to what the contract says they are entitled to do it asks for four or five other things and he was wondering what our response was because certainly there is a request now for an unspecified fee which he guesses is about \$19.00 to charge a customer if they put the wrong thing in the wrong can and that be something we might not want to do without actual contract negotiations.

Mayor Franklin closed the item for public comment see no one else coming forward.

**Mayor Franklin said we would bring this item back to staff for additional review.**

#### PUBLIC HEARINGS

1. Resolution No. 2014-39, Confirming a Diagram and the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2014-2015.  
(Staff Report – Duane Burk, Public Works Director)

Director Burk gave the staff report as contained in the agenda packet and gave a short power-point presentation (see Exhibit "B" attached).

There was Council and staff discussion of the Landscape Maintenance District in regards to saving money, pictures shown are not a true reflection of what it looks like now, and areas are not being well maintained or performing the work.

Director Overholt said this ties in with the budget presentation that she gave earlier today. One of the strategic moves that was made in the budget starting July 1<sup>st</sup> was to address this concern

about the area being well maintained. What was done in the past in order to minimize how many employees were eliminated was to ask those employees that were responsible for taking care of parks and for taking care of streets was to also take care of the medians and then the General Fund receives some of the resources from the District in order to do that. But in order to properly address these items that you have highlighted strategically the decision was we need to outsource it so that there is complete dedication of focus. Artistic Maintenance has not done it for the last couple of years so she thinks some of the challenges are that staff is spread too thin trying to do too many things so now the District will be 100% focused on by one contractor and their responsibility is the District. Then those employees now will have the opportunity to focus on parks and streets. Artistic Maintenance will start July 1 and will take care of all 17 Districts.

Mayor Franklin asked staff for an update in six months and also asked about looking at some type of drought tolerant type of planting.

City Attorney said to clarify to the extent there is a maintenance budget and it handles maintaining things a lot of plantings have died and have to be replaced so is there enough budget here so you are not increasing the budget and will this budget be able to replace the materials that have died.

Director Burk said yes.

Mayor Franklin opened the public hearing for public comments. There were none.

**Motion Miller/Westholder that the City Council: I) adopt Resolution No. 2014-39, Confirming a Diagram and the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2014/2015, pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code; and II) Authorizing and directing the City Clerk to file the diagram and assessment with the Riverside County Assessor/County Clerk Recorder's Office. Motion carried, all in favor.**

2. Resolution No. 2014-32, Initiating a General Plan Amendment and Zone Change for 18 properties located in a Neighborhood Bounded by Hargrave, Barbour, Juarez Streets and Westward Avenue.  
(Staff Report – Zai Abu Bakar, Community Development Director)

Director Abu Bakar gave the staff report on this item as contained in the agenda packet. She gave a power-point presentation also (see Exhibit "C" attached). The Council direction to staff was to make General Plan and Zoning consistent with the existing use within that neighborhood which is residential. She displayed a map showing where the 18 parcels were located and said 9 parcels front Hargrave Street and the remaining parcels front Barbour Street. 15 of the parcels are currently developed with homes and accessory structures and 3 parcels are vacant. The General Plan and Zoning designation for this neighborhood is industrial and that was designated when the comprehensive General Plan and Zoning Code Amendment was adopted in 2006. She stated that the staff report goes into great detail with regard to the proposal and what General Plan land use is appropriate and what zoning is appropriate for the area. The action that staff is requesting from

the Council tonight is to initiate this process. The entire project has to go through a series of public hearings before the Planning Commission and the City Council and also because it is within Zone D of the airport we need approval from the Airport Land Use Commission. In addition, there is a requirement of State law SB 18 where we need to consult with the Native American Heritage Commission with regard to any cultural issues within the development. There also needs to be an environmental review process.

Councilmember Peterson asked a couple of questions as to how many property owners are still affected, and will residents on the north side of Barbour be able to switch back their zoning

Director Abu Bakar said she doesn't know how many but would have to go back and look through the process, look at the old maps and then compare it to the current maps and see where the changes occurred so it will take some time. She doesn't know the answer today but will look into it and provide an answer to all of the Council. In regards to the homes on the north side of Barbour because right now it is zoned Airport-Industrial and being able to switch those homes back to single-family or low density housing she will need direction from the Council in regards to that but the matter today is the south side of Barbour. She said the Council will be discussing the future of the airport at a later time and it may be appropriate to hold this discussion at that time and look at the areas still affected.

Councilmember Welch agreed with Director Abu Bakar's recommendation because there is only so many zoning changes we can do per year to the General Plan and by looking at a larger project all at one time that would be considered one instead of several.

Mayor Franklin asked if you were to expand this, because right now we are only talking about the south side of Barbour, would that change any of the process you would have to do now or would you have to do anything different because of the Land Use Commission and the way this is zoned.

Director Abu Bakar said the one area that would be affected would be the environmental document. That is where she is a little bit concerned because after a certain threshold we might have to do an environmental impact report (EIR) and until she can look at that analysis she cannot say whether it will need an EIR or not.

Councilmember Peterson said when this property was rezoned in 2006 and we have to go back and take a look at that the residents that live in that area because they were never considered and basically their homes became worthless and several of the residents have gotten attorneys, gotten legal bills, etc. and we have staff people's homes that were affected by this crazy zoning change that was done without regard to the residents and he thinks somewhere along the line the City owes it back to those people to put them back whole again and somehow allow them to be able to sell, get a loan or do whatever but right now those people are in kind of in a bad shape and we need to do something for them.

Mayor Franklin said she thinks the question is right now is do we want to proceed just with this area that she is showing us or do we want to try to expand that but if we expand it, it might kick in a CEQA process.

Director Abu Bakar said that CEQA is already required anyway and it might be expanded to require an environmental impact report and that would require probably a consultant to be able to do that analysis. Now we will tread into traffic impacts and thinks like that.

Councilmember Westholder asked Director Abu Bakar if her recommendation would be to deal with this now and then do what Councilmember Welch recommended or would it be better to bring it back in one package.

Director Abu Bakar said her recommendation is to do this now because if we are going to cover a larger area, it is going to take a lot longer.

Mayor Franklin opened the public hearing on this item for public comments.

The following people spoke in favor or against or had some questions or concerns or general comments in regards to this item (*any written comments handed to the City Clerk will be attached as an exhibit to the minutes*):

- Judy Smith, resident of this neighborhood for over 30 years was in favor of the rezoning.
- Don Smith, resident talked about an option of giving people “burn letters” and he explained what they are.
- Micale Cashe, 981 E. Charles Street and resident since 1997 said her home was rezoned to industrial and she would like it rezoned back to residential.
- Roger Beorklid said he was here representing someone that has a property on the other side of Barbour towards the upper part of the map and wanted a clarification if the zoning is industrial or residential because the owner of the property would like to sell it.

Director Abu Bakar said the zoning for the area between Hargrave, Barbour and Juarez adjacent to the airport is airport/industrial.

Mayor Franklin seeing no one coming forward closed the public hearing on this item.

There was some further Council comments regarding the need to work on the other parcels that were affected by this decision in 2006.

**Motion Welch/Peterson that the City Council: I) adopt Resolution No. 2014-32, Initiating a General Plan Amendment (GPA No. 14-2501) and Zone Change (ZC No. 14-3501) for Assessor’s Parcel Numbers 541-320-001 through 541-320-009 changing the current zoning designation from Industrial to Low Density Residential and for Assessor’s parcel Number 541-320-010 through 541-320-015 and 541-320-018 through 541-320-020 changing the current zoning designation from Industrial to Very Low Residential (Amendment 1); and II) The General Plan Amendment and Zone Change is exempt from review under the California Environmental Quality Act (CEQA) per Section 15378 because it is not considered a project under the definition of CEQA. Motion carried, all in favor.**

3. Initiation of Amendments to the General Plan and Zoning Code in Response to the State and Community Development (HCD) Comments on the 2013-2021 Housing

Element.

(Staff Report-Zai Abu Bakar, Community Development Director)

Director Abu Bakar gave the staff report stating that in January 2014 staff was before the Council for adoption of the 2013-2021 Housing Element for the City of Banning. The Housing Element was submitted to the State for certification and they came back on May 1<sup>st</sup> and indicated that there were additional information that needs to be included in the General Plan and certain things have to be done to the zoning code in order for the Housing Element to be certified. She said in her opinion they are getting closer. The State has asked the City to do an Affordable Housing Overlay Zone. That means that there is another layer of regulations for someone that wants to come in and build affordable housing. In the staff report they mentioned that anyone that wants to come into the HDR-20 the developer will have to comply with additional regulations once that regulation is adopted. Staff is asking the Council to initiate the process so that they can move forward on the Affordable Housing Overlay Zone. She stated that in attendance is the Housing Element Consultant John Douglas to assist with this matter.

Councilmember Welch said we are looking at the entire city when we are looking at this overlay and is that correct.

Director Abu Bakar said that there are about 8 parcels that were previously zone HDR-20 and those parcels were included in the staff report on page 99 and also as part of the packet they showed locations of those parcels. These were previously zoned in July 2013.

Mayor Franklin said to clarify this only makes it harder for the developer to put in affordable housing as opposed to market rate housing and we are still not able to get our certification until we are able to get pass this last step and allow us to apply for grants.

Director Abu Bakar said that they have to comply with additional regulations that will be developed once the Council directs staff to develop those regulations and we cannot get certification until we pass this last step.

Councilmember Westholder asked if these were for single-family residences. Director Abu Bakar said no, this is for multiple family.

Director Abu Bakar explained that the properties were previously rezoned by the Council in July 2003 and called High Density Residential 20 meaning 20 units per acre. Apartments, condos and townhomes are permitted in the high density residential. It is another layer of regulation and she explained.

Mayor Franklin opened the item for public comments.

The following people spoke in favor or against or had some questions or concerns or general comments in regards to this item *(any written comments handed to the City Clerk will be attached as an exhibit to the minutes)*:

- Don Smith reminded the Council that most of you have promised that once we have an approved plan we will actually go back and look at this city-wide and see what we can change to make it fairer and then send that plan back to the State.
- Linda Pippenger resident of south Banning reminded everyone that you were forced in July to do it; there was no choice. Now we are doubling south Banning with these additional units and it is going to destroy south Banning. She believes it was meant to be horse property and that is what it has always been zoned and it is a terrible mistake.

Mayor Franklin said it is her understanding that we are not adding any more units tonight.

Director Abu Bakar said we are not adding any more units but what the Affordable Housing Overlay Zone does is if the developer wants to come in and build affordable housing, then they get four units more. Based on the current zoning of High Density Residential-20 the developer could still build market rate condominiums or townhomes or apartments. We can't mandate someone to put up affordable housing if they don't want to either.

Mayor Franklin said what Mr. Smith said was correct and the Council said we would look at this once we get certified.

There was further Council and staff discussion regarding affordable housing and why can't we get our Housing Element certified.

Mayor Franklin reopened the item for public comment.

Dorothy Familetti-McLean addressed the Council stating that she wanted to comment on what Councilmember Peterson said in regards to moving Dysart Park. Her understanding is that the developer is not moving Dysart Park; he is moving the arena and the arena will be the same size as the one we have now. It will not house the vendors, the carnival, the trucks and the trailers and everything else that goes on with Stagecoach Days.

Mayor Franklin closed the item for further public comment.

**Motion Peterson/Welch that the City Council adopt Resolution No. 2014-41, Initiating General Plan Amendment and Zoning Ordinance Amendment to Establish An Affordable Housing Overlay on Parcels in HDR-20 Zone related to certification of the Housing Element for consideration by the Planning Commission and City Council at public hearings. Motion carried, all in favor.**

4. A Report Prepared Regarding the First Amendment to Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions Dated January 24, 2014.  
(Staff Report – Homer Croy, Interim City Manager)

At this time Councilmembers Peterson and Westholder recused themselves and left the room.

Councilmember Westholder said he recuses himself but reserves his right to speak as a citizen from the floor.

Interim City Manager Croy stated that the original Purchase and Sale Agreement ("PSA") was adopted and approved by the Council and during this time it has come to light that the developer would like to change the development mode by moving the hotel parcel to the last consideration and that the office building be put into the first consideration. In light of that, staff has found that we are allowed to amend this agreement and to develop an amendment to that original agreement. Before you tonight is a consideration on making these adjustments and come to an agreement that we can move forward with the project and this PSA amendment so that: 1) allow the change in the format that was previously approved with the hotel being considered first and now being considered last; and 2) that the change in the venue is in the requirements of the originally approved plans and that moving the sites from one portion of the development to another would not impact the original improvements that were approved by the Planning Commission and the Council for this development.

City Attorney Aleshire said the original purchase and sale agreement involved the sale of this property and the City had adopted rules that it would go through the same sort of process that it did for its redevelopment project and normally a purchase and sale agreement would not necessarily require a public hearing but because that is the process that the Agency specified that the City should use in terms of considering these that is the process we used last time and since we are amending that agreement we are going through a similar process. This item does relate to the street vacation item which follows on this agenda. A subcommittee was appointed of the Council which included Councilmembers Welch and Miller and staff worked with those Councilmembers with the developer to try to get through these problems that had developed. The agreement that is on the agenda tonight they did negotiate with the developer on. At this time he went over the deal points as contained in the agenda packet. He said the agreement in the agenda packet was his understanding of the arrangement and again, working with the subcommittee this represents what they thought the arrangement was. The developer's legal counsel has informed him that there are a couple of points that may be issues. Because this has been on your agenda for such a long period of time the developer is needing to get his tract map approved and some approvals from the County and needs to get the County to agree that they will forgive the six-month delay so there are a number of moving parts. He said he was talking to the developer before the meeting and they both feel it is important that the City take some steps to show the County that we are moving forward so his proposal is that we adopt the amendment, proceed with the street vacation and this will show everybody that we really are in favor of the project and the Council is prepared to make a decision. However, he and the City Manager are willing with the subcommittee to meet further with the developer if there are any little language things that need to be adjusted. If it turns out that there are some adjustments that are necessary, staff will come back at another meeting to make those adjustments. Hopefully, it will end up that the language works for us but going ahead on acting on this he thinks is sending an important message to the other parties involved that we are prepared to move the project forward expeditiously.

Mayor Franklin opened the public hearing on this item for public comments.

The following people spoke in favor or against or had some questions or concerns or general comments in regards to this item (*any written comments handed to the City Clerk will be attached as an exhibit to the minutes*):

- Barbara Smith, resident of Banning for 20 years urged Councilmember Miller to do the right thing and vote for the project so that progress can finally begin to be seen.
- Fred Sakurai, resident commented on the courthouse being almost complete and with this project nothing has been done and the City of Banning is getting a reputation as the "obstructionist" City Council. He urged the Council to get the project going.
- Jerry Westholder citizen of Banning addressed this item (see Exhibit "D").
- Dorothy Familetti-McLean expressed her concerns about having probation in that project and that it should be put elsewhere. It is not a positive thing for Banning.
- Don Smith congratulated Councilmembers Welch and Miller in meeting with developer, sharing their concerns and understanding while they might not be able to get 100% of what they wanted that they were able to get some of what they wanted and were able to reach an agreement.
- Micale Cashe, resident of Banning and Sheila resident of Serrano Del Vista expressed their concerns about this project and concerns with AB 109. They are concerned about the people coming into Banning, the element and crime going up.
- George Moyer spoke to the City being understaffed, a sorely understaffed police department, no wage increase or CPI's for our staff, and the only way to turn this around is possibly by controlled growth to give us more income. This project will stimulate business downtown by bringing in an expanded professional element; people with spendable income.
- Marion Johnson resident for 50 years personally can't see that this will cause a problem in Banning. Larger cities that are much better equipped than we are also are dealing with many different problems. We should be a little bit more content to know that we will have something like this in our city; it may be the safest place in town to live around. We have to be diligent and careful wherever we are living. Let's come to a decision to do something in Banning and move ahead; to make something successful.

Mayor Franklin seeing no one coming forward closed the public hearing on this item.

Councilmember Miller said absolutely Banning need development. We have heard that our budget is almost at crisis stage and development is the only way we can possibly move forward. He and Councilmember Welch have met with Mr. Pearlman and have gone through all the problems that they saw in this project. This project is really a result of the fact that we have a courthouse in this city. He doesn't think that anyone realizes what a tremendous loss-leader that courthouse was in order to bring development into this city. The courthouse is in the center of the city where we could have tremendous economic and commercial development, instead we have a courthouse. But the courthouse pays no property taxes and will never pay property taxes for all eternity. It doesn't produce any sales tax and will not produce any sales tax for all eternity. What is the point of having a courthouse like that he assumes that was to get a development in that would make up for that loss in property tax and sales tax through this development and that is what Mr. Pearlman has brought to this community. In that development there is a requirement to have a hotel and Mr. Pearlman has agreed to continue

that requirement if it is possible, if it is not possible then certainly we and the Council can recognize that and go ahead and approve some other use for the property. For those people who say we don't want a probation office in downtown Banning his answer is after weeks of looking at the contract we have a contract signed by the previous City Council that says the developer has a right to choose his own tenant. So if a developer chooses a probation office as his tenant, there is nothing we can do about it. He has the right to do that. The only thing in order to follow the contract the developer has to try to get a hotel. We have gone through this in detail and he thinks that they have in this amendment to the contract the agreement that the hotel will be put off till later, the development of the office building can go first so the requirements of the contract are still satisfied. He addressed Mr. Pearlman stating that we recognize that you don't believe that a hotel is possible but we also recognize that in our discussions you agreed to try once again to get a hotel and we agreed that if it is not possible, then certainly we recognize that and we will certainly consider some other use. This proposal/amendment basically has everything that we have talked about. Obviously there are some words that you don't like and we don't like but if you don't agree to this, he is sure that we can get together has we have in the past and solve those few small details. He thinks that the differences are very small and can be solved very easily and we both want the same thing. We want your development to go forward and you have satisfied the requirements of your contract and there is nothing the Council can say about that except yes, you have satisfied the requirements of your contract and if both us can agree to the few word changes in this amendment, then you can proceed with the development and he hopes that will occur soon.

**Councilmember Miller/Welch that the City Council adopt Resolution No. 2014-42, approving the First Amendment to the Purchase and Sales Agreement between the City of Banning and JMA Village, LLC, a California Limited Liability Company; and II) Authorize the Mayor, on behalf of the City of execute the attached First Amendment to Purchase and Sale Agreement with the Developer.**

Councilmember Welch said that this has been a long very interesting journey. None of this project has been taken lightly by any member of the Council. We have spent a lot of hours, listened to a lot of people's concerns and we agree with a lot of those concerns. It makes you do a lot of research and think about where we have been as a community and where we are going. He has had the pleasure of living in Banning for 20 years and he has been directly involved with City government for 10 years and he has met an awful, awful lot of very, very nice people. Partly because of the economy over the last several years unfortunately Banning has not grown in the manner he thinks that all of us wanted it to grow because it is insuring our futures. If you look back at history and you think about the future, for example, the Probation Department has been in Banning for the last 40 years, it is in the courthouse. The State owns the courthouse; they are either going to renovate it and lease it or they are trying to sell the building. Will it bring more undesirables to our city, no. Why not; because we are not the ones that pushed AB 109 on our community and it has nothing to do with Banning. It has to do with the State of California. We are the recipients of it and we need to learn to live with it. One of the ways in his opinion for us to learn to live with it is to have the proper authorities available to help us manage AB 109 and we do have that. Also the County is looking for three more sites throughout the district to set up more probation officers and not just Banning. We are going to have the luxury of having six superior courts here, a lot of law enforcement people and

the last place I would want to be is at a probation office where there is a camera 24/7 from our own police department scanning it. Keep in mind that AB 109 is the early release of non-violent criminals and they spell it out. A lot of it could be our neighbors with a DUI and a lot of them are on the early release program so they are no danger to us. He doesn't see an increase in danger because we are allowing a responsible government to be part of our community which they have been for many years. We are becoming very quickly what is going to be called the "Mid-County Justice Center" and not just a courthouse but all of the related services that go with courts. So this move here in getting started with the Pearlman Project across the street is a step in helping to renovate the downtown. The probation office is taking the second floor of one building. The rest of the commitment to this project has not changed. Has it been a challenge yes, it is not a viable spot for a hotel. It is viable for restaurants and other businesses. He is looking forward to this developing. We have to start because we cannot afford to live 50 years ago and let development run past us every day.

City Attorney said with one clarification to the motion; in view of the fact that there is going to be a little further discussion he would request that there be some discretion. The resolution says "authorizes execution" if that could be, **"in a form approved by the City Manager and City Attorney"** then if it is minor substantive then we will put it back on the Council agenda but if it is just some wordsmithing, we could approve those minor modifications without bringing it back and is that the understanding of the motion?

Mayor Franklin asked the Councilmember Miller if he was willing to amend his motion to include that. Councilmember Miller said yes and Councilmember Welch agreed.

**Motion carried with Councilmembers Peterson and Westholder not voting.**

#### REPORTS OF OFFICERS

1. Resolution No. 2014-10, Vacation of a Portion of Livingston Street, Alessandro Road and Adjacent Alleys until May 27, 2014.  
(Staff Report - David J. Aleshire, City Attorney)

City Attorney Aleshire said that this has pretty much been covered previously. This is in connection with the item we just acted upon. He said that he has received some comments and the engineer on our Council has done some wordsmithing to the resolution. So the last section is modified to say, **"the Council orders the City Clerk to record the resolution when the conditions precedent of having a valid and binding release has been satisfied to the satisfaction of the City Manager"**, so we would modify the resolution in that respect instead of talking about conditions precedent and that is the only issue.

Mayor Franklin opened the item for public comments; there were none.

**Councilmember Miller/Welch that the City Council adopt Resolution No. 2014-10, Vacation of a Portion of Livingston Street, Alessandro Road and Adjacent Alleys. Motion carried, with Councilmembers Peterson and Westholder not voting.**

Meeting recessed at 7:22 p.m. and reconvened at 7:37 p.m.

Councilmembers Peterson and Westholder returned to the dais at 6:54 p.m.

2. Resolution No. 2014-27, Adopting the City of Banning Local Hazard Mitigation Plan Annex.  
(Staff Report – Tim Chavez, City Fire Marshal/Battalion Chief)

Chief Chavez gave the staff report on this item as contained in the staff report.

Mayor Franklin asked if there any Council questions on this item; there were none. She opened it up for public comments; there were none.

**Motion Welch/Westholder that the City Council adopt Resolution No. 2014-27, Adopting the City of Banning Local Hazard Mitigation Plan annex from the Riverside County Operational Area Multi-Jurisdictional Local Hazard Mitigation Plan as required by the Federal Disaster Mitigation and Cost Reduction Act of 2000. Motion carried, all in favor.**

3. Resolution No. 2014-40, Awarding the Bid for the Professional Tree Trimming Service Contract. .  
(Staff Report – Fred Mason, Electric Utility Director)

Director Mason gave the staff report on this item as contained in the staff report. He said that they would like to have the contract go for two years with the ability to extend it for three additional years, one year at a time for a total of five years. This would make it much easier because at this point the last time the bid was done there were only two bids received and this time there was only one bidder. It would make it easier for staff to continue doing operations without having an interruption in service. It would also lock in the prices which would be beneficial for the City.

Councilmember Peterson said you wanted a two-year contract with an ability to extend it for three more years, one year at a time. Would we go out to bid just to price check at the end of two years.

Director Mason said that we could but then at that point we have kind of negated the contract because then they could actually increase the prices.

Councilmember Peterson said so you are going to get locked-down prices for five years at \$150,000 per year for five years. Director Mason said yes, that is his understanding.

Mayor Franklin opened the item for public comment; there were none.

Mayor Franklin asked who decides what trees need to be trimmed and who makes sure that everything is done the way it is supposed to be.

Director Mason said that Rick Diaz gives them direction of the areas that need to be worked on and then we actually do follow-up spot checks each week to look at what they have done.

**Motion Westholder/Peterson that the City Council adopt Resolution No. 2014-40, Awarding the bid for the Professional Tree Trimming Service Contract to Utility Tree Service, Inc., of San Diego, California, in the amount not to exceed \$150,000.00 in either of the two fiscal years 2014-15 and 2015-16 for a total not to exceed amount of \$300,000.00 including taxes. Motion carried, all in favor.**

4. Adopt Ordinance 1480, Authorizing the execution of a Power Sales Agreement with the Southern California Public Power Authority for the Purchase of Renewable Energy from the RE Astoria 2 Solar Project.  
(Staff Report – Fred Mason, Electric Utility Director)

Director Mason stated that back in January when he gave his workshop he mentioned that he was going to be bringing forward two different contracts and this is the first of the two contracts. He gave his staff report on this item as contained in the agenda packet.

There was further Council questions in regards to private citizens using solar, where the solar farm is located, excess solar, the fixed costs for this agreement, the output of this project over time, and any types of potential problems such as with San Juan and has the City Attorney looked at this contract.

Director Mason said that there are literally no risks with this contract and the City Attorney was provided with a copy of this contract for review. He explained the process of how these SCAPPA contracts are negotiated.

City Attorney Aleshire said that they would really have a minor role as Director Mason was explaining. They did do just a very quick scan of the contract. It is actually a very one-sided contract because you are purchasing power from them and so you take all the risks in terms of the contract. He is not saying that that is not the way these power agreements are done but he would not characterize that there is no risks. You are paying for this contract and there is virtually no way you can get out of it. That is the contract that has been worked out, that is their form and that is what they are requiring that you sign. He said that Lona Laymon looked through it and there is a number of one sided provisions and he could make a list of what they are and he is not questioning that these other attorneys didn't negotiate as hard as they could to make it very even-handed but if you are interested, he could make a list. He is not arguing with Director Mason that it is a good deal and that we shouldn't do it but there are in a position of selling this power and the overall terms are attractive but in the boilerplate it is not the sort of boilerplate that they would normally have in one of your contracts.

Councilmember Peterson said that he doesn't really feel comfortable with the City Attorney's opinion. We have a City Attorney and he thinks that whenever there is doubt in his mind he certainly is not a lawyer and if he says there is some one-sided things there he would like to take this item off the agenda for today and get a report back from the City Attorney at least to see what those one-sided things are that may come back to hurt us before he would make a decision.

Director Mason said that is fine but as he stated to the City Attorney when he sent it to him the contract is complete and all of the other participants are taking to their boards and councils for

approval. He completely disagrees with the City Attorney. There is minimal risk and in his opinion there is no risk. If they don't deliver the power, we don't pay for it. There is no financial risk whatsoever and we do have the ability to get out of the contract.

There was further staff and Council discussion regarding the contract. Councilmember Peterson said he would like to see that list of items. Council also asked various questions in regards to the fees for renewable energy, time sensitivity of this contract, and what the benefit to the company is.

Councilmember Westholder asked the City Attorney in his opinion would it be better for us to wait so that he could look at the contract so that the Council would be more informed.

City Attorney Aleshire said that Director Mason made it clear that many other attorneys have looked at it and he didn't really want significant involvement by their office. He is not questioning that all of those attorneys looked at it and a bunch of people are involved in the negotiations and we are late to the party. The sorts of boilerplate items that he is talking about normally in their contracts they wouldn't have things like that but parties have different bargaining positions and the power companies have superior bargaining positions. It would be a big deal to try to get those things changed at this point so he concluded that if we got into these issues we wouldn't really be able to fix them and the Council would conclude that this was going to be a good contract so it seemed not worth pursuing. But it is just when a Councilmember says well are there are no issues, and no problems, he can't quite let that statement pass. He doesn't think that when you see the list it will change anything but he thinks that there are provisions that protect the power company that aren't protecting the buyer but it has been extensively negotiated. He is not telling the Council that they shouldn't go forward with this or that if you saw the list of things that there is anything we could do about it.

Councilmember Miller said he thinks what the City Attorney just said is that that there are all the other partners in this and it would be impossible to change the contract at this stage so even if there is some question about it, as the City Attorney said there is nothing we can do about it. He asked Director Mason if he could find the page that mentions that \$64.00 per kilowatt hour and get it to him, it would make him feel better.

Mayor Franklin opened the item for public comment; there were none.

Mayor Franklin asked the City Clerk to read the title of Ordinance No. 1480. City Clerk read: Ordinance No. 1480, an Ordinance of the City Council of the City of Banning, California, Authorizing the Execution of an Agreement for the Purchase of Renewable Energy from the Astoria 2 Solar Project through a Power Sales Agreement with the Southern California Public Power Authority.

**Motion Miller/Welch to waive further reading of Ordinance No. 1480. Motion carried, with Councilmember Peterson voting no.**

**Motion Miller/Welch that Ordinance No. 1480 pass its first reading. Motion carried, with Councilmember Peterson voting no.**

5. Update of the Electric Utility Warehouse Building  
(Staff Report – Fred Mason, Electric Utility Director)

Director Mason said what he is providing is basically an update of the proposed warehouse replacement, electrical house project at the City yards. In regards to needing a new warehouse historical information indicates that the current warehouse was actually a produce packing facility back in the 1930's. The current warehouse is dirty and poses an unsafe working environment, doesn't provide enough space to store the electric utility's inventory and equipment. At this time he displayed some pictures of the condition of the warehouse. He showed the area where they are supposed to be parking their vehicles and because the warehouse is not large enough there are tons and tons of inventory, materials and equipment inside that area and it makes it difficult to park the vehicles. The doors don't work so even if they did, they wouldn't be able to shut them but the doors don't actually close if they were able to back the trucks in far enough. He showed the west side of the building which is old and dilapidated; basically falling apart. There is more equipment stored outside which should be stored inside an enclosed area. The proposed building was actually approved through the Capital Improve Program process in 2010 by the Council at that time. It nearly doubles the available work space, and it improves utility safety and security. It is going to provide a multi-purpose training room, an ample storage vault, and at the same time they will be upgrading the electrical system and replacing the emergency backup generator. He displayed an artist rendering of the building, the basic floor plan and stated that a later project will be putting solar panels on the roof of the building. They will also have an area to be used by the Street Department. They currently use the east end of the building and this will provide space for them so that they have a home to use. The proposed building is being funded with proceeds from the Electric Bonds and as he stated previously those can only be used on capital projects. The Engineer's estimate is \$2.7 million but they believe the project will actually come in under that and felt that was a very conservative, generous estimate. They will be going out to bid this month, the design phase is complete and the bid package is ready to go out. The estimated construction schedule is 6 to 8 months from award of contract. They will be coming back to Council for approval of the contract.

ANNOUNCEMENTS/REPORTS (Upcoming Events/Other Items if any)

City Council

Councilmember Welch –

- He extended an invitation to all five Councilmembers from State Senator Mike Morrell to attend a meet and greet at Johnny Russo's on Friday, June 20<sup>th</sup> at 10:00 a.m.

Mayor Franklin –

- Last week she attended the Salvation Army's Annual Appreciation Luncheon. We were recognized as one of the cities that they were pleased to start doing business with so we received a Legislative Certificate of Recognition, as well as, an Appreciation Award which she will give to staff for being supportive of the Salvation Army. They stated that they received a grant of \$23,000 to help with utility assistance and we are one of the four cities that will be getting a portion of that money. It is for help specifically during the summer time.

- She thanked the public for their support of Measure E. It was mentioned during the budget workshop but we really do need to thank the public for supporting that measure.
- Riverside Conservation Authority – there were no applicable actions relating to our city.
- WRCOG (Western Riverside Council of Governments) they had one major item in addition to the issue with Beaumont but they talked about the HERO program that is now going not only throughout the state but also across the country.
- The Water Alliance is having several upcoming workshop presentations. The one for June is June 25<sup>th</sup> and will deal with flood control, the one in July will deal with conservation measures and someone from the State will be coming to give that presentation.
- Town Hall Meeting is scheduled for Monday, July 28<sup>th</sup> from 6 to 7:30 p.m. at will be at the Sun Lakes Main Building.
- The League of California Cities has a Mayor's Luncheon once a month and this particular meeting we had last Friday they talked about what was going on in the different cities and what things are different. We are the only city of all the 15 cities represented that don't use speaker cards, they talked about the rotation of the Mayor and also the time limit that we have for public comments and they were surprised that we give five minutes because most cities do three and one city only does two minutes.
- We will be having a basketball game on July 11<sup>th</sup> it is COPS vs. Clergy and the idea is to raise money for backpacks.

#### City Committee Reports - None

Report by City Attorney – Nothing to report at this time.

Report by City Manager – Interim City Manager reported:

- Reminder that during the summer the City Council has dark days and those have been set for July 22<sup>nd</sup> and August 26<sup>th</sup>. There is no scheduled meeting for those days however we do have to make sure that if we have a tiny issue with some contract or some things that need to be discussed we will try to assemble a quorum and take care of those matters at that time.
- The citizen's concerns regarding the weed abatement process is being reviewed for possible improvements. He is collecting information and has heard what the citizens and what some of the people have complained to the Council Members about the process. He is reviewing that and will try to address it and come up with a new idea and a plan and will bring it as a staff report to the Council in the future.
- In regards to Animal Control the Police Chief is actually looking at this and trying to find ways that we can possibly improve it. They will develop a staff report to come back to Council as to what options are available. There are budget constraints and we will need to look what at what do we need to make some adjustments or amendments.
- In will be looking into setting up the airport workshop in the near future possible in September after the summer months. He has been reading emails between our City Attorney's office and our Engineer staff. There are more bonds that are coming forth from the FAA (Federal Aviation Administration) so there is more opportunity to consider what we do with the airport in the future so they will be getting that committee together and talk about what our options or opportunities are out there.

#### ITEMS FOR FUTURE AGENDAS

### New Items

Councilmember Westholder said he believes we need to seriously address the staffing of our police department. We need to get all together on the same page and begin to brainstorm what we can do for our police department. **There was consensus of the Council to add this to the agenda.**

### Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials
2. Discussion on how to handle loans or distributions to charities.
3. Discussion on how the City Council handles donations to the City.
4. Grocery Cart Policy
5. Workshop to discuss the future of the airport.
6. Discussion regarding Public Works Committee and Ad Hoc Committees
7. Discussion regarding City's ordinance dealing with sex offenders and child offenders
8. Discussion to move "Announcements" (events) up on the agenda after Public Comments.
9. Discussion regarding the discretionary limit of \$25,000.
10. Discussion regarding flex scheduling to keep city hall open five days a week.

### ADJOURNMENT

By common consent the meeting adjourned at 8:32 p.m.

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Marie A. Calderon, City Clerk

**THE ACTION MINUTES REFLECT ACTIONS TAKEN BY THE CITY COUNCIL. A COPY OF THE MEETING IS AVAILABLE IN DVD FORMAT AND CAN BE REQUESTED IN WRITING TO THE CITY CLERK'S OFFICE.**

Madame Mayor, Honorable Councilmen

Thank you for this opportunity to address you this evening. My name is George Moyer. Tonight I am addressing you as a member of the Banning Community Advisory Committee.

You will recall that the formation of this Committee was authorized by the Council last year. Its' stated MISSION is three fold:

1. To actively facilitate communication with in the Banning Community
2. To mutally develop and promote a sense of community vision and pride
3. To provide a training forum to develop city leaders

Its ' stated GOALS are:

1. Promote two way communications
2. Promote neighborhood awareness programs
3. Share City concerns and issues
4. Promote community pride
5. Recommend ideas to the City

The Committee began forming in January of this year. It currently has a roster of 19 members that represent a wide cross section of our community geographically and socially. We all applied to be on this committee for one reason - We care about our City.

Our initial meetings were spent identifying the issues of concern of the various geographical areas of the City. There were 32 of them. They consisted of economic issues relating to utility rates, airport usage, economic development, promoting local jobs with livable wages, and a reduced police force.

City maintenance was also brought up. These issues related to the maintenance and cleanup of our parks and streets.

Social concerns were also listed such as improving the Senior Center, promoting greater ethnic group involvement within the community, supporting and encouraging youth activities, developing community gardens, improving existing and developing new communication mechanisms throughout the City. This includes communication between the City, Schools, and Hospital.

One of the issues brought to our attention was the fact that many Banning residents do not have a safe and convenient place to walk or exercise. Many areas of the City are without sidewalks. This causes walkers and joggers to utilize the streets and this is dangerous. People in wheel chairs and with physical disabilities cannot utilize sidewalks and streets safely. Many of our senior residents do not feel safe walking in the streets, but would exercise more if they had a facility that was considered safe and convenient to use. Recent reports at Council meetings relating to several dog attacks would tend to confirm people's fears.

You have declared our City to be a "Healthy City". Regular exercise is proven to have positive health benefits for people with diabetes, heart conditions, and obesity issues. People recovering from health

issues, such as heart attacks or surgeries need a safe place to rehab. Yet our city is not providing any such facility.

On April 9<sup>th</sup> the Committee sent the Council members and School Board members a recommendation calling for allowing public use of the track at Nicolet Middle School on San Gorgonio Avenue. To date we have had no response of any kind to our recommendation.

Our Committee is aware that the current Joint Use Agreement between the City and School District is due to expire, and several months ago a negotiating committee made up of two Council members and two School Board members was formed to discuss its renewal. We are also aware that the original negotiating committee has not met for more than two months due to "conflicting schedules". We find this lack of urgency unacceptable, and not in the best interest of the City's residents that both bodies were elected to serve. Although the Parks and Recreation Commission has been added to the negotiating committee, at last report no meetings have been scheduled.

Our recommendation remains the same:

**RECOMMENDATION:**

We recommend that the new agreement allow for the use of school tracks by individuals without the need to apply for a permit and/or supply insurance. Our recommendation is that the City and District through indemnification work out the insurance issues to allow this use.

We further recommend that the new policy initially be applied only to the track at Nicolet Middle School as a pilot program. This facility, although adjacent to the school is fenced off and not immediately accessible to the schools other facilities.

The recommended hours of availability are the same as those listed in the current agreement under Section 4. Use of Facilities. Specifically those in Sections 4.2 through 4.5.

It is also suggested that indemnifying signs be placed at the entrance gates to the facility telling the users that they are at their own risk. This is done in other cities, and although it does not excuse all liability it does serve to put individuals on notice that they are using the facility at their own risk.

Since this topic is of great interest, and involves the entire community, we would also like to have two members of our Committee attend and participate in your meetings.

By adopting our recommendation the City and District will not only be providing the residents of Banning with a valuable service, but will be taking a large step in making Banning a "Healthy City."

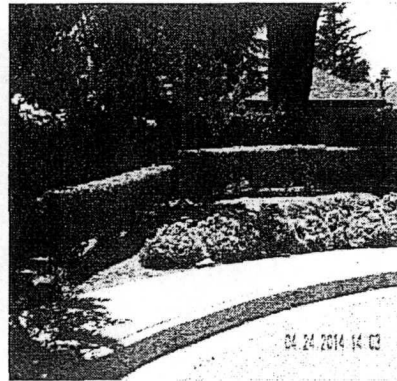
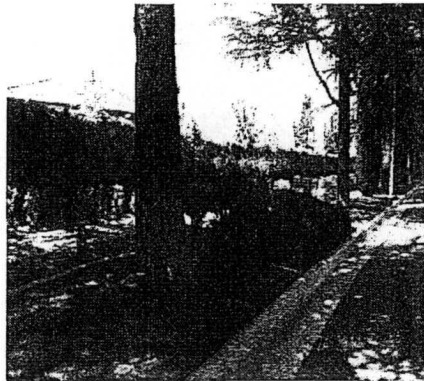
## Resolution No. 2014-39

**“Confirming a Diagram and the Levy and Collection of Assessments within the City of Banning’s Landscape Maintenance District No. 1 for Fiscal Year 2014/15”**

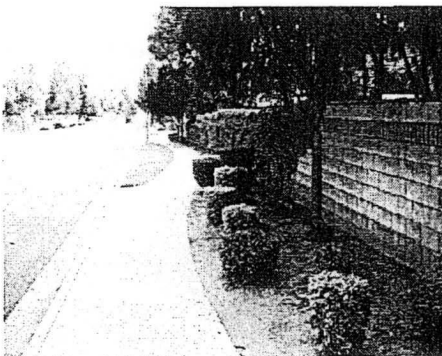
## Resolution No. 2014-39

- City Council approved Resolution No. 2014-08, initiating proceedings for the Fiscal Year 2014/15 update of Landscape Maintenance District (LMD) No. 1, pursuant to the Landscape and Lighting Act of 1972, on February 25, 2014.
- City Council adopted Resolution No. 2014-35 on May 27, 2014, approving the Engineer’s Report, declaring the intention to levy and collect assessments, and establishing the Public Hearing date for said District.
- Approval of Resolution No. 2014-39 will accomplish:
  - Confirming a Diagram and the levy and collection of assessments within LMD No. 1
  - Holding a Public Hearing
  - Authorizing and directing the City Clerk to file the diagram and the assessment with the Riverside County, Assessor’s Office

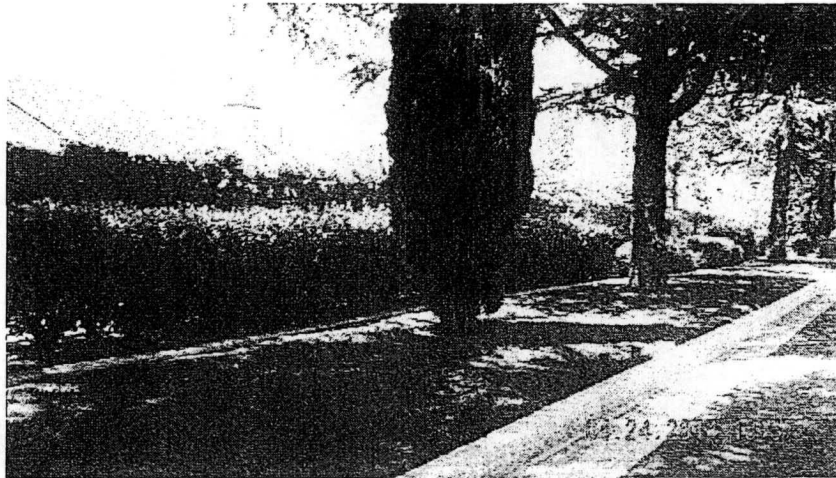
## Landscape Maintenance District No. 1



## Landscape Maintenance District No. 1



Landscape Maintenance District No. 1



Landscape Maintenance District No. 1



## Landscape Maintenance District No. 1



## Resolution No. 2014-39

- The annual assessment charge for the District will range from \$98.91 to \$200.44, which is the same as last fiscal year. There is no Consumer Price index (CPI) percentage increase on the assessments over last fiscal year due to the savings the LMD No. 1 budget will incur by utilizing a landscape contractor instead of the Public Works Dept.
- The Public Hearing is scheduled for tonight, June 10, 2014 at the regular City Council Meeting.

## Estimated Expenditures

- Total costs to operate and maintain Landscape Maintenance District (LMD) No. 1:

1. Labor (Artistic Maintenance, Inc.)	\$ 61,440.00/yr.
2. Utilities (Electric & Water)	\$ 27,000.00/yr.
3. Public Works Professional Staff and Incidentals (Assessor's Roll, Public Hearing Ad, Rapid Data)	\$ 7,000.00/yr.
4. Miscellaneous (Irrigation repairs, plants & materials, beautification, etc.)	\$41,122.00/yr.

Approximate Total Costs for FY 2014-2015: \$ 136,562.00/yr.

## Revenue (Total Assessments)

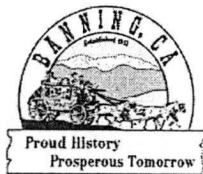
	<u>Tract No.</u>	<u>FY 13/14, last year Current Assessment</u>	<u>FY 14/15 Same Assessment with NO CPI Increase</u>
1.	21882 (134 AUs)	\$ 113.31	\$ 113.31 \$ 15,183.54
2.	22810, 22811, 22913 (91 AUs)	\$ 108.90	\$ 108.90 \$ 9,909.90
3.	23598 (97 AUs)	\$ 98.91	\$ 98.91 \$ 9,594.27
4.	23446 (138 AUs)	\$ 113.31	\$ 113.31 \$ 15,636.78
5.	28252 (70 AUs)	\$ 200.44	\$ 200.44 \$ 14,030.80

## Revenue (Total Assessments)

<u>Tract No.</u>	<u>FY 13/14, last year Current Assessment</u>	<u>FY 14/15 Same Assessment with NO CPI Increase</u>
6. 29721 (21 AUs)	\$ 113.31	\$ 113.31 \$ 2,379.51
7. 30186 (107 AUs)	\$ 113.31	\$ 113.31 \$ 12,124.17
8. 30222 (121 AUs)	\$ 113.31	\$ 113.31 \$ 13,710.51
9. 30793 (43 AUs)	\$ 200.44	\$ 200.44 \$ 8,618.92
10. 31833 (17 AUs)	\$ 200.44	\$ 200.44 \$ 3,407.48

## Revenue (Total Assessments)

<u>Tract No.</u>	<u>FY 13/14, last year Current Assessment</u>	<u>FY 14/15 Same Assessment with NO CPI Increase</u>
11. 31834 (18 AUs)	\$ 200.44	\$ 200.44 \$ 3,607.92
12. 31835 (33 AUs)	\$ 200.44	\$ 200.44 \$ 6,614.52
13. 32109 (38 AUs)	\$ 113.31	\$ 113.31 \$ 4,305.78
14. 30906 (87 AUs, Phase 1)	\$ 200.44	\$ 200.44 \$ 17,438.28
Approximate Revenue for FY 2014- 2015:		\$ 136,562.00/yr.



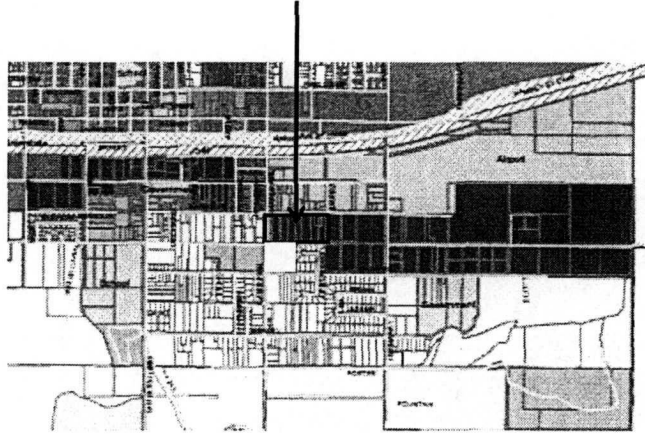
# Community Development



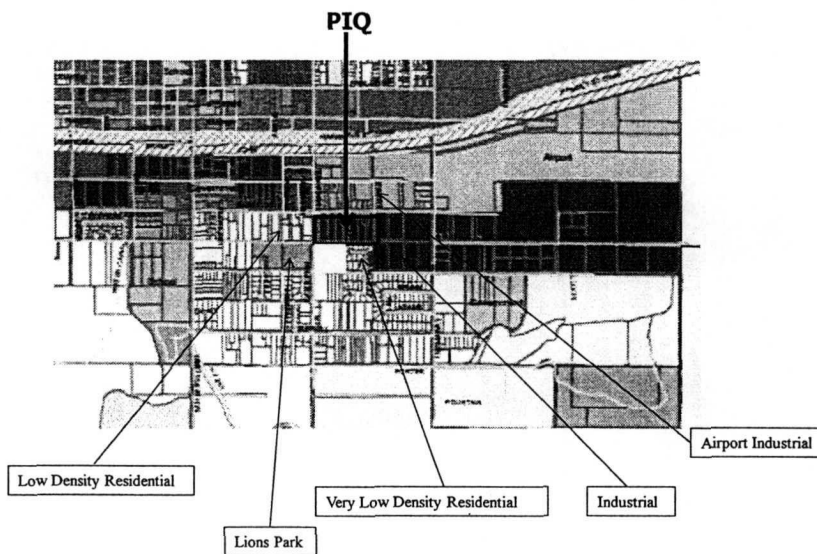
Neighborhood bounded by  
Hargrave, Barbour, Juarez, & Westward  
18 parcels (18.62 acres)



## Existing General Plan and Zoning - Industrial



## Surrounding General Plan and Zoning



Proposed General Plan & Zoning  
Lots (9) along Hargrave – Low Density Residential  
Lots (9) along Westward – Very Low Density Residential



## Community Development

99 E. Ramsey Street  
Banning , CA 92220  
(951) 922-3125

Dear Friends,

Many of you may be wondering why I have recused myself from the Paseo San Geronimo vote for street vacation. My answer is as follows: attorneys for the developer called for my recusal. They based their request on my view of the project which I shared with the public back in February. Since then, our City Attorney has recommended that I should comply with the request in order to not give rise to litigation. I have decided to follow our attorney's advice. It seems the developer feels that I cannot be objective regarding this project, however, I could not disagree more. I guess if a person has a different viewpoint, they feel it best if you are ~~silenced~~. *recused*.

