



AGENDA

REGULAR MEETING OF THE BANNING CITY COUNCIL CITY OF BANNING, CALIFORNIA

**April 28, 2020
5:00 p.m.**

Video/Teleconference Meeting

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

SPECIAL NOTICE
THIS IS A VIDEO AND/OR TELECONFERENCE MEETING ONLY
AND WILL NOT BE HELD IN THE COUNCIL CHAMBER

Due to the COVID-19 pandemic emergency, and to protect the health and safety of all participants, this meeting is being held only as a Video/Teleconference Meeting rather than as an in-person meeting. Pursuant to Governor Newsom's Executive Order N-25-20, members of the Banning City Council, staff and public may observe and participate in this meeting electronically or telephonically and without any physical gathering in a particular meeting room. Furthermore, because the Governor's Executive Order N-33-20 prohibits all public gatherings regardless of venue or size, the Council Chambers will not be open to the public for this meeting and instead, the Councilmembers, staff and public will be able to observe and participate in this meeting in one of the following ways listed below:

To observe and participate in the on-line video portion of the meeting through your personal computer or device enter the following or click on the link:

<https://join.freeconferencecall.com/cityofbanning>

Online meeting ID: cityofbanning

To just listen to the meeting or to offer audio comments only when recognized for that purpose: Dial-in number: (617) 793-8135

If the you receive a busy signal, text CALL ME to the Dial-In number above. For additional assistance connecting to the meeting text "Help" to the Dial-In number above.

Message and data rates may apply

To observe the live meeting through your personal computer but not participate with video or oral comments, you may use your computer or smart phone to enter the following or click on the link: <https://banninglive.viebit.com/?folder=ALL>
or on the Banning Government Channel on Cable Television

You may also Email comments to: sdela Fuente@banningca.gov

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

1. Invocation
2. Pledge of Allegiance
3. Roll Call: Councilmembers Happe, Pingree, Wallace, Welch, and Mayor Andrade

II. AGENDA APPROVAL

III. PRESENTATION(S)

None

IV. REPORT ON CLOSED SESSION

City Attorney

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 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

None

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 – 11: Items ____, ____, ____ to be pulled for discussion.

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

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10.	Resolution 2020-54, Approving and Authorizing Submittal of California Emergency Management Agency Form California Office of Emergency Services Form 130 Designating Personnel to Act as the Agent for the City when Seeking Financial Assistance After a Disaster.....	91
11.	Resolution 2020-55, Authorizing the Police Department to use Golden Star Technology to Outfit Seven New Police Vehicles with a F110 G5 Series Tablet.....	95

VII. PUBLIC HEARING(S):

None

VIII. ANNOUNCEMENTS AND REPORTS:

CITY COUNCIL COMMITTEE REPORTS

REPORT BY CITY ATTORNEY

REPORT BY CITY MANAGER

REPORTS OF OFFICERS

1. Full Cost Allocation Plan **97**
(Staff Report: Jennifer Christensen, Administrative Services Director
Recommendation: Receive and file Full Cost Allocation Plan as prepared by MGT Consulting Group, April 2020.
2. Budget Workshop **101**
(Staff Report: Jennifer Christensen, Administrative Services Director
Recommendation: 1) Hold a budget workshop on April 28, 2020 to receive a presentation on the Fiscal Year 2020-21 and 2021-22 Budget; 2) Provide direction, if any, regarding items to be addressed or included in the Recommended Budget, schedule for adoption on June 9, 2020; and 3) Provide direction, if any, regarding the special issues or other items.

IX. DISCUSSION ITEM

None

X. ITEMS FOR FUTURE AGENDAS

New Items:

Pending Items:

1. Fee Suspension Update
2. Website Redesign
3. CNG Facility Update
4. New Energy Workshop
5. Planning Commissioner Schuler's Continued Service

XI. ADJOURNMENT

Next Meeting – Tuesday, May 12, 2020 at 5:00 P.M.

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 on the City’s website at www.banningca.gov or via email or regular mail by calling (951) 922-3102 or emailing sdelafuente@banningca.gov in the Office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m. and requesting a copy.

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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, a joint meeting of the Banning City Council and Banning Utility Authority and a joint meeting of the Banning City Council and the Banning City Council sitting in its capacity as the Successor Agency Board.

MINUTES
CITY COUNCIL

04/14/2020
REGULAR MEETING

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

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT Douglas Schulze, City Manager (via teleconference)
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk
Jennifer Christensen, Administrative Services Director
Adam Rush, Community Development Director
Tom Miller, Electric Utility Director
Ralph Wright, Parks & Recreation Director
Matthew Hamner, Police Chief
Art Vela, Public Works Director/City Engineer
Suzanne Cook, Deputy Finance Director
Laurie Sampson, Executive Assistant

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Andrade on April 14, 2020, at 5:00 p.m. via Video/Teleconference.

Pastor Jerry Westholder offered the invocation.

Councilmember Welch led the audience in the Pledge of Allegiance.

II. AGENDA APPROVAL

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

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

III. PRESENTATION(S)

None

IV. REPORT ON CLOSED SESSION

None

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENT(S)

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

Stephanie spoke against a homeless shelter on Charles Street at the former animal shelter location.

Jerry Westholder spoke against a homeless shelter in the City of Banning.

The City Manager addressed concerns regarding a homeless shelter at Charles Street indicating that the location for the pilot program would be located on the far east end of Ramsey Street at 1909 E. Ramsey Street and is only for the City's local homeless, many of whom have lived here for a very long time.

Joe Soto asked if the homeless encampment would be open to all homeless individuals, or if there would be an identification system to differentiate local individuals from others. He also asked what the budget is that has been set aside for this program or if it would be paid for only with money from FEMA.

Cierra Rounds asked how many shelters there would be and approximately how many people per shelter.

Jennifer Eisen asked when the facility would be up and running for how long.

The Mayor advised that Charles Street was being considered as a possible site for a homeless shelter, but it was not set in stone.

The City Manager provided the following information regarding the homeless shelter program:

- Based on information from the City's Police Department and the Point in Time Count, there are approximately 50-75 homeless individuals in Banning.
- This solution is intended to address those individuals living at the abandoned 553 E. Ramsey Street building and who were moved to the vacant lot near the courthouse.
- Officer Sayeski is assigned to work with the homeless population in Banning and has been for several years. He will help identify who is most vulnerable, in need of shelter, and who is from Banning.
- There will be rules associated with occupying the shelters, which include no drugs or alcohol.
- The pallet shelters will not be placed on Charles Street,
- There are 20 pallet shelters, which can accommodate two individuals. But, due to COVID-19, Two people will only be allowed in one shelter if they are related.
- Homeless from other cities will not be brought in to occupy the shelters.
- The pallet shelters will be delivered and set up on Thursday and expect individuals to be assigned to the units by next week.
- The pilot program will continue until decided otherwise. Monthly reports will be provided to the City Council to determine effectiveness and whether to continue the program.
- The cost of the shelters, portable toilets and handwashing stations will be paid for by FEMA funding. Some other items will be paid for by County Social Services. If the shelters are effective
- The pallet shelters were determined to be a short-term solution as well as a potential long-term solution, when it was discovered that it would cost the County \$400,000 just for two months of hotel room vouchers.

