

AGENDA
REGULAR MEETING OF THE BANNING CITY COUNCIL
AND THE BANNING UTILITY AUTHORITY
CITY OF BANNING
BANNING, CALIFORNIA

October 22, 2019
5:00 p.m.

Banning Civic Center
Council Chamber
99 E. Ramsey Street

The following information comprises the agenda for the regular meeting of the City Council, the Banning Utility Authority, and the Banning City Council sitting in its capacity as the Successor Agency Board.

Per City Council Resolution 2016-44, matters taken up by the Council before 10:00 p.m. may be concluded, but no new matters shall be taken up after 10:00 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 – Elder Ralph Bobik, Church of Jesus Christ of Latter-Day Saints
- Pledge of Allegiance
- Roll Call – Councilmembers Andrade, Happe, Peterson, Wallace, and Mayor Welch

II. AGENDA APPROVAL

III. PRESENTATIONS

None

IV. REPORT ON CLOSED SESSION

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENTS – On Items Not on the Agenda

A five (5) 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, completion and/or future Council Action (see last page). PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

CORRESPONDENCE

Items received under this category may be received and filed or referred to staff for future research or a future agenda.

APPOINTMENTS

1. Logo Design/Branding Ad Hoc Committee 1

VI. CONSENT ITEMS

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

Mayor to Open Consent Items for Public Comments

Motion: Approve Consent items 1 - 14: Items __, __, __ to be pulled for discussion.

(Resolutions require a recorded majority vote of the total membership of the City Council/Banning Utility Authority)

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9.	Contracts Approved Under City Manager Signature Authority.....	208
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VII. PUBLIC HEARINGS:

1. Resolution 2019-113, Approving the Comprehensive User Fee Study Report, Dated January 2, 2019 and Adopting an Updated Master User Fee Schedule for the Following City Departments and Fee Groups: Finance and Administration, Animal Control, Community Services, Airport, Building, Planning, Utility Billing, Electric Utility, Police, Fire, and Engineering; Making a Finding for Exemption under CEQA, and; Introducing Ordinance 1553, Proposing Amendments to Chapter 3.36 “Fee and Service Charge Revenue/Cost Comparison” of the Banning Municipal Code (BMC) (“Code Amendment”), and Making Findings Pursuant to CEQA. **221**
(Staff Report: Adam Rush, Community Development Director)

Recommendation: Continue the Public Hearing to the December 10, 2019, City Council Meeting.

VIII. ANNOUNCEMENTS AND REPORTS:

CITY COUNCIL COMMITTEE REPORTS

REPORT BY CITY ATTORNEY

REPORT BY CITY MANAGER

REPORT OF OFFICERS

1. Adopt-A-Roadway Program for the Downtown Area..... **223**
(Staff Report: Adam Rush, Community Development Director)

Recommendation: Adopt Resolution 2019-123, approving the City of Banning’s Adopt-A-Roadway Program for the Downtown area.

IX. DISCUSSION ITEM

None

CITY COUNCIL – Next Meeting, November 12, 2019

X. ITEMS FOR FUTURE AGENDAS

1. Mills Act Update
2. Fee Suspension Update
3. Website Redesign
4. Street Naming Policy to Honor Land Owners
5. Contingency Plan for Residents During Emergencies
6. Appraisals Update
7. Honor Banning High School Senior Aliyah Amis
8. Wildfire Mitigation Plans
9. 553 E. Ramsey Receivership

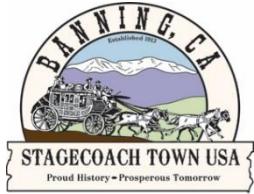
XI. ADJOURNMENT

NOTICE: Any member of the public may address this meeting of the Mayor and City 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]

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 Friday, 8 a.m. to 5 p.m.



CITY OF BANNING CITY COUNCIL REPORT

TO: **CITY COUNCIL**

FROM: **Douglas Schulze, City Manager**

MEETING DATE: **October 22, 2019**

SUBJECT: **Logo Design/Branding Ad Hoc Committee**

RECOMMENDED ACTION:

Staff recommends the City Council appoint a Logo Design/Branding Ad Hoc Committee.

BACKGROUND:

At the October 8, 2019, Mayor Pro Tem Andrade requested the City Council consider appointing an Ad Hoc Committee to design the City's logo. In a follow up conversation, clarification was made that in addition to logo design, branding was also desired as part of the committee conversation.

FISCAL IMPACT:

No fiscal impact to the City of Banning for appointment of an ad hoc committee.

OPTIONS:

1. Appoint two members of the City Council and the City Manager to the Logo Design/Branding Ad Hoc Committee.
2. Do not appoint and provide alternative direction.

Approved by:

Douglas Schulze
City Manager

In accordance with City Council Resolution No. 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

09/10/2019
SPECIAL MEETING- CLOSED SESSION

COUNCIL/BOARD MEMBERS PRESENT: Councilmember Happe
Councilmember Wallace
Councilmember Peterson
Mayor Pro Tem Andrade
Mayor Welch

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Ted Shove, Economic Development Manager

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Welch on September 10, 2019 at 3:00 p.m. at the Banning Civic Council Chambers, 99 E. Ramsey Street, Banning, California.

II. CLOSED SESSION

Mayor Welch opened the closed session items for public comments.

There were no public comments.

1. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

City Designated Representatives: Douglas Schulze, City Manager,
Kevin G. Ennis, City Attorney

Employee Organization: Banning Police Management Association
(BPMA). **Direction given to City Manager Douglas Schulze, no final action taken.**

2. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 (one case). **Direction given to City Attorney and staff.**

3. **CONFERENCE WITH LABOR NEGOTIATORS**
Pursuant to Government Code Section 54957.6
City designated representative: Douglas Schulze, City Manager
Unrepresented employee: Candidate for Parks & Recreation Director position. **Direction given to City Manager Douglas Schulze.**
4. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8
Property Description: Real Property located in the vicinity of Ramsey Street and Highland Home Road (APNs 531-100-003, -043, 537-261-043, 537-100-027, -028, -029, -032, -044)
City Negotiator: Ted Shove, Economic Development Manager
Negotiating Parties: Khan Properties and Holdings, LLC
Under Negotiation: Price and Terms. **Direction given to Economic Development Manager Ted Shove.**
5. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 (one potential case). **Direction given to City Attorney and staff.**
6. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9
Name of Case: *Cherry Valley Pass Acres and Neighbors v. City of Banning, et al.* Case No. RIC 460950; and *Highland Springs Conference and Training v. City of Banning, et al.*, Case No. RIC 460950. **Update provided.**

The meeting convened to closed session at 3:00 p.m. and adjourned to open session at 4:00 p.m.

III. ADJOURNMENT

By consensus, the meeting adjourned at 4:00 p.m.

Minutes Prepared by:

Laurie Sampson, Acting Deputy City Clerk

**The entire discussion of this meeting and related documents can be found by visiting the following website: or by requesting a CD or DVD at
<https://banninglive.viebit.com/player.php?hash=v8XfpY2ZyAUS> Banning City Hall located at 99 E. Ramsey Street.**

In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL

09/10/2019
REGULAR MEETING

COUNCIL MEMBERS PRESENT: Councilmember Happe
Council Member Peterson
Councilmember Wallace
Mayor Pro Tem Andrade
Mayor Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Daryl Betancur, Deputy City Clerk
Matthew Hamner, Police Chief
Scott Foster, Interim Parks & Recreation Director
Tom Miller, Electric Utility Director
Art Vela, Public Works Director/City Engineer
Suzanne Cook, Interim Administrative Services Director
Adam Rush, Community Development Director
Ted Shove, Economic Development Manager
Laurie Sampson, Executive Assistant
Leila Lopez, Office Specialist

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Welch on September 10, at 5:00 p.m. at the Banning Civic Center Council Chamber, 99 E. Ramsey Street, Banning, California.

Elder Ron Duncan, Church of Jesus Christ of Latter-Day Saints, offered the invocation.

Mayor Art Welch led the audience in the Pledge of Allegiance.

Mayor Welch submitted amended minutes from the August 27, 2019 meeting and called for a vote to approve the minutes with the changes.

A motion was made by Councilmember Wallace, seconded by Councilmember Happe to approve the amended minutes. Electronic roll call vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Approved Amended Minutes

II. APPROVAL OF AGENDA

A motion was made by Councilmember Wallace, seconded by Councilmember Happe to approve the agenda as amended. Electronic roll call vote was taken as follows:

AYES: Happe, Peterson Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Approved Agenda

III. PRESENTATION

Proclamation Declaring the Month of September as Childhood Cancer Awareness Month in the City of Banning

IV. REPORT ON CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

City Designated Representatives: Douglas Schulze, City Manager and Kevin G. Ennis, City Attorney

Employee Organization: Banning Police Management Association (BPMA).

Direction given to City Manager, Doug Schulze, no final action taken.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 (one case)

Direction given to City Attorney and staff.

3. **CONFERENCE WITH LABOR NEGOTIATORS**
Pursuant to Government Code Section 54957.6
City designated representative: Douglas Schulze, City Manager
Unrepresented employee: Candidate for Parks & Recreation Director position.
Direction given to City Manager, Doug Schulze.
4. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8
Property Description: Real Property located in the vicinity of Ramsey Street and Highland Home Road (APNs 531-100-003, -043, 537-261-043, 537-100-027, -028, -029, -032, -044)
City Negotiator: Ted Shove, Economic Development Manager
Negotiating Parties: Khan Properties and Holdings, LLC
Under Negotiation: Price and Terms.
Direction given to Economic Development Manager, Ted Shove
5. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. One potential case.
Direction given to City Attorney and staff.
6. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9
Name of Case: *Cherry Valley Pass Acres and Neighbors v. City of Banning, et al.* Case No. RIC 460950; and *Highland Springs Conference and Training v. City of Banning, et al.*, Case No. RIC 460950.
Update provided.

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

Mayor Welch opened Public Comment for items not on the Agenda.

Inge Schuler, Banning resident, requested a clarification of Councilmember Happe's use of the word "hyperbole".

Ron Roy, resident of Beaumont, would like the Council to make sure there are public meetings to discuss the I-10 Bypass project.

Merle Nazareth, Banning resident, to speak in favor of offering showers to the homeless.

William Cunningham, spoke to the community looking for help in solving the murder of his son, Bradley. Would like to offer a reward for information leading to the conviction of the murderer. Councilmember Happe requested Mr. Cunningham contact him directly to discuss a possible fundraiser.

An unknown person spoke about the conduct of the City Council and lack of decorum and enforcement of decorum rules.

Ed Miller, Banning resident, had comments about the prior meeting discussion of the annual budget. He is concerned about the use of reserves to balance the budget. Has three questions: 1) Is it not the City's policy to not go bankrupt; 2) What is this Council and the City Manager planning to do to increase revenue; 3) Why is Beaumont so successful and Banning so stagnant?

Jerry Westholder, Banning resident, The City needs to make Sun Lakes Blvd extension a priority to alleviate the traffic on Highland Springs.

Ellen Carr, Banning resident, spoke for Tender Loving Critters and Animal Action League.

Diane Box, Banning resident, disappointed in the vote to approve the apartments on the east side. Ms. Box served a petition to recall Councilmember Happe to Mr. Happe and the Deputy City Clerk.

Frank Burgess, Banning resident, concerned about the \$5.5 million scheduled to be spent to widen Highland Springs Road north from Wilson Street to Oak Valley Parkway. Questioning some of the funding that appears to be for Right-of-Way purchase.

Gabriel Westholder, Banning resident, was critical of the City Council.

Diego Rose, Banning resident, would like the council to recognize the perspective of the constituents may be different from the council.

Bill Hobbs, Banning resident, was impressed with the Stagecoach Rodeo and all the events he attended last week. Would like to see the rest of the city and council work together.

David Ellis, Banning resident, would like to thank the City for the stop sign and crosswalk installed on Wilson and Florida. He is intrigued by the bike lanes project. He appreciates the calmness of the council. Would appreciate it if the Council would listen more. Is concerned the City is dying along with the trees.

Mary Hamlin, Banning resident, Pass Job Connection will be offering job search assistance at the Banning Public Library on the first Wednesday of the month from 5:00 – 6:00 pm. Will be offering job search strategy assistance, resume building and review, and interviewing techniques.

CORRESPONDENCE

Correspondence received by Morgan Keith of Building Industry Association (BIA) (*Exhibit A*) and George Moyer (*Exhibit B*).

VI. CONSENT ITEMS

1. Approval of Special Meeting – 8/27/2019 Planning Commission Interviews
2. Approval of Special Meeting – 8/27/2019 (Closed Session)
3. Approval of Regular Meeting – 8/27/2019 Minutes
4. Receive and File Contracts Approved Under the City Manager's Signature Authority for the Month of August 2019
5. Findings of General Plan Conformity for Real Property Acquisition of Approximately 1.21 acres of Land
6. Adopt Resolution 2019-116, Establishing a Pre-Approved Professional Engineering Vendor List for Remainder of Fiscal Year 2020 through Fiscal Year 2022

Mayor Welch asked if the Council wished to pull any items from the consent calendar. Seeing none, he entertained a motion to approve the consent calendar.

Public Comment

Inge Schuler spoke against Resolution 1995-21, which states the minutes for all meetings would be action minutes.

A motion was made by Councilmember Happe, seconded by Mayor Pro Tem Andrade to approve the consent calendar as presented. Electronic vote was taken as follows:

AYES:	Happe, Peterson, Wallace, Andrade & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Approved Consent Items 1 through 6.

VII. PUBLIC HEARING(S)

1. Adopt Resolution 2019-113, Approving the Comprehensive User Fee Study Report, dated January 2, 2019 and Adopting an Updated Master User Fee Schedule for the Following City Departments and Fee Groups: Finance and Administration; Animal Control; Community Services; Airport; Building; Planning; Utility Billing; Electric Utility; Police; Fire; and Engineering, Making a Finding for Exemption under CEQA, and Introducing Ordinance 1553, Proposing Amendments to Chapter 3.36 "Fee and Service

Charge Revenue/Cost Comparison" of the Banning Municipal Code (BMC) ("Code Amendment"), and Making Findings Pursuant to CEQA (***First reading and introduction.***

Adam Rush, Community Development Director presented the staff report and answered questions from the council.

Public Comment

Damien Fussel, Deputy Director of Government Affairs for the BIA, was concerned about the fees for Single Family Residences in particular.

Diego Rose had questions about what the definition of the "public good" that would trigger subsidizing some fees and who would qualify for those subsidies. He is concerned that if the fees go up too high it will discourage developers from building in Banning.

Kevin Ennis, City Attorney, provided clarification of what type of fees would be subsidized and all fees collected by the City do not stay in the City.

David Ellis indicated the City should not be comparing its fees to surrounding communities, as they all have something different to offer. Banning should be fair to all developers and not offer special favors.

Frank Burgess stated this Public Hearing has been going on for too long. Thanked Mr. Peterson for pointing out the deficiencies in the report.

A motion was made by Councilmember Peterson, seconded by Councilmember Wallace to send this item to the Budget & Finance Committee. Electronic vote was taken as follows:

AYES:	Happe, Peterson, Wallace, Andrade & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Return to the Budget & Finance Committee for further discussion.

The Mayor called for a 10-minute break at 7:01 P.M. and the Regular Meeting of the Banning City Council reconvened at 7:14 P.M.

2. Waive first reading and introduce Ordinance 1552, An Ordinance of the City Council of the City of Banning, California, Approving Zoning Text Amendment No. 19-97503 Amending Section 17.108.020 "Permitted Uses" of Chapter 17.108 "Temporary Use Permits", Table 17.12.020 of Section 17.12.020 "Permitted, Conditional and Prohibited Uses" of Chapter 17.12

“Commercial and Industrial Districts” and Adding a New Section 17.24.180, “Commercial Cargo/Storage Containers” Establishing Regulations for Commercial Cargo/Storage Containers, of Title 17 “Zoning” of the Banning Municipal Code and Making Findings Pursuant to CEQA. (*First reading and introduction*)

Adam Rush, Community Development Director presented the staff report and answered questions from the council.

Public Comment

Diego Rose suggested this item is something the planning commission should look into.

John Hagen, Banning resident, spoke against the proposal to regulate storage containers.

David Ellis commented on the fact that these containers are being used as houses and this should be addressed as well.

Frank Burgess spoke in opposition to the use of storage containers.

A motion was made by Councilmember Peterson, seconded by Mayor Pro Tem Andrade to send Ordinance 1552 to the Planning Commission for further consideration. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Ordinance 1552 returned to the Planning Commission for further consideration.

3. Ordinance 1554 - An Ordinance of the City Council of the City of Banning, California Considering Proposed Amendments to Chapter 5.24 “Commercial Solicitors” and Chapter 17.108 “Temporary Use Permits”, Section 17.108.020 “Permitted Uses”, and Section 17.108.070 “Requirements and Prohibitions for Mobile Vending” Amending the Banning Municipal Code (BMC) (“Code Amendment”) to be Consistent with SB 946 Related to Local Regulation of Street Vendors

Adam Rush, Community Development Director requested this item be continued to off calendar for further study and determination

Public Comment- None

A motion was made by Mayor Welch, seconded by Councilmember Happe to continue the Ordinance to a future, undetermined date without discussion. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Ordinance 1554 continued to a future date, undetermined.

4. Adopt Resolution 2019-112, Approving the Development Impact Fee Update Study Dated August 7, 2019, Approving the Update of [the] Traffic Fee Component of the Development Impact Fee Program Dated May 2019, Adopting New and Amended Development Impact Fees, Making a Finding for Exemption under CEQA, and Repealing Resolution 2006-75 in its Entirety; and Waiving further reading and introducing Ordinance 1551, Updating the City's Development Impact Fee Program, Amending the City of Banning Municipal Code, and Making Findings Pursuant to CEQA. (***First reading and introduction***).

Art Vela, Public Works Director, presented the staff report, introduced Carlos Villareal and Andrea McCarthy of Willdan. He then answered questions from the council. *Presentation attached as Exhibit C.*

Public Comment

Diego Rose spoke in favor of the prosed Development Impact Fee increase.

Mayor Art Welch directed the Deputy City Clerk to read the Ordinance: *Ordinance 1551 is an Ordinance of the City of Banning, California, Updating the City's Development Impact Fee Program, Amending the Banning Municipal Code, Making Findings Pursuant to CEQA, and Repealing Provisions of Ordinance Nos. 1320 and 1321 Establishing or Modifying Certain Development Impact Fees.*

A motion was made by Councilmember Happe, seconded by Mayor Welch to waive further reading of Ordinance 1551. Electronic vote was taken as follows:

AYES: Happe, Peterson Wallace, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Waive further reading of Ordinance 1551

A motion was made by Councilmember Happe, seconded by Mayor Welch to pass the first reading of Ordinance 1551. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Ordinance 1551 pass its first reading

A motion was made by Councilmember Happe, seconded by Councilmember Wallace to approve Resolution 2019-112. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Approved per Resolution 2019-112

5. Proposal by Councilmember Wallace to Censure of Councilmember Peterson.

Kevin Ennis, City Attorney, provided the staff report and answered questions from the council.

Councilmember Colleen Wallace stated her reasons for filing a petition to censure Councilmember Peterson.

Councilmember Peterson responded to the censure charges.

Public Comment

Frank Burgess spoke against censure of Councilmember Peterson.

An unknown person spoke in favor of censure of Councilmember Peterson.

Jerry Westholder, resident of Banning, spoke against censure of Councilmember Peterson.

Ellen Carr, resident of Banning, spoke against censure of Councilmember Peterson.

Diego Rose spoke against censure of Councilmember Peterson.

Cynthia Barrington, resident of Banning, spoke against censure of Councilmember Peterson.

John Hagen spoke against censure of Councilmember Peterson.

Art Nordquist, resident of Banning, encouraged the council to work together.

Dora Nordquist, resident of Banning, spoke against censure of Councilmember Peterson.

Alex Geronimo, resident of Banning, spoke against censure of Councilmember Peterson.

Dorothy Famalletti McLean, resident of Banning, questioned the City Attorney about the process of the censure. Spoke against censure of Councilmember Peterson.

Carlos Trejo spoke against censure of Councilmember Peterson.

Nick Parra, resident of Banning, spoke against censure of Councilmember Peterson and negative social media.

David Ellis spoke against censure of Councilmember Peterson and in favor of social media.

Nick Parra responded to David Ellis regarding use of social media.

David Ellis responded social media is not going away.

Mary Hamlin spoke in favor of censure of Councilmember Peterson.

The Mayor called for an eight-minute break at 9:55 P.M. and the Regular Meeting of the Banning City Council reconvened at 10:03 P.M.

Ron Duncan, resident of Banning, spoke against censure of Councilmember Peterson and Mayor Welch.

Daniele Savard, resident of Banning, spoke about leaving the City and its toxic environment. Implored everyone to end it and the negative messages.

Mayor Welch commented on the proceedings.

Mayor Pro Tem commented on the proceedings.

Councilmember Happe commented on the proceedings.

Mayor Welch called for a motion. There was none.

Action: None.

Mayor Welch called for a motion to extend the Council meeting for one hour.

A motion was made by Mayor Pro Tem Andrade, seconded by Councilmember Peterson for the extension of the council meeting for one hour. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

6. Proposal by Councilmember Peterson to Censure of Mayor Welch.

Councilmember Peterson requested the withdrawal of his proposal to censure Mayor Welch, therefore the item was closed. As Mayor Welch was a party to the motion, Mayor Pro Tem Andrade was appointed Chair for this item.

Public Comment

Diego Rose thanked the council for their previous actions and stated the council needs to be open to criticism.

Jerry Westholder apologized to Mayor Welch for questioning his military record and feels the council made the right decision.

Action: None

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Happe: None

Mayor Pro Tem Andrade:

- Announced the State of the City
- She and Councilmember Happe met with Waste Management to discuss the new state requirements for green waste.
- October 12 is Community Clean Up Day at Dysart Park from 8:00 am to 1:00 pm. She advised there are volunteers willing to help pick up items to take to the site.

- The City depends on the community to advise what is going on. Asked that if you see something, say something.
- Take advantage of Auto Zone's oil collection.
- She and Councilmember Wallace met with the Downtown ad-hoc Committee to discuss future projects, repaving the downtown alleys, options for beautifying that area, and a community garden.
- Met with Mount San Jacinto College (MSJC) and discussed their role in the community. The college is waiving fees for first time, full time students.
- Thanked the Stagecoach Days Committee and Gabrielle Campbell.

Councilmember Wallace:

- Attended the Banning Unified School District 2x2 meeting.
- Community Action Partnership came to Banning and helped residents pay their utility bills.
- MSJC will be having a 9/11 Commemoration at 8:00 am.

Councilmember Peterson: None

Mayor Welch:

- Tuesday, September 17, Beaumont City Hall will be hosting a Job Fair 10:00 am – 2:00 pm.
- Pass Area Joint Chamber Mixer is scheduled for September 12, from 5:30 pm – 7:00 pm.

REPORT BY CITY ATTORNEY

None.

REPORT BY CITY MANAGER

- Introduced Jennifer Christensen, Administrative Services Director.
- Received notice of construction on SR243, pavement rehab project.
- Riverside County Film Commission, a crew will be filming on the Historic Gilman Ranch, a remake of *Tell Them Willie Boy is Here*. There will be a campfire scene. In case anyone calls regarding the smoke. They may also be interested in using the City's fire station on Wilson for a TV show.
- Reminder, there is a Homelessness Summit on Thursday, September 12th at Sunrise Church on West Wilson.

REPORT OF OFFICERS

1. Budget Adjustment and Update Job Description for Community Development – Associate Planner

Adam Rush provided the staff report and answered questions from the council.

Public Comment- None

A motion was made by Mayor Pro Tem Andrade, seconded by Councilmember Wallace to approve the item was as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Approved

Mayor Welch called for a motion to extend the Council meeting for one hour.

A motion was made by Mayor Pro Tem Andrade, seconded by Councilmember Wallace for the extension of the council meeting for one hour. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

2. Adopt Resolution 2019-115, Approving an Employment Agreement with Parks and Recreation Director Ralph Wright.

City Manager Douglas Schulze provided the staff report and answered questions from the council.

Public Comment- None

Mayor Welch read the terms of the employment agreement as required by state law. The correct salary is \$131,840.69.

A motion was made by Councilmember Wallace, seconded by Councilmember Happe to approve the item was as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-115

3. Authorize the City Manager to Submit Application for City of Banning Tree City USA Designation

Doug Schulze, City Manager, presented the staff report and answered questions from the council.

Public Comment- None

A motion was made by Councilmember Happe seconded by Mayor Welch to approve the item was as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Approved

4. Adopt Resolution 2019-114, Authorizing the City Manager to Execute a Cooperative Agreement between the City of Banning, City of Beaumont and Riverside County Transportation Commission for the Preparation of the Highland Springs Interchange Project Study Report Highland Springs Interchange Agreement.

Art Vela, Director of Public Works/City Engineer provided the staff report and answered questions from the council.

Public Comment- None

A motion was made by Councilmember Wallace, seconded by Mayor Welch to approve the item was as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-114 and approved a Cooperative Agreement between Riverside County Transportation Commission, City of Banning, and City of Beaumont.

5. Discuss and Consider Approving Draft Language and Release of Request for Proposals (“RFP”) for Commercial Redevelopment for City-Owned Real Property Consisting of +/-5.55 Acres, Downtown Banning

Ted Shove, Economic Development Manager, provided the staff report and answered questions from the council.

Councilmembers Happe and Peterson recused themselves as they own property or businesses within 500 feet of the property under discussion.

Public Comments - None

A motion was made by Councilmember Andrade, seconded by Councilmember Wallace to approve the item was as presented. Electronic vote was taken as follows:

AYES: Wallace, Andrade & Welch
NOES: None
ABSTAIN: Happe and Peterson
ABSENT: None

Action: Approved

IX. DISCUSSION ITEM

None

CITY COUNCIL – Next Meeting, September 24, 2019, 5:00 p.m.

X. ITEMS FOR FUTURE AGENDAS

1. Website Redesign
2. Wildfire Mitigation Plans
3. 553 E. Ramsey Receivership

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 11:37 p.m.

Minutes Prepared by:

Laurie J Sampson, Acting Deputy City Clerk

**These Minutes reflect actions taken by the City Council. The entire discussion of this meeting can be found by visiting the following website:
<https://banninglive.viebit.com/player.php?hash=f1qiQakeylbe> or by requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.**

Exhibit A

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Morgan Keith

September 10, 2019

Introductory Comments

BIA's comments address only the services provided by the City of Banning's Building Department specifically related to Single-Family Residential (SFR) permit issuance, plan review and building inspections. However, these comments may apply to other fees recommended for Building Department services.

Willdan Financial Service (Willdan) does not provide the data necessary to determine the "reasonableness" of their current fee proposals relating to SFR plan check and building permits because they refused to release their backup calculations pursuant to a Public Records Request earlier this year. However, BIA can provide an alternative analysis by determining an estimate of the number of hours that staff might contribute to the fulfillment of their service obligation. In this analysis, we determined that under the current Willdan proposal the building plan check and building permit fee for a 1,500 sf SFR dwelling would cost the applicant approximately \$3,067 for about 25.9 staff hours based upon hourly rates¹ that Willdan posted for staff in the *Report*. BIA does not consider this result reasonable. The building permit for a 2,000 sf SFR would cost the applicant about \$3,285 and should pay for about 27.8 hours of staff time.

In their *Report* Willdan discussed the option of using an inflationary factor such as the Consumer Price Index (CPI) each year rather than fund annual user fee studies to determine reasonable costs. In earlier written comments², BIA recommended that the City not adopt Willdan's proposed fees for building plan check and inspection services for SFR, but rather adopt a position that directs Willdan or staff to adjust their recommendations to modify current Building Department fees considering the proposed CPI as discussed in the staff report from the earlier fees adopted by resolution.

The current Willdan *Report* dated January 2, 2019 that is included in the City Council Agenda is not the same Willdan *Report* provided by the City for their January 8, 2019 workshop because many of the user fees recommended for the Building Department services have increased substantially without any explanation. The fees proposed for a R-3 SFR 1,500 sf Type-V dwelling in January would cost the permittee approximately \$2,187 and obligate the service providers to about 12.7 hours.

The BIA recommends that the City Council consider the user fees for Building Department service fees as presented in the January 8 City Council workshop as the more reasonable alternative and more sensible.

¹ BIA assumes that the hourly rates posted represent the Fully Burdened Hourly Rate.

² *Comments about the City of Banning's Proposed SFR Building Permit Fees*
December 7, 2018, Updated January 14, 2019

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Willdan Financial Service's *City of Banning Comprehensive User Fee Study* for presentation and consideration by the City Council on September 10, 2019.

In early September 2019, the City proposed to introduce Willdan Financial Service's *City of Banning Comprehensive User Fee Study* for presentation and consideration by the City Council on September 10, 2019.

The City held a Master Fee Study Workshop on January 8, 2019. The report approved by the City Manager provided two attachments from Willdan Financial Service:

1. Comprehensive User Fee Study Report, January 2, 2019
2. Comprehensive User Fee Study Report, March 9, 2018

January 9, 2019

The January 2, 2019, *Report* provided the following fee schedule, which included recommended fees for 'Residential - New (single or multi-family – per dwelling unit). A building permit including plan check for a R-3 SFR 1,500 sf Type-V dwelling would cost the permittee about \$2,187 starting at the base of \$2,125.12 for the first 1,201 sf, plus \$31.02 for each 100 sf or fraction thereof on stamped page 39.

For the 2,000 sf dwelling, the schedule recommended a fee of approximately \$2,342.26 or typical single-family residential dwelling (R-3 SFR) 2,000 sf Type-V. The Report provided the base fee of \$2,125.12 for a SRF starting at 1,201 sf, plus \$31.02 for each 100 sf or fraction thereof on stamped page 39. The fee schedule did not provide a fee for 'Residential – Production Phase' units.

Exhibit A

Master Fee Study Workshop on January 8, 2019, page stamped #39

BUILDING PERMIT FEES - CONSTRUCTION TYPES: FR, SFR										
UBC Class	UBC Occupancy	Square Footage	Old Construction Fee Schedule				New Construction Fee Schedule - 10% Cost Recovery			
Commercial-None	1,001	1,500.00	plus	25.31	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5,000 s.f.		\$2,080.53	plus	19.30	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5,000 s.f.
	5,001	2,000.00	plus	32.03	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.		2,084.18	plus	22.03	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.
	10,001	3,000.00	plus	37.45	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 30,000 s.f.		2,085.52	plus	14.67	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.
	20,001	4,000.00	plus	7.94	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 50,000 s.f.		2,086.96	plus	6.49	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 50,000 s.f.
	50,001	5,000.00	plus	13.29	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 100,000 s.f.		2,088.41	plus	4.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 100,000 s.f.
	100,001	11,100.00	plus	11.10	for each additional 100 s.f. or fraction thereof		2,089.15	plus	9.57	for each additional 100 s.f. or fraction thereof
Residential Improvements	1	1,100.00	plus	18.77	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 6,000 s.f.		\$1,301.93	plus	33.04	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 6,000 s.f.
	801	1,700.00	plus	13.78	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 12,000 s.f.		1,020.99	plus	63.77	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 12,000 s.f.
	1,201	2,400.00	plus	18.94	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.		1,020.99	plus	29.50	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.
	2,001	3,200.00	plus	4.83	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 30,000 s.f.		1,020.99	plus	12.92	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 30,000 s.f.
	5,001	4,370.00	plus	5.15	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 12,000 s.f.		2,027.45	plus	6.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 12,000 s.f.
	12,001	8,950.00	plus	9.95	for each additional 100 s.f. or fraction thereof		3,028.85	plus	9.07	for each additional 100 s.f. or fraction thereof
Industrial - New	1,001	1,500.00	plus	22.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5,000 s.f.		\$1,879.50	plus	14.60	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5,000 s.f.
	801	2,400.00	plus	18.41	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 12,000 s.f.		1,389.22	plus	44.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 12,000 s.f.
	1,201	3,200.00	plus	19.94	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.		1,389.22	plus	31.00	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.
	20,001	4,120.00	plus	32.32	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 32,000 s.f.		4,026.32	plus	3.02	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 32,000 s.f.
	50,001	5,800.00	plus	32.32	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 50,000 s.f.		4,026.32	plus	14.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 50,000 s.f.
	100,001	9,700.00	plus	9.75	for each additional 100 s.f. or fraction thereof		4,026.32	plus	3.95	for each additional 100 s.f. or fraction thereof
Residential- Non (single or multi family per dwelling unit)	1	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 900 s.f.		\$1,791.62	plus	17.49	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 900 s.f.
	801	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1200 s.f.		1,020.22	plus	44.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1200 s.f.
	1,201	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1800 s.f.		1,020.22	plus	31.00	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1800 s.f.
	2,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 3000 s.f.		2,027.31	plus	31.60	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 3000 s.f.
	3,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 4000 s.f.		3,028.41	plus	44.79	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 4000 s.f.
	4,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.		3,028.41	plus	24.19	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.
	5,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 10000 s.f.		3,028.41	plus	16.45	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 10000 s.f.
	10,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof		3,028.60	plus	22.39	for each additional 100 s.f. or fraction thereof
	20,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof		3,028.60	plus	3.05	for each additional 100 s.f. or fraction thereof
Residential-Addition (single or multi family)	1	1,200.00	plus	60.79	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 900 s.f.		\$1,840.00	plus	21.02	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 900 s.f.
	301	2,400.00	plus	79.21	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1800 s.f.		1,334.02	plus	131.86	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1800 s.f.
	501	2,800.00	plus	36.38	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 3000 s.f.		1,567.72	plus	72.30	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 3000 s.f.
	801	3,200.00	plus	36.38	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 4000 s.f.		1,567.72	plus	10.80	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 4000 s.f.
	1,201	3,600.00	plus	39.70	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.		2,132.60	plus	65.15	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.
	2,001	4,420.00	plus	32.01	for each additional 100 s.f. or fraction thereof		2,132.60	plus	67.95	for each additional 100 s.f. or fraction thereof
	2,001	7,960.00	plus	38.93	for each additional 100 s.f. or fraction thereof		2,132.63	plus	67.95	for each additional 100 s.f. or fraction thereof
Residential-Rental (single or multi family)	1	1,100.00	plus	70.95	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 900 s.f.		\$941.22	plus	12.85	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 900 s.f.
	301	2,200.00	plus	20.25	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1800 s.f.		1,020.22	plus	44.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1800 s.f.
	501	2,600.00	plus	18.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 3000 s.f.		1,020.22	plus	31.00	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 3000 s.f.
	801	2,800.00	plus	24.85	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 4000 s.f.		2,027.31	plus	27.70	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 4000 s.f.
	1,201	3,200.00	plus	24.85	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.		3,028.41	plus	44.79	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.
	2,001	3,600.00	plus	3.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 10000 s.f.		3,028.41	plus	24.19	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 10000 s.f.
	2,001	4,820.00	plus	4.92	for each additional 100 s.f. or fraction thereof		3,028.67	plus	41.05	for each additional 100 s.f. or fraction thereof
Shed Buildings	1	800.00	plus	11.21	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1000 s.f.		\$1,031.20	plus	21.72	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1000 s.f.
	1,001	1,250.00	plus	9.75	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 500 s.f.		2,148.39	plus	7.95	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 500 s.f.
	5,001	1,740.00	plus	3.32	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1000 s.f.		2,480.36	plus	10.86	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1000 s.f.
	10,001	2,000.00	plus	3.32	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 2000 s.f.		3,028.39	plus	5.26	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 2000 s.f.
	20,001	3,000.00	plus	3.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.		3,028.94	plus	2.26	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 5000 s.f.
	50,001	4,920.00	plus	4.92	for each additional 100 s.f. or fraction thereof		4,211.47	plus	3.02	for each additional 100 s.f. or fraction thereof
Garage/Storage/Workshop	1	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 400 s.f.		\$792.32	plus	17.45	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 400 s.f.
	401	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1000 s.f.		827.44	plus	23.27	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1000 s.f.
	601	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1500 s.f.		1,000.51	plus	20.17	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 1500 s.f.
	1,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.		1,181.34	plus	15.72	for each additional 100 s.f. or fraction thereof > half of 100 s.f. to and including 20,000 s.f.
	2,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof		1,181.34	plus	20.82	for each additional 100 s.f. or fraction thereof

March 9, 2018

The Report dated March 9, 2018 proposal recommended that the City charge \$3,992.47 building permit fee for SFR of 1,500 sf. Willdan provided the base fee of \$3,940.28 for a SRF starting at 1,201 sf, plus \$52.19 for each 100 sf or fraction thereof on stamped page 94. The fee schedule did not provide a fee for 'Residential – Production Phase' units.

BIA Comments about City of Banning Comprehensive User Fee Study Report

Exhibit B

Master Fee Study Workshop on March 9, 2018, page stamped #94

BUILDING PERMIT FEES - CONSTRUCTION TYPES: IFR, SFR								
UBC Class	UBC Occupancy	Square Footage	Old Construction Fee Schedule		New Construction Fee Schedule - 100% Cost Recovery			
Commercial - New								
1,001	1,826.00	plus	25.31	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 5,000 s.f.	\$3,509.71	plus	32.29	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 5,000 s.f.
6,001	2,838.00	plus	22.02	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 10,000 s.f.	4,461.00	plus	37.08	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 10,000 s.f.
10,001	3,850.00	plus	20.00	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 15,000 s.f.	8,120.19	plus	32.89	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 15,000 s.f.
20,001	4,862.00	plus	7.54	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 30,000 s.f.	9,172.22	plus	10.82	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 30,000 s.f.
50,001	9,943.00	plus	8.31	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 100,000 s.f.	12,447.08	plus	7.52	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 100,000 s.f.
100,001	17,180.00	plus	11.19	for each additional 100 s.f. or fraction thereof	16,204.68	plus	10.24	for each additional 100 s.f. or fraction thereof
Tenant Improvements								
1,001	1,151.00	plus	15.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.	\$2,270.22	plus	57.08	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.
6,001	2,163.00	plus	12.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 4,000 s.f.	3,205.82	plus	65.78	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 4,000 s.f.
1,250	2,471.00	plus	4.55	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.	4,031.00	plus	32.38	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.
2,500	2,926.00	plus	4.82	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 5,000 s.f.	4,840.53	plus	11.31	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 12,300 s.f.
6,001	3,778.00	plus	9.15	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 12,000 s.f.	5,658.00	plus	32.38	for each additional 100 s.f. or fraction thereof
12,000	5,956.00	plus	8.89	for each additional 100 s.f. or fraction thereof	10,968.38	plus	6.82	for each additional 100 s.f. or fraction thereof
Industrial - New								
1,001	1,563.00	plus	22.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,000 s.f.	\$1,151.43	plus	21.20	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,000 s.f.
6,001	2,575.00	plus	18.80	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 6,000 s.f.	3,500.00	plus	21.20	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 6,000 s.f.
10,001	3,423.00	plus	8.84	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 10,000 s.f.	5,205.85	plus	19.58	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 20,000 s.f.
20,001	4,126.00	plus	8.22	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 20,000 s.f.	6,771.52	plus	5.13	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 50,000 s.f.
40,001	5,129.00	plus	8.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 40,000 s.f.	8,245.75	plus	5.11	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 100,000 s.f.
100,001	7,750.00	plus	9.79	for each additional 100 s.f. or fraction thereof	10,968.38	plus	3.20	for each additional 100 s.f. or fraction thereof
Residential - New (single or multi family per dwelling unit)								
1	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.	\$3,013.91	plus	29.38	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.
601	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,200 s.f.	4,249.76	plus	8.15	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,200 s.f.
1,201	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.	5,376.95	plus	21.20	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.
2,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 3,000 s.f.	7,392.00	plus	53.49	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 3,000 s.f.
3,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 4,000 s.f.	4,527.40	plus	75.07	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 4,000 s.f.
6,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 8,000 s.f.	6,275.73	plus	27.73	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 8,000 s.f.
12,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 16,000 s.f.	7,384.74	plus	37.42	for each additional 100 s.f. or fraction thereof
Residential - Addition (single or multi family)								
1	1,320.00	plus	90.73	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 300 s.f.	\$2,087.56	plus	52.19	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 300 s.f.
301	2,048.00	plus	78.21	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 500 s.f.	2,244.13	plus	22.10	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 500 s.f.
601	2,776.00	plus	72.81	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.	2,492.00	plus	12.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.
1,201	3,504.00	plus	27.51	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,500 s.f.	3,053.08	plus	76.42	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,500 s.f.
2,001	4,101.00	plus	29.70	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.	3,587.99	plus	109.80	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.
3,001	7,986.00	plus	39.93	for each additional 100 s.f. or fraction thereof	4,138.98	plus	147.38	for each additional 100 s.f. or fraction thereof
Residential - Remodel (single or multi family)								
1	1,109.00	plus	70.95	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 300 s.f.	\$1,931.76	plus	21.75	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 300 s.f.
301	1,754.00	plus	63.35	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 500 s.f.	1,857.00	plus	143.52	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 500 s.f.
601	2,391.00	plus	18.47	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.	1,944.04	plus	47.84	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 800 s.f.
1,201	2,877.00	plus	24.85	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,500 s.f.	2,087.56	plus	46.05	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,500 s.f.
2,001	3,464.00	plus	23.25	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.	2,387.00	plus	14.56	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.
3,001	4,420.00	plus	32.01	for each additional 100 s.f. or fraction thereof	2,583.36	plus	22.47	for each additional 100 s.f. or fraction thereof
Shell Buildings								
1	806.00	plus	11.21	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,000 s.f.	\$1,234.76	plus	36.52	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,000 s.f.
1,001	1,754.00	plus	9.75	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 5,000 s.f.	3,814.05	plus	13.37	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 5,000 s.f.
5,001	1,742.00	plus	3.32	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 10,000 s.f.	4,149.03	plus	18.27	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 10,000 s.f.
10,001	2,048.00	plus	3.29	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 20,000 s.f.	5,396.00	plus	3.83	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 20,000 s.f.
20,001	3,053.00	plus	3.71	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 50,000 s.f.	7,048.66	plus	5.08	for each additional 100 s.f. or fraction thereof
General Strategic Workshop								
1	806.00	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 400 s.f.	\$1,285.58	plus	29.36	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 400 s.f.
401	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 600 s.f.	1,383.01	plus	71.76	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 600 s.f.
801	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,000 s.f.	1,526.53	plus	39.14	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,000 s.f.
1,201	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,500 s.f.	1,825.71	plus	23.28	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 1,500 s.f.
1,501	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.	1,852.71	plus	20.61	for each additional 100 s.f. or fraction thereof > half of 100 s.f., to and including 2,000 s.f.
20,001	n.a.	plus	n.a.	for each additional 100 s.f. or fraction thereof	1,944.04	plus	27.24	for each additional 100 s.f. or fraction thereof

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City of Banning

Comprehensive User Fee Study

31

The January 2, 2019, Report recommended a decrease of \$1,650 from the March 8, 2018, Report in the building permit fee for the SFR with 2,000 sf, Type-V

September 10, 2019

The Attachment to Item No. 1 of VII. Public Hearings, proposing the adoption of Resolution No. 2019-113:

3. Comprehensive User Fee Study, dated January 2, 2019 (Willdan)

https://banningca.gov/DocumentCenter/View/6403/Attachment-3_Banning-UFRReport_20190826

On sequence page 35 of 62 in Attachment -3: The Report also dated January 2, 2019, provides the base fee of \$2,980 for a 'Single or Multi' SRF starting at 1,201 sf, plus \$43.50 for each 100 sf or fraction thereof Subsequently, the fee for the R-3 SFR 2,000 sf Type-V adds to \$3,284.50 for a single SFR or custom home. This revision

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

proposes an increase of \$942.24 for a single SFR or custom home from the January 8 *Report*.