I realize that I came to the table late in the game. As I understand my oath of office, I am to protect the people of Banning from being taken advantage of by developers and those who only have their own interests in mind. The original development called for a hotel and restaurants and this was an excellent idea. When it was discovered that this was not going to work, why was the City council not consulted on the change of venue? Furthermore, why are there so many new alliances that have been made in the last year and why were so many exceptions made for the current development? When apparent questionable dealings at the County level were uncovered, attorneys for the developer attempted to challenge the information as 'yellow journalism'. All of the facts are a matter of public record! The Probation lease was approved by the Riverside County board of Supervisors on January 28, 2014. The minutes and staff report from this meeting contain no record of the Director of Real Estate for the County ever disclosing a conflict of interest. I don't know about you, but I have a problem with that.

I don't feel I have the right to tell an owner of a property what to build. However, why was it only recently revealed that this office building (no hotel, no TOT tax, no sales tax and no restaurants in Phase 1) is going to be county Probation? Riverside County has already expanded their jail here, is about to finish a criminal courthouse, have several buildings for services and now they want a larger Probation. Probation in itself was not an issue 3 years ago. However, with the passage of AB 109, all non-violent felons are released from state and federal jails to the counties. Drug dealers, those who rob homes, steal cars, etc. are now back on our streets. Probation will increase by 400%. That's why they need such a large probation building! Where do you suppose these former felons are going to go? Where will they hang out? What will they do for money and employment? Banning will see a rise in rehabilitation homes.

If the citizens of Banning are comfortable with this, I work for you and I will gladly concede. However, as only time will tell, I believe we will have a greater problem. We are already down in the number of Police Officers due to past leadership. Who will take care of these problems? After working with law enforcement for over 20 years as a professional police chaplain, I see the handwriting on the wall. Even the more secure and well maintained neighborhoods will begin having their homes burglarized unless we are vigilant. I, for one, plan on being vigilant for our city. Your comments are appreciated.

Your Servant,

Jerry Westholder, [jwestholder@gmail.com](mailto:jwestholder@gmail.com)

*2nd Read.*

**ORDINANCE NO. 1480**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF  
BANNING AUTHORIZING THE EXECUTION OF AN  
AGREEMENT FOR THE PURCHASE OF RENEWABLE  
ENERGY FROM THE ASTORIA 2 SOLAR PROJECT  
THROUGH A POWER SALES AGREEMENT WITH THE  
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

**WHEREAS**, pursuant to the provisions relating to the joint exercise of powers found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Banning (the "City") and certain other public bodies (collectively, the "Members") have entered into a Joint Powers Agreement, as amended (the "Joint Powers Agreement"), which creates the Southern California Public Power Authority ("SCPPA"), a public entity separate and apart from the Members; and

**WHEREAS**, pursuant to the terms of the Joint Powers Act and the Joint Powers Agreement, SCPPA has the power, for the purpose of promoting, maintaining and operating electric generation and transmission on behalf of its Members, to plan, develop, contract for, finance, acquire, design, undertake, own, construct, operate and administer projects involving systems, methodologies and programs for the acquisition, supply, procurement and delivery of secure, long-term reliable supplies of renewable electric energy and to cause such projects to be planned, developed, contracted for, financed, acquired, designed, constructed, operated, maintained, and administered and to provide by agreement for the performance and carrying out of any such activities; and

**WHEREAS**, the City has need for a long-term source of renewable energy to satisfy the City's renewable portfolio standard requirements and replace energy lost from the divestiture of San Juan Unit 3 in 2017, and desires to ensure the reliable delivery of solar energy to fulfill a portion of these needs; and

**WHEREAS**, SCPPA and certain of its Members, to wit, currently the Cities of Azusa, Banning, Colton, and Vernon, as well as non-SCPPA agencies, including the Cities of Corona, Lodi, Moreno Valley and Rancho Cucamonga, and the Power and Water Resources Pooling Authority (collectively, the "Project Participants") have investigated the feasibility of the purchase of solar electric capacity and energy and the acquisition and development of solar energy and related facilities in order to provide a long-term supply of renewable energy to meet a portion of the electrical generation needs of the Project Participants while also helping them meet policy and regulatory goals for increasing the amount of electricity obtained from renewable energy resources; and

**WHEREAS**, SCPPA and the Project Participants have identified a solar energy facility known as RE Astoria 2 Solar Project, which is being developed by RE Astoria 2 Solar LLC ("RE Astoria 2"), a Delaware limited liability company, an affiliate of Recurrent Energy LLC, also a Delaware limited liability company. The Project is to have a nameplate capacity of 75 MW and is to be located in Kern County, California. The Project will include the siting, construction and installation of the solar facility. SCPPA desires to acquire a major portion of the electric capacity and energy of the Project from RE Astoria 2, and each SCPPA Member desires to obtain electric capacity and associated energy and environmental attributes of the Project from

SCPPA pursuant to a RE Astoria 2 Solar Project Power Sales Agreement between SCPPA and such SCPPA Member (the “Power Sales Agreement”); and

**WHEREAS**, SCPPA, and the non-SCPPA agency project participants, propose to enter into a Power Purchase Agreement with RE Astoria 2 (the “Power Purchase Agreement”) to provide, among other things, for the purchase of approximately 75 MWs of capacity and associated energy and environmental attributes from the Project. The form of the Power Purchase Agreement is attached as an Appendix to the Power Sales Agreement; and

**WHEREAS**, the Power Purchase Agreement also provides an Option Agreement providing the Project Participants with an option to purchase the Project; and

**WHEREAS**, there has been submitted to this Council the form of the Power Sales Agreement by and between SCPPA and the City of Banning for the purchase of 8 MWs of Project capacity and associated energy, including as an Appendix thereto, the form of the Power Purchase Agreement with the form of the Project Purchase Option Agreement, Joint Participation Agreement, Land Option Agreement, and Land Lease Agreement (the “Banning Power Sales Agreement”); and

**WHEREAS**, the Council of the City of Banning finds and determines that it is in the best interests of the City and its residents to purchase Project capacity and the associated energy and environmental attributes from SCPPA pursuant to the Banning Power Sales Agreement.

**NOW THEREFORE**, the City Council of the City of Banning does ordain as follows:

SECTION 1. The Council hereby approves the Banning Power Sales Agreement, including all Appendices and attachments thereto, between the City and SCPPA with respect to the RE Astoria 2 Solar Project, in substantially the form submitted to the Council, attached herewith as Exhibit “A”.

SECTION 2. The Mayor is hereby authorized to execute and deliver the Banning Power Sales Agreement, with such changes, insertions and omissions as shall be approved by the City Manager, and with approval of the City Attorney as to form. The City Clerk is hereby authorized to attest to such execution.

SECTION 3. The City Manager, or his/her designee, is authorized to execute and deliver any and all other documents and instruments and to do and cause to be done any and all acts and things necessary or advisable for carrying out the responsibilities and transactions under the Banning Power Sales Agreement as contemplated by this Ordinance.

SECTION 4. If any part of this Ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this City Council hereby declares that it would have passed the remainder of this Ordinance, if such invalid portion thereof had been deleted.

SECTION 5. Pursuant to Section 54241 of the Government Code of the State of California, this Ordinance is subject to the provisions for referendum applicable to the City.

SECTION 6. This City Council shall certify to the enactment of this Ordinance and shall cause this Ordinance to be published in accordance with Section 54242 of the Government Code of the State of California.

SECTION 7. Unless a petition shall be filed requiring that this Ordinance be submitted to referendum, thirty (30) days from and after its enactment, this Ordinance shall take effect and be in full force, in the manner provided by law.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

---

Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

---

Marie A. Calderon, City Clerk

**APPROVED AS TO FORM  
AND LEGAL CONTENT:**

---

David J. Aleshire, City Attorney  
Aleshire and Wydner, LLP

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that Ordinance No. 1480 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 10<sup>th</sup> day of June, 2014, and was duly adopted at a regular meeting of said City Council on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Marie A. Calderon, City Clerk  
City of Banning, California

# **ORDINANCE NO. 1480**

## **Exhibit “A”**

**ASTORIA 2 SOLAR PROJECT**

**POWER SALES AGREEMENT**

**BETWEEN**

**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

**AND**

**THE CITY OF BANNING, CALIFORNIA**

Dated as of \_\_\_\_\_, 2014

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**NOTE: This document is 431 pages.**

**If you would like to review this document,  
a copy is on file in the  
City Clerk's Office.**

## CITY COUNCIL AGENDA

**Date:** June 24, 2014  
**To:** City Council  
**From:** Tim Chavez, Fire Services Battalion Chief  
**Subject:** Resolution 2014-48, Approving a contract for continued funding of Fire Engine 20 between Banning, Beaumont and Riverside County Fire.

**RECOMMENDATION:** The City Council adopt Resolution No. 2014-48, "A Resolution of the City Council of the City of Banning, approving the contract for continued split funding of Fire Engine 20 as listed in the Banning Strategic Plan .

**JUSTIFICATION:** The City of Banning with approval of this contract will keep its current level of service to all citizens within the city of Banning, and also continue to provide service to Beaumont and the County areas within its response area.

**BACKGROUND:** The City of Beaumont and Riverside County Fire both have agreed to contribute funds to help maintain the current level of service (3 person staffing with 1 being a paramedic) for FY 14/15.

**FISCAL DATA:** The City of Beaumont and Riverside County Fire have agreed to fund 1/3 each of the total cost of E20. The City of Banning's cost of the three party agreement is estimated in "Exhibit A" to be \$442,635.90 .

**RECOMMENDED BY:**

\_\_\_\_\_  
Tim Chavez  
Fire Services, Battalion Chief

**APPROVED BY:**

\_\_\_\_\_  
Homer Croy  
Interim City Manager

**REVIEWED BY:**

\_\_\_\_\_  
June Overholt  
Administrative Services Director

**RESOLUTION NO. 2014-48**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING TO ENTER INTO A COOPERATIVE AGREEMENT TO PROVIDE FIRE PROTECTION, FIRE PREVENTION, RESCUE AND MEDICAL EMERGENCY SERVICES FOR THE CITY OF BANNING.**

**WHEREAS**, the City of Banning has an agreement to contract for fire protection services with the County of Riverside; and

**WHEREAS**, the total cost of fire protection services is set forth in the "EXHIBIT 1A" at \$2,526,410 which includes two fire engine companies; and

**WHEREAS**, the cost for the second Banning Engine Company is agreed to be shared three ways with the City of Beaumont and the County of Riverside due to its location and the nature of the cooperative, integrated, regional fire protection system that exists in Riverside County, and that total contribution from Banning is \$442,636.

**NOW, THEREFORE, BE IT RESOLVED**, the City Council of Banning hereby authorizes the execution of the Engine 20 Agreement between the City of Banning, the City of Beaumont, and the County of Riverside, California.

**PASSED, APPROVED, AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

\_\_\_\_\_  
Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk

**APPROVED AS TO FORM AND  
LEGAL CONTENT:**

\_\_\_\_\_  
David J. Aleshire, Authority Counsel  
Aleshire & Wynder, LLP

**CERTIFICATION**

I, Marie A. Calderon, City Clerk of the City of Banning, do hereby certify that the foregoing Resolution 2014-48 was adopted by the City Council of the City of Banning at a regular meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Marie A. Calderon, City Clerk  
City of Banning

**A COOPERATIVE AGREEMENT BETWEEN THE CITY OF BANNING, THE CITY OF  
BEAUMONT, AND THE COUNTY OF RIVERSIDE TO SHARE THE COST OF A FIRE  
ENGINE COMPANY**

THIS AGREEMENT, was made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the County of Riverside, a political subdivision of the State of California, on behalf of the Fire Department, (hereinafter referred to as "COUNTY") and the City of Banning and the City of Beaumont, duly created cities (hereinafter referred to as "CITIES"). And hereinafter may collectively be referred to as the "Parties".

**SECTION I: PURPOSE**

A. The COUNTY has contracted with the City of Banning, individually pursuant to that certain Cooperative Agreement to provide fire protection, disaster preparedness and response, fire prevention, rescue, hazardous materials mitigation, technical rescue response, medical emergency services, and public service assists for the City of Banning, dated May 14, 2013, by and between the City of Banning and the County of Riverside (the "Banning Cooperative Agreement").

B. The COUNTY has contracted with the City of Beaumont, individually pursuant to that certain Cooperative Agreement to provide fire protection, disaster preparedness and response, fire prevention, rescue, hazardous materials mitigation, technical rescue response, medical emergency services, and public service assists for the City of Beaumont, dated September 10, 2013, by and between the City of Beaumont and the County of Riverside (the "Beaumont Cooperative Agreement").

C. The CITIES and COUNTY desire to enter into a cost sharing agreement for one (1) fire engine company which will be of mutual benefit for all involved agencies. The CITIES and COUNTY agree that the current fire engine company provides service to the City of Banning as well as to the City of Beaumont and unincorporated territory of the County.

D. The City of Beaumont and COUNTY desire to contribute among the participating parties, with *each party paying one-third (1/3) of the fire engine staffing costs.*

NOW, THEREFORE, IT IS AGREED as follows:

**SECTION II: COOPERATIVE OPERATIONS**

**Emergency Responses:** The fire engine shall be dispatched, when available, to all emergencies within the jurisdictions of the CITIES and COUNTY.

### **SECTION III: COST SHARE**

The Parties agree the cost of the fire engine shall be billed to CITIES by the COUNTY with the normal quarterly billing pursuant to the CITIES respective Cooperative Agreements and the cost will be shown as a line item on that bill. The total amount due under this Agreement by each party will be invoiced on a pro-rata share basis on each party's respective quarterly billing. The CITIES will receive an estimated cost of the fire engine staffing based on the top step salaries of the personnel assigned to the fire engine 20, at the first of the fiscal year. The cost pool of the fire engine staffing costs shall consist of the salaries, benefits, administrative costs of Full Time Employees, and Medic Support Services costs of One (1) Fire Captains, One (1) Fire Apparatus Engineers, One (1) Fire Apparatus Paramedic, Two (2) Firefighter Paramedics, and Three (3) Firefighters.

In the event that the City of Banning secures and receives money from additional funding sources which it allocates to the services described herein, City of Banning shall give COUNTY notice within thirty (30) days, or within a reasonable time thereof, of the amount received. COUNTY will seek reimbursement on behalf of the COUNTY and the City of Beaumont by separate invoice.

### **SECTION IV: TERM**

This agreement shall be in effect as of the last date all the Parties have approved this Agreement and shall remain in effect for fiscal years 14/15 and 15/16 (July 1, 2014 – June 30, 2016) and shall be subject to extension thereafter. All parties will work together to determine the need for an extension of this agreement prior to the 2016/2017 budget process.

The City of Banning agrees to continue to seek alternative funding sources for fire protection services.

### **SECTION V. INDEMNIFICATION**

The indemnification provisions as provided in the respective Cooperative Agreements referenced above, as they are currently in effect or hereafter entered into, shall apply to this Agreement.

### **SECTION VI. OWNERSHIP OF THE FIRE ENGINE**

The City of Banning owns fire engine 20 and will pay the engine maintenance costs through the cost allocation plan.

## **SECTION VII: DELIVERY OF NOTICES**

All notices permitted or required under this agreement shall be given to the respective parties at the following address, or at such other addresses as the respective parties may provide in writing for this purpose.

COUNTY OF RIVERSIDE  
County Fire Chief  
210 W. San Jacinto Ave.  
San Jacinto, CA 92570

CITY OF BEAUMONT  
City Manager  
550 E. 6<sup>th</sup> Street  
Beaumont, CA 92223

CITY OF BANNING  
City Manager  
99 E. Ramsey  
Banning, CA 92220

Any notice required to be given hereunder to either party shall be given by personal delivery or be depositing such notice in the U.S. mail to the address listed, certified with return receipt requested, and pre-paid postage affixed. Such notice shall be deemed made when personally delivered or when mailed. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of method of service.

## **SECTION VIII. GENERAL PROVISIONS**

### **A. ALTERATION OF TERMS.**

No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the Parties, their officers, agents, or employees, shall be valid unless made in the form of a written amendment to this Agreement, which is formally approved and executed by all Parties.

### **B. JURISDICTION AND VENUE.**

This Agreement is to be construed under the laws of the State of California. The Parties agree to the jurisdiction of the appropriate courts in the County of Riverside, State of California.

### **C. WAIVER.**

Any waiver by any of the Parties, separately or collectively, of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term thereof. Failure on the

part of the Parties to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping any one of the CITIES or COUNTY from enforcement hereof.

**D. SEVERABILITY.**

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

**E. ADMINISTRATION**

1. The COUNTY Fire Chief shall administer this Agreement on behalf of the County of Riverside.

2. The CITIES respective City Manager shall administer this Agreement on behalf of its own City.

**F. ENTIRE AGREEMENT.**

This Agreement is intended by the Parties hereto as a final expression of their understanding, with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith.

///

///

///

[Signature Provisions on following page]

IN WITNESS WHEREOF, the duly authorized officials of the parties hereto have, in their respective capacities, set their hands as of the date first hereinabove written.

Dated: \_\_\_\_\_

**CITY OF BANNING**

By: \_\_\_\_\_  
City Manager

ATTEST:

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Marie A. Calderon, City Clerk,

By: \_\_\_\_\_  
Dave Aleshire, City Attorney

(SEAL)

Dated: \_\_\_\_\_

**CITY OF BEAUMONT**

By: \_\_\_\_\_  
Brenda Knight, Mayor

[ADDITIONAL SIGNATURE PROVISIONS ON NEXT PAGE]

Dated: \_\_\_\_\_

**COUNTY OF RIVERSIDE**

By: \_\_\_\_\_  
Chairperson,  
Board of Supervisors

APPROVED AS TO FORM:  
Pamela J. Walls,  
County Counsel

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By: \_\_\_\_\_  
Paul Early,  
Deputy County Counsel

By: \_\_\_\_\_  
Deputy

(SEAL)

\\FPRRU01\root\root\data\RRU County Finance\Contract Cities\COOPERATIVE AGREEMENT\COST SHARE ENGINE  
COOPERATIVE AGREEMENT - BANNING, BEAUMONT, COUNTYE-20 Agmt w-Beaumont Banning County Fire Renewal  
050614.doc

EXHIBIT "1A"

TO THE COOPERATIVE AGREEMENT  
TO PROVIDE FIRE PROTECTION, FIRE PREVENTION, RESCUE  
AND MEDICAL EMERGENCY SERVICES FOR THE CITY OF BANNING  
ENGINE 20 STAFFING COSTS SHARED WITH  
THE CITY OF BANNING, THE CITY OF BEAUMONT, & THE COUNTY OF RIVERSIDE  
PRELIMINARY DATED MAY 19, 2014 FOR FY 14/15

	CAPTAIN'S		CAPTAIN'S MEDICS		ENGINEER'S		ENGINEER MEDICS		FF II'S		FF II MEDICS		TOTALS
<b>STA #20</b>													
Medic Engine	177,741	1 0			152,018	1 0	171,168	1 0	389,899	3 0	296,636	2 0	1,187,462 8 0
Fixed Relief	0 00		0 00		0 00		0 00		0 00		0 00		0 00
Vacation Relief	0 00		0 00		0 00		0 00		0 00		0 00		0 00
<b>SUBTOTALS</b>	<b>177,741</b>		<b>0</b>		<b>152,018</b>		<b>171,168</b>		<b>389,899</b>		<b>296,636</b>		<b>1,187,462</b>
<b>SUBTOTAL STAFF</b>	<b>1</b>		<b>0</b>		<b>1</b>		<b>1</b>		<b>3</b>		<b>2</b>		<b>8</b>
<b>ESTIMATED SUPPORT SERVICES</b>													
Administrative/Operational							15,290	per assigned Staff **					122,320 8 00
Medic Program							6,042	per assigned Medics					18,126 3 0
<b>SUPPORT SERVICES SUBTOTAL</b>													<b>140,446</b>
<b>TOTAL STAFF COUNT</b>													<b>8 00</b>
<b>TOTAL ESTIMATED CITY BUDGET</b>													<b>\$1,327,908</b>

City of Banning Share 1/3	<u>\$442,635.90</u>
County of Riverside Share 1/3	<u>\$442,635.90</u>
City of Beaumont Share 1/3	<u>\$442,635.90</u>

**SUPPORT SERVICES**

Administrative & Operational Services  
Finance  
Training  
Data Processing  
Accounting  
Personnel

Procurement  
Emergency Services  
Fire Fighting Equip.  
Office Supplies/Equip.

8 0 Assigned Staff  
8 00 Total Assigned Staff  
0 0 Fire Stations  
0 Number of Calls

Medic Program - Support staff, Training, Certification, Case Review & Reporting  
(PCA 37129)

**FY 14/15 POSITION SALARIES TOP STEP**

266,918 DEPUTY CHIEF	23,200 FIRE ENGINE
263,379 DIV CHIEF	15,290 SRVDEL
245,382 BAT CHIEF	7,646 VOL DEL
177,741 CAPT	6,042 MEDIC FTE
198,345 CAPT MEDIC	904 MEDIC MONITORS/DEFIBS REPLACEMENT
152,018 ENG	64,433 BATT DEL
171,168 ENG/MEDIC	12,635 ECC STATION
129,966 FF II	24.73 ECC CALLS
148,318 FF II/MEDIC	41,527 FLEET SUPPORT
127,015 FIRE SAFETY SUPERVISOR	29,393 COMM/IT STATION
118,433 FIRE SAFETY SPECIALIST	57.54 COMM/IT CALLS
101,475 FIRE SYSTEMS INSPECTOR	1,904 FACILITY STATION
56,023 OFFICE ASSISTANT III	528.61 FACILITY FTE
66,145 SECRETARY I	2,603 HAZMAT STATION
	1,338.25 HAZMAT CALLS
	1,761 HAZMAT VEHICLE REPLACEMENT

**COUNCIL AGENDA/SUCCESSOR AGENCY/UTILITY AUTHORITY  
SPECIAL JOINT MEETING  
REPORT OF OFFICERS**

**DATE: June 24, 2014**

**TO: Mayor and Members of the City Council**

**FROM: June Overholt, Administrative Services Director/Deputy City Manager**

**SUBJECT: Adoption of Resolutions Related to the Budget Plan for Fiscal Year 2014-2015 and Fiscal Year 2015-2016 for the City of Banning, Banning Utility Authority, and Successor Agency; Adoption of the GANN Limit, and the Classification and Compensation Plan Amendments.**

**RECOMMENDATION:**

1. That the City Council adopt Resolution No. 2014-33 approving the City's Budget
2. That the Banning Utility Authority Board adopt Resolution No. 2014-07UA approving the Utility Authority's Budget
3. That the Successor Agency Board adopt Resolution No. 2014-07SA approving the Successor Agency's Budget
4. That the City Council adopt Resolution No. 2014-34 approving the Fiscal Year 2014-15 Gann Limit Calculations
5. That the City Council adopt Resolution No. 2014-44 amending the classification and compensation plan
6. That the City Council adopt Resolution No. 2014-43 amending the classification and compensation plan for part time employees

**DISCUSSION:** Each fiscal year the City Council, Utility Authority Board and the Successor Agency Board adopt a budget to provide a variety of services to citizens, to complete planned projects and to pay the required debt service payments for the coming year. The budgets and the related policy statements serve as a control and monitoring tool. This budget is being presented as a two year budget. The next budget cycle will update the second year of the two year budget cycle.

The budget process included department input, meetings with the City Manager, additional reviews by Finance to identify areas of concern, budget savings or changes in estimates and Council briefings. The total appropriations for all funds for Fiscal Year 2014-15 (FY15) are \$89,531,359 and \$94,939,839 for Fiscal Year 2015-16 (FY16).

The budget consists of 7 categories of funds as follows:

- Governmental (General Fund)

- Special Revenue Funds
- Capital Improvement Funds
- Banning Utility Authority
- Enterprise Funds
- Internal Service Funds
- Successor Agency Funds

A budget message highlights significant budget changes, and observations or areas of concern for future budgets. There are three resolutions required to adopt the budget by the Council and board members of the City of Banning, the Banning Utility Authority and the Successor Agency.

The budgetary and fiscal policies annually adopted by the Council and Boards have been included as a part of Resolution No. 2014-33. No changes have been made to the policies during this budget cycle that are described in the budget message. Basically, the assigned fund balance includes a new example of assigning remaining fund balance for capital replacement and repairs. The policies represent the accumulation of budgetary and fiscal policies adopted by Council throughout the years.

The proposed budget document is on file with the City Clerk and available on the City website. The document is presented at a fund total level. A line item, detailed version will be completed following adoption for use by management and department personnel in controlling and monitoring expenditure and revenue activity. A copy of the detailed version will be available on the City website in July.

### **Position Control**

With the adoption of the FY15 budget, Council is adopting the authorized positions identified in the personnel section of the budget. The budget document provides a personnel summary by fund/division. This section also includes a reconciliation of the position changes being recommended. There are several changes recommended that represent changing needs within the organization. Due to budget constraints, not all requested positions were included at this time. Resolutions 2014-44 & 2014-43 have been included to amend the classification and compensation plan to include any new classifications, compensation ranges and job descriptions needed for the recommended changes. The personnel summary also reflects changes that do not require amending the classification study. The net impact of all the changes is a net increase in positions of 7.38.

### **Capital Improvement Program**

This is the second budget to include the 5 Year Capital Improvement Program (CIP). Included in this section is an overview describing the program, a description of the funds that typically have CIP projects, a summary of the available resources for FY15, a summary of the CIP, and a listing of projects by Fund. NEW this year is a listing of projects that were completed during the last budget cycle.

The CIP is a planning tool that is updated through Council action. The listing of projects by Fund includes many projects that Council has reviewed and approved throughout recent years. Projects in progress will have "Project to Date" expenditures. The FY15 budget for projects has been incorporated into the budget being presented to Council for approval. Council approval to enter contracts is still required in the future as each project moves forward to construction.

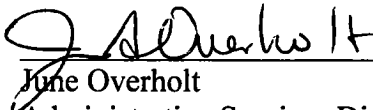
### **Gann Limit Calculation**

In accordance with Article XIII B of the California Constitution, the City is limited as to how much revenue from taxes it may receive. The revenue is actually limited by the appropriations in the base year of FY 1978-79, adjusted by inflation and population growth.

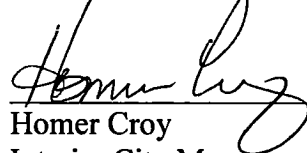
The limit is calculated by taking the prior year's limit and applying growth factors as appropriate. The appropriation limit for FY 2014-15 is calculated to be \$35,822,527. The limit exceeds taxes subject to appropriation by \$27,980,106. Details about the Gann Limit for the City of Banning are included within the budget document.

**FISCAL DATA:** The budgets as currently proposed for the City, Utility Authority and Successor Agency contain the estimated revenue and appropriation requests necessary to begin the new fiscal year on July 1, 2014.

### **RECOMMENDED BY:**

  
June Overholt  
Administrative Services Director/  
Deputy City Manager

### **APPROVED BY:**

  
Homer Croy  
Interim City Manager

## **RESOLUTION NO. 2014-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING ADOPTING THE TWO YEAR BUDGET FOR THE FISCAL PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015 AND JULY 1, 2015 THROUGH JUNE 30, 2016, ADOPTING THE FIVE YEAR CAPITAL IMPROVEMENT PROGRAM, AND MAKING APPROPRIATIONS TO MEET EXPENSES APPROVED THEREIN, APPROVING BUDGETARY POLICIES AND RECOMMENDATIONS**

**WHEREAS**, the Administrative Services Director prepared the two year budget plan for Fiscal Year 2014-15 and 2015-16 which set forth all of the expected revenue of the City of Banning, and the recommended appropriations to meet the operating and capital expenses for all City of Banning funds; and

**WHEREAS**, the two year budget for 2014-15 and 2015-16 of the City of Banning has been submitted to this Council, and said budget has been considered and, is in form and substance satisfactory to this Council; and

**WHEREAS**, the City departments may not exceed their appropriations by character of expense, with character of expense being defined as personnel services, services and supplies, capital outlay, debt service and interfund transfers, without the consent of the City Manager; and

**WHEREAS**, the City may transfer appropriations, between departments and within their respective funds, as long as those appropriations do not exceed their fund total unless approved by Council; and

**WHEREAS**, the City requires public improvements, and a capital improvement program (CIP) which allows for the planning, financing, and prioritizing of said improvements; and

**WHEREAS**, the City departments may not hire in excess of the approved number of positions in the job classification as indicated by the budget detail without the consent of the City Council; and

**WHEREAS**, certain capital projects, programs and commitments have been approved for appropriation in Fiscal Year 2013-14, the Administrative Services Director shall be authorized to carry over appropriation budgets for these items as approved by the City Manager; and

**WHEREAS**, it is essential that the City of Banning adopt a budget plan establishing the revenues and expenditures for all of its governmental, proprietary and fiduciary funds;

**NOW, THEREFORE, BE IT RESOLVED** as follows:

**SECTION 1:** The Two Year Budget for the City of Banning, for fiscal period July 1, 2014 through June 30, 2015 and July 1, 2015 through June 30, 2016, as summarized in the fund summary, is hereby approved and adopted in the form on file with the City Clerk.

SECTION 2: The Capital Improvement Program (CIP) for the City of Banning for fiscal period July 1, 2014 through June 30, 2019, as summarized in the fund summary and CIP documents, is hereby approved and adopted in the form on file with the City Clerk.

SECTION 3: The Budgetary and Fiscal Policies as incorporated, are hereby approved and adopted.

SECTION 4: The Authorized position control is amended as incorporated in the budget document.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

\_\_\_\_\_  
Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk

**APPROVED AS TO FORM AND  
LEGAL CONTENT:**

\_\_\_\_\_  
David J. Aleshire, City Attorney  
Aleshire & Wynder, LLP

**CERTIFICATION**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2014-33 was duly adopted by the City Council of the City of Banning, California, at a joint meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Marie A. Calderon, City Clerk  
City of Banning, California

**RESOLUTION NO. 2014-07 UA**

**A RESOLUTION OF THE BANNING UTILITY AUTHORITY OF THE CITY OF BANNING ADOPTING THE TWO YEAR BUDGET PLAN FOR THE FISCAL PERIOD JULY 1, 2014 THROUGH JUNE 30, 2015 AND JULY 1, 2015 THROUGH JUNE 30, 2016, ADOPTING THE FIVE YEAR CAPITAL IMPROVEMENT PROGRAM, AND MAKING APPROPRIATIONS TO MEET EXPENSES APPROVED THEREIN.**

**WHEREAS**, the Executive Director prepared the budget plan for Fiscal Year 2014-15 and 2015-16 which sets forth all of the expected revenues of the City of Banning Utility Authority (Authority), and the recommended appropriations to meet the operating and capital expenses for all Authority funds; and

**WHEREAS**, the Authority has considered the recommendations and approved or modified them so as to best serve the interest of the citizens of the City of Banning; and

**WHEREAS**, the two year budget for Fiscal Year 2014-15 and 2015-16 of the City of Banning Utility Authority has been submitted to this Board, and said budget has been considered and, is in form and substance satisfactory to this Board; and

**WHEREAS**, the Authority departments may not exceed their appropriations by character of expense, with character of expense being defined as personnel services, services and supplies, capital outlay, debt service and interfund transfers, without the consent of the Executive Director; and

**WHEREAS**, the Authority may transfer appropriations, between departments and within their respective funds, as long as those appropriations do not exceed their fund total unless approved by this Board; and

**WHEREAS**, the Authority requires public improvements, and a capital improvement program (CIP) which allows for the planning, financing, and prioritizing of said improvement; and

**WHEREAS**, the Authority departments may not hire in excess of the approved number of positions in the job classification as indicated by the budget detail without the consent of this Board; and

**WHEREAS**, certain capital projects, programs and commitments have been approved for appropriation in Fiscal Year 2013-14, the Administrative Services Director shall be authorized to carry over appropriation budgets for these items as approved by the Executive Director; and

**WHEREAS**, it is essential that the City's Utility Authority adopt a budget plan establishing the revenues and expenditures for all of its funds;

**NOW, THEREFORE, BE IT RESOLVED BY THE BANNING UTILITY AUTHORITY BOARD:**

SECTION 1: The Two Year Budget for the Banning Utility Authority for fiscal period July 1, 2014 through June 30, 2014 and July 1, 2015 through June 30, 2016, as summarized in the fund summary and CIP documents, is hereby approved and adopted in the form on file with the City Clerk.

SECTION 2: The Capital Improvement Program (CIP) for the Banning Utility Authority for fiscal period July 1, 2014 through June 30, 2019, as summarized in the fund summary and CIP documents, is hereby approved and adopted in the form on file with the City Clerk.

SECTION 3: The Budgetary and Fiscal Policies as incorporated, are hereby approved and adopted.

**PASSED, APPROVED AND ADOPTED** this 24th day of June, 2014.

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Deborah Franklin, Chairman  
Banning Utility Authority

**ATTEST:**

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Marie A. Calderon, Secretary  
Banning Utility Authority

**APPROVED AS TO FORM AND  
LEGAL CONTENT:**

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David J. Aleshire, Authority Counsel  
Aleshire & Wynder, LLP

**CERTIFICATION:**

I, Marie A. Calderon, Secretary to the Utility Authority of the City of Banning, California, do hereby certify that the foregoing Resolution 2014-07 UA was adopted by the Banning Utility Authority of the City of Banning, at a joint meeting thereof held on the 24th day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Marie A. Calderon, Secretary  
Banning Utility Authority  
City of Banning, California

**RESOLUTION NO. 2015-07 SA**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER BANNING COMMUNITY REDEVELOPMENT AGENCY ADOPTING THE TWO YEAR BUDGET PLAN FOR JULY 1, 2014 THROUGH JUNE 30, 2015, ADOPTING THE FIVE YEAR CAPITAL IMPROVEMENT PROGRAM, AND MAKING APPROPRIATIONS TO MEET EXPENSES APPROVED THEREIN**

**WHEREAS**, the Community Redevelopment Agency of the City of Banning is a public body, corporate and politic, organized and existing under the California Community Redevelopment laws (Health & Safety Code § 33000, et seq.; hereinafter, the "CCRL"); and

**WHEREAS**, the City of Banning is a municipal corporation and a general law city organized and existing under the Constitution of the State of California ("City"); and

**WHEREAS**, as a result of Assembly Bill X1 26 (AB26), which was signed by the Governor on June 28, 2011 and confirmed by the Supreme Court (California Redevelopment Association, et al. v. Matosantos, et al. (Case No. S194861) on December 29, 2011, all California redevelopment agencies were dissolved as of February 1, 2012, and successor entities became responsible for winding down the affairs of the former redevelopment agencies; and

**WHEREAS**, the City is, by operation of law, the Successor Agency to the Redevelopment Agency for purposes of winding-down the Redevelopment Agency under ABX126; and

**WHEREAS**, the Executive Director prepared the two year budget plan for Fiscal Year 2014-15 & 2015-16 which set forth all of the expected revenues of the City of Banning Successor Agency (Agency), and the recommended appropriations to meet the operating and capital expenses for all Agency funds; and

**WHEREAS**, the two year budget for Fiscal Year 2014-15 & 2015-16 of the Successor Agency has been submitted to this Agency, and said budget has been considered and, is in form and substance satisfactory to the Agency Board; and

**WHEREAS**, the Agency departments may not exceed their appropriations by character of expense, with character of expense being defined as personnel services, services and supplies, capital outlay, debt service and interfund transfers, without the consent of the Executive Director; and

**WHEREAS**, the Agency may transfer appropriations, between departments and within their respective funds, with approval of the Executive Director, as long as those appropriations do not exceed their fund total unless approved by this Board; and

**WHEREAS**, the Agency requires public improvements, and a capital improvement program (CIP) which allows for the planning, financing, and prioritizing of said improvements; and

**WHEREAS**, the Agency departments may not hire in excess of the approved number of positions in the job classification as indicated by the budget detail without the consent of this Board; and

**WHEREAS**, certain capital projects, programs and commitments have been approved for appropriation in Fiscal Year 2013-14, the Administrative Services Director shall be authorized to carry over appropriation budgets for these items as approved by the Executive Director; and

**WHEREAS**, it is essential that the Agency adopt a budget plan establishing the revenues and expenditures for all of its funds; and

**WHEREAS**, the Banning Oversight Board and California Department of Finance approve the Recognized Obligation Payment Schedule (ROPS) every six months which incorporate expenditures identified in the budget; and

**WHEREAS**, the Budgetary and Fiscal Policies that are incorporated into the budget document provide some policies applicable to the Agency; and

**NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY BOARD:**

SECTION 1: The Annual Budget for the Successor Agency for fiscal period July 1, 2014 through June 30, 2015 and July 1, 2015 through June 30, 2016, as summarized in the fund summary (funds 805 to 860), is hereby approved and adopted in the form on file with the City Clerk.

SECTION 2: The Capital Improvement Program (CIP) for the Successor Agency for fiscal period July 1, 2014 through June 30, 2019, as summarized in the fund summary and CIP documents, is hereby approved and adopted in the form on file with the City Clerk.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

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Deborah Franklin, Chairman  
Successor Agency

**ATTEST:**

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Marie A. Calderon, Secretary  
Successor Agency

**APPROVED AS TO FORM AND  
LEGAL CONTENT:**

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David J. Aleshire, Agency Counsel  
Aleshire & Wynder, LLP

**CERTIFICATION**

I, Marie A. Calderon, Secretary of the Successor Agency do hereby certify that the foregoing Resolution No. 2014-07 SA was duly adopted by the Successor Agency Board at a joint meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Marie A. Calderon, Secretary  
Successor Agency

**RESOLUTION NO. 2014-34**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA  
ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2014-15,  
PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION**

**WHEREAS**, Article XIII B of the California Constitution provides that the total annual appropriations subject to limitation of each governmental entity, including this City, shall not exceed the appropriation limit of such entity of government for the prior year adjusted for changes in the cost of living or personal income and population, except as otherwise provided for in said Article XIII B and implementing State statutes; and

**WHEREAS**, pursuant to said Article XIII B of said California Constitution, and Section 7900 et seq. of the California Government Code, the City is required to set its appropriation limit for each fiscal year; and

**WHEREAS**, the Finance Department of the City of Banning has interpreted the technical provisions of said Article XIII B and Section 7900 et seq., performed computations and a technical review of the documentation for the City's said appropriation limitation, and has caused the numbers upon which the City's appropriation limit was and is based; and

**WHEREAS**, based on such calculations the Finance Department has determined the said appropriation limit and, pursuant to Section 7910 of said California Government Code, has made available to the public the documentation used in the determination of said appropriation limit;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BANNING**, that said appropriation limit for Fiscal Year 2014-15 is set in the amount of \$35,822,527 for said fiscal year as incorporated in the budget document.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

\_\_\_\_\_  
Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk  
City of Banning

**APPROVED AS TO FORM AND  
LEGAL CONTENT:**

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David J. Aleshire, City Attorney  
Aleshire & Wynder, LLP

**CERTIFICATION**

I, MARIE A. CALDERON, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2014-34 was duly adopted by the City Council of the City of Banning at a joint meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Marie A. Calderon, City Clerk  
City of Banning, California

**RESOLUTION 2014-44**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING  
AMENDING THE CLASSIFICATION & COMPENSATION PLAN FOR THE  
CITY OF BANNING**

**WHEREAS**, it is necessary to amend the City's Classification Plan from time to time to maintain a current plan which reflects the nature of work, organizational structure, or otherwise;

**WHEREAS**, the classification and compensation plan has been updated to reflect changes in salary ranges per recently approved Memorandums of Understanding (MOU) and agreements with employees;

**WHEREAS**, changes to job descriptions, job titles and/or pay ranges require Council approval.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Banning, California as follows:

**SECTION 1:** That the City Council approve the following classifications and salary ranges as incorporated in the attached classification and compensation plan – Schedule "A" (Exhibit "A"):

Transit Manager– Salary Range 73

Public Works Analyst – Salary Range 68

**SECTION 2:** That the City Council approve the job description for Transit Manager (Job Code 3335) and Public Works Analyst (Job Code 4013) as attached in Exhibit "B".

**PASSED, APPROVED, AND ADOPTED** this 24th day of June, 2014.

\_\_\_\_\_  
Deborah Franklin, Mayor  
City of Banning, California

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk  
City of Banning, California

**APPROVED AS TO FORM  
AND LEGAL CONTENT:**

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David J. Aleshire, City Attorney  
Aleshire & Wynder, LLP

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2014-44 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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Marie A. Calderon, City Clerk  
City of Banning, California

# EXHIBIT “A”

CITY OF BANNING  
 CLASSIFICATION & COMPENSATION PLAN  
 REVISED JUNE 24, 2014  
 RESOLUTION NO. 2014-44 (AMENDING RESOLUTION NO. 2013-64)

MATRIX BY CLASS SERIES/JOB CODE

Class Series/Occupational Job Group	Job Code	Classification/Position	Salary Range	Bargaining Unit
<b>1000 – CITY ADMINISTRATION SERIES</b>				
City Administration Group	1010	City Manager	113	Council Contract
	1020	City Clerk/Executive Assistant	57	Elected
	1605	Executive Assistant	57	IBEW-G
Financial Services Group	1105	Administrative Services Director/Deputy City Manager	101	Contract
	1115	Deputy Finance Director	87	Mgmt/Conf
	5028	Utility Financial Analyst	76	CBAM
	1125	Accountant II	59	IBEW-G
	1140	Accountant	54	IBEW-G
	1135	Payroll Coordinator	53	IBEW-G
	1130	Financial Services Specialist	47	IBEW-G
Human Resources Group	1215	Deputy Human Resources Director	83	Mgmt/Conf
	1230	Human Resources Technician	54	Conf/Gen
Utility Billing Group	1340	Senior Utility Billing Rep	48	IBEW-G
	1350	Utility Billing Representative	43	IBEW-G
Information/Cable Systems Group	1410	Information Technology Coordinator	59	IBEW-G
	1416	Police Information Technology Technician	59	IBEW-G
	1415	Information Technology/Media Technician	57	IBEW-G
	1510	Cable Services Specialist	44	IBEW-G
Office Support Group	1610	Executive Secretary	53	IBEW-G
	1620	Office Specialist	44	IBEW-G
	1630	Receptionist	31	IBEW-G

## Schedule "A"

**2000-POLICE SERIES**

Police Group	2010	Police Chief	100	Contract
	2025	Police Lieutenant	87	Police Mgmt
	2030A	Police Staff/Master Sergeant	78	POA
	2040	Police Corporal	71	POA
	2050	Police Officer	67	POA
	2060	Police Recruit/Trainee	N/A	At-Will
Police Support Group	2143	Lead Public Safety Dispatcher	56	IBEW-G
	2110	Public Safety Dispatcher	52	IBEW-G
	2151	Police Assistant II	48	IBEW-G
	2152	Police Assistant I	44	IBEW-G

**3000-COMMUNITY DEVELOPMENT SERIES**

Community Development Group	3010	Community Development Director	92	Contract
	3026	Development Project Coordinator	58	IBEW-G
	3020	Associate Planner	68	CBAM
	3015	Assistant Planner	63	CBAM
Economic Development Group	3110	Economic Development Director	92	Contract
Development Services Group	3210	Development Services Manager (Building Official)	84	CBAM
	3215	Senior Building Inspector	67	IBEW-G
	3230	Code Compliance Officer	58	IBEW-G
	3240	Building Permit Specialist	55	IBEW-G

**3300-COMMUNITY SERVICES GROUP**

Community Services Group	3310	Community Services Director	86	Contract
	3335	Transit Manager	73	CBAM
	3325	Recreation Coordinator	51	IBEW-G
	3328	Program Coordinator	43	IBEW-G
	3350	Lead Bus Driver/Trainer	55	IBEW-G
	3340	Bus Driver	47	IBEW-G

**4000-PUBLIC WORKS SERIES**

Public Works Management Group	4010	Public Works Director	100	Contract
Streets/Parks Group	4210	Public Works Superintendent	78	CBAM
	4013	Public Works Analyst	68	CBAM
	4230	Work Release Crew Leader	47	IBEW-G
	4240	Senior Maintenance Worker	50	IBEW-G

## Schedule "A"

	4250	Maintenance Worker	45	IBEW-G
	4260	Motor Sweeper Operator	50	IBEW-G
Engineering Group	4300	City Engineer	85	CBAM
	4350	Senior Civil Engineer	82	CBAM
	4320	Associate Civil Engineer	76	CBAM
	4325	Assistant Civil Engineer	68	CBAM
	4330	Public Works Inspector	62	IBEW-G
	4340	Engineering Services Assistant	48	IBEW-G
General Maintenance and Support Group	4420	Fleet Maintenance Mechanic	53	IBEW-G
	4430	Building Maintenance Specialist	49	IBEW-G
	4441	Community Center Caretaker	36	IBEW-G
	4450	Warehouse Services Specialist	52	IBEW-G
Water/Wastewater Group	4115	Water/Wastewater Superintendent	78	CBAM
	4130	Water Crew Supervisor	60	IBEW-U
	4140	Water Services Worker	52	IBEW-U
	4155	Wastewater Collection System Supervisor	60	IBEW-U
	4145	Wastewater Collection System Technician	52	IBEW-U
	4132	Water Valve Flushing Crew Lead	56	IBEW-U
	4133	Water Construction Crew Lead	56	IBEW-U
	4131	Water Meter Crew Lead	56	IBEW-U

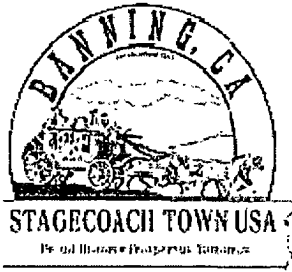
## 5000 ELECTRIC UTILITIES SERIES

Electric Services & Operations Group	5001	Electric Utility Director	100	Contract
	5021	Power Contracts & Revenue Administrator	85	CBAM
	5025	Associate Electrical Engineer	76	CBAM
	5028	Utility Financial Analyst	76	CBAM
	5029	Senior Electric Service Planner	79	IBEW-U7
	5030	Electric Service Planner	77	IBEW-U
	5050	Public Benefits Coordinator	55	IBEW-U
	5055	Utility Services Assistant	48	IBEW-U
	5110	Electric Operations & Maintenance Manager	85	CBAM
	5120	Powerline Crew Supervisor	79	IBEW-U
	5130	Powerline Technician	75	IBEW-U
	5140	Powerline Apprentice	67/ 73	IBEW-U
	1340	Lead Field Service Representative	55	IBEW-U

Schedule "A"

	1325	Field Service Representative	51	IBEW-U
	5150	Electric Services Worker	52	IBEW-U
	5161	Substation Test Technician	75	IBEW-U
	5160	Electric Meter Test Technician	75	IBEW-U
	5170	Apprentice Electric Meter Test Technician	67 / 73	IBEW-U

# EXHIBIT “B”



## CITY OF BANNING, CALIFORNIA

### Transit Manager

Job Code: 3335

FLSA ☒ Exempt ☐ Non-Exempt

**JOB DEFINITION:** Under supervision of the Community Services Director, performs a variety of duties involved in the daily activities of the Transit Division, including planning, coordinating and overseeing of transit services, assuring compliance with time schedules and applicable laws, codes, rules and regulations; evaluates and trains staff, and resolves client and community concerns related to safe and efficient public transportation.