Diego Rose submitted a written statement regarding his opposition to the regulations related to COVID-19 (Attachment 1).

John Hagen submitted a written statement regarding his opposition to the consideration of Inge Schuler's continued service on the Planning Commission being placed on a future agenda (Attachment 2).

The following people submitted written statements regarding their opposition to a homeless shelter on Charles Street at the former animal shelter location (Attachment 3):

Angie Tamulonis
Anthony Brenneisen
Bruce Buckley
Cierra Rounds
David Ramirez
Dina Valdivia
Faith Koby
Jack Gunderson
Jami Hatfield
Jeremy Hagen
Kelly Muth
Lynnea Hagen
Maria Salgado
Melanie Koby
Melissa Miranda
Phyllis Soutar
Richard Macias
Stephen Cook
Thomas Lara
Tracy Miranda
Vikki Timms

Seeing no further comments, the Mayor closed Public Comments.

CORRESPONDENCE

None

APPOINTMENT(S)

None

VI. CONSENT ITEMS

1. Minutes – March 24, 2020, Special Meeting (Closed Session)
2. Minutes – March 24, 2020, Regular Meeting
3. Proclamation –Arbor Day is April 24, 2020
4. Field Use & Scheduling and Exchange of Service Policies
5. Settlement of the California Parties' Refund Case – City of Banning Electric Utility

6. Resolution 2020-41, Declaring Pursuant to Government Code Section 54221 that Real Property Owned by the City Located at the Northeast Corner of Highland Springs Road and Sun Lakes Boulevard (APN: 491-140-041) is Surplus Land and Not Necessary for the City's Use, Finding that Such Declaration is Exempt from Environmental Review Under the California Environmental Quality Act, and Taking Related Actions
8. Resolution 2020-53, Authorizing the Police Department to Renew the Contract with Airwave Communications for the Police Department Two-Way Radios and Radio System
9. Appropriation of Funds and an Increase in the Annual Aggregate "Not to Exceed" Amount for the Purchase of Tires and Related Services for the Remainder of Fiscal Year 2019/2020
12. Resolution 2020-48, Awarding a Professional Services Agreement for the Design of the Sun Lakes Boulevard Extension from Highland Home Road to Sunset Avenue, to Albert A. Webb Associates in the Amount of \$548,416.05 and Approving a 10% Contingency for a Total Project Budget of "Not-to-Exceed" \$603,258.05
13. Resolution 2020-47, Approving the Measure "A" Five Year Capital Improvement Plan Project List and Authorizing the City Manager to Execute the Maintenance of Effort Certification Statement
14. Resolution 2020-45, Declaring the Intention to Levy and Collect Assessments for Fiscal Year 2020/2021, Approving the Engineer's Report and Setting the Date for the Public Hearing for Landscape Maintenance District No. 1

Public Comments

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Happe to approve Consent Items 1-6, 8-9, 12, and 13-15. Rollcall vote was taken as follows:

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

Action: Approved Consent Items 1-6, 8-9, 12, and 13-18.

7. Resolution 2020-42, Declaring Pursuant to Government Code Section 54221 Real Property Owned by the City Located at 150 E. Ramsey Street is Surplus Land and Not Necessary for the City's Use, Finding that Such Declaration is Exempt from Environmental Review Under the California Environmental Quality Act, and Taking Related Actions

Councilmember Happe recused himself from the vote due to a potential conflict of interest.

Public Comments

None

A motion was made by Councilmember Welch, seconded by Councilmember Pingree to approve Consent Item 7. Rollcall vote was taken as follows:

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

Action: Approved Consent Item 7.

Councilmember Happe returned to the meeting.

10. Amendment No. 3 to the Professional Services Agreement with Stantec Consulting Services, Inc. for an Additional \$25,200 for the Design of the Reconstruction and Widening of Ramsey Street and Hathaway Street and Extend the Contract Term for an Additional 12 Months

Councilmember Happe asked staff if this would be necessary with potential financial issues and/or restraints.

Public Works Director Vela advised this item has been budgeted for and would be appropriate and some of the bond proceeds could expire if not used.

Public Comments

None

A motion was made by Councilmember Happe, seconded by Councilmember Welch to approve Consent Item 10. Rollcall vote was taken as follows:

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

Action: Approved Consent Item 10.

11. Resolution 2020-43, Approving an Agreement with Pyro Spectaculars, Inc., for Production of the Fourth of July Aerial Fireworks Display

Councilmember Happe expressed concern with locking the City into spending \$25,000 with uncertainty regarding whether large gatherings would still be prohibited in July.

Public Comments

Karen spoke against approving the item because the Governor has indicated large gatherings may not be allowed at that time.

Jerry Westholder spoke against approving the item because the Governor has said there wouldn't be celebrations on Memorial Day or Fourth of July.

Councilmembers Wallace, Pingree and Welch also expressed concern with awarding the contract.

A motion was made by Councilmember Welch, seconded by Mayor Andrade to not approve Consent Item 11 and forego fireworks on the 4th of July. Rollcall vote was taken as follows:

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

Action: Forego 4th of July Fireworks. Consent Item 11 Did Not Pass.

15. Determination of Public Convenience and Necessity for the Sales of Beer and Wine (Type 20) in a Proposed Convenience Store that Sells Gasoline (7-Eleven) Located at 3251 West Ramsey Street; (APN 537-090-064) in the General Commercial (GC) Zoning District 11

Councilmember Happe pointed out that this project is a 7-11 to be located on the corner of Ramsey and Sunset near Rio Ranch, that this is a fourth ABC license in the census tract and asked for clarification on the census tract.

Community Development Director Adam Rush provided clarification and explained census tracts.

The Mayor asked when the Council approved the Conditional Use Permit.

Community Development Director Rush explained the Planning Commission approved the use in March and that if it is not appealed it does not need to be approved by City Council unless it is a cannabis retail business.

Mayor Pro Tem Wallace expressed concern with projects being approved without Council knowledge or approval.

Public Comments

Jerry Westholder spoke in favor of approving the item and noted that 7-11 is a very reputable company.

A motion was made by Councilmember Happe, seconded by Mayor Andrade to approve Consent Item 15. Rollcall vote was taken as follows:

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

Action: Approved Consent Item 15.

16. Resolution 2020-50, Authorizing the Police Department to Purchase One (1) Chevrolet Tahoe Utility Patrol Vehicle through National Auto Fleet Group
17. Resolution 2020-51, Authorizing the Police Department to Purchase Three (3) Ford Police Interceptor Utility Patrol Explorers through Fritts Ford under Riverside County PUARC #1634
18. Resolution 2020-52, Authorizing the Police Department to Use Innovative Emergency Equipment to Outfit Four (4) New Police Vehicles with Emergency and Safety Equipment in an Amount Not to Exceed \$13,416 per Vehicle for the Three (3) Ford Interceptors and \$14,760 for the One (1) Chevy Tahoe, or \$55,008 Overall, Under Riverside County Contract #SHARC-05516-006-09/24

Public Comments

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Welch to approve Consent Items 16-18. Rollcall vote was taken as follows:

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

VII. PUBLIC HEARING(S)

1. Twelve (12) Month Extension for Tentative Parcel Map 33326

Adam Rush, Community Development Director provided the staff report and PowerPoint presentation (Attachment 4) for this item.