The building permit fee including plan check fees for a SFR 1,500 custom home would cost the permittee about \$3,067 and obligate staff time of about 25.9 hours, which requires over twice as many hours as the fee for January 8, 2019 of 12.7 hours.

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit C

Comprehensive User Fee Study, September 10, 2019, page 36

CITY OF BANNING
SCHEDULE OF FEES
BUILDING DEPARTMENT FEES

UBC Class	UBC Occupancy Type	Project Size Threshold	Construction Types:	
			Base Cost @ Threshold Size	Blended Cost for Each Additional 100 s.f. *
Residential (Single or Multi - Per Dwelling Unit)		1	\$2,512	\$24.47
		801	\$2,708	\$67.97
		1,201	\$2,980	\$43.50
		2,001	\$3,328	\$44.59
		3,001	\$3,774	\$63.08
		4,001	\$4,404	\$41.33
		6,001	\$5,231	\$23.11
Residential - Production Phase		10,001	\$6,155	\$31.19
		1	\$2,212	\$28.00
		801	\$2,436	\$7.61
		1,201	\$2,468	\$80.36
		2,001	\$2,949	\$27.19
		3,001	\$3,221	\$53.72
		4,001	\$3,758	\$30.26
Residential - Addition (Single or Multi Family)		6,001	\$4,544	\$19.25
		10,001	\$5,314	\$1.27
		1	\$1,740	\$43.50
		301	\$1,871	\$184.88
		501	\$2,240	\$101.50
		801	\$2,545	\$63.70
		1,501	\$2,991	\$91.35
Residential - Remodel (Single or Multi Family)		2,001	\$3,447	\$122.82
		1	\$1,327	\$18.13
		301	\$1,381	\$119.63
		501	\$1,820	\$39.88
		801	\$1,740	\$38.84
		1,501	\$2,012	\$21.67
		2,001	\$2,153	\$31.08
Commercial		1,001	\$2,925	\$26.92
		5,001	\$4,002	\$30.89
		10,001	\$5,546	\$20.99
		20,001	\$7,845	\$9.10
		50,001	\$10,375	\$6.26
		100,001	\$13,507	\$8.37
		1,001	\$2,632	\$17.67
Industrial		5,001	\$3,339	\$20.01
		10,001	\$4,330	\$13.05
		20,001	\$5,644	\$4.28
		50,001	\$6,927	\$4.26
		100,001	\$9,059	\$5.52
		1	\$1,892	\$47.58
		801	\$2,273	\$80.42
Tenant Improvements		1,251	\$2,875	\$54.81
		2,501	\$3,360	\$26.97
		5,001	\$4,035	\$9.43
		12,501	\$4,742	\$12.72

1 of 2

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Willdan also proposes a reduction of about \$39.48 for residential SFR build in a production phase. Page 35 also includes a reduced fee for 'Residential – Production Phase' units to a calculated fee of \$2,888.52 for the typical SFR 2,000 sf Type-V built in a tract.

Subsequently, the fee for a 'Single or Multi' SFR of 2,000 sf calculates to \$3,384.50 and a production unit of 2,000 sf equals \$2,888.52.

Resolution No. 2007-117

The fee currently in effect from 2007 for a Single (Custom, Model) R-3 SFR should amount to \$1,223 and a production SFR should have a fee of \$660.

Willdan's current *Report* recommends an increase of \$2,062 for the custom/model building permit and \$2,228.52 for a tract production SFR over the current fee.

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit D

Resolution No. 2007-117, October 9, 2007, page 16

BUILDING DEPARTMENT

EXHIBIT B

Consolidated Schedule of New Construction Fees
(All Construction Types)

		Construction Types: I FR, II FR		Construction Types: II 1-HR, III 1-HR, V 1-HR		Construction Types: II N, III N, IV, V N		
UBC Class	UBC Occupancy Type	Project Size Threshold	Base Cost @ Threshold Size	Blended Cost for Each Additional 100 s.f. *	Base Cost @ Threshold Size	Blended Cost for Each Additional 100 s.f. *	Base Cost @ Threshold Size	Blended Cost for Each Additional 100 s.f. *
R-3	Dwellings - Custom, Models,	1,500	n.a.	n.a.	n.a.	n.a.	\$1,186	\$35.10
		2,500	n.a.	n.a.	n.a.	n.a.	\$1,540	\$23.46
		4,000	n.a.	n.a.	n.a.	n.a.	\$1,892	\$26.44
		5,000	n.a.	n.a.	n.a.	n.a.	\$2,156	\$33.43
		7,500	n.a.	n.a.	n.a.	n.a.	\$2,992	\$38.73
		10,000	n.a.	n.a.	n.a.	n.a.	\$3,960	\$39.00
R-3	Dwellings - Production Phase	1,500	n.a.	n.a.	n.a.	n.a.	\$660	\$0.00
		2,500	n.a.	n.a.	n.a.	n.a.	\$660	\$11.73
		4,000	n.a.	n.a.	n.a.	n.a.	\$836	\$22.00
		5,000	n.a.	n.a.	n.a.	n.a.	\$1,056	\$7.02
		7,500	n.a.	n.a.	n.a.	n.a.	\$1,232	\$10.58
		10,000	n.a.	n.a.	n.a.	n.a.	\$1,498	\$14.96
R-2.1	Group Care, Non-Amb. (6+)	250	\$1,109	\$56.76	\$924	\$47.30	\$739	\$37.84
		1,250	\$1,576	\$50.68	\$1,397	\$42.23	\$1,118	\$33.78
		2,500	\$2,310	\$14.77	\$1,925	\$12.31	\$1,540	\$9.85
		5,000	\$2,679	\$19.88	\$2,233	\$16.57	\$1,786	\$13.25
		12,500	\$4,170	\$17.66	\$3,475	\$14.88	\$2,780	\$11.90
		25,000	\$6,403	\$25.61	\$5,335	\$21.34	\$4,268	\$17.07
R-2.2 &	Group Care, Ambulatory (6+)	250	\$1,214	\$64.68	\$1,012	\$53.89	\$810	\$43.11
		1,250	\$1,861	\$57.02	\$1,551	\$47.52	\$1,241	\$38.01
		2,500	\$2,574	\$17.95	\$2,145	\$14.97	\$1,716	\$11.97
		5,000	\$3,023	\$20.95	\$2,519	\$17.46	\$2,015	\$13.97
		12,500	\$4,594	\$20.79	\$3,829	\$17.53	\$3,083	\$13.86
		25,000	\$7,193	\$28.77	\$5,995	\$23.98	\$4,795	\$19.18
R-2.1.1	Group Care, Non-Amb. (1-5)	300	\$1,336	\$59.01	\$1,115	\$49.18	\$892	\$39.34
		1,500	\$2,046	\$52.14	\$1,705	\$43.45	\$1,364	\$34.76
		3,000	\$2,828	\$16.24	\$2,357	\$13.53	\$1,885	\$10.82
		6,000	\$3,315	\$19.35	\$2,782	\$16.12	\$2,210	\$12.90
		15,000	\$5,057	\$18.91	\$4,214	\$15.77	\$3,371	\$12.61
		30,000	\$7,893	\$26.31	\$6,579	\$21.93	\$5,262	\$17.54
R-2.2.1 &	Group Care, Ambulatory (1-5)	300	\$1,338	\$59.01	\$1,115	\$49.18	\$892	\$39.34
		1,500	\$2,046	\$52.14	\$1,705	\$43.45	\$1,364	\$34.76
		3,000	\$2,828	\$16.24	\$2,357	\$13.53	\$1,885	\$10.82
		6,000	\$3,315	\$19.35	\$2,782	\$16.12	\$2,210	\$12.90
		15,000	\$5,057	\$18.91	\$4,214	\$15.77	\$3,371	\$12.61
		30,000	\$7,893	\$26.31	\$6,579	\$21.93	\$5,262	\$17.54
S-1	Mini Storage	1,000	\$1,253	\$18.34	\$1,044	\$15.28	\$836	\$12.23
		5,000	\$1,987	\$15.70	\$1,656	\$13.09	\$1,325	\$10.47
		10,000	\$2,772	\$5.80	\$2,310	\$4.82	\$1,846	\$3.86
		20,000	\$3,352	\$4.88	\$2,792	\$4.04	\$2,234	\$3.24
		50,000	\$4,810	\$6.20	\$4,005	\$5.17	\$3,205	\$4.13
		100,000	\$7,910	\$7.91	\$6,590	\$6.59	\$5,270	\$5.27
S-1	Moderate Hazard Storage	1,000	\$1,494	\$20.84	\$1,245	\$17.37	\$996	\$13.90
		5,000	\$2,328	\$18.12	\$1,940	\$15.10	\$1,552	\$12.08
		10,000	\$3,234	\$6.18	\$2,695	\$5.15	\$2,156	\$4.12
		20,000	\$3,852	\$6.14	\$3,210	\$5.12	\$2,568	\$4.09
		50,000	\$5,695	\$6.85	\$4,745	\$5.71	\$3,795	\$4.57
		100,000	\$9,120	\$9.12	\$7,600	\$7.60	\$6,080	\$6.08

EXHIBIT "B" Page 16 of 20

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

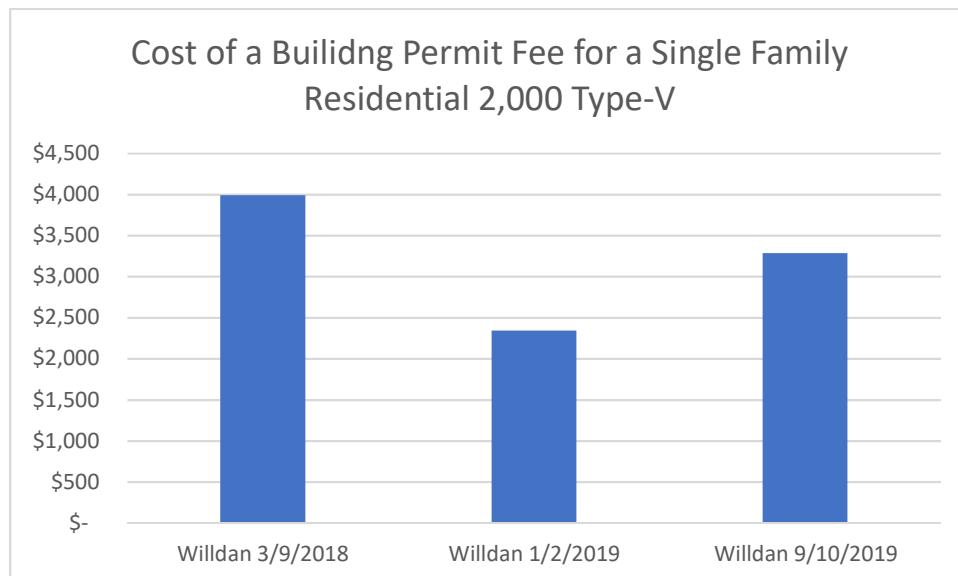
Recap of Willdan's Recommendations

The fee schedule in the next two exhibits illustrate the varying fees proposed by Willdan since March 9, 2018:

Exhibit E

Willdan 3/9/2018	\$ 3,992
Willdan 1/2/2019	\$ 2,342
Willdan 9/10/2019	\$ 3,285

Exhibit F



The Building Department Postings of Building Permit Costs for a R-3 SFR 1,500 sf V

The City Building Department has posted a web page on the Department's web site at least four time since January 15, 2015. The latest post is dated July 1, 2019:

<https://banningca.gov/DocumentCenter/View/6323/1500-SqFt-SFD-Fee-Handout-2019>

Recap of current, fees posted by Building & Safety on the Web and fees recommended by Willdan's Reports for a typical model or custom R-3 SFR 1,500 sf Type-V:

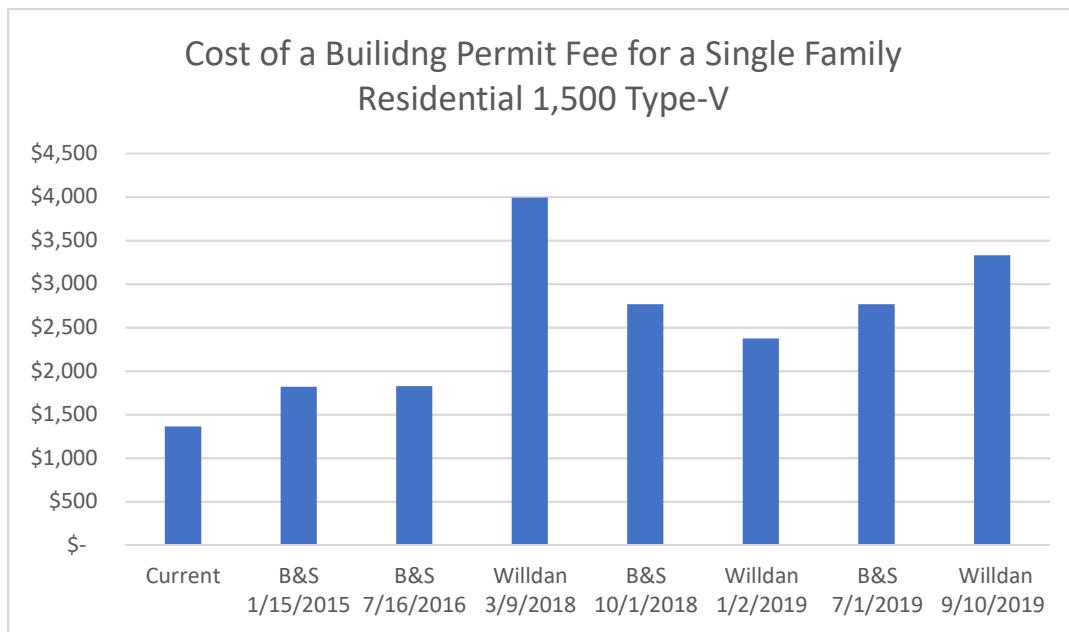
BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit G

	<u>Permit Fees</u>	<u>Custom</u>	<u>1,500 sf</u>
1	Res. No. 2007	Current ³	\$ 1,364
2	B&S Post	2015	\$ 1,817
3	B&S Post	2016	\$ 1,825
4	Willdan Report	Mar-18	\$ 3,679
5	B&S Post	Oct-18	\$ 2,766
6	Willdan Report	19-Jan	\$ 2,187
7	B&S Post	19-Jul	\$ 2,766
8	Willdan Report	10-Sep	\$ 3,067

This exhibit provides a graph of the current and variable Building Permit fees, posted and recommended by Willdan for the R-3 SFR 1,500 Custom home.

Exhibit H



Previous Public Records Request

Earlier this year, BIA submitted a Public Records Request for the 'back-up' worksheets produced by Willdan for which they based their recommendations and paid for with public funding. The City replied that Willdan's worksheets are proprietary and Willdan will not release their work product which they rely upon to recommend their 'reasonable estimate' of cost to provide building department services. Considering the variable fees that the City and Willdan find reasonable, it is very difficult to ascertain the

³ October 9, 2007

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

reasonableness of the current proposed building permit fee without access to Willdan's worksheets or accounting backup.

Willdan's Fee Recommendations based upon Fully Burdened Hourly Rate

Willdan explains below that the "standard fee limitation" in California law is the "estimated, reasonable cost" serves as the "objective basis as to the maximum that may be collected."

Willdan informs the reader that the ' . . . total cost of each service included in this analysis is primarily based on the Fully Burdened Hourly Rates (FBHRs)"

Exhibit I



PROJECT APPROACH AND METHODOLOGY

CONCEPTUAL APPROACH

The basic concept of a User Fee Study is to determine the "reasonable cost" of each service provided by the City for which it charges a user fee. The full cost of providing a service may not necessarily become the City's fee, but it serves as the objective basis as to the maximum amount that may be collected.

The standard fee limitation established in California law for property-related (non-discretionary) fees is the "estimated, reasonable cost" principle. In order to maintain compliance with the letter and spirit of this standard, every component of the fee study process included a related review. The use of budget figures, time estimates, and improvement valuation clearly indicates reliance upon estimates for some data.

FULLY BURDENED HOURLY RATES

The total cost of each service included in this analysis is primarily based on the Fully Burdened Hourly Rates (FBHRs) that were determined for City personnel directly involved in providing services. The FBHRs include not only personnel salary and benefits, but also any costs that are reasonably ascribable to personnel. The cost elements that are included in the calculation of fully burdened rates are:

- Salaries & benefits of personnel involved
- Operating costs applicable to fee operations
- Departmental support, supervision, and administration overhead
- Internal Service Costs charged to each department
- Indirect City-wide overhead costs calculated through the Cost Allocation Plan

An important factor in determining the fully burdened rate is in the calculation of productive hours for personnel. This calculation takes the available workable hours in a year of 2,080 and adjusts this figure to account for calculated or anticipated hours' employees are involved in non-billable activities such as paid vacation, sick leave, emergency leave, holidays, and other considerations as necessary. Dividing the full cost by the number of productive hours provides the FBHR.

The FBHRs are then used in conjunction with time estimates, when appropriate, to calculate a fees' cost based on the personnel and the amount of their time that is involved in providing each service.

Willdan makes the point that the FBHR includes:

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit J

FULLY BURDENED HOURLY RATES

The total cost of each service included in this analysis is primarily based on the Fully Burdened Hourly Rates (FBHRs) that were determined for City personnel directly involved in providing services. The FBHRs include not only personnel salary and benefits, but also any costs that are reasonably ascribable to personnel. The cost elements that are included in the calculation of fully burdened rates are:

- Salaries & benefits of personnel involved
- Operating costs applicable to fee operations
- Departmental support, supervision, and administration overhead
- Internal Service Costs charged to each department
- Indirect City-wide overhead costs calculated through the Cost Allocation Plan

Willdan continues by informing the reader that the calculated FBHR is further adjusted by dividing the full cost by the number of productive hours. Willdan does not provide the exact number of productive hours they use in their calculation of a fee's cost in their Report to the City of Banning. But they have provided the number of production hours amounting to 1,650 hours for other cities in their worksheets:

Exhibit K

City of Murrieta, 2018

Position	Sum S&B	Count	Avg. S&B	%FT	Productive Hours	DPTO%	GGO%	FBHR
BUILDING & SAFETY - BUILDING INSPECTOR III	\$344,610.00	3	\$114,870.00	100%	1650	2%	23%	\$87.36
BUILDING & SAFETY - BUILDING OFFICIAL	\$162,366.00	1	\$162,366.00	100%	1650	2%	23%	\$123.48
BUILDING & SAFETY - DEVELOPMENT SERVICES TECH	\$271,950.00	3	\$90,650.00	100%	1650	2%	23%	\$68.94
BUILDING & SAFETY - SR PLANS EXAMINER	\$119,010.00	1	\$119,010.00	100%	1650	2%	23%	\$90.51

City of Murrieta

Comprehensive User Fee Study

B-1

Position	FBHR
ADMIN SERVICES - ADMIN SERVICES DIRECTOR	\$145.28
ADMIN SERVICES - ADMINISTRATIVE SECRETARY AT-WILL	\$50.32
BUILDING & SAFETY - BUILDING INSPECTOR III	\$87.36
BUILDING & SAFETY - BUILDING OFFICIAL	\$123.48
BUILDING & SAFETY - DEVELOPMENT SERVICES TECH	\$68.94
BUILDING & SAFETY - SR PLANS EXAMINER	\$90.51

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit L

City of Hemet, 2014

Exhibit M

The Hourly Service Rates of a Building Inspection, a Plan Check, and a Plan Check Engineer

Willdan only posted the FBHR for one position in their *Report*: The Building Safety Office Specialist at \$40.94 per hour, and that rate remained the same in all three *Reports*.

City of Banning, CA

Fully Burdened Hourly Rate Calculation

Department	Position	Fully Burdened Hourly Rate
Position Rates		
600: Airport Fund	Airport Fund- Airport Attendant	34.88
001: Aquatics	Aquatics- Community Center Caretaker	52.97
001: Aquatics	Aquatics - Pool Manager	21.07
001: Aquatics	Aquatics - Assist Pool Manager	21.07
001: Aquatics	Aquatics - Lifeguards	19.91
001: Aquatics	Aquatics - Cashier	18.18
001: Building Safety	Building Safety- Office Specialist	40.94
001: City Clerk	City Clerk- City Clerk/Executive Assistant	59.98
001: City Manager	City Manager- City Manager	195.44
001: City Manager	City Manager- Exec Asst/Deputy City Clerk	46.21
001: Code Enforcement	Code Enforcement- Code Compliance Officer	67.54
003: County of Riverside - MOU	County of Riverside - Police Officer	47.73
001: Dispatch	Dispatch- Lead Public Safety Dispatcher	56.17
001: Dispatch	Dispatch- Public Safety Dispatcher	44.77
001: Economic Development	Economic Development- Economic Development Manager	97.16
001: Engineering	Engineering- Associate Engineer W/Certif.	128.97
001: Engineering	Engineering- Management Analyst	99.49
001: Engineering	Engineering- Public Works Inspector	88.08
001: Engineering	Engineering- Senior Civil Engineer	111.34
001: Fiscal Services	Fiscal Services- Accountant	45.78
001: Fiscal Services	Fiscal Services- Accountant II	54.08
001: Fiscal Services	Fiscal Services- Accounting Specialist	42.55
001: Fiscal Services	Fiscal Services- Administrative Services Director	134.73
001: Fiscal Services	Fiscal Services- City Treasurer	9.67
001: Fiscal Services	Fiscal Services- Finance Manager	75.42
001: Fiscal Services	Fiscal Services- Financial Services Specialist	44.39
001: Fiscal Services	Fiscal Services- P.T Financial Services Specialist	29.28

However, Willdan posted the hourly service rates of a Building Inspection, a Plan Check, and a Plan Check Engineer:

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit N

City of Banning, CA
Fully Burdened Hourly Rate Calculation

Department	Position	Fully Burdened Hourly Rate
Position Rates		
600: Airport Fund	Airport Fund- Airport Attendant	34.88
001: Aquatics	Aquatics- Community Center Caretaker	52.97
001: Aquatics	Aquatics - Pool Manager	21.07
001: Aquatics	Aquatics - Assist Pool Manager	21.07
001: Aquatics	Aquatics - Lifeguards	19.91
001: Aquatics	Aquatics - Cashier	18.18
001: Building Safety	Building Safety- Office Specialist	40.94
001: City Clerk	City Clerk- City Clerk/Executive Assistant	59.98
001: City Manager	City Manager- City Manager	195.44
001: City Manager	City Manager- Exec Asst/Deputy City Clerk	46.21
001: Code Enforcement	Code Enforcement- Code Compliance Officer	67.54
003: County of Riverside - MOU	County of Riverside - Police Officer	47.73
001: Dispatch	Dispatch- Lead Public Safety Dispatcher	56.17
001: Dispatch	Dispatch- Public Safety Dispatcher	44.77
001: Economic Development	Economic Development- Economic Development Manager	97.16
001: Engineering	Engineering- Associate Engineer W/Certif.	128.97
001: Engineering	Engineering- Management Analyst	99.49
001: Engineering	Engineering- Public Works Inspector	88.08
001: Engineering	Engineering- Senior Civil Engineer	111.34
001: Fiscal Services	Fiscal Services- Accountant	45.78
001: Fiscal Services	Fiscal Services- Accountant II	54.08
001: Fiscal Services	Fiscal Services- Accounting Specialist	42.55
001: Fiscal Services	Fiscal Services- Administrative Services Director	134.73
001: Fiscal Services	Fiscal Services- City Treasurer	9.67
001: Fiscal Services	Fiscal Services- Finance Manager	75.42
001: Fiscal Services	Fiscal Services- Financial Services Specialist	44.39
001: Fiscal Services	Fiscal Services- P.T Financial Services Specialist	29.28

City of Banning

Comprehensive User Fee Study

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Although Willdan Willdan posted the hourly service rates of a Building Inspection, a Plan Check, and a Plan Check Engineer:

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit O

March 9, 2018

23	Inspection fee- hourly	New				\$183.33	0%	\$183.00	NA
24	Job card- replace/ duplicate	New				\$55.00	0%	\$55.00	NA
25	Lighting pole (up to 6)	New				\$783.33	0%	\$783.00	NA
26	Lighting pole (up to 6 additional)	New				\$172.50	0%	\$172.00	NA
27	Manufactured home- installation on private property	New	each			\$538.03	0%	\$538.00	NA
28	Modular unit- installation on private property	New	each			\$658.87	0%	\$658.00	NA
29	Patio cover- custom	New	each			\$514.85	0%	\$514.00	NA
30	Patio cover- metal, ICC, IAPMO	New	each			\$256.10	0%	\$256.00	NA
31	Patio cover- wood, ICC, IAPMO or handout	New	each			\$514.85	0%	\$514.00	NA
32	Patio enclosure	New	each			\$560.68	0%	\$560.00	NA
33	Plan check	New				\$161.67	0%	\$161.00	NA
34	Plan check- Engineer	New				\$291.67	0%	\$291.00	NA
35	Pool/spa- commercial	New	each			\$1,192.35	0%	\$1,192.00	NA
36	Pool/spa- residential custom	New	each			\$844.85	0%	\$844.00	NA
37	Pool/spa- residential fiberglass/ vinyl-lined	New	each			\$571.52	0%	\$570.00	NA

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City of Banning

Comprehensive User Fee Study

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Exhibit P

January 2 (8), 2019

Building Department Fees			
Fees		Current Fee/Charge	Unit
#	Description		
1	Air handling/ heating or cooling unit replacement		
2	Additional plan review		
3	Additional plan review- Engineering		
4	Awning/ canopy (supported by building)		
5	Balcony/ deck	each	
6	Balcony/ deck railing repair		
7	Carport- custom	each	
8	Carport- ICC, IAPMO, handout	each	
9	Cell tower- modifications		
10	Cell tower- new	each	
11	Change of occupancy		
12	Demolition of building	each building	
13	Electric panel replacement		
14	Exterior wall covering replacement (up to 400 s.f.)		
15	Fireplace- custom	each	
16	Fireplace- pre-fabricated with engineering	each	
17	Flag pole (over 20' in height)	each	
18	Grease trap/ interceptor		
19	Hood- other than Type 1 (including ducts)	each	
20	Hood- Type 1 (includes exhaust system)		
21	Inspection fee- hourly		
22	Job card- replace/ duplicate		
23	Lighting pole (up to 6)		
24	Lighting pole (up to 6 additional)		
25	Manufactured home- installation on private property	each	
26	Modular unit- installation on private property	each	
27	Patio cover- custom	each	

Full Cost	Subsidy %	Suggested Fee	Fee Δ
\$192.50	0%	\$192.00	
\$161.67	0%	\$161.00	
\$291.67	0%	\$291.00	
\$250.68	0%	\$250.00	
\$490.68	0%	\$490.00	
\$296.52	0%	\$296.00	
\$944.02	0%	\$944.00	
\$490.68	0%	\$490.00	
\$400.53	0%	\$400.00	
\$1,418.03	0%	\$1,418.00	
\$417.35	0%	\$417.00	
\$408.18	0%	\$408.00	
\$192.50	0%	\$192.00	
\$421.67	0%	\$421.00	
\$583.33	0%	\$583.00	
\$548.33	0%	\$548.00	
\$644.85	0%	\$644.00	
\$330.00	0%	\$330.00	
\$491.67	0%	\$491.00	
\$629.17	0%	\$629.00	
\$183.33	0%	\$183.00	
\$55.00	0%	\$55.00	
\$783.33	0%	\$783.00	
\$172.50	0%	\$172.00	
\$538.03	0%	\$538.00	
\$658.87	0%	\$658.00	
\$514.85	0%	\$514.00	

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City of Banning

Comprehensive User Fee Study

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BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit Q

January 2 (September 10⁴), 2019

Building Department Misc. Fee Schedule						
Fees		Current Fee/Charge	Unit	Notes	Resolution/Ordinance	
#	Description					
1	Air handling/ heating or cooling unit replacement		Each			
2	Additional plan review		Hour			
3	Additional plan review- Engineering		Hour			
4	Awning/ canopy (supported by building)		Each			
5	Balcony/ deck		Each			
6	Balcony/ deck railing repair		Each			
7	Carport- custom		Each			
8	Carport- ICC, IAPMO, handout		Each			
9	Cell tower- modifications		Each			
10	Cell tower- new		Each			
11	Change of occupancy		Each			
12	Certificate of Occupancy (Enhanced)		Each			
13	Demolition of building		Each Building			
14	Electric panel replacement		Each			
15	Exterior wall covering replacement (up to 400 s.f.)		Each			
16	Fireplace- custom		Each			
17	Fireplace- pre-fabricated with engineering		Each			
18	Flag pole (over 20' in height)		Each			
19	Grease trap/ interceptor		Each			
20	Hood- other than Type 1 (including ducts)		Each			
21	Hood- Type 1 (includes exhaust system)		Each			
22	Inspection Fee- Hourly		Hour			
23	Job card- replace/ duplicate		Each			
24	Lighting pole (up to 6)		Each			
25	Lighting pole (up to 6 additional)		Each			
26	Manufactured home- installation on private property		Each			
27	Modular unit- installation on private property		Each			
28	Patio cover- custom		Each			
29	Patio cover- metal, ICC, IAPMO		Each			
30	Patio cover- wood, ICC, IAPMO or handout		Each			
31	Patio enclosure		Each			
32	Plan check		Each			
33	Plan check- Structural Engineer		Each			
34	Pool/spa- commercial		each			
35	Pool/spa- residential custom		Each			

City of Banning

User Fee Study

Building Depart Misc. Fee

Full Cost	Subsidy %	Suggested Fee	Fee Δ
\$115.50	0%	\$115.00	
\$133.00	0%	\$133.00	
\$165.00	0%	\$165.00	
\$163.00	0%	\$163.00	
\$305.50	0%	\$305.00	
\$190.50	0%	\$190.00	
\$570.50	0%	\$570.00	
\$305.50	0%	\$305.00	
\$265.50	0%	\$265.00	
\$854.50	0%	\$854.00	
\$251.50	0%	\$251.00	
\$25.00	0%	\$25.00	
\$256.00	0%	\$256.00	
\$115.50	0%	\$115.00	
\$253.00	0%	\$253.00	
\$353.00	0%	\$353.00	
\$330.50	0%	\$330.00	
\$388.00	0%	\$388.00	
\$198.00	0%	\$198.00	
\$298.00	0%	\$298.00	
\$380.50	0%	\$380.00	
\$110.00	0%	\$110.00	
\$60.50	0%	\$60.00	
\$463.00	0%	\$463.00	
\$105.00	0%	\$105.00	
\$348.00	0%	\$348.00	
\$409.00	0%	\$409.00	
\$323.00	0%	\$323.00	
\$165.50	0%	\$165.00	
\$323.00	0%	\$323.00	
\$350.50	0%	\$350.00	
\$125.00	0%	\$125.00	
\$247.50	0%	\$247.00	
\$714.50	0%	\$714.00	
\$521.00	0%	\$521.00	

Exhibit R

Summary

<u>Hourly Rates:</u>	<u>Willdan</u>		<u>Structural</u>
	<u>Inspection</u>	<u>Plan Check</u>	<u>Engineer</u>
9-Mar-18	\$ 183.33	\$ 161.67	\$ 291.67
8-Jan-19	\$ 183.33	\$ 161.67	\$ 291.67
10-Sep-19	\$ 110.00	\$ 125.00	\$ 247.50

⁴ Although the version of the Willdan Report presented to the City Council at the Special City Council Meeting on January 8, 2019 and the public is dated January 2, 2019, it is not the same documents presented during that meeting. As for the building permit fees for the SFR, the proposed fees are extremely different as discussed about. They are higher!

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Exhibit S

Estimated Number of Building Department Staff Hours to Service a Building Plan Check and Building Permit Service Costs for the R-3 SFR 1,500 sf Type-V

A	B	C	D	E	F	G
1 Hourly Rates:	Assuming	50% inspection and		50% Plan Check		
2	Office			Structural	Recommended	
3 SFR 1,500 SF	Specialist	Inspection	Plan Check	Enginer	Fee	Hours
4 9-Mar-18	\$ 40.94	\$ 183.33	\$ 161.67	\$ 291.67	\$ 3,679	
5				Divide by 2		2
6 PC and Insp Each					\$ 1,840	
7 Plan Check 1 Hour	\$ 40.94			\$ 291.67	\$ 332.61	2
8 Remaining PC Hrs					\$ 1,507	
9					\$ 161.67	
10				Hours	9.32	9.32
11 Inspection Costs		\$ 1,840				
12 Inspec Hourly Rate		\$ 183.33				
13 No. of Insp Hours		10.03				10.03
14				Total Hours	21.4	
15						
16	Office			Structural	Recommended	
17 SFR 1,500 SF	Specialist	Inspection	Plan Check	Enginer	Fee	Hours
18 8-Jan-19	\$ 40.94	\$ 183.33	\$ 161.67	\$ 291.67	\$ 2,187	
19				Divide by 2		2
20 PC and Insp Each					\$ 1,094	
21 Plan Check 1 Hour	\$ 40.94			\$ 291.67	\$ 332.61	2
22 Remaining PC Hrs					\$ 761	
23					\$ 161.67	
24				Hours	4.71	4.71
25 Inspection Costs		\$ 1,094				
26 Inspec Hourly Rate		\$ 183.33				
27 No. of Insp Hours		5.96				5.96
28				Total Hours	12.7	
29						
30	Office			Structural	Recommended	
31 SFR 1,500 SF	Specialist	Inspection	Plan Check	Enginer	Fee	Hours
32 10-Sep-19	\$ 40.94	\$ 110.00	\$ 125.00	\$ 247.50	\$ 3,067	
33				Divide by 2		2
34 PC and Insp Each					\$ 1,534	
35 Plan Check 1 Hour	\$ 40.94			\$ 247.50	\$ 288.44	2
36 Remaining PC Hrs					\$ 1,245	
37					\$ 125	
38				Hours	9.96	9.96
39 Inspection Costs		\$ 1,534				
40 Inspec Hourly Rate		\$ 110.00				
41 No. of Insp Hours		13.94				13.94
42				Total Hours	25.9	

The cost of the SFR 1,500 sf unit's cost for a plan check and building permit (inspection) hourly cost as presented in the September 10, 2010 *Report* produces the highest number of hours at 25.9 fully burdened hours.

Exhibit T

Hourly Rates:

SFR 1,500 SF	Hours
9-Mar-18	21.4
8-Jan-19	12.7
10-Sep-19	25.9

The proposed fees for the R-3 SFR 2,000 sf Type-V dwelling included in the September 10, 2019 City Council Agenda/Willdan *Report*, produces the calculated 27.8 hours to provide plan check and inspection services.

Exhibit U

A	B	C	D	E	F	G
1	Office			Structural	Recommended	
2	SFR 2,000 SF	Specialist	Inspection	Plan Check	Enginer	Fee
3	10-Sep-19	\$ 40.94	\$ 110.00	\$ 125.00	\$ 247.50	\$ 3,285
4					Divide by 2	2
5	PC and Insp Each					\$ 1,643
6	Plan Check 1 Hour	\$ 40.94			\$ 247.50	\$ 288.44
7	Remaining PC Hrs					\$ 1,354
8				\$ 125.00		\$ 125
9					Hours	10.83
10	Inspection Costs		\$ 1,643			10.83
11	Inspec Hourly Rate		\$ 110.00			
12	No. of Insp Hours		14.93			14.93
13					Total Hours	27.8

Additional BIA Considerations

Contract SVC-Professional/Professional Services - Charles Abbot

The FY18-19 & FY19-20 BUDGET WORKSHOP May 22, 2018, presented the following statement concerning the professional services contract for Charles Abbott for 'building and PC fees':

"An increase in Professional Services for Charles Abbot at 91% building permit and PC Fees, Increase in budget of \$154,570."

Exhibit V

Significant Fiscal Impacts

- ▶ An increase in Professional Services for Charles Abbot at 91% building permit and PC Fees, Increase in budget of \$154,570



Charles Abbott Associates, Inc.
27401 Los Altos, Suite 220
Mission Viejo, CA 92691

BIA recommends that the City not implement their adopted Building Department fee until they establish their in-house building department with a city employee as the Building Official.

Outside Department Cost that charge against the Building Department Fee Revenue

The Two-Year Budget for FY 2018/2019 and FY 2019/2020 indicates that the Building Department is staffed by the Community Development Director and an Office Specialist:

Exhibit X

Table 4

City of Banning Citywide Personnel Summary by Fund/Division				
Description	Adopted 2016-17	Adopted 2017-18	Projected 2018-19	Projected 2019-20
BUILDING SAFETY (2700)				
Community Development Director	0.60	0.60	0.60	0.60
Office Specialist	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	1.60	1.60	1.60	1.60
CODE ENFORCEMENT (2740)				
Senior Code Compliance Officer	1.00	1.00	1.00	1.00
Code Compliance Officer	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	2.00	2.00	2.00	2.00
PLANNING (2800)				
Community Development Director	0.40	0.40	0.40	0.40
Senior Planner	1.00	1.00	1.00	1.00
Development Project Coordinator	1.00	1.00	1.00	1.00
DIVISION TOTAL FTE	2.40	2.40	2.40	2.40

Please note that the Community Development Director's position is divided in a 60% split to Building & Safety and 40% to Planning.

Considering the current proposed hourly rate of the building inspection at \$110 in the Willdan Report for September 10, 2019 public hearing, without access to their calculations we do not know if they considered this 60% allocation of the Community Development Director's cost. We also do not know if the 60% is charged before or after the 91% goes to CAA.

The first amendment to the contract with CAA dated October 14, 2015 included the following schedule of hourly rates. Subsequent amendments to the CAA contract do not contain a hourly rate schedule. The footnote states that these hourly rates adjust annually by the CPI. Compare the hourly rates from the following table to the CAA hourly rate schedule to those proposed by Willdan in their various *Reports*:

Exhibit Y

<u>Hourly Rates:</u>	<u>Willdan</u>		<u>Structural</u>
	<u>Inspection</u>	<u>Plan Check</u>	<u>Engineer</u>
9-Mar-18	\$ 183.33	\$ 161.67	\$ 291.67
8-Jan-19	\$ 183.33	\$ 161.67	\$ 291.67
10-Sep-19	\$ 110.00	\$ 125.00	\$ 247.50

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

We do not know how Willdan calculates their proposed hourly rates, so we do not know if they reflect CAA's current hourly schedule and if they included charges from other city departments. Why did Willdan drop their hourly rates for the September 10, City Council Report? Reviewing the schedule below, how did Willdan estimate the very high hourly rates for the Structural Engineer?