**ESSENTIAL FUNCTIONS:** *The following duties ARE NOT intended to serve as a comprehensive list of all duties performed by all employees in this classification. Shown are duties intended to provide a representative summary of the major duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

**REPRESENTATIVE DUTIES:** Directs, supervises, evaluates and motivates drivers, ensuring adherence to safety standards and department policies, and ADA compliance (coordinating with the Lead Bus Driver/Trainer); ensures proper operation of vehicles, meeting passenger needs, and proper performance of other driver job duties. Responsible for overseeing the development, coordination, tracking, and/or conducting the Department's driver training programs throughout accountability area of assigned responsibility. Addresses and resolves complaints and issues raised by transit customers and the public in general relating to the provision of quality transit service. Jointly responsible, along with the Lead Bus Driver/Trainer, for ensuring drivers have documented certification for various aspects of job assignments, including general mobility and regulatory functions and requirements specific to company vehicles operated. Responsible for communicating policies, rules, assignments and other information related to job duties to assigned drivers.

Performs office supervisory duties, as well as field supervisory and evaluative duties for the area of responsibility.

Assures the operation of the public transportation system in the most cost effective and efficient manner, including recommendations for commencement, improvement, modification, or elimination of transit services.

Attends and investigates accidents in its area of responsibility or as assigned. Receives and responds to drivers' incidents and accidents; drives to accident scenes and conducts internal accident investigations; gathers information, takes photos and assists passengers and staff; obtains accident reports from police agencies. Provides operational statistics, working with the Office Specialist, to ensure information is properly entered into the Trans Track System. Oversees and maintains all documentation required by Federal, State and local reporting requirements related to overall ridership, ADA usage, and ridership revenue. Collects and researches information and data and prepares reports and recommendations. Monitor driver attendance. Verify trip sheets and time cards for accuracy, authorize work hours and overtime. Advise drivers of corrections or concerns.

As directed, attends meetings, including those scheduled after normal working hours. Prepares specifications and contract documents for transit system capital procurement and construction contracts and supervises selection process of contractors and vendors. Represents and promotes transit through personal presentations and other outreach to local groups throughout the community.

Performs other duties as assigned or required.

## CITY OF BANNING, CALIFORNIA

### Transit Manager

Job Code: 3335

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#### **KNOWLEDGE and SKILLS:**

- Knowledge of applicable City, County, State and Federal statutes, rules, regulations, ordinances, codes, administrative orders and other operational guidelines and directives.
- Knowledge of the City's and the Department's policies and procedures.
- Knowledge of file management and recordkeeping techniques.
- Knowledge of employee supervision practices.
- Knowledge of contract compliance and grant guidelines.
- Skill in reading, understanding, interpreting and applying relevant City, County, State and Federal statutes, rules, regulations, ordinances, codes, administrative orders, policies and procedures and other operational guidelines and directives.
- Skill in assessing and prioritizing multiple tasks, projects and/or demands.
- Skill in working within deadlines to complete projects and assignments.
- Skill in assessing, analyzing, identifying and implementing solutions to complex problems.
- Skill in establishing and maintaining effective working relations with co-workers, staff, vendors, contractors, visitors, the general public and others having business with the City of Banning.
- Skill in operating a personal computer, utilizing a variety of software applications.

**MINIMUM QUALIFICATIONS:** A high school diploma or GED **AND** five (5) years of experience in transit operations including supervisory experience. A Bachelor's Degree in Public Administration, Business Transportation, or related field preferred. Experience with and knowledge of bus driving, public transit, non-emergency medical transportation, fleet maintenance and ADA equipment

**ADDITIONAL REQUIREMENTS:** Requires intermediate to advanced competent knowledge of Microsoft Word, Excel and Outlook programs.

May be required to work outside of normal business hours. Must have at the time of application and must maintain a Class B Commercial California driver's license with current medical certification with a passenger endorsement and air brakes. Must have one of the following current certifications: Vehicle Training Transit (VTT), School Bus Driver or School Pupil Activity Bus (SPAB) Certification. Must pass background investigation and successfully complete periodic physical examinations as required by Federal transportation regulations.



## CITY OF BANNING, CALIFORNIA

### Public Works Analyst

Job Code: 4013

FLSA      ☒ Exempt      ☐ Non-Exempt

**JOB DEFINITION:** Under general direction of the Public Works Director, performs professional administrative, technical and analytical analysis in the administration and management of the Public Works department in conducting specific and comprehensive analysis of wide range of City policies involving organization procedures, finance and services; and to provide guidance on various City policies, procedures, goals and objectives. Supervises activities of assigned personnel. May supervise or oversee staff under the division or programs.

**ESSENTIAL FUNCTIONS:** *The following duties ARE NOT intended to serve as a comprehensive list of all duties performed by all employees in this classification. Shown are duties intended to provide a representative summary of the major duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

**REPRESENTATIVE DUTIES:** Manages and administers departmental contract operations, including procurement, invoice processing, evaluation of proposals and negotiations. Works with the department's engineers to prepare grant proposals and applications; monitors grant implementation for budgetary and operation compliance to grant stipulations. Ensures fiscal compliance of all contracts and grants; ensures compliance with appropriate Federal, State, County and Local regulations. Develops formal and informal bids, RFQs and RFPs, ensuring that all applicable legal and contractual provisions are included; directs and participates in the solicitation, evaluation and award of RFPs; participates in pre-bid briefings. Performs budget preparation, analysis and administration; analyze and report on the budget status for various activities related to assigned staff, programs and projects. Develops and reviews project/services scope of work with managers and engineers to ensure clarity of work and contracting requirements. Research and analyze information; prepare agenda reports and administrative documents for the department. Provides executive level administrative support to the Director of Public Works and department engineers as needed. Supervises and trains subordinates, as required.

Performs other duties as assigned or required.

### KNOWLEDGE and SKILLS:

**Knowledge of:** Grant proposal writing, application and monitoring techniques, policies and procedures; contract preparation and negotiation techniques; proper contract format; legal language used in contracts; working knowledge of governmental regulations regarding contracted services and competitive bidding process; county, state and federal government general administrative structures and processes; principles of business and public administration; accounting and budgetary controls, basic analysis and research techniques; computer applications pertaining to procurement and business requirements; principles and practices of management and supervision; principles and practices of budget administration; the City's and the Department's policies and procedures; file and records management principles; research methods and procedures.

# CITY OF BANNING, CALIFORNIA

## Public Works Analyst

Job Code: 4013

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**Skill in:** Reading, understanding, interpreting and applying relevant city, county, state and federal statutes, rules, regulations, ordinances, codes, administrative orders, policies and procedures and other operational guidelines and directives; assessing and prioritizing multiple tasks, projects and/or demands; working within deadlines to complete projects and assignments; assessing, analyzing, identifying and implementing solutions to complex problems; establishing and maintaining effective working relations with co-workers, staff, vendors, contractors, visitors, the general public and others having business with the City of Banning; operating a personal computer utilizing a variety of software applications, including Microsoft Excel and Word.

**MINIMUM QUALIFICATIONS:** Bachelor's degree in business or public administration. Three years of experience in preparing and processing state and federal contracts, purchases of service contracts, preparation of grant applications and conducting competitive bids, formulating policy and procedures, and negotiating contracts with private industry. Supervisory experience desired.

**ADDITIONAL REQUIREMENTS:** A valid California driver's license. May be required to work outside the traditional work schedule.

**RESOLUTION NO. 2014-43**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING  
AMENDING, THE CLASSIFICATION AND COMPENSATION POLICY  
FOR PART-TIME EMPLOYEES OF THE CITY OF BANNING**

**WHEREAS**, part-time employees are individuals who customarily work less than 1,000 hours per fiscal year, or an average of 20 hours per week on a regular year-round basis; and

**WHEREAS**, it is necessary and desirable to employ persons on a part-time basis to provide valuable services to augment the provision of City services; and

**WHEREAS**, such part-time employees are unrepresented "at-will" individuals that pay no dues to, nor receive benefits from, negotiations by employee unions; and

**WHEREAS**, the Council desires to provide guidelines for the compensation to such employees for the rendering of such valuable service;

**WHEREAS**, the City Council now desires to adopt an amended and restated resolution of salaries for the Part-Time Classifications, which restates and replaces any and all pre-existing salary resolutions for the Part-Time classifications, including, but not limited to Council Resolution No. 2013-67.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Banning, California, as follows:

**SECTION 1:** Classification and Pay Structure. Part-time classification titles shall be authorized as set forth in Exhibit "A" and Exhibit "B", effective July 1, 2014. The minimum and maximum annual ranges used for the part-time classification hourly calculations shall be based on the permanent Salary Range Table, attached as Exhibit "C" divided by 2080 hours and determining where on the range to place the employee based on qualifications and experience.

**SECTION 2:** Performance Review System for Part-Time Employees. Part-time employees will receive performance reviews and merit adjustments after completing 1,000 hours of the service and thereafter upon completion of each additional period of 1,000 hours of service. Recommended merit adjustments must be based upon written performance evaluations and included in the City's annual budget.

**PASSED, APPROVED, AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

---

Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

---

Marie A. Calderon, City Clerk  
City of Banning

**APPROVED AS TO FORM  
AND LEGAL CONTENT:**

---

David J. Aleshire, City Attorney  
Aleshire & Wynder, LLP

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2014-43 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Marie A. Calderon, City Clerk  
City of Banning, California

EXHIBIT "A"

PART-TIME CLASSIFICATION TITLES (INCLUDING SEASONAL)

EFFECTIVE JULY 1, 2014

Airport Attendant	Range 17
Assistant Pool Manager	Range 27
Building Attendant	Range 29
Cashier	Range 17
Crossing Guard	Range 12
Development Assistant	Range 42
Dial-A-Ride Driver	Range 31
Lifeguard	Range 22
Lifeguard w/WSI Certification	Range 25
Pool Manager	Range 32
Senior Center Coordinator	Range 49
Senior Recreation Leader	Range 36

EXHIBIT "B"  
CLASSIFICATIONS AND SALARY RANGES

TITLE	SALARY RANGE
Accountant	54
Accountant II	59
Administrative Services Director/Deputy City Manager	101
Apprentice Electric Meter Test Technician	67 / 73
Assistant Civil Engineer	68
Assistant Planner	63
Associate Civil Engineer	76
Associate Electrical Engineer	76
Associate Planner	68
Building Maintenance Specialist	49
Building Permit Specialist	55
Bus Driver	47
Bus Driver (part-time)	41
Cable Services Specialist	44
City Clerk/Executive Assistant	57
City Engineer	85
City Manager	113
Code Compliance Officer	58
Community Center Caretaker	36
Community Development Director	92
Community Services Director	86
Deputy Finance Director	87
Deputy Human Resources Director	83
Development Project Coordinator	58
Development Services Manager (Building Official)	84
Economic Development Director	92
Electric Meter Test Technician	75
Electric Operations & Maintenance Manager	85
Electric Service Planner	77
Electric Services Worker	52
Electric Utility Director	100
Engineering Services Assistant	48
Executive Assistant	57
Executive Secretary	53
Field Service Representative	51
Financial Services Specialist	47
Fleet Maintenance Mechanic	53
Human Resources Technician	54
Information Technology Coordinator	59

## EXHIBIT "B"

## CLASSIFICATIONS AND SALARY RANGES

Information Technology/Media Technician	57
Lead Bus Driver/Trainer	55
Lead Field Service Representative	55
Lead Public Safety Dispatcher	56
Maintenance Worker	45
Motor Sweeper Operator	50
Office Specialist	44
Payroll Coordinator	53
Police Assistant II	48
Police Assistant I	44
Police Chief	100
Police Corporal	71
Police Information Technology Technician	59
Police Lieutenant	87
Police Officer	67
Police Recruit/Trainee	N/A
Police Staff/Master Sergeant	78
Power Contracts & Revenue Administrator	85
Powerline Apprentice	67/ 73
Powerline Crew Supervisor	79
Powerline Technician	75
Program Coordinator	43
Public Benefits Coordinator	55
Public Safety Dispatcher	52
Public Works Analyst	68
Public Works Director	100
Public Works Inspector	62
Public Works Superintendent	78
Receptionist	31
Recreation Coordinator	51
Senior Building Inspector	67
Senior Civil Engineer	82
Senior Electric Service Planner	79
Senior Maintenance Worker	50
Senior Utility Billing Rep	48
Substation Test Technician	75
Transit Manager	73
Utility Billing Representative	43
Utility Financial Analyst	76
Utility Financial Analyst	76
Utility Services Assistant	48
Warehouse Services Specialist	52
Wastewater Collection System Supervisor	60

EXHIBIT "B"

**CLASSIFICATIONS AND SALARY RANGES**

Wastewater Collection System Technician	52
Water Construction Crew Lead	56
Water Crew Supervisor	60
Water Meter Crew Lead	56
Water Services Worker	52
Water Valve Flushing Crew Lead	56
Water/Wastewater Superintendent	78
Work Release Crew Leader	47

## EXHIBIT "C"

## Permanent Salary Range Table

Salary Range	Minimum	Midpoint	Maximum		Salary Range	Minimum	Midpoint	Maximum
1	\$10,712	\$12,602	\$14,492		59	\$44,858	\$52,774	\$60,691
2	\$10,979	\$12,917	\$14,855		60	\$45,980	\$54,094	\$62,208
3	\$11,254	\$13,240	\$15,226		61	\$47,129	\$55,446	\$63,763
4	\$11,535	\$13,571	\$15,607		62	\$48,307	\$56,832	\$65,357
5	\$11,824	\$13,910	\$15,997		63	\$49,515	\$58,253	\$66,991
6	\$12,119	\$14,258	\$16,397		64	\$50,753	\$59,709	\$68,666
7	\$12,422	\$14,614	\$16,807		65	\$52,022	\$61,202	\$70,383
8	\$12,733	\$14,980	\$17,227		66	\$53,322	\$62,732	\$72,142
9	\$13,051	\$15,354	\$17,657		67	\$54,655	\$64,301	\$73,946
10	\$13,377	\$15,738	\$18,099		68	\$56,022	\$65,908	\$75,794
11	\$13,712	\$16,132	\$18,551		69	\$57,422	\$67,556	\$77,689
12	\$14,055	\$16,535	\$19,015		70	\$58,858	\$69,245	\$79,631
13	\$14,406	\$16,948	\$19,491		71	\$60,329	\$70,976	\$81,622
14	\$14,766	\$17,372	\$19,978		72	\$61,838	\$72,750	\$83,663
15	\$15,135	\$17,806	\$20,477		73	\$63,384	\$74,569	\$85,754
16	\$15,514	\$18,251	\$20,989		74	\$64,968	\$76,433	\$87,898
17	\$15,902	\$18,708	\$21,514		75	\$66,592	\$78,344	\$90,096
18	\$16,299	\$19,175	\$22,052		76	\$68,257	\$80,303	\$92,348
19	\$16,707	\$19,655	\$22,603		77	\$69,964	\$82,310	\$94,657
20	\$17,124	\$20,146	\$23,168		78	\$71,713	\$84,368	\$97,023
21	\$17,552	\$20,650	\$23,747		79	\$73,506	\$86,477	\$99,449
22	\$17,991	\$21,166	\$24,341		80	\$75,343	\$88,639	\$101,935
23	\$18,441	\$21,695	\$24,950		81	\$77,227	\$90,855	\$104,483
24	\$18,902	\$22,238	\$25,573		82	\$79,157	\$93,126	\$107,095
25	\$19,375	\$22,794	\$26,213		83	\$81,136	\$95,455	\$109,773
26	\$19,859	\$23,363	\$26,868		84	\$83,165	\$97,841	\$112,517
27	\$20,355	\$23,947	\$27,540		85	\$85,244	\$100,287	\$115,330
28	\$20,864	\$24,546	\$28,228		86	\$87,375	\$102,794	\$118,213
29	\$21,386	\$25,160	\$28,934		87	\$89,559	\$105,364	\$121,169
30	\$21,921	\$25,789	\$29,657		88	\$91,798	\$107,998	\$124,198
31	\$22,469	\$26,434	\$30,399		89	\$94,093	\$110,698	\$127,303
32	\$23,030	\$27,094	\$31,159		90	\$96,446	\$113,465	\$130,485
33	\$23,606	\$27,772	\$31,938		91	\$98,857	\$116,302	\$133,747
34	\$24,196	\$28,466	\$32,736		92	\$101,328	\$119,210	\$137,091
35	\$24,801	\$29,178	\$33,554		93	\$103,861	\$122,190	\$140,518
36	\$25,421	\$29,907	\$34,393		94	\$106,458	\$125,245	\$144,031
37	\$26,057	\$30,655	\$35,253		95	\$109,119	\$128,376	\$147,632
38	\$26,708	\$31,421	\$36,134		96	\$111,847	\$131,585	\$151,323
39	\$27,376	\$32,207	\$37,038		97	\$114,644	\$134,875	\$155,106
40	\$28,060	\$33,012	\$37,964		98	\$117,510	\$138,247	\$158,984
41	\$28,762	\$33,837	\$38,913		99	\$120,447	\$141,703	\$162,958
42	\$29,481	\$34,683	\$39,886		100	\$123,459	\$145,245	\$167,032
43	\$30,218	\$35,550	\$40,883		101	\$126,545	\$148,876	\$171,208
44	\$30,973	\$36,439	\$41,905		102	\$129,709	\$152,598	\$175,488
45	\$31,747	\$37,350	\$42,952		103	\$132,951	\$156,413	\$179,875
46	\$32,541	\$38,284	\$44,026		104	\$136,275	\$160,324	\$184,372
47	\$33,355	\$39,241	\$45,127		105	\$139,682	\$164,332	\$188,982
48	\$34,189	\$40,222	\$46,255		106	\$143,174	\$168,440	\$193,706
49	\$35,043	\$41,227	\$47,411		107	\$146,753	\$172,651	\$198,549
50	\$35,919	\$42,258	\$48,597		108	\$150,422	\$176,967	\$203,512
51	\$36,817	\$43,314	\$49,812		109	\$154,183	\$181,392	\$208,600
52	\$37,738	\$44,397	\$51,057		110	\$158,037	\$185,926	\$213,815
53	\$38,681	\$45,507	\$52,333		111	\$161,988	\$190,574	\$219,161
54	\$39,648	\$46,645	\$53,642		112	\$166,038	\$195,339	\$224,640
55	\$40,639	\$47,811	\$54,983		113	\$170,189	\$200,222	\$230,256
56	\$41,655	\$49,006	\$56,357		114	\$174,444	\$205,228	\$236,012
57	\$42,697	\$50,231	\$57,766		115	\$178,805	\$210,359	\$241,912
58	\$43,764	\$51,487	\$59,210		116	\$183,275	\$215,617	\$247,960

Salary Midpoint %  
2.50%

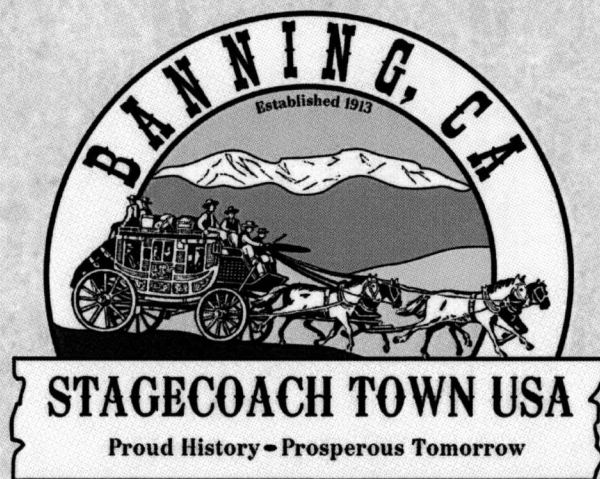
Salary Range Spread %  
35.00%

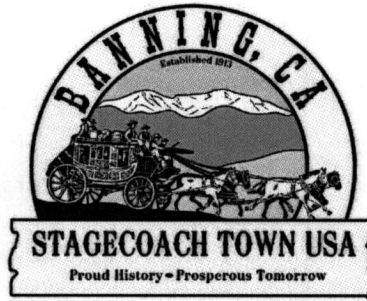
# CITY of BANNING



Fiscal Year 2014-15 & 2015-16

## TWO YEAR BUDGET





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## OFFICIALS

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Deborah "Debbie" Franklin.....Mayor  
Art Welch .....Mayor Pro Tem  
Don Peterson..... Council Member  
/Housing Authority Chairperson  
Edward Miller ..... Council Member  
Jerry Westholder ..... Council Member  
John McQuown .....City Treasurer  
Marie Calderon ..... City Clerk

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## EXECUTIVE STAFF

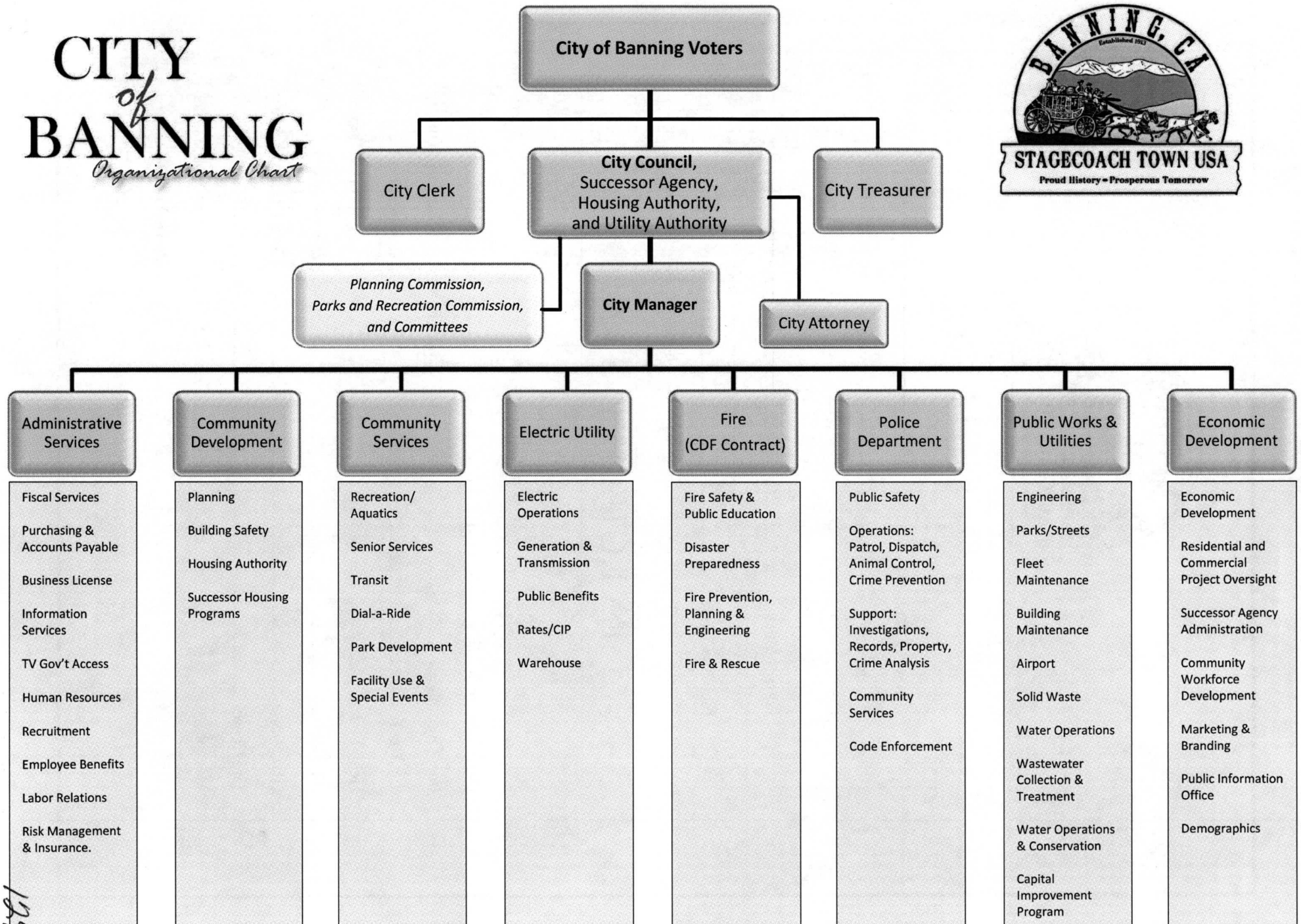
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Homer Croy  
Interim City Manager

Dave Aleshire .....City Attorney  
June Overholt .....Administrative Services Director/Deputy City Manager  
Zai Abu Bakar .....Community Development Director  
Heidi Meraz.....Community Services Director  
Bill Manis..... Economic Development Director  
Fred Mason..... Electric Utility Director  
Tim Chavez.....Fire Battalion Chief (CalFire)  
Alex Diaz..... Interim Police Chief  
Duane Burk .....Public Works Director

# CITY of BANNING

*Organizational Chart*



7/21

# CITY of BANNING

Fiscal Year 2014-15 & 2015-16

## Two Year Budget

### Table of Contents

Budget Message .....	1
<b><u>Fund Summaries</u></b>	
<b><i>Citywide Funds</i></b>	
FY 2014-15 Fund Summary Status Report .....	10
FY 2015-16 Fund Summary Status Report .....	13
Revenue Summary .....	16
Revenue Graphs .....	17
Expenditure Summary .....	18
Expenditure Graphs .....	19
<b><i>Other Funds</i></b>	
Revenue Summary .....	20
Expenditure Summary .....	23
FY15 Expenditures by Category .....	26
FY16 Expenditures by Category .....	29
<b><u>General Fund</u></b>	
Financial Overview .....	32
Financial Overview Graphs .....	33
Expenditures by Category and Graph .....	34
FY15 GF Expenditures by Category .....	35
FY16 GF Expenditures by Category .....	36
<b><u>Personnel</u></b>	
Budgeted Positions Summary .....	38
Personnel Summary by Fund/Division .....	39
Personnel Summary Reconciliation .....	48
<b><u>Capital Improvement Program</u></b>	
CIP Cover Page .....	50
Introduction .....	51
Source of Funding - Descriptions .....	52
Available Resources/Fund Summary .....	55
5 Year Summary by Fund .....	56
Capital Improvement Projects .....	57
FY14 Completed Capital Improvement Projects .....	63
<b><u>Supplemental Information</u></b>	
Proposition 4 – Government Spending Limits Summary .....	64
Gann Limit Calculation .....	65
Banning Historical Information .....	66
Budgetary and Fiscal Policies .....	67
Description of Funds .....	72
Glossary of Terms .....	77
Summary of Acronyms .....	79



## CITY of BANNING *Budget Message*

June 24, 2014

Honorable Mayor, City Council and Citizens,

**T**his budget document reflects a two year budget for Fiscal Year 2014-15 (FY15) and 2015-16 (FY16). It reflects continued efforts by staff to manage the available resources while maintaining current service levels. The budget message will describe major changes in the budget, observations and areas of concern for future budgets.

### General Fund

*General Fund*

The General Fund has a structurally balanced budget for FY15. Signs of the upturn in the economy have been incorporated into the budget with increased property taxes and sales tax revenue estimates. The improvements in revenues were offset by increases in expenditures primarily in the area of personnel costs. Without the improvements in revenue, additional reductions in expenditures would have been needed.

In the last budget document, the sunset provision of the Transient Occupancy Tax (TOT) was identified as an important revenue stream that needed to continue without a sunset. At the special election on June 3, 2014, the voters approved Measure E by 83%. The Measure removed the sunset and maintained the TOT rate capped at 12%. As a result, the budget can be presented as structurally balanced because it includes the \$300k (approximately) that is generated from having the TOT at a rate of 12% rather than 6%. The Measure does not preclude the City Council (Council) from lowering the rate in the future should circumstances improve.

With expenditures, the departmental budgets have basically remained status quo with some of the major changes highlighted as follows: Updated California Public Employee Retirement

System (CalPERS) rates were included in the budget. CalPERS continues to respond to pressures to update their methodology for actuarial assumptions. Each time they change an assumption, it tends to increase City rates. Both full time and part time positions were added or deleted to realign operations and services to maximize the benefit with the least financial impact. Most position changes were in the Police Department and Community Services, to reflect the operational structure needed to properly meet demands for service. Overall changes in personnel impacted the budget with an increase of \$45k. Another personnel change, with no fiscal impact to the bottom line, was to move the Code Enforcement function from the Community Development Department to the Police Department. The methodology for allocating city attorney costs was changed during midyear of FY14 and continued into the FY15 and FY16 budgets. The impact is an increase of approximately \$256k. The Landscape Maintenance District (LMD), accounted for in Fund 111, has provided funding to the General Fund of approximately \$85k for employee costs related to maintaining the district. As of July 1<sup>st</sup>, 2014, the district will be maintained through a service contract and staff will be able to focus more on maintaining parks.

As recently as FY14, in order to balance the budget, the City eliminated four vacant police officer positions. During the budget preparation process, to address current service demands, the Police Department requested 6 officers and the Community Development Department requested an associate planner be added to the authorized positions. Due to limited resources, these positions were not included in the budget. The increase to expenditures would have been approximately \$1 million.

As stated in prior years, it is important to acknowledge the challenges of balancing the budget during a time of economic recession, which has been compounded by State legislation that removed revenue sources previously relied upon by the City, such as the Redevelopment Agency and Vehicle License Fees. As a result, the City has downsized the organization by eliminating positions beginning in 2008, negotiated compensation reductions with the employees, absorbed costs previously covered by the eliminated Redevelopment Agency, and absorbed losses in revenues from State takeaways. Achieving the FY15 balanced budget in the General Fund is subject to the economy continuing to improve.

The FY16 budget is not structurally balanced. However, it is expected that balancing the budget could be possible as the economy improves and new businesses and development come to the City.

The General Fund reserves have stabilized and have an estimated available balance for July 1st of \$2.9M. This balance is based on the midyear estimates for fiscal year 2013-14 (FY14). The actual available reserves will be determined through the year-end closing and audit process. Council has a "Committed Fund Balance" policy goal to maintain reserves of a minimum of \$1.5M, up to 25% of the operating budget, whichever is higher. The Committed Fund Balance in the audit meets the goal. The available balance in the budget assumes that all revenues and expenditures in the FY14 budget happen exactly as adopted. This typically does not occur. Therefore the reserve balance is updated at midyear.

#### Future Outlook

There are several challenges on the horizon that will impact the General Fund budget and operations. Below are some of these challenges:

- CalPERS rates continue to rise. The CalPERS Board continues to adopt strategies to improve confidence and funding levels at CalPERS. The Miscellaneous employee rates are projected to increase another 1% and the Safety rate is projected to increase by approximately 7%, in Fiscal Year 2015-16.
- With the elimination of the Redevelopment Agency, it appears the intention of the legislation is to transition the administration of the wind down to the County. Currently the Successor Agency receives \$250k towards administrative costs. It is possible that some or all of the \$250k will no longer be available to the Successor Agency. When that occurs, the City General Fund will need to absorb those costs. This has not been included in the preliminary FY16 budget.
- During times of economic hardship, deferred maintenance and equipment replacement has been one of the available methods that has been used to balance the budget. The challenge with relying on this approach indefinitely is that buildings and equipment continue to deteriorate, requiring a more significant investment to restore functionality.

- o One example where a plan is needed is with Fire apparatus. By 2024, approximately \$1 million will be needed to replace two Fire apparatus. However, in the short term, funds are needed for Police, Code Enforcement, and other departments.
- o A strategy that could be considered is incorporating into the budget a savings plan, to prepare for the replacement and maintenance of City assets. As an alternative, the Budgetary and Fiscal Policies have been amended to include an option within the "Assigned Fund Balance" that identifies a "Capital Replacement" reserve. At this time, the strategy will be to fund this reserve at the time of the audit with any remaining fund balance, after all other fund balance requirements have been met.
- By 2021, the City will need to be prepared to update the General Plan (Plan). The Plan should be updated every 15 years. The last time the plan was updated and adopted by the Council was in 2006. The process to update the Plan typically takes two years. There are many community meetings that contribute to the Plan. Costs to update the General Plan are typically \$1M.

### **Special Revenue Funds**

#### *Special Revenue Funds*

Special Revenue Funds, as the title suggests, include budgets from revenue sources that are restricted in their use. Typically this includes grants and other dedicated amounts used to pay for specialized operations, such as some police services, streets and roads, restricted monies and assessment districts, to name a few. The budgets in this category of funds are typically self-balancing. Some of the funds may have a structural deficit in the proposed budgets due to a timing issue. For example, revenues are received in one year but the expenditures occur in a subsequent year. In those situations fund balance is utilized. Grants that are received during the year are budgeted at the time the grant is awarded.

Observations regarding some specific funds follow:

- The Riverside County MOU (F003) records the revenue received from Riverside County (County) related to the impacts of the jail. Currently, four officers are funded from this

source. However, whenever the costs exceed the funds received per the MOU, the General Fund provides a transfer to cover any shortfall. For FY16, the General Fund is subsidizing the account with a transfer of \$114k to cover actual costs.

- The Gas Tax Fund (F100) receives a transfer from the General Fund of \$164k as a contribution to the Maintenance of Effort (MOE) requirements. This transfer includes funding from the Water and Refuse funds.
- Community Development Block Grant (CDBG) (F110) funds have been designated for ADA upgrades and repairs at Lyons Park.
- The Landscape Maintenance District (LMD) (F111) has previously provided funding to the General Fund of approximately \$85k for employee costs related to maintaining the district. As of July 1<sup>st</sup>, 2014, the district will be maintained through a service contract.

### **Capital Improvement Funds**

*Capital Improvement Funds*

This grouping of funds primarily account for development impact fee related funds and capital funds financed through other sources. Any projects in progress already approved by Council in prior years will have any remaining budget carried forward through continuing appropriations. If there are any capital projects, they are listed in the Capital Improvement Program section of the budget document. Any new projects will be budgeted at the time it is presented to Council for approval.

### **Banning Utility Authority (BUA)**

*Banning Utility Authority*

The Water Operations Fund (F660) and the Wastewater Operations Fund (F680) both are presented with balanced budgets and even include a budget surplus. No rate increases have been included in the budget for FY15 or FY16. Both budgets are still lean and do not include the operational capital projects that had been contemplated when the rates were presented for approval.

The Budgetary and Fiscal Policies state a goal of maintaining a fund balance reserve of 10% of the upcoming appropriations budget. There is a projected balance at the end of FY15 of nearly \$8.7M for Water and \$1M for Wastewater to meet this requirement.

Capital projects included in the budget and funded through impact fees or remaining bond proceeds are listed in the Capital Improvement Program section of the budget document.

### **Enterprise Funds**

*Enterprise Funds*

The Airport Fund (F600) shows a deficit as a result of an operating deficit and ongoing grant related projects. Available fund balance will be used to cover the expenditures. ~ The Transit Fund (F610) is balanced. Funding comes from the Riverside County Transportation Commission (RCTC) and bus fares. One full time management position was added to provide better coverage to the operations, as well as a part time driver position.

The Electric Operations budget has a surplus. Overall costs for the Electric Operations had increased due to Federal actions through the EPA and State legislation through Cap & Trade related to the San Juan facility. In addition, overall transmission and operating expenses have increased. However, staff was able to mitigate the impact of Cap & Trade expense by taking advantage of a temporary drop in Auction prices, resulting in a \$300,000 savings. Changing regulatory demands create an ongoing challenge in managing the available resources. ~ Five full time positions were included in the budget to reflect the operational structure needed for the apprentice program, in anticipation of possible retirement of current, full time personnel.

Capital projects included in the budget and funded through remaining Electric Improvement funds or bond proceeds are listed in the Capital Improvement Program section of the budget document.

### **Internal Service Funds**

*Internal Service Funds*

The Internal Service Funds contain expenditures that, by their nature, are shared among most funds in the City and Utility Authority. The annual amounts are analyzed and then allocated out to the various funds, thereby including the applicable costs in each department's budget.

The largest of these funds is the Risk Management Fund (F700). Costs related to workers compensation, unemployment, general liability, and attorney fees are accounted for in this fund. The Council has an adopted policy of maintaining a minimum fund balance of \$500k in this fund to be available for unknown lawsuits and other insurance costs. There is a balance projected at

the end of FY14 of approximately \$1M to meet this requirement. The remaining funds have a budgeted deficit that will utilize fund balance.

### **Successor Agency Funds**

*Successor Agency Funds*

Effective February 1, 2012, all California Redevelopment Agencies were dissolved and their assets and functions transferred to the Successor Agency. The City elected to be the Successor Agency for the Community Redevelopment Agency (Agency). Since that time, the Agency has been in the wind down process. So far the various reporting deadlines have been met and approved by the Successor Agency, the Oversight Board and the Department of Finance (DOF) for the State of California.

The Recognized Obligation Payment Schedule (ROPS 14-15A) has been completed and approved and incorporated into the budget. Similar activity is assumed for the second half of the budget year and was incorporated in the FY15 and FY16 budget. The budget basically includes the debt service obligations and the second half of the administrative fee.

The Successor Agency received the Finding of Completion on April 26, 2013. The Finding of Completion was necessary before the Agency could evaluate moving forward with any remaining bond funded projects. There are several projects identified to utilize remaining bond proceeds that will be re-evaluated as part of the bond refunding option being worked on.

The 2003 and 2007 Tax Allocation Bonds are callable during 2014. This provides an opportunity to refund/refinance the bonds at a lower interest rate. The overall benefit of doing so reduces the annual principle and interest payments which results in more property tax revenue being available for distribution to the affected taxing agencies, of which, the General Fund is one. The positive impacts of refunding the bonds will be included in an upcoming agenda report.

Capital projects included in the budget and funded through remaining bond proceeds are listed in the Capital Improvement Program section of the budget document.

## In Conclusion

*In Conclusion*

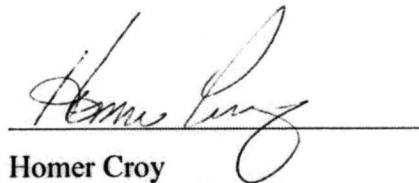
Approval of the budget document provides a framework and necessary authority to provide a variety of services to citizens, to complete planned projects and to pay the required debt service payments for the Fiscal Year 2014-15. The budget is a living document. Adjustments to the budget are expected throughout the year.

Thank you to all the staff who actively participate in the preparation and monitoring of the budget.

Respectfully submitted:



June Overholt  
Administrative Services Director/  
Deputy City Manager



Homer Croy  
Interim City Manager

CITY OF BANNING  
*Fund Summary Status*  
 FY15 Projections  
 FY 2014-15

#	FUND NAME	(1) Available Resources @ July 1, 2014	(2) FY 2014-15 Adjusted Revenue	(3) FY 2014-15 Adjusted Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ July 1, 2015 (Col. 1+4)
<b>Governmental Funds</b>						
001	General	2,858,705	13,921,923	13,921,923	-	2,858,705
	<b>Subtotal</b>	<b>2,858,705</b>	<b>13,921,923</b>	<b>13,921,923</b>	<b>-</b>	<b>2,858,705</b>
<b>Special Revenue Funds</b>						
002	Developer Deposit Fund	2,964	-	-	-	2,964
003	Riverside County MOU	115,080	494,789	607,581	(112,792)	2,288
100	Gas Tax Street	107,862	923,641	965,493	(41,852)	66,010
101	Measure A Street	1,003,527	532,200	580,000	(47,800)	955,727
103	SB300 Street Improvement	71,238	200	-	200	71,438
104	Article 3 - Sidewalk Construction	13,259	25	-	25	13,284
110	C.D.B.G.	-	245,000	245,000	-	-
111	Landscape Maintenance Assmt. Dist.#1	224,506	137,989	128,582	9,407	233,913
132	Air Quality Improvement	233,348	380,300	418,000	(37,700)	195,648
140	Asset Forfeiture	2,498	-	-	-	2,498
148	Supplemental Law Enforcement	100	100	-	100	200
150	State Park Bond Act	933	-	-	-	933
190	Housing Authority Fund	12	-	-	-	12
200	Special Donations	20,938	5,000	5,000	-	20,938
201	Senior Center Activities	52,875	6,300	11,450	(5,150)	47,725
202	Animal Control Reserve	4,896	-	-	-	4,896
203	Police Volunteer	220	-	220	(220)	-
300	City Hall COP Debt Service*	2,563	437,000	437,000	-	2,563
360	Sun Lakes CFD #86-1	34,958	60	-	60	35,018
365	Wilson Street #91-1 Assessment Debt	45,421	50	-	50	45,471
370	Area Police Computer	17,263	52,150	47,277	4,873	22,136
375	Fair Oaks #2004-1 Debt Service	190,728	202,499	202,499	-	190,728
376	Cameo Homes	45,800	100	-	100	45,900
	<b>Subtotal</b>	<b>2,190,989</b>	<b>3,417,403</b>	<b>3,648,102</b>	<b>(230,699)</b>	<b>1,960,290</b>

CITY OF BANNING  
Fund Summary Status  
FY15 Projections  
FY 2014-15

#	FUND NAME	(1) Available Resources @ July 1, 2014	(2) FY 2014-15 Adjusted Revenue	(3) FY 2014-15 Adjusted Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ July 1, 2015 (Col. 1+4)
<b>Capital Improvement Funds</b>						
400	Police Facilities Development	34,745	50	-	50	34,795
410	Fire Facility Development	934,550	1,500	-	1,500	936,050
420	Traffic Control Facility	379,601	1,000	-	1,000	380,601
421	Ramsey/Highland Home Traffic Signal	80,698	150	-	150	80,848
430	General Facilities	433,357	800	60,000	(59,200)	374,157
441	Sunset Grade Separation Fund	40,936	-	-	-	40,936
444	Wilson Median	377,409	700	-	700	378,109
451	Park Development	25,909	2,205	-	2,205	28,114
470	Capital Improvement Fund	638,593	300	120,000	(119,700)	518,893
	<b>Subtotal</b>	<b>2,945,798</b>	<b>6,705</b>	<b>180,000</b>	<b>(173,295)</b>	<b>2,772,503</b>
<b>Banning Utility Authority</b>						
660	Water Operations	7,934,272	10,669,000	9,879,065	789,935	8,724,207
661	Water Capital Facility Fee	1,621,634	26,964	200,000	(173,036)	1,448,598
663	BUA Water Capital Project Fund	1,845,091	2,900	300,000	(297,100)	1,547,991
669	BUA Water Debt Service Fund	84,353	2,290,087	2,291,187	(1,100)	83,253
	<b>Water Subtotal</b>	<b>11,485,350</b>	<b>12,988,951</b>	<b>12,670,252</b>	<b>318,699</b>	<b>11,804,049</b>
680	Wastewater Operations	999,329	3,212,104	3,189,143	22,961	1,022,290
681	Wastewater Capital Facility Fees	9,917,246	34,644	115,000	(80,356)	9,836,890
683	BUA WWtr Capital Project Fund	2,728,729	1,300	-	1,300	2,730,029
685	State Revolving Loan	770,713	301,275	299,882	1,393	772,106
689	BUA Wastewater Debt Service Fund	89,651	398,250	397,750	500	90,151
	<b>Wastewater Subtotal</b>	<b>14,505,668</b>	<b>3,947,573</b>	<b>4,001,775</b>	<b>(54,202)</b>	<b>14,451,466</b>
662	Irrigation Water	-	2,500	-	2,500	2,500
682	Wastewater Tertiary	2,194,190	362,500	-	362,500	2,556,690
	<b>Reclaimed Water Subtotal</b>	<b>2,194,190</b>	<b>365,000</b>	<b>-</b>	<b>365,000</b>	<b>2,559,190</b>
	<b>Subtotal</b>	<b>28,185,208</b>	<b>17,301,524</b>	<b>16,672,027</b>	<b>629,497</b>	<b>28,814,705</b>
<b>Enterprise Funds</b>						
600	Airport	81,272	548,175	575,264	(27,089)	54,183
610	Transit Operations	-	1,645,235	1,645,235	-	-
690	Refuse	761,087	3,303,195	3,198,161	105,034	866,121
	<b>Subtotal</b>	<b>842,359</b>	<b>5,496,605</b>	<b>5,418,660</b>	<b>77,945</b>	<b>920,304</b>
670	Electric Operations	9,623,127	29,773,000	29,110,905	662,095	10,285,222
672	Rate Stability	6,012,169	10,000	-	10,000	6,022,169
673	Electric Improvement	6,924,309	15,141	415,000	(399,859)	6,524,450
674	2007 Elec Rev Bond Project Fund	6,433,605	5,350	4,850,000	(4,844,650)	1,588,955
675	Public Benefit Fund	304,734	784,250	776,959	7,291	312,025
678	2007 Elec Rev Bond Debt Service	297,070	2,673,276	2,673,076	200	297,270
	<b>Electric Subtotal</b>	<b>29,595,014</b>	<b>33,261,017</b>	<b>37,825,940</b>	<b>(4,564,923)</b>	<b>25,030,091</b>
	<b>Subtotal</b>	<b>30,437,373</b>	<b>38,757,622</b>	<b>43,244,600</b>	<b>(4,486,978)</b>	<b>25,950,395</b>

CITY OF BANNING  
**Fund Summary Status**  
**FY15 Projections**  
**FY 2014-15**