Public Hearing

Chuck Hokanson expressed concerns with new housing.

Seeing nobody else come forward, the Mayor closed the Public Hearing

Councilmember Pingree indicated he didn't feel that there should be additional extensions.

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree to adopt Resolution 2020-29, approving a twelve (12) month extension for Tentative Parcel Map 33326, located generally north of Sun Lakes Boulevard and east of Highland Springs Avenue; APN 419-140-056. Rollcall vote was taken as follows:

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

Action: Adopted Resolution 2020-29.

2. Emergency Medical Services Billing Program Fee

Jennifer Christensen, Administrative Services Director provided the staff report for this item. She recommended approval as amended (see Attachment 5).

Public Hearing

Chuck Hokanson asked what the write off policy is.

Administrative Services Director Christensen advised the write off policy is an additional protective measure to ensure no resident is personally responsible for the \$400 fee should the insurance not make the payment.

A motion was made by Councilmember Happe, seconded by Mayor Andrade to adopt Resolution 2020-39, approving the emergency medical services billing

program fee and related write-off policy with the following amendment: the billing program be initiated on May 15, 2020. Rollcall vote was taken as follows:

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

Action: Adopted Resolution 2020-39, as amended.

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Happe had nothing to report.

Councilmember Welch had nothing to report.

Councilmember Pingree participated in the food drive on the last two Fridays. He thanked all the volunteers.

Mayor Pro Tem Wallace reported that she has been checking on the homeless every other day and that she would like them to have shelter and guidance.

Mayor Andrade thanked the City Council, Parks and Recreation Commissioners Cabral and Diaz, and Planning Commissioner Lopez, and County Supervisor Hewitt, Deputy Chelse Youngblood, and Robert Ybarra for their efforts in the community during this pandemic. She thanked the Chief of Police for all his hard work and community involvement. She advised she attended a WRCOG meeting with the Director of Public Works via Zoom and the City was able to secure some funding for street improvements. Finally, she encouraged citizens to support local small businesses.

REPORT BY CITY ATTORNEY

City Attorney Kevin Ennis reported that his offices and Administration have been very busy working with the Federal, State, and County governments to implement and work through new policies and/or directives.

REPORT BY CITY MANAGER

City Manager Doug Schulze reported that he has been very involved in COVID-19 planning and response as well as working on a solution for the homeless issue.

Mayor Andrade thanked the City Manager for his hard work.

REPORTS OF OFFICERS

1. Consideration of Zoning Text Amendment No. 20-97501; Amending Section 3.17.050 of Title 3 to Reduce the Tax Rate on Cannabis Cultivation Facilities, Amending Chapter 5.33 of Title 5 to Establish Procedures for Additional Applications, and Amending Chapter 17.21 and 17.54 of Title 17 to Allow Cannabis Retailers to Operate in the General Commercial Zone and Amend the Development Standards Therein

Community Development Director Adam Rush provided the staff report and PowerPoint presentation (Attachment 6) for this item.

Public Comment

Matt Herald spoke in favor of amending the Ordinance and provided some information.

Nick Fraser thanked Community Development Director Rush for a very good presentation.

There was extensive discussion amongst the Council and various suggestions made regarding what should be included in an ordinance amendment.

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree, to refer ordinance amendment to a Planning Commission public hearing in compliance with Title 17 of the Banning Municipal Code. Rollcall vote was taken as follows:

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

Action: Referred ordinance amendment to a Planning Commission public hearing in compliance with Title 17 of the Banning Municipal Code.

2. Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning, Banning Utility Authority and the Successor Agency; the Capital Improvement Program for Fiscal Years 2019-2020; and Amending the Classification and Compensation Plan.

Deputy Finance Director Suzanne Cook provided the staff report and PowerPoint presentation (Attachment 7) for this item.

Public Comment

None

There was discussion held among Council and staff.

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree, to 1) adopt Resolution No. 2020-46 approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning; 2) adopt Resolution No. 2020-05 UA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Utility Authority; 3) adopt Resolution No. 2020-04 SA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Successor Agency; 4) adopt Resolution No. 2020-49 Amending the Classification and Compensation Plan; 5) authorize the City Manager, Administrative Services Director, Executive Director or designee to make necessary budget adjustments, appropriations, and transfers; and 6) restore the Emergency Reserve Fund to the extent possible. Rollcall vote was taken as follows:

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

Action: Adopted Resolutions 2020-46, 2020-05 UA, 2020-04 SA, and 2020-49; authorized the City Manager, Administrative Services Director, Executive Director or designee to make necessary budget adjustments, appropriations and transfers; and directed staff to restore the Emergency Reserve Fund to the extent possible.

3. Emerging Fiscal Issues

Administrative Services Director Jennifer Christensen provided the staff report and PowerPoint presentation (Attachment 8) for this item.

Public Comment

None

There was a brief discussion held among Council and staff.

Action: None - Received and filed report.

4. Contribution to Emergency Food Distribution Program.

City Manager Douglas Schulze provided the staff report for this item.

There was a brief discussion held among Council and staff.

Public Comment

Robert Ybarra thanked Council and staff for considering a contribution.

A motion was made by Councilmember Pingree, seconded by Councilmember Welch, to approve a contribution of \$4,000 to the Chamber of Commerce Emergency Food Distribution Program. Rollcall vote was taken as follows:

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

Action: **Approved a contribution of \$4,000 to the Chamber of Commerce
Emergency Food Distribution Program.**

IX. DISCUSSION ITEM

None

CITY COUNCIL – Next Meeting, April 28, 2020, 5:00 p.m.

X. ITEMS FOR FUTURE AGENDAS

None

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 10:31 p.m.

Minutes Prepared by:

Sonja De La Fuente

Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed here:

<https://banninglive.viebit.com/player.php?hash=J0qFpjkMoou0>. Any related

documents maybe viewed here:

<https://banningca.gov/Archive.aspx?AMID=&Type=&ADID=2277> or by purchasing a CD or DVD in the amount of \$7.00 at Banning City Hall located at 99 E. Ramsey Street.

ATTACHMENT 1

RECEIVED

By Sonja De La Fuente at 9:58 am, Apr 14, 2020

From: [Maria Cocina](#)
To: [Sonja De La Fuente](#)
Subject: Letter for council.
Date: Tuesday, April 14, 2020 9:55:47 AM

Warning

This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

City of Banning Information Technology

Epidemiology is a very well understood science that is generally understood to constantly change. Does that make sense? For over a hundred years the world and its science community have understood how to achieve and maintain herd immunity. THAT IS NO DIFFERENT TODAY. I don't care what the TV says. I am a professional on this subject. I KNOW how I wish to make my medical decision about this COVID-19 subject based on over 100 yrs. of science and medicine. If you want to practice isolation, I recommend YOU do that. If you practice isolation correctly then, per your own thinking, you will survive the scourge, I on the other hand will die or survive but I would not be able to pass it on because those who feel safer and understand/believe what they are sold will be safe enough to come out later and receive the virus in the form of a vaccine. Freedom in this country is the FIRST choice. Period. Your health choice is yours and yours only. It is the cornerstone of you being an individual. It is not mine or anyone's responsibility to keep others safe. They are free to make their decisions everyday including this day. If you care so much about others health NOW, start opposing all of the alcohol and cigarettes sold and continue to wear gloves and mask daily as this virus ranks very low in regards to what is around us and able to kill us. I have run ER's, ICU's, have been an Organ Transplant coordinator, run HIV/AIDS clinics, and been a public health nurse. Believe me when I tell you. This is an exercise in un-mitigated irrational fear and the public has shown there ignorance and I personally am okay with them paying for there own decisions as they may. I would prefer NOT to be part of that in any way but especially when it comes to the quality of life I seek to have. When someone in the global medical community can answer some of my questions about this virus, that the world seems okay in not addressing, then I may change my perspective but until then, I suggest people do what they wish with their health and not tell me what I should be doing with mine. This is an individual medical decision first and foremost.