Exhibit Z

STANDARD HOURLY RATE SCHEDULE

<u>CLASSIFICATION</u>	<u>HOURLY RATES</u>	<u>CLASSIFICATION</u>	<u>HOURLY RATES</u>
Principal Engineer	175.00	Principal Building Official	145.00
City Engineer	165.00	Building Official	122.00
Project Supervisor	145.00	Senior Building Inspector	110.00
Project Manager	135.00	Building Plan Checker	97.00
Project Engineer	130.00	Building Inspector/Plan Checker	90.00
Sr. Registered Engineer	125.00	Code Enforcement Officer	75.00
Senior Design Engineer	115.00	Permit Specialist	66.00
Associate Engineer	110.00		
Assistant/Design Engineer	98.00	Community Development Director	145.00
		Principal Planner	132.00
Senior Traffic Engineer/Manager	150.00	Senior Planner	107.00
Transportation Planner	110.00	Associate Planner	97.00
Traffic Engineer Associate	95.00	Planning Technician	68.00
Sr. Draftsperson (CADD)	90.00	Landscape Director	116.00
Draftsperson (CADD)	80.00	Associate Landscape Architect	95.00
Computer Technician	80.00	City Forester	88.00
Senior Public Works Inspector	95.00	Expert Witness Services	200.00
Public Works Inspector	87.00	Senior Contract Administrator	107.00
3-Person Survey Crew	270.00	Administrative Assistant	57.00
2-Person Survey Crew	210.00	Word Processor	50.00
		Clerical	45.00

The above hourly rates include general and administrative overhead and fees and employee payroll burden.

The above hourly rates are subject to an annual adjustment based upon increases adopted by Charles Abbott Associates, Inc. as reflected in the Consumer Price Index (CPI).

Considering the wide range of fees and hourly rates that Willdan's various *Reports* recommend and lacking the 'backup' accounting to review relative to these recommendations, BIA recommends that the City consider alternative perspectives concerning "reasonable" fees that do not exceed actual cost of providing the services rendered by the Building Department.

Another City's Example

The City of Beaumont and their Fixed Fee for 1 or 2 Family R-3 SFR Type-V Dwellings

In late 2017, MGT Consulting provided a user fee study report to the City of Beaumont including recommendations concerning their Building Department fees related to R-3 SFR V-B. BIA found evidence and calculated the following in their review of the City of Beaumont's documents:

- The blended fully burdened hourly rate (FBHR) of the positions in the building department was \$159.40.
- The estimated revenue of \$1,845,656 divided by the FBHR equaled 11,579 staff hours.
- The number of direct hours for each position within the Building Department was 1,462.
- The estimate revenue from just building permits issued to 425 units with Payment of \$4,342.72 purchases about 27.2 hours of staff time per unit.

Even the Mayor at that time, Mike Lara, who is also the Building Official for the County of Riverside publicly agreed in the City Council meeting that that the number of 27.2 hours seemed high to him. The following year the City of Beaumont modified their fees which reflect a fixed fee for 1 or 2 Family Dwellings (SFR) amounting to \$2,367.41.

Exhibit AA

Single Family Residential Dwelling Plan Check and Inspection Fixed Fee 2018



City of Beaumont Development Related Fee Schedule

09/05/2018

<i>Service Name</i>	<i>Fee Description</i>	<i>Adopted Fee</i>
Appeal of Construction Board of Appeals or Accessibility Board of Appeals	Fixed Fee	\$703.40
1 or 2 Family Dwelling (Single Family Home)	Fixed Fee	\$2,367.41
Permit/Application Revision Fee (Residential Tracts Only)	Per Lot Fee	\$238.60

The City of Beaumont's fixed fee is very close to the R-3 SFR for the 1,500 sf dwelling fee of \$2,187 introduced by Willdan during the January 8, 2019, City Council Meeting.

Use of the Consumer Price Index (CPI) Inflator as a process to modify or increase fees.

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Willdan discussed the option of using an inflationary factor such as the Consumer Price Index (CPI) each year rather than adopt the user fees, by resolution, in further action of the Council.

"[I]t is recommended that the City include an inflationary factor in the resolution adopting the fee schedule to allow the City Council, by resolution, to annually increase or decrease the fees."

City of Banning Comprehensive User Fee Study 3

Exhibit AB



ADDITIONAL POLICY CONSIDERATIONS

The recent trend for municipalities is to update their fee schedules to reflect the actual costs of certain public services primarily benefitting users. User Fees recover costs associated with the provision of specific services benefiting the user, thereby reducing the use of General Fund monies for such purposes.

In addition to collecting the direct cost of labor and materials associated with processing and administering user services, it is common for local governments to recover support costs. Support costs are those costs relating to a local government's central service departments that are properly allocable to the local government's operating departments. Central services support cost allocations were incorporated using the resulting indirect overhead percentages determined through the Cost Allocation Plan. This plan was developed prior to the User Fee study to determine the burden placed upon central services by the operating departments in order to allocate a proportionate share of central service cost.

As labor effort and costs associated with the provision of services fluctuate over time, a significant element in the development of any fee schedule is that it has the flexibility to remain current. Therefore, it is recommended that the City include an inflationary factor in the resolution adopting the fee schedule to allow the City Council, by resolution, to annually increase or decrease the fees.

The City may employ many different inflationary factors. The most commonly used inflator is some form of the Consumer Price Index (CPI) as it is widely well known and accepted. A similar inflator is the implicit price deflator for GDP, which is much like the CPI except that while the CPI is based on the same "basket" of goods and services every year, the price deflators' "basket" can change year to year. Since the primary factor for the cost of a City's services is usually the costs of the personnel involved, tying an inflationary factor that connects more directly to the personnel costs can be suitable if there is a clear method, or current practice of obtaining said factor.

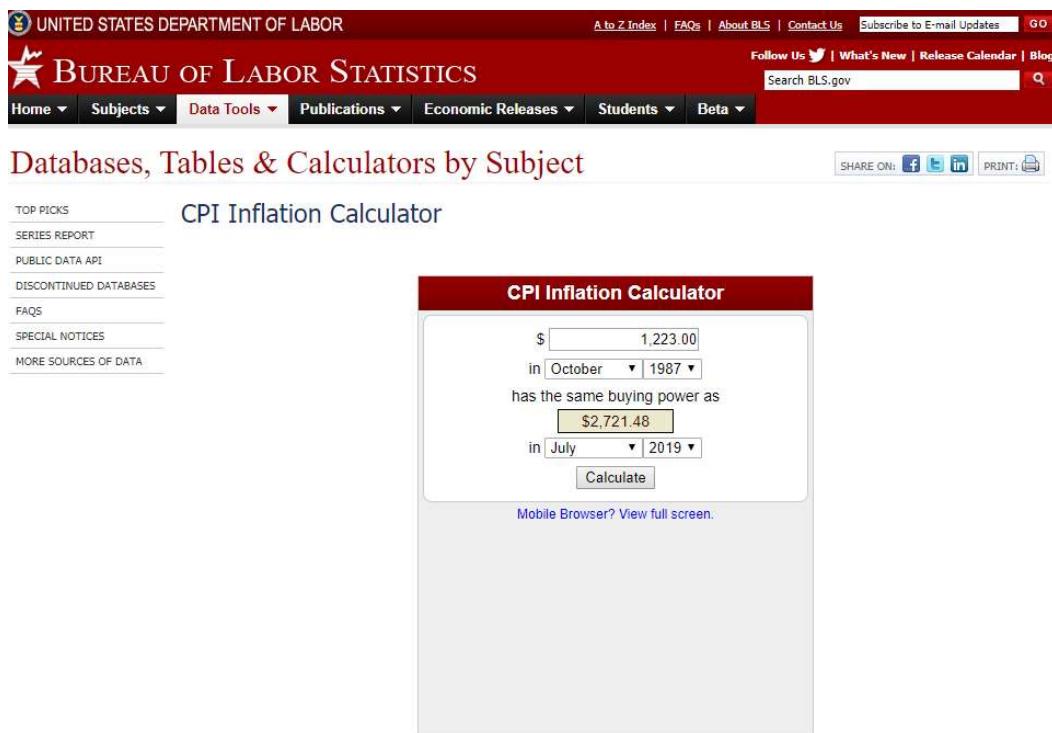
Each City should use an inflator that they believe works the best for their specific situation and needs. It is also recommended that the City perform this internal review annually with a comprehensive review of services and fees performed every three to five years, which would include adding or removing fees for any new or eliminated programs/services.

As an alternative, BIA recommends that the City consider Willdan's proposed recommendations to staff to adjust or modify current Building Department fees by the proposed CPI discussed in the staff report from the earlier fees only if they adjust or modify the adopted Building Department by resolution (See page 3, *City of Banning Comprehensive User Fee Study Report*).

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

Second, if the City Council considers Willdan's proposed recommendation and adopts the fees for a building permit for a typical, R-3 SFR 1,500 sf Type V dwelling based upon the CPI increase from the date of the adoption Resolution No. 2007-117, October 9, 2007 to January 1, 2019: The 2007 fee for the 1,500 sf SFR of \$1,223 increased to \$2,721.48, instead of Willdan's recommendation of \$3,258. Currently Willdan recommends an increase of \$563.52 (21.1%) over the CPI.

Exhibit AC



The screenshot shows the Bureau of Labor Statistics website with a red header. The main content is a 'CPI Inflation Calculator' tool. The calculator interface has two input fields: the first is '\$ 1,223.00' and the second is 'in October 1987'. Below these, a message states 'has the same buying power as'. The next row shows '\$2,721.48' in a yellow box and 'in July 2019'. A 'Calculate' button is between the two rows. At the bottom, there is a link 'Mobile Browser? View full screen.'

About the CPI Inflation Calculator

The CPI inflation calculator uses the [Consumer Price Index](#) for All Urban Consumers (CPI-U) U.S. city average series for all items, not seasonally adjusted. [This data](#) represents changes in the prices of all goods and services purchased for consumption by urban households.

The CPI provides the City with a possible alternative that provides an "estimated reasonable cost of providing the service for which the fee is charged . . ." Government Code §66014.

Final Recommendations by BIA-Riverside

The BIA recommends that the City Council consider the user fees for Building Department service fees as presented in the January 8 City Council workshop as the more reasonable alternative and more sensible.

Concerning the proposed fees for a repeat production tract dwelling represents about 53% of the custom home fee in the current 2007 fee schedule. BIA recommends that the City follow this percentage in calculating the fees for a repeat production SFR.

BIA Comments about *City of Banning Comprehensive User Fee Study Report*

If the Finance Department is not currently applying the Revolving Fund accounting methodology for the building department and other departments serving the public, then require the Finance Department to convert.

The City should consider creating and publishing rules and regulations that provide written direction to staff on how to apply the building department fees provided in the final adopted user fee schedule so that the public and staff understand the applicability of these fees to their project.

BIA recommends bifurcating the adoption of the Willdan *Report* and fee schedule and continuing the fees schedules relating to the Building Department service fees until they consider the BIA recommendations provided above, after they adopt the 2019 California Building Standards Code later this year, and until the City signs an employment agreement with a staff Building Official.

Exhibit B

For the past two City Council meetings the public has been forced to endure Don Peterson's lengthy and feeble attempt at defending himself against the allegations put forth in the latest Grand Jury Report. His defensive position is to deny all wrong doing, and instead push the blame onto everyone else and, in his usual manner, attempt to destroy their reputations. **I am totally aware that this document will bring the usual vicious response from him and his loyal followers.** After all, I have been off of the City Council for over 8 months, and yet he still continues to attack me for no reason other than to deflect the public from recognizing what he truly is.

How does one respond to Peterson's unsubstantiated, rumor filled, half-truth, and outright lies? How does one stand up to him and his "Kool-Aid drinking posse" of Jerry Westholder and his wife, David Ellis, Inga Schuler, Ed Miller and a few others, who will follow his instructions and do and say anything he wants them to.? How does one defend themselves against an onslaught of social media lies and character assassination, led and directed by Peterson and his gang using anonymity and fake names to spread their vile?

THE TRUTH – THAT IS THE ANSWER, The whole truth, not that garbage spread through by Peterson and his close friend Gobels of the Banning Informer. Not that trash that Peterson and his friends use to attack anyone and anything they want on social media.

Here are some truths:

1. The Grand Jury report refers to Don Peterson and no one else. – He can say all he wants that it does not mention him by name. However, he had no trouble at all in wildly accusing Art Welch of being the subject of a previous Grand Jury report, when in fact no one was specifically named in that one either. In fact, part of his current defense is to initiate censure on Welch based on that very report. As usual, Peterson wants to have his cake and eat it to. Of course, he had his puppets step up and support his denial. For example, Jerry Westholder, who was an eager supporter of the previous Grand Jury report against Art Welch, stepped up and call the current action, "was nothing more than a kangaroo court."
 - a) He accuses me of being the one that created a hostile work environment and points out incidents where I was harsh and demanding with two specific staff members. In fact, I did respond negatively to a couple of progress reports presented to the Council that I felt were totally lacking in timeliness, substance and accuracy. He specifically calls me out regarding my verbal disagreements with Ted Shove. However, these occasions were done behind closed doors, and later I apologized. In addition, he doesn't bother to tell you what he was doing behind the scenes. For example, in a June 10th email he wrote, " Thanks for that up-date George. All I can say is: This guy is full of shit and needs to go!" On the other hand, Mr. Peterson's continual public abuse and ridicule in Open Sessions of many staff members, accusing them of trying to intentionally deceive the Council, accusing them of having criminal intent, and using other demeaning adjectives is well known throughout the community. A custom of his that has caused several employees to be afraid to do their jobs and others to leave the City for fear of being his next target.
 - 1) Brian Guillot, then Planning Director was one of Don's targets after he told a contractor to replace a contracted employee. He became fearful for his job due to pressures and accusations being made against him. As a result, he chose to take early retirement and leave the City.
 - 2) Fred Mason ran our electrical utility. He chose early retirement rather then take the continuous verbal abuse being heaped on him by Peterson.
 - 3) Patty Nevins, Brian's replacement, left because she could no longer tolerate the negative and fearful atmosphere created by Don Peterson.

- 4) I understand that former Police Chief and Interim City Manager wrote a letter in defense of Don. That was a total shock to me. Why? Because I was sitting at home on a Saturday morning when Alex called me to say he was going to resign Monday morning. When asked why, he said he could not take Don's abuse and false accusations any more. I had been aware of two accusations Don made against Alex. One had to do with the BPAL program and the possibility of funds being missing. I know this because Don emailed me asking me to look into it, which I did, and found nothing wrong. However, the accusation had been made and was so publicly known that Alex disbanded the BPAL program. The other accusation was against Alex's morals. Don made damning accusations about Alex personally. These two personal attacks were less than one month apart and followed very quickly with Alex's resignation.
- 5) Jennifer McCoy came to Banning with experience and full knowledge of the tough job she was inheriting. Purchasing had been a disaster. Policies were too old and often conflicting. With Council approval she instituted new policies and brought order to our purchasing. Was the transition without problems? No, but in the end, we now have a system that is technologically current and working well. However, she left for the same reasons listed above. The straw that broke her back was Don's interference in her handling of the contract for the utility audit. Once the RFP for the utility audit responses were received and analyzed three respondents were brought to the Council for our decision on which one to use. Most of the Council were in favor of one applicant, but Don insisted we give the contract to his specific choice. In an effort to show him my willingness to work with him I went along with his choice. Later on, during final contract negotiations things became complicated. It was then that I discovered that Don and the potential vendor were communicating personally regarding the contract, the vendor trying to solicit Don's personal interference. I am not saying that our staff was totally correct in their handling of this matter, but Don's personal involvement was totally out of line. One thing has come to the surface since the letting of this contract. It is rumored that Christy White, the vendor, and Don went to school together and that is why he insisted that we hire her firm. Let it be known that the primary reason that firm was not the first choice of the Council was their inexperience in the type of audit we were asking for. It is my understanding that the audit was started some time ago, yet due to their lack of experience is still not completed.
- 6) Andy Takata was City Manager, and although before my time on the Council, respected and effective. Don led the charge to get him out. You already know how much that cost the City. What is really ridiculous is when last we were determining the qualities, we wanted in our next City Manager Don's response was "We need someone like Andy Takata."
- 7) John Cotti, acting City Attorney at the time left because of all the false accusations being spewed against him by Don. I asked John why he did not sue the City if the work place was so hostile. He told me that it would be a really bad career move and detrimental to his firm if they sued a City they worked for. I was told this very thing by other employees who left the City under similar conditions.

All of the people listed above either retired or moved on to bigger and better jobs. Their only problem in working for Banning is that they did not always bend to Peterson's will.

There were others that I have not mentioned that have incurred the wrath of Peterson and either left on their own terms or were forced out. Some of them made headlines and cost the City a lot of money. At last count, two police chiefs, 8 City Managers, two Finance Directors, two Planning

Directors, and one Public Works Director. All individuals that Mr. Peterson could not work with for one reason or another. All individuals who he refused to work with. All individuals that he continually attacked and undermined with staff.

It is not me that uses social media to attack Council members and staff. Peterson's use of the fake news operation known as the Informer and other social media means to do just that. It is not council members David Happe or Coleen Wallace that make "statements that "incite" the public" as he stated in the Record Gazette interview. It is your use of false information and inuendo to attack other Council members and City staff members that is well documented.

So, NO DON you can blame me all you want. You can sight a couple of times where behind closed doors I may have been too aggressive in my conversation with some staff members. However, your track record of publicly abusing staff, using social media to attack staff, and undermining City Management with staff is well documented. This is why the Grand Jury report is written about you and nobody else.

- b) Over the past several years Peterson has claimed to have saved the community millions of dollars. To be fair there have been some instances when he has pointed out areas of concern relating to business practices and the handling of contracts that ultimately were reviewed and monies were saved. Also, his initial concerns relating to the usage of bond monies and redevelopment funds had some merit, and were worth investigating. However, he would have been much more effective had he been willing to work in a professional manner with his fellow Council members and City Managers. Instead of saving the City money, his methods produced an overall record that reflects a much different picture. As reported in the media, and in the Grand Jury report he has actually cost the City millions. In addition to the reported costs his constant call for unwarranted investigations, filing of complaints with the Grand Jury, and lengthy public documents requests have cost us hundreds, maybe thousands of, staff work hours. Due to his inability to work with any City Manager, past or present, he has created immense billing from our City Attorneys, past and present. It is estimated that he is responsible for billing that is equal to 4 times that of the rest of the Council put together.
- c) Peterson alleges that it was Art Welch who circumvents the City Manager. Calling him out for the previous Grand Jury report accusing an unnamed Council member of directing the City Manager to help Diamond Hills by getting the bushes in front of their freeway frontage cut down. I never agreed with their findings and wrote my personal response to the Jury saying so. Michael Rock made that decision on his own. Art Welch merely messengered the request. This again is a Peterson attempt to deflect an accusation away from himself by blaming someone else. The fact is no matter who our City Manager has been, during his tenure, he has found a reason to condemn and accuse them of wrong doing so he can manipulate a change. This usually occurs right after he makes a demand on them that they refuse to carry out, or they make a decision he does not like. History has recorded all of these starting with Andy Takata right up through our current City Manager. Again, in the interest of fairness, I agree that some of the past interims needed to be replaced. However, most of them were merely trying to their job as prescribed by our City policies and existing laws. Unfortunately, as is the case currently, even though Peterson initially loved the

choice, he quickly soured and began his full-frontal attacks to discredit them. Just as he continues to do against Doug Schultze in his interview reported in the Record Gazette of August 30th.

Don has constantly accused Debbie Franklin of circumventing the City Manager and taking up valuable staff time needlessly. All Debbie Franklin did in her years of service to our City was try to make things better. She served selflessly in multiple capacities. For example, she served on regional boards, even was the chair for WRCOG, trying to get more support for the Pass Area. She worked with many of our service organizations to help the needy of our community. For several years she has led the program to supply backpacks to the children of our community. In addition, her Christmas program to assist less fortunate families has helped countless children have a merry Christmas. She also was the driving force and organizer of our annual City's Disaster Preparedness event. Have we always agreed politically? No, but no one can doubt her complete dedication to the citizens of Banning. Well, no one but Don. He is intent on trying to ruin her reputation, and tried to put her Christmas Wish program out of business.

So, who does circumvent the City Manager? Again, it is Don Peterson. Because he has not been able to form a working relationship with most of our City Managers, he has concentrated on exerting his influence on certain key department heads and our Police Department. If he had spent as much time in solving all of City Halls problems as he did in police business more things may have been accomplished. He will say that he only used his years of police experience to advise and recommend things. Of course, he will deny ever demanding that his thoughts and suggestions be implemented. If you know this man at all you will already know that just isn't true. From day one, under Chief Purvis, he inserted himself in the operations of this department, and when the Chief refused to do his bidding a campaign was initiated to get him out. That campaign was successful at great cost to the City. Under Chief Diaz he was constantly delving into personnel issues. He and only he was meeting with the Banning Police Officers' Association. In fact, at one point he told them to not meet with me.

One huge example of this was reported in the August 16th edition of the Record Gazette Peterson imposed his influence over then Police Chief and Interim City Manager Alex Diaz and Planning Commissioner David Ellis. According to the lawsuit on Sept. 11, 2013 Commissioner Ellis demanded that fire trucks parked along the San Gorgonio Avenue I-10 freeway bridge flying flags in honor of fallen fire fighters who had perished in the Sept. 11, 2001 attacks "be cited as Don Peterson had considered them to be in violation of California Vehicle code, which they were not. Officer Hobb refused to violate the law by issuing fraudulent traffic citations. It was reported that Peterson and then HR Personnel manager Rita Chaparroso wanted Hobb terminated because he followed Chief Purvis's orders by filing a police report relating to the episode. Shortly thereafter Hobb was demoted. The article goes on to say, Diaz admitted to Hobb that the officer had been passed over for the promotion due to politically motivated pressure placed on Diaz by the city council." We all know that the final cost to the City for this fiasco was \$365,000.00.

Another example of influencing procedure was the investigation of a close relative of his. Another department asked for Banning assistance in securing DNA evidence relating to a case they were investigating. The subject was contacted by our detectives and agreed to come to police headquarters to comply with the DNA request. However, Peterson interceded and made a special request that then Sgt. Robert Fisher be allowed to come to his home and do the testing there. Fisher then went to Chief Diaz and was granted permission to do so. This was so out of line that the Banning Police Officers' Association requested the matter be investigated by a third party. The ultimate conclusions were that Peterson's request was inappropriate for many reasons and Chief

Diaz should have recognized that. The report goes on to say that the test "should have been conducted at the police station. Additionally, there should have been at least one additional member of the Banning Police Department present during the process. "

At some point in time Peterson felt his influence over Diaz was not firm enough and began the campaign previously reported to get him out. Upon successfully accomplishing that he began to push for the appointment of Sgt. Fisher to become our new chief. Due to Fisher's long service record with our City at first I was in total support of appointing him as Interim Chief. However, it was brought to my, and the other Council members', attention that he was just promoted to Sergeant, and did not meet the job qualifications for Lieutenant, let alone those for the Chief position. None the less I went along with Peterson to appoint him interim. I was aware of the personal relationship that existed between Peterson and Fisher and I told Fisher that he had my support as long as that relationship did not affect his performance as acting chief. Unfortunately, that was not the case. Emails sent to Fisher regarding important financial matters from the Finance Dept. were immediately forward to Don, and no one else, by Fisher. On one occasion Peterson was frustrated regarding the inability to get an answer to something. So, he called Fisher, and I quote from his email to me, "So, I called Fisher..... and within 30 minutes we both were meeting with the Plant Manager....." Many examples exist of his influence within the department, but I will conclude with his admission in a Council Meeting in May of 18 when he proudly spoke of his involvement in a drug sting operation that he proposed, designed, and purportedly participated in. All of these things done without the knowledge of the acting City Manager at the time.

- d) Peterson continually accuses myself, Welch, and Franklin of being bought and paid for by developers. He knows this is a lie, but it deflects the fact that he was bought and paid for by a wealthy land owner who until recently he reported to on a regular basis. I do not know how much funding Welch and Franklin had for their campaigns, but I do know that I had less than \$15,000. Admittedly some of the donations were from developers, but much of them were from regular people who recognized the need for a change. When the campaign was over I donated the balance to the local VFW and Little League. On the other hand, Peterson, Miller, and Westholder received massive campaign donations for the same land owner. I had heard that as much as \$40,000 for each of them. In Peterson and Westholder's cases this happened in two campaigns. So, who is bought and paid for? Those who received some minor contributions or those that got huge amounts of money.

In closing let me make it clear. Don Peterson is not a builder, not interested in working with others to improve things. He is a destroyer. A good example was his successful campaign to close down the Fire Museum and subsequent attacks on the Hammers. This was a wonderful little museum in our City that was maintained by some ex-firemen who donated their time and memorabilia for our residents. City Treasurer John McQuown wrote in an email dated April 13, 2015, "I took my grandsons (3 & 1 yrs.) to the fire museum Friday and they could not have had a better time. They were there just after Art Welch and John Sevaggio were there with approx. 30 pre-schoolers and I talked with Art this morning at coffee and they also had a fantastic time..... We have an entity here in our city that is beneficial to our community, loved by our children, and asks little if any in the way of CASH to run their operation". None of this meant anything to Peterson. He wanted a pound of flesh for a building that to this day sits vacant and is merely a storage facility for the police department.

He has tried to do similar things with other civic and non-profits in our city. He has attacked the Boys and Girls Club, Table of Plenty, the Sun Lakes Charitable Trust, and others. The Boys and Girls Club services our youth in

an invaluable way. They provide after school activities, mentorship, and leadership training to hundreds of children throughout Banning and the Pass area. He attacked the Sun Lakes Charity. An organization that has donated over 1.2 million dollars to dozens of Pass area charities. Most recently it was questioned whether donations made by the Charity to the Banning Senior Center were proper. I have already talked about his part in the closure of the BPAL program. No, he is not a builder, he is not someone who sees a problem and tries to fix it. He destroys.

In opening this message I alluded to the fact that Peterson uses social media to plant false information and impugn the reputations of people. The following is one small example of what I am referring to. It by no means comes close to the full force of his vileness when he puts his mind to it, but make my point.

In early November last year I was out of town for a couple of days. Upon my return a friend told me about the latest posting by Peterson that again said I was bought and paid for by developers. So, I emailed Don and asked, "I just got back in town and see that you continue to write crap about me on your face book page. What exactly is the purpose of your continued attacks? You tell me to my face that you are not doing these things, but then you turn around and write this junk. Which is it?"

He wrote back, "I don't recall writing anything. Which post are you referring to? Don't confuse shared items as my writing."

My response, "Your posting accusing me, Art, and Debbie of being bought and paid for by developers."

He responded, " Hahaha, Well, I was speaking to the Pardee Pres at the State of the City. He said to me, every Developer needs THREE (3) GREEN LIGHTS on the Council. I can tell you, Ed and I were RED lights."

My final response summarizes this whole message. "Yes, I see how that could be manipulated to infer that. However, you have taken that and are using it in an attempt to discredit me and others, for no other reason than you can.....".

Don once told me that he does not lie and knows how to write reports that will stand up in court. The truth is you lie all the time. You lie by uttering half truths and by taking things out of context and twisting them to suit your purpose. You use Council open session meeting, social media, and the Informer to say and write things that justifies your position and/or action taken. However, the TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE TRUTH means nothing to you.

George Moyer

Exhibit C

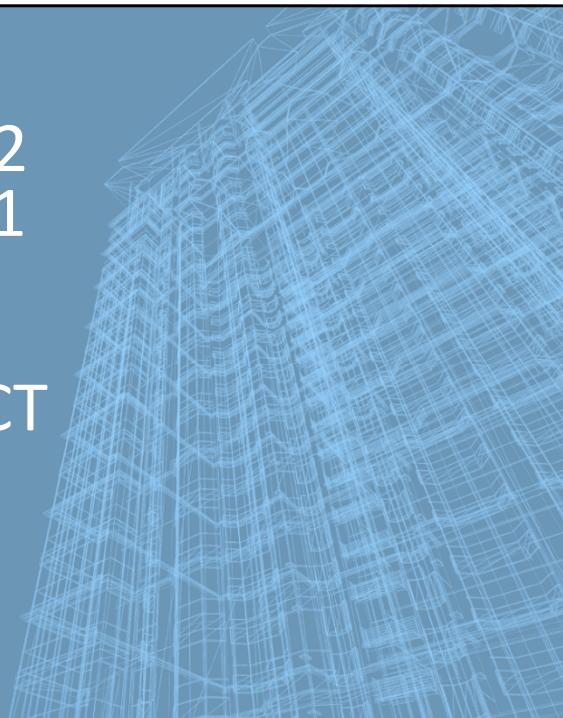
RESOLUTION 2019-112 AND ORDINANCE 1551

UPDATING THE CITY'S DEVELOPMENT IMPACT FEE PROGRAM

September 10, 2019

Art Vela, P.E.

Director of Public Works



DEVELOPMENT IMPACT FEES (DIF)

- What are DIFs?

- One-time fees charged to new development to meet growth related infrastructure needs.
- Not an ongoing fee charged to residents or business owners.
- Not for operations and maintenance costs.
- Not for the share of facilities serving existing development.

EXISTING DEVELOPMENT IMPACT FEES (DIF)

- Includes: General (e.g. City Hall, etc.), Police, Fire, Parks, Traffic, Water and Wastewater.
- Last updated in 2006
 - Water (2004)
 - Wastewater (2005)
- There have been no adjustments to the fees since their last updates.

MITIGATION FEE ACT FINDINGS (GOVT. CODE §66001)

- Key findings
 - Need: Development \approx Need for facilities
 - Benefit: Development \approx Use of revenue
 - Rough proportionality: Fee amount \approx development's share of facility costs
- Other findings
 - Purpose of fee: to fund fair-share costs of improvements needed to support development within the City
 - Use of fee revenue: Fund improvements

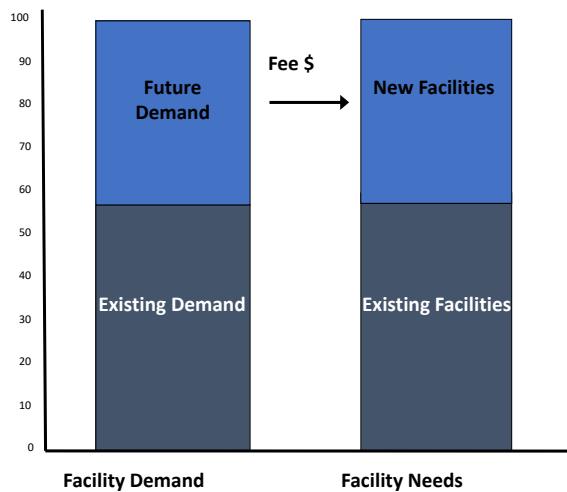
IMPACT FEES – BASIC METHODOLOGY

1. Estimate existing development and future growth
2. Identify facility standards
3. Determine new facility needs and costs
4. Allocate share to accommodate growth
5. Identify alternative funding needs
6. Calculate fee by allocating costs per development

EXISTING INVENTORY

PLANNED FACILITY

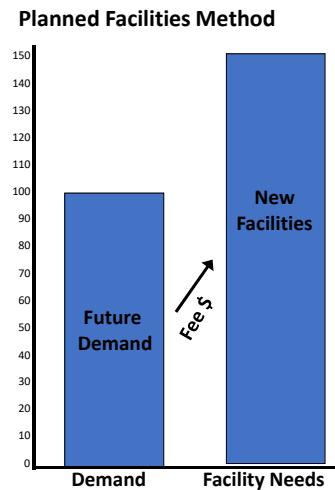
ALLOCATING COSTS OF NEW FACILITIES: *EXISTING INVENTORY*



- Based on a facility standard derived from the City's existing level of facilities and existing demand for services.
- This approach results in no facility deficiencies attributable to existing development.
- This approach is often used when a long-range plan for new facilities is not available.

ALLOCATING COST OF NEW FACILITIES: PLANNED FACILITY METHOD

- Use engineering models to demonstrate need for facilities to serve growth.
- Usually applicable for traffic and utility fees.
- May also identify existing deficiencies that must be funded by alternative revenue.



CITY OF BANNING IMPACT FEE CATEGORIES

EXISTING STANDARD

- Police
- Fire Protection
- Parkland and Parks
- General City Facilities

PLANNED FACILITY STANDARD

- Wastewater
- Water
- Traffic

MAJOR PLANNED FACILITIES

Police Facilities

- Share of Debt for Police Dept. Bldg.

Fire Facilities

- Facility expansions to be identified.

Parkland and Parks

- Over 23 acres of new parkland to maintain City's existing parkland standard

General Gov't Facilities

- City Hall, City Yard

Wastewater Facilities

- WWTP Upgrades
- Mains and lift stations as identified in the Integrated Master Plan (IMP)

Water Facilities

- Reservoirs, pump stations, wells and pipelines
- Recycled water facilities
- Improvements identified in the IMP

Traffic Facilities

- 36 intersections
- Highland Springs Avenue/I-10 Interchange

DIF COST VS REVENUE

Fee Category	Net Project Costs	Projected DIF Revenue	Additional Funding Required
Police Facilities	\$11,324,544	\$15,903,000	
Fire Protection Facilities	\$10,972,000	\$10,972,000	
Parkland and Parks	\$15,180,030	\$15,180,030	
General City Facilities	\$12,022,191	\$5,151,000	\$6,871,191
Wastewater Facilities	\$82,944,919	\$73,712,000	\$9,232,919
Water Facilities	\$210,351,986	\$165,829,200	\$44,522,786
Traffic Facilities	\$108,399,245	\$108,399,245	
TOTAL	\$451,194,915	\$395,146,475	\$56,048,440

MAXIMUM JUSTIFIED IMPACT FEES

Land Use	General	Police	Fire	Parks	Traffic	Water	Wastewater	TOTAL
Residential								
Single	\$521	\$1,200	\$746	\$3,840	\$3,410	\$9,744	\$5,061	\$24,522 (\$9,633)
Multi-Family								
	\$426	\$982	\$610	\$3,125	\$2,644	\$9,744	\$5,061	\$22,592 (\$7,378)
Non-Residential								
Commercial	\$493	\$351	\$486	-	\$8,319	*	*	\$9,649 (\$8,140)
Office	\$643	\$458	\$633	-	\$3,518	*	*	\$5,252 (\$3,667)
Industrial	\$239	\$170	\$236	-	\$1,791	*	*	\$2,436 (\$1,477)

- Water fee based on meter size. W/Water fee based on use.
- **(\$XXX)** is proposed increase in fee
- Non-Residential fees are per 1,000 square feet

INCREASE TO A SINGLE FAMILY DWELLING UNIT

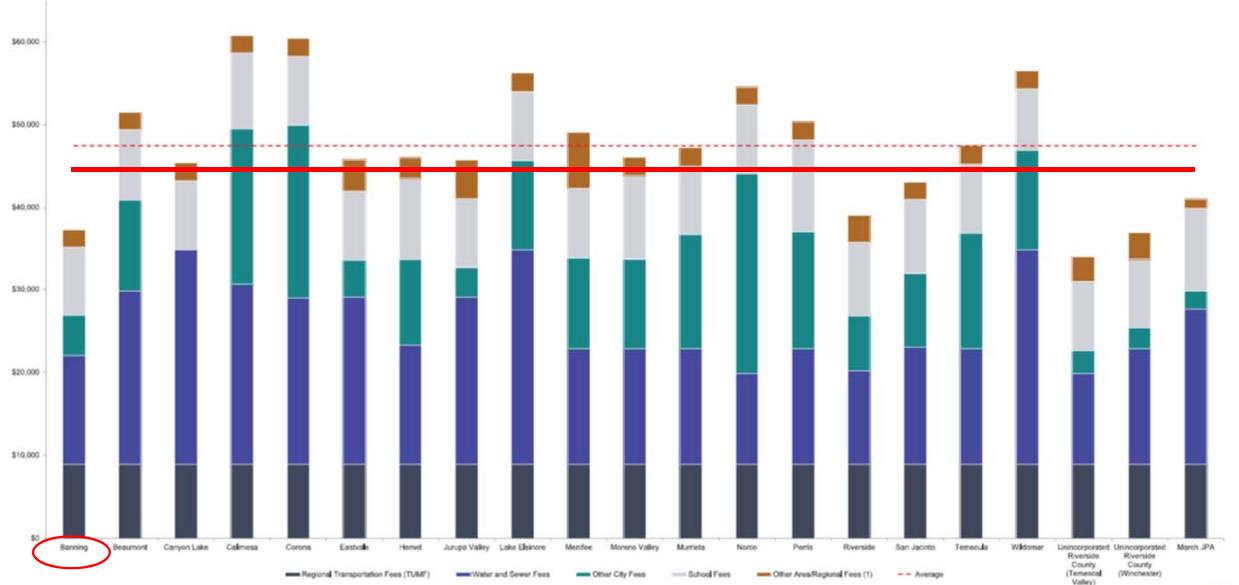
Fee Category	Residential (Existing DIF)	Residential (Proposed DIF)	Change
Police Facilities	\$823	\$1,200	\$377
Fire Protection Facilities	\$1,335	\$746	-\$589
Parkland and Parks	\$1,955	\$3,840	\$1,885
General City Facilities	\$478	\$521	\$43
Wastewater Facilities	\$2,786	\$5,061	\$2,275
Water Facilities	\$7,232	\$9,744	\$2,512
Traffic Facilities	\$250	\$3,410	\$3,160
Total	\$14,859	\$24,522	\$9,663

CITY OF BANNING DIFS COMPARED

Fee	Single Family (per Unit)	Multifamily (per Unit)	Industrial (per Sq.Ft.)	Retail (per Sq.Ft.)	Office (per Sq.Ft.)
Regional Transportation Fees (TUMF)	\$8,873	\$6,134	\$1.45	\$7.50	\$2.19
Water and Sewer Fees	\$17,070	\$9,636	\$1.04	\$9.84	\$7.34
Other City Fees	\$10,055	\$7,231	\$1.65	\$4.75	\$3.39
School Fees	\$8,785	\$5,191	\$0.59	\$0.59	\$0.59
Other Area/Regional Fees	<u>\$2,686</u>	<u>\$1,512</u>	<u>\$0.45</u>	<u>\$0.95</u>	<u>\$0.54</u>
Total Fees	\$47,470	\$29,706	\$5.19	\$23.63	\$14.06

**TOTAL ESTIMATED PERMIT FEES IN
BANNING WITH UPDATED DIF FOR SFD =
\$44,132**

CITY OF BANNING DIFS COMPARED



RECOMMENDATIONS

- Adopt Resolution 2019-112
 - Approving the Development Impact Fee Update Study Dated August 7, 2019
 - Approving the Update of [the] Traffic Fee Component of the Development Impact Fee Program Dated May 2019
 - Adopting New and Amended Development Impact Fees
 - Making a Finding of Exemption under CEQA
 - Repealing Provisions of Resolution No. 2006-75 and Ordinance Nos. 1320 and 1321 Establishing or Modifying Certain Development Impact Fees
- Waive further reading, and introduce as read by title only, Ordinance 1551, An Ordinance of the City of Banning California, Updating the City's Development Impact Fee Program, Amending the Banning Municipal Code, and Making Findings Pursuant to CEQA

THANK YOU!



In accordance with City Council Resolution No. 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

09/24/2019
SPECIAL MEETING- CLOSED SESSION

COUNCIL/BOARD MEMBERS PRESENT: Councilmember Happe
Councilmember Wallace
Mayor Pro Tem Andrade
Mayor Welch

ABSENT: Councilmember Peterson

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Welch on September 24, 2019 at 3:00 p.m. at the Banning Civic Council Chambers, 99 E. Ramsey Street, Banning, California.

II. CLOSED SESSION

Mayor Welch opened the closed session items for public comments.

There were no public comments.

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One potential case. **No reportable action.**

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1). Title: City Manager
No reportable action.

The meeting convened to closed session at 3:00 p.m. and adjourned to open session at 4:00 p.m.

III. ADJOURNMENT

By consensus, the meeting adjourned at 4:00 p.m.

Minutes Prepared by:

Laurie Sampson, Acting Deputy City Clerk

The entire discussion of this meeting and related documents can be found by visiting the following website:

<https://banninglive.viebit.com/player.php?hash=TXiwQW0vPRs4> or by requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.

In accordance with City Council Resolution No. 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

09/24/2019
SPECIAL MEETING- WORKSHOP

COUNCIL/BOARD MEMBERS PRESENT: Councilmember Happe
Councilmember Wallace
Mayor Pro Tem Andrade
Mayor Welch

COUNCIL MEMBERS ABSENT: Councilmember Peterson

OTHERS PRESENT: Douglas Schulze, City Manager
Serita Young, Assistant City Attorney
Marie Calderon, City Clerk
Adam Rush, Community Development Director
Tom Miller, Electric Utility Director
Matthew Hamner, Chief of Police
Ralph Wright, Parks & Recreation Director
Laurie Sampson, Executive Assistant
Ma'Ayn Johnson, SCAG
John Douglas, Consultant

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Welch on September 24, 2019 at 4:07 p.m. at the Banning Civic Council Chambers, 99 E. Ramsey Street, Banning, California.

II. WORKSHOP

Affordable Housing Presentation by SCAG.

III. PUBLIC COMMENTS – Opportunity for the public to address items on the agenda.

Paul Perkins, Banning resident, asked if an existing apartment building can be converted to qualify for affordable housing. Mr. Douglas responded, this is possible but it is very difficult to accomplish.