#	FUND NAME	(1) Available Resources @ July 1, 2014	(2) FY 2014-15 Adjusted Revenue	(3) FY 2014-15 Adjusted Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ July 1, 2015 (Col. 1+4)
<b><i>Internal Service Funds</i></b>						
700	Risk Management Fund	1,036,620	2,583,497	2,533,310	50,187	1,086,807
702	Fleet Maintenance	621,017	1,119,829	1,156,574	(36,745)	584,272
703	Information Systems Services	60,808	424,661	424,947	(286)	60,522
761	Utility Billing Administration	97,729	1,774,418	1,777,312	(2,894)	94,835
	<b>Subtotal</b>	<b>1,816,174</b>	<b>5,902,405</b>	<b>5,892,143</b>	<b>10,262</b>	<b>1,826,436</b>
<b><i>Successor Agency Funds</i></b>						
805	Redevelopment Obligation Retirement Fund	1,584,312	3,272,098	3,220,103	51,995	1,636,307
810	Successor Housing Agency	37,639	50	-	50	37,689
830	Debt Service Fund	49,866	2,998,685	2,836,118	162,567	212,433
850	Successor Agency	1,501,336	288,000	285,000	3,000	1,504,336
855	2007 TAPBS Bond Proceeds	7,252,448	5,813	20,532	(14,719)	7,237,729
856	2003 TABS Bond Proceeds	239,586	32,974	-	32,974	272,560
857	2003 TABS Bond Proceeds Low/Mod	450,692	900	-	900	451,592
	<b>Subtotal</b>	<b>11,115,879</b>	<b>6,598,520</b>	<b>6,361,753</b>	<b>236,767</b>	<b>11,352,646</b>
	<b>GRAND TOTAL ALL FUNDS</b>	<b>79,550,126</b>	<b>85,906,102</b>	<b>89,920,548</b>	<b>(4,014,446)</b>	<b>75,535,680</b>

CITY OF BANNING  
**Fund Summary Status**  
**FY16 Projections**  
**FY 2015-16**

#	FUND NAME	(1) Available Resources @ July 1, 2015	(2) FY 2015-16 Adjusted Revenue	(3) FY 2015-16 Adjusted Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ July 1, 2016 (Col. 1+4)
<b><u>Governmental Funds</u></b>						
001	General	2,858,705	14,150,397	14,280,764	(130,367)	2,728,338
	<b>Subtotal</b>	<b>2,858,705</b>	<b>14,150,397</b>	<b>14,280,764</b>	<b>(130,367)</b>	<b>2,728,338</b>
<b><u>Special Revenue Funds</u></b>						
002	Developer Deposit Fund	2,964	-	-	-	2,964
003	Riverside County MOU	2,288	613,686	615,939	(2,253)	35
100	Gas Tax Street	66,010	923,641	984,848	(61,207)	4,803
101	Measure A Street	955,727	730,200	1,005,000	(274,800)	680,927
103	SB300 Street Improvement	71,438	200	-	200	71,638
104	Article 3 - Sidewalk Construction	13,284	25	-	25	13,309
110	C.D.B.G.	-	-	-	-	-
111	Landscape Maintenance Assmt. Dist.#1	233,913	137,989	128,586	9,403	243,316
132	Air Quality Improvement	195,648	30,300	68,000	(37,700)	157,948
140	Asset Forfeiture	2,498	-	-	-	2,498
148	Supplemental Law Enforcement	200	100	-	100	300
150	State Park Bond Act	933	-	-	-	933
190	Housing Authority Fund	12	-	-	-	12
200	Special Donations	20,938	5,000	5,000	-	20,938
201	Senior Center Activities	47,725	6,300	10,200	(3,900)	43,825
202	Animal Control Reserve	4,896	-	-	-	4,896
203	Police Volunteer	-	-	-	-	-
300	City Hall COP Debt Service*	2,563	437,000	437,000	-	2,563
360	Sun Lakes CFD #86-1	35,018	60	-	60	35,078
365	Wilson Street #91-1 Assessment Debt	45,471	50	-	50	45,521
370	Area Police Computer	22,136	52,150	47,277	4,873	27,009
375	Fair Oaks #2004-1 Debt Service	190,728	203,010	203,010	-	190,728
376	Cameo Homes	45,900	100	-	100	46,000
	<b>Subtotal</b>	<b>1,960,290</b>	<b>3,139,811</b>	<b>3,504,860</b>	<b>(365,049)</b>	<b>1,595,241</b>

CITY OF BANNING  
Fund Summary Status  
FY16 Projections  
FY 2015-16

#	FUND NAME	(1) Available Resources @ July 1, 2015	(2) FY 2015-16 Adjusted Revenue	(3) FY 2015-16 Adjusted Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ July 1, 2016 (Col. 1+4)
<b>Capital Improvement Funds</b>						
400	Police Facilities Development	34,795	50	-	50	34,845
410	Fire Facility Development	936,050	1,500	-	1,500	937,550
420	Traffic Control Facility	380,601	1,000	-	1,000	381,601
421	Ramsey/Highland Home Traffic Signal	80,848	150	-	150	80,998
430	General Facilities	374,157	800	-	800	374,957
441	Sunset Grade Separation Fund	40,936	-	-	-	40,936
444	Wilson Median	378,109	700	-	700	378,809
451	Park Development	28,114	2,205	-	2,205	30,319
470	Capital Improvement Fund	518,893	300	-	300	519,193
	<b>Subtotal</b>	<b>2,772,503</b>	<b>6,705</b>	<b>-</b>	<b>6,705</b>	<b>2,779,208</b>
<b>Banning Utility Authority</b>						
660	Water Operations	8,724,207	10,671,000	10,364,214	306,786	9,030,993
661	Water Capital Facility Fee	1,448,598	49,660	750,000	(700,340)	748,258
663	BUA Water Capital Project Fund	1,547,991	2,900	300,000	(297,100)	1,250,891
669	BUA Water Debt Service Fund	83,253	2,291,479	2,292,579	(1,100)	82,153
	<b>Water Subtotal</b>	<b>11,804,049</b>	<b>13,015,039</b>	<b>13,706,793</b>	<b>(691,754)</b>	<b>11,112,295</b>
680	Wastewater Operations	1,022,290	3,212,104	3,125,198	86,906	1,109,196
681	Wastewater Capital Facility Fees	9,836,890	52,360	270,000	(217,640)	9,619,250
683	BUA WWtr Capital Project Fund	2,730,029	1,300	100,000	(98,700)	2,631,329
685	State Revolving Loan	772,106	301,275	299,768	1,507	773,613
689	BUA Wastewater Debt Service Fund	90,151	399,139	398,639	500	90,651
	<b>Wastewater Subtotal</b>	<b>14,451,466</b>	<b>3,966,178</b>	<b>4,193,605</b>	<b>(227,427)</b>	<b>14,224,039</b>
662	Irrigation Water	2,500	2,497,500	2,500,000	(2,500)	-
682	Wastewater Tertiary	2,556,690	362,500	2,495,000	(2,132,500)	424,190
	<b>Reclaimed Water Subtotal</b>	<b>2,559,190</b>	<b>2,860,000</b>	<b>4,995,000</b>	<b>(2,135,000)</b>	<b>424,190</b>
	<b>Subtotal</b>	<b>28,814,705</b>	<b>19,841,217</b>	<b>22,895,398</b>	<b>(3,054,181)</b>	<b>25,760,524</b>
<b>Enterprise Funds</b>						
600	Airport	54,183	218,700	248,664	(29,964)	24,219
610	Transit Operations	-	1,666,675	1,666,675	-	-
690	Refuse	866,121	3,332,000	3,241,006	90,994	957,115
	<b>Subtotal</b>	<b>920,304</b>	<b>5,217,375</b>	<b>5,156,345</b>	<b>61,030</b>	<b>981,334</b>
670	Electric Operations	10,285,222	30,023,000	29,531,706	491,294	10,776,516
672	Rate Stability	6,022,169	10,000	-	10,000	6,032,169
673	Electric Improvement	6,524,450	15,141	1,055,695	(1,040,554)	5,483,896
674	2007 Elec Rev Bond Project Fund	1,588,955	1,061,045	2,650,000	(1,588,955)	-
675	Public Benefit Fund	312,025	791,375	784,016	7,359	319,384
678	2007 Elec Rev Bond Debt Service	297,270	2,668,058	2,667,858	200	297,470
	<b>Electric Subtotal</b>	<b>25,030,091</b>	<b>34,568,619</b>	<b>36,689,275</b>	<b>(2,120,656)</b>	<b>22,909,435</b>
	<b>Subtotal</b>	<b>25,950,395</b>	<b>39,785,994</b>	<b>41,845,620</b>	<b>(2,059,626)</b>	<b>23,890,769</b>

CITY OF BANNING  
**Fund Summary Status**  
**FY16 Projections**  
**FY 2015-16**

#	FUND NAME	(1) Available Resources @ July 1, 2015	(2) FY 2015-16 Adjusted Revenue	(3) FY 2015-16 Adjusted Expenditures	(4) Proj. YTD Gain/(Loss) (Col. 2-3)	(5) Proj. Balance @ July 1, 2016 (Col. 1+4)
<b>Internal Service Funds</b>		-				
700	Risk Management Fund	1,086,807	2,659,225	2,606,836	52,389	1,139,196
702	Fleet Maintenance	584,272	1,128,540	1,125,322	3,218	587,490
703	Information Systems Services	60,522	430,811	431,121	(310)	60,212
761	Utility Billing Administration	94,835	1,819,175	1,822,120	(2,945)	91,890
	<b>Subtotal</b>	<b>1,826,436</b>	<b>6,037,751</b>	<b>5,985,399</b>	<b>52,352</b>	<b>1,878,788</b>
<b>Successor Agency Funds</b>						
805	Redevelopment Obligation Retirement Fund	1,636,307	3,272,098	3,272,098	-	1,636,307
810	Successor Housing Agency	37,689	50	-	50	37,739
830	Debt Service Fund	212,433	3,050,680	2,850,168	200,512	412,945
850	Successor Agency	1,504,336	288,000	285,000	3,000	1,507,336
855	2007 TAPBS Bond Proceeds	7,237,729	5,813	20,532	(14,719)	7,223,010
856	2003 TABS Bond Proceeds	272,560	32,974	-	32,974	305,534
857	2003 TABS Bond Proceeds Low/Mod	451,592	900	-	900	452,492
	<b>Subtotal</b>	<b>11,352,646</b>	<b>6,650,515</b>	<b>6,427,798</b>	<b>222,717</b>	<b>11,575,363</b>
	<b>GRAND TOTAL ALL FUNDS</b>	<b>75,535,680</b>	<b>89,612,390</b>	<b>94,939,839</b>	<b>(5,327,449)</b>	<b>70,208,231</b>

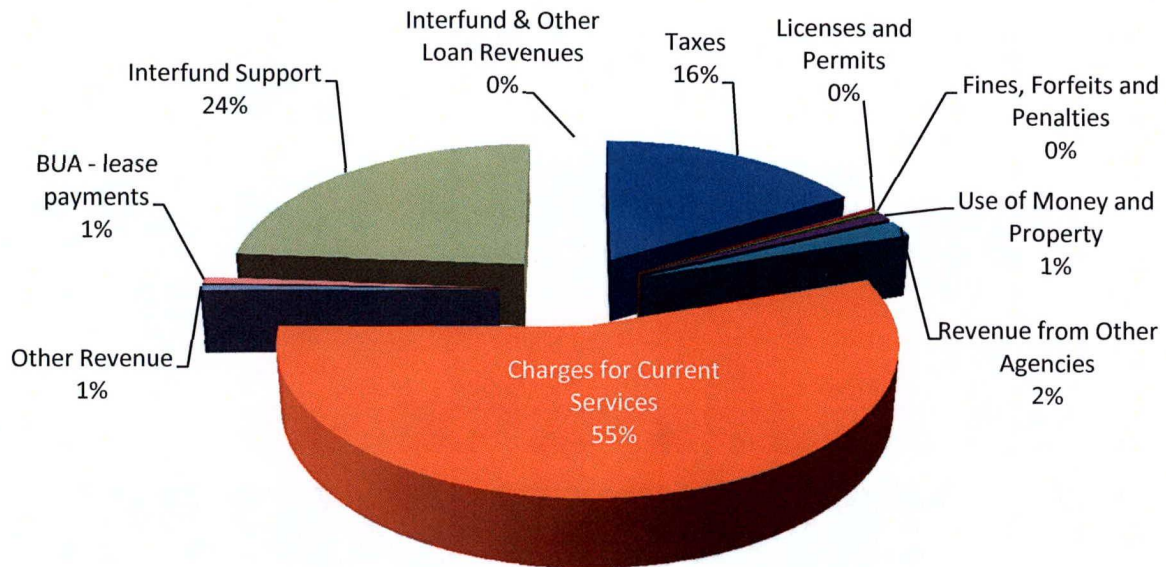
City of Banning  
**Total City Revenues By Category and Fund**

Category	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
Taxes	13,500,429	13,911,136	14,559,132	14,794,382
Licenses and Permits	171,406	205,516	213,500	215,500
Fines, Forfeits and Penalties	291,465	261,550	257,950	257,950
Use of Money and Property	760,780	814,334	793,551	792,773
Revenue from Other Agencies	3,223,009	4,553,427	2,043,208	1,636,441
Charges for Current Services	47,664,320	49,489,064	49,042,752	49,352,882
Other Revenue	1,023,078	3,281,856	498,111	539,687
BUA - lease payments	651,000	651,000	651,000	651,000
Interfund Support	18,465,885	20,808,508	17,476,451	21,350,550
Interfund & Other Loan Revenues	92,515	41,163	370,447	21,225
<b>Total</b>	<b>85,843,887</b>	<b>94,017,554</b>	<b>85,906,102</b>	<b>89,612,390</b>

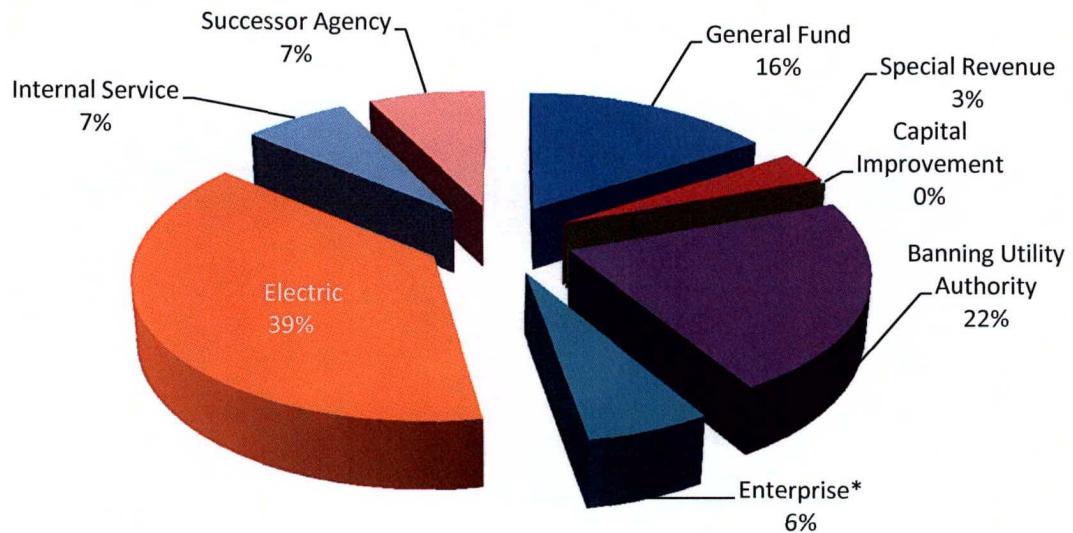
Funds	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
General Fund	14,920,039	13,856,021	13,921,923	14,150,397
Special Revenue	3,145,217	4,711,897	3,417,403	3,139,811
Capital Improvement	272,914	2,640,747	6,705	6,705
Banning Utility Authority	16,621,453	19,047,753	17,301,524	19,841,217
Enterprise*	4,810,136	6,713,769	5,496,605	5,217,375
Electric	33,364,190	33,512,410	33,261,017	34,568,619
Internal Service	5,705,684	5,907,020	5,902,405	6,037,751
Successor Agency	7,004,254	7,627,937	6,598,520	6,650,515
<b>Total</b>	<b>85,843,887</b>	<b>94,017,554</b>	<b>85,906,102</b>	<b>89,612,390</b>

\*Electric Utility Funds are not calculated in these totals.

City of Banning  
Fiscal year 2014-15  
**Total Revenue All Funds = \$85,906,102**  
**Revenue by Category - All Funds**



**Revenue by Fund - All Funds**



## City of Banning

## Total City Expenses By Category and Fund

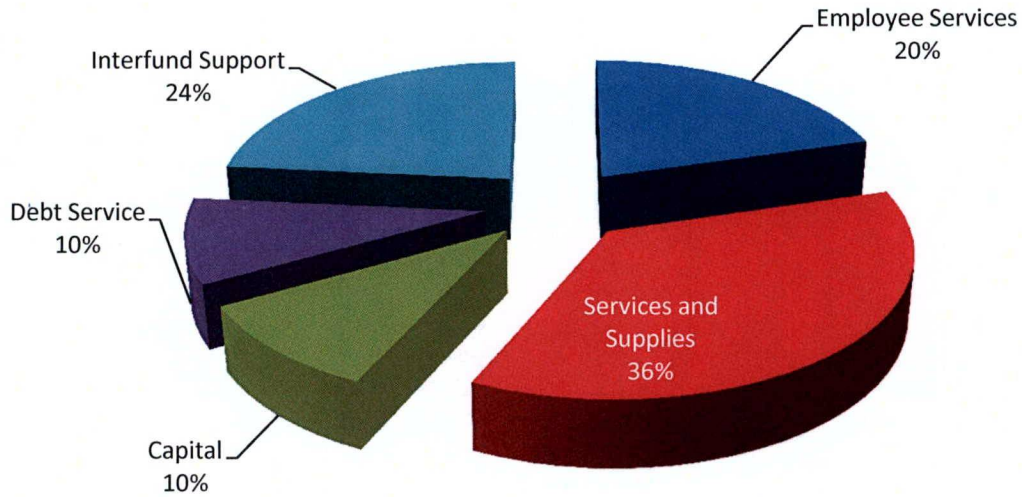
Category	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
Employee Services	16,962,768	17,769,028	18,966,000	19,450,881
Services and Supplies	36,161,441	34,756,974	34,489,780	34,451,485
Capital	6,004,729	24,648,485	8,843,721	9,603,132
Debt Service	9,175,707	10,127,030	9,184,287	9,128,547
Interfund Support	19,327,879	21,925,930	18,436,760	22,305,794
<b>Total</b>	<b>87,632,524</b>	<b>109,227,447</b>	<b>89,920,548</b>	<b>94,939,839</b>

<b>Budgeted Personnel</b>	<b>160.18</b>	<b>159.02</b>	<b>166.40</b>	<b>166.40</b>
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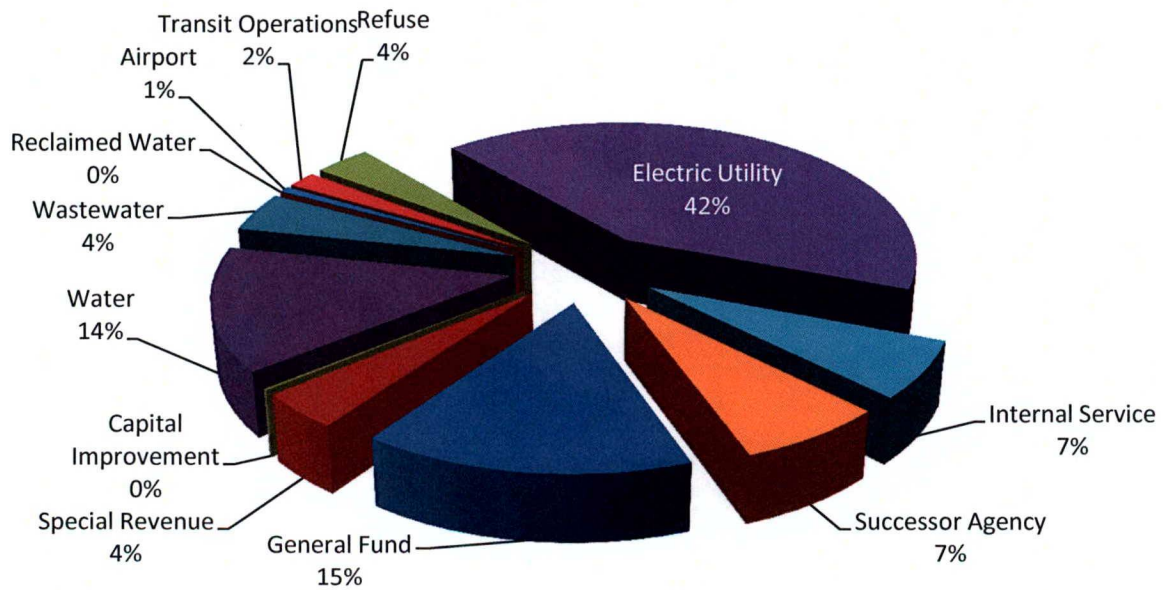
Funds	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
General Fund	12,846,072	14,354,492	13,921,923	14,280,764
Special Revenue	3,096,394	6,022,080	3,648,102	3,504,860
Capital Improvement	1,809,379	526,232	180,000	-
Banning Utility Authority	15,631,772	25,560,094	16,672,027	22,895,398
Enterprise*	4,506,624	6,708,514	5,418,660	5,156,345
Electric	33,973,043	41,205,822	37,825,940	36,689,275
Internal Service	5,315,262	5,956,272	5,892,143	5,985,399
Successor Agency	10,453,978	8,893,941	6,361,753	6,427,798
<b>Total</b>	<b>87,632,524</b>	<b>109,227,447</b>	<b>89,920,548</b>	<b>94,939,839</b>

\*Electric Utility Funds are not calculated in these totals.

City of Banning  
Fiscal year 2014-15  
**Total Expenditures All Funds = \$89,920,548**  
**Expenditure by Category - All Funds**



**Expenditures by Fund - All Funds**



City of Banning  
Other Funds Revenue Summary

Fund #	Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b><u>SPECIAL REVENUE FUNDS</u></b>					
002	Developer Deposits - Community Dev.	133,134	449,309	-	-
003	County of Riverside - Police MOU	545,697	450,150	494,789	613,686
100	Gas Tax	843,602	1,392,828	923,641	923,641
101	Measure A Street	534,222	914,847	532,200	730,200
103	SB300 Street Improvement	145	425	200	200
104	Article 3 - Sidewalk Construction	(60)	-	25	25
110	C.D.B.G.	5,275	508,975	245,000	-
111	Landscape Maintenance Assmt. Dist.#1	132,620	138,139	137,989	137,989
132	Air Quality	36,351	30,250	380,300	30,300
140	Asset Forfeiture	3	-	-	-
148	Supplemental Law Enforcement	75,038	125,100	100	100
149	Public Safety - Sales Tax	(1)	-	-	-
150	State Park Bond Act	1	-	-	-
190	Housing Authority Fund	136,935	-	-	-
200	Special Donations	17,435	9,025	5,000	5,000
201	Senior Center Activities	4,717	6,650	6,300	6,300
202	Animal Control Reserve	5	-	-	-
203	Police Volunteer	3	-	-	-
300	City Hall COP Debt Service	436,954	437,001	437,000	437,000
360	Sun Lakes CFD #86-1	36	-	60	60
365	Assessment Dist - #91-1 Wilson St. Debt	2,315	-	50	50
370	Area Police Computer	41,489	46,669	52,150	52,150
375	Fair Oaks 2004-1 Debt Service	199,254	202,429	202,499	203,010
376	Cameo Homes	47	100	100	100
<b><i>Special Revenue Funds</i></b>		<b><i>3,145,217</i></b>	<b><i>4,711,897</i></b>	<b><i>3,417,403</i></b>	<b><i>3,139,811</i></b>

City of Banning  
**Other Funds Revenue Summary**

Fund #	Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b><u>CAPITAL IMPROVEMENT FUNDS</u></b>					
400	Police Facilities Development	35	823	50	50
410	Fire Facility Development	953	2,535	1,500	1,500
420	Traffic Control Facility	433	850	1,000	1,000
421	Ramsey & Highland Home Traffic Signal	82	150	150	150
430	General Facilities	486	1,678	800	800
441	Sunset Grade Separation Fund	266,516	2,631,606	-	-
444	Wilson Median	385	500	700	700
451	Park Development	159	2,205	2,205	2,205
470	Capital Improvement Funds	3,865	400	300	300
<b><i>Capital Improvement Funds</i></b>		<b>272,914</b>	<b>2,640,747</b>	<b>6,705</b>	<b>6,705</b>
<b><u>BANNING UTILITY AUTHORITY</u></b>					
660	Water Operations	10,092,072	10,667,217	10,669,000	10,671,000
661	Water Capital Facility Fee	195,203	23,500	26,964	49,660
663	BUA Water Capital Project Fund	2,338	3,200	2,900	2,900
669	BUA Water Debt Service Fund	2,289,116	2,289,205	2,290,087	2,291,479
<b><i>Water Subtotal</i></b>		<b>12,578,729</b>	<b>12,983,122</b>	<b>12,988,951</b>	<b>13,015,039</b>
680	Wastewater Operations	2,939,644	3,113,854	3,212,104	3,212,104
681	Wastewater Capital Facility Fees	59,934	30,000	34,644	52,360
683	BUA Wastewater Capital Project Fund	1,385	1,200	1,300	1,300
685	State Revolving Loan	300,745	301,500	301,275	301,275
689	BUA Wastewater Debt Service Fund	393,623	393,618	398,250	399,139
<b><i>Wastewater Subtotal</i></b>		<b>3,695,331</b>	<b>3,840,172</b>	<b>3,947,573</b>	<b>3,966,178</b>
662	Irrigation Water	2,109	1,888,459	2,500	2,497,500
682	Wastewater Tertiary	345,284	336,000	362,500	362,500
<b><i>Reclaimed Water Subtotal</i></b>		<b>347,393</b>	<b>2,224,459</b>	<b>365,000</b>	<b>2,860,000</b>
<b><i>Banning Utility Authority</i></b>		<b>16,621,453</b>	<b>19,047,753</b>	<b>17,301,524</b>	<b>19,841,217</b>

City of Banning  
**Other Funds Revenue Summary**

Fund #	Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b><u>ENTERPRISE FUNDS</u></b>					
600	Airport	318,036	809,992	548,175	218,700
610	Transit Operations	1,232,950	2,652,277	1,645,235	1,666,675
690	Refuse	3,259,150	3,251,500	3,303,195	3,332,000
	<i>Subtotal</i>	<i>4,810,136</i>	<i>6,713,769</i>	<i>5,496,605</i>	<i>5,217,375</i>
670	Electric Operations	29,231,606	30,005,100	29,773,000	30,023,000
672	Rate Stability	66,261	10,000	10,000	10,000
673	Electric Improvement	805,289	33,614	15,141	15,141
674	2007 Electric Bond Project Fund	6,454	3,050	5,350	1,061,045
675	Public Benefit Fund	680,092	792,700	784,250	791,375
678	2007 Electric Debt Service Fund	2,574,488	2,667,946	2,673,276	2,668,058
	<i>Electric Subtotal</i>	<i>33,364,190</i>	<i>33,512,410</i>	<i>33,261,017</i>	<i>34,568,619</i>
	<b>Enterprise Funds</b>	<b>38,174,326</b>	<b>40,226,179</b>	<b>38,757,622</b>	<b>39,785,994</b>
<b><u>INTERNAL SERVICE FUNDS</u></b>					
700	Risk Management	2,677,242	2,759,729	2,583,497	2,659,225
702	Fleet Maintenance	1,131,878	1,106,859	1,119,829	1,128,540
703	Information Systems Services	388,818	406,282	424,661	430,811
761	Utility Billing Services	1,507,746	1,634,150	1,774,418	1,819,175
	<b>Internal Service Funds</b>	<b>5,705,684</b>	<b>5,907,020</b>	<b>5,902,405</b>	<b>6,037,751</b>
<b><u>SUCCESSOR AGENCY FUNDS</u></b>					
805	Redevelopment Obligation Retirement	3,309,413	3,236,766	3,272,098	3,272,098
810	Successor Housing Agency	(439)	100	50	50
830	Debt Service Fund	3,522,354	4,058,779	2,998,685	3,050,680
850	Successor Agency	127,331	252,000	288,000	288,000
855	Tax Allocation Bonds-2007 Tabs	3,647	3,000	5,813	5,813
856	Tax Allocation Bonds-2003 Tabs	41,601	76,292	32,974	32,974
857	Low\Mod Tax Alloc Bonds-2003 Tabs	361	1,000	900	900
860	Project Fund	(14)	-	-	-
	<b>Successor Agency Funds</b>	<b>7,004,254</b>	<b>7,627,937</b>	<b>6,598,520</b>	<b>6,650,515</b>
<b>Other Funds Grand Total</b>		<b>70,923,848</b>	<b>80,161,533</b>	<b>71,984,179</b>	<b>75,461,993</b>

City of Banning  
Other Funds Expenditure Summary

Fund #	Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b>SPECIAL REVENUE FUNDS</b>					
002	Developer Deposits - Community Dev.	130,170	449,309	-	-
003	County of Riverside - Police MOU	550,531	569,439	607,581	615,939
100	Gas Tax	996,665	1,875,844	965,493	984,848
101	Measure A Street	99,965	1,507,226	580,000	1,005,000
103	SB300 Street Improvement	54,844	22,346	-	-
104	Article 3 - Sidewalk Construction	-	-	-	-
110	C.D.B.G.	-	508,975	245,000	-
111	Landscape Maintenance Assmt. Dist.#1	134,223	128,994	128,582	128,586
132	Air Quality	3,000	43,000	418,000	68,000
140	Asset Forfeiture	-	-	-	-
148	Supplemental Law Enforcement	241,997	211,191	-	-
149	Public Safety - Sales Tax	24,628	-	-	-
150	State Park Bond Act	-	-	-	-
190	Housing Authority Fund	136,878	-	-	-
200	Special Donations	23,384	6,500	5,000	5,000
201	Senior Center Activities	13,093	13,000	11,450	10,200
202	Animal Control Reserve	-	-	-	-
203	Police Volunteer	863	2,613	220	-
300	City Hall COP Debt Service	435,787	437,001	437,000	437,000
360	Sun Lakes CFD #86-1	-	-	-	-
365	Assessment Dist - #91-1 Wilson St. Debt	-	-	-	-
370	Area Police Computer	50,092	46,699	47,277	47,277
375	Fair Oaks 2004-1 Debt Service	200,274	199,943	202,499	203,010
376	Cameo Homes	-	-	-	-
<b>Special Revenue Funds</b>		<b>3,096,394</b>	<b>6,022,080</b>	<b>3,648,102</b>	<b>3,504,860</b>

City of Banning  
**Other Funds Expenditure Summary**

Fund #	Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b><u>CAPITAL IMPROVEMENT FUNDS</u></b>					
400	Police Facilities Development	-	-	-	-
410	Fire Facility Development	-	-	-	-
420	Traffic Control Facility	-	45,000	-	-
421	Ramsey & Highland Home Traffic Signal	-	-	-	-
430	General Facilities	1,075	45,000	60,000	-
441	Sunset Grade Separation Fund	1,781,680	304,186	-	-
444	Wilson Median	-	-	-	-
451	Park Development	-	132,046	-	-
470	Capital Improvement Funds	26,624	-	120,000	-
<b><i>Capital Improvement Funds</i></b>		<b><i>1,809,379</i></b>	<b><i>526,232</i></b>	<b><i>180,000</i></b>	<b><i>-</i></b>
<b><u>BANNING UTILITY AUTHORITY</u></b>					
660	Water Operations	7,800,527	9,076,140	9,879,065	10,364,214
661	Water Capital Facility Fee	79,168	3,274,486	200,000	750,000
663	BUA Water Capital Project Fund	135,000	500,000	300,000	300,000
666	Water Participation CTF-86	-	-	-	-
667	Water Participation CTFS-8	-	-	-	-
669	BUA Water Debt Service Fund	2,290,504	2,289,855	2,291,187	2,292,579
<b><i>Water Subtotal</i></b>		<b><i>10,305,199</i></b>	<b><i>15,140,481</i></b>	<b><i>12,670,252</i></b>	<b><i>13,706,793</i></b>
680	Wastewater Operations	2,907,514	3,318,798	3,189,143	3,125,198
681	Wastewater Capital Facility Fees	-	770,000	115,000	270,000
683	BUA Wastewater Capital Project Fund	33,106	543,061	-	100,000
685	State Revolving Loan	300,103	299,995	299,882	299,768
687	Water Participation CTFS-89	-	-	-	-
689	BUA Wastewater Debt Service Fund	393,389	393,193	397,750	398,639
<b><i>Wastewater Subtotal</i></b>		<b><i>3,634,112</i></b>	<b><i>5,325,047</i></b>	<b><i>4,001,775</i></b>	<b><i>4,193,605</i></b>
662	Irrigation Water	1,692,461	3,209,107	-	2,500,000
682	Wastewater Tertiary	-	1,885,459	-	2,495,000
<b><i>Reclaimed Water Subtotal</i></b>		<b><i>1,692,461</i></b>	<b><i>5,094,566</i></b>	<b><i>-</i></b>	<b><i>4,995,000</i></b>
<b><i>Banning Utility Authority</i></b>		<b><i>15,631,772</i></b>	<b><i>25,560,094</i></b>	<b><i>16,672,027</i></b>	<b><i>22,895,398</i></b>

City of Banning  
Other Funds Expenditure Summary

Fund #	Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b>ENTERPRISE FUNDS</b>					
600	Airport	350,320	948,380	575,264	248,664
610	Transit Operations	1,232,837	2,652,277	1,645,235	1,666,675
690	Refuse	2,923,467	3,107,857	3,198,161	3,241,006
	<i>Subtotal</i>	<i>4,506,624</i>	<i>6,708,514</i>	<i>5,418,660</i>	<i>5,156,345</i>
670	Electric Operations	29,007,785	28,202,269	29,110,905	29,531,706
672	Rate Stability	-	-	-	-
673	Electric Improvement	705,088	1,853,104	415,000	1,055,695
674	2007 Electric Bond Project Fund	987,031	7,705,547	4,850,000	2,650,000
675	Public Benefit Fund	597,710	777,356	776,959	784,016
678	2007 Electric Debt Service Fund	2,675,429	2,667,546	2,673,076	2,667,858
	<i>Electric Subtotal</i>	<i>33,973,043</i>	<i>41,205,822</i>	<i>37,825,940</i>	<i>36,689,275</i>
	<b>Enterprise Funds</b>	<b>38,479,667</b>	<b>47,914,336</b>	<b>43,244,600</b>	<b>41,845,620</b>
<b>INTERNAL SERVICE FUNDS</b>					
700	Risk Management	2,308,890	2,674,585	2,533,310	2,606,836
702	Fleet Maintenance	1,109,711	1,111,131	1,156,574	1,125,322
703	Information Systems Services	397,363	462,904	424,947	431,121
761	Utility Billing Services	1,499,298	1,707,652	1,777,312	1,822,120
	<b>Internal Service Funds</b>	<b>5,315,262</b>	<b>5,956,272</b>	<b>5,892,143</b>	<b>5,985,399</b>
<b>SUCCESSOR AGENCY FUNDS</b>					
805	Redevelopment Obligation Retirement	3,053,579	3,308,336	3,220,103	3,272,098
810	Successor Housing Agency	1,822,344	-	-	-
830	Debt Service Fund	2,901,112	3,992,969	2,836,118	2,850,168
850	Successor Agency	1,663,170	294,925	285,000	285,000
855	Tax Allocation Bonds-2007 Tabs	876,850	1,297,711	20,532	20,532
856	Tax Allocation Bonds-2003 Tabs	-	-	-	-
857	Low\Mod Tax Alloc Bonds-2003 Tabs	136,923	-	-	-
860	Project Fund	-	-	-	-
	<b>Successor Agency Funds</b>	<b>10,453,978</b>	<b>8,893,941</b>	<b>6,361,753</b>	<b>6,427,798</b>
<b>Other Funds Grand Total</b>		<b>74,786,452</b>	<b>94,872,955</b>	<b>75,998,625</b>	<b>80,659,075</b>

CITY OF BANNING  
Expenditures by Category  
FY 2014-15

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations +	Contra	+ Allocations +	Transfers			
<b><i>Special Revenue Funds</i></b>									
002	Developer Deposit Fund	-	-	-	-	-	-	-	-
003	Riverside County MOU	607,581	-	-	-	-	607,581	-	607,581
100	Gas Tax Street	453,357	133,835	-	378,301	-	965,493	-	965,493
101	Measure A Street	-	50,000	-	-	-	50,000	530,000	580,000
103	SB300 Street Improvement	-	-	-	-	-	-	-	-
104	Article 3 - Sidewalk Construction	-	-	-	-	-	-	-	-
110	C.D.B.G.	-	-	-	-	-	-	245,000	245,000
111	Landscape Maintenance Assmt. Dist.#1	-	128,250	-	332	-	128,582	-	128,582
132	Air Quality Improvement	-	68,000	-	-	-	68,000	350,000	418,000
140	Asset Forfeiture	-	-	-	-	-	-	-	-
148	Supplemental Law Enforcement	-	-	-	-	-	-	-	-
150	State Park Bond Act	-	-	-	-	-	-	-	-
190	Housing Authority Fund	-	-	-	-	-	-	-	-
200	Special Donations	-	5,000	-	-	-	5,000	-	5,000
201	Senior Center Activities	-	-	-	-	-	-	-	-
4050	Senior Center	-	2,600	-	-	-	2,600	-	2,600
4060	Senior Center Advisory Board	-	8,850	-	-	-	8,850	-	8,850
<b><i>Subtotal</i></b>		-	<b>11,450</b>	-	-	-	<b>11,450</b>	-	<b>11,450</b>
202	Animal Control Reserve	-	-	-	-	-	-	-	-
203	Police Volunteer	-	220	-	-	-	220	-	220
300	City Hall COP Debt Service*	-	437,000	-	-	-	437,000	-	437,000
360	Sun Lakes CFD #86-1	-	-	-	-	-	-	-	-
365	Wilson Street #91-1 Assessment Debt	-	-	-	-	-	-	-	-
370	Area Police Computer	-	45,277	-	2,000	-	47,277	-	47,277
375	Fair Oaks #2004-1 Debt Service	-	194,199	-	8,300	-	202,499	-	202,499
376	Cameo Homes	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>1,060,938</b>	<b>1,073,231</b>	-	<b>388,933</b>	-	<b>2,523,102</b>	<b>1,125,000</b>	<b>3,648,102</b>
<b><i>Capital Improvement Funds</i></b>									
400	Police Facilities Development	-	-	-	-	-	-	-	-
410	Fire Facility Development	-	-	-	-	-	-	-	-
420	Traffic Control Facility	-	-	-	-	-	-	-	-
421	Ramsey/Highland Home Traffic Signal	-	-	-	-	-	-	-	-
430	General Facilities	-	-	-	-	-	-	60,000	60,000
441	Sunset Grade Separation Fund	-	-	-	-	-	-	-	-
444	Wilson Median	-	-	-	-	-	-	-	-
451	Park Development	-	-	-	-	-	-	-	-
470	Capital Improvement Fund	-	-	-	-	-	-	120,000	120,000
<b>Subtotal</b>		-	-	-	-	-	-	<b>180,000</b>	<b>180,000</b>

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

CITY OF BANNING  
Expenditures by Category  
FY 2014-15

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations +	Contra	+ Allocations +	Transfers			
	<b>Banning Utility Authority</b>						-		
660	Water Operations	1,675,305	3,810,920	-	940,818	2,777,022	9,204,065	675,000	9,879,065
661	Water Capital Facility Fee	-	-	-	-	-	-	200,000	200,000
663	BUA Water Capital Project Fund	-	-	-	-	-	-	300,000	300,000
669	BUA Water Debt Service Fund	-	2,291,187	-	-	-	2,291,187	-	2,291,187
	Water Subtotal	1,675,305	6,102,107	-	940,818	2,777,022	11,495,252	1,175,000	12,670,252
680	Wastewater Operations	645,453	1,198,700	-	360,890	879,100	3,084,143	105,000	3,189,143
681	Wastewater Capital Facility Fees	-	-	-	-	-	-	115,000	115,000
683	BUA WWtr Capital Project Fund	-	-	-	-	-	-	-	-
685	State Revolving Loan	-	299,882	-	-	-	299,882	-	299,882
689	BUA Wastewater Debt Service Fund	-	397,750	-	-	-	397,750	-	397,750
	Wastewater Subtotal	645,453	1,896,332	-	360,890	879,100	3,781,775	220,000	4,001,775
662	Irrigation Water	-	-	-	-	-	-	-	-
682	Wastewater Tertiary	-	-	-	-	-	-	-	-
	Reclaimed Water Subtotal	-	-	-	-	-	-	-	-
	Subtotal	2,320,758	7,998,439	-	1,301,708	3,656,122	15,277,027	1,395,000	16,672,027
	<b>Enterprise Funds</b>						-		
600	Airport	49,889	149,545	-	45,830	-	245,264	330,000	575,264
610	Transit Operations	1,085,400	68,123	-	472,523	-	1,626,046	19,189	1,645,235
690	Refuse	131,482	2,812,020	-	179,659	55,000	3,178,161	20,000	3,198,161
	Subtotal	1,266,771	3,029,688	-	698,012	55,000	5,049,471	369,189	5,418,660
670	Electric Operations						-		
7000	Electric	3,381,354	846,720	(300,000)	4,316,150	2,671,476	10,915,700	621,000	11,536,700
7010	Generation & Transmission	145,116	17,369,680	-	59,409	-	17,574,205	-	17,574,205
	670 - Total	3,526,470	18,216,400	(300,000)	4,375,559	2,671,476	28,489,905	621,000	29,110,905
672	Rate Stability	-	-	-	-	-	-	-	-
673	Electric Improvement	-	-	-	-	-	-	415,000	415,000
674	2007 Elec Rev Bond Project Fund	-	-	-	300,000	-	300,000	4,550,000	4,850,000
675	Public Benefit Fund	162,666	586,676	-	27,617	-	776,959	-	776,959
678	2007 Elec Rev Bond Debt Service	-	2,673,076	-	-	-	2,673,076	-	2,673,076
	Electric Subtotal	3,689,136	21,476,152	-	4,703,176	2,671,476	32,539,940	5,586,000	37,825,940
	Subtotal	4,955,907	24,505,840	(300,000)	5,401,188	2,726,476	37,289,411	5,955,189	43,244,600

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

CITY OF BANNING  
Expenditures by Category  
FY 2014-15

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations	Contra	Allocations	Transfers			
Internal Service Funds									
700	Risk Management Fund						-		
5020	Workers Compensation	104,477	543,042	-	8,836	-	656,355	-	656,355
5030	Unemployment Insurance	6,505	25,185	-	981		32,671	-	32,671
5040	Liability Insurance	129,442	942,486	-	12,356		1,084,284	-	1,084,284
5300	City Attorney	-	760,000	-	-	-	760,000	-	760,000
700 - Total		240,424	2,270,713	-	22,173	-	2,533,310	-	2,533,310
702	Fleet Maintenance	348,513	758,295	-	49,766	-	1,156,574	-	1,156,574
703	Information Systems Services	278,547	118,090	-	28,310	-	424,947	-	424,947
761	Utility Billing Administration								
3100	Account & Collection Service	824,348	256,112	-	138,503	-	1,218,963	-	1,218,963
3110	Meter Reading & Service	422,842	12,570	-	100,937	-	536,349	22,000	558,349
761 - Total		1,247,190	268,682	-	239,440	-	1,755,312	22,000	1,777,312
Subtotal		2,114,674	3,415,780	-	339,689	-	5,870,143	22,000	5,892,143
Successor Agency Funds									
805	Redevelopment Obligation Retirement Fund	-	-	-	-	3,220,103	3,220,103	-	3,220,103
810	Successor Housing Agency	-	-	-	-	-	-	-	-
830	Debt Service Fund	-	2,836,118	-	-	-	2,836,118	-	2,836,118
850	Successor Agency	229,921	55,079	-	-	-	285,000	-	285,000
855	2007 TAPBS Bond Proceeds	-	-	-	-	20,532	20,532	-	20,532
856	2003 TABS Bond Proceeds	-	-	-	-	-	-	-	-
857	2003 TABS Bond Proceeds Low/Mod	-	-	-	-	-	-	-	-
Subtotal		229,921	2,891,197	-	-	3,240,635	6,361,753		6,361,753
OTHER FUNDS GRAND TOTAL		10,682,198	39,884,487	+	(300,000)	+	7,431,518	+	9,623,233
							67,321,436	+	8,677,189
									=
									75,998,625

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

CITY OF BANNING  
Expenditures by Category  
FY 2015-16

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations +	Contra	+ Allocations +	Transfers			
<u>Special Revenue Funds</u>									
002	Developer Deposit Fund	-	-	-	-	-	-	-	-
003	Riverside County MOU	615,939	-	-	-	-	615,939	-	615,939
100	Gas Tax Street	459,374	133,835	-	391,639	-	984,848	-	984,848
101	Measure A Street	-	50,000	-	-	-	50,000	955,000	1,005,000
103	SB300 Street Improvement	-	-	-	-	-	-	-	-
104	Article 3 - Sidewalk Construction	-	-	-	-	-	-	-	-
110	C.D.B.G.	-	-	-	-	-	-	-	-
111	Landscape Maintenance Assmt. Dist.#1	-	128,250	-	336	-	128,586	-	128,586
132	Air Quality Improvement	-	68,000	-	-	-	68,000	-	68,000
140	Asset Forfeiture	-	-	-	-	-	-	-	-
148	Supplemental Law Enforcement	-	-	-	-	-	-	-	-
150	State Park Bond Act	-	-	-	-	-	-	-	-
190	Housing Authority Fund	-	-	-	-	-	-	-	-
200	Special Donations	-	5,000	-	-	-	5,000	-	5,000
201	Senior Center Activities	-	-	-	-	-	-	-	-
4050	Senior Center	-	2,600	-	-	-	2,600	-	2,600
4060	Senior Center Advisory Board	-	7,600	-	-	-	7,600	-	7,600
	<b>Subtotal</b>	-	10,200	-	-	-	10,200	-	10,200
202	Animal Control Reserve	-	-	-	-	-	-	-	-
203	Police Volunteer	-	-	-	-	-	-	-	-
300	City Hall COP Debt Service*	-	437,000	-	-	-	437,000	-	437,000
360	Sun Lakes CFD #86-1	-	-	-	-	-	-	-	-
365	Wilson Street #91-1 Assessment Debt	-	-	-	-	-	-	-	-
370	Area Police Computer	-	45,277	-	2,000	-	47,277	-	47,277
375	Fair Oaks #2004-1 Debt Service	-	194,710	-	8,300	-	203,010	-	203,010
376	Cameo Homes	-	-	-	-	-	-	-	-
	<b>Subtotal</b>	1,075,313	1,072,272	-	402,275	-	2,549,860	955,000	3,504,860
<u>Capital Improvement Funds</u>									
400	Police Facilities Development	-	-	-	-	-	-	-	-
410	Fire Facility Development	-	-	-	-	-	-	-	-
420	Traffic Control Facility	-	-	-	-	-	-	-	-
421	Ramsey/Highland Home Traffic Signal	-	-	-	-	-	-	-	-
430	General Facilities	-	-	-	-	-	-	-	-
441	Sunset Grade Separation Fund	-	-	-	-	-	-	-	-
444	Wilson Median	-	-	-	-	-	-	-	-
451	Park Development	-	-	-	-	-	-	-	-
470	Capital Improvement Fund	-	-	-	-	-	-	-	-
	<b>Subtotal</b>	-	-	-	-	-	-	-	-