Questions.#1 Who is protecting my right to my medical decision? Which entity could I go to and have them protect my choice? City police? County Sheriff? My mayor? I want a person.

Question #2 What is voluntary compliance? No one seems to be able to answer this question. If it is voluntary, I choose not to. How come I am threatened with fines, jail, or closure of my livelihood if I do not wish to voluntarily comply?

Question #3 Who among you has any medical knowledge or experience of any kind? No Dave, EMT level knowledge is not what I am referring to. Who have you consulted with on the subject or are all of you just doing as you are told by the "county experts"?

Questions #4 To date your constituents have had their right to peacefully assemble taken away, some have had their right to life taken away, and many their right to make their own medical decisions taken away. DO YOU AGREE WITH THIS STATEMENT and DO YOU AGREE IT IS PRUDENT?

Thank you in advance, Sincerely Diego Rose.

ATTACHMENT 2

RECEIVED

By Sonja De La Fuente at 8:31 am, Apr 14, 2020

From: [John Hagen](#)
To: [Sonja De La Fuente](#)
Subject: Public Comment for City Council Meeting 4/14/2020
Date: Monday, April 13, 2020 7:31:04 PM

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City of Banning Information Technology

As this meeting can not be attended in person I would like the following comment to be read into the meeting record

To The Banning City Council, Public Comment April 14, Meeting 04/13/2020

At the end of the last council meeting I heard Councilman Happe request that an agenda item for the removal of Inga Schuler from the planning commission be entertained for the next council meeting. It appears it did not make the agenda but is still pending for a future agenda. I would like to address this pending agenda item in the public comment.

Inga Schuler has been a valuable asset to the planning commission for the last 3 years, long before Happe was backed by Diversified Pacific and elected to his position. Now all of the sudden Happe wants her removed for no apparent reason which leads me to believe that Diversified is getting ready to make a move on the 880 acre Rancho San Gregoino project, and they want Inga out of the way. I don't know if they are preparing to make changes to the plans or file for another extension but rest assured that something is in the works and they want Inga out of the way.

Happe can disguise this move any way he wants but when the time comes take note on how he votes, no doubt it will be in the developers favor. It would be interesting to hear how Happe will justify this move because no doubt he would just dig himself deeper into a hole. I did not want to sit back and watch this play out as it is too hard to stop an avalanche once it has started.

I request that this agenda item be quashed for lack of a second. Any council person that supports this item should be put on notice that supporting this will make it appear that they are aliening themselves with the developers. The public will be paying attention to the way they vote on the issues.

Inga is in the last year of her 4 year term and to remove her at this point is an attempt to silence her. She is known for doing her homework on these issues and raising the questions that the public need to be a wear off on development changes. I hope I am not the only citizen that this appears so obviously apparent to. All I can say to the rest of the public that has taken the time to tune in and take an interest in this community is Just follow the money and watch the way the votes shake out. Don't allow the council to dismiss a member from their voluntary

service just because they voice their concerns for the community. This is an abuse of power and should be brought to the public's attention.

You have to ask yourself WHY Councilman Happe would request for her removal with no apparent reason after she has almost completed her 4 year term. In my mind there is only one reason and that is to clear the way so Diversified Pacific can make their unobstructed move.

John Hagen
Resident of Banning

ATTACHMENT 3

RECEIVED

By Sonja De La Fuente at 9:28 am, Apr 14, 2020

From: [Angie Tamulonis](#)
To: [Sonja De La Fuente](#)
Subject: Counsel meeting 4/14/2020 Homeless Encampment
Date: Monday, April 13, 2020 8:07:44 PM

Warning

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City of Banning Information Technology

Hello my name is Angie and I and my family are concerned citizens that lives off S Hathaway and Lincoln. We have received information about the city relocating the homeless to the Charles street Closed Animal Control property and it concerns me. My family has lived at this address for 50 plus years. I am very concerned about the homeless being on this side of town. I have 4 daughters who are play outside and have always felt safe to do so. Now they will have to worry about this population of people who have no concern for themselves or others around them. This side of town will become an encampment of trash and filthy and most concerning is theft or even worse Just like the building that always caught fire in Lincoln. I am concerned if any of these people are labeled a sex offender or worse. There is a huge family dynamic on this side of town with all the homes in and around Fairway Oaks. I feel it is a bad idea to move these people to in an inhabited area where they will not be watched or even forgotten about to be allowed to roam our quiet and safe neighborhood. Please rethink this decision and find other locations that should be available to secure and help the homeless. I hope this is voted against. Thank you.

From: [Anthony Brenneisen](#)
To: [Sonja De La Fuente](#)
Subject: Homeless shelter
Date: Tuesday, April 14, 2020 12:03:43 PM

RECEIVED

By Sonja De La Fuente at 12:11 pm, Apr 14, 2020

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City of Banning Information Technology

Hi my name is Anthony Brenneisen I live on driftwood cir. About .25 mile from where the homeless camp is going in at. It's to my understanding that the shelter is not for only the homeless in the area but the city will be taking homeless from all over. It was never brought to the community's attention nor approved by the community. I think it is wrong that you guys are taking advantage of the covid-19 outbreak and trying to slide this thru knowing the public can't come to the meeting and voice their opinions. Furthermore, I have a family and kids that live here and we go on walks and the kids play together in the neighborhood. Would you want to let you kids or family be exposed to the environment you guys are forcing on us? I didn't think so. This is going to cause so much stress on everyone that lives on this side of town, I'm sure your calls to PD will triple due to the activity of the people you are trying to help. I hope you taking all the lives and property of the people on this side of town into consideration and come up with a better solution to make money.

From: [bruce buckley](#)
To: [Sonja De La Fuente](#)
Subject: Banning Homeless camp
Date: Tuesday, April 14, 2020 12:31:50 PM

RECEIVED

By Sonja De La Fuente at 12:41 pm, Apr 14, 2020

Warning

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City of Banning Information Technology

To whom it may concern.

I am writing this email to express my concern with Banning moving the homeless to an encampment at the east end of Charles.

I feel that the city of Banning cannot make a move like this without public input. The city of Banning is taking advantage of the Covid-19 stay at home order to deny the Banning residence to voice their input at a public hearing. This is a Brown act violation. To move the homeless right next to homes is a crime. Today I drove to the site of the old animal shelter and the city is moving forward with this. Its not right. There will be backlash from the residence of Banning. I live on Charles St and am very concerned of the potential increase of crime and disease. I do not feel safe living here.