IV. ADJOURNMENT

By consensus, the meeting adjourned at 5:03 p.m.

Minutes Prepared by:

Laurie Sampson, Acting Deputy City Clerk

The entire discussion of this meeting and related documents can be found by visiting the following website:

<https://banninglive.viebit.com/player.php?hash=1vjnzGz2vdTj>

or by requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.

ATTACHMENT 1

Community Development PowerPoint



CITY OF BANNING CITY COUNCIL WORKSHOP

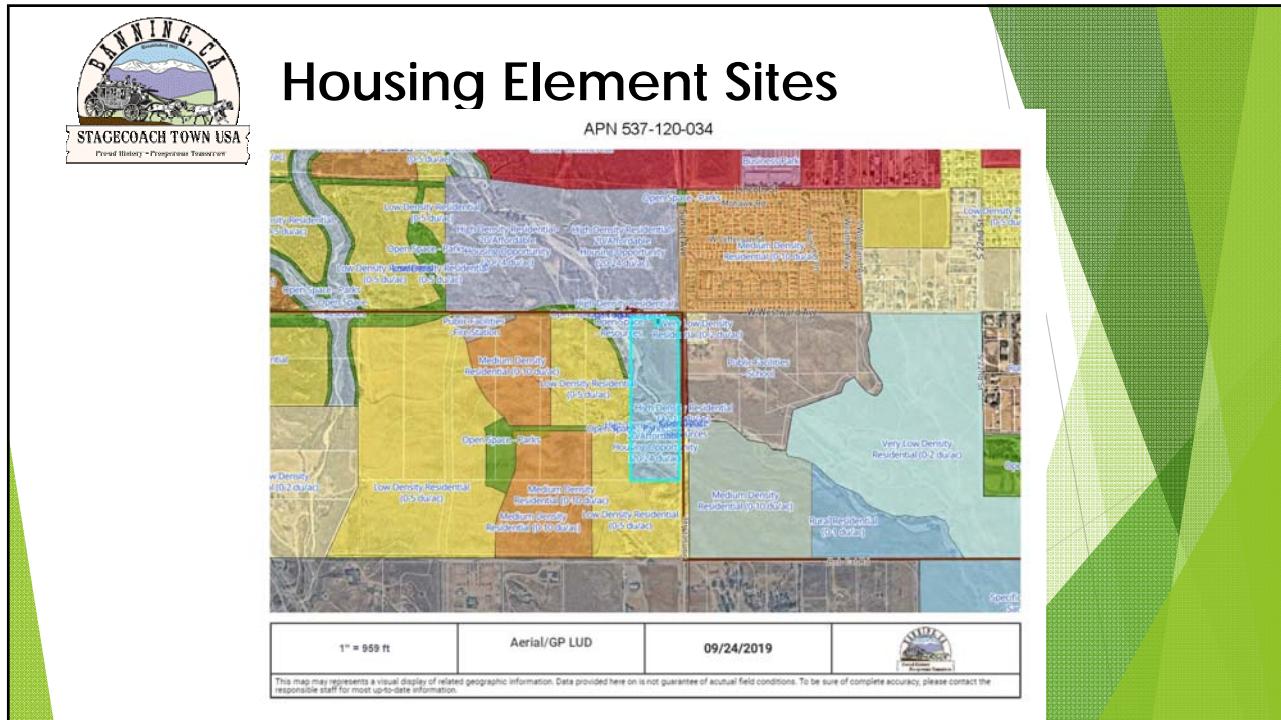
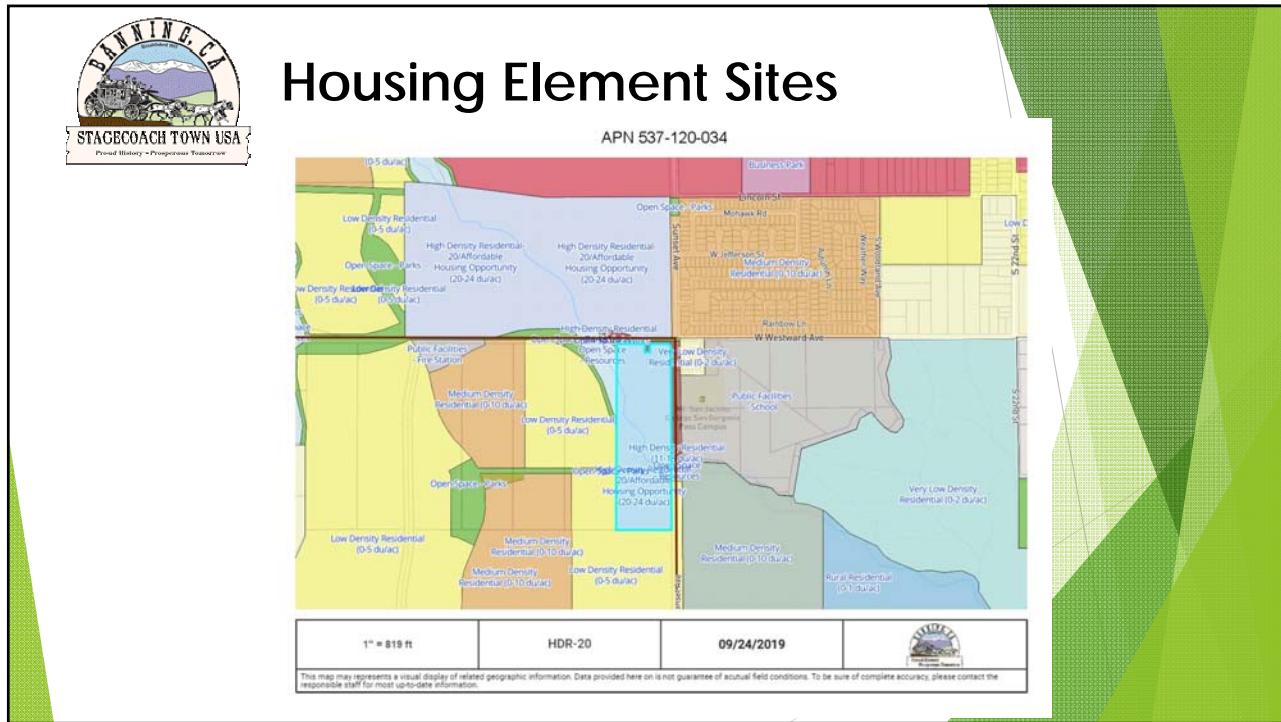
*Affordable Housing;
Housing Element: & RHNA*

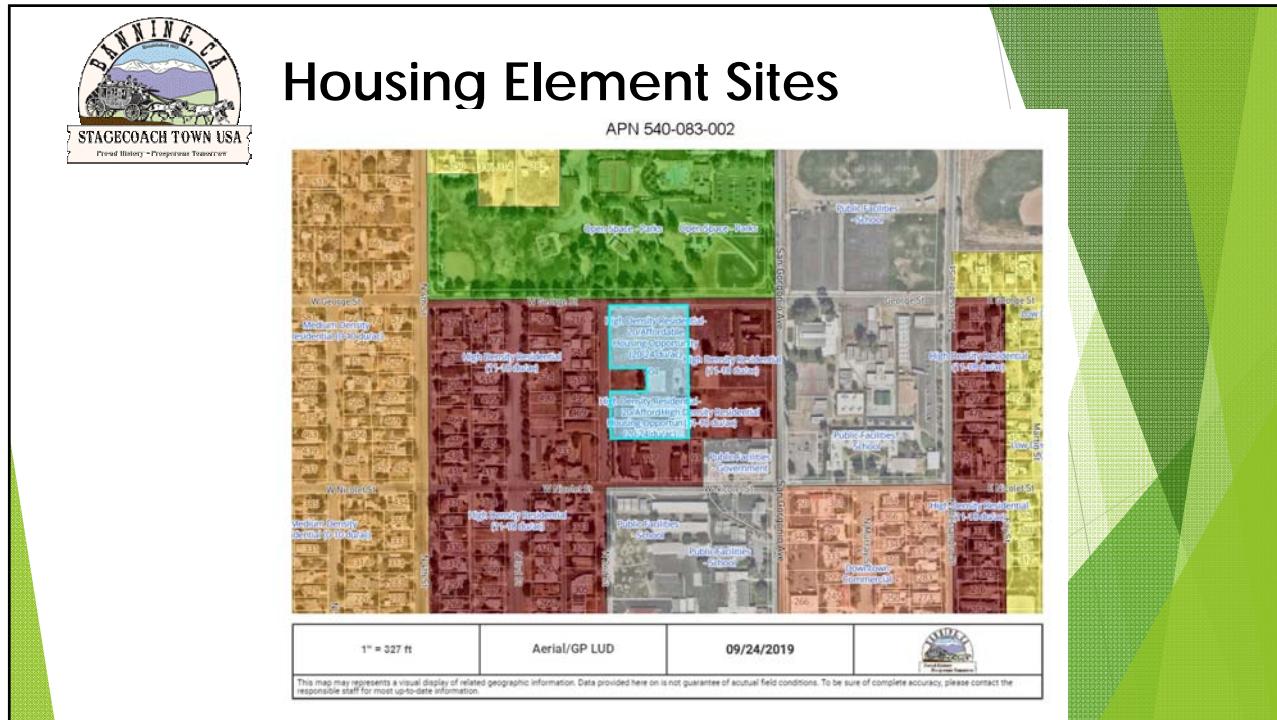
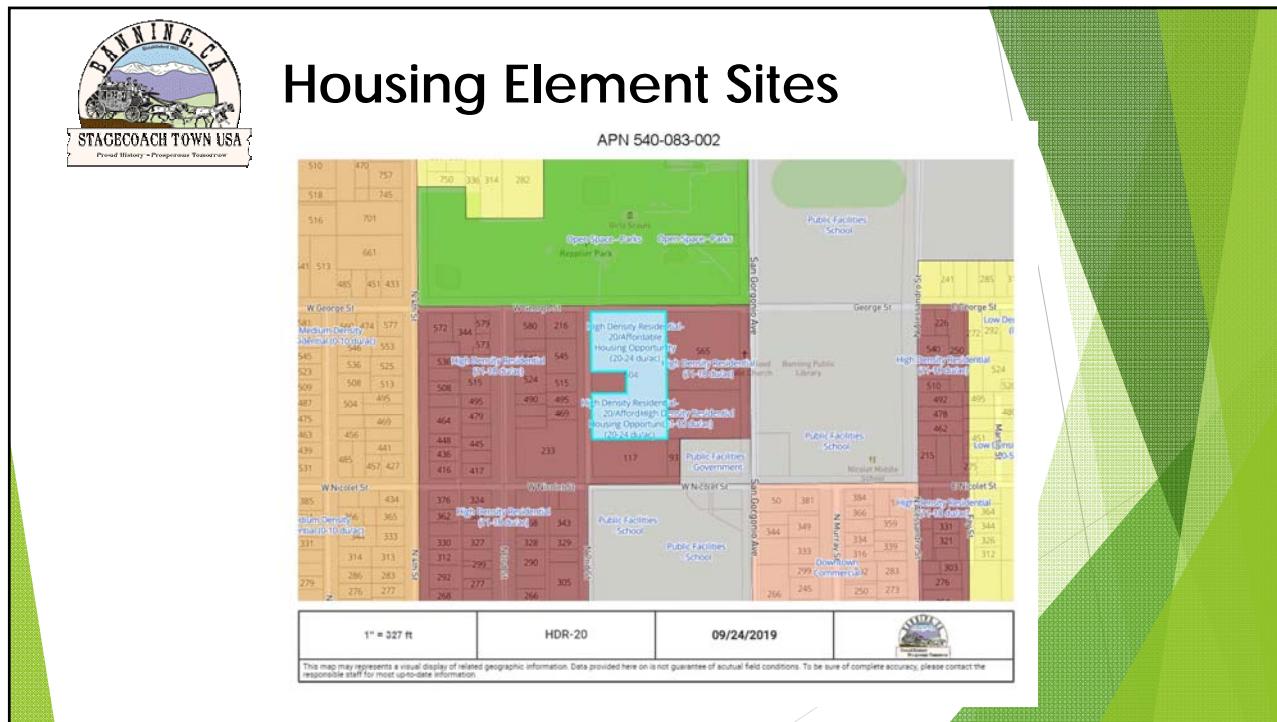
Speaker Introductions & Workshop Outline

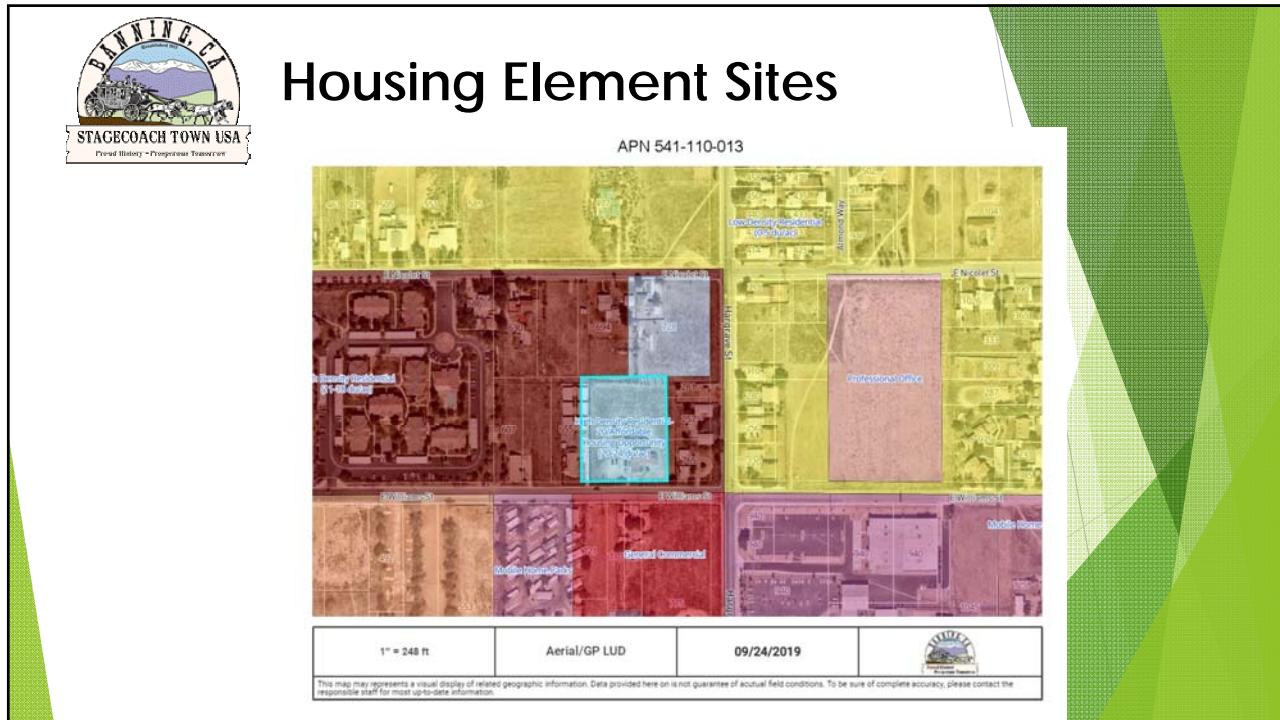
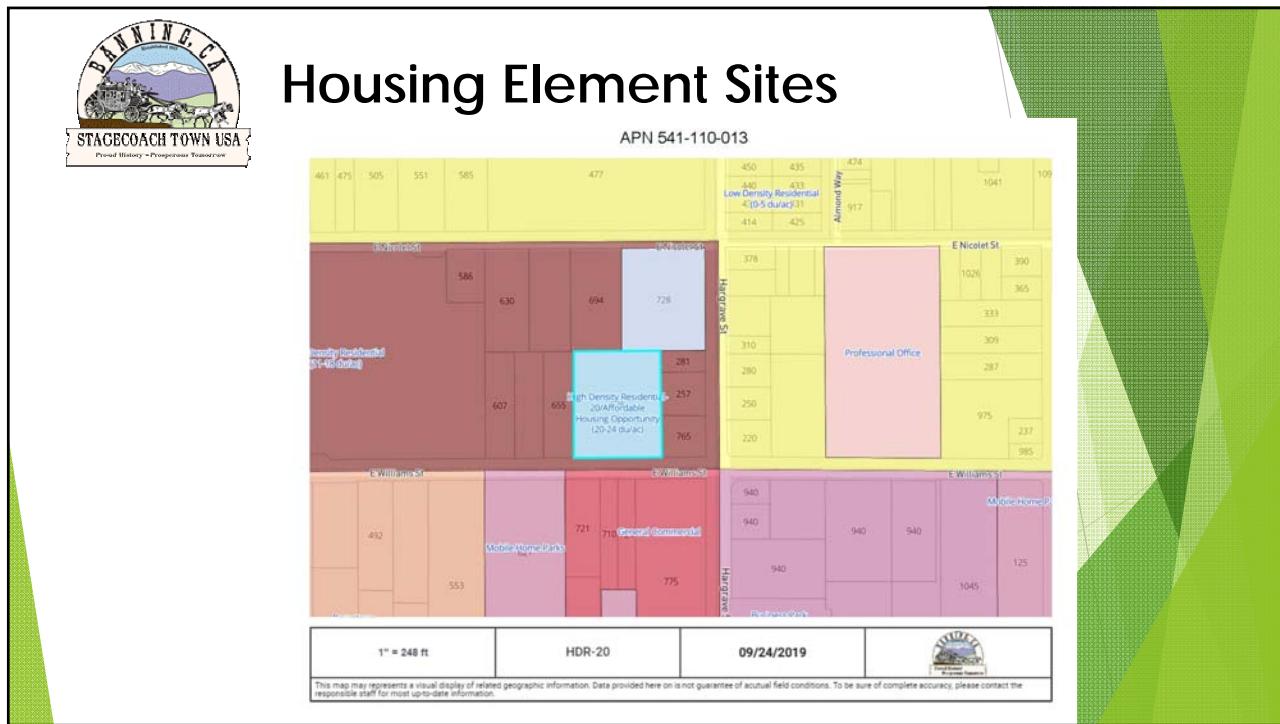


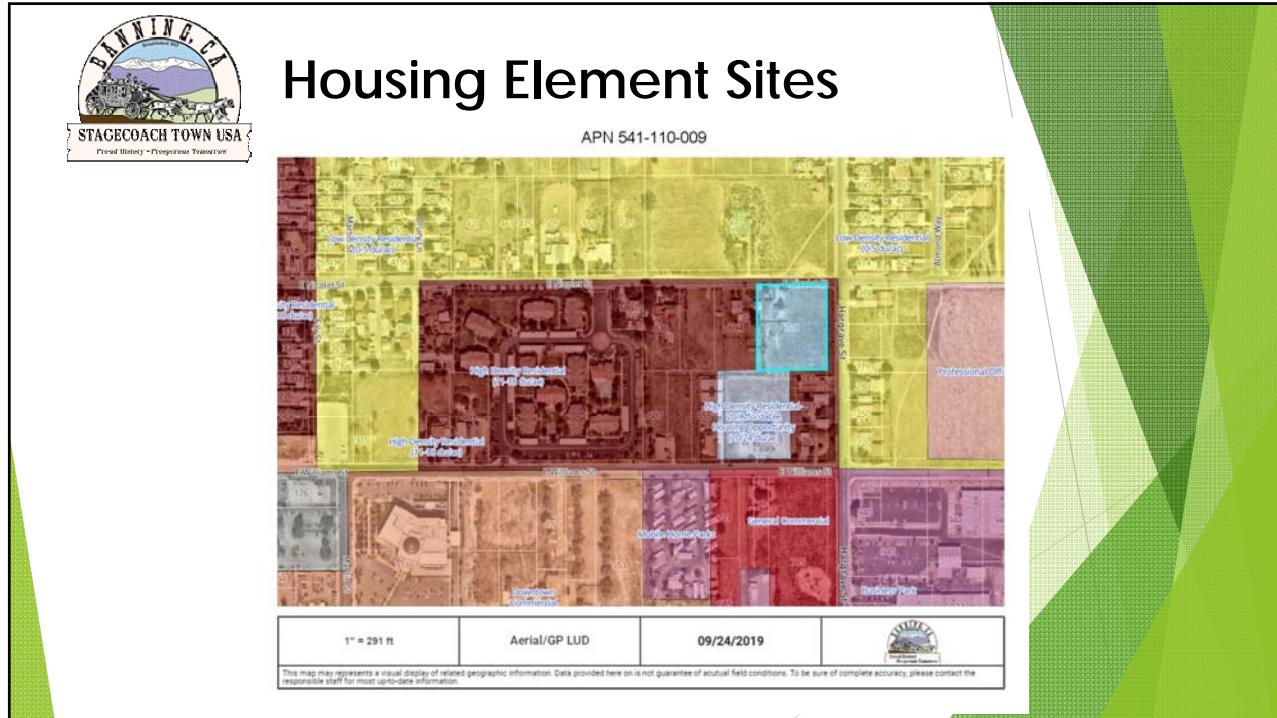
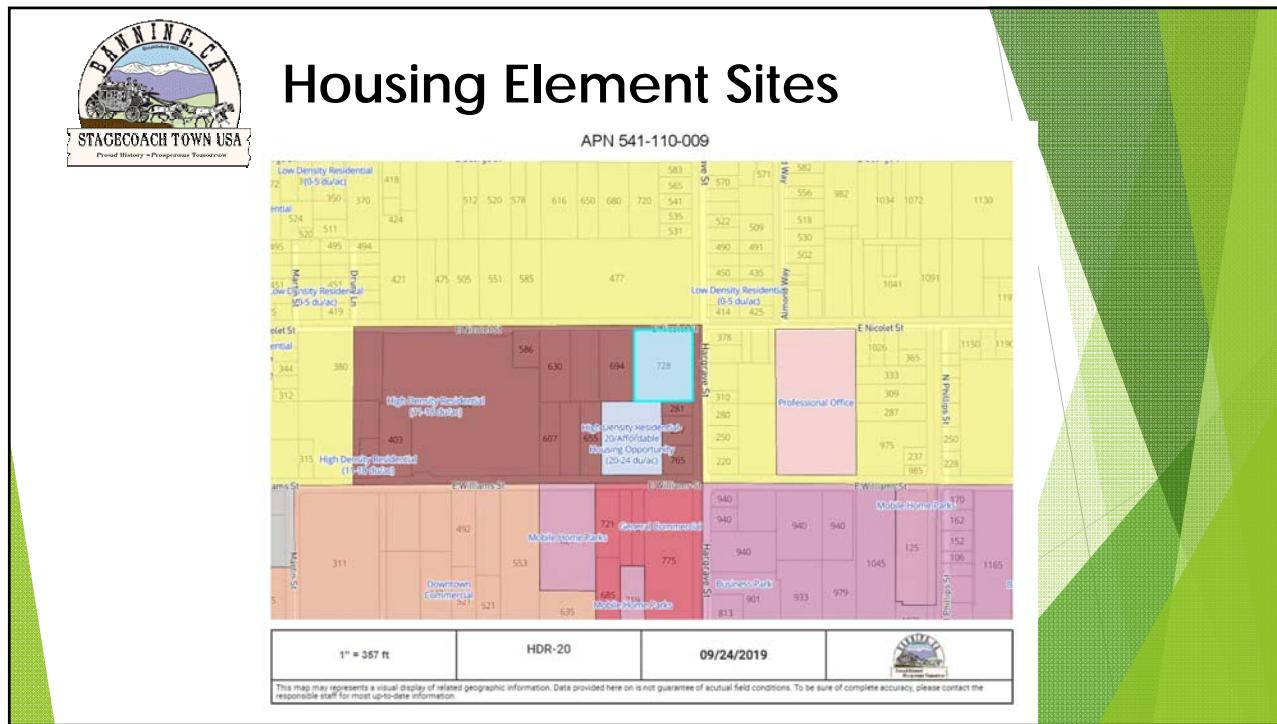
Workshop Outline:

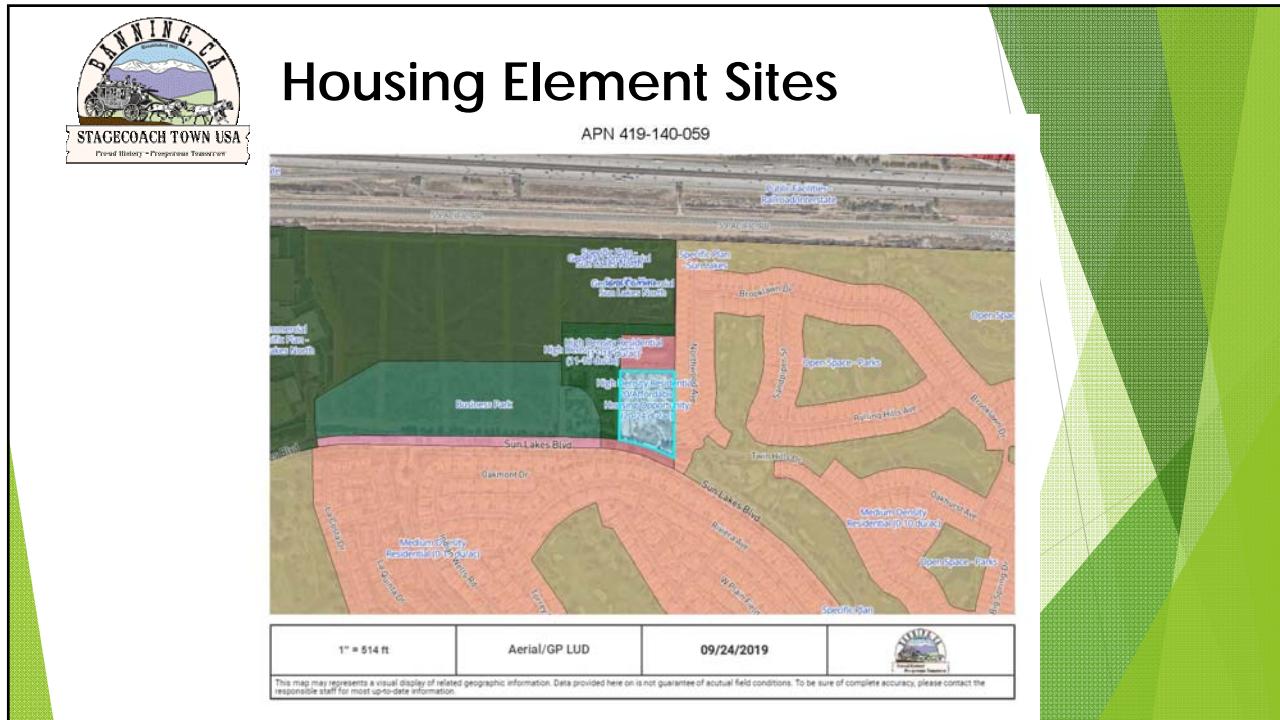
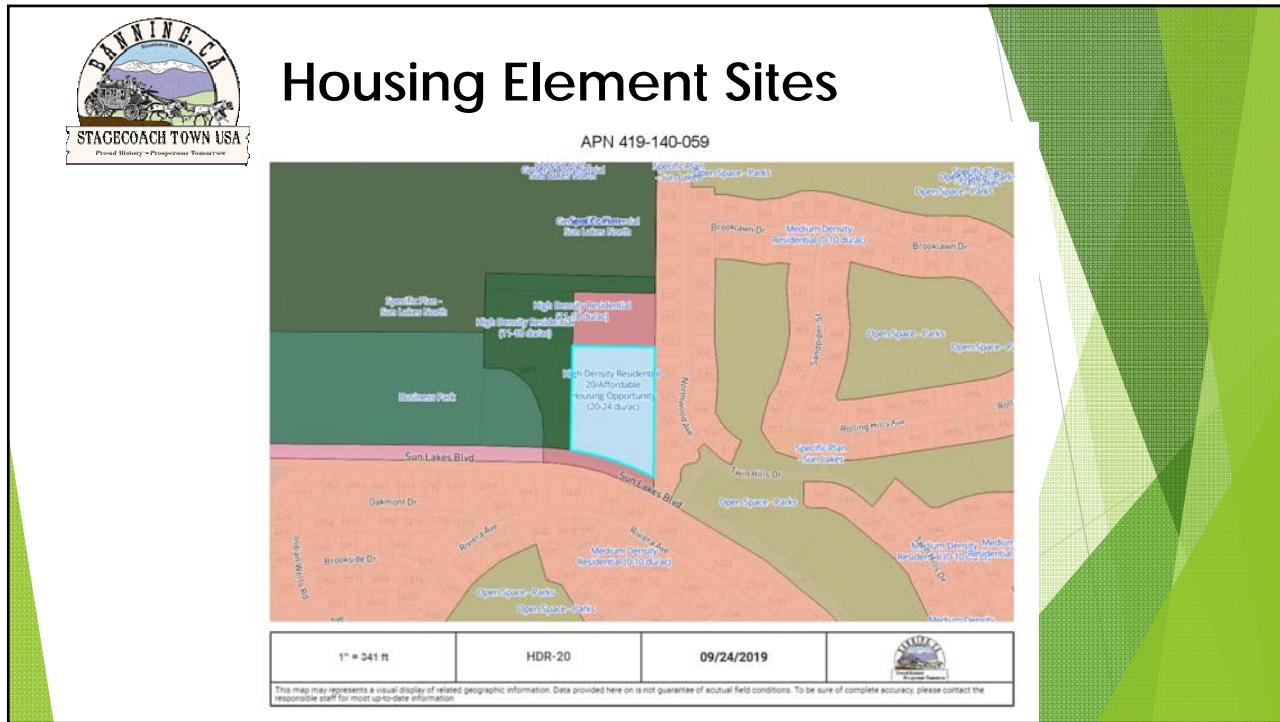
- What is the Regional Housing Needs Assessment or RHNA
- The RHNA process
- Housing Elements in General Plan
- Housing Element Law & Statutes
- Why Housing Elements are important?
- RHNA & Housing Element Timeframes
- What is Big "A" Affordable Housing?
- The City's responsibilities with RHNA and Affordable Housing
- Density Minimums and Limits
- Potential Consequences of Inaction
- The "Housing Crisis"

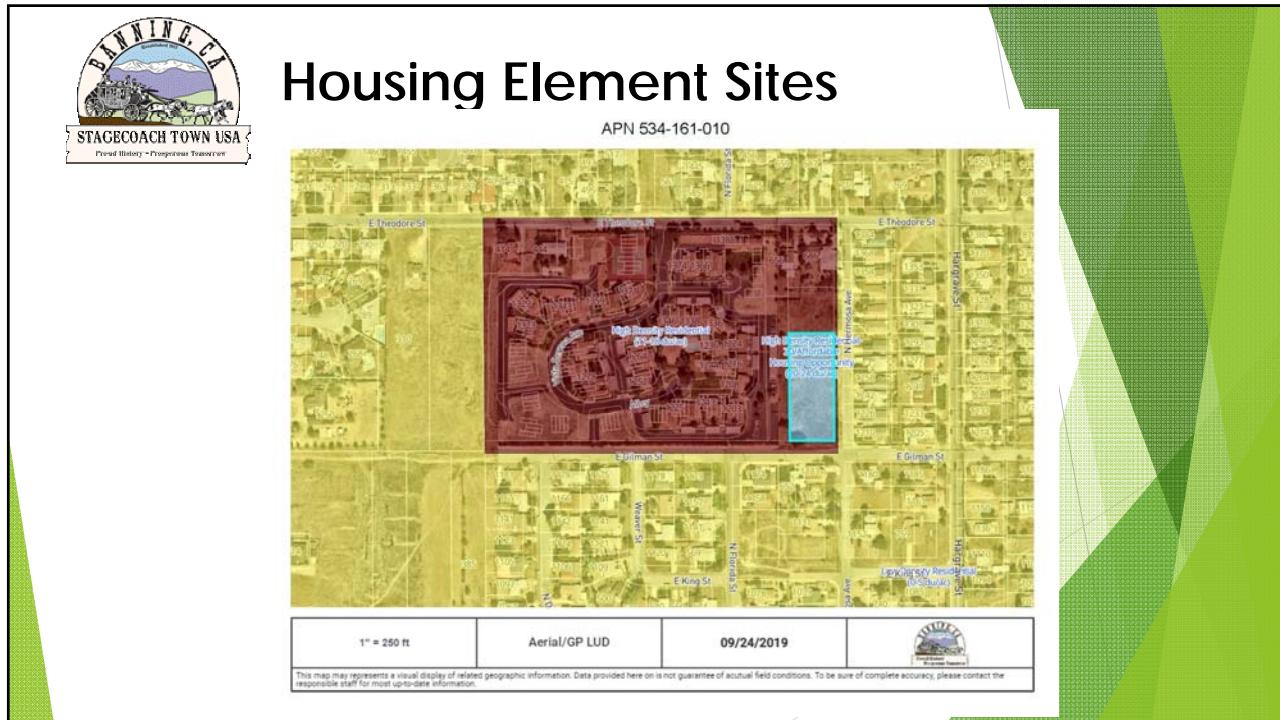
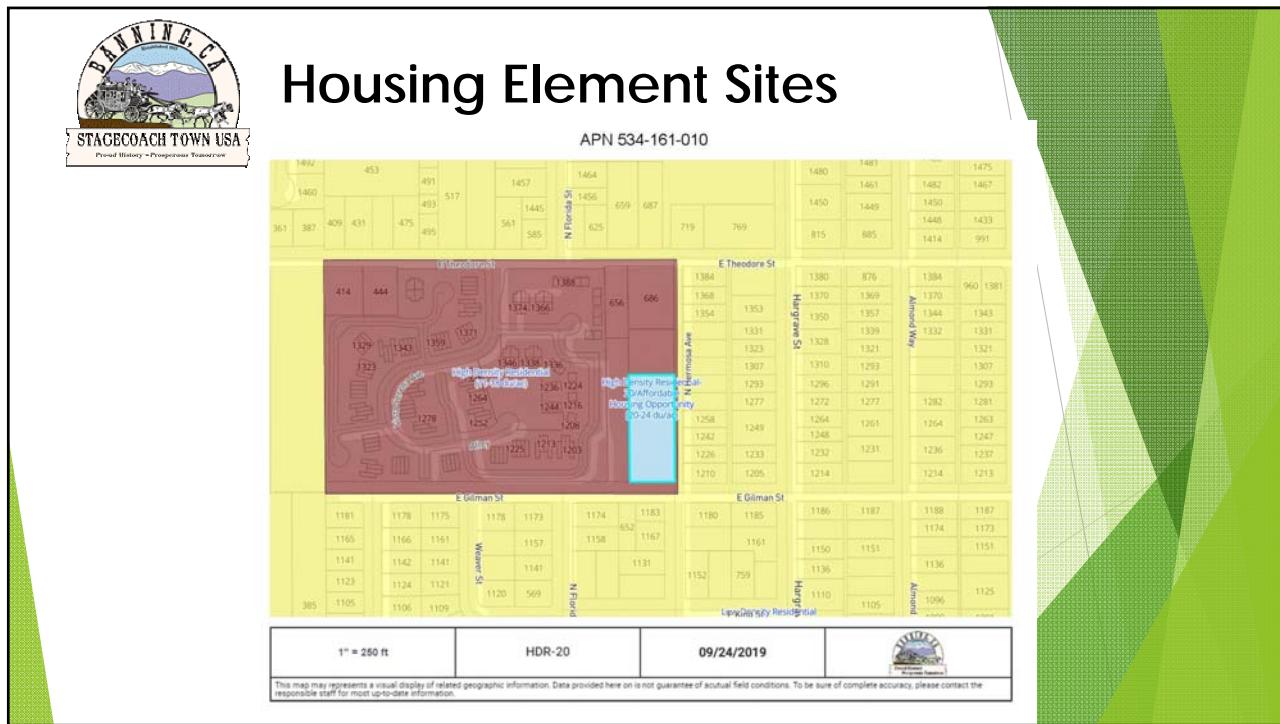




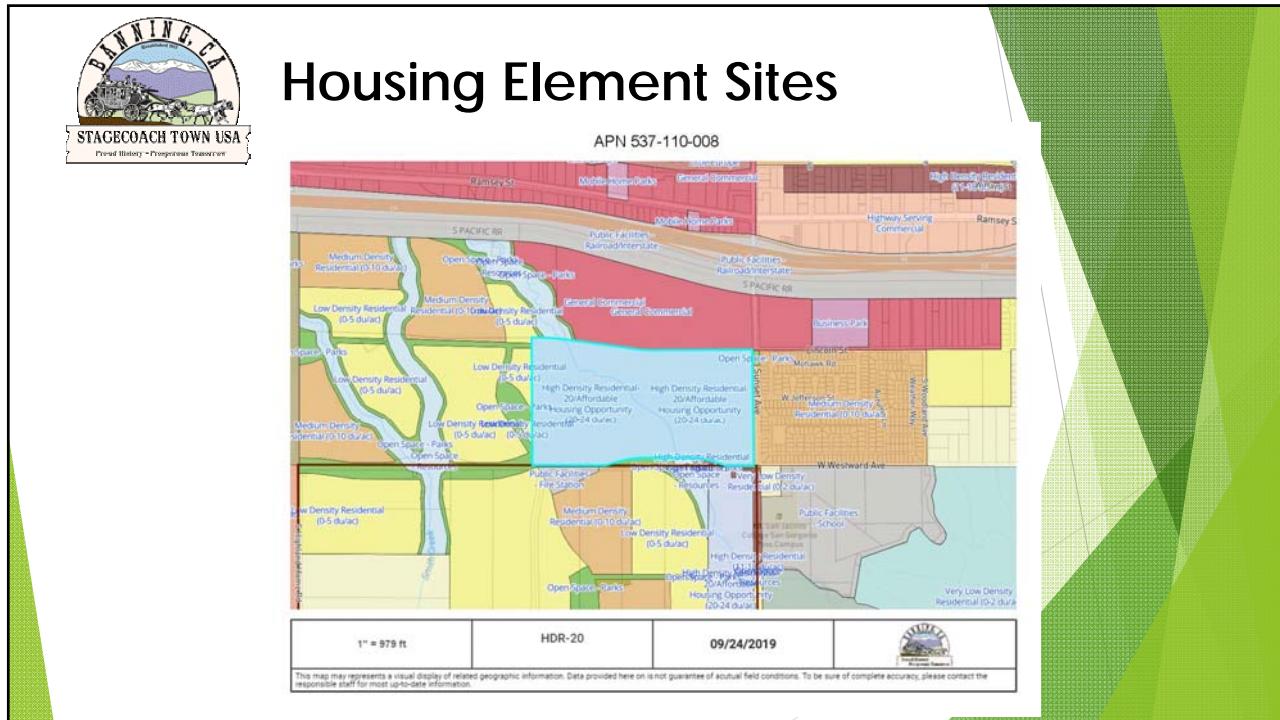
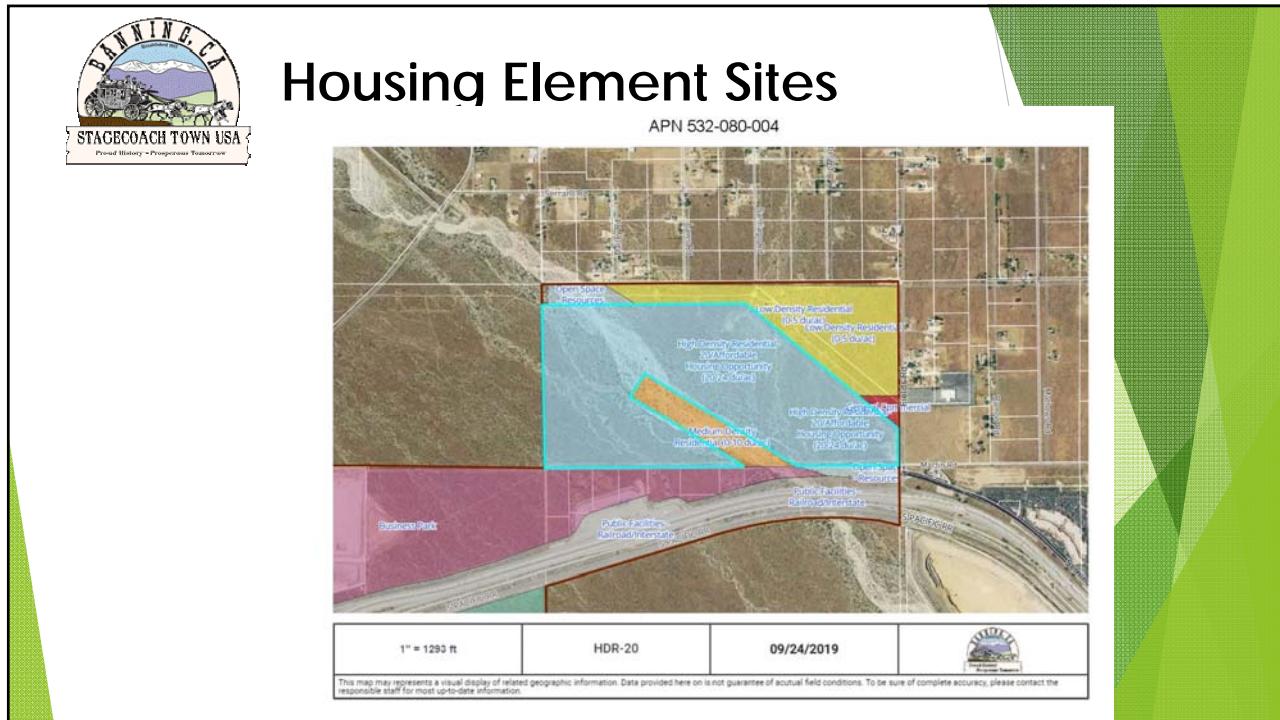