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

CITY OF BANNING  
Expenditures by Category  
FY 2015-16

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	+ & Operations +	Contra	+ Allocations +	Transfers			
	<b>Banning Utility Authority</b>								
660	Water Operations	1,705,625	3,449,920	-	965,255	2,778,414	8,899,214	1,465,000	10,364,214
661	Water Capital Facility Fee	-	-	-	-	-	-	750,000	750,000
663	BUA Water Capital Project Fund	-	-	-	-	-	-	300,000	300,000
669	BUA Water Debt Service Fund	-	2,292,579	-	-	-	2,292,579	-	2,292,579
	Water Subtotal	1,705,625	5,742,499	-	965,255	2,778,414	11,191,793	2,515,000	13,706,793
680	Wastewater Operations	654,924	1,176,750	-	373,535	879,989	3,085,198	40,000	3,125,198
681	Wastewater Capital Facility Fees	-	-	-	-	-	-	270,000	270,000
683	BUA WWtr Capital Project Fund	-	-	-	-	-	-	100,000	100,000
685	State Revolving Loan	-	299,768	-	-	-	299,768	-	299,768
689	BUA Wastewater Debt Service Fund	-	398,639	-	-	-	398,639	-	398,639
	Wastewater Subtotal	654,924	1,875,157	-	373,535	879,989	3,783,605	410,000	4,193,605
662	Irrigation Water	-	-	-	-	-	-	2,500,000	2,500,000
682	Wastewater Tertiary	-	-	-	-	2,495,000	2,495,000	-	2,495,000
	Reclaimed Water Subtotal	-	-	-	-	2,495,000	2,495,000	2,500,000	4,995,000
	<b>Subtotal</b>	<b>2,360,549</b>	<b>7,617,656</b>	<b>-</b>	<b>1,338,790</b>	<b>6,153,403</b>	<b>17,470,398</b>	<b>5,425,000</b>	<b>22,895,398</b>
	<b>Enterprise Funds</b>								
600	Airport	50,780	149,545	-	48,339	-	248,664	-	248,664
610	Transit Operations	1,115,620	76,777	-	474,278	-	1,666,675	-	1,666,675
690	Refuse	133,306	2,866,814	-	185,886	55,000	3,241,006	-	3,241,006
	Subtotal	1,299,706	3,093,136	-	708,503	55,000	5,156,345	-	5,156,345
670	Electric Operations								
7000	Electric	3,484,027	766,720	(300,000)	4,384,332	2,666,258	11,001,337	731,000	11,732,337
7010	Generation & Transmission	153,173	17,586,000	-	60,196	-	17,799,369	-	17,799,369
	<b>670 - Total</b>	<b>3,637,200</b>	<b>18,352,720</b>	<b>(300,000)</b>	<b>4,444,528</b>	<b>2,666,258</b>	<b>28,800,706</b>	<b>731,000</b>	<b>29,531,706</b>
672	Rate Stability	-	-	-	-	-	-	-	-
673	Electric Improvement	-	-	-	-	1,055,695	1,055,695	-	1,055,695
674	2007 Elec Rev Bond Project Fund	-	-	-	300,000	-	300,000	2,350,000	2,650,000
675	Public Benefit Fund	167,489	588,676	-	27,851	-	784,016	-	784,016
678	2007 Elec Rev Bond Debt Service	-	2,667,858	-	-	-	2,667,858	-	2,667,858
	Electric Subtotal	3,804,689	21,609,254	-	4,772,379	3,721,953	33,908,275	3,081,000	36,689,275
	<b>Subtotal</b>	<b>5,104,395</b>	<b>24,702,390</b>	<b>(300,000)</b>	<b>5,480,882</b>	<b>3,776,953</b>	<b>38,764,620</b>	<b>3,081,000</b>	<b>41,845,620</b>

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

CITY OF BANNING  
Expenditures by Category  
FY 2015-16

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations +	Contra	+ Allocations +	Transfers			
Internal Service Funds							-		
700	Risk Management Fund						-		
5020	Workers Compensation	105,608	553,082	-	8,916	-	667,606	-	667,606
5030	Unemployment Insurance	6,583	25,195	-	989	-	32,767	-	32,767
5040	Liability Insurance	130,840	1,003,150		12,473		1,146,463	-	1,146,463
5300	City Attorney	-	760,000	-	-	-	760,000	-	760,000
700 - Total		243,031	2,341,427	-	22,378	-	2,606,836	-	2,606,836
702	Fleet Maintenance	351,833	723,295	-	50,194	-	1,125,322	-	1,125,322
703	Information Systems Services	281,493	121,140	-	28,488	-	431,121	-	431,121
761	Utility Billing Administration								
3100	Account & Collection Service	844,327	267,145	-	139,577	-	1,251,049	-	1,251,049
3110	Meter Reading & Service	434,944	12,370	-	101,757	-	549,071	22,000	571,071
761 - Total		1,279,271	279,515	-	241,334	-	1,800,120	22,000	1,822,120
Subtotal		2,155,628	3,465,377	-	342,394	-	5,963,399	22,000	5,985,399
Successor Agency Funds									
805	Redevelopment Obligation Retirement Fund	-	-	-	-	3,272,098	3,272,098	-	3,272,098
810	Successor Housing Agency	-	-	-	-	-	-	-	-
830	Debt Service Fund	-	2,850,168	-	-	-	2,850,168	-	2,850,168
850	Successor Agency	232,244	52,756	-	-	-	285,000	-	285,000
855	2007 TAPBS Bond Proceeds	-	-	-	-	20,532	20,532	-	20,532
856	2003 TABS Bond Proceeds	-	-	-	-	-	-	-	-
857	2003 TABS Bond Proceeds Low/Mod	-	-	-	-	-	-	-	-
Subtotal		232,244	2,902,924	-	-	3,292,630	6,427,798		6,427,798
OTHER FUNDS GRAND TOTAL		10,928,129	39,760,619	+	(300,000)	+	7,564,341	+	13,222,986
							71,176,075	+	9,483,000
									= 80,659,075

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

City of Banning  
**General Fund Financial Overview**

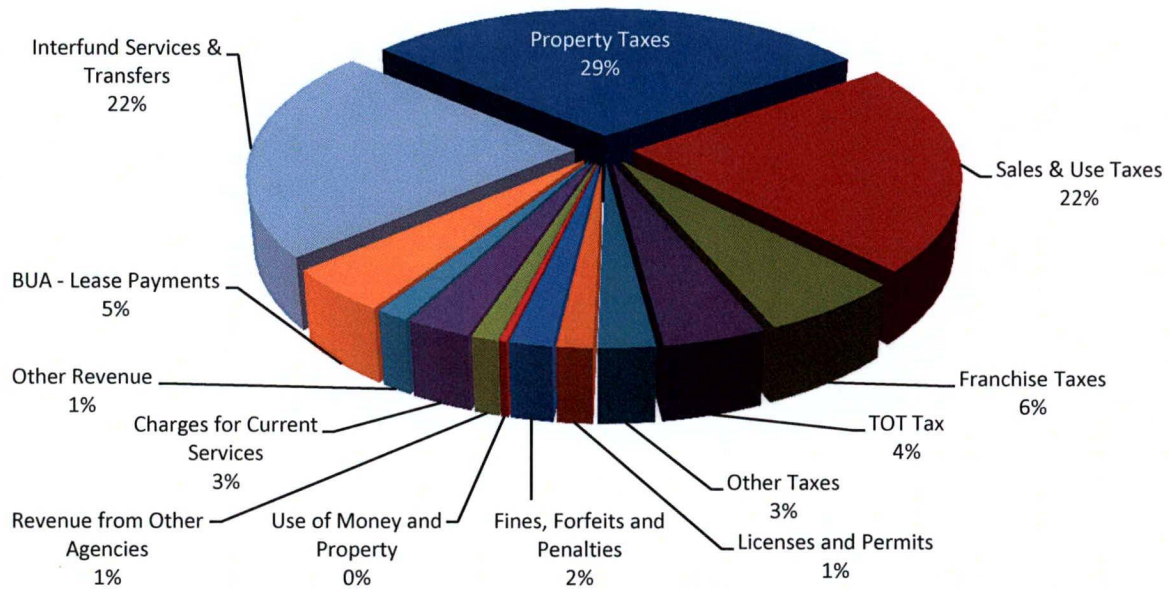
Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b>General Fund Revenues By Category</b>				
<b>Taxes</b>				
Property Taxes	3,794,362	4,015,414	4,085,755	4,146,165
Sales & Use Taxes	2,738,500	2,742,137	2,997,666	3,117,566
Franchise Taxes	813,682	826,000	861,000	861,000
TOT Tax	626,255	590,000	620,000	620,000
Other Taxes	314,838	402,746	341,800	343,800
<b>Taxes</b>	<b>8,287,637</b>	<b>8,576,297</b>	<b>8,906,221</b>	<b>9,088,531</b>
Licenses and Permits	171,406	205,516	213,500	215,500
Fines, Forfeits and Penalties	291,465	261,550	257,950	257,950
Use of Money and Property	40,377	44,227	46,700	46,700
Revenue from Other Agencies	1,732,940	349,585	158,014	158,014
Charges for Current Services	576,580	423,450	369,957	387,957
Other Revenue	136,345	201,578	198,963	200,127
BUA - Lease Payments	651,000	651,000	651,000	651,000
Interfund Services & Transfers	3,032,289	3,142,818	3,119,618	3,144,618
<b>Total</b>	<b>14,920,039</b>	<b>13,856,021</b>	<b>13,921,923</b>	<b>14,150,397</b>

Description	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
<b>General Fund Expenditures By Department</b>				
City Manager/Council/Econ. Dev.	489,190	631,191	600,280	605,743
City Attorney	315,666	425,897	422,534	422,534
City Clerk/Elections	105,499	93,341	133,412	94,053
Community Enhancement	4,795	7,491	-	-
TV Government Access	16,429	56,800	70,100	70,100
Financial Services	242,834	288,506	292,688	298,672
Human Resources	99,935	215,485	143,021	143,725
Police/Dispatch/Code Enforce.*	6,546,280	6,740,267	6,626,395	6,936,106
Fire Services	2,352,287	2,617,430	2,588,892	2,639,626
Community Development	720,790	876,243	750,131	760,617
Community Services	351,311	374,810	392,148	396,008
Public Works	519,327	726,433	723,256	732,838
Central Services/Debt	1,081,729	1,300,598	1,179,066	1,180,742
<b>Total</b>	<b>12,846,072</b>	<b>14,354,492</b>	<b>13,921,923</b>	<b>14,280,764</b>

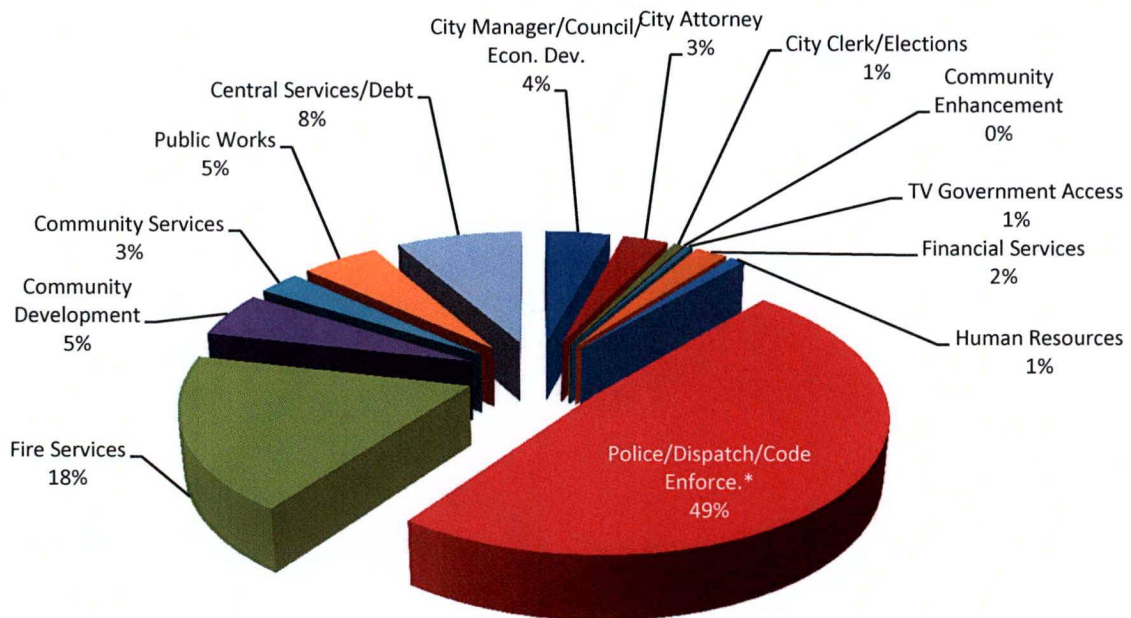
\*Prior to FY2014-15, Code Enforcement was managed by and grouped with Community Development

City of Banning  
Fiscal year 2014-15  
**General Fund Financial Overview**

**General Fund Revenues**  
**Total = \$13,921,923**



**General Fund Expenditures**  
**Total = \$13,921,923**

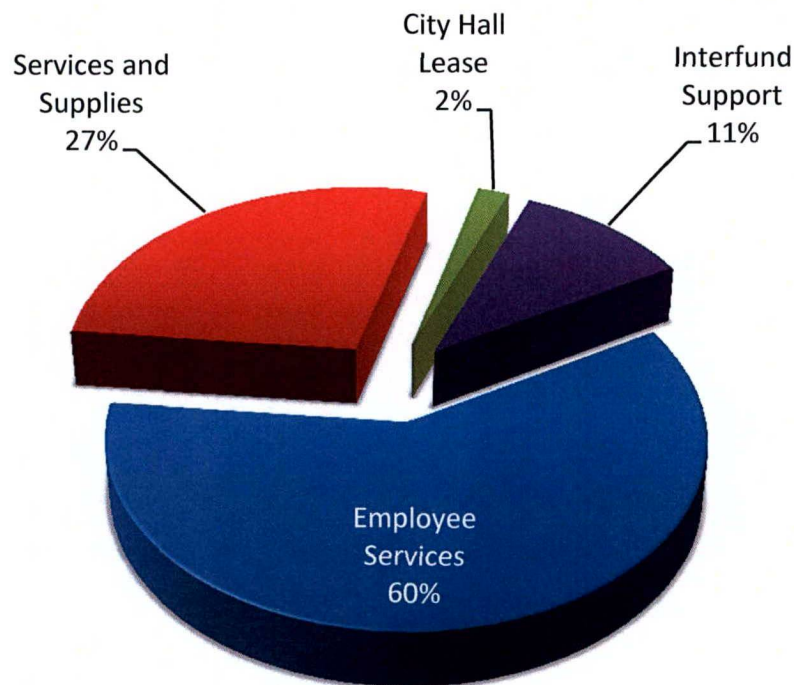


City of Banning  
**General Fund Expenditures By Category**

Category	Actual 2012-13	Revised 2013-14	Projected 2014-15	Projected 2015-16
Employee Services	8,002,932	8,254,161	8,283,802	8,522,752
Services and Supplies	3,116,594	4,188,327	3,923,785	3,908,418
City Hall Lease	269,951	269,951	269,995	269,995
Interfund Support	1,253,508	1,356,805	1,382,009	1,518,467
Capital	203,087	285,248	62,332	61,132
<b>Total</b>	<b>12,846,072</b>	<b>14,354,492</b>	<b>13,921,923</b>	<b>14,280,764</b>

\*Note: Contracted Fire Services is approximately \$2.5M per year and is included in Services and Supplies.

Fiscal year 2014-15  
**General Fund Expenditures By Category**  
**Total = \$13,921,923**



CITY OF BANNING  
Expenditures by Category  
FY 2014-15

#	FUND/DEPARTMENT NAME	Operating Budget					Total	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations	Contra	Allocations	Transfers	Operating Budget		
Governmental Funds									
001	General								
0001	General	-	-	-	-	-	-	-	-
1000	City Council	79,341	102,415				181,756	-	181,756
1200	City Manager	385,630	24,010		5,834		415,474	-	415,474
1210	Economic Development	-	3,050				3,050	-	3,050
1300	Human Resources	169,904	170,825	(197,708)			143,021	-	143,021
1400	City Clerk	83,962	9,300				93,262	-	93,262
1500	Elections	-	40,150				40,150	-	40,150
1800	City Attorney	-	-		422,534		422,534	-	422,534
1900	Fiscal Services	457,963	122,263	(330,225)			250,001	-	250,001
1910	Purchasing & A/P	91,768	11,795	(60,876)			42,687	-	42,687
2060	TV Government Access	2,368	6,600				8,968	61,132	70,100
2200	Police	4,614,647	565,819		284,096	27,033	5,491,595	-	5,491,595
2210	Dispatch	824,825	6,148				830,973	-	830,973
2279	TASIN - SB621 (Police)	-	-				-	-	-
2300	Animal Control	-	147,350				147,350	-	147,350
2400	Fire	71,617	2,515,785		1,490		2,588,892	-	2,588,892
2479	TASIN - SB621 (Fire)	-	-				-	-	-
2700	Building & Safety	211,674	150,270				361,944	-	361,944
2740	Code Enforcement	118,619	31,550		6,308		156,477	-	156,477
2800	Planning	330,682	57,505				388,187	-	388,187
3000	Engineering	118,329	43,000		14,088		175,417	-	175,417
3200	Building Maintenance	122,140	147,030	(144,233)	3,235		128,172	-	128,172
3600	Parks	332,095	85,890		1,682		419,667	-	419,667
4000	Recreation	179,614	48,590				228,204	-	228,204
4010	Aquatics	54,770	52,980				107,750	-	107,750
4050	Senior Center	33,854	22,340				56,194	-	56,194
4060	Sr. Center Advisory Board	-	-				-	-	-
4500	Central Services	-	563,357		451,384	164,325	1,179,066	-	1,179,066
4800	Debt Service	-	-				-	-	-
5400	Community Enhancement	-	-				-	-	-
GENERAL FUND TOTAL		8,283,802	4,928,022	(733,042)	1,190,651	191,358	13,860,791	61,132	13,921,923

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

CITY OF BANNING  
Expenditures by Category  
FY 2015-16

#	FUND/DEPARTMENT NAME	Operating Budget					Total Operating Budget	Total Capital Budget	Total Budget
		Personnel	Maintenance + & Operations +	Contra	+ Allocations +	Transfers			
Governmental Funds									
001	General								
0001	General	-	-	-	-	-	-	-	-
1000	City Council	80,862	102,415	-	-	-	183,277	-	183,277
1200	City Manager	389,517	24,010	-	5,889	-	419,416	-	419,416
1210	Economic Development	-	3,050	-	-	-	3,050	-	3,050
1300	Human Resources	171,697	170,810	(198,782)	-	-	143,725	-	143,725
1400	City Clerk	84,943	9,110	-	-	-	94,053	-	94,053
1500	Elections	-	-	-	-	-	-	-	-
1800	City Attorney	-	-	-	422,534	-	422,534	-	422,534
1900	Fiscal Services	468,091	125,585	(336,981)	-	-	256,695	-	256,695
1910	Purchasing & A/P	89,386	12,345	(59,754)	-	-	41,977	-	41,977
2060	TV Government Access	2,368	6,600	-	-	-	8,968	61,132	70,100
2200	Police	4,796,281	562,884	-	286,770	141,033	5,786,968	-	5,786,968
2210	Dispatch	839,754	5,648	-	-	-	845,402	-	845,402
2279	TASIN - SB621 (Police)	-	-	-	-	-	-	-	-
2300	Animal Control	-	147,350	-	-	-	147,350	-	147,350
2400	Fire	72,347	2,565,775	-	1,504	-	2,639,626	-	2,639,626
2479	TASIN - SB621 (Fire)	-	-	-	-	-	-	-	-
2700	Building & Safety	213,821	150,805	-	-	-	364,626	-	364,626
2740	Code Enforcement	119,668	30,350	-	6,368	-	156,386	-	156,386
2800	Planning	337,546	58,445	-	-	-	395,991	-	395,991
3000	Engineering	119,912	43,000	-	14,221	-	177,133	-	177,133
3200	Building Maintenance	123,869	147,030	(145,089)	3,265	-	129,075	-	129,075
3600	Parks	339,042	85,890	-	1,698	-	426,630	-	426,630
4000	Recreation	182,716	47,990	-	-	-	230,706	-	230,706
4010	Aquatics	55,355	52,030	-	-	-	107,385	-	107,385
4050	Senior Center	35,577	22,340	-	-	-	57,917	-	57,917
4060	Sr. Center Advisory Board	-	-	-	-	-	-	-	-
4500	Central Services	-	545,557	-	470,860	164,325	1,180,742	-	1,180,742
4800	Debt Service	-	-	-	-	-	-	-	-
5400	Community Enhancement	-	-	-	-	-	-	-	-
GENERAL FUND TOTAL		8,522,752	4,919,019	(740,606)	1,213,109	305,358	14,219,632	61,132	14,280,764

Note: For definitions of headings (i.e., Contra, Allocations, etc.) see the section titled "Glossary of Terms".

City of Banning  
**Budgeted Positions Summary**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>General Fund</b> Personnel By Department (Including Fire)				
City Manager/Council	5.68	6.69	6.37	6.57
City Attorney	Contracted	Contracted	Contracted	Contracted
City Clerk	1.75	1.83	1.83	1.83
Financial Services	5.95	5.95	6.45	6.45
Human Resources	1.02	1.05	1.15	0.95
Police/Dispatch/Code Enforce.*	43.25	43.25	39.85	41.45
Fire Services	1.00	1.00	1.00	1.00
Community Development	4.30	5.00	5.00	4.00
Community Services	5.41	5.41	5.73	5.96
Public Works	6.33	6.33	6.33	6.33
<b>Subtotal General Fund</b>	<b>74.69</b>	<b>76.51</b>	<b>73.71</b>	<b>74.54</b>
<b>Other Funds</b> Personnel By Department				
Streets	4.90	4.90	4.90	4.90
Airport	1.55	1.55	1.55	1.20
Transit	11.87	11.87	12.81	14.71
Water	15.07	15.10	15.17	15.20
Electric	21.40	22.43	22.50	26.73
Wastewater	5.32	5.35	5.42	5.36
Refuse	0.69	0.69	0.69	0.69
Insurance	1.55	1.55	1.55	1.55
Fleet Maintenance	3.50	3.50	3.50	3.50
Information Systems Services	2.40	2.40	2.40	2.40
Utility Billing	8.65	9.15	9.63	9.63
Utility Billing - Meter Reading	4.20	4.20	4.20	5.00
Successor Agency	2.90	1.00	1.00	1.00
<b>Subtotal Other Funds</b>	<b>84.00</b>	<b>83.67</b>	<b>85.31</b>	<b>91.86</b>
<b>Total All Funds</b>	<b>158.68</b>	<b>160.18</b>	<b>159.02</b>	<b>166.40</b>
<b>TOTAL ALL FUNDS</b>	<b>158.68</b>	<b>160.18</b>	<b>159.02</b>	<b>166.40</b>
Less Part Time	11.68	11.18	10.02	10.40
Less Elected	7.00	7.00	7.00	7.00
<b>Full Time Employees</b>	<b>140.00</b>	<b>142.00</b>	<b>142.00</b>	<b>149.00</b>

\*Prior to FY2014-15, Code Enforcement was managed by and grouped with Community Development

161

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>GENERAL FUND</b>				
<b>CITY COUNCIL</b>				
Mayor	1.00	1.00	1.00	1.00
Mayor Pro Tem	1.00	1.00	1.00	1.00
Council Members	3.00	3.00	3.00	3.00
DIVISION TOTAL FTE	5.00	5.00	5.00	5.00
<b>CITY MANAGER</b>				
City Manager	0.48	0.69	0.69	0.79
Executive Assistant	0.00	0.00	0.69	0.79
Executive Secretary	0.20	1.00	0.00	0.00
DIVISION TOTAL FTE	0.68	1.69	1.37	1.57
<b>HUMAN RESOURCES</b>				
City Manager	0.07	0.10	0.10	0.00
Admin Services Director	0.20	0.20	0.20	0.20
Deputy HR Director	0.50	0.50	0.50	0.50
Executive Assistant	0.00	0.00	0.10	0.00
Human Resources Technician	0.25	0.25	0.25	0.25
DIVISION TOTAL FTE	1.02	1.05	1.15	0.95
<b>CITY CLERK</b>				
City Clerk - Elected	1.00	1.00	1.00	1.00
Executive Assistant	0.75	0.83	0.83	0.83
DIVISION TOTAL FTE	1.75	1.83	1.83	1.83
<b>CITY ATTORNEY</b>				
City Attorney	Contract	Contract	Contract	Contract
<b>FISCAL SERVICES</b>				
City Treasurer - Elected	1.00	1.00	1.00	1.00
Admin Services Director	0.20	0.20	0.20	0.20
Deputy Finance Director	0.50	0.50	0.50	0.50
Accountant II	0.00	0.50	0.50	0.50
Accountant	1.00	1.00	1.00	1.00
Financial Services Specialist	2.25	1.75	2.25	2.25
DIVISION TOTAL FTE	4.95	4.95	5.45	5.45
<b>PURCHASING &amp; ACCOUNTS PAYABLE</b>				
Financial Services Specialist	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	1.00	1.00	1.00	1.00

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>POLICE</b>				
Police Chief	0.90	0.90	0.90	0.90
Police Lieutenant	2.00	2.00	2.00	2.00
Police Master Sergeant	1.00	1.00	1.00	1.00
Police Staff Sergeant	5.00	5.00	5.00	5.00
Corporal	3.00	3.00	3.00	3.00
Officer	13.00	13.00	10.00	10.00
Officer-School Resource Officer-BUSD	1.00	1.00	1.00	1.00
Officer-Traffic Grant	1.00	1.00	0.00	0.00
Officer-County MOU (003-2289)	4.00	4.00	4.00	4.00
Executive Secretary	0.25	0.25	0.25	0.00
Police Info Systems Technician	1.00	1.00	1.00	1.00
Police Assistant II	1.00	1.00	1.00	1.00
Police Assistant I	2.00	2.00	2.60	3.00
DIVISION TOTAL FTE	35.15	35.15	31.75	31.90
<b>DISPATCH</b>				
Police Chief	0.10	0.10	0.10	0.10
Lead Public Safety Dispatcher	2.00	2.00	2.00	2.00
Public Safety Dispatcher	6.00	6.00	6.00	6.00
DIVISION TOTAL FTE	8.10	8.10	8.10	8.10
<b>FIRE</b>				
	Contract	Contract	Contract	Contract
Office Specialist	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	1.00	1.00	1.00	1.00
<b>BUILDING SAFETY</b>				
Community Development Director	0.42	0.60	0.60	0.60
Office Specialist	0.00	0.00	0.00	1.00
DIVISION TOTAL FTE	0.42	0.60	0.60	1.60
<b>CODE ENFORCEMENT</b>				
Code Compliance Officer	1.00	1.00	1.00	1.45
Office Specialist	1.00	1.00	1.00	0.00
DIVISION TOTAL FTE	2.00	2.00	2.00	1.45
<b>PLANNING</b>				
Community Development Director	0.28	0.40	0.40	0.40
Associate Planner	0.00	1.00	1.00	1.00
Development Project Coordinator	0.80	1.00	1.00	1.00
Assistant Planner	0.80	0.00	0.00	0.00
DIVISION TOTAL FTE	1.88	2.40	2.40	2.40

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>ENGINEERING</b>				
Public Works Director	0.09	0.09	0.09	0.09
City Engineer	0.24	0.24	0.24	0.24
Associate Engineer-Career PT	0.10	0.10	0.10	0.10
Executive Secretary	0.09	0.09	0.09	0.00
Public Works Analyst	0.00	0.00	0.00	0.09
Public Works Inspector	0.25	0.25	0.25	0.25
DIVISION TOTAL FTE	0.77	0.77	0.77	0.77
<b>BUILDING MAINTENANCE</b>				
Public Works Director	0.02	0.02	0.02	0.02
Public Works Superintendent	0.12	0.12	0.12	0.12
Executive Secretary	0.14	0.14	0.14	0.00
Public Works Analyst	0.00	0.00	0.00	0.14
Building Maintenance Specialist	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	1.28	1.28	1.28	1.28
<b>PARKS</b>				
Public Works Superintendent	0.28	0.28	0.28	0.28
City Maintenance Worker	4.00	4.00	4.00	4.00
DIVISION TOTAL FTE	4.28	4.28	4.28	4.28
<b>RECREATION</b>				
Community Services Director	0.25	0.25	0.25	0.25
Office Specialist	0.50	0.50	0.50	0.50
Caretaker	0.25	0.25	0.20	0.20
Program Coordinator	0.38	0.38	0.38	0.38
Building Attendants	1.25	1.25	0.00	0.00
Sr. Recreation Leader	0.00	0.00	0.45	0.45
Recreation Leaders	0.00	0.00	1.29	1.50
DIVISION TOTAL FTE	2.63	2.63	3.07	3.28
<b>AQUATICS</b>				
Caretaker	0.25	0.25	0.20	0.20
Pool Manager	0.00	0.00	0.17	0.17
Assistant Pool Manager	0.20	0.20	0.23	0.23
Lifeguards	1.08	1.08	1.00	1.02
Cashiers	0.63	0.63	0.49	0.49
DIVISION TOTAL FTE	2.16	2.16	2.09	2.11

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>SENIOR CENTER</b>				
Caretaker	0.25	0.25	0.20	0.20
Program Coordinator	0.38	0.38	0.38	0.38
<b>DIVISION TOTAL FTE</b>	0.63	0.63	0.58	0.58
<b>TOTAL GENERAL FUND</b>	<b>74.69</b>	<b>76.51</b>	<b>73.71</b>	<b>74.54</b>

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>OTHER FUNDS</b>				
<b>STREETS</b>				
Public Works Director	0.05	0.05	0.05	0.05
City Engineer	0.20	0.20	0.20	0.20
Public Works Superintendent	0.10	0.10	0.10	0.10
Executive Secretary	0.25	0.25	0.25	0.00
Public Works Analyst	0.00	0.00	0.00	0.25
Associate Engineer-Career PT	0.05	0.05	0.05	0.05
Public Works Inspector	0.25	0.25	0.25	0.25
Motor Sweeper Operator	1.00	1.00	1.00	1.00
Sr City Maintenance Worker	2.00	2.00	2.00	2.00
Work Release Crew Leader	1.00	1.00	1.00	1.00
<b>FUND TOTAL FTE</b>	<b>4.90</b>	<b>4.90</b>	<b>4.90</b>	<b>4.90</b>
<b>AIRPORT</b>				
Public Works Director	0.05	0.05	0.05	0.05
Executive Secretary	0.10	0.10	0.10	0.00
Public Works Analyst	0.00	0.00	0.00	0.10
Airport Attendants	1.40	1.40	1.40	1.05
<b>FUND TOTAL FTE</b>	<b>1.55</b>	<b>1.55</b>	<b>1.55</b>	<b>1.20</b>
<b>TRANSIT-FIXED ROUTE</b>				
Community Services Director	0.75	0.75	0.75	0.75
Transit Manager	0.00	0.00	0.00	1.00
Caretaker	0.00	0.00	0.40	0.40
Program Coordinator	0.00	0.00	0.25	0.25
Lead Bus Driver	1.00	1.00	1.00	1.00
Bus Drivers	7.08	7.08	7.37	8.27
Transit Specialist	0.00	0.50	0.00	0.00
Office Specialist	1.00	0.50	1.00	1.00
<b>DIVISION TOTAL FTE</b>	<b>9.83</b>	<b>9.83</b>	<b>10.77</b>	<b>12.67</b>
<b>TRANSIT-DIAL-A-RIDE</b>				
Dial-A-Ride Driver - Part Time	1.54	1.54	1.54	1.54
Transit Specialist	0.00	0.50	0.00	0.00
Office Specialist	0.50	0.00	0.50	0.50
<b>DIVISION TOTAL FTE</b>	<b>2.04</b>	<b>2.04</b>	<b>2.04</b>	<b>2.04</b>
<b>FUND TOTAL FTE</b>	<b>11.87</b>	<b>11.87</b>	<b>12.81</b>	<b>14.71</b>

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>WATER DEPARTMENT</b>				
City Manager	0.05	0.07	0.07	0.10
Public Works Director	0.30	0.30	0.30	0.30
City Engineer	0.23	0.23	0.23	0.23
Water/Wastewater Superintendent	0.70	0.70	0.70	0.70
Executive Assistant	0.05	0.06	0.13	0.13
Senior Civil Engineer	0.70	0.70	0.70	0.70
Executive Secretary	0.84	0.84	0.84	0.70
Public Works Analyst	0.00	0.00	0.00	0.14
Public Works Inspector	0.25	0.25	0.25	0.25
Office Assistant/Specialist	0.70	0.70	0.70	0.70
Warehouse Services Specialist	0.25	0.25	0.25	0.25
Meter Crew Lead	1.00	1.00	1.00	1.00
Valve Flushing Crew Lead	1.00	1.00	1.00	1.00
Construction Crew Lead	1.00	1.00	1.00	1.00
Water Crew Supervisor	2.00	2.00	2.00	2.00
Water Services Worker I/II	6.00	6.00	6.00	6.00
<b>FUND TOTAL FTE</b>	<b>15.07</b>	<b>15.10</b>	<b>15.17</b>	<b>15.20</b>
<b>ELECTRIC DEPARTMENT-DISTRIBUTION</b>				
City Manager	0.05	0.07	0.07	0.10
Electric Utility Director	0.95	0.95	0.95	1.00
Executive Assistant	0.05	0.06	0.13	0.13
Executive Secretary	1.00	1.00	1.00	1.00
Office Specialist	0.00	1.00	0.00	0.00
Associate Electrical Engineer	1.00	1.00	1.00	1.00
Warehouse Services Specialist	0.50	0.50	0.50	0.50
Electric Operations Manager	1.00	1.00	1.00	1.00
Powerline Crew Supervisor	3.00	3.00	3.00	3.00
Powerline Technician	5.00	7.00	8.00	13.00
Sr. Electric Service Planner	0.00	1.00	1.00	1.00
Electric Service Planner	1.00	0.00	0.00	0.00
Meter Test Technician	1.00	0.00	1.00	1.00
Substation Test Technician	0.00	1.00	1.00	1.00
Apprentice Meter Test Technician	1.00	1.00	0.00	0.00
Electric Service Worker	0.00	1.00	0.00	0.00
Utility Services Assistant	0.00	0.00	1.00	0.00
 Powerline Apprentices	 3.00	 0.00	 0.00	 0.00
<b>DIVISION TOTAL FTE</b>	<b>18.55</b>	<b>19.58</b>	<b>19.65</b>	<b>23.73</b>
<b>ELECTRIC DEPARTMENT-GENERATION</b>				
Utility Financial Analyst	0.85	0.85	0.85	1.00
<b>DIVISION TOTAL FTE</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>1.00</b>

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>ELECTRIC DEPARTMENT-PUBLIC BENEFIT PROGRAM</b>				
Public Benefit Coordinator	1.00	1.00	1.00	1.00
Utility Services Assistant	1.00	1.00	1.00	1.00
<b>DIVISION TOTAL FTE</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>
<b>FUND TOTAL FTE</b>	<b>21.40</b>	<b>22.43</b>	<b>22.50</b>	<b>26.73</b>
<b>WASTEWATER</b>				
City Manager	0.05	0.07	0.07	0.01
Public Works Director	0.30	0.30	0.30	0.30
City Engineer	0.23	0.23	0.23	0.23
Water/Wastewater Superintendent	0.30	0.30	0.30	0.30
Executive Secretary	0.44	0.44	0.44	0.30
Public Works Analyst	0.00	0.00	0.00	0.14
Executive Assistant	0.05	0.06	0.13	0.13
Associate Engineer-Career PT	0.10	0.10	0.10	0.10
Senior Civil Engineer	0.30	0.30	0.30	0.30
Public Works Inspector	0.25	0.25	0.25	0.25
Office Assistant/Specialist	0.30	0.30	0.30	0.30
WasteWater Coll Crew Suprv.	1.00	1.00	1.00	1.00
WasteWater Collections	2.00	2.00	2.00	2.00
<b>FUND TOTAL FTE</b>	<b>5.32</b>	<b>5.35</b>	<b>5.42</b>	<b>5.36</b>
<b>REFUSE</b>				
Public Works Director	0.20	0.20	0.20	0.20
City Engineer	0.10	0.10	0.10	0.10
Public Works Superintendent	0.25	0.25	0.25	0.25
Executive Secretary	0.14	0.14	0.14	0.00
Pubic Works Analyst	0.00	0.00	0.00	0.14
<b>FUND TOTAL FTE</b>	<b>0.69</b>	<b>0.69</b>	<b>0.69</b>	<b>0.69</b>
<b>INSURANCE-WORK COMP.</b>				
Admin Services Director	0.15	0.15	0.15	0.15
Deputy HR Director	0.20	0.20	0.20	0.20
Human Resources Technician	0.30	0.30	0.30	0.30
<b>DIVISION TOTAL FTE</b>	<b>0.65</b>	<b>0.65</b>	<b>0.65</b>	<b>0.65</b>
<b>INSURANCE-SUI</b>				
Human Resources Technician	0.08	0.08	0.08	0.08
<b>DIVISION TOTAL FTE</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>INSURANCE-GENERAL LIABILITY</b>				
City Attorney	Contract	Contract	Contract	Contract
Admin Services Director	0.15	0.15	0.15	0.15
Deputy HR Director	0.30	0.30	0.30	0.30
Human Resources Technician	0.38	0.38	0.38	0.38
DIVISION TOTAL FTE	0.83	0.83	0.83	0.83
FUND TOTAL FTE	1.55	1.55	1.55	1.55
<b>FLEET MAINTENANCE</b>				
Public Works Superintendent	0.25	0.25	0.25	0.25
Fleet Maintenance Mechanic	3.00	3.00	3.00	3.00
Warehouse Services Specialist	0.25	0.25	0.25	0.25
FUND TOTAL FTE	3.50	3.50	3.50	3.50
<b>INFORMATION SYSTEMS SERVICES</b>				
Admin Services Director	0.15	0.15	0.15	0.15
Deputy Finance Director	0.25	0.25	0.25	0.25
Information Technology Coordinator	1.00	1.00	1.00	1.00
Information Technology Media Technician	1.00	1.00	1.00	1.00
FUND TOTAL FTE	2.40	2.40	2.40	2.40
<b>UTILITY BILLING</b>				
Admin Services Director	0.15	0.15	0.15	0.15
Deputy Finance Director	0.25	0.25	0.25	0.25
Utility Billing Financial Analyst	0.00	1.00	1.00	1.00
Accountant II	0.00	0.50	0.50	0.50
Customer Services Manager	1.00	0.00	0.00	0.00
Senior U/Billing Representative	2.00	3.00	3.00	3.00
Receptionist	1.00	1.00	0.00	0.00
Office Specialist	0.00	0.00	1.00	1.00
Utility Billing Representative	4.00	3.00	3.48	3.48
Financial Services Specialist	0.25	0.25	0.25	0.25
DIVISION TOTAL FTE	8.65	9.15	9.63	9.63

City of Banning  
**Citywide Personnel Summary by Fund/Division**

Description	Revised Adopted 2011-12	Revised Adopted 2012-13	Revised Adopted 2013-14	Projected 2014-15
<b>UTILITY BILLING-METER READING</b>				
Electric Utility Director	0.05	0.05	0.05	0.00
Utility Financial Analyst	0.15	0.15	0.15	0.00
Utility Services Assistant	0.00	0.00	0.00	1.00
Lead Field Service Rep	1.00	1.00	1.00	1.00
Field Service Reps	3.00	3.00	3.00	3.00
<b>DIVISION TOTAL FTE</b>	<b>4.20</b>	<b>4.20</b>	<b>4.20</b>	<b>5.00</b>
<b>FUND TOTAL FTE</b>	<b>12.85</b>	<b>13.35</b>	<b>13.83</b>	<b>14.63</b>
<b>SUCCESSOR HOUSING AGENCY</b>				
City Manager	0.07	0.00	0.00	0.00
Community Development Director	0.30	0.00	0.00	0.00
Executive Secretary	0.16	0.00	0.00	0.00
RDA Project Coordinator	0.00	0.00	0.00	0.00
<b>FUND TOTAL FTE</b>	<b>0.53</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SUCCESSOR AGENCY</b>				
City Manager	0.23	0.00	0.00	0.00
Redevelopment Director	1.00	0.00	0.00	0.00
Economic Development Director	0.00	1.00	1.00	1.00
Executive Secretary	0.64	0.00	0.00	0.00
Executive Assistant	0.10	0.00	0.00	0.00
Development Project Coordinator	0.20	0.00	0.00	0.00
Associate Planner	0.20	0.00	0.00	0.00
<b>FUND TOTAL FTE</b>	<b>2.37</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>TOTAL SUCCESSOR AGENCY FUNDS</b>	<b>2.90</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>TOTAL OTHER FUNDS</b>	<b>84.00</b>	<b>83.67</b>	<b>85.31</b>	<b>91.86</b>
<b>TOTAL ALL FUNDS</b>	<b>158.68</b>	<b>160.18</b>	<b>159.02</b>	<b>166.40</b>
<b>TOTAL ALL FUNDS</b>	158.68	160.18	159.02	166.40
Less Part Time	11.68	11.18	10.02	10.40
Less Elected	7.00	7.00	7.00	7.00
<i>Full Time Employees</i>	<i>140.00</i>	<i>142.00</i>	<i>142.00</i>	<i>149.00</i>

City of Banning  
**Citywide Personnel Summary Reconciliation**

**Reconciliation of Positions from Adopted FY2013-14 Budget to FY2014-15 Budget**

<b>FY2013-14 Budgeted Positions</b>	<b>159.02</b>
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**FY2014-15 Full-Time (FT) Position Changes**

001	Police	Police Assistant I	PT position upgraded to FT	1.00	
100	Streets	Executive Secretary	Position reclassified to PW Analyst	(1.00)	
100	Streets	Public Works Analyst	Position reclassified from Exec Secretary	1.00	
610	Transit	Transit Manager	New position	1.00	
670	Electric	Powerline Technicians	New position (underfill w/apprentice)	5.00	
					7.00
			Net		

**FY2014-15 Part-Time (PT) Position Changes**

001	Police	Part-Time Exec Secretary	Position Eliminated	(0.25)	
001	Police	Part-Time Police Assistant I	PT position upgraded to FT	(0.60)	
001	Code Enforcement	Part-Time Code Compliance Officer	New position	0.45	
001	Recreation	Recreation Leaders	Hours increased	0.21	
001	Aquatics	Lifeguards	Hours increased	0.02	
600	Airport	Airport Attendant	Hours decreased	(0.35)	
610	Transit	Part-Time Bus Drivers	Hours increased	0.90	
					0.38
			Net		

<b>Total Changes to Budgeted Positions</b>	<b>7.38</b>
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<b>Total FY2014-15 Budgeted Positions</b>	<b><u>166.40</u></b>
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# CAPITAL IMPROVEMENT PROGRAM

FY's 2014/15 - 2018/19

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## CITY COUNCIL

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Deborah "Debbie" Franklin ..... Mayor  
Art Welch..... Mayor Pro Tem  
Don Peterson .....Council Member  
Edward Miller.....Council Member  
Jerry Westholder .....Council Member

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## CITY MANAGER

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Homer Croy  
Interim City Manager

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## CIP ADMINISTRATOR

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Duane Burk  
Public Works Director



## CITY OF BANNING *Capital Improvement Program*

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### CAPITAL IMPROVEMENT PROGRAM

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The Capital Improvement Program (CIP) is a roadmap that provides direction and guidance for planning, managing, and financing the City's capital and infrastructure assets. The 5-year CIP is used by the City to review the funding of desired capital improvements that compete for scarce financial resources. This document is dynamic and, consequently, must be revised on a regular basis to address the changing needs, priorities, and financial conditions of the City. The capital improvements presented in this document are the City's major projects, those that exceed \$25,000 in cost, have long-term life spans, and are generally non-recurring. CIP projects typically include land and right-of-way acquisition; design, planning, and engineering services for capital projects; construction or rehabilitation of public buildings or facilities; utility and transportation infrastructure construction; park construction; and, economic and Successor Agency projects. Some projects less than \$25,000 are listed for ease of reconciling with capital line items in the budget.

The project costs listed are strictly estimates and will vary based on the state of the economy and other factors not easily predictable. Project costs for fiscal year 2014-15 and 2015-16 have already been incorporated into the budget. The project-to-date costs show estimated activity through June 2014.

The CIP and consequent amendments will be revised and updated on a periodic basis during the future budget cycles and during the year, through Council approval. Changes to the priorities established in the program and its amendments should be expected. Changes can be caused by reductions in funding levels, opportunities for grants or other aids, delays in obtaining construction permits or necessary approvals, emergency needs or simply changes in Council direction.

The projects contained in the CIP and amendments are necessary to maintain the existing infrastructure of the City and to properly provide for the health, safety and general well-being of its residents.

The CIP and future amendments are designed to make the most effective use of all financial resources available to the City including fund reserves, current budgeted revenue, grants, and borrowing. The City's goal is to strike a reasonable balance among all of its resources.

In preparing the CIP amendment, the City has considered the impact on operating costs. Projects are designed to keep the increases in operating costs to a minimum. Increases in operating costs are balanced with the overall need to provide the improvement.