Please do something to stop this.

From: [Cierra Bounds](#)
To: [Sonja De La Fuente](#); [Doug Schulze](#)
Subject: Re: Homeless Shelters on Charles
Date: Tuesday, April 14, 2020 11:46:22 AM

RECEIVED

By Sonja De La Fuente at 12:17 pm, Apr 14, 2020

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City of Banning Information Technology

Recently in our neighborhood someone brought to our attention that homeless shelters have been ordered, are in route, and they have already prepped the land for the homeless at the end of Charles Street.

When did this go to council? When did the approval come across? I haven't seen it on any recent agenda. Us citizens were also told that this wouldn't be happening. So how, why is it happening?

I live on Charles and Driftwood. Many children live in this area as well. They ride their bikes and play up and down Charles all summer long.

Who is going to ensure our safety? How will you keep the needles off the street? Will you hire an extra officer just to patrol our homes and make sure there isn't an increase in break-ins, stolen cars, and stolen mail?

I understand that the homeless need somewhere to go. Why are they going in the far south corner of Banning near ZERO resources? Out of side out of mind? Definitely not out of site and out of mind for those of us that live here.

There is a perfectly good lot behind Albertsons. Too close to Sun Lakes though right? There is a perfectly good lot by the police station where they can be monitored. Why not there? Or why not the lot on 8th that was just cleaned up? Why are you putting the shelter next to a residential zone!?

How and when did this get approved? Why was nothing released to the public about it? The community over here is in an outrage.

My property value is going to plummet. What is the City of Banning going to do about that when my home goes from \$455k to \$250k in value because you brought in a homeless shelter on the corner?

Everyone that lives over here, chooses to because its quiet and peaceful. All of us in these half acre lots already pay an excess in taxes just to be in these homes and our money is supposed to go the IMPROVEMENT of Banning. And now we are going to have homeless trafficking through our neighborhoods at all hours of the night? Are you going to pay to fence us off and put a private security guard at each entrance?

With this shelter here, what are you going to do to make us feel comfortable with it? What are you going to do keep your citizens safe? When you planning on even letting us know?

Rounds Family
1072 Driftwood Circle
Banning, CA 92220

From: Breanna Adams
To: Sonja De La Fuente
Subject: City council meeting
Date: Tuesday, April 14, 2020 3:36:16 PM

RECEIVED

By Sonja De La Fuente at 3:40 pm, Apr 14, 2020

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City of Banning Information Technology

In the last two years, I have seen a significant increase in the number of homeless walking the streets of Banning. In the last year, I have seen the city seem to look away as more and more homeless either set up makeshift shelters or occupy abandoned buildings. I have notified the Banning Police Department and code enforcement numerous times in the last two years about undesirables wandering in and out, and possibly occupying a lot near my home. These individuals have no business in that lot, and are therefore trespassing. Both departments have deferred to each other in the past. At least one homeless encampment has been cleared out, yet the traffic continues. My neighbors and I have expressed concern, citing a reduced sense of security and safety for both ourselves and our personal property. Last week, my children were playing in our family's front yard, when their ball went into the street. I went to go retrieve it from the curb across the street, when I found a used syringe. This is unacceptable, and I am sure that this situation is not unique to our neighborhood. Last week, a building on East Ramsey that was housing several homeless was destroyed by a fire. It seems that the city of Banning was aware of this building being occupied, and possibly leased by the city for this purpose. How much of the taxpayers' money went into leasing this building, and how much time and how many resources were spent putting out that fire? The city has since rented portable toilets for the homeless encampment to the east of the courthouse. Although I understand the importance of keeping sanitary conditions, especially at this time, I fear that instead of improving the situation of the homeless that we already have within the city limits, we are only going to attract more. It is my understanding that the city now intends to relocate the homeless encampment from its current location east of the courthouse, to the former Banning animal shelter on Charles Street in South East Banning. This means even more resources going toward this cause, and what can only be the beginning of even more homeless coming into the city. Let's not pretend that these are all people that are temporarily down on their luck. Many of these are career criminals and drug addicts that have not worked to better their situations, and likely never will. Actions and policies like those that the City of Banning has adopted, all but take away the incentive to do so. It is unfortunate that this city has seemingly refused to seek or even welcome large retailers and chains that would not only provide more options and convenience for its taxpayers, but also bring in much-needed tax revenue that would improve the city at large. Instead, it has lost businesses to neighboring towns and become a sanctuary city for the homeless. The direction in which we are moving is neither practical nor sustainable, and when the COVID-19 crisis passes, we will need to allocate all possible resources toward making the city of Banning the prosperous home we all know it can be.

Thank You,
David Ramirez

RECEIVED

By Sonja De La Fuente at 2:07 pm, Apr 14, 2020

From: [Dina Valdivia](#)
To: [Sonja De La Fuente](#)
Subject: Homeless Encampment in Southeast Banning
Date: Tuesday, April 14, 2020 1:53:55 PM

Warning

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City of Banning Information Technology

I am a homeowner on Charles Street. I would like to express my discontent with the City of Banning for planning to bring the homeless to my neighborhood. I respect all people but unfortunately some homeless people contribute to the rise of crime and drugs in their areas. I would like to know why the homeowners were not notified or given a chance to protest this move. I don't pay a huge mortgage and ridiculously high property taxes to live amongst the homeless. I want to feel safe in my home. Unfortunately the homeless will have to travel through the neighborhood to get to Ramsey Street where all of the resources are located. Just because the city is tucking the homeless away on the animal shelter property does not mean they will not negatively affect the community around them.

Thank you for the opportunity to voice my discontent.

Dina Valdivia

Sent from my iPhone

From: [City Manager](#)
To: [Sonja De La Fuente](#); [Doug Schulze](#)
Subject: FW: homeless encampment
Date: Wednesday, April 15, 2020 8:13:36 AM

RECEIVED

By Sonja De La Fuente at 8:16 am, Apr 15, 2020

This email came in yesterday afternoon. I checked all email at 5:00 before I moved over to meeting. I don't know why it was delayed.

From: Faith Koby <faithkoby57@gmail.com>
Sent: Tuesday, April 14, 2020 4:10 PM
To: City Manager <citymanager@banningca.gov>
Subject: homeless encampment

Warning

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City of Banning Information Technology

Doug,

My name is Faith Koby, a long time resident here in South Banning -- 30 years to be exact. I am writing this letter on behalf of a majority of residents on the south side of Banning. A number of people have called me and come to my office asking that I be the spokesperson for the residents.

To bring a group of homeless people in here when you know for a fact that they burned the commercial buildings under construction on Lincoln is irresponsible and verges on criminal. You know full well that they are drug users, thieves, criminals, and irresponsible as far as community welfare is concerned. People feel that you and the City Council are betraying the law abiding property owners on the south side. You are jeopardizing their welfare and the welfare of the children in the neighborhood..

Your actions are a grave betrayal of the trust and confidence that Banning citizens put in the local government. Please immediately veto this action and take another course of action regarding the homeless. In the best interest of all of Banning immediately to cease and desist from this course of reckless action.