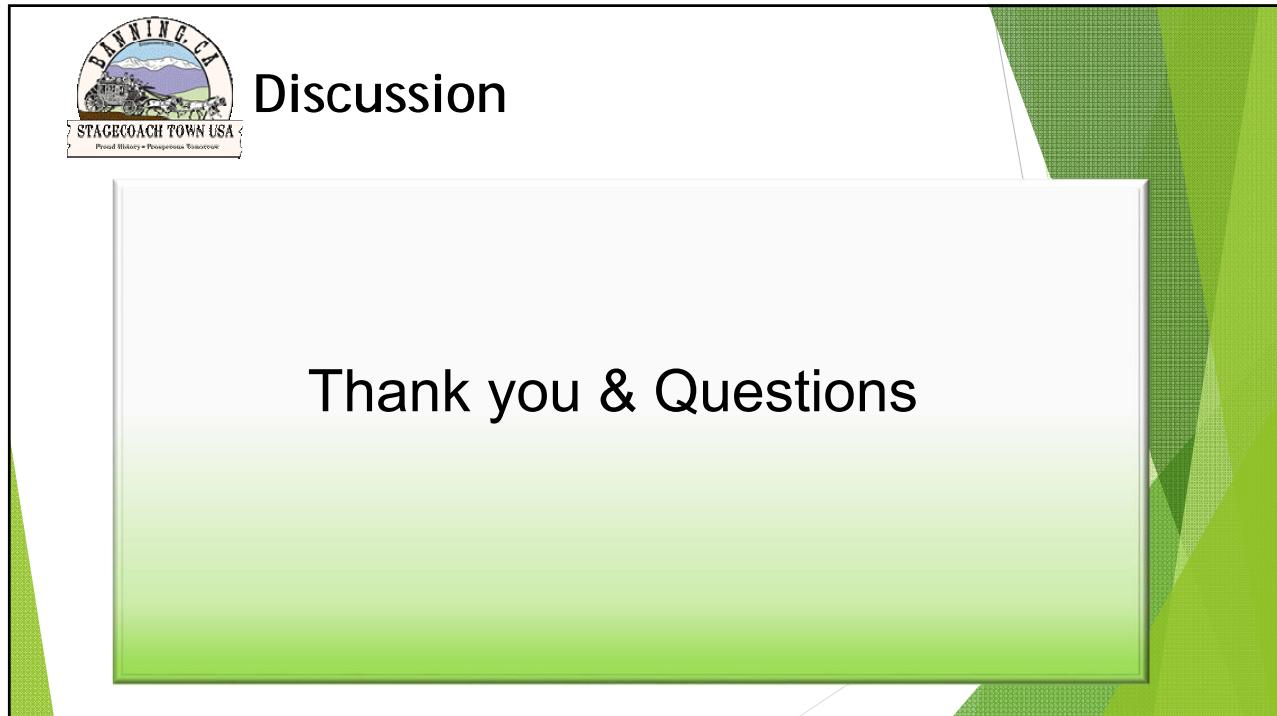
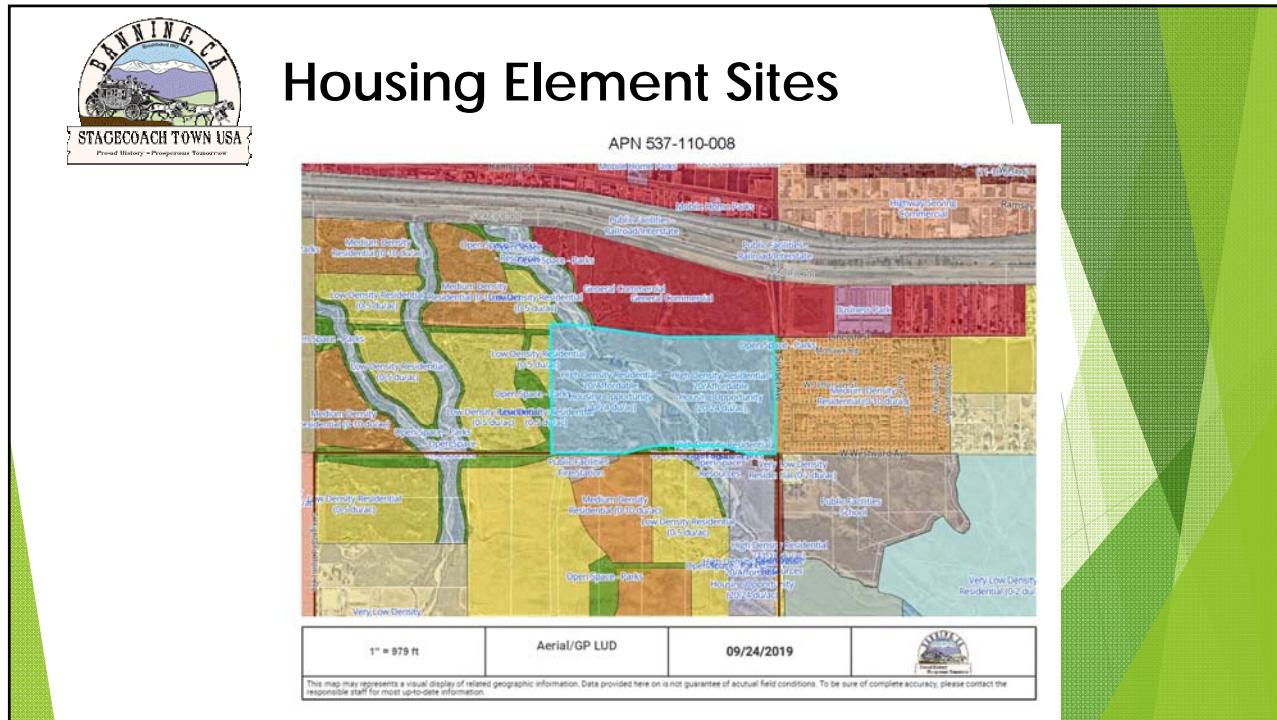












ATTACHMENT 2

SCAG PowerPoint

Determining Affordable Housing Need

Ma'Ayn Johnson

Housing & Land Use Planner

Southern California Association of Governments

September 24, 2019



The SCAG Region



Nation's
Largest
MPO

191
Cities
6
Counties

18.9
Million
People

16th
Largest
Economy
in the
World



Different Causes of the Housing Crisis

- Unpredictable discretionary permitting process
 - California Environmental Quality Act (CEQA)
- Lack of funding for developers, builders, and cities
- Construction costs
- High cost of land

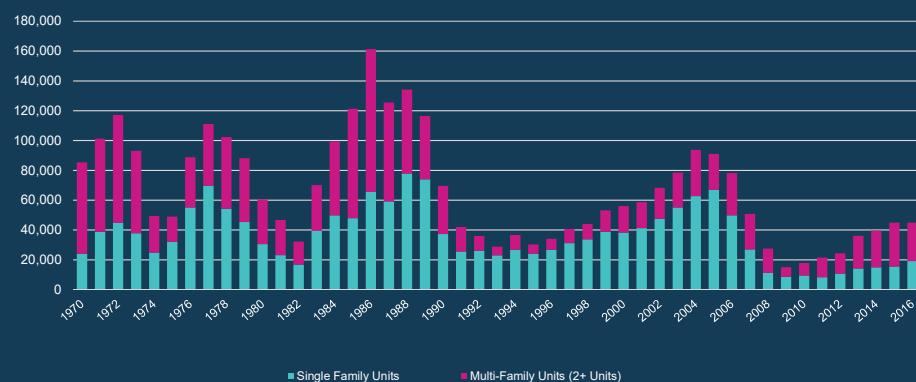
....the problem is still the same, we're not building enough housing

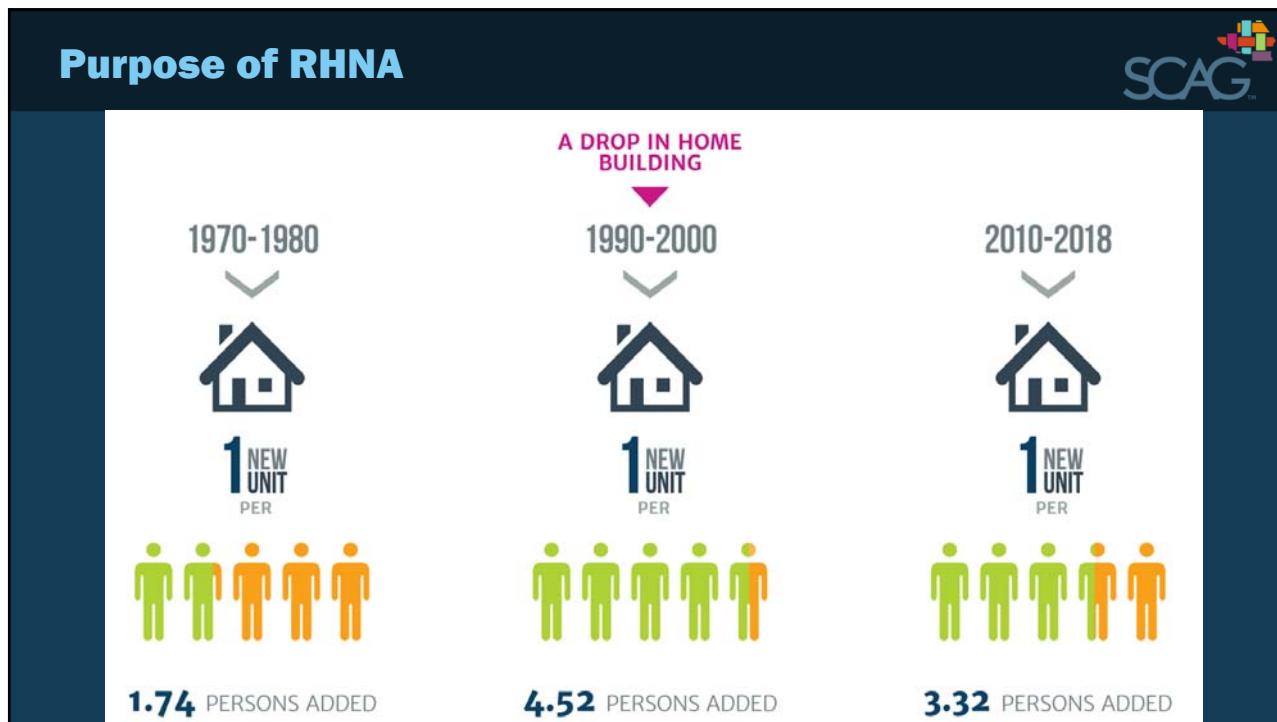


The Housing Crisis is Caused by a Lack of Housing Supply



Building Permits, SCAG Region 1970-2016





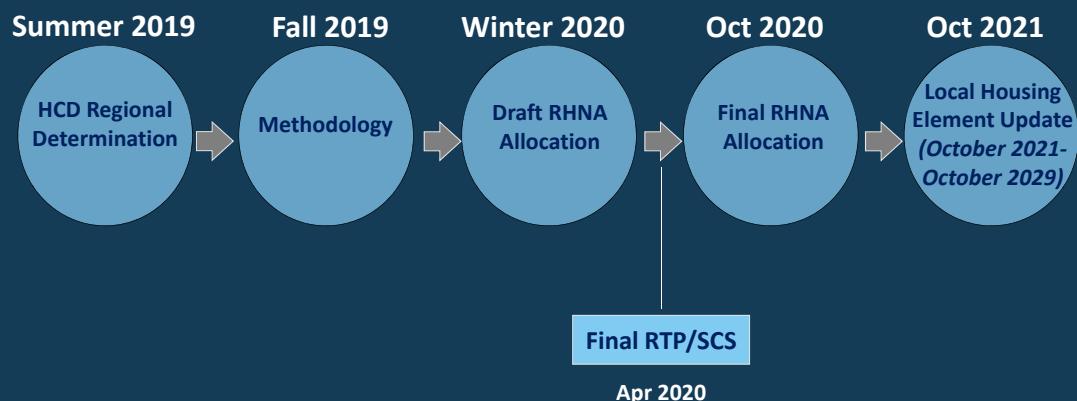
Regional Housing Needs Assessment



- State housing law requirement to determine regional housing needs
- 8 year planning period
- 5th cycle: 2013-2021
- 6th cycle: 2021-2029
- Final allocation adoption October 2020



The RHNA Process

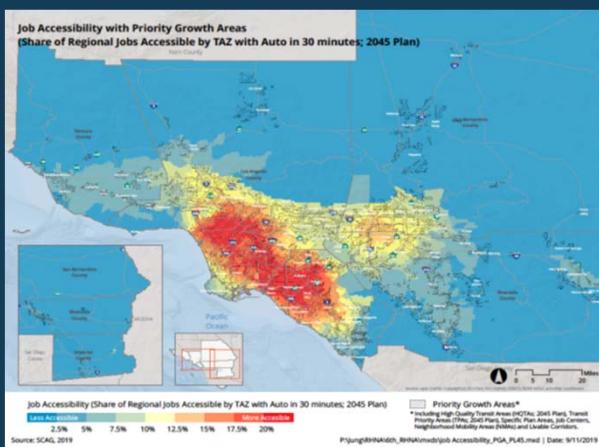


Regional Determination Process



- HCD provides a regional determination in consultation with SCAG and the Department of Finance (DOF)
- 4th Cycle regional determination (2006-2014)
 - 699,368
- 5th Cycle regional determination (2013-2021)
 - 412,137
- 6th Cycle regional determination (2021-2029)
 - 1,344,740

Recommended Draft RHNA Methodology



Based on:

- Share of household growth
- Job accessibility
- Transit accessibility
- Social equity adjustment
 - Household income distribution
 - Other indicators of resources (environment, education, economy)

Collective Problem, Collective Solutions

Private Sector

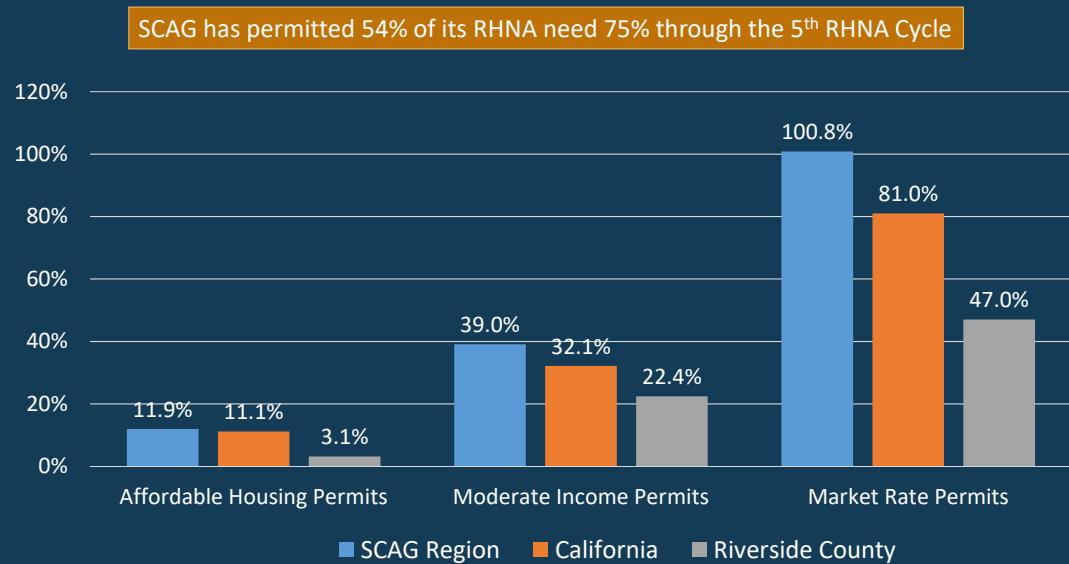


Public Sector

Non-profit Sector



Percentage of Residential Building Permits Issued 2013-2018



Thank you!

To learn more about what we do,
please visit:

www.scag.ca.gov



In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

The following information comprises the minutes for the regular meeting of the City Council, and a joint meeting of the City Council and the Banning Utility Authority.

MINUTES
CITY COUNCIL

09/24/2019
REGULAR MEETING

COUNCIL MEMBERS PRESENT: Councilmember Happe
Councilmember Wallace
Mayor Pro Tem Andrade
Mayor Welch

COUNCIL MEMBERS ABSENT: Council Member Peterson

OTHERS PRESENT Douglas Schulze, City Manager
Serita Young, Assistant City Attorney
Marie Calderon, City Clerk
Chief Matthew Hamner
Captain Phil Holder
Tom Miller, Electric Utility Director
Art Vela, Public Works Director/City Engineer
Jennifer Christensen, Administrative Services Director
Suzanne Cook, Deputy Finance Director
Adam Rush, Community Development Director
Ralph Wright, Parks & Recreation Director
Scott Foster, Recreation Manager
Laurie Sampson, Executive Assistant
Leila Lopez, Office Specialist

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Welch on September 24, 2019, at 5:13 p.m. at the Banning Civic Center Council Chamber, 99 E. Ramsey Street, Banning, California.

Police Chaplain Merle Malland offered the invocation.

Councilmember David Happe led the audience in the Pledge of Allegiance.

II. APPROVAL OF AGENDA

Mayor Welch requested Reports of Officers Items 4 and 5 be moved to the beginning of the agenda.

A motion was made by Councilmember Happe, seconded by Councilmember Wallace, to approve the agenda. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

III. PRESENTATIONS

Resolution 2019-118, Thanking the Playhouse Bowl Committee
(*Staff Report – Douglas Schulze City Manager*)

A motion was made by Councilmember Happe, seconded by Mayor Pro Tem Andrade, to recognize the dedication and hard work of the Playhouse Bowl Association. Electronic Vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

Resolution 2019-119, Thanking Stagecoach Days Association
(*Staff Report – Douglas Schulze, City Manager*)

A motion was made by Councilmember Happe, seconded by Councilmember Wallace, to recognize the dedication and hard work of the Stagecoach Days Association. Electronic Vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

1. State of California Code Enforcement Appreciation Week
(*Presented by Police Chief Matthew Hamner*)
2. Western Riverside Council of Governments
Rick Bishop, WRCOG Executive Director, Presentation Exhibit A
3. Southern California Edison, West of Devers System Project Update
Debrah Bishop, D. Edwards, Inc., Presentation Exhibit B

IV. REPORT ON CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One potential case.

No reportable action.

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1). Title: City Manager
No reportable action.

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

Mayor Welch opened Public Comment for items not on the Agenda.

PUBLIC COMMENTS

Paul Perkins, Banning resident, would like to see a schedule for the implementation of the Smart meters for Electric and Water. Does the City have the software to read the meters? What will happen to the Meter Readers? How will this affect the budget? It has been mentioned that the City is continuing banking relations with Wells Fargo with a \$75,000 per year savings. Why have we not received these savings in the past?

Ron Roy, resident of Beaumont, questioned why the City of Banning has not had public meetings to address the I-10 Bypass project. Mayor Art Welch responded, the City has hosted three community meetings in the past and another one is planned in the next 30-45 days.

Inge Schuler, Banning resident, is happy to see the Mills Act added as a future item on the agenda. She also, wondered if any of the suggestions provided by the January Police Department Audit had been implemented and would like an update from the Downtown ad hoc Committee. She is concerned by the City's financial situation.

Juanita Diaz, Banning resident, is happy to see the positive improvements in the City. She sees too much division in the City. She announced her candidacy for City Council representing District 2.

Mr. Del Rio, Banning resident, would like to acknowledge the work being done around the City. The paving project, striping and bike lanes. The City needs to do something about the homeless population.

Mason Patterson, Banning resident, appreciates the City of Banning supporting the Playhouse Bowl and the Stagecoach Days. He also appreciates Mr. Schulze's and Chief Hamner's involvement in the community.

Bill Hobbs, Banning resident, has been spending more time in the community and has noticed the downtown area has really been cleaned up. He has enjoyed Market Night, our diverse community and Mr. Schulze's outreach and good use of social media.

John Hagen, Banning resident, attended the Homelessness Summit and is concerned with what appears to be a plan to build a regional homeless shelter.

CORRESPONDENCE

None

APPOINTMENTS

None

VI. CONSENT ITEMS

Mayor Welch asked if the Council wished to pull any items for discussion. Seeing none, Mayor Welch called for a motion to approve all consent items.

Public Comment

Inge Schuler, Banning resident, the August 27, 2019 meeting minutes were already approved at the September 9, 2019 meeting. Mr. Schulze responded a speaker pointed out there were significant inaccuracies in what was spoken and what was in the record. The minutes were amended to reflect the actual statement.

A motion was made by Councilmember Wallace, seconded by Councilmember Happe, to approve the consent calendar items 1-10 as presented. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch

NOES: None

ABSTAIN: None

ABSENT: Peterson

1. Approval of Amended Regular Meeting – 8/27/2019 Minutes

Action: Approved

2. Approval and Ratification of Accounts Payable and Payroll Warrants for August 2019

Action: Approved

3. Receive and File Cash, Investments and Reserve Report for August 2019

Action: Receive and File

4. Public Works Capital Improvements Project Update

Action: Receive and File

5. Resolution 2019-17 UA, Approving an Amendment to the Agreement with G&G Environmental Compliance, of Riverside, California for Industrial Waste Program Management, FOG and NPDES Inspections and Environmental Services int eh Amount of \$25,000

Action: Approved by Resolution 2019-17 UA

6. Resolution 2019-120, Approving a Purchase and Sales Agreement of Electrical Distribution Facilities and Easements Located at 4133 W. Wilson street (APN: 535-030-030)

Action: Approved by Resolution 2019-120

7. Police Department Statistics for August 2019

Action: Receive and File

8. Fire Department Statistics for August 2019

Action: Receive and File

9. Ordinance 1551, Development Impact Fees, Second Reading

Action: Approved

10. Resolution 2019-124, Approving the Memorandum of Understanding between the City of Banning and the Banning Police Management Association for 2019-2022

Action: Approved by Resolution 2019-124

VII. PUBLIC HEARING(S)

1. Resolution 2019-121, Acceptance of the 2019 Edward Byrne Memorial Justice Assistance Grant

Matthew Hamner, Chief of Police, presented the staff report and answered Council's questions.

Public Comment - None

A motion was made by Councilmember Happe, seconded by Mayor Pro Tem Andrade, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

Action: Adopted Resolution No. 2019-121

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Wallace reported:

- 2x2 Committee went on a field trip to Gunnar Hope Productions, working to create a partnership with middle schools to encourage children to get involved with robotics
- Community Action Partnership- distributed 14 desktop computers to seniors

Mayor Pro Tem Andrade reported:

- Downtown ad hoc Committee has met with local business owners, the Banning Beautification Coalition. The Committee is seeking grants to fund security. Other projects are murals, an alley pavement project, flowers, shade and benches.
- Ms. Andrade would like to thank Deputy Finance Director Suzanne Cook for stepping up while the City recruited an Administrative Services Director.
- She would also like to welcome new Parks & Recreation Director, Ralph Wright. She is looking forward to working with him on Healthy Cities activities.
- Student of the Month program is starting up again.

Mayor Welch reported:

- Would like to congratulate the Chamber of Commerce on an outstanding event over the weekend. The Banning ComiCon was a real "hoot". If you missed it, you missed a great event.
- Mayor Welch would also like to address the comments made about the homeless. One of the factors that will move homeless out of an area is activity.

If you visit the use the downtown area the homeless will move out of it.

REPORT BY CITY ATTORNEY

None

REPORT BY CITY MANAGER

City Manager Douglas Schulze reported on:

- Welcome to Ralph Wright, Parks & Recreation Director.
- We are starting to see some interest from legislators in helping the city redesignate our Opportunity Zone from Census Tract 442 to Census Tract 438.13.
- Would like to remind everyone the State of the City is Thursday, October 10, 2019 at Sun Lakes, hosted by Banning Chamber of Commerce.

REPORT OF OFFICERS

1. Resolution 2019-18 UA, Establishment of Regular Meeting Dates for the Banning Utility Authority

Administrative Services Director, Jennifer Christensen presented the staff report.

Public Comment – None

A motion was made by Mayor Pro Tem Andrade, seconded by Mayor Welch, to approve the item as presented. Electronic vote was taken as follows:

AYES:	Happe, Wallace, Andrade, & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	Peterson

Action: Adopted Resolution No. 2019-18 UA

2. Resolution 2019-19 UA, Authorizing the Selection of a Purchaser Proposal for the Refunding of the 2005 Wastewater Enterprise Revenue Bonds

Jennifer Christensen, Administrative Services Director, introduced the team that worked on this item, Don Hunt of Norton Rose Fulbright and Doug Anderson of Urban Futures, presented the staff report and answered questions from the City Council on the staff report.

Public Comment – None

A motion was made by Councilmember Happe, seconded by Councilmember Wallace, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

Action: Adopted Resolution No. 2019-19 UA

3. Resolution 2019-117, Proclaiming October 2, 2019, as California Clean Air Day

Douglas Schulze, City Manager presented the staff report.

Public Comment – None

A motion was made by Councilmember Wallace, seconded by Mayor Pro Tem Andrade, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

Action: Adopted Resolution No. 2019-117

4. Resolution 2019-16 UA, Approving an Agreement with Systems Analysis & Integration, Inc. dba Systems Integrated, of Orange, California for SCADA Upgrades to the Water and Wastewater Systems in the Amount of \$739,417; Establishing a Project Contingency of \$50,000

Art Vela, Public Works Director provided the staff report and answered questions from the City Council

Public Comment – None

A motion was made by Mayor Welch, seconded by Councilmember Happe, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

Action: Adopted Resolution No. 2019-16 UA

5. Update on the City of Banning Transit Operations

Art Vela, Public Works Director, presented the staff report and answered Council's questions. *Presentation Exhibit C*

Public Comment

Paul Perkins, Banning resident, inquired if the application would be available for Apple or Android? Art Vela responded that it would be available on both platforms.

City Manager, Doug Schulze thanked Art Vela, Frank Chesonis and Martha Cosentino for taking on this project and doing such a great job.

Action: Approved

6. Resolution 2019-122, Approving a Professional Services Agreement (PSA C00608) with Willdan Engineering for Building and Safety Plan Check and Landscape Design Review Services

Adam Rush, Community Services Director presented the staff report, introduced Patrick Johnson, Interim Building Official, and answered any questions by the City Council.

Public Comment – None

A motion was made by Mayor Welch, seconded by Councilmember Happe, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: Peterson

Action: Adopted Resolution No. 2019-122

IX. DISCUSSION ITEM - None

CITY COUNCIL – Next Meeting, October 8, 2019, 5:00 p.m.

Mayor Pro Tem Daniela Andrade thanked Suzanne Cook for doing a great job as Interim Administrative Services Director and thank you to the staff for all their hard work

Electric Utility Director, Tom Miller reported the Electric Cost of Service ad hoc Committee meeting was held on September 23, 2019 at 7:00pm. The Next meeting has been scheduled for Monday, October 21, 2019 at 2:00 pm.

Mayor Welch announced he had attended last night's meeting and he would encourage all the council members to attend at least one of these meetings. The information is invaluable to understanding about our electric operations.

X. ITEMS FOR FUTURE AGENDAS

1. Website Redesign
2. Wildfire Mitigation Plans
3. 553 E. Ramsey Receivership

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 7:05 p.m.

Minutes Prepared by:

Laurie Sampson, Acting Deputy City Clerk

The entire discussion of this meeting can be found by visiting the following website: <https://banninglive.viebit.com/player.php?hash=cSVAIYNr2bi2> requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.

EXHIBIT A

What is the Western Riverside Council of Governments?

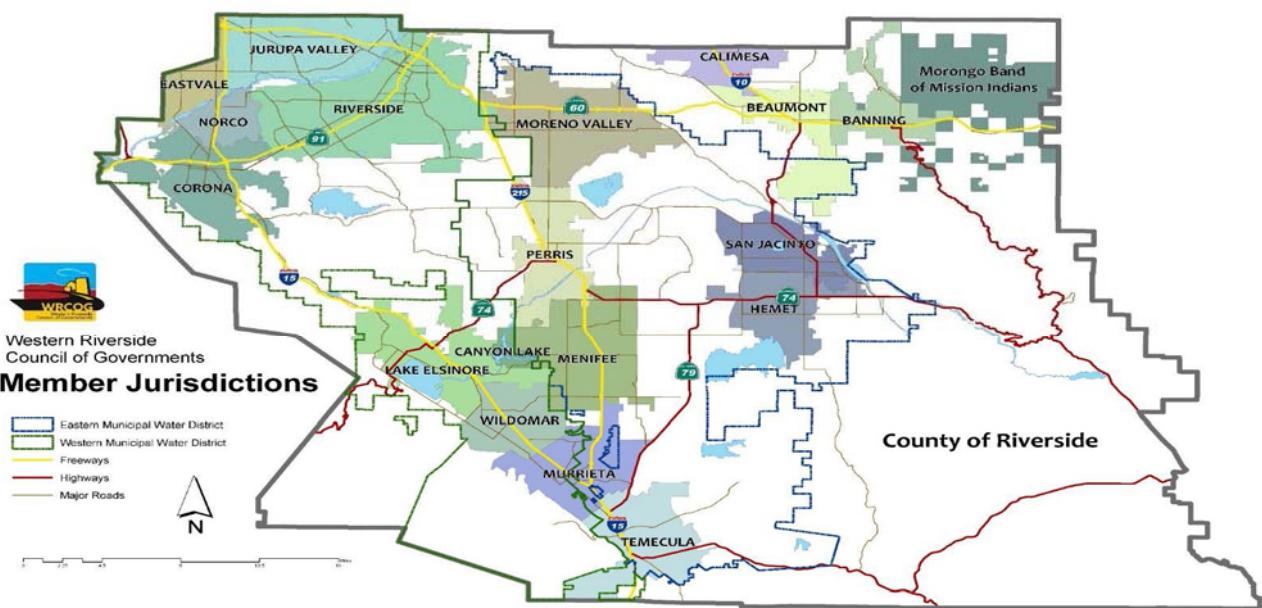
How councils of government fit in the regional picture

Presentation to the City of Banning



1

WRCOG Subregion



Growth will occur everywhere...

	<u>2012 pop.</u>	<u>2040 pop.</u>	<u>% inc.</u>	<u>Num. inc.</u>
Banning	30,111	60,321	+ 100%	+ 30,210
Moreno Valley	197,610	262,402	+ 32%	+ 64,792
Hemet	80,602	114,275	+ 42%	+ 33,673
Lake Elsinore	54,148	111,384	+ 106%	+ 57,236
Perris	70,675	116,736	+ 65%	+ 46,061
Riverside	310,674	387,978	+ 25%	+ 77,304
Temecula	104,143	130,537	+ 35%	+ 33,541



3

Context...

You are
here



**Issues transcend jurisdictional boundaries...
and sometimes benefit from exploration at larger geographic levels**

- Growth
- Traffic
- Air quality
- Water
- Energy
- Housing



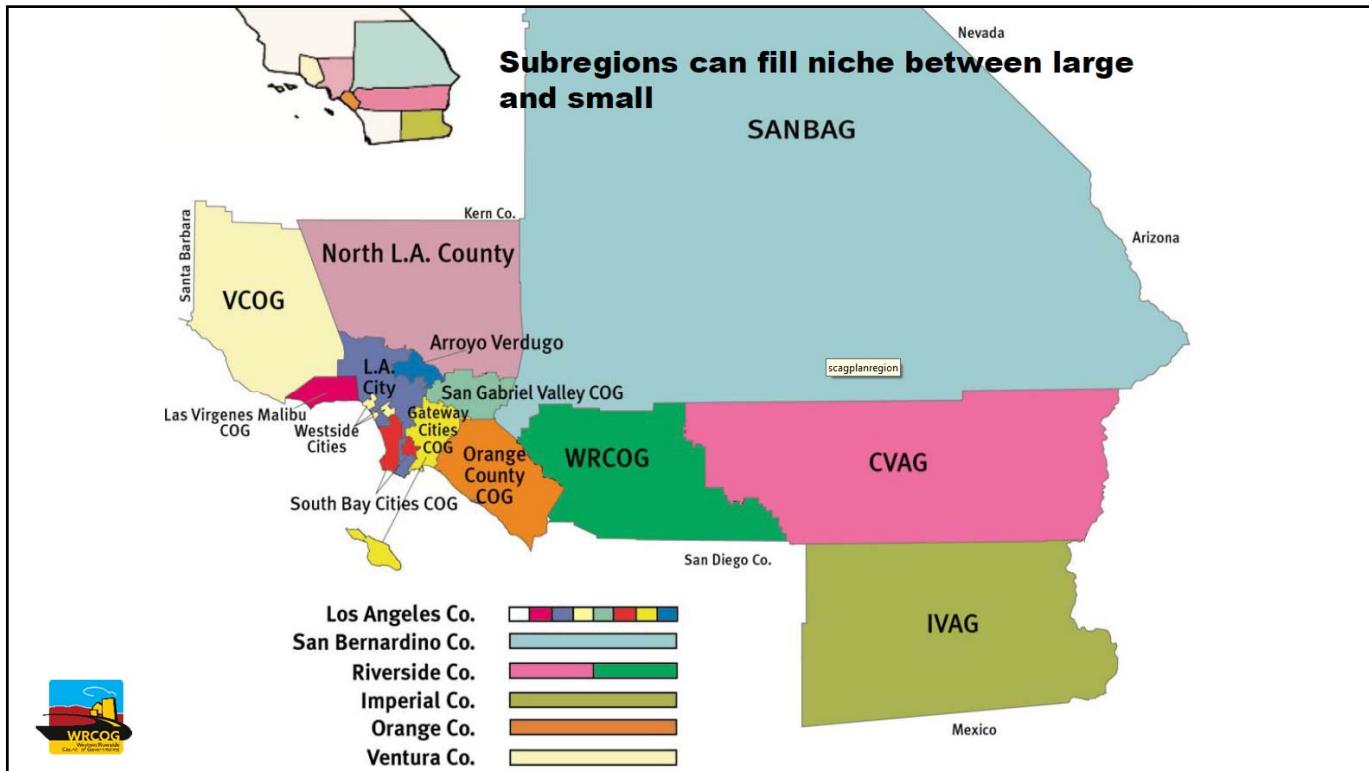
5

So... what are COGs?

- Also known as regional councils, regional commissions, regional planning commissions
- Regional governing and/or coordinating entities
- Controlled by member local governments
- Usually formed through Joint Powers Agreements (JPAs)
- Today, of the nearly 40,000 local, general purpose governments in the U.S., more than 35,000 are served by COGs



6



How do COGs compare to other regional agencies?

<u>Type of Agency</u>	<u>Duties</u>
Transportation Commission	Transportation
Transit Agency	Transit
Conservation Authority	Land conservation
Water Districts	Water
Wastewater Districts	Wastewater
Councils of Government	Usually undefined



Compared to other regional bodies, what makes COGs different, specifically?

"What do members want to achieve?"

NOT

"What do we have to do?"



9

Flexibility has resulted in a diverse array of activities

- Transportation
- Alternative fuels and infrastructure
- Energy retrofit and water conservation financing
- Interregional partnerships
- Solid waste / used oil programs
- Street sweeping
- Streetlights acquisition
- Economic development
- Community Choice Aggregation
- Homelessness



10

What guides WRCOG's Activities?

Economic Development and Sustainability Framework

Document establishes priority issues for potential future WRCOG involvement

- Economic development
- Education / higher education
- Environment / Energy
- Healthcare
- Water / wastewater
- Transportation

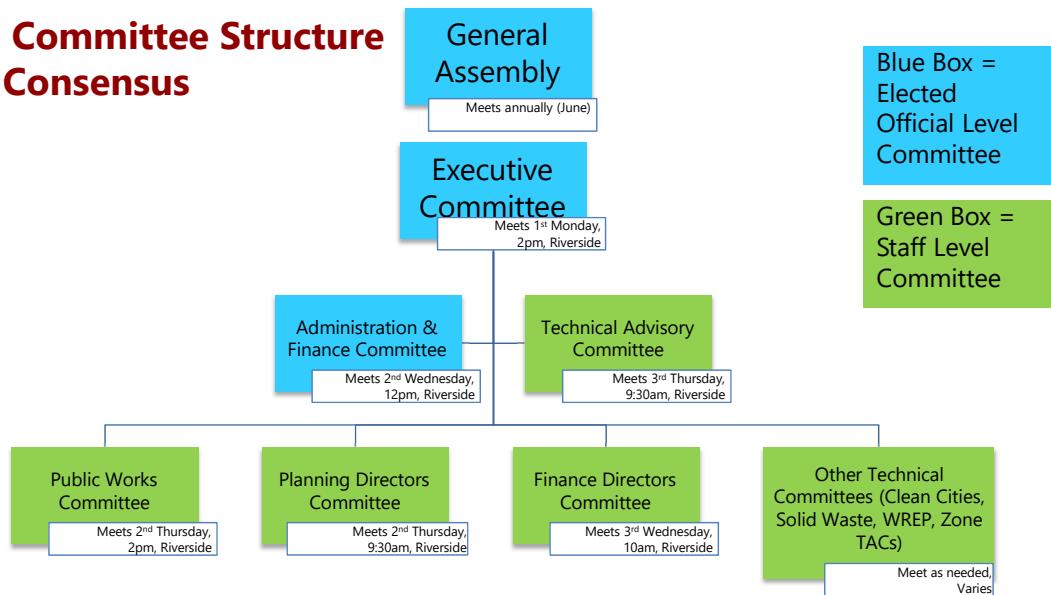


11

Filter process vets new ideas

1. Is the issue multi-jurisdictional?
2. Will a regional approach provide benefit?
3. Is there a high potential to make a difference?
4. Does WRCOG have the resources to be effective?
5. Will WRCOG's involvement provide a return on investment or "bang for your buck"?
6. Is this issue already being addressed by any other agency / agencies?
7. Is there something WRCOG can do that no other agency can?
8. Is there a relevant model WRCOG could follow that other regional agencies have found to be effective to address this issue?