# CITY of BANNING

*Capital Improvement Program*

Fiscal Years 2014/15 & 2015/16

## CURRENT FUNDING SOURCES

	Fund #
<b><u>General Fund</u></b> The General Fund is the general operating fund of the city. All general tax receipts and fee revenue not allocated by law, council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities that are not required to be accounted for or paid by another fund.	001
<b><u>Measure A Street Fund</u></b> Measure "A" was approved by the voters of Riverside County authorizing an additional half-cent sales tax specifically for transportation improvement purposes. This fund accounts for the receipt and expenditures of the money collected under the Measure "A" program.	101
<b><u>C.D.B.G</u></b> Accounts for monies received and expended by the City as a participant in the Federal Community Development Block Grant Housing Program.	110
<b><u>Air Quality Improvement Fund</u></b> The Air Quality Management District (A.Q.M.D.) Fund proceeds are intended for improving the air quality within Riverside County. Quarterly allocations are received from the District for governmental agencies to improve air quality. Qualifying fund uses include alternative fuel vehicles that are used for City operations and compressed natural gas (CNG) fueling stations.	132
<b><u>Supplemental Law Enforcement Fund</u></b> This program was approved in FY 1996-97. This funding is restricted to front line law enforcement programs. Funding for this program is considered each year by the State and is not guaranteed.	148
<b><u>Police Facilities Development Fund</u></b> This fund was created to mitigate the cost of needed additional police facilities resulting from new development that has increased the City's population. Expenditures from this fund are restricted to the development of new, or expansion of existing, police sites and the acquisition of capital equipment such as vehicles.	400
<b><u>Fire Facilities Development Fund</u></b> This fund has been created to record the financial activities related to the increased fire service level impact resulting from new development. The fee is collected at the time a building permit is requested. The fees are used to mitigate the cost of increased service levels resulting from additional population. The fees can be used to develop additional fire stations or acquire additional capital projects.	410
<b><u>Traffic Control Facility Fund</u></b> Traffic Control Facilities Fees are the impact fees paid by the new developments for construction	420
<b><u>General Facilities Fund</u></b> This fund has been created to reserve funds obtained from new development to update the City's General Plan and to construct City Hall Annex. Fees are collected at the time a building permit is issued and are intended to update the City Hall Facilities.	430

<b><u>Sunset Grade Separation Fund</u></b>	
This fund was created to isolate payments made with the intent to fund the capital improvement in the future.	441
<b><u>Park Development Fund</u></b>	
The Park Development Department is responsible for the acquisition and development of parks and recreation facilities. Functions include land acquisition, planning and design, grant funding acquisition, identification and administration of rehabilitation and improvement projects, establishment and collection of developer fees, and development of leases.	451
<b><u>Airport</u></b>	
The Banning Municipal Airport is an element of the national and local transportation system, which significantly affects the economic development of the City of Banning. The Airport Fund reflects annual revenues, expenditures and proposed capital improvement projects. A sound and realistic planning of Airport operations has the means to increase its contribution to the economy of the community.	600
<b><u>Transit Operations</u></b>	
The Fixed Transit Route Division operates fixed-route bus services that serve the City of Banning and provides service between Banning and Cabazon. The Dial-A-Ride Division provides curb-to-curb transit services to elderly and disabled citizens residing within the City of Banning.	610
<b><u>Water Fund</u></b>	
The Water Department is responsible for providing domestic water to residences, businesses and industries within the City. The Division is also responsible for providing adequate flows for the City's fire protection system. The City's main source of water supply is water wells in the City's water canyon along with wells scattered throughout other parts of the City. The Water Division is an enterprise function; i.e. all costs relative to the production and delivery of water (maintenance, replacement and expansion) are paid with user fees and capital connection fees.	660
<b><u>Water Capital Facilities Fund</u></b>	
The Water Capital Facility fees are a one-time impact fee collected from new developments or existing developments requesting new services from the City's Water Distribution System. The fees collected can be utilized for the Water Department Capital Improvement Programs.	661
<b><u>Reclaimed Water Funds</u></b>	
<b><i>Irrigation Water Fund</i></b> The Irrigation Water Fund is being used to track the project costs for the Recycled Water line on Lincoln street. Current funding for the project is coming from revenues collected through the Wastewater Tertiary Fund.	662
<b><i>Wastewater Tertiary Fund</i></b> The Irrigation Water Fund and the Tertiary Fund combined are referred to as Reclaimed Water Funds. Projects for reclaimed water have been recorded in the Irrigation Water Fund. The Wastewater Tertiary Fund as a source of funds for these projects, has transferred funds to cover the costs of these projects.	682
<b><u>BUA Water Capital Project Fund</u></b>	
Water 2005 revenue bonds were set aside to fund specific water utility capital improvement projects.	663
<b><u>Electric Improvement Fund</u></b>	
The Electric Improvement Fund includes interest and payments received from Southern California Edison (SCE) as per Federal Energy Regulatory Commission decisions. City Council has adopted Resolution 1993-37 setting the guidelines for utilization of these funds. Resolution No. 1993-37 strictly prohibits the use of these funds for salaries or for operations and maintenance of the electric distribution system.	673

<b><u>'07 Electric Revenue Bond Project Fund</u></b>	
Electric revenue bonds proceeds were set aside to fund certain capital improvements to the Electric System.	674
<b><u>Wastewater Fund</u></b>	
The Wastewater Department collects the effluent from the city's residential, commercial and industrial facilities and discharges the effluent after required treatment in compliance with the Discharge Permit issued by the State Water Resources Control Board. The Wastewater Treatment Facilities are operated by United Water Environmental Services, on a contract basis.	680
<b><u>Wastewater Capital Facility Fund</u></b>	
The Wastewater Capital Facility Fee is a one-time charge collected from new development or existing development requesting new services from the City's wastewater collection system. The fees collected can be utilized for Wastewater Division Capital Improvement Programs.	681
<b><u>BUA Wastewater Capital Facility Fund</u></b>	
Wastewater 2005 revenue bonds were set aside to pay for specific wastewater utility capital improvement projects.	683
<b><u>State Revolving Loan Fund</u></b>	
The State Revolving Loan Fund (SRF) is a low interest loan program for the construction of publicly owned wastewater treatment and water reclamation facilities, correction of nonpoint source and stormwater drainage pollution problems, and estuary enhancement activities. For point source discharge (i.e. wastewater treatment facilities, water reclamation facilities, and some stormwater facilities) the loan recipient must be a municipality. Loans are fixed rate loans with an interest rate equal to one-half the rate of the most recent sale of State General Obligation Bonds. The repayment period is up to 20 years. Annual repayments begin one year after completion of construction for point source projects.	685
<b><u>2007 Tax Allocation Bond Proceeds Fund</u></b>	
Proceeds from this bond issue may be used for a variety of improvements. The Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area. AB 1x 26 and AB 1438 provide guidelines bond proceeds may be expended once the Agency has received a Finding of Completion from the State Department of Finance. This was received April 26, 2013.	855

**CITY OF BANNING**  
**CAPITAL IMPROVEMENT PROJECTS**  
**AVAILABLE RESOURCES/FUND SUMMARY**  
**FISCAL YEAR 2014-15**

FUND#	FUNDING SOURCE	AVAILABLE RESOURCES JULY 1, 2014	REVENUES	EXPENDITURES	PROJECTED GAIN/(LOSS)	PROJECTED RESOURCES JUNE 30, 2015
001	General	2,858,705	13,921,923	13,921,923	-	2,858,705
100	Gas Tax Street	107,862	923,641	965,493	(41,852)	66,010
101	Measure A Street	1,003,527	532,200	580,000	(47,800)	955,727
110	C.D.B.G.	-	245,000	245,000	-	-
132	Air Quality Improvement	233,348	380,300	418,000	(37,700)	195,648
148	Supplemental Law Enforcement	100	100	-	100	200
420	Traffic Control Facility	379,601	1,000	-	1,000	380,601
430	General Facilities	433,357	800	60,000	(59,200)	374,157
441	Sunset Grade Separation Fund	40,936	-	-	-	40,936
451	Park Development	25,909	2,205	-	2,205	28,114
470	Capital Improvement Fund	638,593	300	120,000	(119,700)	518,893
600	Airport	81,272	548,175	575,264	(27,089)	54,183
610	Transit Operations	-	1,645,235	1,645,235	-	-
660	Water Operations	7,934,272	10,669,000	9,879,065	789,935	8,724,207
661	Water Capital Facility Fee	1,621,634	26,964	200,000	(173,036)	1,448,598
662	Irrigation Water	-	2,500	-	2,500	2,500
663	BUA Water Capital Project Fund	1,845,091	2,900	300,000	(297,100)	1,547,991
670	Electric Operations	9,623,127	29,773,000	29,110,905	662,095	10,285,222
673	Electric Improvement	6,924,309	15,141	415,000	(399,859)	6,524,450
674	2007 Elec Rev Bond Project Fund	6,433,605	5,350	4,850,000	(4,844,650)	1,588,955
680	Wastewater Operations	999,329	3,212,104	3,189,143	22,961	1,022,290
681	Wastewater Capital Facility Fees	9,917,246	34,644	115,000	(80,356)	9,836,890
683	BUA WWtr Capital Project Fund	2,728,729	1,300	-	1,300	2,730,029
690	Refuse	761,087	3,303,195	3,198,161	105,034	866,121
761	Utility Billing Administration	97,729	1,774,418	1,777,312	(2,894)	94,835
855	2007 TAPBS Bond Proceeds	7,252,448	5,813	20,532	(14,719)	7,237,729

174

**CITY OF BANNING**  
**CAPITAL IMPROVEMENT PROGRAM**  
**5 YEAR SUMMARY BY FUND**  
**FISCAL YEAR'S 2015-2019**

FUND#	FUNDING SOURCE	Project to Date	Budget Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
001	General	11,258	109,872	61,132	61,132	-	-	-	243,394
100	Gas Tax Street	24,673	417,500	-	-	-	-	-	442,173
101	Measure A Street	32,612	1,238,908	530,000	955,000	562,000	579,000	596,000	4,493,520
110	C.D.B.G.	-	513,275	245,000	-	-	-	-	758,275
132	Air Quality Improvement	-	-	350,000	-	-	-	-	350,000
148	Supplemental Law Enforcement	110,888	189,405	-	-	-	-	-	300,293
420	Traffic Control Facility	-	20,000	-	-	-	-	-	20,000
430	General Facilities	-	-	60,000	-	-	-	-	60,000
441	Sunset Grade Separation Fund	4,560,732	90,090	-	-	-	-	-	4,650,822
451	Park Development	-	132,046	-	-	-	-	-	132,046
470	Capital Improvement Fund	-	-	120,000	-	-	-	-	120,000
600	Airport	13,754	187,928	330,000	-	2,500,000	1,000,000	250,000	4,281,682
610	Transit Operations	318,552	819,667	19,189	-	875,000	-	-	2,032,408
660	Water Operations	-	160,000	675,000	1,465,000	775,000	1,925,000	775,000	5,775,000
661	Water Capital Facility Fee	583,295	2,150,000	200,000	750,000	350,000	75,000	450,000	4,558,295
662	Irrigation Water	-	2,675,000	-	2,500,000	335,000	1,500,000	750,000	7,760,000
663	BUA Water Capital Project Fund	-	-	300,000	300,000	600,000	600,000	-	1,800,000
670	Electric Operations	134,853	479,996	621,000	731,000	-	-	-	1,966,849
673	Electric Improvement	437,985	721,545	415,000	-	-	-	-	1,574,530
674	2007 Elec Rev Bond Project Fund	721,752	6,662,866	4,550,000	2,350,000	-	-	-	14,284,618
680	Wastewater Operations	-	107,500	105,000	40,000	-	35,000	-	287,500
681	Wastewater Capital Facility Fees	-	600,000	115,000	270,000	340,000	815,000	115,000	2,255,000
683	BUA WWtr Capital Project Fund	2,358,267	235,752	-	100,000	250,000	15,000,000	15,000,000	32,944,019
690	Refuse	-	-	20,000	-	-	-	-	20,000
761	Utility Billing Administration	-	-	22,000	22,000	-	-	-	44,000
855	2007 TAPBS Bond Proceeds	-	250,000	-	-	-	-	-	250,000
	<b>CITYWIDE CIP TOTALS</b>	<b>9,308,621</b>	<b>17,761,350</b>	<b>8,738,321</b>	<b>9,544,132</b>	<b>6,587,000</b>	<b>21,529,000</b>	<b>17,936,000</b>	<b>91,404,424</b>

**CITY OF BANNING  
CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEARS 2015-2019**

**GENERAL FUND**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Cable Channel Equipment	001-2060-446.90-56	Machinery/Equipment	\$ 11,258	\$ 29,872	\$ 61,132	\$ 61,132				\$ 163,394
Community Center Generator	001-3200-412.90-56	Machinery/Equipment		\$ 80,000						\$ 80,000
<b>001 GENERAL FUND TOTALS</b>			<b>\$ 11,258</b>	<b>\$ 109,872</b>	<b>\$ 61,132</b>	<b>\$ 61,132</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 243,394</b>

**STREETS**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
HSIP Traffic Signal Imp (D)	100-4900-431.90-10	Cap Exp/Planning/Engineering	\$ 24,673	\$ 33,326						\$ 57,999
HSIP Traffic Signal Imp (C)	100-4900-431.93-27	Traffic Signal/Synchron		\$ 384,174						\$ 384,174
<b>100 STREET FUND TOTALS</b>			<b>\$ 24,673</b>	<b>\$ 417,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 442,173</b>

**MEASURE A**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Westward: HH Rd to Sunset (D)	101-4900-431.93-04	Design Street Projects	\$ 32,612	\$ 5,908						\$ 38,520
Ramsey: HS Ave to HH Rd	101-4900-431.93-16	Measure A Street Imp		\$ 693,000						\$ 693,000
Hoffer: Aless to Hargrave	101-4900-431.93-16	Measure A Street Imp		\$ 110,000						\$ 110,000
Aless: Williams to Ramsey	101-4900-431.93-16	Measure A Street Imp		\$ 40,000						\$ 40,000
Ramsey: Hargrave to SG Ave	101-4900-431.93-16	Measure A Street Imp		\$ 125,000						\$ 125,000
2012/2013 SB-821 Project	101-4900-431.93-16	Measure A Street Imp		\$ 265,000						\$ 265,000
Cherry: Hoffer to George	101-4900-431.93-16	Measure A Street Imp			\$ 120,000					\$ 120,000
Lincoln: SG to Hargrave	101-4900-431.93-16	Measure A Street Imp			\$ 300,000					\$ 300,000
City Wide Slurry Seal	101-4900-431.93-16	Measure A Street Imp			\$ 110,000	\$ 60,000				\$ 170,000
Allen: Hoffer to George	101-4900-431.93-16	Measure A Street Imp				\$ 100,000				\$ 100,000
Nicolet: Sims to Sunset	101-4900-431.93-16	Measure A Street Imp				\$ 318,000				\$ 318,000
FTIP: Ramsey:Hargrave to ECL	101-4900-431.93-16	Measure A Street Imp				\$ 477,000				\$ 477,000
Ramsey: SG to 8th	101-4900-431.93-16	Measure A Street Imp					\$ 262,000			\$ 262,000
8th: Lincoln to Westward	101-4900-431.93-16	Measure A Street Imp					\$ 130,000			\$ 130,000
Charles: Hargrave to 1037 E. Charles	101-4900-431.93-16	Measure A Street Imp					\$ 85,000			\$ 85,000
Wesley: Hargrave to 1401 E. Wesley	101-4900-431.93-16	Measure A Street Imp					\$ 85,000			\$ 85,000
Cottonwood: 8th to 12th	101-4900-431.93-16	Measure A Street Imp						\$ 110,000		\$ 110,000
George: 8th to 12th	101-4900-431.93-16	Measure A Street Imp						\$ 110,000		\$ 110,000
10th: Williams to George	101-4900-431.93-16	Measure A Street Imp						\$ 115,000		\$ 115,000
12th: Williams to George	101-4900-431.93-16	Measure A Street Imp						\$ 124,000		\$ 124,000
14th: Williams to George	101-4900-431.93-16	Measure A Street Imp						\$ 120,000		\$ 120,000
Lincoln: HH Rd to Sunset	101-4900-431.93-16	Measure A Street Imp							\$ 596,000	\$ 596,000
<b>101 MEASURE A FUND TOTALS</b>			<b>\$ 32,612</b>	<b>\$ 1,238,908</b>	<b>\$ 530,000</b>	<b>\$ 955,000</b>	<b>\$ 562,000</b>	<b>\$ 579,000</b>	<b>\$ 596,000</b>	<b>\$ 4,493,520</b>

**CDBG**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Repplier Park Bowl	110-5510-461.90-67	Repplier Park Bowl Renvtn		\$ 10,000						\$ 10,000
	110-5511-461.90-67	Repplier Park Bowl Renvtn		\$ 141,570						\$ 141,570
	110-5512-461.90-67	Repplier Park Bowl Renvtn		\$ 121,970						\$ 121,970
	110-5513-461.90-67	Repplier Park Bowl Renvtn		\$ 120,735						\$ 120,735
	110-5514-461.90-67	Repplier Park Bowl Renvtn		\$ 119,000						\$ 119,000
Lions Park Improvements	110-5515-461.90-69	Lions Park Improvements			\$ 245,000					\$ 245,000
<b>110 CDBG FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 513,275</b>	<b>\$ 245,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 758,275</b>

**CITY OF BANNING  
CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEARS 2015-2019**

**AIR QUALITY CONTROL**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Street Sweeper	132-4900-446.90-56	Machinery & Equipment		\$ -	\$ 350,000					\$ 350,000
<b>132 AIR QUALITY CONTROL FUND TOTALS</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 350,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 350,000</b>

**SUPPLEMENTAL LAW ENFORCEMENT**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
SLESF GRANT 2012	148-2212-421.90-56	Machinery & Equipment	\$ 85,245	\$ 14,998						\$ 100,243
SLESF GRANT 2013	148-2213-421.90-56	Machinery & Equipment	\$ 25,643	\$ 74,407						\$ 100,050
SLESF GRANT 2014	148-2214-421.90-56	Machinery & Equipment		\$ 100,000						\$ 100,000
<b>148 SUPP. LAW ENFORCEMENT GRANT FUND TOTALS</b>			<b>\$ 110,888</b>	<b>\$ 189,405</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,293</b>

**TRAFFIC CONTROL**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Traffic Signal Improvements	420-4900-431.93-27	Traffic Signals/Synchron		\$ 20,000						\$ 20,000
<b>420 TRAFFIC CONTROL FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,000</b>

**GENERAL FACILITIES**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
HVAC Controls/Computer	430-2900-441.90-15	Building Improvements			\$ 60,000					\$ 60,000
<b>430 GENERAL FACILITIES FUND TOTALS</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000</b>

**SUNSET GRADE SEPERATION**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Sunset Avenue Grade Sep.	441-6500-431.93-02	Sunset Grade Seperation	\$ 4,560,732	\$ 90,090						\$ 4,650,822
<b>441 SUNSET GRADE SEPERATION FUND TOTALS</b>			<b>\$ 4,560,732</b>	<b>\$ 90,090</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,650,822</b>

**PARK DEVELOPMENT**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Repplier Park Bowl	451-3600-461.90-37	Repplier Park Improvement		\$ 132,046						\$ 132,046
<b>451 PARK DEVELOPMENT FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 132,046</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 132,046</b>

**CAPITAL IMPROVEMENT**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
City Hall A/C	470-3200-412.90-15	Building Improvements			\$ 120,000					\$ 120,000
<b>470 CAPITAL IMPROVEMENT FUND TOTALS</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120,000</b>

**CITY OF BANNING  
CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEARS 2015-2019**

**AIRPORT**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Taxiway "A" Relocation (Const)	600-5100-435.90-41	Runway Improvements					\$ 2,500,000			\$ 2,500,000
Fuel Facility Relocation (Const)	600-5100-435.93-73	Airport Improvements		\$ 187,928						\$ 187,928
Property Acquisition EA	600-5100-435.90-10	Planning/Engineering	\$ 13,754		\$ 205,000					\$ 218,754
Electric Vault (Design)	600-5100-435.90-10	Planning/Engineering			\$ 125,000					\$ 125,000
Airport Security Fence	600-5100-435.93-73	Airport Improvements					\$ 1,000,000			\$ 1,000,000
PAPI Runway 8 (Design)	600-5100-435.90-10	Planning/Engineering						\$ 250,000		\$ 250,000
<b>600 AIRPORT FUND TOTALS</b>			<b>\$ 13,754</b>	<b>\$ 187,928</b>	<b>\$ 330,000</b>	<b>\$ -</b>	<b>\$ 2,500,000</b>	<b>\$ 1,000,000</b>	<b>\$ 250,000</b>	<b>\$ 4,281,682</b>

**TRANSIT**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Bus Stop Amenities	610-5800-434.90-19	Plant Property	\$ 149,815	\$ 185						\$ 150,000
DAR Vehicles	610-5850-434.90-51	Automotive Equipment	\$ 107,016	\$ 51,164						\$ 158,180
Decaling	610-5850-434.90-51	Automotive Equipment	\$ 16,114	\$ 3,886						\$ 20,000
ADA Accessible Van	610-5850-434.90-51	Automotive Equipment		\$ 50,000						\$ 50,000
Schedule Holders for stops	610-5800-434.90-19	Plant Property		\$ 5,000						\$ 5,000
GPS for Dial-A-Ride	610-5850-434.90-56	Machinery & Equipment		\$ 25,000						\$ 25,000
Paratransit Schedule Software	610-5850-434.90-49	Computer Software		\$ 25,000						\$ 25,000
Computer Equipment	610-5800-434.90-48	Computer Hardware	\$ 5,793	\$ 54,207						\$ 60,000
Electric Fareboxes	610-5800-434.90-56	Machinery & Equipment		\$ 150,000						\$ 150,000
Security Cameras	610-5800-434.90-56	Machinery & Equipment		\$ 48,818						\$ 48,818
On Board Schedule Holders	610-5800-434.90-19	Plant Property		\$ 300						\$ 300
Automated Enunciators	610-5800-434.90-19	Plant Property		\$ 50,000						\$ 50,000
Automated Enunciators	610-5800-434.90-56	Machinery & Equipment		\$ 50,000						\$ 50,000
Shop Equipment	610-5800-434.90-56	Machinery & Equipment	\$ 24,962	\$ 38						\$ 25,000
Route Schedule Holders	610-5800-434.90-56	Machinery & Equipment	\$ 4,878	\$ 5,122						\$ 10,000
Security Camera System	610-5800-434.90-56	Machinery & Equipment	\$ 9,974	\$ 26						\$ 10,000
Bus Security Upgrades	610-5800-434.90-51	Automotive Equipment		\$ 18,721						\$ 18,721
WiFi Download System	610-5800-434.90-56	Machinery & Equipment		\$ 56,869	\$ 19,189					\$ 76,058
Replace D-A-R Buses	610-5850-434.90-51	Automotive Equipment		\$ 119,824						\$ 119,824
Bus Rehab/Bus Shelters	610-5800-434.90-19	Plant Property		\$ 105,507						\$ 105,507
2 Replacement Coaches	610-5800-434.90-51	Automotive Equipment					\$ 850,000			\$ 850,000
Relief Vehicle	610-5800-434.90-51	Automotive Equipment					\$ 25,000			\$ 25,000
<b>610 TRANSIT FUND TOTALS</b>			<b>\$ 318,552</b>	<b>\$ 819,667</b>	<b>\$ 19,189</b>	<b>\$ -</b>	<b>\$ 875,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,032,408</b>

**WATER**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Security Cameras at water yard	660-6300-471.90-15	Building Improvements	\$ -	\$ 5,000	\$ 25,000					\$ 30,000
Well Enclosures	660-6300-471.90-18	Plant Improvements		\$ 45,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 195,000
Repairs at M-7	660-6300-471.95-08	Wells/Pumping Equipment		\$ 110,000						\$ 110,000
Well Rehabilitation	660-6300-471.95-08	Wells/Pumping Equipment			\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000
SCADA Comp Hardware/Software	660-6300-471.95-27	SCADA/Telemetry				\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
Dump Truck	660-6300-471.90-51	Automotive Equipment			\$ 50,000					\$ 50,000
Work Truck	660-6300-471.90-52	Vehicles				\$ 40,000				\$ 40,000
Annual Water Line Rep Design	660-6300-471.90-78	Planning/Design-Capital			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
Annual Water Line Replacement	660-6300-471.95-10	Water Mains			\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
Water Canyon Pipe Rep Design	660-6300-471.90-78	Planning/Design-Capital			\$ 300,000		\$ 350,000		\$ 350,000	\$ 1,000,000
Water Canyon Pipe Rep (Cons)	660-6300-471.95-10	Water Mains				\$ 1,000,000		\$ 1,500,000		\$ 2,500,000
<b>660 WATER FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 160,000</b>	<b>\$ 675,000</b>	<b>\$ 1,465,000</b>	<b>\$ 775,000</b>	<b>\$ 1,925,000</b>	<b>\$ 775,000</b>	<b>\$ 5,775,000</b>

**CITY OF BANNING  
CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEARS 2015-2019**

**WATER CAPITAL FACILITIES**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Water Master Plan Update	661-6300-471.90-78	Planning/Design-Capital		\$ 75,000						\$ 75,000
Pilot Well in Cabazon SU	661-6300-471.95-08	Wells/Pumping Equip.		\$ 750,000						\$ 750,000
Equip Well in Cabazon SU	661-6300-471.95-08	Wells/Pumping Equip.				\$ 750,000				\$ 750,000
Main to Cabazon Well	661-6300-471.95-10	Water Mains					\$ 350,000			\$ 350,000
Water Yard Building	661-6300-471.90-12	Water Yard Building		\$ 325,000						\$ 325,000
Treatment Plant Improvement	661-6300-471.95-12	Treatment Plant Improvement		\$ 275,000						\$ 275,000
Water Yard Block Wall/Pkg Lot	661-6300-471.90-07	Water Yard Building	\$ 583,295							\$ 583,295
Altitude Valves	661-6300-471.95-09	Reservoirs			\$ 200,000					\$ 200,000
Sunset Grade Sep. Water Main	661-6300-471.95-10	Water Mains		\$ 400,000						\$ 400,000
San G to Mountain East Bottleneck (Design)	661-6300-471.90-78	Planning/Design-Capital						\$ 75,000		\$ 75,000
San G to Mountain East Bottleneck (Const)	661-6300-471.95-10	Water Mains							\$ 450,000	\$ 450,000
Water Main on Sunset: Lincoln to Westward	661-6300-471.95-10	Water Mains		\$ 325,000						\$ 325,000
<b>661 WATER CAPITAL FACILITIES FUND TOTALS</b>			<b>\$ 583,295</b>	<b>\$ 2,150,000</b>	<b>\$ 200,000</b>	<b>\$ 750,000</b>	<b>\$ 350,000</b>	<b>\$ 75,000</b>	<b>\$ 450,000</b>	<b>\$ 4,558,295</b>

**IRRIGATION WATER (RECLAIMED WATER)**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Recycled Water Master Plan Update	662-6300-471.90-10	Planning/Engineering		\$ 75,000						\$ 75,000
Phase I Segment B	662-6300-471.95-10	Irrigation Wtr Mains		\$ 2,200,000						\$ 2,200,000
Phase I Segment C	662-6300-471.95-10	Irrigation Wtr Mains				\$ 2,500,000				\$ 2,500,000
R1 Rehab/Pump Test	662-6300-471.95-08	Wells/Pumping Equip					\$ 200,000			\$ 200,000
Equip R1	662-6300-471.95-08	Wells/Pumping Equip						\$ 250,000		\$ 250,000
R1 Reservoir/Pump Station (Design)	662-6300-471.90-10	Planning/Engineering					\$ 75,000			\$ 75,000
R1 Reservoir/Pump Station (Construction)	662-6300-471.95-08	Wells/Pumping Equip						\$ 1,250,000		\$ 1,250,000
Booster Station (Design)	662-6300-471.90-10	Planning/Engineering							\$ 100,000	\$ 100,000
Booster Station (Construction)	662-6300-471.95-08	Wells/Pumping Equip							\$ 650,000	\$ 650,000
Sunset Grade Sep RW Main	662-6300-471.95-10	Irrigation Wtr Mains		\$ 400,000						\$ 400,000
Sun Lakes Ponds Main/Inter-tie	662-6300-471.95-10	Irrigation Wtr Mains					\$ 60,000			\$ 60,000
<b>662 IRRIGATION WATER FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 2,675,000</b>	<b>\$ -</b>	<b>\$ 2,500,000</b>	<b>\$ 335,000</b>	<b>\$ 1,500,000</b>	<b>\$ 750,000</b>	<b>\$ 7,760,000</b>

**BUA WATER CAPITAL**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Flume Consultant Costs	663-6300-471.96-35	Flume Restoration Project			\$ 300,000	\$ 300,000	\$ 600,000	\$ 600,000		\$ 1,800,000
<b>663 BUA WATER CAPITAL FUND TOTALS</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>	<b>\$ 300,000</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ 1,800,000</b>

182

**CITY OF BANNING  
CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEARS 2015-2019**

**ELECTRIC**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Modification & Improvement to Admin & Warehouse buildings	670-7000-473.90-15	Building Improvements		\$ 80,000	\$ 50,000	\$ 50,000				\$ 180,000
Computer replacement/repair	670-7000-473.90-48	Computer Hardware	\$ 5,016	\$ 643	\$ 5,000	\$ 5,000				\$ 15,659
Replacement of vehicles	670-7000-473.90-52	Vehicles			\$ 195,000	\$ 305,000				\$ 500,000
Special Utility Cap Items	670-7000-473.95-01	Poles/Towers/Fixtures	\$ 400	\$ 19,600	\$ 10,000	\$ 10,000				\$ 40,000
Special Utility Cap Items	670-7000-473.95-02	Overhead Conductor/Device	\$ 2,889	\$ 17,111	\$ 10,000	\$ 10,000				\$ 40,000
Special Utility Cap Items	670-7000-473.95-04	Underground Conduc/Device	\$ 5,014	\$ 69,986	\$ 10,000	\$ 10,000				\$ 95,000
Special Utility Cap Items	670-7000-473.95-05	Line Transformers	\$ 48,545	\$ 151,455	\$ 50,000	\$ 50,000				\$ 300,000
Special Utility Cap Items	670-7000-473.95-06	Substation Equipment	\$ 11,542	\$ 38,458	\$ 20,000	\$ 20,000				\$ 90,000
Special Utility Cap Items	670-7000-473.95-17	Meters	\$ 14,246	\$ 1,254	\$ 15,000	\$ 15,000				\$ 45,500
Special Utility Cap Items	670-7000-473.95-19	Street Lights	\$ 20,690		\$ 200,000	\$ 200,000				\$ 420,690
Special Utility Cap Items	670-7000-473.95-23	System Improvements-Labor	\$ 20,358	\$ 67,642	\$ 36,000	\$ 36,000				\$ 160,000
Special Utility Cap Items	670-7000-473.95-29	Pole Testing & Replacement	\$ 6,153	\$ 33,847	\$ 20,000	\$ 20,000				\$ 80,000
<b>670 ELECTRIC FUND TOTALS</b>			<b>\$ 134,853</b>	<b>\$ 479,996</b>	<b>\$ 621,000</b>	<b>\$ 731,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,966,849</b>

**ELECTRIC IMPROVEMENT**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Sunset Grade Separation	673-7000-473.93-02	Sunset Grade Separation	\$ 276,985	\$ 180,195	\$ 415,000					\$ 872,180
Rebuild Hydro Generating Units	673-7000-473.96-34	Hydro Units	\$ 161,000	\$ 541,350						\$ 702,350
<b>673 ELECTRIC IMPROVEMENT FUND TOTALS</b>			<b>\$ 437,985</b>	<b>\$ 721,545</b>	<b>\$ 415,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,574,530</b>

**ELECTRIC REVENUE BOND**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Downtown UG-Decorative Lights	674-7000-473.96-29	D.T. Underground	\$ 555,391	\$ 2,979,137						\$ 3,534,528
City Yard Warehouse Building	674-7000-473.90-11	New building City	\$ 166,145	\$ 2,533,855						\$ 2,700,000
Midway Substation Upgrade	674-7000-473.96-12	Midway Substation				\$ 500,000				\$ 500,000
Sunset Substation Distribution Circuits	674-7000-473.96-18	Sunset Substation		\$ 50,000	\$ 100,000	\$ 1,850,000				\$ 2,000,000
Alola Substation Conversion	674-7000-473.96-32	Alola Substation	\$ 113	\$ 599,887	\$ 2,850,000					\$ 3,450,000
Airport Substation Conversion	674-7000-473.96-33	Airport Substation	\$ 103	\$ 499,987	\$ 1,600,000					\$ 2,100,090
<b>674 ELECTRIC REVENUE BOND TOTALS</b>			<b>\$ 721,752</b>	<b>\$ 6,662,866</b>	<b>\$ 4,550,000</b>	<b>\$ 2,350,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,284,618</b>

**WASTEWATER**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Digester Cleaning	680-8000-454.95-12	Treatment Plant Impro		\$ 30,000						\$ 30,000
Repairs to Heat Exchanger (WWTP)	680-8000-454.95-12	Treatment Plant Impro		\$ 60,000						\$ 60,000
Service Truck	680-8000-454.90-52	Vehicles				\$ 40,000				\$ 40,000
Equipment Replacement	680-8000-454.90-56	Machinery/Equipment		\$ 17,500						\$ 17,500
PVC Digester Gas Piping	680-8000-454.95-12	Treatment Plant Impro			\$ 25,000					\$ 25,000
Replace Trickling Filter Valves	680-8000-454.95-12	Treatment Plant Impro			\$ 45,000					\$ 45,000
Iron Sponge Media Replacement	680-8000-454.95-12	Treatment Plant Impro			\$ 35,000			\$ 35,000		\$ 70,000
<b>680 WASTEWATER FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 107,500</b>	<b>\$ 105,000</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ 35,000</b>	<b>\$ -</b>	<b>\$ 287,500</b>

**CITY OF BANNING  
CAPITAL IMPROVEMENT PROJECTS  
FISCAL YEARS 2015-2019**

**WASTEWATER CAPITAL FACILITIES**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Sewer Master Plan Update	681-8000-454.90-78	Planning/Design		\$ 75,000						\$ 75,000
Sunset Grade Sep Sewer Main	681-8000-454.95-14	Sewer Mains & Coll. Syst		\$ 400,000						\$ 400,000
Annual Sewer Line Repl Design	681-8000-454.90-78	Planning/Design			\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 75,000
Annual Sewer Line Replacement	681-8000-454.95-14	Sewer Mains & Coll. Syst			\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
Replace Digester Dome Seal	681-8000-454.95-12	Treatment Plant Impro				\$ 125,000				\$ 125,000
Replacement of 30" Trunk to WWTP w/ DIP (Design)	681-8000-454.90-78	Planning/Design					\$ 75,000			\$ 75,000
Replacement of 30" Trunk to WWTP w/ DIP (Const)	681-8000-454.95-14	Sewer Mains & Coll. Syst						\$ 500,000		\$ 500,000
Laboratory Design	681-8000-454.90-78	Planning/Design				\$ 30,000				\$ 30,000
Laboratory Const	681-8000-454.95-12	Treatment Plant Impro					\$ 150,000			\$ 150,000
SCADA (Lift Stations)	681-8000-454.95-14	Sewer Mains & Coll. Syst		\$ 125,000						\$ 125,000
Deutsch Sewer Trunk Line (D)	681-8000-454.90-10	Planning/Engineering						\$ 200,000		\$ 200,000
<b>681 WASTEWATER CAPITAL FACILITIES FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ 115,000</b>	<b>\$ 270,000</b>	<b>\$ 340,000</b>	<b>\$ 815,000</b>	<b>\$ 115,000</b>	<b>\$ 2,255,000</b>

**BUA WASTEWATER CAPITAL**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Portable Camera System	683-8000-454.90-56	Machinery/Equipment				\$ 100,000				\$ 100,000
WWTP Expansion (D)	683-8000-454.90-78	Planning/Design	\$ 2,169,811	\$ 228,118			\$ 250,000			\$ 2,647,929
WWTP Expansion (C)	683-8000-454.95-12	Treatment Plant Impro						\$ 15,000,000	\$ 15,000,000	\$ 30,000,000
Phase I Irrig	683-8000-454.90-78	Planning/Design	\$ 188,456	\$ 7,634						\$ 196,090
<b>683 BUA WASTEWATER CAPITAL FUND TOTALS</b>			<b>\$ 2,358,267</b>	<b>\$ 235,752</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 250,000</b>	<b>\$ 15,000,000</b>	<b>\$ 15,000,000</b>	<b>\$ 32,944,019</b>

**REFUSE**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Site Design-City Dumpsite	690-9600-453.90-10	Planning/Engineering	\$ -	\$ -	\$ 20,000					\$ 20,000
<b>690 REFUSE FUND TOTALS</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,000</b>

**UTILITY BILLING-METER READING**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Replace meter reading vehicles	761-3110-480.90-52	Vehicles			\$ 22,000	\$ 22,000				\$ 44,000
<b>761 UTILITY BILLING FUND TOTALS</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,000</b>	<b>\$ 22,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,000</b>

**2007 TAPB PROCEEDS**

PROJECT DESCRIPTION	ACCOUNT NO.	ACCT. DESCRIPTION	Project to Date	Budg. Carry Fwd	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	TOTAL \$
Ramsey Street Improvements	855-9500-490.93-30	Ramsey Street Improvements		\$ 250,000						\$ 250,000
<b>855 2007 TAPB PROCEEDS FUND TOTALS</b>			<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>

<b>CITYWIDE CIP TOTALS</b>			<b>\$ 9,308,621</b>	<b>\$ 17,761,350</b>	<b>\$ 8,738,321</b>	<b>\$ 9,544,132</b>	<b>\$ 6,587,000</b>	<b>\$ 21,529,000</b>	<b>\$ 17,936,000</b>	<b>\$ 91,404,424</b>
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184

**CITY OF BANNING**  
**COMPLETED CAPITAL IMPROVEMENT PROJECTS**  
**FY 2013-14**

DESCRIPTION	ACCT. DESCRIPTION	PROJECT TOTALS
<b>GENERAL FACILITIES</b>		
City Hall Bathroom	Building Improvements	45,856.00
<b>430 - GENERAL FACILITIES FUND TOTAL</b>		<b>\$ 45,856.00</b>
<b>AIRPORT</b>		
Taxiway "A" Relocation (Design)	Planning/Engineering	200,128.91
Fuel Facility Relocation (Design)	Planning/Engineering	88,823.62
Fuel Facility Relocation (Construction)	Airport Improvements	645,034.00
<b>600 - AIRPORT FUND TOTAL</b>		<b>\$ 933,986.53</b>
<b>TRANSIT</b>		
Dial-A-Ride Vehicle	Automotive Equipment	59,367.00
<b>610 - TRANSIT FUND TOTAL</b>		<b>\$ 59,367.00</b>
<b>WATER</b>		
Repairs to Water Well M-3	Wells Pumping Equipment	96,084.52
Parking Lot Improvements	Building Improvements	24,000.00
SCAADA Radios	Wells/Pumping Equipment	57,119.38
SCAADA/Telemetry Imp	SCAADA/Telemetry	16,543.00
<b>660 - WATER FUND TOTAL</b>		<b>\$ 193,746.90</b>
<b>IRRIGATION WATER (RECLAIMED WATER)</b>		
Irrigation Water Line Segment A	Irrigation Water Mains	1,703,680.01
<b>662 - IRRIGATION WATER FUND TOTAL</b>		<b>\$ 1,703,680.01</b>
<b>ELECTRIC IMPROVEMENT</b>		
Block Wall at City Yard	Block Wall - City Yard	1,224,288.00
<b>673 - ELECTRIC IMPROVEMENT FUND TOTAL</b>		<b>\$ 1,224,288.00</b>
<b>WASTEWATER</b>		
Florida Street Sewer Main Replacement (Design)	Planning/Engineering Svc	6,000.00
Digester Sludge Recirculation Pump	Treatment Plant Improv	76,381.44
<b>680 - WASTEWATER FUND TOTAL</b>		<b>\$ 82,381.44</b>
<b>WASTEWATER CAPITAL FACILITIES</b>		
Florida Street Sewer Main Replacement (Construction)	Sewer Mains & Collection Sys	83,440.78
<b>681 - WASTEWATER CAPITAL FACILITIES FUND TOTAL</b>		<b>\$ 83,440.78</b>
<b>GRAND TOTAL</b>		<b>\$ 4,326,746.66</b>

# CITY of BANNING

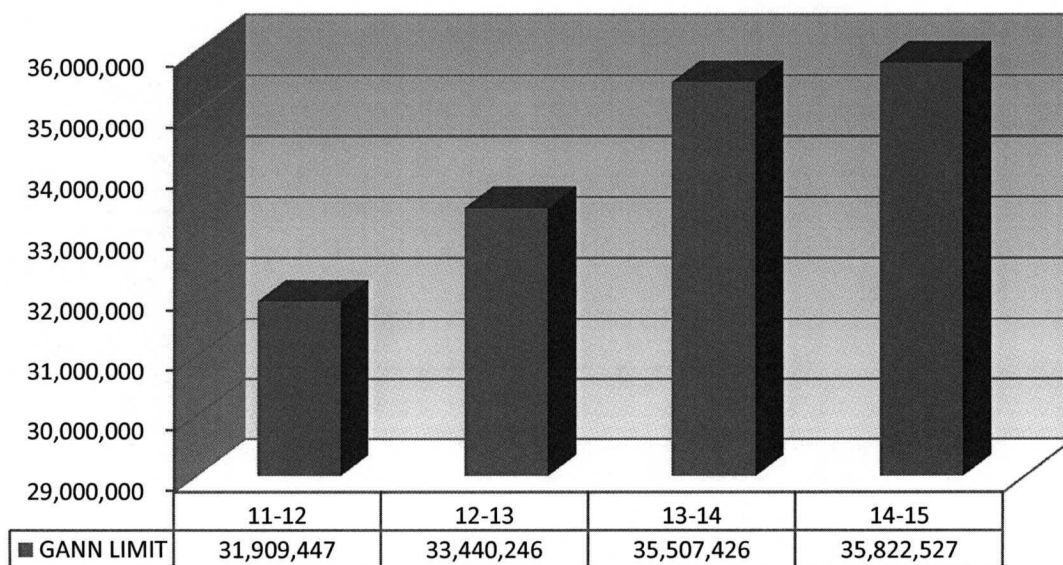
## Proposition 4 - Government Spending Limits

*Proposition 4 - Government Spending Limits*

In November 1979 voters passed Proposition 4, also known as the Gann Initiative. Proposition 4 Article XIII (B) of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriation limit is referred to as the Gann Spending Limitation. The calculation limits the increase in annual appropriations to a factor which is based on a combination of population growth, State per capita income change, and the change in assessment value for non-residential property. Appropriations for proprietary related activities such as water, wastewater, airport, etc., and Redevelopment functions are not subject to the limit. When the limit is exceeded, Proposition 4 requires the surplus to be returned to the taxpayers within two years. Appropriations in the two year period can be averaged before becoming subject to the excess revenue provisions of the Gann limit.

The City of Banning calculated the Gann Limit of \$35,822,527 for Fiscal Year 2014-15 using the prior year's limitation of \$35,507,426 multiplied by the 0.23% (0.977) decrease in per capita income multiplied by the 1.12% (1.0112) increased population growth in Riverside County. This calculation maintains a safe cushion for the City's financial health.

### GANN LIMIT



### GANN LIMIT CALCULATION

Article XIII B of the California State Constitution was adopted by California voters in November 1979, and is more commonly referred to as the Gann Limit. The Article places limits on the amount of revenue which can be appropriated (spent) each fiscal year. Only revenues which are considered proceeds of taxes are subject to the limit. The limit is different for each agency and changes each year, modified for changes in inflation and population.

Fiscal Year	(1) Prior Year Gann Limit	(2) Previous Year's Population	(3) Current Year's Population	(4) * City Population Change %	(5) * County Population Change %	(6) % Change In Per Capita Income	(7) Current Year Gann Limit
05-06	22,308,634	27,192	27,954	1.02%	3.87%	5.26%	<b>24,390,824</b>
06-07	24,390,824	27,954	28,128	-0.01%	3.45%	3.96%	<b>26,231,507</b>
07-08	26,231,507	28,128	28,272	-0.17%	3.31%	4.42%	<b>28,297,580</b>
08-09	28,297,580	28,272	28,348	0.19%	2.71%	4.29%	<b>30,311,309</b>
09-10	30,311,309	28,348	28,457	1.10%	1.44%	0.62%	<b>30,938,428</b>
10-11	30,938,428	28,457	28,751	0.70%	1.40%	-2.54%	<b>30,574,728</b>
11-12	30,574,728	28,751	29,844	1.14%	1.81%	2.51%	<b>31,909,447</b>
12-13	31,909,447	29,844	29,965	0.81%	0.99%	3.77%	<b>33,440,246</b>
13-14	33,440,246	29,965	30,170	0.40%	1.01%	5.12%	<b>35,507,426</b>
14-15	35,507,426	30,170	30,325	0.49%	1.12%	-0.23%	<b>35,822,527</b>

The Gann Limit is adjusted annually by multiplying the "Prior Year Gann Limit" (column 1) by the greater of the "City or County % Change in Population" (column 4 or 5) and then by the "% Change in Per Capita Income" (column 6). This annual Gann adjustment figure is then added to the Prior Year's limit amount to obtain the Current Year Gann Limit amount in column 7. The shaded boxes indicate the calculation factors that were used in determining the adjustment to the Gann Limit.

\*City and County population change % figures are provided by the Department of Finance Demographic Research Unit.

# CITY of BANNING

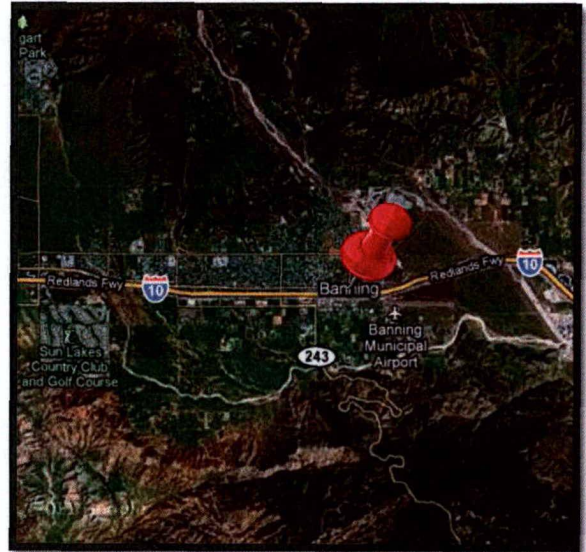
## *Historical Information*

**T**he City of Banning is strategically located in Riverside county along the route of U.S. Interstate 10 approximately 25 miles northwest of Palm Springs and 82 miles east of Los Angeles. Beautifully located in the San Geronio Pass between the two highest mountain peaks in Southern California, Banning is only minutes away from many desert and mountain resorts. One of Banning's unique characteristics is that it provides the serenity of a rural setting yet has easy access to major metropolitan areas. Its unique location is at a relatively high altitude (2,350 feet) in the pass which provides a favorable year-round climate and air quality. Its municipal boundaries encompass 22.117 square miles.

Banning has a rich and colorful history. Its first permanent landmark, an adobe house, was built on a tract of land now known as the Gilman place, in 1854. The house was used as a stagecoach station and meal stop for many years. The Colorado Stage and Express Line included Banning on its route from Los Angeles to the Colorado River in 1862, where gold had been discovered. The railroad replaced the stagecoach in 1876.

Incorporated in 1913, Banning is a general law city with a council/manager type administration. The City has five elected council members. Mayor is appointed by the City Council. The City Manager is the Chief Administrative Officer and is appointed by the City Council.

The City of Banning is a full service municipal government, which owns and operates its own electric and water utilities. It also offers its residents an airport, local police protection, municipal bus service, seven parks, a swimming complex, a seasonally operated play house bowl, as well as youth and leisure programs. Recreation opportunities are also abundant in nearby areas, which offer golfing, fishing, hiking, and equestrian trails.



# CITY of BANNING

## *Budgetary and Fiscal Policies*

### I. PHILOSOPHY

To maintain a financially viable City that can provide an adequate level of municipal services and to ensure a stable and diverse financial condition of the City through budgeting and fiscal policies.