Faith Koby

RECEIVED

By Sonja De La Fuente at 4:25 pm, Apr 14, 2020

From: [jack.gunderson](#)
To: [Sonja De La Fuente](#); [jhsam1@yahoo.com](#)
Subject: Residents unapproved New homeless shelter on Charles street
Date: Tuesday, April 14, 2020 4:02:28 PM

Warning

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City of Banning Information Technology

We were extremely upset today learning that city workers were already working the land near the water treatment plant to be used for a homeless shelter. Nothing has been presented in the council meetings about this Yet it is being forced upon the city constituents!
We also learned that trailers were scheduled to arrive this week!

How can this happen?

We have policies the city has to follow yet with the new city manager and council, policies seem to get thrown out the window for something more lucrative.

We need to know what is the plan for the future for this land and the city?

We definitely do not want this area to end up like the land next to the courthouse with all the filth and debris

As well as the introduction on new virus !

Jack Gunderson
Resident of Banning

From: [Jami Hatfield](#)
To: [Sonja De La Fuente](#)
Subject: Homeless Encampment
Date: Tuesday, April 14, 2020 4:20:04 PM

RECEIVED

By Sonja De La Fuente at 4:27 pm, Apr 14, 2020

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City of Banning Information Technology

Thank you for your Time in this matter.

I am a very concerned Citizen of Banning in regards to where the City of Banning wants to put the Homeless Encampment.

I don't feel moving them across the tracks to the far South East side of Banning is going to help them At All, there are NO grocery stores, no gas stations no nothing on the far South East side of Banning (for them to get food cig, alcohol) And now the City has to pay for additional police patrol. Who's picking up that bill? Please either Leave them where they are now or again put them in one of the Many vacant buildings Banning has uptown where they will have Complete access to All ESSENTIALS and the City will be able to keep an eye on them, because on the South East side of Banning they will be out of sight out of mind.

Most of these individuals are on and qualify for Section 8 Food stamps and SSI to help them with that. If they are qualified for section 8 find a home that is section 8 qualified there are quite a few in Banning. This will help a few that really want help get a roof over there heads.

We've already giving them a couple places and they have dishonored and disrespected them. They have caught them on fire which has take Primary care away from the Citizens of Banning.

I understand that there is a horrible virus out there. But please keep them where they are at. Keep an eye on them. Make them Clean up their Trash ect....

Thank you for your time Jami Hatfield

Sent from [Mail](#) for Windows 10

From: [Jeremy X](#)
To: [Sonja De La Fuente](#)
Subject: Homeless Housing on Charles.
Date: Tuesday, April 14, 2020 4:52:37 PM

RECEIVED

By Sonja De La Fuente at 6:22 pm, Apr 14, 2020

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City of Banning Information Technology

Over the last couple years, this city's council decisions have left a bad taste in my mouth. From the plans to put in a road from the southwest side of Cabazon to the Southeast side of Banning to now making a last minute public notification of your plan to move the homeless over where you won't put the dogs anymore. I chose to buy my home where I did because it seemed out of the way for the criminal element but your now last minute decision to put FEMA trailers in the corner of the city where you won't event put the dogs anymore near the old shelter is going to make Charles St a thorough fare for criminal activity. We already deal with all of the inmate releases from the jail on the south end of Hargrave and are you going to add to that population in the area by putting a homeless encampment on the east end of Charles St. Placing the homeless encampment on the east end of Charles you're putting them the furthest away from resources you can so The nearest resources they will have what they can steal from the surrounding neighborhoods. I'm not saying all homeless are criminals but most will do what they feel they need to do to survive. I've been in the law-enforcement field for over 20 years and have dealt with the homeless population throughout my career. That's my belief that the crime rate in the south eastern region of banning will increase with this decision you're making. There are numerous other areas these trailers can be placed Within the city limits that are closer to resources The homeless would need to survive without having to walk miles Four basic necessities.

Sent from my iPhone

From: [Jeremy X](#)
To: [Sonja De La Fuente](#)
Subject: FEMA Trailers
Date: Tuesday, April 14, 2020 5:04:16 PM

RECEIVED

By Sonja De La Fuente at 6:32 pm, Apr 14, 2020

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City of Banning Information Technology

Over the last couple years, this city's council decisions have left a bad taste in my mouth. From the plans to put in a road from the southwest side of Cabazon to the Southeast side of Banning to now making a last minute public notification of your plan to move the homeless over where you won't put the dogs anymore. I chose to buy my home where I did because it seemed out of the way for the criminal element but your now last minute decision to put FEMA trailers in the corner of the city where you won't event put the dogs anymore near the old shelter is going to make Charles St a thorough fare for criminal activity. We already deal with all of the inmate releases from the jail on the south end of Hargrave and are you going to add to that population in the area by putting a homeless encampment on the east end of Charles St. Placing the homeless encampment on the east end of Charles you're putting them the furthest away from resources you can so The nearest resources they will have what they can steal from the surrounding neighborhoods. I'm not saying all homeless are criminals but most will do what they feel they need to do to survive. I've been in the law-enforcement field for over 20 years and have dealt with the homeless population throughout my career. That's my belief that the crime rate in the south eastern region of banning will increase with this decision you're making. There are numerous other areas these trailers can be placed Within the city limits that are closer to resources The homeless would need to survive without having to walk miles Four basic necessities.

Jeremy Hagen
Banning Resident

Sent from my iPhone

From: [Kelly Muth](#)
To: [Sonja De La Fuente](#)
Subject: Homeless encampment
Date: Monday, April 13, 2020 8:36:12 PM

RECEIVED

By Sonja De La Fuente at 12:34 pm, Apr 14, 2020

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City of Banning Information Technology

I would like to know when the decision was made to put a homeless encampment in my neighborhood. I pay taxes, high taxes to live in the neighborhood off Charles. This is just moving a problem to another area that is out of sight for you people. They will not stay there and will be walking the streets of our neighborhood. I can't believe how bad and desperate

this city has become. Another ploy to make yourselves some money at the cost of hard working tax payers to cater to people who cause the city money and bring nothing but issues in return. I will be finding a way to sell my house as quickly as possible when this happens, Beaumont here I come!

Kelly Muth

From: [John Hagen](#)
To: [Sonja De La Fuente](#)
Subject: Public Comment
Date: Tuesday, April 14, 2020 4:36:52 PM

RECEIVED

By Sonja De La Fuente at 5:54 pm, Apr 14, 2020

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City of Banning Information Technology

Stella please read at public comment.

We just drove by the existing location of the homeless encampment. The place is disgusting. They cannot even put the trash in the bins provide. Why do you think this other location will be any different? I guess its ok as long as its not in your backyard or you don't have to drive past it daily. I notice that you did not suggest the fields around Sun Lakes so Doug and Art could keep a close eye on them and they would be close to the local stores and support groups to assist them.

Whose bright idea was it to provide them RV trailers to live in. Those trailers will be unserviceable within 2 to 3 months and totally destroyed. The location was abandon by animal control and the city because it would cost too much to bring it up to standard enough for the animals and yet you see fit to put homeless people there.

We bought in this are because of the semi rural setting and the peacefulness of this area It's pleasant to walk the area but now the city wants to move the homeless to our doorstep. We can look forward to stepping over needles and dope baggies littering the area. We will not feel safe for our children to play without worrying about some unstable person wandering around This is totally unacceptable. The hotel option mentioned earlier would be more viable.