WRCOG Committee Structure Creates Consensus

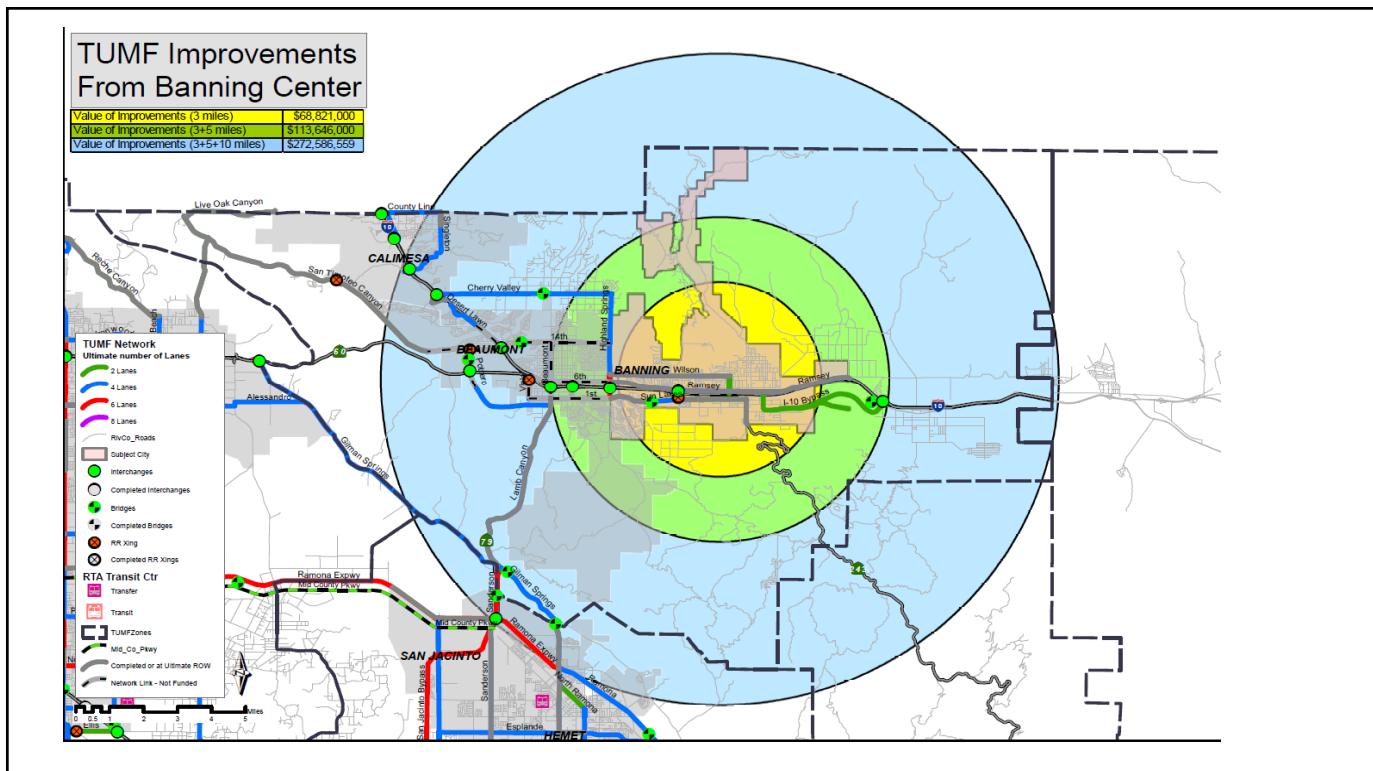
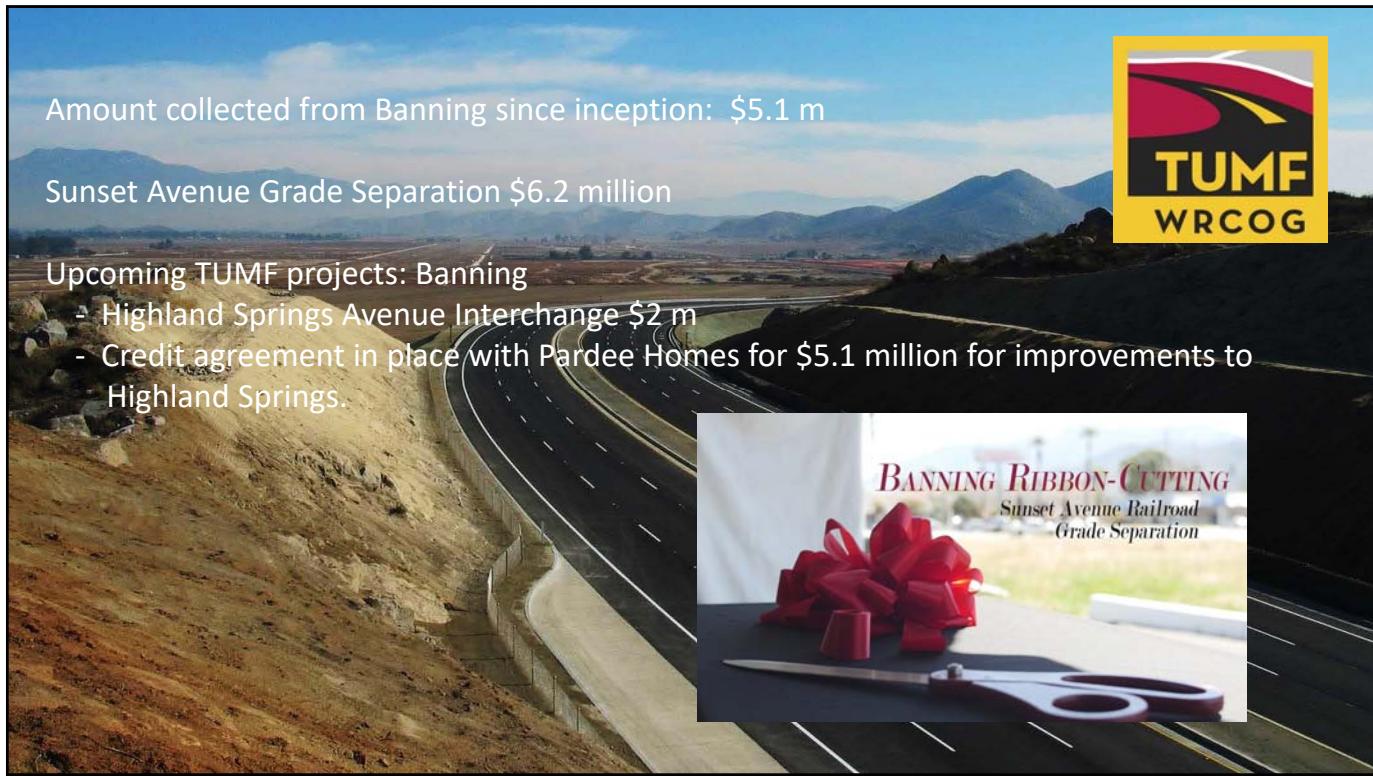


WRCOG also administers two other JPAs, the Riverside County Habitat Conservation Agency, and Western Community Energy



13





PACE Programs

- Clean Energy Financing Tool
 - Residential and Commercial Programs
 - Solar, HVAC, insulation, windows, water conservation, etc.
 - Est. 2011 in WRCOG territory; 2014 launched Statewide
- Over 90,000 funded projects valued over \$2,000,000,000
- Creates jobs for local contractors
- Improves housing stock and increases comfort of buildings



15



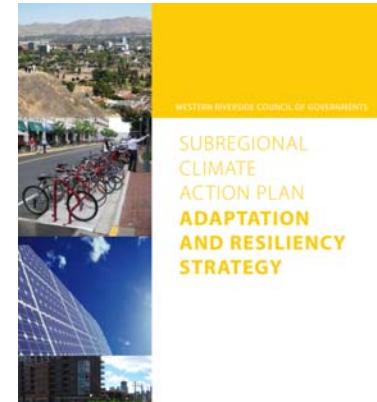
Renovate America Stipulated Judgment

- 46 requirements fall into 3 categories:
 1. Already in place (14 of 46)
 2. Already in place but need modification (24 of 46)
 3. New requirements not required by California statute (8 of 46)
- Major themes of requirements:
 - Advertising
 - Disclosures
 - Written Policies
 - Records Retention
 - Senior Protections
- Ad Hoc Committee formed to oversee implementation of requirements



Resilient IE

- Collaborative effort between WRCOG and the San Bernardino County Transportation Authority (SBCTA)
- Support regional and local efforts to prepare for and mitigate risks associated with climate adaptation and transportation infrastructure



Fellowship Program

- Launched in 2016
- Partnership
 - WRCOG, UCR, CSUSB, CBU
- Program Goals:
 - Retain local talent
 - Drive local talent to local public sector careers
- Thirteen Fellows placed in current Round 4 including Banning (Andrea Mares)



Beyond Framework



Lions Park Environmental Analysis and Design

Citywide Branding Effort – An Economic Driver

Total funding for Banning: \$107,964.24



Lions Park



Branding



Grant Writing Assistance

- Current eligible grants:
 - Active Transportation Program
 - Caltrans Sustainable Transportation Planning Grant Program
 - Affordable Housing and Sustainable Communities Program
 - Clean Cities-related grants
 - New planning grant opportunities
- Results:
 - \$300,000 spent: \$30,000,000 in grants received
 - Banning: \$300,000 grant for “Advanced Metering Infrastructure Project”



Regional Streetlight Program

- 11 cities approved to purchase 55,000 streetlights from SCE
- Regional net savings to jurisdictions: \$70+ million over 20 years
- Regional energy savings: 19+ million kWh (enough energy to power nearly 2,400 homes)
- Additional revenue generating opportunities to jurisdictions that own lights
- LED retrofits underway



23

Community Choice Aggregation



- Allows jurisdictions to purchase energy for use by residential and business customers
 - Choices for constituents
 - Local control in rate setting
 - Savings on utility bills / economic development (est. \$6M annual savings)
 - Can provide greener energy mix
- Summer 2020: Target launch date



24

Riverside County Habitat Conservation Agency

- JPA consists of 11 jurisdictions
- Manages 40,000 acres of Stephens' Kangaroo Rat habitat



Want to learn more?



Accessible on Apple Podcasts, Spotify,
Google Play and WRCOG's website

Episodes completed...

- The one about WRCOG
- The one about TUMF
- The one about streetlights
- The one about rats
- The one about community choice aggregation
- The one about WRCOG's Fellowship program
- The one about IEEP
- The one about Western Riverside Energy Partnership
- The one about SCAG
- The one about walking, biking, and horseback riding (oh my!)
- The one about PACE
- The one about resiliency
- The one about recycling
- The one about a futurist
- The one about how (and why) to engage the public
- The one about solar for underserved communities
- The one about an innovation economy
- The one about connecting the county's transportation network
- The one about college grads and the workforce
- The one about workforce development
- The one about homelessness
- The one about robots and jobs (2 parts)
- The one about young professionals

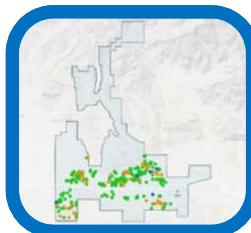
What's working for WRCOG?

1. Elected official leadership
2. Find niches that serve member agency needs
3. Stay true to the mission (Respect local control... provide regional perspective)
4. Achieve excellence in programs
5. Become the sounding board for exploration of local/regional governmental efficiency
6. Embrace ambiguity



27

City of Banning



HERO Launch Date:	12/14/2011
Housing Count:	12,854
Homes Improved:	285
Registered Contractors:	2
Applications Submitted:	953
Applications Approved:	602
Projects Completed:	322
Application Approved Amount:	\$17,212,178
Projects Completed Amount:	\$5,398,955

Improvements		
<u>Type Installed</u>	<u>Billing</u>	<u>Saving</u>
Energy	\$3.40M	411
Solar	\$2.57M	112
Water	\$85.9K	13
Lifetime Impact		
Funded Amount	\$5.40M	
Economic Stimulus	\$8.33M	
Jobs Created	49	
Energy Saved	37.4M kWh	
Emissions Reduced	9,630 tons	
Water Saved	8.39 gal	

Tax Year	# Of Parcels Leved in Western Riverside County With HERO	% Of HERO Delinquent Parcels in Western Riverside County (as of 08/31/19)	# Of HERO Delinquent Parcels in the City Of Banning (as of 09/18/19)
18/19	16,112	1.20%	3



Consumer Protections – Touch Points during the process

1. Property owner submits application online or submits via contractor for underwriter approval
2. Property owner review and sign-off on disclosures
3. Provider Confirmed Terms Call
4. WRCOG Quality Assurance Call
5. Three-day right to cancel (expanding to five days for 65 and over)
6. Completion Certificate



Financial Market Comparison

Consumer Protections	WRCOG PACE Programs	Home Equity Loans	Credit Cards/Consumer Finance	Unsecured Personal Loans	Payday Loans
Loan Terms (in years)	5 yr - 25 yr	5yr - 30 yr	Up to 20 yr	24 mo - 12 yr	2 wk
Typical Fees	4.99%	2%	N/A	1%	20% - 30%
Typical Annual Interest Rate Range	2.99% - 8.35%	~5% - 6%	~10% - 30%	~5% - 15%	~400%
Contractor Registration Requirements	✓	✗	✗	✗	✗
Eligible Measure Requirements	✓	✗	✗	✗	✗
Pre-Funding Project Review	✓	✗	✗	✗	✗
Asset Verification	✓	✗	✗	✗	✗
Post-Funding Home Owner Support	✓	✗	✗	✗	✗
Verified Permit Requirements	✓	✗	✗	✗	✗
Funding Disbursement upon Property Owner Signing Completion Certificate	✓	✗	✗	✗	✗
Local Government Administrator	✓	✗	✗	✗	✗
Confirmed Terms Call by Providers and Quality Assurance Call to Property Owner by Local Government Administrator	✓	✗	✗	✗	✗
Pre- and Post-Funding Dispute Resolution	✓	✗	✗	✗	✗
Stringent Product Eligibility Requirements	✓	✗	✗	✗	✗



EXHIBIT B

West of Devers Upgrade Project

3rd Quarter 2019 Project Update

Energy for What's Ahead®



Creating a Clean Energy Future

- Southern California Edison (SCE) is **modernizing the electric grid to support California's transition to a clean energy future** that meets the expectations of our customers and reduces the greenhouse gas emissions that cause climate change.
- A cleaner energy future includes **more renewable energy**.
- SCE is making investments to create a **safe, clean, reliable and efficient grid**.



Energy for What's Ahead®

1

Delivering More Renewable Energy for Southern California

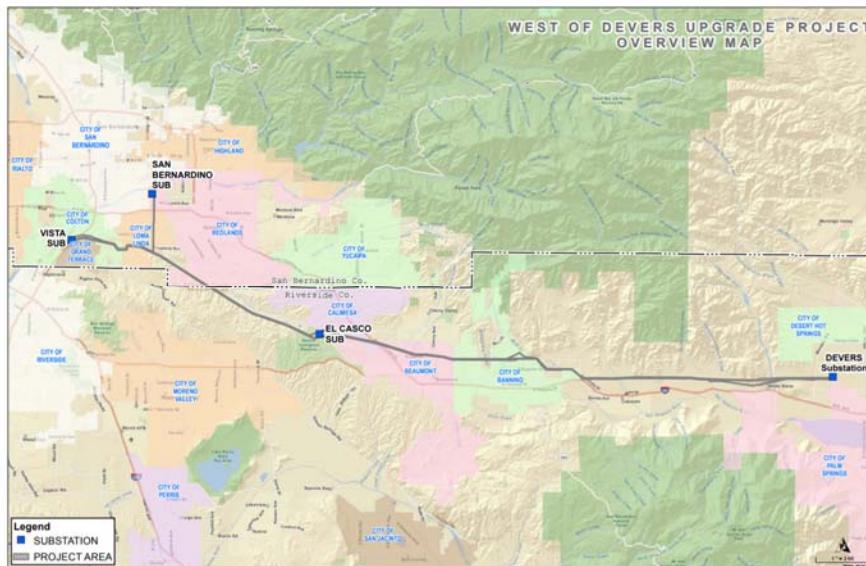


- SCE is committed to upgrading the region's power grid in order to help meet California's renewable-power goals.
- The **West of Devers Upgrade Project** will help in this effort by upgrading existing transmission lines within a primarily existing transmission corridor to **provide more capacity for renewable power** to be delivered to the power grid.
- These significant upgrades will **enhance electric reliability for all customers** and help to **make the power grid greener for California**.

Energy for What's Ahead®

2

Project Overview



- Remove and replace approximately 48 corridor miles of existing 220 kV transmission lines with new double-circuit 220 kV transmission lines between the existing Devers Substation (near Palm Springs), El Casco Substation (near Calimesa), Vista Substation (in Grand Terrace), and San Bernardino Substation.

Energy for What's Ahead®

3

Project Timeline

2011-2013	Project planning and public outreach activities
Oct. 2013	Applications submitted to federal, state agencies
Aug. 2016	Certificate of Public Convenience and Necessity (CPCN) received from CPUC
Dec. 2016	Record of Decision received from BLM
Jan. 2018	Major construction began
Q4 2021	Project is expected to be operational and in-service

Energy for What's Ahead®

4

Construction Activities in Banning



- Schedule:** Late August 2019 – December 2022 (Monday through Saturday from 6:00 a.m. to 7:00 p.m. Occasionally, as project conditions require, work may occur on Sundays and overnight.)
- Location:** Within the Project Right-of-Way, from Highland Springs Avenue east towards Hathaway Street.
- Scheduled Activities:**
 - Site preparation
 - Removal and replacement of overhead lines
 - Modification, installation and removal of poles and towers
 - Foundation installation
 - Counterpoise installation
 - Shoo Fly installation and removal
 - Helicopter operations
 - Wire Stringing
 - Transmission wire and optical ground wire pulling and splicing
 - Restoration activities

Energy for What's Ahead®

5

Hathaway Street – Existing View



This image presents the **Existing View** to the northeast from KOP 11, on **Hathaway Street**, at the entrance to the Summit Ridge Apartments, in the City of Banning. The view encompasses the view of the ROW as it passes across the southwest corner of the Morongo tribal lands, north of I-10 and adjacent to the eastern border of the City of Banning. The San Bernardino Mountains provide a backdrop of visual interest in views to the north and northeast.

KOP 11
Hathaway Street
Existing View

SCE West of Devers Upgrade Project
Visual Resources
Figure D.18-18A

Energy for What's Ahead®

6

Hathaway Street – Visual Simulation



This image presents a **Visual Simulation** of the Proposed Project from KOP 11, on **Hathaway Street**, at the entrance to the Summit Ridge Apartments, in the City of Banning. This simulation illustrates the introduction of two TSP transmission lines into the foreground of views from Hathaway Street and the adjacent residential development. The TSPs would appear more massive, and visibly more prominent compared to the more distant pole and lattice structures that are being replaced (not readily apparent above).

KOP 11
Hathaway Street
Visual Simulation

SCE West of Devers Upgrade Project
Visual Resources
Figure D.18-18B

Energy for What's Ahead®

7

Bluff Street – Existing View



This image presents the Existing View to the southeast from KOP 10, on Bluff Street, in north Banning. This viewpoint is located at the border of Segment 4 and Segment 5. The view encompasses the western end of Segment 5 as it spans Bluff Street and then passes into Morongo tribal lands north of the City of Banning. The ROW splits at this location, with two prominently visible transmission lines following the southern route west, and one transmission line following a northern route west.

KOP 10
Bluff Street
Existing View

SCE West of Devers Upgrade Project
Visual Resources
Figure D.18-17A

Energy for What's Ahead®

8

Bluff Street – Visual Simulation



This image presents a Visual Simulation of the Proposed Project from KOP 10, on Bluff Street, in north Banning. This simulation illustrates the replacement of three existing transmission lines of different design and size, with two taller tubular steel Pole (TSP) transmission lines of the same design. As shown in the simulation, the new structures would appear more massive, and visibly more prominent at greater distance compared to the lattice structures that are being replaced.

KOP 10
Bluff Street
Visual Simulation

SCE West of Devers Upgrade Project
Visual Resources
Figure D.18-17B

Energy for What's Ahead®

9

Morongo Community Center – Existing View



Michael Clayton & Associates

Latitude: 33° 56' 7.48" N Longitude: 116° 49' 22.36" W

KOP 12
Morongo Community Center
Existing View

SCE West of Devers Upgrade Project
Visual Resources
Figure D.18-19A

Energy for What's Ahead®

10

Morongo Community Center – Visual Simulation



Michael Clayton & Associates

Latitude: 33° 56' 7.48" N Longitude: 116° 49' 22.36" W

KOP 12
Morongo Community Center
Visual Simulation

SCE West of Devers Upgrade Project
Visual Resources
Figure D.18-19B

Energy for What's Ahead®

11

Ongoing Outreach

- Construction updates provided to property owners/residents along the project right-of-way
- Signs posted at trails in impacted recreation areas
- Provide updates to homeowner associations/community groups
- Post updates via SCE's social media channels

Energy for What's Ahead® | 12

For More Information

Southern California Edison

www.on.sce.com/devers

Project Information Line: (888) 226-9916

California Public Utilities Commission

<http://www.cpuc.ca.gov/environment/info/aspen/westofdevers/westofdevers.htm>

Email: westofdevers@aspeneq.com

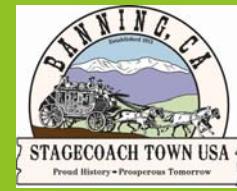
Energy for What's Ahead® | 13

SCE Contact Information

- Downed Power Lines: 911
- Customer Service: 800-655-4555
- Outages/Streetlight Repair: 800-611-1911
- Website: www.sce.com
- Twitter.com
 - @SCE
 - @SCE_PubAff
 - @SCE_AileenF
- Facebook.com/SCE
- YouTube.com/SCE

EXHIBIT C

TRANSIT DIVISION UPDATE



TRANSIT DIVISION UPDATE

- ▶ Interagency Services Agreement (ISA) between the Cities of Banning and Beaumont approved on June 25, 2019
 - ▶ Beaumont's Route 2 no longer operates in Banning
 - ▶ Banning no longer has stops in Beaumont with the exception of the Walmart transfer station
 - ▶ Agencies operating as two independent transit systems
- ▶ Ridership changes compared to 2018
 - ▶ Increase of 40% in July
 - ▶ Increase of 25% in August
- ▶ Transit moved to the Public Works Department officially as of July 1, 2019

TRANSIT DIVISION UPDATE

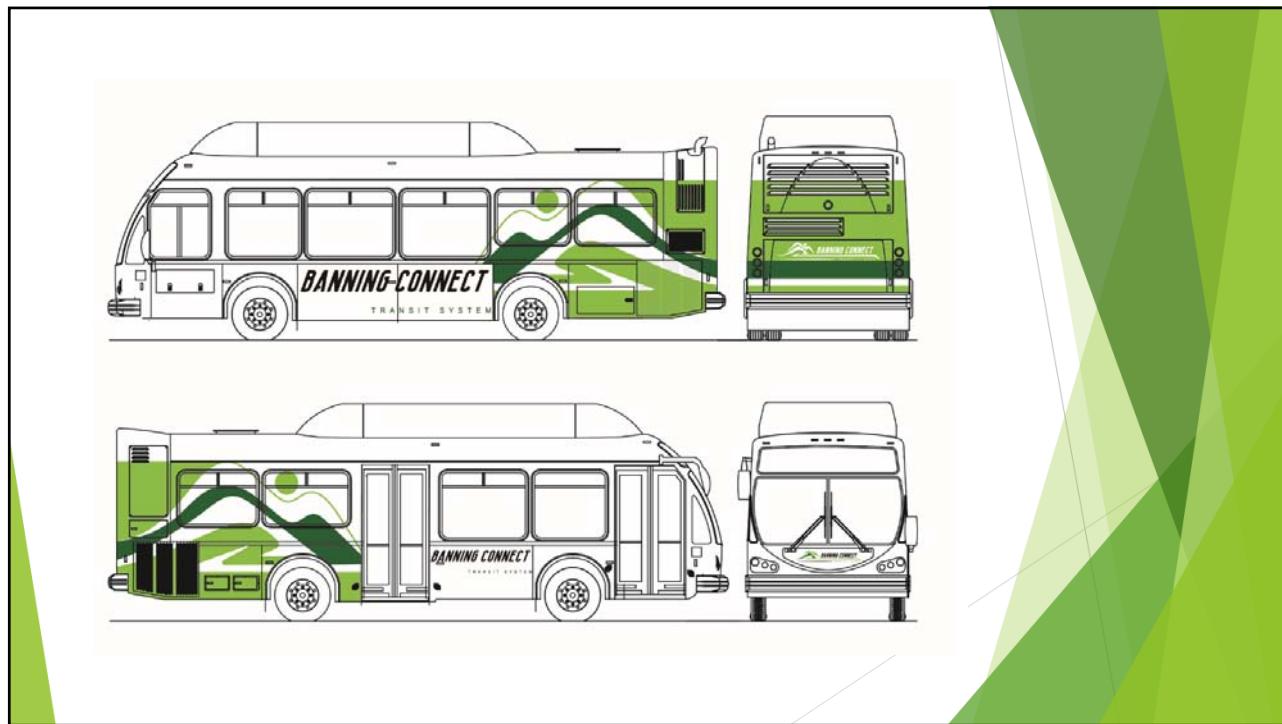
- ▶ Rebranding
 - ▶ Both agencies moving forward with rebranding efforts and moving away from Pass Transit



TRANSIT DIVISION UPDATE

- ▶ REBRANDING
 - ▶ Will transition away from "Pass Transit" and into "Banning Connect" by July 1, 2020.





TRANSIT DIVISION UPDATE

Token Transit
Public Transit Mobile Ticketing

76 Agencies Nationwide

175k User Signups

3 Agency Hours to Launch

Token Transit is a single mobile ticketing and pass distribution platform for public transit agencies nationwide.

Riders download the Token Transit app, buy transit passes and use their phone as fare media.

Agencies can launch Token Transit in hours, realize their pass distribution potential and analyze the wealth of ridership data.

TRANSIT DIVISION UPDATE

- ▶ Upcoming changes:
 - ▶ Advertising program (interior/exterior of buses and bus stops)
 - ▶ Real-time platform for customers and operators
 - ▶ Location and estimated time of arrival
 - ▶ GPS playback to verify customer questions
 - ▶ Collect data for performance analysis
 - ▶ Comprehensive Operation Analysis
 - ▶ Perform market analysis, review efficiency of fixed routes, Dial a Ride and possibility of commuter routes

TRANSIT DIVISION UPDATE

QUESTIONS

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

10/08/2019
SPECIAL MEETING - CLOSED SESSION

COUNCIL/BOARD MEMBERS PRESENT: Councilmember Happe
Councilmember Peterson
Councilmember Wallace
Mayor Pro Tem Andrade (arrived @ 3:06 p.m.)
Mayor Welch

COUNCIL/BOARD MEMBERS ABSENT: None

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk
Art Vela, Public Works Director/City Engineer
Ralph Wright, Parks & Recreation Director

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Welch on October 8, 2019, at 3:03 P.M. at the Banning City Council Chamber, 99 E. Ramsey Street, Banning, California.

CLOSED SESSION

Mayor Welch opened the closed session items for public comments.

There were no public comments.

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8

Properties and Owners/Negotiating Parties: Real Property located in the vicinity of Ramsey and Hathaway – 1909 E. Ramsey Street, 2933 E. Ramsey Street, 1909 E. Ramsey Street, APN 532-120-011 – Ramirez Family Living Trust; 1933 E. Ramsey Street, APN: 532-120-012 – Liang; 1679 E. Ramsey Street, APN 532-120-019 – Tierra Firma Enterprise, LLC; Northeast corner of Ramsey Street and North Hathaway Street, APN 532-120-020 – Frank J. Burgess and Lorna D. Burgess, Trustees; Southeast corner of Ramsey Street and Hathaway Street, APN 532-140-005 – Frank Burgess; 1483 E. Ramsey St, APN 541-170-019 – Raymond Ngoc Huynh and Lucy Nguyen Huynh, as Trustees of the Raymond and Lucy Huynh Revocable Trust; 1573 E. Ramsey St, APN 541-170-021 – Jen H. Huang

City Negotiators: Douglas Schulze, City Manager and Ted Shove, Economic Development Manager

Under Negotiation: Price and terms for acquisition of street right of way and temporary construction easements

2. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8

Property Description: Real Property located in the vicinity of Ramsey Street and Third Street (APNs 540-202-001, -002, and -003)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Sun Lakes Charitable Trust

Under Negotiation: Price and Terms

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Pursuant to Government Code Section 54957(b)(1). Title: City Manager

The meeting convened to closed session at 3:05 p.m. and reconvened to open session at 3:46 p.m.

III. ADJOURNMENT

By consensus, the meeting adjourned at 3:46 p.m.

Minutes Prepared by:

Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed by visiting
<https://banninglive.viebit.com/player.php?hash=FIODQCS9PtVj> and related
documents can be found by visiting
<https://banningca.gov/ArchiveCenter/ViewFile/Item/2161> or by requesting a CD or
DVD at Banning City Hall located at 99 E. Ramsey Street.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

10/08/2019
SPECIAL MEETING - WORKSHOP

COUNCIL/BOARD MEMBERS PRESENT: Councilmember Happe
Councilmember Peterson
Councilmember Wallace
Mayor Pro Tem Andrade
Mayor Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk
Art Vela, Director of Public Works/City Engineer
Holly Stuart, Management Analyst
Adam Rush, Community Development Director
Suzanne Cook, Interim Administrative Services Director
Tom Miller, Electric Utility Director

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Welch on October 8, 2019 at 4:01 P.M. at the Banning City Council Chambers, 99 E. Ramsey Street, Banning, California.

II. WORKSHOP

1. Senate Bill (SB) 1383 Organics Diversion.

Art Vela, Public Works Director/City Engineer provided a brief background and introduced presenters Kyle Rodriguez, Staff Analyst for the Western Riverside Council of Governments (WRCOG), and Holly Stuart, Management Analyst for the City of Banning.

(For further detail, refer to attached PowerPoint presentations).

III. PUBLIC COMMENTS – Opportunity for the public to address items on the agenda.

There were no public comments.

ACTION:

None

IV. ADJOURNMENT

By consensus, the meeting adjourned at 4:32 p.m.

Minutes Prepared by:

Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed here:

<https://banninglive.viebit.com/player.php?hash=CuEijoa4li9I> and related documents
can be viewed here: <https://banningqca.gov/ArchiveCenter/ViewFile/Item/2160>
or by requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.

ATTACHMENT 1

(WRCOG Presentation)

Western Riverside Council of Governments (WRCOG) Workshop: California's Recycling Requirements

What we will cover...

1. WRCOG's Solid Waste Committee
2. California's New Recycling Requirements
3. Jurisdiction Responsibilities

Solid Waste Committee

- WRCOG's Solid Waste Committee was established after the adoption of AB 939 "*The Integrated Waste Management Act*" in 1989, to regionally addresses waste diversion goals in the Western Riverside County
- The Solid Waste Committee works with its member jurisdictions, its partners, and the California Department of Resources Recycling and Recovery (CalRecycle), meeting quarterly to discuss solid waste, environmental, and recycling issues and ways to address requirements
 - Develop workshops for businesses sharing the benefits of recycling
 - Attend community events providing education opportunities
 - Prepare and submit CalRecycle's Electronic Annual Reports

California's New Recycling Requirements

Recently, the State of California has passed three major pieces of legislation to phase in recycling requirements for businesses and multi-family dwellings

1. Mandatory Commercial Recycling (AB 341)
2. Mandatory Organics Recycling (AB 1826)
3. Short Lived Climate Pollutants (SB 1383)

Overview of AB 341 & AB 1826

Jurisdictions must have a Recycling and Organics Recycling Program for businesses and multi-family dwellings

- Effective as of January 1, 2019:

- Businesses and public agencies that generate four cubic yards or more of solid waste per week shall arrange for recycling
- Multi-family dwellings with 5+ units regardless amount of waste generated shall arrange for recycling services

Requirements of AB 341 & AB 1826 (cont.)

Business Requirements

- Apply any one or combination of the following actions in order to divert solid waste from disposal:
 - Self-haul
 - Subscribe to a waste hauler
 - Arrange for pickup of recyclables
 - Subscribe to a recycling service that may include mixed-waste processing

Requirements of AB 341 & AB 1826 (cont.)

Jurisdictional Requirements

- Each jurisdiction shall implement a recycling and organic solid waste program for businesses only:
 - Consists of **education, outreach and monitoring**
 - Reports on activities in CalRecycle's Electronic Annual Reports

Requirements of AB 341 & AB 1826 (cont.)

Education and Outreach

- Can be done by waste hauler, city, regional JPA, or regional educational cooperative
- A variety of electronic, print, and direct contact methods to reach desired audience
- The most successful outreach efforts are done by all entities in a variety of formats to target the regulated business community and multi-family complexes

Requirements of AB 341 & AB 1826 (cont.)

Annual Reporting

- Identify:
 - Total number of businesses within each city
 - Total number of businesses recycling
 - Total number of businesses not in compliance
- Conduct direct follow-up to those businesses **not** in compliance with information about the requirements

Overview of SB 1383 Reducing Short-Lived Climate Pollutants

SB 1383 builds upon AB 341 & AB 1826 recycling requirements

1. Requires the state to reduce organic waste disposal 75% (roughly 20 million tons) by 2025
2. Requires the state to increase edible food recovery 20% by 2025
3. Disposal reductions will reduce at least 4-million metric tons of greenhouse gas emissions annually by 2030

Requirements of SB 1383

Jurisdiction Requirements

1. Require all businesses and residents to have organic waste collection
2. Pass local enforcement ordinances to require businesses to subscribe to organic recycling services
3. Establish an edible food recovery program that recovers edible food from the waste stream
4. Conduct education and outreach to: commercial businesses, waste haulers, food recovery organizations, and city/county departments

Requirements of SB 1383 (cont.)

Jurisdiction Requirements

5. Evaluate current infrastructure and plan for new compost and edible food recovery
6. Procure recycled organic waste products like compost and Renewable Natural Gas (RNG)
7. Inspect and enforce compliance of SB 1383
8. Maintain accurate and timely records of compliance

Meeting SB 1383 requirements complies with AB 341 and AB 1826

Requirements of SB 1383 (cont.)

Implementation Considerations

CalRecycle advises that SB 1383 doesn't apply to only waste haulers and recycling departments, local resources will play a role in SB 1383 implementation, staff will need to be decide who will be involved in the following:

- Developing the design and content for public education materials
- Local enforcement ordinances, new collections fees, and ensuring programs are resourced
- Working with waste hauler, processing & organic facilities, and finding available locations where compost may be utilized

Requirements of SB 1383 (cont.)

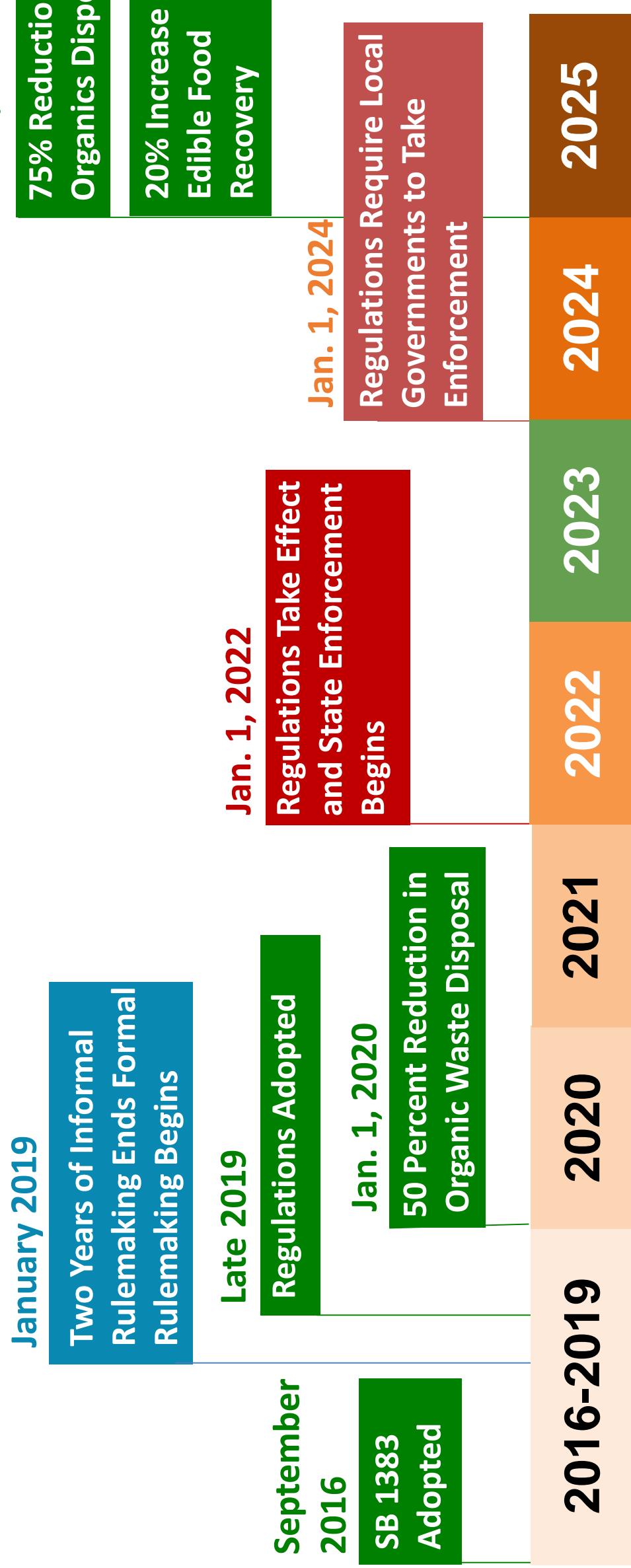
Implementation Considerations

- Tasking enforcement duties, including inspection of commercial food businesses
- Assessing the need for local compost and the application to parks and city landscaped areas
- Procuring recycled organic products and aware of current compost, Renewable Natural Gas, and paper purchases

WRCOG's Role in SB 1383

- Provide members with best practices and resources across the state
- Act as a liaison between CalRecycle and member jurisdictions
- Survey Solid Waste Committee to identify the top two SB 1383 items that members need assistance with
 1. Developing an inspection and enforcement program to review commercial solid waste accounts; and
 2. Identify inspectors for eligible food generators and food recovery facilities
- Potentially apply for CalRecycle's Food Waste grant to help meet member's edible food recovery requirements

Key Implementation Dates of SB 1383



Contacts

Casey Dailey

Director of Energy & Environmental Programs

951-405-6721

cdailey@wrcog.us

Tyler Masters

Program Manager

951-405-6732

tmasters@wrcog.us

Kyle Rodriguez

Staff Analyst

951-405-6721

krodriguez@wrcog.us



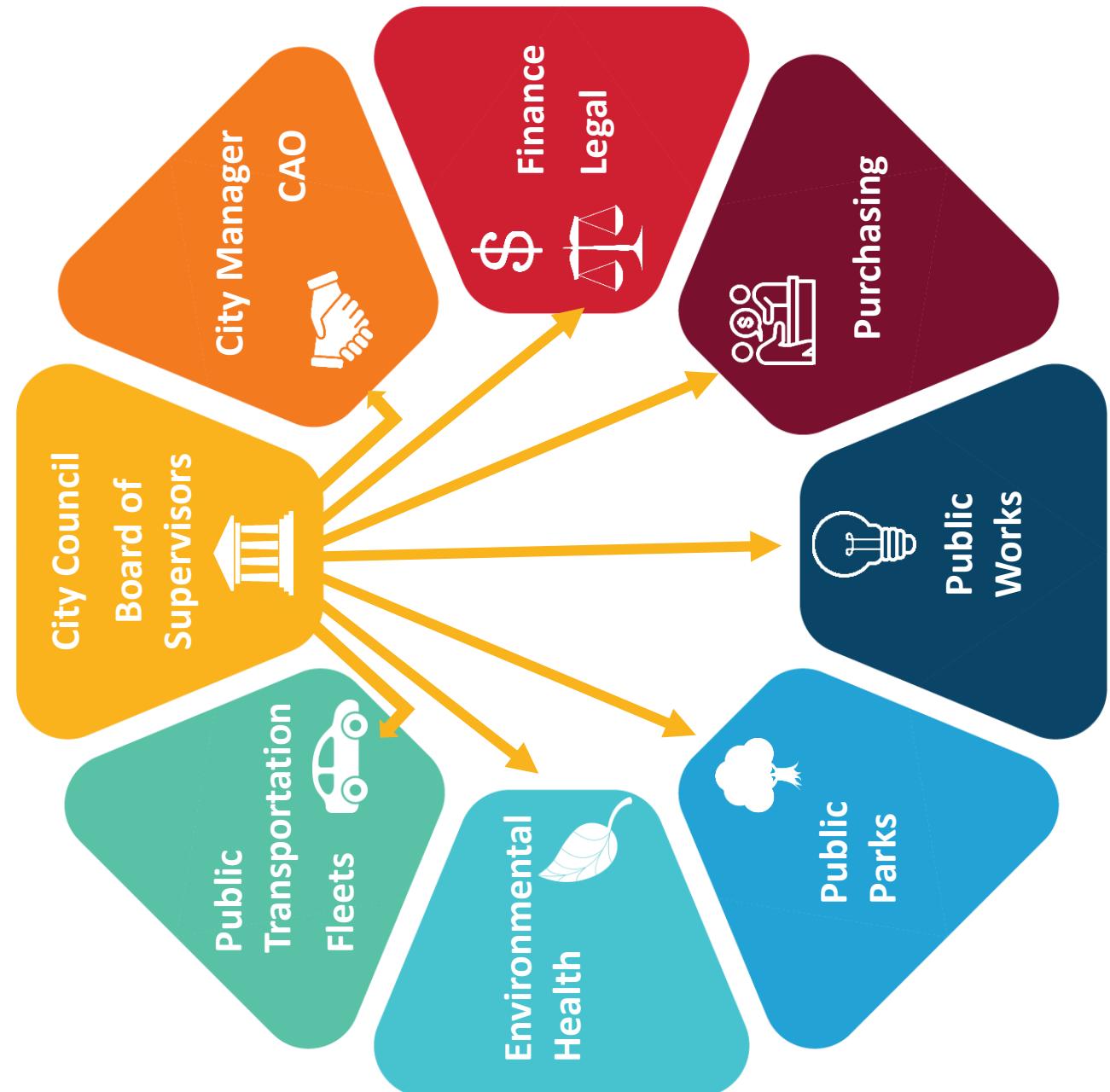
Additional Resources

SB 1383 IN ACTION

LOCAL GOVERNMENT ROLES AND RESPONSIBILITIES

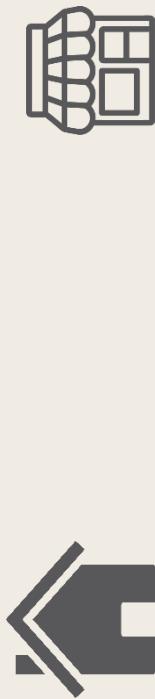
SB 1383 doesn't just apply to waste management and recycling departments.

Every local department plays a role in SB 1383 implementation.