### II. METHODS

#### Operational Policies

##### *Operational Policies*

1. The City will maintain a budgetary control system to ensure compliance with the budget. The City will prepare monthly status reports comparing actual revenues and expenditures to budgeted amounts. Where practical, the City will develop performance measures to be included in the operating budget.
2. The City will provide for adequate maintenance of capital plant and equipment and for the orderly replacement thereof.
3. The City will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. For this projection, a maintenance and replacement schedule will be developed and followed.
4. During the budget process, the City will reassess services and service levels. Staff may seek citizen input by surveys, citizen's forums and similar methods to accomplish this evaluation.
5. The City will strive to maintain all of its assets at an adequate level in order to protect the City's capital investment and to minimize future maintenance and replacement costs.

#### Capital Improvement Policies

##### *Capital Improvement Policies*

1. Capital improvements are to be funded primarily by user fees, service charges, assessments, special taxes or developer agreements when benefits can be attributed to users of the facility.
2. The City will require that project costs and related funding be submitted with requested capital projects. "Full life" costs including operating, maintenance and demolition, if any, should be identified.
3. Although the City will strive to finance projects on a pay-as-you-go basis, the City Council may conclude, based on a study of the economy and other matters, that the most equitable way of financing a project that benefits the entire community would be debt financing (pay-as-you-use) in order to provide the services in a timely manner. The City will use the following criteria to evaluate the use of long-term financing and pay-as-you-go funding for capital projects:

##### Factors favoring pay-as-you-go

- current revenues and excess reserves are available or project phasing can be accomplished.
- debt levels adversely affect credit rating.
- market conditions are unstable or marketing difficulties exist.

##### Factors favoring long-term financing

- revenues available for debt service are determined to be sufficient and reliable to provide funding for long-term financing which can be marketed with investment grade credit ratings.
- the facility securing the financing is of the type that will support an investment grade credit rating.
- market conditions present favorable interest rates and demand for City financing.
- a project is mandated by state and/or federal requirements and current revenues or fund surplus balances are insufficient.
- the facility is immediately required to meet or relieve capacity needs.
- the life of the asset financed is ten years or longer.

## **Revenue Policies**

### *Revenue Policies*

1. The City will strive to maintain a diversified revenue system to protect it from short-run fluctuations in any one revenue source.
2. State and Federal funds may be utilized, but only when the City can be assured that the total costs and requirements of accepting funds are known and judged not to adversely impact the City's General Fund.
3. The City, where allowed by law, will review all fees for licenses, permits, fines, utility user fees and other miscellaneous charges on a periodic basis. They will be adjusted as necessary after considering inflation, processing time, expenses to the City, and any other factors pertinent to the specific item. A regular review and implementation of index escalators will be applied wherever authorized by resolution or ordinance.
4. An administrative fee will be charged where allowed by law for administrative services, provided the fee is based on the reasonable estimated costs incurred.
5. All proposed projects will have a detailed capital budget specifying total costs and total revenues, and shall identify the source of proposed revenues.

## **Debt Management Policies**

### *Debt Management Policies*

1. The City will not use long-term debt to finance current operations. Long-term borrowing will be confined to capital improvements or similar projects with an extended life which cannot be financed from current revenues.
2. Debt payments shall not extend beyond the estimated useful life of the project being financed. The City will try to keep the average maturity of bonded debt at or below 20 years.
3. The City will maintain good communications with bond rating agencies concerning its financial condition.
4. The City may utilize lease purchasing with specific approval of the City Manager. The useful life of the item must be equal to or greater than the length of the lease. A lease purchase will require City Council approval beyond a five-year lease term or principal amount over the City Manager's authorized contract level.
5. The City will not obligate the General Fund to secure financing unless the marketability of the issue will be significantly enhanced.
6. A feasibility analysis shall be prepared for each request for long-term financing which analyzes the impact on current and future fiscal year budgets for debt service and operations. The analysis shall also address the reliability of revenues supporting annual debt service.
7. The City shall conduct financing on a competitive basis unless, for reasons of market volatility, the use of an unusual financing structure or a complex security structure indicates the negotiated financing is preferred.
8. The City will monitor all forms of debt on an annual basis and report concerns or suggested restructuring, if any, to the City Council as part of the budget hearing process.
9. Enterprise and Property owner based financing will only be issued under the assumption that the issue is self-supporting from user fees and charges, assessments and special taxes without impacting the General Fund.
10. The City's minimum acceptable rating objective on any direct debt is "Baa/BBB". Appropriate credit enhancements, such as insurance or letters of credit shall be considered for marketing purposes, availability and cost effectiveness.
11. The City shall diligently monitor its compliance with bond covenants and ensure its compliance with federal arbitrage regulations.
12. The City may issue interfund loans rather than outside debt instruments. Interfund loans will be permitted only if an analysis of the lending fund indicates excess funds are available, and the use of these funds will not impact the fund's current operations. The average annual interest rate, as established by the Local Agency Investment Fund (LAIF), will be paid to the lending fund.

## **General Fund Balance Reserve Policy**

### *General Fund Balance Reserve Policy*

This Fund Balance Policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Administrative Services

Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

### **PROCEDURES**

Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purpose for which amounts can be spent.

- Nonspendable fund balance (*inherently nonspendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual net resources*)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

#### **Committed Fund Balance**

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently.

- General Fund Emergency Contingency

The City's General Fund balance committed for emergency contingencies is established at a minimum of \$1.5 million or up to 25% of operating appropriations if funds are available. The Emergency Contingency is reserved for economic uncertainties, local disasters, recession or other financial hardships; to subsidize unforeseen operating or capital needs; and for cash flow requirements. The City Council may, by the affirming vote of three members, change the amount of this commitment and/or the specific uses of these monies.

#### **Assigned Fund Balance**

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the Administrative Services Director for the purpose of reporting these amounts in the annual financial statements. A few examples of assigned fund balance follow.

- Continuing Appropriations

Fund balance levels must be sufficient to meet funding requirements for projects approved in prior years and which must be carried forward into the new fiscal year.

- Debt Service

Established to provide for future debt service obligations.

- Capital Replacement

In the event that all other committed and assigned fund balance requirements have been met, the remaining available fund balance will be assigned for capital repairs and replacement needs.

#### **Unassigned Fund Balance**

These are residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories.

#### Fund Balance Classification

The accounting policies of the City consider Restricted Fund Balance to have been spent first when an expenditure is incurred for purposes for which both Restricted and Unrestricted Fund Balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the Unrestricted classifications of fund balance could be used, the City considers Committed amounts to be reduced first, followed by Assigned amounts and then Unassigned amounts.

This policy is in place to provide a measure of protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54. No other policy or procedure supersedes the authority and provisions of this policy.

#### Available Fund Balance Reserve Policies

##### *Available Fund Balance Reserve Policies*

1. Each fund shall maintain, if necessary, an appropriate Available Fund Balance reserve to fund prior year's incomplete capital projects, continuing appropriations, cash flow needs and any other financial need not included in the current fiscal year budget.
2. The BUA Water and Wastewater operational funds shall maintain a minimum Available Fund Balance reserve of 10% of the upcoming fiscal year's total operating appropriations and debt service payments.
3. The Electric operational fund shall maintain a minimum Available Fund Balance reserve of 10% of the upcoming fiscal year's total operating appropriations and debt service payments. The Available Fund Balance for the Electric Rate Stability Fund shall be maintained at a minimum of 20% of the upcoming fiscal year's total operating appropriations and debt service payments.
4. The Self-Insurance Fund shall maintain a \$500,000 minimum Available Fund Balance reserve which is in excess of the estimated loss reserve as reported at the end of the fiscal year by the City's claims administrator.

#### Electric Administrative Transfer Policy

##### *Electric Administrative Transfer Policy*

The Electric Operation Fund's administrative transfer to the General Fund is authorized at 10% of operational revenues. The rate will be reviewed by the City Council during the budget process.

#### Budget and Budgetary Accounting Policies

##### *Budget and Budgetary Accounting Policies*

The City uses the following procedures in establishing the budget:

1. Before the beginning of the budget cycle, the City Manager submits to the City Council a proposed budget commencing July 1.
2. A budget workshop(s) may be conducted every two years or as needed to obtain citizen comments.
3. The budget is subsequently adopted through passage of a resolution.
4. For a given fiscal year, all appropriations are as originally adopted or as amended by the City Council. At year end, all unencumbered budgeted amounts lapse, subject to requests for continuing appropriations. Outstanding encumbrances will be carried forward into the new fiscal year with City Manager approval.
5. Continuing Appropriations requests and Authorized Capital Projects are approved by the City Manager after the adoption of the original budget. The original budget is then adjusted accordingly.
6. The legal level of budgetary control is at the fund level. A Department Head may transfer budget appropriations within a major category in a department or fund under his authority. The City Manager's approval must be obtained when a budget appropriation transfer request moves from one major appropriation category to another within a department.
7. The City Council may, at any time, amend the budget or delete appropriations, transfer appropriations within a fund, or change appropriation transfers between funds.

## **Accounting, Auditing & Financial Reporting Policies**

### *Accounting, Auditing & Financial Reporting Policies*

1. Ordinance No. 1445 established section 3.21, Financial Procedures as follows:

#### **3.21.010 Warrants**

All disbursements except petty cash are made on warrants. A combined demand-warrant is employed and signed by use of check signature plates (or most current technology) to imprint signatures approved by resolution of the City Council.

The warrants shall be drawn on the City of Banning bank account.

Warrants shall be of four types:

1. General;
2. Payroll;
3. Return of Deposit;
4. Such other warrants as may be necessary for expenditures from certain restricted and special accounts.

All warrants issued must be properly documented. No warrants shall be made payable to "bearer" or "cash".

All warrants appear on the warrant registers in numerical sequence. Voided or canceled warrants are so indicated on the registers and are properly defaced. There may be separate warrant registers to cover the different types of warrants.

Warrants may be issued by the Finance Department on a weekly basis for demands which are accompanied by supporting documents. Such disbursements shall only be for items which have followed the procurement procedures prescribed by this code and for which funds have been appropriated by the city council. Monthly warrant registers for these disbursed items shall be submitted to the city council for ratification at the next regularly scheduled council meeting after the issuance thereof.

#### **3.21.020 Accounting Methods**

The basis of accounting is in conformity with generally accepted principles of municipal accounting.

#### **3.21.030 Audit**

An audit of the accounts and records is made annually by a certified public accountant.

#### **3.21.040 Receipts, Deposit and Safekeeping of Moneys**

All collections of cash are the responsibility of the Administrative Services Director, who outlines the procedures pertaining to the physical aspects of the receipt, deposit and safekeeping of all moneys. Receipts are issued for all collections in a form as prescribed by the director and suitable to the nature of the collection. Cash is deposited daily. Cash on the premises shall be safeguarded through the use of locked cash drawers, safes, or other protective devices. Persons having access to cash shall be kept to a minimum and adequately bonded.

2. Periodic financial reports will be submitted to the City Council for review.
3. The Administrative Services Director will annually submit an investment policy to the City Council for review and approval.

# CITY of BANNING

## *Description of Funds*

### (001) General Fund

The General Fund is the general operating fund of the city. All general tax receipts and fee revenue not allocated by law, council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities that are not required to be accounted for or paid by another fund.

### Special Revenue Funds

Special Revenue Funds account for revenues derived from specific sources that are required by law or administrative regulation to be accounted for in a separate fund. Funds included are (Ordered by fund number):

(002) Developer Deposits – Community Development: This fund accounts for deposits required of developers that are used by the City for studies and reports required due to the development. These funds are combined with the General Fund for financial statement reporting.

(003) County of Riverside – MOU: In February, 2007 an agreement was executed between the County of Riverside and the City of Banning with respect to expansion of the Smith Correctional Facility located in Banning, California. To mitigate the potential impacts of this expansion on the citizens of the City of Banning, the County will, over the course of 10 years, provide the City with 4.5 million dollars and implement a reverse 9-1-1 system; in exchange, over the same period, the City will use these funds to hire four sworn police officers.

(100) Gas Tax: The Street Division is responsible for the maintenance of streets and storm drains or operation of traffic controls and related facilities. The Division uses State and local standards to ensure protection and maintenance of public infrastructure.

(101) Measure A Street: Measure “A” was approved by the voters of Riverside County authorizing an additional half-cent sales tax specifically for transportation improvement purposes. This fund accounts for the receipt and expenditures of the money collected under the Measure “A” program.

(103) SB300 Street Improvement: This Fund pertains to Senate Bill 300 where the State participates in local

transportation projects meeting the eligibility criteria under the State-Local Transportation Partnership Program.

(104) Article 3 – Sidewalk Construction: This program provides grants under Senate Bill 821 for Bicycle and Pedestrian Facilities on a competitive basis. Projects are submitted by the local agencies annually to the Riverside County Transportation Commission.

(110) C.D.B.G.: Accounts for monies received and expended by the City as a participant in the Federal Community Development Block Grant Housing Program.

(111) Landscape Maintenance Assessment District #1: This fund is responsible for the maintenance of landscaping installed in public right-of-ways within Landscape Maintenance District No. 1. The City collects the assessments through the County of Riverside Tax Collector's office. The Engineer's Report and all paperwork is prepared in-house by staff on an annual basis and assessments are recorded on individual parcels within the district, subject to the approval of the City Council.

(132) Air Quality: The Air Quality Management District (A.Q.M.D.) Fund proceeds are intended for improving the air quality within Riverside County. Quarterly allocations are received from the District for governmental agencies to improve air quality. Qualifying fund uses include alternative fuel vehicles that are used for City operations and compressed natural gas (CNG) fueling stations.

(140) Asset Forfeiture: The Asset Forfeiture Fund is used as a depository for assets forfeited as a result of Police Department arrests, narcotics-related arrests, etc. The forfeited assets then become available for operating costs or capital equipment needs in the continuation of drug enforcement within the Police Department.

(148) Supplemental Law Enforcement: This program was approved in FY 1996-97. This funding is restricted to front line law enforcement programs. Funding for this program is considered each year by the State and is not guaranteed.

(149) Public Safety – Sales Tax: The adoption of a one-half cent sales tax strictly used for public safety operations was authorized by Proposition 172. The sales tax is recorded in a separate fund and subsequently transferred to the City's General Fund to subsidize fire and police operations.

(150) State Park Bond Act: This fund was established during Fiscal Year 2003 to account for funds received through the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 and the Clean Water, Clean Air, Safe Neighborhoods Parks, and Coastal Protection Bond Act of 2002. This fund ensures that the monies expended and reimbursed on bond funded projects is tracked separately from other funding sources.

(190) Housing Authority: Undertakes a variety of housing projects provided in the Housing Authority Law including: leasing housing, multiple family housing, mobile home housing, housing certificates and other State and Federal housing programs.

(200) Special Donations: This fund was established during Fiscal Year 1989-90 to account for special donations received by the City. This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(201) Senior Center Activities: This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(202) Animal Control Reserve: This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(203) Police Volunteer: The Volunteer Citizen Patrol Program is designed to relieve regular officers of duties not specifically defined as law enforcement activities. This separate fund ensures that the monies received will be applied toward the specific purpose named in the donation.

(300) City Hall COP Debt Service: This fund was created to record the debt service transactions for the 1997 City Administration Certificates of Participation Refunding Bonds. The bonds were refinanced in FY11. The new debt matures in 2020.

(360) Sun Lakes CFD #86-1: This fund is used to record the financial activities of the Sun Lakes Community Facilities District (C.F.D.) #86-1 Refunding Bond's annual debt service and related administrative costs. The original bond proceeds were used to create an overpass for the railroad. A bridge and thoroughfare district was created to mitigate the cost of the capital improvement from future development in the area.

Each year the City certifies and collects a special tax through the County of Riverside property tax collection program to provide funds for the District's expenditures. The refunding bonds matured in 2005. The fund still exists to track bridge and thoroughfare revenue.

(365) Assessment District - #91-1 Wilson St. Debt: This fund is used to record the principal, interest and related administrative costs for the Wilson Street Assessment District #91-1 Bond debt service activities. The proceeds were used to develop infrastructure in new residential subdivisions. The improvements are an obligation of the property owners located within the District and no City Funds are used to subsidize any costs associated with the District.

Each year the City certifies an assessed amount for the property owners to the County of Riverside and collects the amounts due through the County's property tax system. The bonds have a final maturity in 2012 and may be prepaid at any time by a property owner. The prepayment proceeds can only be used to call outstanding District bonds.

(370) Area Police Computer: This fund has been created to isolate the costs associated with the Area Police Network. The network increases communication to each agency and provides the capability to obtain information from Sacramento. Three Riverside County cities are currently participating in the program, which is administered by the City. The participating agencies include Banning, Beaumont, and Hemet. The City of Banning's portion of this program is reflected in the Police department's budget located in the General Fund.

(375) Fair Oaks 2004-1 Debt Service: This fund was used to record the deposit and use of funds provided by Century Homes to develop an assessment district relating to the Fair Oaks Ranch Estates Development. In 2004-05 the Fair Oaks Assessment District was formed. In May 2005 bonds in the amount of \$2,898,000 were issued to finance the cost of constructing and acquiring certain public improvements funded by the District. Since FY 2005-06, this fund has been used to track the debt service activity related to the bond issue.

(376) Cameo Homes: This fund was used to record the deposit and use of funds provided to develop an assessment district.

#### **Capital Improvement Funds**

(400) Police Facilities Development: This fund was created to mitigate the cost of needed additional police facilities resulting from new development that has increased the City's population. Expenditures from this fund are restricted to the development of new, or expansion of existing, police sites and the acquisition of capital equipment such as vehicles.

(410) Fire Facility Development: This fund has been created to record the financial activities related to the increased fire service level impact resulting from new development. The fee is collected at the time a building permit is requested.

The fees are used to mitigate the cost of increased service levels resulting from additional population. The fees can be used to develop additional fire stations or acquire additional capital projects.

(420) Traffic Control Facility: Traffic Control Facilities Fees are the impact fees paid by the new developments for construction of traffic signals at various locations within the City.

(421) Ramsey & Highland Home Traffic Signal: This fund has been created to segregate payments made by developers to subsidize a capital infrastructure project. The project has been isolated to ensure developer payments are being used specifically for the intended improvement.

(430) General Facilities: This fund has been created to reserve funds obtained from new development to update the City's General Plan and to construct City Hall Annex. Fees are collected at the time a building permit is issued and are intended to update the City Hall Facilities.

(441) Sunset Grade Separation Fund: This fund was created to isolate payments made with the intent to fund the capital improvement in the future.

(444) Wilson Median: This fund was created to isolate developer payments made with the intent to fund a capital improvement in the future. Only costs associated with the capital improvement project are to be expensed to this fund.

(451) Park Development: The Park Development Department is responsible for the acquisition and development of parks and recreation facilities. Functions include land acquisition, planning and design, grant funding acquisition, identification and administration of rehabilitation and improvement projects, establishment and collection of developer fees, and development of leases.

(470) Capital Improvement Funds: This fund is used to record the receipt and expenditure of the one-time upfront lease payment received from the Banning Utility Authority. In as much as this lease payment came from bond proceeds, it can only be used to fund capital expenditures. The Council initially earmarked these for a variety of projects.

#### **Banning Utility Authority**

The Banning Utility Authority was created in 2005 for the purpose of, among other things, providing financing for capital improvement projects for water and wastewater.

(660) Water Operations: The Water Department is responsible for providing domestic water to residences, businesses and industries within the City. The Division is also responsible for providing adequate flows for the City's fire protection system. The City's main source of water

supply is water wells in the City's water canyon along with wells scattered throughout other parts of the City. The Water Division is an enterprise function; i.e. all costs relative to the production and delivery of water (maintenance, replacement and expansion) are paid with user fees and capital connection fees.

(661) Water Capital Facility Fee: The Water Capital Facility Fees are a one-time charge collected from new developments or existing developments requesting new services from the City's Water Distribution System. The fees collected can be utilized for the Water Department Capital Improvement Programs.

(662) Irrigation Water: The Irrigation Water Fund is being used to track the project costs for the Recycled Water line on Lincoln street. Current funding for the project is coming from revenues collected through the Wastewater Tertiary Fund.

(663) BUA Water Capital Project Fund: A portion of the water 2005 revenue bonds was set aside to fund specific water utility capital improvement projects.

(669) BUA Water Debt Service Fund: The Banning Utility Authority issued \$35,635,000 in Water Bonds dated November 1, 2005. The proceeds of the Water Bonds were used to (i) pay costs of certain capital improvements to the Water Enterprise; (ii) defease the 1986 Water Certificates; (iii) defease the 1989 Water Certificates; (iv) make an initial up-front lease payment to the City; and pay costs of issuance of the Water Bonds. Debt service costs are funded by net water revenues. The bonds are scheduled to mature in the year 2035.

(680) Wastewater Operations: The Wastewater Department collects the effluent from the city's residential, commercial and industrial facilities and discharges the effluent after required treatment in compliance with the Discharge Permit issued by the State Water Quality Control Board. The Wastewater Treatment Facilities are operated by United Water Environmental Services, on a contract basis.

(681) Wastewater Capital Facility Fees: The Wastewater Capital Facility Fee is a one-time charge collected from new development or existing development requesting new services from the City's wastewater collection system. The fees collected can be utilized for Wastewater Division Capital Improvement Programs.

(682) Wastewater Tertiary Fund: The rate charged is intended to offset costs for wastewater system operations, maintenance of utility equipment, replacement of wastewater infrastructure, future construction of tertiary facilities, loan or bond indebtedness, maintaining the minimum bond coverage ratio, and other unforeseen expenses.

(683) BUA Wastewater Capital Project Fund: A portion of the wastewater 2005 revenue bonds was set aside to pay for specific wastewater utility capital improvement projects.

(685) State Revolving Loan: The City has completed the renovating and expanding of the wastewater treatment plant. To fund the project construction, the City submitted an application for low-interest financing under the State Revolving Loan Program. As part of the requirements of the State Revolving Loan Program, the State requires that the City dedicate a special fund to ensure the ability of the City to repay the loan. This fund was created in FY 1998-99 to comply with this requirement.

(689) BUA Wastewater Debt Service Fund: The Banning Utility Authority issued \$7,100,000 in Wastewater Bonds dated November 1, 2005. The proceeds of the Wastewater Bonds were used to (i) pay costs of certain capital improvements to the Wastewater Enterprise; (ii) defease the 1989 Wastewater Certificates; and pay costs of issuance of the Wastewater Bonds. Debt service costs are funded by net wastewater revenues. The bonds are scheduled to mature in the year 2035.

#### **Enterprise Funds**

(600) Airport: The Banning Municipal Airport is an element of the national and local transportation system, which significantly affects the economic development of the City of Banning. The Airport Fund reflects annual revenues, expenditures and proposed capital improvement projects. A sound and realistic planning of Airport operations has the means to increase its contribution to the economy of the community.

(610) Transit Operations: The Fixed Transit Route Division operates fixed-route bus services that serve the City of Banning and provides service between Banning and Cabazon. The Dial-A-Ride Division provides curb-to-curb transit services to elderly and disabled citizens residing within the City of Banning.

(690) Refuse: The City provides solid waste disposal through a franchise agreement with Waste Management. The City tracks collections of revenue and the costs to provide the service in this fund.

(670) Electric Operations: The Electric Department provides economical, reliable, and safe distribution of electricity to residents and businesses in the City of Banning. The Department contracts with both public and private entities for the provision of specialized services.

(672) Rate Stability: Accumulated funds are used to offset operational costs to mitigate the need for rate increases.

There is a minimum reserve of 20% required per the Available Fund Balance Reserve policy.

(673) Electric Improvement: The Electric Improvement Fund includes interest and payments received from Southern California Edison (SCE) as per Federal Energy Regulatory Commission decisions. City Council has adopted Resolution 1993-37 setting the guidelines for utilization of these funds. Resolution No. 1993-37 strictly prohibits the use of these funds for salaries or for operations and maintenance of the electric distribution system.

(674) Electric Bond Project Fund: The Banning Financing Authority was created in 2003 for the purpose of, among other things, providing financing for the acquisition or construction of public capital improvements. A portion of the electric revenue bonds proceeds was set aside to fund certain improvements to the Electric System.

(675) Public Benefit Fund: The California electric restructuring legislation, Assembly Bill 1890, requires publicly owned utilities to maintain a usage based Public Benefits Charge to be used for Public Benefit Programs. Among the provisions of this legislation are requirements for utilities to collect and spend monies on any or all of the following four categories:

1) Cost-effective demand-side management programs that promote energy-efficiency and conservation. 2) New investments in renewable energy sources. 3) Research, development and demonstration programs to advance science or technology. 4) Services provided to low-income customers.

(678) Electric Debt Service Fund: The Banning Financing Authority issued \$45,790,000 in Electric Bonds dated July 3, 2007. The proceeds of the Electric Bonds are being used to (i) finance certain improvements to the City's Electric System; and pay costs of issuance of the Bonds. Debt service costs are funded by net electric revenues. The bonds are scheduled to mature in the year 2038.

#### **Internal Service Funds**

(700) Risk Management: Costs associated with liability exposures and employee related cost for worker's comp and unemployment insurance are accounted for here. The Council has adopted a policy of maintaining a minimum fund balance of \$500,000 in this fund to be available for unknown lawsuits and other insurance costs.

(702) Fleet Maintenance: The Fleet Maintenance Division is responsible for the maintenance and repair of all City owned vehicles and equipment. Costs of maintaining and repairing vehicles and equipment are assessed to each division, including an appropriate share of overhead costs.

(703) Information Systems Services: The Information Technology Services Division is responsible for the effective utilization of information technology throughout the City and for implementation of information systems planning consistent with the City's business systems plan.

(761) Utility Billing Services: The Utility Billing Operations is responsible for preparing and collecting bills for electric, water, wastewater and refuse (trash), and also serves as the central revenue collection point for the City. The Utility Meter Services Operations is responsible for meter reading.

#### **Successor Agency Funds**

*(Fund Descriptions may change subject to the implementation of ABX1 26.)*

(805) Redevelopment Obligation Retirement: Is intended as the repository for property taxes received Redevelopment Property Tax Trust Fund ("RPTTF") from the County Auditor-Controller to pay enforceable obligations as set forth in the Enforceable Obligation Payment Schedule ("EOPS") and the Recognized Obligation Payment Schedule ("ROPS").

(810) Successor Housing Agency (Previously Low/Mod Housing): The fund was used to provide, facilitate and develop housing programs for the rehabilitation or construction of housing for low/moderate income persons. Per ABX1 26, this activity has been eliminated. The Due Diligence Review required by the State has been completed.

(830) Debt Service Fund: The Debt Service Fund is the fund which: 1) makes principal and interest payments on agency debt service, and 2) was used to allocate payment for pass thru's.

(850) Successor Agency Fund (Previously Administration Fund): This fund accounts for costs associated with the administration of the Agency.

(855) Tax Allocation Bonds-2007 Tabs: Proceeds from this bond issue may be used for a variety of improvements. The Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area. Per ABX1 26 and AB 1484, these funds may be utilized once the Notice of Completion is issued by the State Department of Finance.

(856) Tax Allocation Bonds-2003 Tabs: Proceeds from these bonds may be used for a variety of improvements. The Agency Board has developed and approved a number of programs intended to upgrade the appearance of the project area, stimulate investment, produce jobs and revitalize the area.

(857) Low/Mod Tax Allocation Bonds-2003 Tabs: A portion of the proceeds from the bond sale are to be used exclusively for the rehabilitation and construction of housing for low and moderate-income persons. The essence of the use of these funds is: 1) to result in the fulfillment of the Housing Element and the adopted Redevelopment Implementation Plan Goals and Policies, 2) to improve the visual image of the community and 3) to assist in the removal of blight.

(860) Project Fund: The Redevelopment Projects Fund was budget available to the Redevelopment Agency from tax increment for focused activities to accomplish the objectives of the Agency.



# CITY of BANNING

## *Glossary of Terms*

**Accrual Basis of Accounting:** A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**Allocations:** These are charged to all operating funds based on their fair share of the service provided, which is based on experience and/or a proportionate share (based on factors such as payroll, vehicle repair trends, etc.).

**Appropriation:** Legal authorization by the City Council to make expenditures and to incur obligations for specific purposes.

**Assessed Valuation:** A dollar value that is established for real estate or other property, by Riverside County, as a basis for levying property taxes.

**Assessments:** Charges made to parties for actual services or benefits received.

**Audit:** A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriation.

**Bond:** A Municipal Bond is a written promise from a government to repay a sum of money on a specific date at a specified interest rate. Bonds are most frequently used to finance large capital projects, such as buildings, streets, and bridges.

**Budget:** A plan for financial operation listing an estimate of proposed appropriations and the proposed means of financing them for a particular time period. Once the budget has been approved by the City Council it then considered the "adopted" budget.

**Budget Adjustment:** A procedure to revise a budget appropriation or revenue estimate.

**Budget Document:** The instrument used to present a comprehensive financial plan of operations to the City Council and the public.

**Budget Message:** The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget and changes from the previous fiscal year.

**Building Permit:** Fee required for new construction or any alterations or addition to a residence or commercial building. The fee is based on square footage and valuation.

**Business License Tax:** A fee collected from those conducting business within the City.

**Capital or Community Improvements:** Capital or community improvements are major construction, acquisition or

maintenance/repair projects. Typical examples of major construction would include new street improvement, park development and public buildings. Acquisitions include land. Major maintenance/repairs may include street resurfacing and modifications to public buildings.

**Capital Outlay:** Expenditure for non-expendable equipment, which has a usable life greater than one year.

**Contingency (Operating):** Funds set aside by the City within the budget for emergencies and economic uncertainties.

**Contingency (Emergency Reserve):** Funds set aside by that City within the fund balance for emergencies and economic uncertainties.

**Contra:** This term is only used in the General Fund and covers some of the budgeted expenditures related to Human Resources, Fiscal Services, Purchasing & A/P, and Building Maintenance. These departments provide direct services to other funds and operations. These costs are then recovered from other funds.

**CVC Fines:** The City's portion of California Vehicle Code (CVC) fines collected upon conviction of a misdemeanor or infraction committed within City boundaries. The majority of the fines are allocated through the Court system.

**Debt Service:** The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

**Disbursement:** Payment for goods and services in cash or by check.

**Employee Services:** Salaries and fringe benefits earned by employees of the City for work performed.

**Encumbrances:** The commitment of appropriated funds to purchase goods which have not yet been received, or services that have yet to be rendered.

**Enterprise Funds:** Funds established to account for the total costs of those governmental facilities and services that operate in a manner similar to private enterprise. These programs are entirely, or predominately, self-supporting, and render services on a user charge basis to the general public.

**Expenditure:** The cost of goods received or services rendered.

**Fiscal Year:** A 12-month period of time to which an annual operating budget applies. The City of Banning has specified July 1 through June 30 as its fiscal year.

**Fixed Assets:** Assets of long-term character such as land, buildings, machinery, furniture and other equipment.

**Fund:** A self-balancing set of accounts. Governmental accounting information is organized into funds, each with separate revenues, expenditures and fund balances. There are seven major types of funds: General, Special Revenue, Capital, Debt, Internal Service, Enterprise, and Trust & Agency.

**Fund Balance:** The difference between a fund's assets and liabilities. Portions of the fund balance may be reserved or designated for various purposes, such as contingencies, encumbrances or specific projects.

**Function:** A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or a major service.

**General Fund:** The City's major operating fund. The activities budgeted in the General Fund represent the daily on-going services provided to the citizens of Banning. General government services, e.g. Police, Fire, Planning, Code Enforcement, Parks and Recreation expenditures are accounted for in this fund.

**Grant:** Contributions of gifts or cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is the Community Development Block Grant allocated by the Federal Government.

**Internal Service Fund:** This fund type is used to account for the payment of goods and services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis. The City of Banning operates four internal service funds: Insurance; Fleet Maintenance; Information Services, and Utility Billing Administration.

**Investment Income:** Revenue received as interest from investment of funds not currently required to maintain current operation.

**Line-Item Budget:** A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category. Line item budgets are produced and used internally for budgetary control purposes only.

**Modified Accrual Accounting:** A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

**Operating Budget:** The portion of the budget that pertains to the daily operations of the City which provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, materials and capital assets required to maintain service levels.

**Ordinance:** A formal legislative enactment by the City Council. An ordinance has the full force and effect of law within the City boundaries, unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

**Program:** Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

**Redevelopment Agency:** An entity created by a legislative body in accordance with state statutes which has elected to exercise the powers granted to it for planning, development, redesign, clearance, reconstruction, or rehabilitation of an area. Eliminated by the State through ABX1 26 January, 2011. The wind down is managed by the Successor Agency.

**Reserve:** Used to earmark a portion of the fund balance as segregated for a specific use.

**Retained Earnings:** The accumulated earnings of an Enterprise or Internal Service Fund which have been retained in the fund and which are not reserved for any specific purpose.

**Revenue:** An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

**Resolution:** A special order of the City Council, which requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval. A resolution has lower legal standing than an ordinance. The Budget is approved by resolution, and requires a majority vote of the Council Members present.

**Risk Management:** An organized attempt to protect a government's assets against accidental loss in the most economical manner.

**Subventions:** That portion of revenues collected by other government agencies on behalf of the City.

**Tax Increment Financing (TIF):** Tax increment financing is an economic tool used by redevelopment agencies to finance economic development and rehabilitation costs within a project area. Additional property taxes generated by new development within a district formed are used to finance these development and infrastructure costs. A tax increment (TI) is that portion of property taxed generated by the development above what the taxes would have been had the development not occurred.

**Transfers:** Funds transferred between funds for specific purposes, such as an operating fund transfer to a debt service fund, in order for debt service payments to be made.

**Transient Occupancy Tax (TOT):** Bed tax imposed on hotels, motels, inns or other lodging facilities. The rate in Banning is 12%.

**Self-Insurance:** Assuming risk of loss through the maintenance of reserves or some other plan instead of through the purchase of insurance coverage.

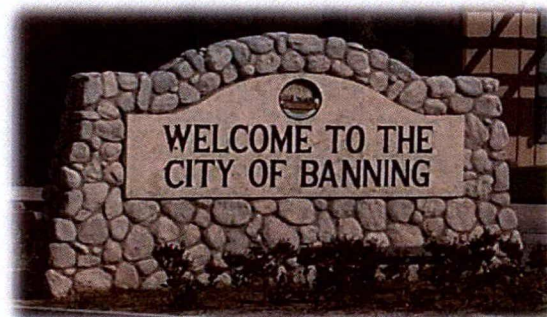
**User Fees:** The payment of a charge or fee for direct receipt of a service by the party benefiting from the service. For example, fees charged to use a community swimming pool rather than a broad-based tax on the community.

# CITY of BANNING

## *Summary of Acronyms*

**AB** – Assembly Bill  
**ADA** – Americans with Disabilities Act  
**AED** – Automatic External Defibrillator  
**AQMD** – Air Quality Management District  
**ASP** – After School Program  
**BFA** – Banning Financing Authority  
**BPAL** – Banning Police Activities League  
**BTA** – Banning Transit Authority  
**BUA** – Banning Utility Authority  
**BUSD** – Banning Unified School District  
**CAD** – Computer Aided Dispatch  
**CALBO** – California Building Officials  
**CalHome** – General Home Buyer Assistance Program  
**CD** – Certificate of Deposit  
**CDBG** – Community Development Block Grant  
**CERT** – Computer Emergency Response Team  
**CFD** – Community Facilities District  
**CIP** – Capital Improvement Program  
**COPS** – Citizens Opt for Public Safety  
**CPR** – Cardio Pulmonary Resuscitation  
**CRA** – California Redevelopment Agency  
**D.O.D.** – Department of Defense  
**D.O.J.** – Department of Justice  
**DARE** – Drug Abuse Resistance Education  
**DUI** – Driving Under the Influence  
**EMS** – Emergency Medical Services  
**EOC** – Emergency Operations Center  
**EOPS** – Enforceable Obligation Payment Schedule  
**FAA** – Federal Aviation Agency  
**FY** – Fiscal Year  
**GASB** – Government Accounting Standards Board  
**GIS** – Geographical Information System  
**HAZMAT** – Hazardous Material  
**HCD** – Housing and Community Development  
**HHW** – Household Hazardous Waste  
**HUD** – Housing and Urban Development  
**HVAC** – Heating Ventilating Air Conditioning  
**ICSC** – International Council of Shopping Centers  
**IT** – Information Technology  
**ITS** – Information Technology Services  
**JPA** – Joint Power Authority  
**LAIF** – Local Agency Investment Fund  
**LF** – Landfill

**LLC** – Limited Liability Company  
**LMD** – Landscape Maintenance District  
**MIS** – Management Information System  
**MOU** – Memorandum of Understanding  
**NFIRS** – National Fire Incident Reporting System  
**NPDES** – National Pollutant Discharge Elimination System  
**OPEB** – Other Post-Employment Benefits  
**OTS** – Office of Traffic Safety  
**PD** – Police Department  
**PDF** – Portable Document Format  
**PEG** – Public Educational & Government  
**PERS** – Public Employees Retirement System  
**POST** – Police Officers Standards and Training  
**RCTC** – Riverside County Transportation Commission  
**RDA** – Redevelopment Agency  
**RPTTF** – Redevelopment Property Tax Trust Fund  
**RMS** – Records Management Systems  
**ROPS** – Recognized Obligation Payment Schedule  
**SA** – Successor Agency  
**SCAQMD** – South Coast Air Quality Management District  
**SEMS** – Standardized Emergency Management System  
**TAB** – Tax Allocation Bond  
**TAPB** – Tax Allocation Parity Bond  
**TOT** – Transient Occupancy Tax  
**TUMF** – Transportation Uniform Mitigation Fees  
**VLF** – Vehicle License Lee  
**WDA** – Wastewater District Assessments  
**WRCOG** – Western Regional Council of Governments  
**WWTP** – Wastewater Treatment Plant



**CITY COUNCIL  
REPORT OFFICERS**

**DATE:** June 24, 2014

**TO:** City Council

**FROM:** Zai Abu Bakar, Community Development Director

**SUBJECT:** Resolution No. 2014-50, "Establishing a Sign Advisory Committee"

**RECOMMENDATION:** That the City Council adopt Resolution No. 2014-50 establishing a Sign Advisory Committee.

**JUSTIFICATION:** The creation of the Sign Advisory Committee was directed by the City Council at its March 25, 2014 City Council meeting.

**BACKGROUND AND ANALYSIS:** On March 25, 2014, the City Council received the staff report and heard a presentation from two members of the Chamber of Commerce Board. At the meeting, Council discussed the need to revise existing sign regulations in order to accommodate the ability for businesses to more reasonably advertise products and services. The Council also discussed other matters such as temporary signs, fees for sign permits, and the time frame for the final work product of the advisory committee.

Subsequent to the March 25, 2014 meeting, staff discussed the matter with the City Attorney since it was unclear as to how the City Council intends to fill the committee positions and whether some of the recommendations could come forward immediately without going to the committee. In addition, the past practice/policy for appointments to a committee and board has been based on the Planning Commission appointments where an applicant must be a Banning resident. In the case of a Sign Advisory Committee member, the business owners or their representatives do not necessarily reside in Banning.

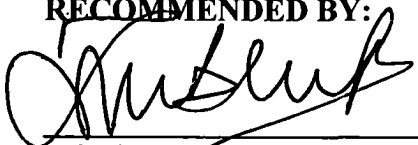
Staff is also seeking clarity and confirmation that the Council desires the advisory committee to review the sign regulations that apply to businesses only and the Council is not seeking to amend components of the sign regulations that apply to residential zones.

To properly create the committee and to comply with state law, staff is bringing a resolution back to the City Council for approval to establish the committee. The Sign Advisory Committee is proposed to be a seven (7) member committee as opposed to the initial five (5) as previously recommended on March 25th. The seven members will consist of two (2) members of the City Council, two (2) members of the Chamber of Commerce Board, two (2) members from the business community, and one (1) member to represent residents at-large. This committee and its meetings will be subject to the Brown Act.


Potential business and residential community members that desire to serve on the Sign Advisory Committee must submit a completed application to the City Clerk. The applications for these positions will be made available through July 31, 2014. At the close of application period, the City Council will review and select the two business representatives and a resident member at-large.

**FISCAL DATA:** Staffing of the committee will be absorbed under the existing budget.

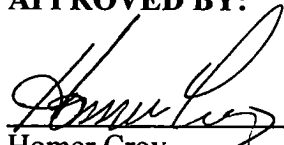
**RECOMMENDED BY:**

  
\_\_\_\_\_  
Zai Abu Bakar  
Community Development Director

**REVIEWED BY:**

  
\_\_\_\_\_  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

  
\_\_\_\_\_  
Homer Croy  
Interim City Manager

**Attachments:**

1. Resolution No. 2014-50
2. Minutes of March 25, 2014 City Council Meeting

**Attachment 1**  
**Resolution No. 2014-50**

## **RESOLUTION NO. 2014-50**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA ESTABLISHING A SIGN ADVISORY COMMITTEE**

**WHEREAS**, on March 25, 2014, the City Council received a staff report and feedback from the Chamber of Commerce Board representatives on the City's sign regulations and believes that creating a Sign Advisory Committee to act in an advisory capacity to the City Council on matters pertaining to the City's sign regulations will provide a forum for this input; and

**WHEREAS**, at the March 25, 2014 City Council meeting, the City Council recognized its desire to established a Sign Advisory Committee; and

**WHEREAS**, the Chamber of Commerce Board of Directors selected two members of their board to be their representatives – Oleg Ivaschuk and John Salvagio; and

**WHEREAS**, the City Council selected two members of the City Council – Council Member Don Peterson and Council Member Jerry Westholder to serve on the Sign Advisory Committee.

### **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council hereby authorizes the formation of a Sign Advisory Committee to advise the City Council regarding the City of Banning sign regulations that will benefit the business community.

**SECTION 2.** The City's policy pertaining to the duties, composition, and terms of the Sign Advisory Committee shall be as follows:

#### **SIGN ADVISORY COMMITTEE**

**Purpose of the Committee:** The committee shall be an advisory body to the City Council on matters relating to the City of Banning sign regulations pertaining to business signs in the commercial and industrial zones. The committee shall identify existing issues in the City's sign code and develop sign regulations that are reasonable and responsive to the advertisement needs of the business community. The committee shall report its conclusions and recommend actions to the City Council.

**Composition and Qualifications:** The committee shall consist of seven (7) members consisting of two (2) business owners or their designated representatives whose businesses have business licenses to conduct business in the City, one (1) member of the community at-large, two (2) members from the Chamber of Commerce and two (2) City Council representatives. To qualify for appointments as the two (2) business and one (1) residential community members, a completed **Application for Committee and Board** must be submitted to the City Clerk no later than July 31, 2014.

Term of Members: Each appointed member shall serve a one-year term beginning August 15, 2014 and ending September 15, 2015 or thereafter until his or her successor is appointed.

Other Committee Activities: The committee may assist in the recommendation for fees for the sign applications.

Meeting Schedule: The committee shall meet no less than once per month.

Open Meeting: The Sign Advisory Committee meetings are subject to Brown Act.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June 24, 2014.

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Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

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Marie A. Calderon, City Clerk  
City of Banning

**APPROVED AS TO FORM  
AND LEGAL CONTENT:**

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David J. Aleshire, City Attorney  
Aleshire & Wynder, LLP

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2014-50 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Marie A. Calderon, City Clerk  
City of Banning, California

**Attachment 2**  
**Minutes of March 25, 2014 City Council Meeting**

this was the same information he was asking for. Councilmember Peterson said yes with a little more information because now he would like to see the \$25,000 contract.

Councilmember Miller asked if there was a difference between professional services and vendor services. He said he looked at the Municipal Code Section 3.24.090 and he didn't see anything that says the difference between the two.

City Attorney said the code doesn't necessarily specify a difference but with regards to professional services it is recommended that you get quotes from different consultants but primarily the idea is that if you have a professional and you can make that decision not based upon price but based upon their expertise, knowledge and experience with the project. It is not a bad idea to get quotes in order to have some price comparison in terms of trying to make sure that your professional will give you the best rates possible.

There was some further discussion in regards to professional services and the need to get three quotes.

Mayor Franklin opened the item for public comments; there were none.

**Motion Miller/Peterson to continue this item until next time and have the RFP and the various bids be available to the Council for discussion. Motion carried by roll call bid 4/1 with Councilmember Welch voting no.**

3. Chamber of Commerce Feedback on the City's Sign Regulations  
(Staff Report – Zai Abu Bakar, Community Development Director)

Director Abu Bakar stated that this is a Chamber presentation as requested by the Council at their meeting of January 28, 2014 and staff contacted the Chamber of Commerce and the Chamber Board appointed two of their members to provide the presentation. The representatives are John Selvaggio and Oleg Ivaschuck who are on the Banning Chamber of Commerce Board. She went over the staff recommendations as contained in the staff report.

John Selvaggio addressed the Council stating that any city you go to there are going to be sign issues and it is their responsibility to stay on top of these issues to help businesses come to town. They are asking the Council today to approve the committee so that they can move forward with this.

Oleg Ivaschuck representing Xenia Pacific Company thanked the City for keeping the city clean. It is better to have orderly, organized streets with no graffiti anywhere in the city and it is nice and clean; clean to the point of sterile. He is saying this because you have to have some kind of lenience for businesses to be able to express or conduct business. He feels the code is too prohibitive and doesn't allow successful growth by local businesses and doesn't entice other businesses to come to the city. Current regulation doesn't recognize the importance in value of signs to business. The current sign code is technically sound and if you look at all sign codes everywhere in California they are practically the same. They may differ from one city to another to accommodate local flavor or historical importance but because we are not an industrial city and we are not a major attraction we have to approach it a little bit different from

where we are at right now. For example the cost of a permanent sign is \$537.00 and he cannot argue because he was not on the committee and doesn't know how it was calculated and he may agree because it is the average cost of a sign everywhere in California. But \$235.00 for a temporary sign he feels is a little bit excessive. He said he didn't have any data or conducted any study or studied current prices of how much it should be but from the point of view of a local businessman you need to entice people to conduct more business more often and you have to give them financial stimulation to do that. He would say \$35.00 to \$40.00 dollars is more reasonable to put in a banner which cost \$80.00 dollars as compared to \$235.00 dollars. He said we are all here to try to make our city better and everyone wants to see our city thrive so he would not say it is easy to do but we can contribute by changing the code slightly in reviewing it. He said we have cities we like to visit like Santa Monica, the Gaslamp District in San Diego, Palm Spring and what they have in common is that you go to the downtown and you look and you look because there is something to look at. Here in Banning, for example if you would like to have a Gaslamp District, there are so many A-frame signs or chalkboard signs saying come to us and we are serving this and that and the cost is this and that and people do window shopping and that is what entices them. When they see something in front of the shop or a restaurant they tend to look at it. It means that they are active and there is something going on. If there is nothing in front of the shop, business is dead. Current sign regulations prohibit explicitly the use of A-frame and chalkboard signs. He understands the concerns after speaking to Zai Abu Bakar but with chalkboard signs he cannot comprehend it. The bottom line is that we want to have people come here and to show that our city is viable and a really good place to conduct business. We have to look at the sign code a little bit differently and he is pretty sure we can amend the two. He agrees that we need to form a committee and we have to have people that represent the city, who know codes, people who are small business owners who know the concerns, and we need to have some professionals who deal with the sign industry. Right now we can address this issue but it should be studied and we need to make changes to the code.