Please do not let this happen to our community. You claim this is temporary but there is no end date insight.

Lynnea Hagen

Banning resident

From: [Maria Salgado](#)
To: [Sonja De La Fuente](#)
Subject: Homeless Shelter
Date: Tuesday, April 14, 2020 5:03:56 AM

RECEIVED

By Sonja De La Fuente at 12:38 pm, Apr 14, 2020

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City of Banning Information Technology

Hello, I am writing with you concerning the shelter that YOU as the city of Banning representative is placing on Charles St. We are homeowners residing off Charles, we've just recently moved here from Beaumont to get away from the busyness of the city and the unfairness of the bylaws of the city of Beaumont with all their price raising of utilities and taxes, not to mention just commuting around town to get local errands done. When we were house hunting we chose this part of Banning because of the ruralness, scenery, SAFETY and how Banning conducts its business. BUT honestly to put a homeless shelter near our community is SCARY, we have children and they are our main concern, we live by the correctional facility off Hargrave, so we see officers all the time. But this is different to have the government come in and control the area. As Banning residents why are we not allowed to vote on this matter? How can YOU go ahead and make a decision without asking what WE have to say? The homeless run Lincoln St by the recycling center, they leave shopping carts full of trash on the street, there is always garbage outside of the recycling center and who is responsible to clean it up? Well since it's on city streets it seems like the city of Banning would clean it up, but the rubbish just sits there. Also, the homeless come picking thru our neighborhood garbage looking for recycling even tho we've asked them not to. If you are so concerned about housing them, why cant you house them where the San Gorgonio Inn used to be? What happens to our home value, of course it's going to depreciate, but our home taxes won't or our mortgage won't, as a resident and TAX payer to the city and the state, WE should have the right and the say what is best for our community. Why was this not presented on the council agenda? This is not the way to conduct business. Please consider the safety of our children and the well being of your residents, we are all tired of being sheltered at home, but this being around our neighborhood brings things to a different level with government patrolling. We are already afraid and don't know what the outcome of this pandemic is going to be, this is adding more stress to the situation.

[Sent from Yahoo Mail on Android](#)

From: [Melanie](#)
To: [Sonja De La Fuente](#)
Subject: City council meeting 4/14/20
Date: Tuesday, April 14, 2020 11:42:29 AM

RECEIVED

By Sonja De La Fuente at 11:44 am, Apr 14, 2020

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City of Banning Information Technology

Re: Homeless move to Charles St

Hi Sonja,

Since we are not allowed to attend the city council meeting tonight (4/14/2020), I'm writing this email to share my concerns about something that I recently heard. I was told that the city plans on moving the homeless and their encampment to the old dog shelter on Charles Street. Nobody in this area was informed that that was going to happen. At the least residents of the nearby homes should have been sent a letter of the City's intent to move the homeless.

**** I strongly oppose this move!!!**

As a citizen of Banning I am very concerned about the crime, waste, the trespassing, the disorganization and the problems that this move is going to cause by having the homeless living in a residential area. Not to mention it will be difficult for the homeless people to have access to the grocery store. There are no stores near that area or on this end of town for them to shop for their necessities. That means they have to walk even farther to get food and supplies. I feel like the city is moving them to the farthest corner of the town to try and sweep this whole problem under the rug. My recommendation would be to move the homeless people to the vacant lot across the street from City Hall (I understand the city owns that piece of property) so that City Hall and the police department can keep a close eye on them every single day. Also, that lot is surrounded by commercial properties so no residential homes would be impacted by them being there and they'd be closer to town to get the food and supplies they need.

Please don't move the homeless people to the old dog shelter on Charles Street!

Sincerely,

Melanie Koby
Resident of Banning, CA

From: melissamiranda1988@gmail.com
To: [Sonja De La Fuente](#)
Subject: Relocation of homeless
Date: Tuesday, April 14, 2020 5:32:13 PM

RECEIVED

By Sonja De La Fuente at 6:35 pm, Apr 14, 2020

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City of Banning Information Technology

To whom may concern,

My name is Melissa Miranda I have lived in Banning for 32 years. Matter in fact I grew up on the east end of Charles where the projected relocation would take place. This street has always remained a type of neighborhood where it is quiet most with no concern. Growing up I used to play on the street with little to no traffic. My parents never really questioned any real threat. These days, my children visit their grandparents and able to experience walks and riding their bikes with no worry of being in harms way. In fact, it was such a peaceful neighborhood that recently my family and I have relocated and live on Byran street. To hear of this news on short notice is absolutely concerning.

I am absolutely worried / concerned that you are making the wrong decision and not rationally thinking of how this projected plan would put harm on the hard working citizens of Banning. This isn't ideal, due to the fact how are these people going to get to town. There are multiple homes and families are in jeopardy of harm. I have been a victim of burglary, vandalism, and has caused a lot of anxiety and concerns for my family. I relocated due to the fact that the "homeless" traumatically caused terrorized my family and I.

I urge you to please think of children's well being. Please I urge you to reconsider this is not a good idea, this isn't for the best interest in growing this town for the better.

Or here is a thought, we can move the projected plan to the neighborhoods of the City Council.

How many buildings have burnt down?. Look at the trash on the streets. Look at the homeless who aren't wanting to better themselves. I have seen may homeless passed out under the freeways. I am not sure how this camp will be a great for any part of town.

Thank you,

Melissa
Sent from my iPhone

From: [Jo](#)
To: [Sonja De La Fuente](#)
Subject: Homeless Shelter
Date: Monday, April 13, 2020 8:37:20 PM

RECEIVED

By Sonja De La Fuente at 12:36 pm, Apr 14, 2020

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City of Banning Information Technology

I am writing in regards to the old animal shelter being used as a homeless shelter. Why was the community not told about this or on a ballot? You all just take it upon yourself to put our community in danger. Really?? What happens when FEMA no longer foots the bill? It then becomes our problem and taxes are out of control already. This city is going downhill fast. Boarded up windows everywhere. Have you not driven down East Ramsey? Fix this problem first.

So tired of citizens not having a say.

Phyllis Soutar

Sent from my iPhone

RECEIVED

By Sonja De La Fuente at 9:26 am, Apr 14, 2020

From: [Macias, Richard J \(FLNA\)](#)
To: [Sonja De La Fuente](#)
Subject: Council Meeting
Date: Tuesday, April 14, 2020 8:23:58 AM
Importance: High

Warning

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City of Banning Information Technology

Mrs. Fuente,

I am writing to you in hopes this message reaches the city council in regards to relocating the city's homeless population to the old animal shelter off of Charles St. I am a life-long resident and property owner near Barbour and Hargrave streets. When hearing of this news it was like a slap in the face after finally getting the homeless village known as the compound demolished. I had to live years driving by that location with the fear of the next fire, if my daughters would be safe walking from school, and had to tolerate the increased crime that came with it. Not to mention the eyesore and garbage to our beautiful city. Now to learn that the city may vote to move a homeless population from an area that is now close to both county and city resources to a residential area is totally unacceptable. Why not move the homeless to the empty lots across from the police station and city hall? This way resources are close and the situation can be monitored closely by city officials and police? Moving the homeless population into a residential area will only increase crime, cause safety concerns, and lower property values. Your total disregard for home owners and tax paying citizens is why so many residents are leaving Banning, many born and raised here like myself, to other areas. Citizens like myself are being pushed out and replaced. Where do you think the homeless will go from here? Perhaps our local Lions Park? Will my children be safe to enjoy the park my taxes help pay for? Will it be safe to have Little League or other recreational activities resume after the stay at home order is lifted? The homeless would have to roam the residential streets as they make their way uptown. We already have issues with people digging in our trashcans and coming into our yards seeing if car doors are unlocked. Can you ensure our safety by placing the homeless population in a residential area? I ask that you seriously reconsider this option! There needs to be help and resources for our homeless population, however by hiding them in the south side of town, out of site and out of mind, is not the answer. Putting citizens safety in jeopardy is not the answer.