SB 1383 IN ACTION

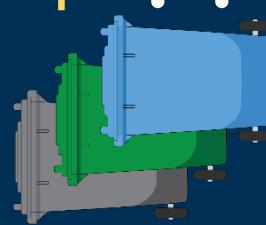
JURISDICTION REQUIREMENTS



ORGANIC WASTE COLLECTION SERVICES

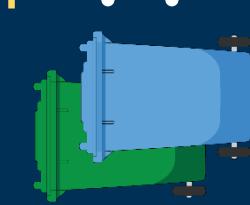
Three-Container “source separated” Collection Service

- Organics prohibited from black container
- All organic waste segregated for collection and recycling



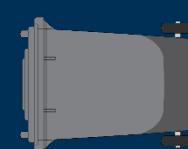
Two-Container Collection Service

- One container for collection of segregated organic waste
- One container for collection of mixed waste (subject to 75% organic content recovery standard)



One-Container Collection Service

- One container for collection of mixed waste (subject to 75% organic content recovery standard)



Provide Organics Collection Services to all Residents and Businesses

- Minimum contamination monitoring and reduction requirements
- Collection waivers authorized for certain documented circumstances

SB 1383 IN ACTION

JURISDICTION REQUIREMENTS

Identify Existing Food Recovery Capacity

01 Jurisdictions

02 Commercial Generators

Expand Existing Food Recovery Capacity (if needed)



Establish Edible Food Recovery Program

Monitor Commercial Edible Food Generators for Compliance

06 Food Recovery Kitchens

05 Food Recovery Services

04 Health Departments

03 Food Banks & Pantries

02 Commercial Generators

01 Jurisdictions

EDIBLE FOOD RECOVERY PROGRAM

SB 1383 IN ACTION

JURISDICTION REQUIREMENTS

EDUCATION REQUIREMENTS

Annually educate all organic waste generators, commercial edible food generators, and self-haulers about relevant requirements



Print



Electronic



Direct Contact



Appropriate educational material must be provided to linguistically isolated households

Conduct Education and Outreach to Community

SB 1383 IN ACTION

JURISDICTION REQUIREMENTS

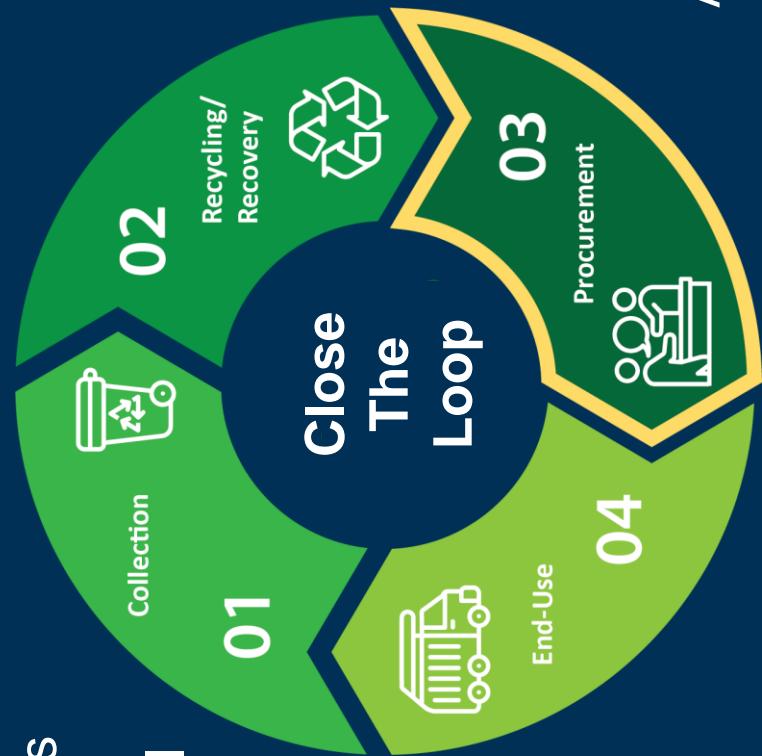
COMPOST & RNG

Each jurisdiction must procure minimum amounts of compost or renewable natural gas

PROCUREMENT REQUIREMENTS

MINIMUM CONTENT

Paper products must be 30% recycled content



QUANTITY

Procurement levels are based on population



Procure Recycled and Recovered Organic Products

RECYCLED-CONTENT PAPER PROCUREMENT TARGET

Requirements

75 Percent of Paper Purchases
Must Contain 30 Percent
Postconsumer Recycled Content

Products Must Be Recyclable
as Defined by FTC “Green
Guides” (16 CFR 260.12)

Jurisdictions Must Require Vendors to Certify
Postconsumer Content and Recyclability Claims

STATE OF CALIFORNIA
Department of Resources Recycling and Recovery (CalRecycle)
CalRecycle 74 (Revised 01/10 for State Agencies)

Postconsumer-Content
Certification

To be completed by the State agency
State Agency:

Purchasing Agent:
Phone: _____
PO #: _____
E-mail: _____

Eligible Products Include



Paper Products
(Including
Janitorial)



Printing and
Writing Paper

Similar Requirements as
State Agency Buy Recycled
Campaign



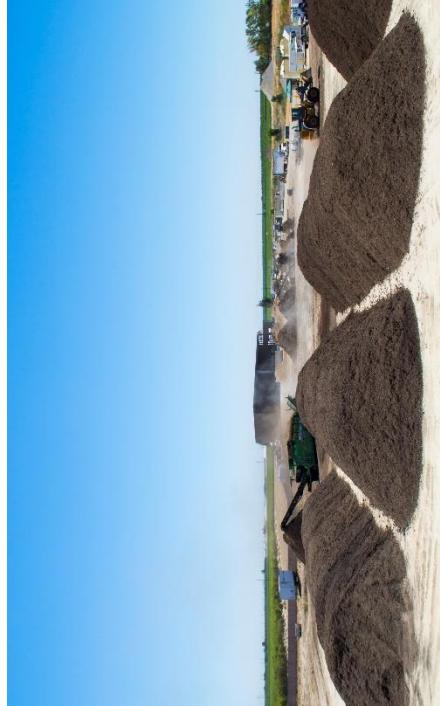
To be completed by the State agency	
State Agency:	
Purchasing Agent: Phone: _____	PO #: _____ E-mail: _____

CAL GREEN REQUIREMENTS

Recycling organic waste commingled with C&D debris, to meet CalGreen 65% requirement for C&D recycling in both residential and non-residential projects



ORGANIC WASTE RECYCLING INFRASTRUCTURE



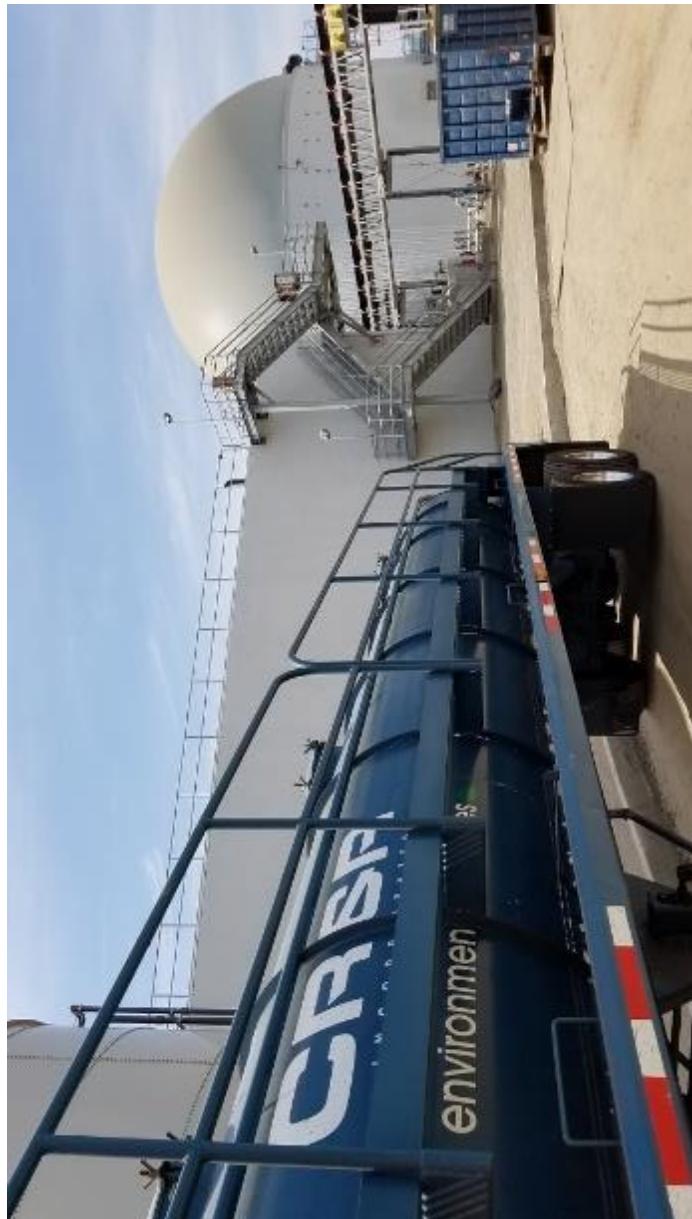
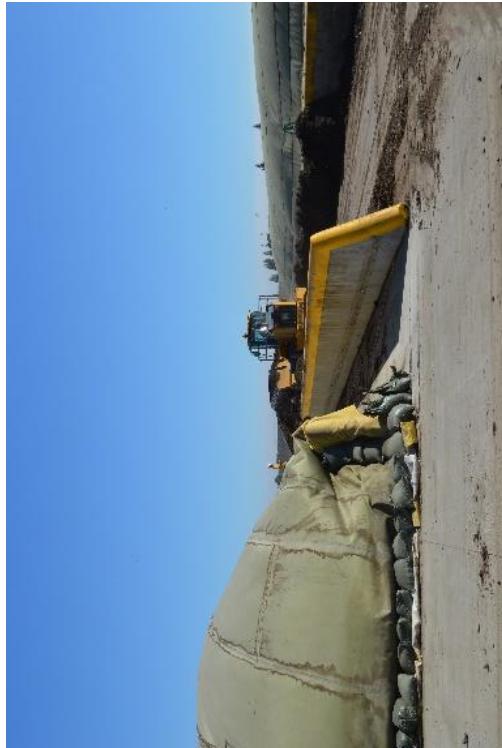
**SB 1383 Requires 50-100
New or Expanded
Organic Waste Recycling Facilities**

SB 1383 IN ACTION

CAPACITY PLANNING



Evaluating Current
Infrastructure and Planning
New Compost and AD Facilities
and Edible Food Recovery



SB 1383 IN ACTION

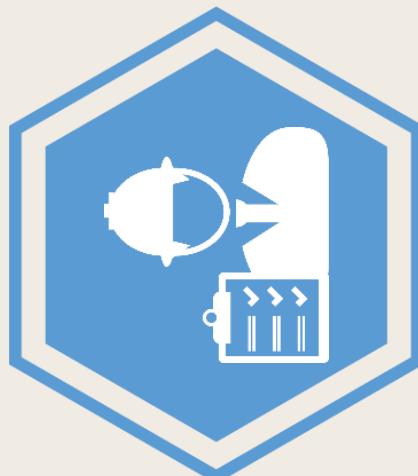
JURISDICTION REQUIREMENTS

INSPECTION AND ENFORCEMENT REQUIREMENTS

Ordinance 2022

Compliance Monitoring & Education 2022-2024

Compliance Monitoring & Enforcement 2024

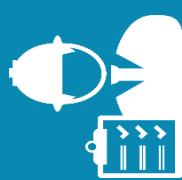


Monitor Compliance and Conduct Enforcement

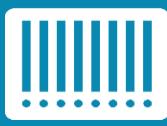
Adopt an Ordinance (Enforceable Mechanism)
Including Enforcement



Annual Compliance
Reviews, Route
Reviews, Inspections



Annual Compliance
Reviews, Route
Reviews,
Inspections



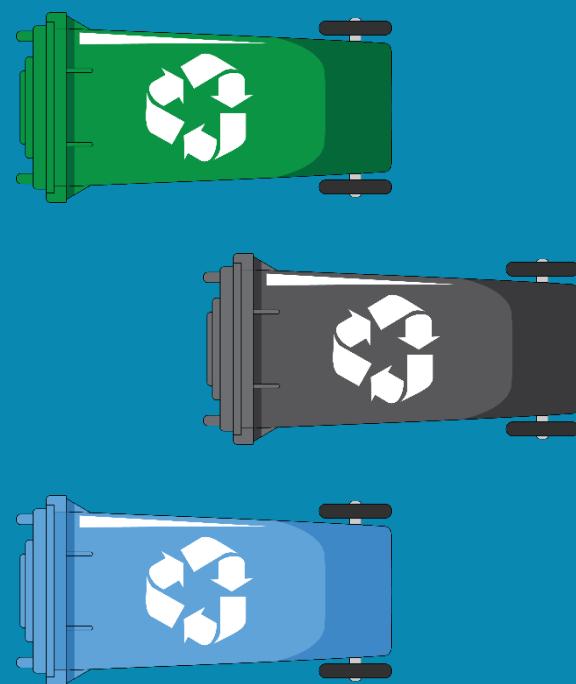
Notice of Violations,
And Penalties for
Violators

Educate Violators

JURISDICTION ENFORCEMENT REQUIREMENTS

Must Have Enforcement and Inspection Program that Includes:

- Annual Compliance Review
- Commercial Businesses that Generate > 2 Cubic Yards/week
- Verify Businesses are:
 - Subscribed to Service or Self-hauling
- **2 or 3 Container Collection Service:** Route Reviews of Commercial/Residential Areas to Verify Service and Inspect for Contamination
- **Single Unsegregated Collection Service:** Verify Businesses are subscribed to a service that is Transporting Contents to a High Diversion Organic Waste Processing Facility

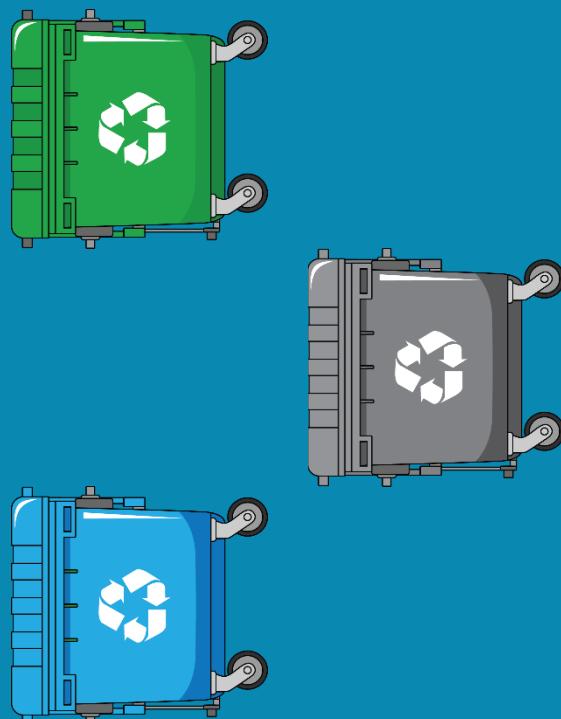


Requirements Harmonize with AB 1826 and Don't Establish a Minimum Quantity of Physical Inspections

JURISDICTION ENFORCEMENT REQUIREMENTS ON COMMERCIAL FOOD GENERATORS

Must Have Enforcement and Inspection Program that Includes:

- Inspections are to verify:
 - Edible food Recovery arrangements
 - Tier 1 Commercial Edible Food Generators by 2022
 - Tier 2 Commercial Edible Food Generators by 2024



Commercial Edible Food Generator Inspections Can Be Combined with Existing Mandatory Inspections

SB 1383 IN ACTION

JURISDICTION REQUIREMENTS



Recordkeeping Requirements:

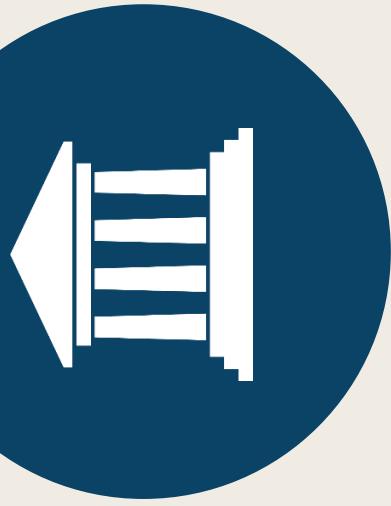
	Education & Outreach
	Waivers
	Contamination Minimization
	Hauler Program
	Organic Collection Services
	Recycled Paper Procurement
	Recycled Organic Waste Recovery
	Edible Food Recovery Program

Maintain Records and Report to CalRecycle

162

CALRECYCLE OVERSIGHT (BEGINS IN 2022)

STATE ENFORCEMENT

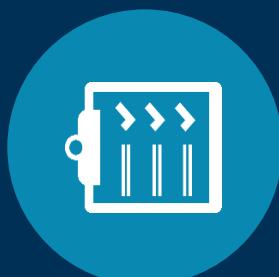


STATE

ENFORCEMENT

Authorize Waivers

- Low Population Areas
- Rural Areas



Oversee and Monitor for Compliance

Jurisdiction Review

- Conduct joint inspections with jurisdictions
- Review Implementation Record



If Violations

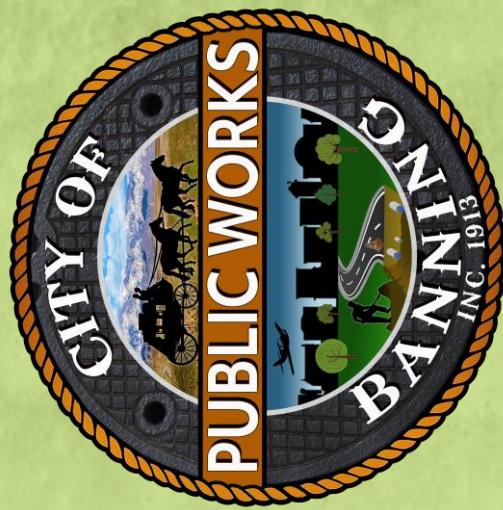
- Issue Notices of Violation
- May Authorize Corrective Action Plan
- Allows up to 24 months to address barriers outside of a jurisdiction's control



CalRecycle

ATTACHMENT 2

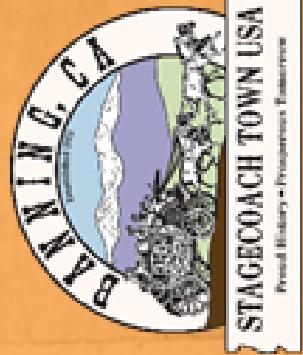
(City Presentation)



Senate Bill 1383:

Turning Provisions into Practice

October 8, 2019
City Council Workshop



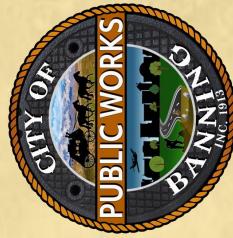
Tackling SB 1383 Requirements



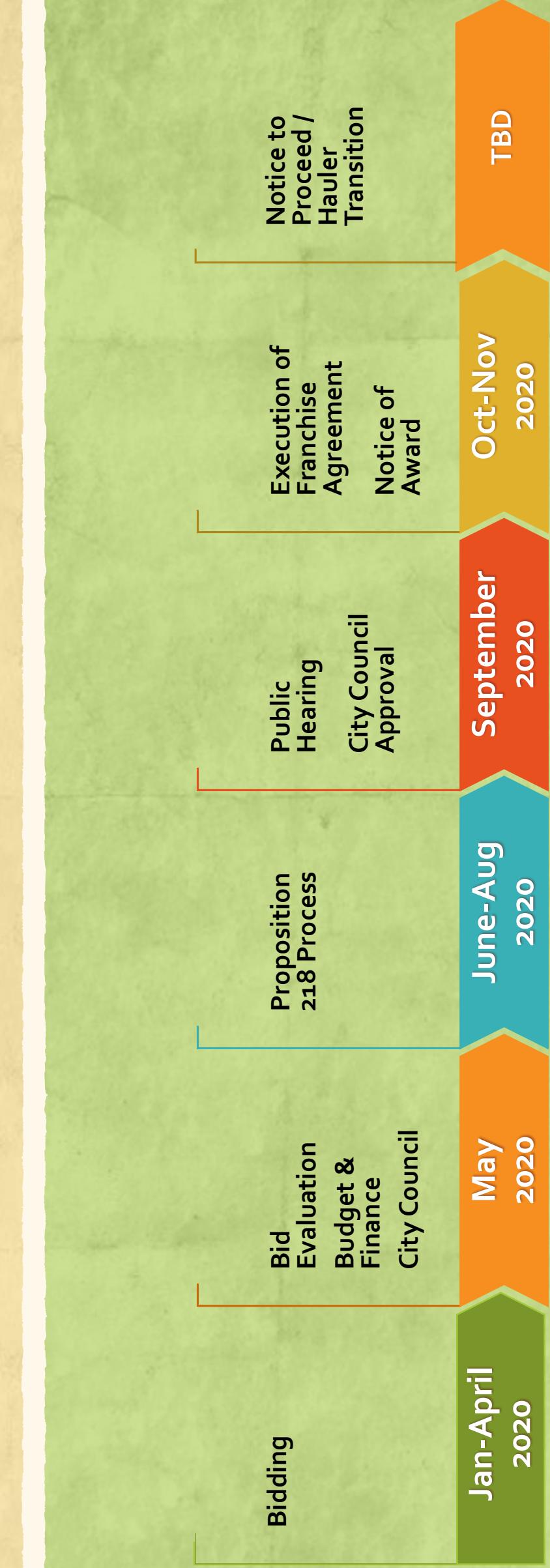
- Evaluation of Current Collection, Transportation, Recycling and Disposal Services
- Franchise Agreement Executed on July 5, 1993
- Industry Standards and Trends
- Legislative Requirements
- Expires June 30, 2021



Franchise Agreement: NEGOTIATION SCHEDULE



Franchise Agreement: FORMAL BID PROCESS SCHEDULE



Committee Review



- **Presentation to Budget & Finance on March 19, 2019**
 - Timelines and Options
 - Current Franchise Agreement Provisions
 - Legislative Review
 - Industry Trends
 - Direction: Negotiation with the current hauler, Waste Management



Contract Profiling

- Technical Analysis of current services and practices
- Performance Mechanisms and Service Options
- Industry Standards and Trends
- Legislative Requirements
- Rate Structures

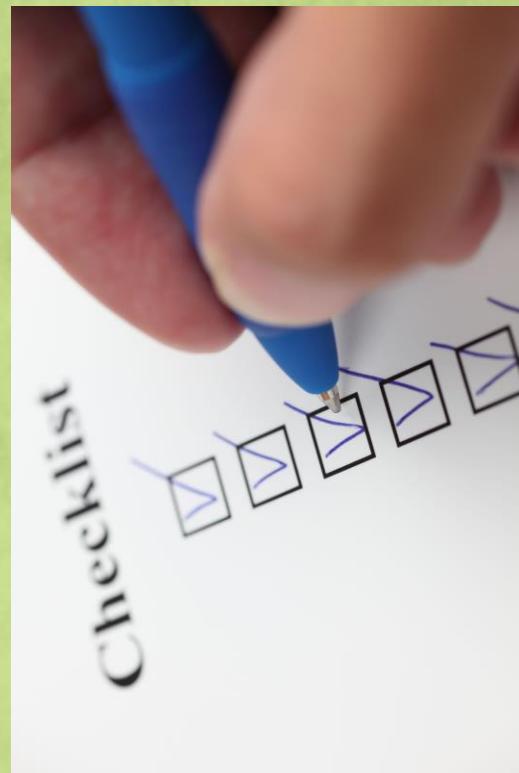


Jurisdictional Requirements



■ WHAT WILL THE STATE REQUIRE FROM THE CITY?

- Organics Collection
- Public Education
- Record Keeping and Reporting
- Ordinance and Policies
- Inspection and Enforcement
- Organic Waste Procurement
- Edible Food Recovery Programs



Strain on Local Resources



- 1. Planning**
Now
- 2. Educational Programs**
January 1, 2022
- 3. Record Keeping**
January 1, 2022
- 4. Organics Collection**
January 1, 2022
- 5. Ordinances and Policies**
January 1, 2022
- 6. Inspection and Enforcement**
January 1, 2022 & 2024
- 7. Organics Waste Procurement**
January 1, 2022
- 8. Edible Food Recovery**
January 1, 2025

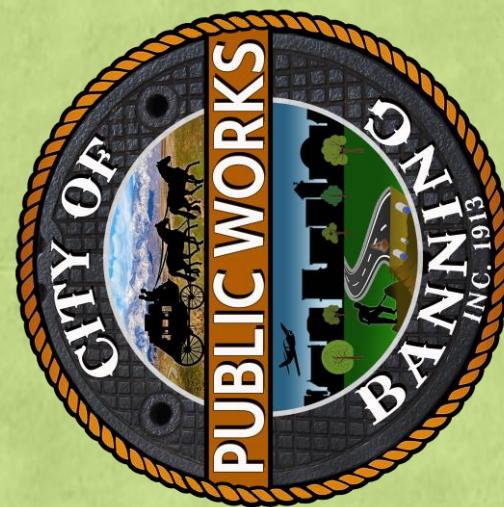
Next Steps



- **Negotiations with current hauler, Waste Management**
 - October-December 2019
- **Budget and Finance Committee Review**
 - January 2020
- **City Council Review and/or Bidding Process**
 - January 2020



Thank you



Holly Stuart
Management Analyst
Public Works Department

Art Vela
Public Works Director
Public Works Department

In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

The following information comprises the minutes for the regular meeting of the City Council, the Banning Utility Authority, and the Banning City Council sitting in its capacity as the Successor Agency Board.

MINUTES
CITY COUNCIL

10/08/2019
REGULAR MEETING

COUNCIL MEMBERS PRESENT: Councilmember Happe
Councilmember Peterson
Councilmember Wallace
Mayor Pro Tem Andrade
Mayor Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk
Art Vela, Public Works Director/City Engineer
Adam Rush, Community Development Director
Jennifer Christensen, Administrative Services Director
Ralph Wright, Community Services Director
Tom Miller, Electric Utility Director
Suzanne Cook, Deputy Finance Director
Gina Boehm, Customer Service Manager
Shiloh Rogers, Purchasing Manager
Stacy Bouslog, Utility Financial Analyst
Laurie Sampson, Executive Assistant
Leila Lopez, Office Specialist

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Welch on October 8, 2019, at 5:00 p.m. at the Banning City Council Chamber, 99 E. Ramsey Street, Banning, California.

Police Chaplain, Merle Malland offered the invocation.

Councilmember Don Peterson led the audience in the Pledge of Allegiance.

II. APPROVAL OF AGENDA

A motion was made by Councilmember Wallace, seconded by Mayor Pro Tem Andrade, to approve the agenda. Roll Call vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

III. PRESENTATION – None

IV. REPORT ON CLOSED SESSION

1. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8

Properties and Owners/Negotiating Parties: Real Property located in the vicinity of Ramsey and Hathaway – 1909 E. Ramsey Street, 2933 E. Ramsey Street, 1909 E. Ramsey Street, APN 532-120-011 – Ramirez Family Living Trust; 1933 E. Ramsey Street, APN: 532-120-012 – Liang; 1679 E. Ramsey Street, APN 532-120-019 – Tierra Firma Enterprise, LLC; Northeast corner of Ramsey Street and North Hathaway Street, APN 532-120-020 – Frank J. Burgess and Lorna D. Burgess, Trustees; Southeast corner of Ramsey Street and Hathaway Street, APN 532-140-005– Frank Burgess; 1483 E. Ramsey St, APN 541- 170-019 – Raymond Ngoc Huynh and Lucy Nguyen Huynh, as Trustees of the Raymond and Lucy Huynh Revocable Trust; 1573 E. Ramsey St, APN 541-170-021 – Jen H. Huang

City Negotiators: Douglas Schulze, City Manager and Ted Shove, Economic Development Manager

Under Negotiation: Price and terms for acquisition of street right of way and temporary construction easements

Direction given to City's negotiators regarding price and terms for the City's acquisition of the properties for street right-of-way and temporary construction easements.

2. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8

Property Description: Real Property located in the vicinity of Ramsey Street and Third Street (APNs 540-202-001, -002, and -003)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Sun Lakes Charitable Trust

Under Negotiation: Price and Terms

Direction given to City's negotiator. Councilmember Don Peterson abstained on this item.

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** pursuant to Government Code Section 54957(b)(1).

Title: City Manager

No reportable action was taken.

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

Mayor Welch opened Public Comment for items not on the Agenda.

Public Comments

John Hagan spoke against a regional homeless shelter in Banning and discouraged accepting financial support from Orange County.

Inge Schuler spoke against a regional homeless shelter in Banning and requested the item be placed on the next agenda if the City is seriously considering.

Cindy Barrington expressed her appreciation of the Council coming together at the last meeting and spoke against a regional homeless shelter in Banning.

Ellen Carr spoke against a regional homeless shelter in Banning and recommended taking care of the City's homeless rather than the entire regions.

Jerry Westholder spoke against a regional homeless shelter in Banning and recommended people work for things.

Valerie Westholder spoke against a regional homeless shelter in Banning and expressed her concern with Orange County would continuously funding such.

Dorothy Famaletti McLean spoke against a regional homeless shelter in Banning and encouraged doing something that would encourage people to visit Banning instead.

Gabriel Westholder spoke against a regional homeless shelter in Banning and recommended each City taking care of their own.

Karen Amerson addressed the homeless and would like additional details/information regarding a homeless shelter in Banning, as she doesn't believe the City has the resources.

City Manager Schultz advised there is no proposal to put a homeless shelter in Banning. There was a comment made by Supervisor Hewitt that there was a need for a homeless shelter in the County's 5th District. He explained the City's zoning code allows it, but there is a public process for approval of such a project in the City.

Juanita Diaz advised things are changing in Banning, slowly but surely and recommended people call the City Manager to get answers instead of other sources. She also asked that people contact her if they would like to know about her.

Diego Rose thanked 1) the Council for moving forward at the last meeting without censorship; 2) Art Vela and other City employees for the work they've done around town; and 3) City Manager for clarifying the homeless shelter situation and encouraged more of this.

CORRESPONDENCE - None

APPOINTMENTS - None

VI. CONSENT ITEMS

Mayor Welch asked if the Council wished to pull the item for discussion. There were none.

1. Resolution 2019-03 SA, Termination of Regulatory Agreement for 42 W. Ramsey Street

Councilmembers Happe and Peterson recused themselves from voting on this item.

Public Comment - None

A motion was made by Councilmember Wallace, seconded by Mayor Pro Tem Andrade, to approve the rest of the consent calendar item 1, as presented. Roll Call vote was taken as follows:

AYES: Wallace, Andrade & Welch
NOES: None
ABSTAIN: Happe & Peterson
ABSENT: None

Action: Adopted Resolution 2019-03 SA

VII. PUBLIC HEARING(S) – None

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Happe – None

Councilmember Peterson – None

Mayor Pro Tem Andrade advised there will be a Downtown Ad-Hoc Committee meeting on Friday.

Councilmember Wallace attended Regional Conservation Authority (RCA) on Monday where they wore purple for Domestic Violence Awareness Month.

Mayor Welch attended a water summit related to the Flume, with federal, state, and local government representatives in attendance.

REPORT BY CITY ATTORNEY – None

REPORT BY CITY MANAGER

City Manager Douglas Schulze reported on:

- The Flume/Water Conveyance Meeting on Monday was a full day meeting and included 30 people and seven vehicles. Staff is optimistic with the progress moving forward and thanked Public Works Director Art Vela for his work on this.
- State of the City is Thursday at 11:00 a.m. in the ballroom at Sun Lakes. The event is planned and hosted by the Banning Chamber of Commerce.
- Officer Sayeski is back after an extended leave and has been assigned back to his duties with the homeless. He advised the officers always offer homeless individuals the various services available to them.

REPORT OF OFFICERS

1. Report of Internal Audit of the Banning Electric Utility and Resolutions 2019-127 and 2019-20 UA, Amending Fiscal Year 2018-19 Budget and Prior Period Adjustment to the Fund Balances for the Electric and Water Funds.

Jennifer Christensen, Administrative Services Director, presented the staff report and thanked staff (including Suzanne, Gina, and especially Stacy) for their hard work in compiling the information and communication needed to complete the audit. Jennifer

introduced Heather with Christy White Associates who provided a presentation regarding the audit to the public and Council (Attachment 1).

Jennifer Christensen, Administrative Services Director and Tom Miller, Electric Utility Director answered Council's questions.

Public Comment

Jerry Westholder advised that he had asked for a forensic audit, but thanked the City for conducting an audit. Expressed concerned regarding reliable billing.

A motion was made by Councilmember Wallace, seconded by Councilmember Happe, to approve item 1 as recommended. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Received and filed the Electric Utility Internal Audit Report.

A motion was made by Mayor Pro Tem Andrade, seconded by Councilmember Wallace, to approve item 2 as recommended. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolutions 2019-127 and 2019-20 UA.

A motion was made by Councilmember Happe, seconded by Councilmember Wallace, to approve item 3 as recommended. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Authorized the Administrative Services Director or her designee to make the appropriate adjustments to the budget and financial statements.

2. Resolution 2019-130, Approving Administrative Procedures Policy B-28 Debt Management Policy and Administrative Procedures Policy B-29 Tax-Exempt Bonds Compliance Policy and Resolution 2019-22 UA, Authorizing

the Issuance of Wastewater Enterprise Refunding Revenue Bonds and Approving the Forms of Adopting a Debt Management Policy and a Tax-Exempt Compliance Policy.

Jennifer Christensen, Administrative Services Director and Suzanne Cook, Deputy Finance Director, presented the staff report and answered questions from the City Council on the staff report.

Suzanne introduced Doug with Norton Rose Fulbright who provided additional information related to the issuance of the bonds.

Public Comment – None

A motion was made by Councilmember Wallace, seconded by Mayor Pro Tem Andrade, to approve item 1 as recommended. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-130.

A motion was made by Councilmember Wallace, seconded by Councilmember Happe, to approve item 2 as recommended. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-22 UA.

3. Resolution 2019-129, Updating Administrative Policy B-30 (Purchasing Policy).

Jennifer Christensen, Administrative Services Director, introduced Shiloh Rogers, Purchasing Manager, who presented the staff report and answered questions from the City Council on the staff report.

Public Comment – None

City Attorney Ennis noted one item of clarification – the last sentence in Section 16-114, Subsection 1 is incorrect and intended to be deleted.

A motion was made by Councilmember Happe, seconded by Mayor Pro Tem Andrade, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-129, as amended.

4. Resolution 2019-126, Caltrans Sustainable Communities Grant.

Adam Rush, Community Development Director, presented the staff report for this item.

Public Comment – None

A motion was made by Councilmember Happe, seconded by Councilmember Wallace, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-126.

5. Resolution 2019-125, initiating a proposal for school district territory transfer and direct the City Clerk to file the resolution with the Riverside County Board of Education and the Superintendent of the Riverside County Board of Education.

Douglas Schulze, City Manager, presented the staff report for this item.

Public Comment

Lisa, from Beaumont Unified School District provided information related to their services to the City of Banning and provided documents to the Clerk (Attachment 2).

Robert Guillen, Banning Unified School District Superintendent, advised this is just the beginning of an approximately six-month process.

Councilmember Wallace expressed support of the transfer.

City Manager Schulze read the email dated May 3, 2019 from Beaumont Unified School District indicating a joint meeting was not warranted (Attachment 2).

Keri Mariner, Banning Unified School District Board Member – Trustee Area 3, expressed support of the transfer.

Michael Titus, Lawyer for Pardee, thanked the City Council.

A motion was made by Councilmember Wallace, seconded by Mayor Pro Tem Andrade, to approve the item as presented. Electronic vote was taken as follows:

AYES: Happe, Peterson, Wallace, Andrade, & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2019-125.

IX. DISCUSSION ITEM

None

CITY COUNCIL – Next Meeting, October 22, 2019, 5:00 p.m.

X. ITEMS FOR FUTURE AGENDAS

1. City Logo

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 7:17 p.m.

Minutes Prepared by:

Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed here:
<https://banninglive.viebit.com/player.php?hash=r3VbVEyyW6zp> and related documents can be viewed here: <https://banningca.gov/ArchiveCenter/ViewFile/Item/2162> or by requesting a CD or DVD at Banning City Hall located at 99 E. Ramsey Street.

In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

ATTACHMENT 1

(Audit Presentation)

INTERNAL AUDIT OF CITY OF BANNING ELECTRIC UTILITY

Presented By:
Heather Rubio, CWA

◀ CHRISTY WHITE

INTERNAL AUDIT OBJECTIVE AND SCOPE – DEFINED IN THE PROFESSIONAL SERVICE AGREEMENT

- A) **Examine** all cash, check and credit transactions of the Banning Electric Utility and determine if all customer cash payments are fully accounted for. Amount of money deposited should correspond with the amounts paid by the City of Banning customers.
- B) **Identify** the amount of electricity purchased (from Southern California Edison and other power suppliers) by the utility in a given year and compare it to the amount of electricity sold to customers during that year (In Megawatt Hours).
- C) **Identify** all dwellings in the City that receive utilities but are not billed or are partially billed. Identify the retail value for each of those transactions.
- D) **Examine** random samples of electric utility bills for billing accuracy, rate structure, and consistency.
- E) **Examine** if electric utility usage was overridden (lowered) manually in individual cases.
- F) **Identify** charges billed for incorrect or non-existent equipment.

◀ CHRISTY WHITE.com

INTERNAL AUDIT

- Definition of an Internal Audit is an objective, systematic examination of evidence to assess independently the performance of an organization, program, activity, or function (in this case the Electric Utility).
- Purpose of an internal audit is to provide information and to improve accountability and facilitate decision making.
- Can encompass a wide variety of objectives, including those related to assessing program effectiveness and results; economy and efficiency; internal control; compliance with legal or other requirements; and objectives related to providing prospective analyses, guidance, or summary information.

◀ CHRISTY WHITE.com

INTERNAL AUDITS MAY MITIGATE RISK

- Financial – the risk that could result in a negative financial impact to the City
- Strategic – the risk that would prevent the City from fulfilling its mission (not making correct program decisions)
- Regulatory – the risk that could expose the City to penalties from a regulatory agency due to non-compliance with laws or grant requirements
- Reputational – the risk that could expose the City to negative publicity (i.e. result in difficulty in passing new bonds)
- Operational – the risk that could prevent the City from operating in the most effective and efficient manner (City deal with budget cuts, limited staffing/resources, and old software systems)

◀ CHRISTY WHITE.com

INVESTIGATIVE/FORENSIC/FRAUD AUDIT

- The objective is to uncover fraud when individuals bring forth evidence that indicates that a fraud might exist.
- This is an investigation of a specific area or individual when there is a suspicion of inappropriate or fraudulent activity.
- The intent is to locate and remedy control breaches, as well as to collect evidence in case charges are to be brought against someone.
- The audit is performed in response to allegations received through a fraud hotline or other internal and external sources.
- Typically allegations are prioritized and investigated based on an assessment of potential risk to the City.

Note: CWA did not perform a Forensic Audit on the Electric Utility

CHRISTY WHITE.com

ACFE REPORT TO THE NATIONS ON OCCUPATIONAL FRAUD AND ABUSE

12% of fraud was initially detected by external auditors

20% came from internal audits

50% came from employee tips

19% was detected by internal controls

CHRISTY WHITE.com

THE INTERNAL AUDIT PROCESS

Planning

Collecting Evidence

Evaluating Evidence

Communicating Audit Results

CHRISTY WHITE.com

SCOPE LIMITATIONS AND IMPACT ON WORK PERFORMED

- The City was able to provide all the documents and records requested by CW. Therefore, there was no scope limitation from the City. We would like to also note that all requested documents were received on, or before, each set deadline.
- Impact on Work Performed: Although the City provided all the items requested in a timely manner, the reports were not in easily searchable formats and not available to export for data analytics due to reporting system constraints. Due to the nature of reports provided and the AS 400 system used by the City, CW was not able to make use of all types of data and analytics in the internal audit.

CHRISTY WHITE.com

SCOPE ITEM A – EXAMINE CASH TRANSACTIONS (PAGE 6 OF INTERNAL AUDIT REPORT)

We Found:

- City had proper controls, policies, and procedures over cash handling and collection.
- Mail and Online payments make up the largest methods of payment. Actual cash collection at the City make up between 8%-10% of total payments.
- We checked for cash substitution and lapping schemes and found no evidence this is occurring.
- Payment Plan Procedures: Utility Finance Department Found administrative polices are not always being followed.

◀ CHRISTY WHITE.com

SCOPE ITEM B – IDENTIFY ELECTRICITY PURCHASED AND SOLD (PAGE 10 OF INTERNAL AUDIT REPORT)

We Found:

- Total consumption in 2016-2017 was 143,729,492 kWh, while the annual load in 2016-17 was 150,041,000, resulting in a difference of 6,311,508.
- The total consumption in 2017-18 was 140,906,066 kWh, while the annual load in 2017-18 was 148,541,000, resulting in a difference of 7,634,934.
- Currently Banning Electric cannot calculate/evaluate true system losses because they currently don't have a method to match the power bill to customer billing.

◀ CHRISTY WHITE.com

SCOPE ITEM B – IDENTIFY ELECTRICITY PURCHASED AND SOLD (CONTINUED)

We Recommended:

Utility continue to work on a reporting model that will make the amount of electricity purchased and sold for transparency and easily explain a month to month variance. In addition, we recommend reports that outline the monthly load are provided to the Council on a frequent basis.

◀ CHRISTYWHITE.com

SCOPE ITEM C – IDENTIFY ALL DWELLINGS IN THE CITY THAT RECEIVE UTILITIES BUT ARE NOT BILLED OR ARE PARTIALLY BILLED (PAGE 13 OF INTERNAL AUDIT REPORT)

- We examined a list of 125 address that the City of Banning is paying electricity for and verified they are correctly classified
- We examined amounts charged to large customers in the areas, where internal Audit Provide information, some might be utilizing system for lowest rates
- We examined a list of a representative sample of address from the Meter Reading Sequence Listing Route reports and traced to utility billing
- We did not identify any dwellings that appear to be not adequately billed.