Mayor Franklin said the request before us tonight is to approve the five-person committee and that would consist of (2) business owners, (1) member of the community-at-large, (2) people from the Chamber of Commerce and possibly Council representative(s). She asked if there was a timeframe as to when there would be a report coming back.

Director Abu Bakar said possible six months in terms of working with the committee if they meet twice a month. There are many things to be looked at so she figures six months of committee time and then having joint meetings and working with the City Attorney's office to draft the language for the sign ordinance and then go through the public hearing process and then to the City Council for final approval. So she is thinking somewhere between eight months to a year to be able to have a solid program. She said that she would come back to the Council with updates in regards to where they are on the committee level.

Mayor Franklin opened the item for questions from the Council.

Councilmember Peterson questioned the 8 months to a year for the sign ordinance and asked if there was something that could be done in the next 30 days to cut back on fees. Instead of looking at the whole sign ordinance, can we look at a fee schedule and cut that for the business owner as soon as possible.

Director Abu Bakar said that they can look at a fee schedule.

Councilmember Peterson said he understands the issue with the budget but this is money coming out of these poor people's pocket. For him the first thing that should be looked at is the fee schedule and then look at your signs.

Councilmember Westholder said he agrees with what was said by Councilmember Peterson. He thinks that \$235.00 dollars for a temporary banner is ridiculous in his opinion. Personally he would volunteer to be on that committee as a Council person.

Councilmember Miller said he looked at the sign ordinance and couldn't believe how long and complicated it is and he would like to hear from the members of the Chamber of Commerce whether they really need a year to do this. It seems to him that that the business community would want something to be done as soon as possible and he thinks that she would have said that they could come back in 30 days.

City Attorney said he has worked on sign ordinances with a number of cities and this is a very short sign ordinance. Sign ordinances get in to all kinds of issues because they deal with first amendment issues so you have constitutional issues when you are dealing with sign ordinances and he explained. He said certainly if you want to do something in terms of fees and do something fairly quickly there is a number of ways to deal with that. You talk about forming this committee here and to form a committee because of the Brown Act, etc. we have hoops we have to jump through and would have to come back to the Council with a resolution. Under the Maddy Act when you have openings on committee created by the City, you have to go through an advertising time period to get people on the committee.

Oleg Ivaschuck asked the City Attorney how many times the City has been sued over sign regulations or whatever was displayed in the city.

City Attorney said in the five years that he has been working for the City of Banning it has not been sued but there are just a host of cases that have gone to the Supreme Court dealing with sign ordinances and you have to be sure that you approach these things in the right way.

Mr. Ivaschuck said the major concern is the size of the allowable advertising. One concern is how much square footage per square footage of building and also the fees. We are not talking about the content and don't want to change the content. He thinks that 30 days is probably too short and if we just address the issue of fees, they are for it. The point he was just trying to make if we could just address allowing people or small businesses to use A-frame signs with the permission of the City where they can go and get a permit and where they can indicate on a diagram where this A-frame sign will be located, it would help tremendously. We are not trying to do a radical reform. Certain articles of the code could be amended and some restrictions can be eased up and that is what they are looking for. So if they can cut in 30 days the fees, they are for it. And maybe they can knock out the sign ordinance within six months which he feels is feasible.

Mayor Pro Tem Welch said if you had to pick two to three items that are a concern of the small business owners generally speaking in Banning right now, could those be addressed pretty quickly.

Mr. Ivaschuck said yes.

Mayor Pro Tem Welch said that it was said that this is not a total revolutionary thing from A to Z, it is repair something that is very old and he would make a recommendation and he knows that Councilmember Westholder already volunteered but he would make a recommendation that if this Council is going to have a member on it that maybe it should be someone who had a business frontage in Banning.

Councilmember Peterson said he would like to follow-up on the Councilmember Welch's question and what three things out of the sign ordinance would be your priority.

John Selvaggio said fees, square footage of the sign, and the overlay ability to get the sign. Right now it is very hard to get a monument sign in town because there are a lot of regulations that go along with it.

Mr. Ivaschuck said he would say John leans more towards the bigger businesses. For the small businesses he would allow the A-frame signs with certain restrictions.

Councilmember Peterson said in regards to the A-frame signs he would have to agree with Director Abu Bakar because this is a windy city and the sign could be blown out in front of traffic and he understands why she would stick by her guns on that. He asked that they stick to fees and look at square footage for the size of the building.

Mr. Ivaschuck said then he would say then he would address the window advertisement because currently what you can do is just a 2x2 square footage sign with the name of the business and hours of operation. If we can't utilize the A-frame signs because of weather conditions, then maybe we can just have a little bit more leeway of posting the business services on the window or whatever is safe but can help small businesses to get message across.

Mayor Franklin opened the item for public comments.

Don Smith addressed the Council stating that he likes the question about what are the biggest problems because it is a good place to start and certainly fees are one of the problems. A temporary sign often becomes a permanent sign so obviously there would need to be some follow up on that. We have a one-size fits all fee and we assume our sign is a brand new sign that is going to have to go through all sorts of checks to make sure it is placed safely on a building. Many of our signs are not that. Their owners want to paint something on their windows and there are no structural issues; they are signs that already exist and he gave an example. He said we need a fee structure that takes into account what you are doing. If you are just replacing an existing sign or maybe the wood sign is already there and you are just going to paint a different logo or have Oleg make you one of those vinyl plastic things that you can put on it that is actually permanent than temporary. It shouldn't require staff more than five minutes to accept the form, put it in their files and the fee should be according. Our

second problem is to some degree the placement of the sign and the size of the sign. He said he sees no problem with professional window signs and he knows that the police might have some issue with wanting to be able to see in the window so there could be some size issues regarding that. He does have a problem with unprofessional window signs where people change things all the time so we are left with junky advertising signs and he makes his tenants take them down. He doesn't know if it will take six months but he knows that five people sitting in a room and coming up with the rules, at least at some point in time the business community as a whole might want to chime in and we are going to have to bring the public into this also to get input before the final decision comes out. He thinks the idea of a committee is a good idea and he thinks the Chamber leading it makes a lot of sense and you may want to talk to the real estate board as well because they will have different issues. The problem lies when they first come in to get their business permit because they have to pay for the sign at that time.

Mayor Franklin closed the item for public comment seeing no one else coming forward. She said that a note was slipped to her that maybe Councilmember Peterson should be one of the people being considered for the committee also so we have two Council Members that have volunteered – Councilmembers Peterson and Westholder.

**Motion Westholder/Peterson to approve staff recommendation to form a Sign Advisory Committee that consists of five (5) members to provide input into the reasonable commercial sign standards for the City; direct staff to seek nominations for the Sign Advisory Committee consisting of two (2) business owners, and one (1) member of the community-at-large in addition to the two (2) Board Members of the Chamber of Commerce that have been selected and with the two additional Council Members (Peterson and Westholder) involved as the Ad Hoc.**

Councilmember Miller would like to make an amendment. The proposal is strictly in regards to signs and does not deal with the cost of the sign so he would like to add that to the motion.

Mayor Franklin said it is included because it talks about sign standards.

City Attorney asked if the Council wanted the committee to deal with that issue or do you want it to come back from staff so it doesn't have to go through the whole committee. If you want it more quickly, you would just ask staff to come back with something. If it goes through the committee, it will take a little longer but it is up to the Council.

Mayor Franklin said she thinks the committee sounds like they are interested in talking about the fees also so maybe if staff started it and it could go to the committee to make their recommendations and then come back to the Council at that point; is that doable.

Interim City Manager answered the Mayor and said what she thinks the City Attorney is saying is that there are certain steps that we could initiate sooner that would provide relief and what she is hearing you say is that the committee could review those actions that we take sooner to see if that is sufficient or if additional review is needed. So that would be the two-step process.

Mr. Selvaggio said if the City could start something today that would be great. Whatever the Council could do on their end to get the fees reduced would be awesome but he would like to

see some recommendation come from the committee as well for fee structures because there are a lot of things we should do such as possibly bundling many different signs together because some properties out here are larger. We will start with everything from the smaller sign and then put packages together all the way up to that \$500 or \$600 dollar sign as well.

**Motion carried by roll call vote 5/0.**

4. General Plan Annual Progress Report (Calendar Year 2013)  
(Staff Report – Zai Abu Bakar, Community Development Director)

Director Abu Bakar gave a short power-point presentation just to highlight the main points from the staff report (see Exhibit "B"). She went over the policy issues in more detail as contained in the staff report.

Councilmember Peterson said in regards to the rezoning of the neighborhood over at Hargrave how long is that going to take to get it rezoned.

Director Abu Bakar said the only challenge is that she would have to go before the Airport Land Use Commission which could take about two months and then allow them three weeks to look at it so she would say anywhere between 4 to 6 months she should be able to be before the Planning Commission and the Council.

Mayor Franklin asked Director Abu Bakar that you are giving the status to the State at this point and then to move forward with the land use and zoning and also to be able to work with the County to work on the land use requirements by the Airport Land Use Commission.

Director Abu Bakar said that was correct.

Mayor Franklin opened the item for public comments and seeing no one come forward she closed the item for public comments.

Councilmember Miller said we had a workshop about six months ago about the airport and various things came up that were interesting to him. First of all we had the FAA (Federal Aviation Administration) come and the theory before that was that it would cost us at least \$25 million to convert the airport to commercial property and the FAA said it was only about \$2 million dollars and also we would have to pay for the use that the airport is paid by other people landing at our airport and nobody lands at our airport so that costs no money. He said after listening to that and the statement by the Fire Chief that they don't need the airport do we really need an airport. The FAA said specifically an airport can never produce money for a City. The whole purpose for an airport for a City is to attract business into the city and we have never succeeded in doing that except for Deutsch and they are gone and the chance, in his opinion, of having the airport being a viable source of income to the City is essentially non-existent. Our city does not have much land whatsoever; we are landlocked and here we have this giant piece of land that is essentially useless. Thirty-one people have airplanes and thirty-one people use it on occasion. He said that he has sat next to the airport for two to three hours for five to six days and he has never seen an airplane take off or land. Whenever he drives by on the I-10 freeway he never sees an airplane. The airport could be so valuable for us in the

**CITY COUNCIL  
REPORT OFFICERS**

**DATE:** June 24, 2014

**TO:** City Council

**FROM:** Zai Abu Bakar, Community Development Director

**SUBJECT:** Resolution No. 2014-46-“Approving the First Amendment to the Professional Services Agreement with J.H. Douglas and Associates for the Certification of the Banning 2014-2021 Housing Element”

**RECOMMENDATION:** That the City Council adopt Resolution No. 2014-46 (Attachment 1) approving the First Amendment to the Professional Services Agreement with J.H. Douglas and Associates in an amount of \$11,750.00 for additional professional services related to the completion of the 2014-2021 Housing Element for certification by the State Housing and Community Development (HCD).

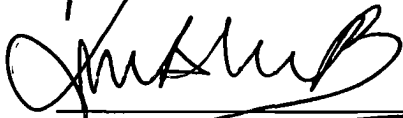
**JUSTIFICATION:** It is necessary to amend the Professional Services Agreement with J.H. Douglas and Associates to cover the costs associated with additional public hearings for the adoption of the 2014-2021 Housing Element and to address the comments received from the State HCD on May 1, 2014.

**BACKGROUND AND ANALYSIS:** On December 5, 2012, the City entered into a Professional Services Agreement with J.H. Douglas and Associates to complete the 2008-2014 and 2014-2021 Housing Elements for certification by the State HCD. The total contract amount was for \$23,980.00 (see Attachment 2). Of the \$23,980.00, \$3,000.00 was for the completion of the 2008-2014 Housing Element leaving the remaining balance of \$20,980.00 for the completion of the 2014-2021 Housing Element. The State did not certify the 2008-2014 Housing Element although they indicated that the City addressed many of the statutory requirements and requested that their remaining concerns regarding adequate and suitability of the various sites zoned for affordable housing be addressed in the 2014-2021 Housing Element.

The City Council adopted the 2014-2021 Housing Element on January 28, 2014. Staff transmitted the adopted housing element to the State on January 30, 2014. Under the Housing Element law, beginning from the date that the housing element document is received, the State has 90 days to comment. During the 90-day review period staff had a number of phone conversations with the State regarding the adequacy of the Banning Housing Element and compliance with the Housing Element law. The City received the State HCD comments on May 1, 2014 (refer to Attachment 4).

**FISCAL DATA:** Staff respectfully requests approval of additional funding in the amount of \$11,750.00 which is necessary in order to cover services added to the scope of services under the Professional Services Agreement with J.D. Douglas and Associates for a total contract amount not to exceed \$35,730.00. This approval will cover expected costs of additional public hearings that were conducted for the adoption of the 2014-2021 Housing Element, as well as, address the State concerns. Funding is available in the Community Development Department Fund Account No. 001-2800-441.33-11 for this First Amendment.

**RECOMMENDED BY:**



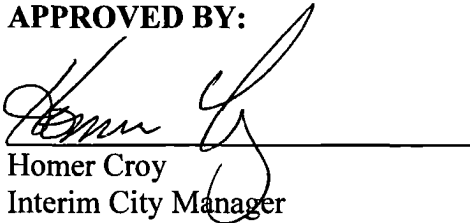
Zai Abu Bakar  
Community Development Director

**REVIEWED BY:**



June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**



Homer Croy  
Interim City Manager

**Attachments:**

1. Resolution No. 2014-46
2. Existing Professional Services Agreement with J.H. Douglas and Associates
3. First Amendment to the Professional Services Agreement with J.H. Douglas and Associates
4. State HCD comments dated May 1, 2014

**Attachment 1**  
**Resolution No. 2014-46**

## **RESOLUTION NO. 2014-46**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH J.H. DOUGLAS AND ASSOCIATES FOR CERTIFICATION OF THE BANNING 2014-2021 HOUSING ELEMENT**

**WHEREAS**, on December 5, 2013, the City entered into a Professional Services Agreement with J.H. Douglas and Associates in an amount "Not to Exceed" \$23,980.00 for the completion and certification by the State Housing and Community Development (HCD) of the 2008-2014 and 2014-2021 Housing Elements; and

**WHEREAS**, the City submitted the adopted 2014-2021 Housing Element to the State Housing and Community Development for review and determination for compliance with the Housing Element law; and

**WHEREAS**, the City received comments from the State HCD on May 1, 2014 that the City is required to address additional requirements by providing affordable housing overlay zones for the existing High Density Residential HDR-20 sites to ensure adequate sites for compliance with the Regional Housing Needs Assessment (RHNA); and

**WHEREAS**, as a result of additional public meetings conducted prior to the adoption of the 2014-2021 Housing Element and the additional services required to address the State HCD comments an increased budget is necessary; and

**WHEREAS**, the scope of work for the additional services includes, but is not limited to, the following: assist with the preparation of staff reports on the amendments to General Plan and the Zoning Ordinance; prepare appropriate documentation for compliance with the California Environmental Quality Act (CEQA); and attendance at the Planning Commission and City Council meetings; and

**WHEREAS**, staff respectfully requests approval of the additional funding for the Professional Services Agreement with J.H. Douglas and Associates in an amount of \$11,750.00 for a total contract amount of \$35,980.00 in order to address services that were completed and additional services to address the State HCD comments.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Banning as follows:

**SECTION 1.** The additional funding for the Professional Services Agreement with J.D. Douglas and Associates is approved in the amount of \$11,750.00 for a total contract amount "Not to Exceed" \$35,730.00.

**SECTION 2.** The City Manager is authorized to execute the First Amendment to the Professional Services Agreement with J.H. Douglas and Associates in a form approved by the City Attorney.

This authorization will be rescinded if the parties do not execute the contract agreement within ninety (90) days of this resolution.

**PASSED, ADOPTED AND APPROVED** this 24th day of June, 2014.

\_\_\_\_\_  
Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk  
City of Banning

**APPROVED AS TO FORM  
AND LEGAL CONTENT:**

\_\_\_\_\_  
David J. Aleshire, City Attorney  
Aleshire & Wynder, LLP

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2014-46 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Marie A. Calderon, City Clerk  
City of Banning

## **Attachment 2**

### **Existing Professional Services Agreement with J.H. Douglas and Associates**

# **CONTRACT SERVICES AGREEMENT**

**By and Between**

**THE CITY OF BANNING,  
A MUNICIPAL CORPORATION**

**and**

**J.H. Douglas & Associates**

**AGREEMENT FOR CONTRACT SERVICES  
BETWEEN  
THE CITY OF BANNING, CALIFORNIA  
AND  
J.H. DOUGLAS & ASSOCIATES**

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this 5<sup>th</sup> day of Dec, 2012 by and between the City of Banning, a municipal corporation ("City") and J.H. Douglas, ("Consultant" or "Contractor"). City and Contractor are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties." (The term Contractor includes professionals performing in a consulting capacity.)

**RECITALS**

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Section 1 of this Agreement.

B. Contractor, following submission of a proposal or bid for the performance of the services defined and described particularly in Section 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Banning's Municipal Code, City has authority to enter into this Agreement Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Contractor for performance of those services defined and described particularly in Section 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

**OPERATIVE PROVISIONS**

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

**ARTICLE 1. SERVICES OF CONTRACTOR**

**1.1 Scope of Services.**

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services

contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

#### 1.2 Contractor's Proposal.

The Scope of Service shall include the Contractor's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

#### 1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

#### 1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

#### 1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at City's risk until written instructions are received from the Contract Officer.

#### 1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

**1.7      Warranty.**

Contractor warrants all Work under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Agreement, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at his sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand. This provision may be waived in Exhibit "B" if the services hereunder do not include construction of any improvements or the supplying of equipment or materials.

**1.8      Prevailing Wages.**

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for

each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

#### 1.9 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

#### 1.10 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Agreement Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Agreement Sum or \$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor.

#### 1.11 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

### **ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.**

#### 2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed \$23,980.00 (the "Contract"), unless additional compensation is approved pursuant to Section 1.10.

## 2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with specified tasks or the percentage of completion of the services, (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation.

## 2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses if an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

## 2.4 Invoices.

Each month Contractor shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories.

City shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by City, or as provided in Section 7.3. City will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Contractor for correction and resubmission.

## 2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

# ARTICLE 3. PERFORMANCE SCHEDULE

## 3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

### 3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

### 3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

### 3.4 Inspection and Final Acceptance.

City may inspect and accept or reject any of Contractor's work under this Agreement, either during performance or when completed. City shall reject or finally accept Contractor's work within forth five (45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section X, pertaining to indemnification and insurance, respectively.

### 3.5 Term.

Unless earlier terminated in accordance with Article 8 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one (1) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

## ARTICLE 4. COORDINATION OF WORK

### 4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (Principals) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

John H. Douglas  
(Name)

Principal  
(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City. Additionally, Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify City of any changes in Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

### 4.2 Status of Contractor.

Contractor shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Contractor expressly waives any claim Contractor may have to any such rights.

### 4.3 Contract Officer.

The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

#### 4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

#### 4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

### ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

#### 5.1 Insurance Coverages.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker

employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Professional Liability. Professional liability insurance appropriate to the Contractor's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Contractor's services or the termination of this Agreement. During this additional 5-year period, Contractor shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

## 5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

### CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

[to be initialed]

\_\_\_\_\_  
Agent Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Contractor performs; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible nor shall it limit the Contractor's indemnification liabilities as provided in Section 5.3.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

### 5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable ("indemnors"), or arising from Contractor's reckless or willful misconduct, or arising from Contractor's indemnors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Contractor shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

#### 5.4 Performance Bond.

Concurrently with execution of this Agreement, and if required in Exhibit "B", Contractor shall deliver to City performance bond in the sum of the amount of this Agreement, in the form provided by the City Clerk, which secures the faithful performance of this Agreement. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement.

#### 5.5 Sufficiency of Insurer or Surety.

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager of City ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by Section 5.4 may be changed accordingly upon receipt of written

notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of City within 10 days of receipt of notice from the Risk Manager.

## **ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION**

### **6.1 Records.**

Contractor shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the books and records may be given to City, and access shall be provided by Contractor's successor in interest.

### **6.2 Reports.**

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

### **6.3 Ownership of Documents.**

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, revise or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts

embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

#### 6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Contractor's conduct.

(d) Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

### **ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION**

#### 7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

#### 7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Contractor for any work performed

after the date of default. Instead, the City may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

### 7.3 Retention of Funds.

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

### 7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

### 7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

### 7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel

specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

#### 7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of \_\_\_\_\_ (\$\_\_\_\_\_) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

#### 7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

#### 7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

#### 7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or

equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

## **ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION**

### **8.1 Non-liability of City Officers and Employees.**

No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

### **8.2 Conflict of Interest.**

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

### **8.3 Covenant Against Discrimination.**

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

### **8.4 Unauthorized Aliens.**

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement,

and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

## **ARTICLE 9. MISCELLANEOUS PROVISIONS**

### **9.1 Notices.**

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, CITY OF BANNING, 99 East Ramsey Street, Banning, CA 92220 and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

### **9.2 Interpretation.**

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

### **9.3 Counterparts.**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

### **9.4 Integration; Amendment.**

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

### **9.5 Severability.**

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

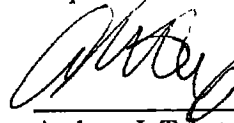
9.6 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

**[SIGNATURES ON FOLLOWING PAGE]**

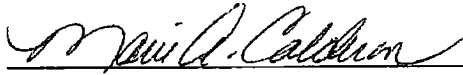
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

**CITY:**  
CITY OF BANNING, a municipal corporation



Andrew J. Takata, City Manager

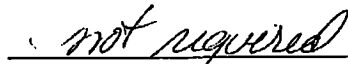
ATTEST:



Marie Calderon, City Clerk

APPROVED AS TO FORM:

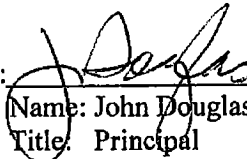
ALESHIRE & WYNDER, LLP



Lona Laymon, Assistant City Attorney

**CONTRACTOR:**

J.H. Douglas & Associates

By:   
Name: John Douglas  
Title: Principal

Address: 13142 Rosalind Drive, Santa Ana,  
CA 92705

Two signatures are required if a corporation.

**NOTE: CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.**

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

☐ INDIVIDUAL  
☐ CORPORATE OFFICER  
\_\_\_\_\_  
TITLE(S)

\_\_\_\_\_  
TITLE OR TYPE OF DOCUMENT

☐ PARTNER(S) ☐ LIMITED  
☐ GENERAL

\_\_\_\_\_  
NUMBER OF PAGES

☐ ATTORNEY-IN-FACT  
☐ TRUSTEE(S)  
☐ GUARDIAN/CONSERVATOR  
☐ OTHER \_\_\_\_\_

\_\_\_\_\_  
DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
(NAME OF PERSON(S) OR ENTITY(IES))  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT
_____	
TITLE(S)	
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> <input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR	
<input type="checkbox"/> OTHER _____	
_____	
<b>SIGNER IS REPRESENTING:</b>	_____
(NAME OF PERSON(S) OR ENTITY(IES))	SIGNER(S) OTHER THAN NAMED ABOVE
_____	
_____	

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**I. Contractor will perform the following Services:**

- A. Analyze the current 2008-2014 Housing Element which sets the stage for the 2014-2021 Housing Element and assist City staff in obtaining certification.
- B. Research, analyze, write, and produce a draft Housing Element for the 2014 -2021 period that incorporates all items required by the State law and submit the draft for review by the City staff.
- C. Revise and incorporate staff comments on the draft Housing Element.
- D. Prepare an Initial Study and appropriate environmental document for the Housing Element in compliance with the California Environmental Quality Act.
- E. Conduct a public meeting and a joint study session with the Planning Commission and City Council and incorporate their recommendations.
- F. Submit the draft Housing Element for review by the State Housing and Community Development (HCD). If there are comments from HCD, the consultant shall resolve the comments with the State HCD.
- G. Submit a final revised document to the State HCD for a finding of substantial compliance/certification from HCD.
- H. Following certification of the Housing Element, prepare staff reports and resolutions and conduct a public hearing for the adoption of the Housing Element by the Planning Commission and City Council and incorporate their comments.
- I. Submit the final Housing Element for certification by HCD.

**II. As part of the Services, Contractor will prepare and deliver the following tangible work products to the City:**

- A. First (Administrative) Draft of the 2014-2021 Housing Element for staff review in Word format to be submitted electronically.
- B. One hard copy of the Draft Housing Element for review by the Planning Commission and City Council and one electronic copy in Word format.
- C. Final Housing Element for Certification by HCD.
- D. Certified Housing Element that was approved by the State HCD which shall include incorporation of any last minute changes.

- III. In addition to the requirements of Section 6.2, during performance of the Services, Contractor will keep the City appraised of the status of performance by delivering the following status reports:**
- A. Bi-weekly e-mails and/or letter on the progress of the delivery of the Housing Element.**
  - B. If status update is provided via telephone, a summary memo or email is to be provided on items discussed and action items that are agreed upon.**
- IV. All work product is subject to review and acceptance by the City, and must be revised by the Contractor without additional charge to the City until found satisfactory and accepted by City.**
- V. Contractor will utilize the following personnel to accomplish the Services:**
- A. John Douglas, Principal and Project Manager**

**EXHIBIT "B"**  
**SPECIAL REQUIREMENTS**  
**(Superseding Contract Boilerplate)**

**NOTARY SERVICE REQUIREMENT WAIVED**

**EXHIBIT "C"**  
**COMPENSATION**

**I. Contractor shall perform the following tasks:**

Task	Description	JD	WP	Total Hours	Cost
1.0	2008 Housing Element Completion	24		24	\$3,000
2.0	2013 Housing Element Preparation				
	-Admin. Draft Housing Element	60	4	64	\$7,760
	-Public Review Draft Housing Element	8	1	9	\$1,065
	-Proposed Final Housing Element	10		10	\$1,250
	-Final Housing Element	4	1	5	\$565
3.0	Public Participation				
	-Public workshop (1)	12		12	\$1,500
	-PC/CC study session (1)	12		12	\$1,500
	-PC and CC meetings (1 each)	24		24	\$3,000
4.0	CEQA Compliance	16	1	17	\$2,065
5.0	Project Management	4		4	\$500
Total Labor		174	7	181	\$22,205
Hourly Rate		\$125	\$65		
Reimbursable Expenses		(See table below)			\$1,775
Total Labor + Expenses					\$23,980

JD = John Douglas, AICP, Project Manager

WP = Word Processing/graphics tech

Estimated Reimbursable Expenses	
Travel/mileage	No charge
Printing	
Public Review Draft (25 B/W copies @ \$20/ea)	\$500
Final Element (25 color copies @ \$50/ea)	\$1,250
Postage/deliveries	\$25
<b>Total</b>	<b>\$1,775</b>

- II. Payments will be issued and based upon satisfactory completion of each task.**
- III. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task sub budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.10.**
- VI. The City will compensate Contractor for the Services performed upon submission of a valid invoice. Each invoice is to include:**
  - A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.**
  - B. Line items for all materials and equipment properly charged to the Services.**
  - C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.**
  - D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.**
- V. The total compensation for the Services shall not exceed \$23,980.00, as provided in Section 2.1 of this Agreement.**

**EXHIBIT "D"**  
**SCHEDULE OF PERFORMANCE**

**I. Contractor shall perform all services timely in accordance with the following schedule:**

November 2012	Kick-off meeting with City staff; Refine overall work program
December 2012	Finalize sites inventory analysis and submit revised 2008 Housing Element to HCD (60-day review) Initiate zone change process
Jan-March 2013	Prepare CEQA analysis for zone changes* Compile data needed for 2013 Housing Element
February 2013	HCD comments on Revised Draft 2008 Housing Element ("Draft in Compliance")
March 2013	Planning Commission/City Council hearings to adopt 2008 Housing Element Submit adopted 2008 element to HCD for certification Administrative Draft 2013 Housing Element to staff for review
April 2013	Community workshop for 2013 Housing Element Staff review of Administrative Draft 2013 Housing Element Prepare Public Review Draft 2013 element
May 2013	Planning Commission/City Council study session for 2013 element
June 2013	Submit Draft 2013 Housing Element to HCD (60-day review) Prepare & circulate CEQA documentation, as necessary
August 2013	HCD comments on 2013 Housing Element ("Draft In Compliance")
Sept-October 2013	Planning Commission & City Council adoption hearings Transmit adopted 2013 element to HCD

\*This schedule assumes a Mitigated Negative Declaration will be adequate. If an EIR is required, additional time will be necessary.

**II. Contractor shall deliver the following tangible work products to the City by the following dates.**

- A. April 2013 - First (Administrative) Draft of the Housing Element for staff review.
- B. May 2013 - Draft Housing Element for review by the Planning Commission and City Council.
- C. June 2013 - Final Housing Element for Certification by HCD.

D. September/October 2013 - Certified Housing Element approved by the State HCD shall include incorporation of any last minute changes.

**III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.**

### **Attachment 3**

## **First Amendment to the Professional Services Agreement with J.H. Douglas and Associates**

## **FIRST AMENDMENT TO J.H. DOUGLAS & ASSOCIATES CONTRACT SERVICES AGREEMENT**

THIS FIRST AMENDMENT TO J.H. DOUGLAS CONTRACT SERVICES AGREEMENT ("**First Amendment**") is made and entered into this 24<sup>th</sup> day of June 2014, by the CITY OF BANNING ("City"), a public body, corporate and politic and J.H. Douglas & associates ("Consultant"). City and Consultant are occasionally referred to individually as a "party" and collectively as the "parties".

### **RECITALS**

- A. On December 5, 2012, the parties entered into a Contract Services Agreement (the "**Original Agreement**") by which the consultant agreed to provide the services to complete the City of Banning Housing Elements for the periods of 2008-2014 and 2013-2021 particularly depicted in Exhibit "A" to this Agreement.
- B. Whereas during the performance of this agreement, there were unanticipated services including additional public hearings at the Planning Commission and City Council for the adoption of the 2013-2021 Housing Element which required the consultant to attend the hearings and provide staff reports, respond to questions raised at the public hearings, and revise the housing element.
- C. Whereas the City Council adopted the 2013-2021 Housing Element on January 28, 2014 and on January 30, 2014 staff submitted the adopted Housing Element for review and certification by the State Housing and Community Development (HCD).
- D. Whereas the City received additional comments from the State HCD on May 1, 2014 regarding the requirements to establish an Affordable Housing Overlay zone on parcels that were previously zoned High Density Residential-20 (HDR-20) under the 2008-2014 Housing Element that would allow a density increase from 20 units/acre to 24 units/acre only for projects that reserve 20% of units for lower-income households.
- E. Whereas the State HCD comments require the preparation of additional staff reports, attendance at the public hearings before the Planning Commission and the City Council, and amendment to the adopted Housing Element and Zoning Ordinance.

**NOW, THEREFORE**, the parties agree that the Agreement shall be revised pursuant to the following terms of this Amendment:

1. Recitals. The foregoing Recitals are acknowledged by the Parties as true and correct and are hereby incorporated into the terms of this Amendment by this reference.
2. Approval.

- a. Section 1.1 is hereby amended to include the additional work/revised scope of services and costs for an additional \$11,750.00 for a total contract not to exceed \$35,730.00.
  - b. Item I of Exhibit "C" shall be amended to include "Exhibit "C-1" for the additional services that were completed above the existing scope of work and those that will be completed for certification of the 2013-2021 Housing Element.
  - c. Section V of Exhibit C shall be amended to include an additional compensation of \$11,750.00 for a total contract not to exceed \$35,730.00.
3. Remaining Provisions of the Original Agreement. Except as expressly provided in this First Amendment, all other provisions of the Agreement, shall remain in full force and effect.

IN WITNESS WHEREOF, City and Consultant have entered into this First Amendment as of the date set forth above.

By: \_\_\_\_\_  
Deborah Franklin, Mayor  
City of Banning

ATTEST:

By: \_\_\_\_\_  
Marie Calderon, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
David J. Aleshire, City Attorney  
ALESHIRE AND WYNDER, LLP

"Consultant"

By: \_\_\_\_\_

Name: \_\_\_\_\_

**Exhibit "C-1"**  
**AMENDED COMPENSATION**

Only the following sections of Exhibit "C" are amended. The remaining sections of Exhibit C still applies.

- I. The contractor shall perform the following services.

Description	Hours	Cost
Work completed:		
Prepare for & attend 9/30/2013 PC meeting	12	1,500
Prepare for & attend 10/22/2013 CC meeting	12	1,500
Prepare for & attend 1/2/2014 PC meeting	12	1,500
Prepare for & attend 1/14/2014 CC meeting	12	1,500
Prepare CEQA Addendum-2013 Housing Element	4	500
Subtotal	52	\$6,500
Proposed additional work:		
Prepare GPA resolution and zoning ordinance	8	1,000
Prepare CEQA Addendum	4	500
Prepare for & attend June 10 CC meeting	4	500
Prepare for & attend PC and CC hearings (1 each)	24	3,000
HCD coordination	2	250
Subtotal	38	\$5,250
Total Labor	90	\$11,750
Hourly Rate	\$125	

V. The total compensation for the additional services shall not exceed \$11,750.00 for a total contract cost of \$35,730.00.

## **Attachment 4**

**State HCD comments dated May 1, 2014**

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2911 / FAX (916) 263-7453  
www.hcd.ca.gov



May 1, 2014

Ms. Debbie Franklin, Mayor  
City of Banning  
P.O. Box 998  
Banning, CA 92220

Dear Ms. Franklin:

**RE: Review of City of Banning's 5<sup>th</sup> Cycle (2013-2021) Adopted Housing Element**

Thank you for submitting City of Banning's housing element adopted January 28, 2014 that was received for review on February 3, 2014. Pursuant to Government Code Section 65585(h), the Department is reporting its review of the adopted housing element. The Department is also taking the opportunity to comment on draft program actions described in a April 30, 2014 letter from Ms. Debbie Franklin, Mayor of the City of Banning, that will be presented to the City Council for discussion and action.

The adopted element addresses many statutory requirements described in the Department's December 23, 2013 review. Revisions to address the two findings detailed below are necessary to comply with State housing element law (Article 10.6 of the Government Code).

1. *Identify the zones and densities appropriate to encourage and facilitate the development of housing for lower income households based on factors such as market demand, financial feasibility, and development experience within zones. (Government Code Section 65583.2(c)(3)(A) and (B)).*

The adopted element did not fully address this finding. While the element includes an analysis demonstrating the appropriateness of the 24 du/acre density within the VHDR zone, it does not include analysis to support the appropriateness of 20 du/acre in the HDR zone. Please see the Department's previous review.

The draft actions described in the Mayor's April 30, 2014 communication would address this finding were the City to adopt an affordable housing overlay which would increase the allowable density in the HDR zone to 24 du/acre for projects with units affordable to lower-income households.

2. *Analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

Revisions are needed to identify and analyze all relevant land use controls and impacts as potential constraints on the cost and supply of housing. The adopted element did not analyze the impact of having the same minimum and maximum density of 20 du/acre in the HDR zone. The element must analyze whether the absence of a density range poses a governmental constraint on development including potential impacts resulting from site constraints, financial considerations, and other development factors.

The draft actions described in the City's April 30, 2014 letter would address this finding, if the City adopts an affordable housing overlay that expands the range of allowable density in the HDR zone.

Once the element has been revised to include the April 30, 2014 draft program actions to address the above two findings and the City adopts and submits the element without substantive changes, it will comply with State housing element law. The Department appreciates the cooperation provided by City officials, staff, and the City's consultant, Mr. John Douglas. If you have any questions or need additional technical assistance, please contact Melinda Coy, of our staff, at (916) 263-7425.

Sincerely,



Glen A. Campora  
Assistant Deputy Director

Cc: Ms. Zai Abu Bakar, Community Development Director

## CITY COUNCIL AGENDA

**Date:** June 24, 2014  
**TO:** Honorable Mayor and City Council  
**FROM:** Fred Mason, Electric Utility Director  
**SUBJECT:** Adopt Resolution No. 2014-49 Authorizing the Execution of a Power Sales Agreement with the Southern California Public Power Authority for the Purchase of Renewable Energy from the Puente Hills Landfill Gas-to-Energy Facility

**RECOMMENDATION:** It is recommended that the City Council approve Resolution No. 2014-49 authorizing the execution of the Puente Hills Landfill Gas-to-Energy Facility Power Sales Agreement ("Puente Hills PSA") with the Southern California Public Power Authority ("SCPPA") attached herewith as Exhibit "A".

**JUSTIFICATION:** Executing said Puente Hills PSA will allow the City's Electric Utility ("Utility") to continue to meet the requirements of the State mandated Renewable Portfolio Standard ("RPS"), currently set at 33% by December 31, 2020. It will also replace a portion of the energy the Utility will be losing when the San Juan Unit 3 facility shuts down in 2017.

**BACKGROUND:** The Utility was the first Southern California electric utility to meet the State mandated 20% renewable by 2010, and we continue to meet the RPS requirements, as modified by the State. Current renewable energy requirements established by Senate Bill X1 2 require a minimum of 25% in 2016, 27% in 2017, 29% in 2018, 31% in 2019 and 33% in 2020. However, Assembly Bill 327 was passed in 2013 and gives the California Public Utilities Commission ("CPUC") authority to increase the RPS without further authorization from the State Legislature. While the CPUC does not have direct jurisdiction over publicly owned utilities ("POU"), history shows that the California Air Resources Board ("CARB") and the California Energy Commission ("CEC") tend to mirror the CPUC's regulatory policies. This would strongly suggest that any increases to the RPS mandate by the CPUC would be applied to POUs through CARB and/or CEC regulations. Some policymakers have suggested a 40% RPS by 2030.

The Puente Hills Landfill Gas-to-Energy Facility ("Project") is an existing facility that is currently under contract with Southern California Edison. SCPPA has negotiated to start taking the output from the Project, which has a nameplate capacity of 46 MWs, as of January 1, 2017. The Utility's share of the Project will be 20.9302% or approximately 9.6 MWs of the nameplate capacity. However, because the Puente Hills Landfill has shut down and is no longer accepting waste, the actual capacity of the Project will decrease each year at an estimated rate of 4-6%, as the available "fuel" is depleted. The projected capacity of the Project for 2017 is estimated at 41.5 MWs, which will result in Banning receiving approximately 8.7 MW's of capacity and associated energy. At the Utility's current projected retail sales levels, the Puente Hills PSA would increase the amount of retail load being served from renewable energy resources up to approximately 77% -- the highest of all the Southern California municipal utilities.

The Project is a "baseload" generating facility, meaning that it produces energy consistently

around the clock. This is one of the main differences from an “intermittent” resource like solar, which only produces energy when the sun is shining. This makes the baseload resource more reliable and therefore more valuable, which in turn increases its price. Also adding to its value are the capacity attributes. The Project meets the California Independent System Operator’s (“CAISO”) requirements for Local Capacity and System Capacity, which will reduce the amount of capacity that the Utility must procure to meet its annual CAISO obligations. This will result in a reduction in the Utility’s operating expense of \$300,000 per year.

The Project is located in Los Angeles County (Whittier) near the interchange of the I-605 and CA-60 freeways, and will interconnect with the CAISO’s system at Southern California Edison’s Hillgen Substation.

**Project Allocations:** The participating SCPPA members include: The Cities of Azusa, Banning, Colton, Pasadena and Vernon. At this time it is expected that the output of the Project will be allocated amongst the participants as follows (please note that some participants may not have yet obtained approvals from their respective boards or councils):

Azusa 1 MW  
Banning 9 MW  
Colton 10 MW  
Pasadena 13 MW  
Vernon 10 MW

The highlights of the proposed transaction are as follows:

1. Size: Nameplate Capacity 46 MW – Initial subscription allocation has been based on 43 MW, which will decrease each year at an estimated rate of 4-6%.
2. Expected Capacity Factor: 95%
3. Price: \$80 per MWh Fixed
4. Guaranteed Energy: If there is a failure to deliver at least 90% of the annual Guaranteed Generation, the Seller will pay the difference between the Buyer’s actual replacement cost and the contract price, if the Buyer purchased energy to make up the shortfall, or the applicable market price, if a purchase wasn’t made.
5. Start Date: January 1, 2017
6. Term: 14 years
7. Facility Location: Los Angeles County, California
8. Delivery Point(s): Hillgen substation

There are two (2) agreements related to SCPPA’s participation in the Project: SCPPA executes a Power Purchase Agreement with the Project owner, which the SCPPA Board has already voted and approved to have the SCPPA Executive Director execute. In addition, each SCPPA member

participating in the Project must execute the standard Power Sales Agreement with SCPPA pertinent to the Project.

Banning's proposed participation level is 9 MW, and assuming performance objectives are met, renewable energy from the Project would represent about 48% of Banning's projected retail load in 2017.

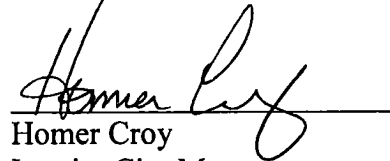
**FISCAL DATA:** The Project is an existing facility and will require no upfront contributions. Banning would only pay for actual energy received at the contract stipulated price of \$80 per MWh. The projected annual cost, based on the anticipated Project output, would be about \$5.5 million per year, commencing in 2017. This is a fixed price contract, however, output from the Project will denigrate at an estimated rate of 4-6% per year, thereby reducing the annual expense as the actual energy received by the Utility is reduced from year to year. Based on the divestiture of San Juan Unit 3 by December 31, 2017, and the elimination of the annual operating costs related to that facility, there will be no rate increase necessary to incorporate the Puente Hills Landfill Gas-to-Energy Facility Project into the Utility's resource portfolio.

**RECOMMENDED BY:**



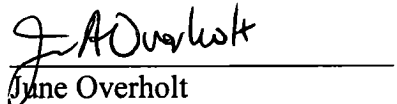
Fred Mason  
Electric Utility Director

**APPROVED BY:**



Homer Croy  
Interim City Manager

**REVIEWED BY:**



June Overholt  
Administrative Services Director/  
Deputy City Manager

## **RESOLUTION NO. 2014-49**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE EXECUTION OF A POWER SALES AGREEMENT WITH THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY FOR THE PURCHASE OF RENEWABLE ENERGY FROM THE PUENTE HILLS LANDFILL GAS-TO-ENERGY FACILITY**

**WHEREAS**, pursuant to the provisions relating to the joint exercise of powers found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended (the "Joint Powers Act"), the City of Banning (the "City") and certain other public bodies (collectively, the "Members") have entered into a Joint Powers Agreement, as amended (the "Joint Powers Agreement"), which creates the Southern California Public Power Authority ("SCPPA"), a public entity separate and apart from the Members; and

**WHEREAS**, pursuant to the terms of the Joint Powers Act and the Joint Powers Agreement, SCPPA has the power, for the purpose of promoting, maintaining and operating electric generation and transmission on behalf of its Members, to plan, develop, contract for, finance, acquire, design, undertake, own, construct, operate and administer projects involving systems, methodologies and programs for the acquisition, supply, procurement and delivery of secure, long-term reliable supplies of renewable electric energy and to cause such projects to be planned, developed, contracted for, financed, acquired, designed, constructed, operated, maintained, and administered and to provide by agreement for the performance and carrying out of any such activities; and

**WHEREAS**, the City has need for a long-term source of renewable energy to satisfy the City's renewable portfolio standard requirements and replace energy lost from the divestiture of San Juan Unit 3 in 2017, and desires to ensure the reliable delivery of landfill gas-to-energy to fulfill a portion of these needs; and

**WHEREAS**, SCPPA and certain of its Members, to wit, currently the Cities of Azusa, Banning, Colton, Pasadena and Vernon (collectively, the "Project Participants") have investigated the feasibility of the purchase of electric capacity and energy to provide a long-term supply of renewable energy to meet a portion of the electrical generation needs of the Project Participants while also helping them meet policy and regulatory goals for increasing the amount of electricity obtained from renewable energy resources; and

**WHEREAS**, SCPPA and the Project Participants have identified a landfill gas-to-energy facility known as the Puente Hills Landfill Gas-to-Energy Facility Project ("Project"), which is an existing facility owned by the County Sanitation District No. 2 of Los Angeles County, a county sanitation district organized and existing under the County Sanitation District Act, Health and Safety Code section 4700 *et seq.* ("Seller"). The Project has a nameplate capacity of 46 MW and is located in Los Angeles County, California. SCPPA desires to acquire the electric capacity and energy of the Project from Seller, and each SCPPA Member desires to obtain electric capacity and associated energy and environmental attributes of the Project from SCPPA pursuant to the Puente Hills Landfill Gas-to-Energy Facility Power Sales Agreement between SCPPA and such SCPPA Member (the "Power Sales Agreement"); and

**WHEREAS**, there has been submitted to this Council the form of the Power Sales Agreement by and between SCPPA and the City of Banning for the purchase of 9 MWs of Project capacity and associated energy, including as an Appendix thereto, the form of the Power Purchase Agreement; and

**WHEREAS**, the Council of the City of Banning finds and determines that it is in the best interests of the City and its residents to purchase Project capacity and the associated energy and environmental attributes from SCPPA pursuant to the Banning Power Sales Agreement.

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Banning as follows:

SECTION 1. The Council hereby approves the Banning Power Sales Agreement, including all Appendices and attachments thereto, between the City and SCPPA with respect to the Puente Hills Landfill Gas-to-Energy Facility Project, in substantially the form submitted to the Council, attached herewith as Exhibit "A".

SECTION 2. The Mayor is hereby authorized to execute and deliver the Banning Power Sales Agreement, with such changes, insertions and omissions as shall be approved by the City Manager, and with approval of the City Attorney as to form. The City Clerk is hereby authorized to attest to such execution.

SECTION 3. The City Manager, or his/her designee, is authorized to execute and deliver any and all other documents and instruments and to do and cause to be done any and all acts and things necessary or advisable for carrying out the responsibilities and transactions under the Banning Power Sales Agreement as contemplated by this Resolution.

SECTION 4. If any part of this Resolution is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Resolution, and this City Council hereby declares that it would have passed the remainder of this Resolution, if such invalid portion thereof had been deleted.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June, 2014.

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Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

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Marie A. Calderon, City Clerk

**APPROVED AS TO FORM  
AND LEGAL CONTENT:**

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David J. Aleshire, City Attorney  
Aleshire and Wydner, LLP

**CERTIFICATION**

I, Marie A. Calderon, City Clerk of the City of Banning, do hereby certify that the foregoing Resolution 2014-48 was adopted by the City Council of the City of Banning at a regular meeting thereof held on the 24<sup>th</sup> day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Marie A. Calderon, City Clerk  
City of Banning

**Resolution No. 2014-49**  
**Exhibit "A"**

**PUENTE HILLS LANDFILL GAS-TO-ENERGY FACILITY**

**POWER SALES AGREEMENT**

**BETWEEN**

**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

**AND**

**THE CITY OF BANNING, CALIFORNIA**

**Dated as of JUNE 25, 2014**

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**NOTE: This document is 118 pages.**

**If you would like to review this document,  
a copy is on file in the  
City Clerk's Office.**