◀ CHRISTYWHITE.com

SCOPE ITEM D – EXAMINE RANDOM SAMPLES OF ELECTRIC UTILITY BILLS FOR BILLING ACCURACY, RATE STRUCTURE AND CONSISTENCY (PAGE 15 OF INTERNAL AUDIT REPORT)

We examined a random sample from the Meter Reading Posting (UT305L) and testing to ensure proper billing rates by tracing to posted billing rates

We Found:

No billing errors in our samples. Although we did not come across billing errors in our sample, we determined that Banning Electric does not have internal controls in place to detect billing errors in which there would be an error based on how the account was setup.

Through inquiry we found the Public Works Department have been overcharged in the amount of \$1,276,936 (incorrect rate code at setup)

 **CHRISTY WHITE.com**

SCOPE ITEM E – EXAMINE IF ELECTRIC UTILITY USAGE WAS OVERRIDDEN (LOWERED) MANUALLY (PAGE 18 OF INTERNAL AUDIT REPORT)

Examined a representative sample from the Meter Reading Exception Listing Report (UT305L) and tested to ensure proper billing.

We Found:

- Banning Electric does not have metrics for evaluating meter reader performance. By not evaluating meter reader performance, the City cannot sufficiently manage staff capacity and ensure accurate meter reads, which can lead to meter reading errors and customer complaints.

 **CHRISTY WHITE.com**

SCOPE ITEM E – EXAMINE IF ELECTRIC UTILITY USAGE WAS OVERRIDDEN (LOWERED) MANUALLY

Reviewed the process for Solar 411 Billing

We Found:

Ultimately the process for Solar 411 Billing is tracked using manually entered Solar Reading Sheets which are subject to manual override and a high risk for error, making it difficult to verify the completeness of the data

We recommend:

City evaluate the new process to determine the system has the capability for accurate and timely billing, and one that can easily accommodate growth and changes. Solar is both a high growth area, we recommended moving towards an automated process that can easily be tracked, verified and reviewed.

◀ CHRISTY WHITE.com

SCOPE ITEM F - IDENTIFY CHARGES BILLED FOR INCORRECT OR NON-EXISTENT EQUIPMENT (PAGE 21 OF INTERNAL AUDIT REPORT)

We Found:

We were unable to determine a single methodology that was used for actual administrative costs, additionally the total was difficult to recalculate.

We recommend:

The City come up with more uniform, consistent, transparent system for charging the utility fund administrative fees. Under the current method it is difficult to identify the actual expenses for the Electric Utility. In the CAFR, a portion is recorded in the service line and the other portion is recorded as a transfer out of the Electric Utility Fund.

◀ CHRISTY WHITE.com

CONCLUSION

Our examinations, observations and inquiries did not uncover any instances of fraud. Instead, we found that the issues we mentioned in this report the City of Banning has encountered, are a result of outdated reporting systems and manual processes that do not allow for transparent reporting and make it difficult to detect errors timely.

◀ CHRISTY WHITE.com

ATTACHMENT 2

(Beaumont Unified School District)



last email sent

Robin Lappert <rlappert@beaumontusd.k12.ca.us>

Joint Meeting

1 message

Robin Lappert <rlappert@beaumontusd.k12.ca.us>
To: lsampson@banningca.gov
Cc: Terrence Davis <tdavis@beaumontusd.k12.ca.us>

Fri, May 3, 2019 at 11:59 AM

Thank you for your request for a joint meeting between Banning City Council, Banning Unified School District, Beaumont Unified School District and Pardee regarding the Atwell project.

On July 2, 2018, we sent Pardee a letter of intent to acquire property for the development of a school site within the Atwell project in Banning.

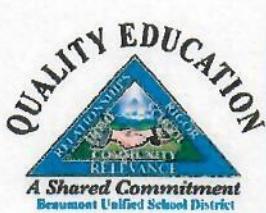
As a result of your recent request for a meeting, we had some discussion and have determined that the majority of the Atwell project is within our school district boundaries and there is no anticipation, plans, or pending discussion, to make any changes to those boundaries.

Therefore, a joint meeting is not warranted at this time.

We are in continuous communication with Pardee regarding this future development.

Please contact Terrence Davis directly if you have any questions or concerns. He can be reached at 951-200-0498.

Thank you.



ROBIN LAPPERT

Administrative Assistant to the Superintendent
BEAUMONT UNIFIED SCHOOL DISTRICT

350 W. Brookside Ave., Beaumont, CA 92223
 (951) 797-5324
 rlappert@beaumontusd.k12.ca.us
 www.beaumontusd.us



Robin Lappert <rlappert@beaumontusd.k12.ca.us>

RE: Joint Meeting

1 message

lsampson@banningca.gov <lsampson@banningca.gov>
To: rlappert@beaumontusd.k12.ca.us
Cc: tdavis@beaumontusd.k12.ca.us

Fri, Apr 26, 2019 at 1:40 PM

Thank you, I'll send these dates out to the other attendees and see what we get.

Thank you

Laurie Sampson

Executive Assistant for

Doug Schulze, City Manager

lsampson@banningca.gov

Office : (951) 922-4860

Fax: (951) 846-8614

City of Banning

99 E. Ramsey Street

Banning, CA 92220



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.

From: Robin Lappert [mailto:rappert@beaumontusd.k12.ca.us]
Sent: Friday, April 26, 2019 1:27 PM
To: Laurie Sampson <lsampson@banningca.gov>
Cc: Terrence Davis <tdavis@beaumontusd.k12.ca.us>
Subject: Re: Joint Meeting

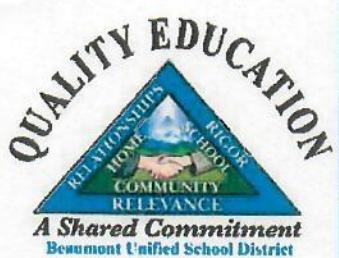
Hi Laurie,

May is already very full, and I am only able to provide the dates and times below:

Wednesday, May 15, 12:30-1:30

Thursday, May 16, 12:30-1:30

Thursday, May 30, 12:30-1:30



ROBIN LAPPERT

Administrative Assistant to the Superintendent
BEAUMONT UNIFIED SCHOOL DISTRICT



350 W. Brookside Ave., Beaumont, CA 92223



(951) 797-5324



rlappert@beaumontusd.k12.ca.us



www.beaumontusd.us

On Fri, Apr 26, 2019 7:52 PM, lsampson@banningca.gov wrote:

Hello Robin, thanks for the quick response. Can you give me 5 options in May that Mr. Davis is available for one hour and I'll run those dates by the rest of the group?

Thank you

Laurie Sampson

Executive Assistant for

Doug Schulze, City Manager

lsampson@banningca.gov

Office : (951) 922-4860

Fax: (951) 846-8614

City of Banning

99 E. Ramsey Street

Banning, CA 92220

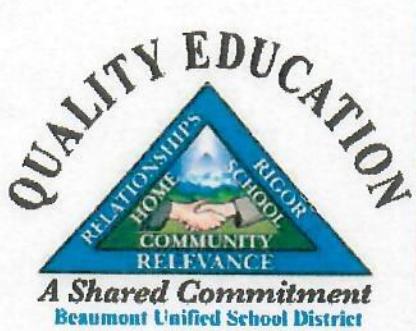


The City of Banning promotes and supports a high quality of life that ensures a safe and friendly environment, fosters new opportunities and provides responsive, fair treatment to all and is the pride of its citizens.

From: Robin Lappert [mailto:rappert@beaumontusd.k12.ca.us]
Sent: Friday, April 26, 2019 11:09 AM
To: Laurie Sampson <lsampson@banningca.gov>
Cc: Terrence Davis <tdavis@beaumontusd.k12.ca.us>
Subject: Re: Joint Meeting

Hi Laurie,

I'm sorry to say that none of those dates work. Would you like me to provide some other dates?



ROBIN LAPPERT

Administrative Assistant to the Superintendent
BEAUMONT UNIFIED SCHOOL DISTRICT



350 W. Brookside Ave., Beaumont, CA 92223



(951) 797-5324



rlappert@beaumontusd.k12.ca.us



www.beaumontusd.us

----- Forwarded message -----

From: <lsampson@banningca.gov>

Date: Fri, Apr 26, 2019 at 10:39 AM

Subject: RE: Joint Meeting

To: <tdavis@beaumontusd.k12.ca.us>

Mr. Davis, the topic is the Atwell project, school district boundaries and the effect this project will have on both cities.

Thank you

Laurie Sampson

Executive Assistant for

Doug Schulze, City Manager

lsampson@banningca.gov

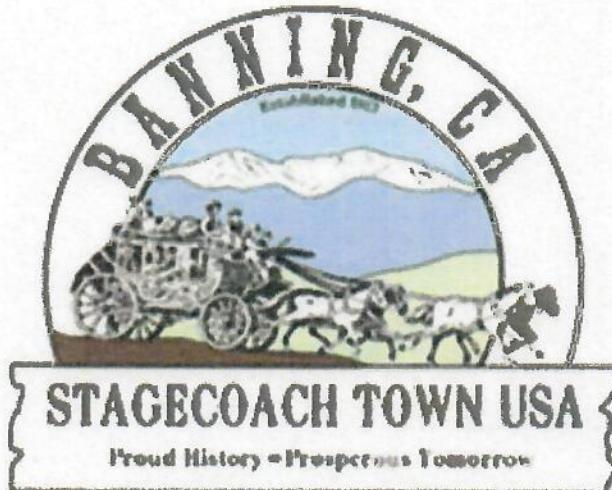
Office : (951) 922-4860

Fax: (951) 846-8614

City of Banning

99 E. Ramsey Street

Banning, CA 92220



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.

From: Terrence Davis [mailto:tdavis@beaumontusd.k12.ca.us]
Sent: Friday, April 26, 2019 10:34 AM
To: Laurie Sampson <lsampson@banningca.gov>
Subject: Re: Joint Meeting

Thank you for the information,

What is the topic/subject of this meeting?

On Fri, Apr 26, 2019 at 9:25 AM <lsampson@banningca.gov> wrote:

Good morning gentlemen, we are working to schedule a joint meeting of the City of Banning, Pardee Homes, Banning Unified School District and Beaumont Unified School District.

We are proposing a one hour lunch meeting from 12:30 – 1:30 pm on one of the following days.

Tuesday, May 7

Monday, May 13

Monday, May 20

Tuesday, May 31

Please let me know which, if any, of these days would work with your schedules. If you have any questions please contact me.

Thank you
Laurie Sampson

Executive Assistant for

Doug Schulze, City Manager

lsampson@banningca.gov

Office : (951) 922-4860

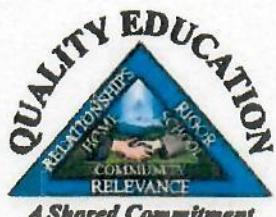
Fax: (951) 846-8614

City of Banning

99 E. Ramsey Street

Banning, CA 92220





BEAUMONT UNIFIED SCHOOL DISTRICT

BOARD OF TRUSTEES

<i>Mr. David Sanchez</i> President	<i>Mr. Steven Havey</i> Vice President	<i>Mrs. Susie Lara</i> Clerk	<i>Mrs. Janelle Poulter</i> Member	<i>Mr. Brian Sylvia</i> Member
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ADMINISTRATION

<i>Mr. Terrence Davis</i> District Superintendent	<i>Mr. Shawn Mitchell</i> Assistant Superintendent Human Resources	<i>Mr. Tony Knapp</i> Assistant Superintendent Instructional Support Services	<i>Mrs. Penni Harbauer</i> Assistant Superintendent Business Services
--	--	---	---

July 2, 2018

CONFIDENTIAL COMMUNICATION

Via First Class Mail & Email
Chris.willis@pardeehomes.com

Chris Willis
 Director of Project Management
 Pardee Homes
 1250 Corona Pointe Ct. #600
 Corona, CA 92879

RE: Proposed Purchase of Two 20 +/- Acres Parcels of Property Commonly Known as the Butterfield Project, PA 20 & PA 42/43 Banning, California

Dear Mr. Willis:

The Beaumont Unified School District, a California public school district (“District”), is interested in purchasing two 20+/- acre parcels of the above-identified real property within Planning Area 20 and Planning Area 42/43, located Northeast of Highland Springs Road and North of Wilson Street in the City of Banning, Riverside County, California (“Property”) from its owner and developer, Pardee Homes, a Delaware limited liability company (“Developer”). This Letter of Intent is a non-legally-binding proposal that is to be succeeded by a legally binding Purchase and Sale Agreement (“PSA”) between Developer and District.

Through the proposed transaction, the District intends to acquire an adequate site for the development of a public K-8 school to accommodate the anticipated growth in enrollment generated by the residential development project of Developer. We further note that the acquisition of a California school site is subject to statutory and regulatory requirements which can be met only through the District’s rigorous due diligence and investigation of the Property. As such, we wanted to reach out to you early in the process to review key deal points and coordinate next steps.

Although the District is still evaluating the Property to determine purchase price, timeline, and other key parameters, we wish to express our interest in the Property and present the following initial proposal:

1. Developer Improvements to the Property.

- a. **Superpad Condition.** Developer and District agree that the Property shall be delivered to the District in certified "Superpad Condition," at sole cost to the Developer. "Superpad Condition" shall mean: (i) the Property has been graded to a 2% grade or less, and, if required, to a 1/10th of a foot contour, (ii) the building pad has been certified by a registered soils engineer, (iii) frontage street improvements providing at least three points of access to the Property have been completed, and (iv) all wet and dry utilities have been stubbed to the Property line, as further specified in site design specifications approved by the District and Developer.
 - b. **Grading Plans.** Developer shall provide to District for its review draft grading plans for the Property prior to approval of such plans by the City or other government authority.
 - c. **Infrastructure Improvement Plans.** Developer shall provide to District for its review draft infrastructure improvement plans for the frontage street improvements and wet and dry utilities serving the Property prior to approval of such plans by the City or applicable service provider. Subject to the approval of the City and/or applicable service provider, Developer shall incorporate in such plans any reasonable revisions requested by the District in order to provide services to the Property.
 - d. **Site Remediation.** Any and all remediation, mitigation, clean-up, or other site work necessary to secure the required approvals for the Property shall be undertaken at the sole cost of the Developer, provided, however, if the Developer determines it would be economically infeasible to complete such work, the District and Developer shall make a good faith effort to identify an alternative Property.
2. **Due Diligence Period.** After the proposed site has been mass-graded, there shall be a Due Diligence Period of eight (8) months in which the District will conduct investigations, studies, and tests as is deemed necessary and appropriate concerning the District's proposed uses and/or suitability of the Property for a public school site. District may exercise a one-time extension of the Due Diligence Period, for up to sixty (60) additional days upon written notice to Developer. At the end of the Due Diligence Period, District shall determine, in its sole discretion, the acceptability of the Property for a public school site, and such determination shall be final.
 - a. **Environmental Review.** District's approval of environmental studies and any required documentation regarding the environmental condition of the Property as required by law, including any actions necessary under the California Environmental Quality Act ("CEQA").
 - b. **Governing Board Approval.** Approval of the purchase by District's Board of Trustees ("Board").
 - c. **Governmental Regulations.** Approval by appropriate governmental entities of zoning, subdivision maps, land use and other governmental regulations, laws, permits and approvals that apply to the Property, including but not limited to

cc: Penni Harbauer, Assistant Superintendent of Business Services, Beaumont USD
Mike Satley, Executive Director of Facilities Planning, Beaumont USD
Kelli A. Owens, Fagen Friedman & Fullrost, LLP
Terrence Davis
Superintendent
Beaumont Unified School District
Sincerely,

If you wish to accept the terms of this Letter of Intent, please so indicate in the appropriate space provided on the next page and return the original to the District as soon as possible but no later than July 10, 2018. We would also be happy to arrange a meeting or teleconference to discuss this Letter of Intent in greater detail. In the interim, if you have any comments or questions, please contact our real property counsel, Kelli A. Owens at (760) 304-6025.

5. **Non-Binding Agreement.** Nothing in this letter is meant to pre-commit the Board or purchase the property can be made until the Board formally acts to approve the PSA. Approval of the PSA itself shall be at the discretion of the Board. No decision to is conditional upon and requires the independent approval of the Board. In addition, otherwise limit the options available to the Board. Consequently, this Letter of Intent,

4. **Confidentiality and Exclusivity of Letter of Intent.** Both Parties agree that the terms of this Letter of Intent shall remain completely confidential and shall not be disclosed to any third parties without express written consent of Developer and District. During the time the Parties are negotiating this Letter of Intent, Developer agrees to negotiate exclusively with District for this property.

3. **Exclusive Rights.** Developer will not market or negotiate concerning the property with any other party so long as this Letter of Intent is in effect. Developer shall not accept any offers for the property so long as this Letter of Intent is in effect.

the California Department of Education and the California Department of Toxic Substances Control.

350 W. Brookside Avenue • PO Box 187 • Beaumont • California • 92223-0187 • Tele: (951) 845-1631

00510-00113/42826211

Title: _____

Name: _____

By: _____

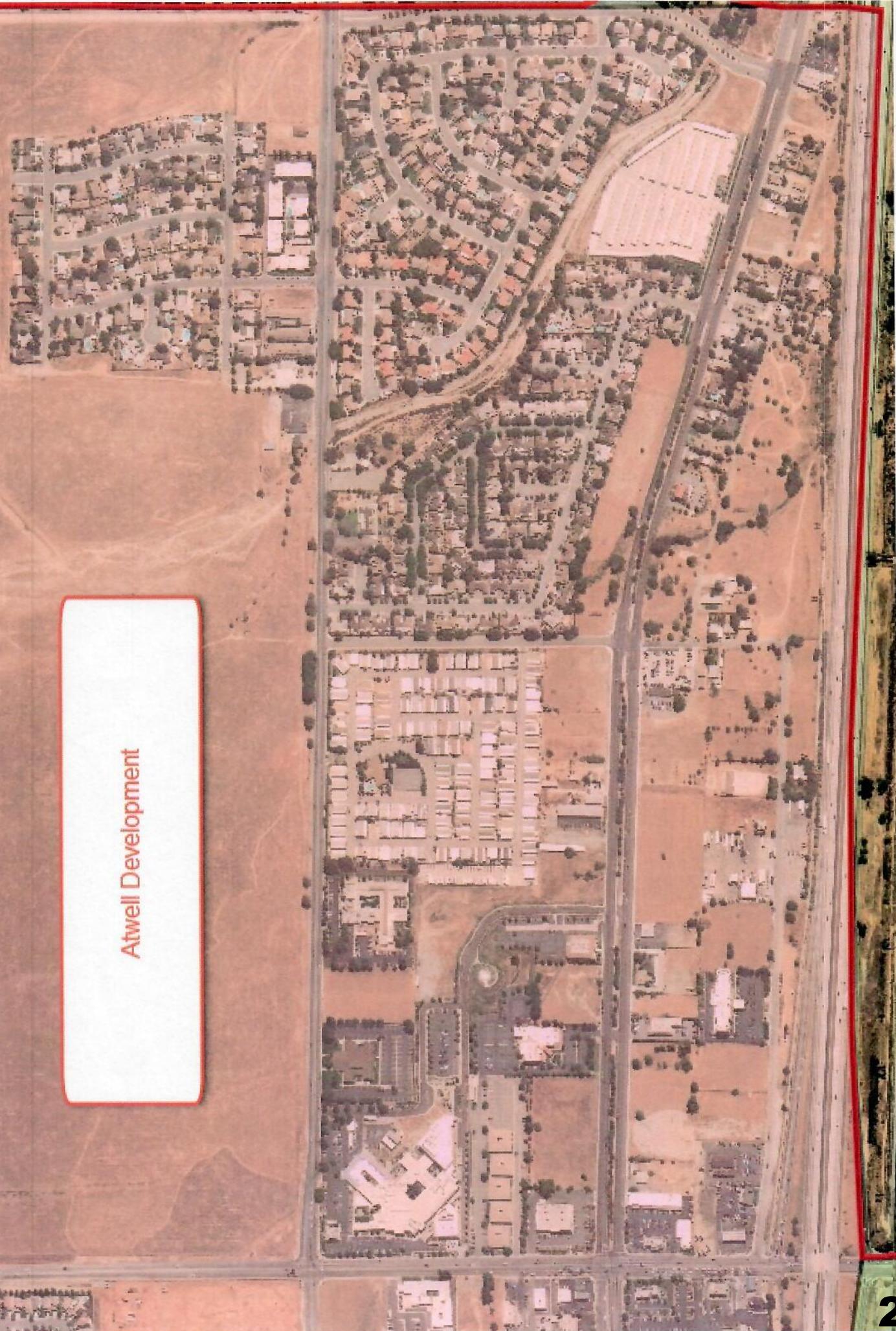
Date: 2018

PARDIE HOMES

This Letter of Intent is hereby approved by the representative of Pardie Homes, Developer.

SIGNATURE PAGE - LETTER OF INTENT

Atwell Development





CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Laurie Sampson, Executive Assistant

MEETING DATE: October 22, 2019

SUBJECT: Receive and File Contracts Approved Under the City Manager's Signature Authority for the Month of September 2019.

RECOMMENDATION:

Receive and file contracts approved under the City Manager's signature authority for the Month of September 2019.

BACKGROUND:

City Council requested regular reports of contracts signed under the City Manager's signature authority of \$25,000 or less.

ATTACHMENT:

1. List of Contracts approved by City Manager
<https://banningca.gov/DocumentCenter/View/6580/Attachment-1--September-2019-Executed-Contracts-up-to-25000>

Approved by:

A handwritten signature in blue ink, appearing to read "DS" followed by a stylized "S".

Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director

MEETING DATE: October 22, 2019

SUBJECT: Approval and Ratification of Accounts Payable and Payroll Warrants Issued in the Month of September 2019

RECOMMENDATION:

That City Council review and ratify the warrants for period ending **September 30, 2019**, per California Government Code Section 37208.

WARRANT SUMMARY:

Description	Payment #	Amount	Total Amount
Checks:			
Checks Issued during Month	170581 - 170998	\$ 2,319,150.16	
Voided / Reissue Check		\$ 4,126.17	
Check Total			\$ 2,315,023.99
Wires Total	1015		\$ 2,110,962.32
ACH payments:	9006523 - 9006548		
Payroll Direct Deposit	9/13/2019	\$ 394,838.04	
Payroll Direct Deposit	9/27/2019	\$ 375,013.82	
Other Payments		\$ 800,771.02	
ACH Total			\$ 1,570,622.88
Payroll Checks:	11912 - 11936		
Payroll - Regular	9/11/2019	\$ 4,689.67	
Payroll - Manual Check	9/13/2019	\$ 3,828.38	
Payroll - Regular	9/27/2019	\$ 3,140.55	
Payroll Check Total			\$ 11,658.60
Total Warrants Issued for September 2019			\$ 6,008,267.79

October 22, 2019

Page 2 of 2

ATTACHMENTS:

- Fund List
- Warrant List September 2019
- Warrant List Detail September 2019
- Voided Check Log – September 2019
- Payroll Log
- Payroll Registers

https://banningca.gov/DocumentCenter/View/6579/Attachment-1---Warrant-Report-ACH-Report_September-2019

If you have any questions, please contact the Finance Department so that additional detailed information can be provided to you.

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL
FROM: Douglas Schulze, City Manager
PREPARED BY: Suzanne Cook, Deputy Finance Director
MEETING DATE: October 22, 2019
SUBJECT: Receive and File Cash, Investments and Reserve Report for the Month of September 2019

RECOMMENDATION:

That City Council receive and file Cash, Investments and Reserve Report for **September 30, 2019** in accordance with California Government Code 53646.

CASH AND INVESTMENT SUMMARY:

Description	Prior Month	Current Month
Funds Under Control of the City		
Cash		
Cash on Hand	\$ 3,655.00	\$ 3,655.00
Checking and Savings Accounts	\$ 10,817,543.49	\$ 10,730,032.42
Investments		
LAIF	\$ 41,655,255.18	\$ 41,655,255.18
Brokerage	\$ 26,998,323.32	\$ 27,045,120.58
Total Funds Under Control of the City	\$ 79,474,776.99	\$ 79,434,063.18
Funds Under Control of Fiscal Agents		
US Bank		
Restricted Bond Project Accounts	\$ 15,264,367.80	\$ 15,276,240.02
Restricted Bond Accounts	\$ 5,423,832.06	\$ 4,900,240.50
Union Bank		
Restricted Funds	\$ 282,638.98	\$ 624,974.92
Total Funds Under Control of Fiscal Agents	\$ 20,970,838.84	\$ 20,801,455.44
Total Funds	\$ 100,445,615.83	\$ 100,235,518.62

RESTRICTED, ASSIGNED, COMMITTED AND RESERVED SUMMARY:

Description	Prior Month	Current Month
Total Funds	\$ 100,445,615.83	\$ 100,235,518.62
Restricted Funds	37,712,622.32	\$ 37,748,646.84
Assigned Funds - Specific Purpose	8,969,200.65	\$ 8,969,200.65
Committed Funds - Specific Purpose	3,242,731.75	\$ 3,242,731.75
Fund Balance Reserves	15,183,797.25	\$ 15,455,882.97
Total Restricted, Assigned, Committed and Reserves	\$ 65,108,351.97	\$ 65,416,462.21
Operating Cash - Unrestricted Reserves	\$ 35,337,263.86	\$ 34,819,056.41
Less Accounts held in Investments	\$ 26,998,323.32	\$ 27,045,120.58
Liquid Cash	\$ 8,338,940.54	\$ 7,773,935.83

ATTACHMENTS:

1. Cash, Investment and Reserve Report September 2019
https://banningca.gov/DocumentCenter/View/6576/Attachment-1---ASD-Report-Fund-Bal--Reserve_FY19-20---September-2019
2. Investment Report September 2019
<https://banningca.gov/DocumentCenter/View/6577/Attachment-2---Investment-Report-September-2019>
3. LAIF / PMIA Performance Report
https://banningca.gov/DocumentCenter/View/6578/Attachment-3---PMIA-LAIF_perform-September-2019

If you have any questions, please contact the Finance Department so that additional detailed information can be provided to you.

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: October 22, 2019

SUBJECT: Public Works Capital Improvement Project Tracking List

RECOMMENDED ACTION:

This is informational only; receive and file report.

GOAL STATEMENT:

The purpose of presenting the attached Public Works Capital Improvement Project (CIP) Tracking List is to keep City Council and the public informed of the status of the various capital improvement projects that are currently managed by the Public Works Department.

BACKGROUND:

There are several planning, environmental, design and construction contracts that have been approved by City Council and/or the City Manager's office that are being managed by the Public Works Department. In an effort to keep the City Council and the public informed of the progress made and current status of each project, staff has prepared and will continue to update the attached Public Works CIP Tracking List. The list will be presented to City Council on a monthly basis.

ATTACHMENTS:

1. CIP Status List

<https://banningca.gov/DocumentCenter/View/6586/Attachment-1-CIP-Update-October-2019>

Approved by:

A handwritten signature in blue ink, appearing to read "AS SF".

Douglas Schulze, City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: October 22, 2019

SUBJECT: Adopt Resolution 2019-133 Approving Final Tract Map No. 36939 and Release the Map for Recordation; and Authorize Staff to Sign the Subdivision Agreement and Final Tract Map; and Accept Performance and Labor and Material Bonds for Public Improvements

RECOMMENDED ACTION:

That City Council adopt Resolution 2019-133 approving Final Tract Map 36939 and release the map for recordation; and authorize staff to sign the Subdivision Agreement and Final Tract Map; and accept the Performance and Labor and Material Bonds for public improvements.

BACKGROUND:

Tentative Tract Map No. 36939, approved by Planning Commission on January 6, 2016, includes the subdivision of a 34.6 acre vacant site into 98 single-family residential lots for development purposes. The project site is located north of Wilson Street between Sunrise Avenue and Sunset Avenue.

Final Tract Map No. 36939, if approved, will create 98 single family residential lots and several lettered lots including:

- Lots "A" through "F", which will be dedicated to the City for street and public utility purposes and creates the City's public right-of-way.
- Lot "G" includes an area that functions as a setback area for the earthquake fault located along the northerly boundary of the tract. No structures are permitted to be constructed in this area, therefore this lot will be dedicated to the City for open space.
- Lots "H" and "I", are lots for the development of water quality basins to mitigate developed condition storm water runoff as required by City Ordinance. These lots will be dedicated to the City for storm drain purposes.

As a condition of the development the property owner is required to sign a Subdivision Improvement Agreement and submit bonds to assure that the required improvements including street, sewer, water and storm drain improvements are constructed. Upon approval the Final Tract Map and Subdivision Improvement Agreement will be signed by the appropriate City representative and the Final Tract Map will be released for recordation with the Riverside County Recorder's Office.

JUSTIFICATION:

The Final Tract Map was checked by the City's consulting surveyor and was found to conform to the approved tentative map, is technically correct and conforms to the requirements of the Subdivision Map Act. All conditions of approval required to be met prior to the recordation of the Final Tract Map have been met.

The City Engineer has verified that the Final Tract Map is in substantial conformance with the approved Tentative Track Map.

FISCAL IMPACT:

There is no direct fiscal impact based on the approval of the Final Map, however, the recordation of the map allows for the development of the project which will increase the assessed value of the properties resulting in an increase in property tax revenue. Additionally, the project will generate development impact fee revenues. The City's cost for processing the project will be offset by processing fees.

ALTERNATIVE:

1. Do not approve Final Tract Map No. 74902 and provide staff with additional direction.

ATTACHMENTS:

1. Resolution 2019-133
https://banningca.gov/DocumentCenter/View/6587/Attachment-1-Resolution-2019-133-TM-36939_Final
2. Subdivision Improvement Agreement
<https://banningca.gov/DocumentCenter/View/6588/Attachment-31-SIA-TM-36939>
3. Performance and Labor and Material Bonds
<https://banningca.gov/DocumentCenter/View/6589/Attachment-32-TM-36939-Bonds>

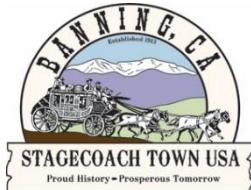
October 22, 2019

Page 3 of 3

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL AND
UTILITY AUTHORITY
REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, P.E., Public Works Director/City Engineer
Luis Cardenas, Senior Civil Engineer

MEETING DATE: October 22, 2019

SUBJECT: Resolution 2019-134 and Resolution 2019-23 UA, Authorizing the Submittal of a Proposal to the California Department of Water Resources to Obtain a Round 1 Integrated Regional Water Management (IRWM) Implementation Grant and to Enter into an Agreement to Receive a Grant for the 2019 San Gorgonio IRWM Implementation Grant Proposal.

RECOMMENDED ACTION:

Staff recommends:

1. The City Council adopt Resolution 2019-134 and the Utility Authority adopt Resolution 2019-23 UA, authorizing the submittal of a proposal to the California Department of Water Resources to obtain a Round 1 IRWM Implementation Grant and to enter into an agreement to receive a grant for the 2019 San Gorgonio IRWM Implementation Grant Proposal, and provide the required local matching funds, if awarded.
2. The City Council authorizes the City Manager or his designee to accept and receive grant funding and to make necessary budget adjustments and appropriations related to this resolution.

BACKGROUND:

San Gorgonio IRWM

In 2017, the City of Banning along with the San Gorgonio Pass Water Agency, Riverside County Flood Control and Water Conservation District, Cabazon Water District, Banning Heights Mutual Water Company, and High Valleys Water District signed an MOU to conduct planning for the San Gorgonio IRWM Region. Over the course of many months, with the help of Woodard & Curran in the role of facilitator and subject matter experts, the San Gorgonio IRWM Region developed a Plan that identifies the unique needs and

challenges of the region. The Plan was formally accepted by the Department of Water Resources in December 2018.

With an accepted Plan in place, the San Gorgonio IRWM Region became eligible for implementation grant funding. Funding is allocated by Funding Area, and the Colorado River Basin Funding Area will compete for available Round 1 Implementation Grant funding. Other regions submitting proposals and competing for Round 1 Implementation funding are the Coachella Valley Region and the Mojave Region.

Projects Identified for Round 1 Implementation

Following a call for projects in June 2019, four projects in the San Gorgonio Region were identified as being ready for implementation, three from the City of Banning and one from the Cabazon Water District. They are described briefly as follows:

1. Altitude Valves to Maximize Emergency Storage
Altitude valves are needed to be able to use the full volume of existing reservoirs, without accidentally overflowing them. Plans and specifications have been prepared for two locations, the Southwest Reservoir and San Gorgonio Reservoirs.
2. Location #2 Waterline Replacement
Plans have been completed to replace segments of old pipe that are prone to leaks, generally located west of 8th Street, along Nicolet St and surrounding areas. Some segments of pipe are currently in easements behind homes and will be relocated to public streets for easier access.
3. Smart Metering (AMR/AMI)
The City will replace all water meters with new radio-read compatible models and install data collectors throughout the City to be able to retrieve data remotely. Additionally, the project will include the installation of leak sensors and flowmeters at PRV stations to reduce water losses in the distribution system.
4. Attachment Isolation Valve Improvement Project
Additional valves are needed in the Cabazon distribution system to reduce the amount of water lost and the length of time it takes to isolate a main break.

3 provides more detailed project information that was submitted to DWR as part of a preliminary review. Staff is currently working with Woodard & Curran to complete the final grant application.

JUSTIFICATION:

The City of Banning has a need for grant funding to help pay for the implementation of various projects that are otherwise “shovel-ready”. As a proponent of 3 out of 4 projects in the region, it is logical for the City of Banning to be the lead agency in charge of managing the grant, if it is awarded to the region. The City of Banning’s staff time used to administer the grant will be reimbursable. The Cabazon Water District would be responsible for their own project’s local cost share, and an agreement between the City of Banning and the Cabazon Water District for grant administration would be brought to Council at a later date, before start of project implementation.

FISCAL IMPACT:

City Council approval of this resolution could secure up to \$4,151,554 in IRWM program funding for City of Banning water projects. The City may be responsible for a local match if a Disadvantaged Community waiver is not granted. A breakdown of the requested grant funding and local cost share for each City project:

Project	Requested Grant Amount	Local Cost Share Without Waiver
Altitude Valves to Maximize Emergency Storage	\$455,840	\$236,439
Location #2 Waterline Replacement	\$1,614,197	\$56,848
Smart Metering (AMR/AMI)	\$2,081,517	\$858,536

The precise dollar amount of a required local match, if any, is not known at this time because grant awards can be for a portion of the requested amount, and waivers for the local share could be granted based on the community’s financial hardship. Staff is hopeful that a waiver will be granted because the City of Banning is considered a disadvantaged community based on median household income. The cost share dollar amounts identified in the table above consist of funding that has already been budgeted and approved for these projects, including salary and wages for staff administration of the projects. No additional appropriations are anticipated at this time, unless the grant funding amount awarded by DWR is less than what is being requested.

ALTERNATIVE:

Reject Resolution 2019-134 and Resolution 2019-23 UA. If rejected, the City’s grant application will be deemed incomplete and not considered for funding through the Round 1 IRWM Implementation Grant funding opportunity.

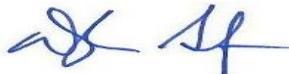
October 22, 2019

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ATTACHMENTS:

1. Resolution 2019-134
<https://banningca.gov/DocumentCenter/View/6596/Attachment-1---Resolution-No-2019-134-IRWM-Grant-Application-and-Agreement>
2. Resolution 2019-23 UA
<https://banningca.gov/DocumentCenter/View/6597/Attachment-2---Resolution-No-2019-23-UA-IRWM-Grant-Application-and-Agreement>
3. IRWM Grant Project Information
<https://banningca.gov/DocumentCenter/View/6598/Attachment-3---IRWM-Grant-Project-Information>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam B. Rush, Community Development Director

MEETING DATE: October 22, 2019

SUBJECT: Resolution 2019-113, Approving the Comprehensive User Fee Study Report, dated January 2, 2019 and Adopting an updated Master User Fee Schedule for the following City departments and fee groups: Finance and Administration; Animal Control; Community Services; Airport; Building; Planning; Utility Billing; Electric Utility; Police; Fire; and Engineering, Making a Finding for Exemption under CEQA, and; and Introducing Ordinance 1553, proposing amendments to Chapter 3.36 "Fee and Service Charge Revenue/Cost Comparison" of the Banning Municipal Code (BMC) ("Code Amendment"), and Making Findings Pursuant to CEQA.

RECOMMENDED ACTION:

City Council continue the public hearing to the December 10, 2019 City Council Meeting.

BACKGROUND:

The City Council, during the September 10th Public Hearing referred the Comprehensive User Report, and Master Fee Study, to the Budget & Finance Committee for additional deliberation, review, and recommendation.

The Budget & Finance Committee review the User Report and Fee Study, during their regularly scheduled meeting, on Tuesday, October 15, 2019. The Committee requested clarification and additional updates on several items and requested that City Staff review and clarify questions on various fees and their recommended costs in the revised Fee Schedule.

The item was continued to the November Budget & Finance Committee Meeting to address these concerns.

OPTIONS:

1. Continue as recommended; or
2. Open the Public Hearing, accept public testimony, and approve the first reading of the Ordinance, and adopt the Fee Schedule by City Council Resolution.

ATTACHMENTS:

1. Resolution 2019-113
https://banningca.gov/DocumentCenter/View/6590/Attachment-1_CC_Resolution-No-2019-113-DRAFT_20191022---MASTER-FEE-STUDY
2. Ordinance 1553
https://banningca.gov/DocumentCenter/View/6591/Attachment-2_Ordinance-1553-for-Master-Fee-Study_abr
3. Comprehensive User Fee Study, dated January 2, 2019 (Willdan)
https://banningca.gov/DocumentCenter/View/6592/Attachment-3_Banning-UF-Report_20190826
4. Proof of Publication
https://banningca.gov/DocumentCenter/View/6593/Attachment-4a_Banning-Public-Hearing-Notice-Code-Amendment-and-Master-User-Fee-Schedule-Update-FINAL
5. Notice of Exemption (NOE)
<https://banningca.gov/DocumentCenter/View/6595/Attachment-5 -Notice-of-Exemption-NOE>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze

PREPARED BY: Adam B. Rush, Community Development Director
Andrea Mares, WRCOG Fellow

MEETING DATE: October 22, 2019

SUBJECT: Adopt-A-Roadway Program for the Downtown Area

RECOMMENDATION:

City Council adopt Resolution 2019-123, approving the City of Banning's Adopt-A-Roadway Program for the Downtown area.

BACKGROUND:

The City of Banning Zoning Districts includes a Downtown Commercial District, which is the core retail and small business center of the community. The City's downtown is unique in that most suburban communities lack a traditional downtown at its core. A successful downtown promotes a walkable, vibrant environment and also serves as a compact retail and entertainment "hub" providing for a wide range of retail shops, stores, sundries, events, activities, dining, commonly needed services and more importantly an active and safe nightlife.

The City of Banning is currently engaged in a multi-year program to revitalize the City's downtown core; which is traditionally bounded by 8th Street to the west and East Ramsey to the east, Hays Street to the north, and the Interstate 10 freeway completing the entire southern boundary. On March 26th, the City Council appointed Councilmember Wallace, to join Mayor Pro-Tem Andrade, in serving on the Downtown Ad Hoc Committee. Several projects are top priorities for the Ad Hoc Committee and will be brought forth as each effort is vetted through staff. The item included herein represents one of the first council actions taken to support the efforts of the downtown committee. A proposed Roadway Adoption Program is one aspect, of a focused strategic planning effort, to offer community members "hands-on" opportunities engage within our community's efforts. The program will ultimately provide opportunities; requested by community members for involvement activities, and aide in efforts to maintain an active and safe streetscape within the downtown.

JUSTIFICATION:

The Program is the perfect solution to both of these challenges. Not only will the program result in cleaner streets, but it will spur increased upkeep by local business owners, create pride of ownership among volunteers and encourage others to give back to their community. Similar programs have been successfully implemented within neighboring cities; providing Banning with the unique opportunity to utilize best practices from long-standing efforts. Based on community feedback, this program has potential to evolve and include sidewalk plant upkeep and/or other volunteer-based projects that revitalize Banning's downtown area.

FISCAL IMPACT:

The anticipated budget impact will come from the City's support in providing for the program signage and covering Live Scan background checks for adult volunteers approved to participate in the program. City staff estimates approximately \$2,400.00 per fiscal year, most of the revenue being gas tax revenue for the purchase of signage.

OPTIONS:

1. Approve as recommended.
2. Do not approve and provide alternative direction.

ATTACHMENTS:

1. Resolution 2019-123
https://banningca.gov/DocumentCenter/View/6581/Attachment-1-Resolution-No-2019-123_Final
2. Adoptable Roadways List
<https://banningca.gov/DocumentCenter/View/6582/Attachment-2-Adoptable-Roadway-List>
3. Adoptable Roadways Map
<https://banningca.gov/DocumentCenter/View/6583/Attachment-3-Adoptable-Roadway-Map>

Approved by:



Douglas Schulze
City Manager