Sincerely
Richard Jason Macias
Banning Resident

From: [Stephen Cook](#)
To: [Sonja De La Fuente](#)
Subject: Homeless Housing
Date: Tuesday, April 14, 2020 2:55:20 PM

RECEIVED

By Sonja De La Fuente at 3:34 pm, Apr 14, 2020

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City of Banning Information Technology

To Whom it Concerns,

I have recently heard that the City Elected Officials in their finite wisdom are trying to address the Homeless problem by housing them in the Old Animal Shelter. Being a Resident of the City of Banning I want to know how this move is going to benefit the Tax Paying members of the community and specifically the Tax paying members and businesses that are located by the Animal Shelter? Who is going to Staff this facility? Who is going to deal with increase of crime in the area? Why is the City so focused on representing the Non Tax Paying Citizens rather than the ones that Pay Taxes?

You see I understand that there is a problem with Homeless People around the State and Country. A majority of those people have decided to remove themselves from society and not contribute, but rather live off of the system and contributions of others or possibly through theft. Drugs and Crime are rampant in that specific group of individuals resulting in a less safe environment for our families. I tend to believe that the reason you let them live in the "Hotel" until it was recently demolished and now pushing them to the other end of town so they don't bug you, is because you don't care about all of the Cities citizens but rather Focus on Sun Lakes and the areas of town you are from.

Before you make this move, I hope you realize that this end of town will possibly have two things happen, 1. We will coordinate and make a ton of noise and bring the media in to show your disdain for your own citizens and their safety 2. People will leave town and sue the City for the loss of property value due to the Cities poor management and decision making placing the burden on the Citizens, instead of those in Glass Houses that were elected to find better solutions.

Pushing the problem to another place isn't a way to fix it, it's just sweeping it under the rug with the hopes that the people won't see it and forget. This is unacceptable.

Stephen Cook

Please read this at the appropriate time at the City Council Meeting tonight I'm my place

Sent from my iPhone

From: [Maso Lara](#)
To: [Sonja De La Fuente](#)
Subject: New homeless shelter
Date: Tuesday, April 14, 2020 3:51:34 PM

RECEIVED

By Sonja De La Fuente at 4:23 pm, Apr 14, 2020

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City of Banning Information Technology

My name is Thomas Lara I am writing this email in response to the proposed shelter set to go in at the end of Charles street. I recently moved to Bryan street in order to get away from all of the homeless. Before I lived on west Gilman where I was terrorized by homeless people who lived across the street in the field. I was robbed 4 times had my dogs let out and irrigation lines broke in the time I lived there. All of this was done by homeless people. If there is a shelter put at the end of Charles, the homeless people will have to walk through housing neighborhoods in order to get to any type of store or their jobs. I have young children and having them walk through would be very dangerous and put them in harms way. I believe that there are better places in town that will be closer to stores and away from neighborhoods. It is not right that we will be forced to deal with this on such short notice and without any time for the council to hear the voices of the community. From the looks of it, construction on the facility has already began even before the meeting has happened. I urge you to hear the voices of the community and find a better location for this type of place.

Thomas Lara
1440 Bryan street

Sent from my iPhone

From: [Tracy Miranda](#)
To: [Sonja De La Fuente](#)
Subject: Homeless
Date: Tuesday, April 14, 2020 3:12:29 PM

RECEIVED

By Sonja De La Fuente at 3:32 pm, Apr 14, 2020

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City of Banning Information Technology

To whom it may concern

I live 2 doors from this proposed lot to house the homeless. I am against it. It will bring my property value down and I will not be able to sell my house as no one wants homeless nasty trash around where they live. The homeless has no regard for people's belongings they have abundance of trash and start things on fire. Let it be said, let it be written if this is allowed by the city and something happens, you will be hearing from my lawyer !

I propose the city keep the homeless where they are currently in the lot on Ramsey St. Better yet move the homeless to the neighborhoods of the city council!

Tracy Miranda
1936 Charles St
Banning, CA 92229
(951) 897-3094

RECEIVED

By Sonja De La Fuente at 7:27 am, Apr 15, 2020

From: [Vikki Timms](#)
To: [Sonja De La Fuente](#)
Subject: 4/14/2020 Council meeting opposed to Homeless camp in Banning/Charles St
Date: Tuesday, April 14, 2020 3:58:57 PM

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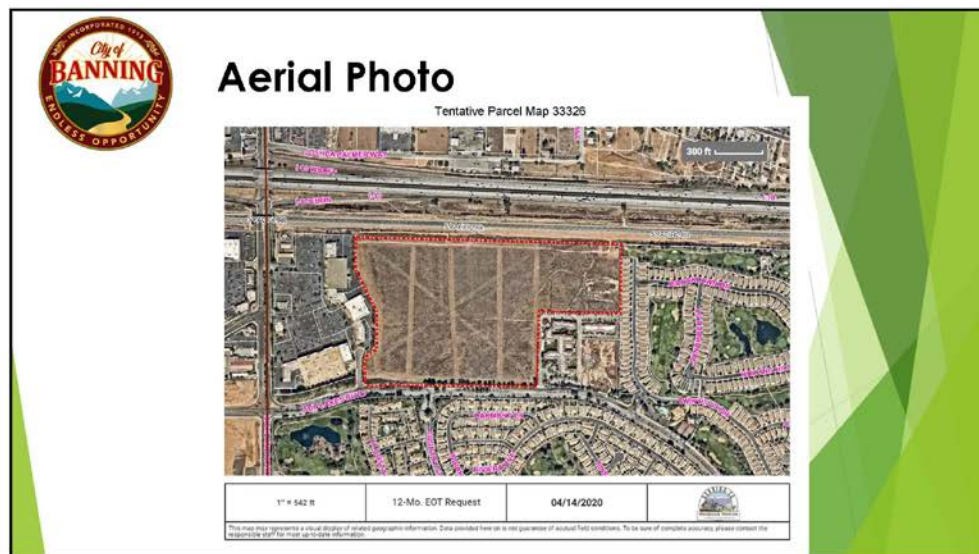
City of Banning Information Technology

Sent from my Bad planing!?!?! They will be walking through residential areas to get to town ... set fires as they did to the last two buildings they lived at!! which we are zoned as high fire area.. with livestock ..also that invites more homeless just like they did with the Banning compound !! Banning does NOT have the resources to accommodate ???.. besides the Friday civic Center food drive.. it is a shame to put people on the the far side of Banning with no stores no fast food .. we are going to have people walking our residential streets.. where parents are not going to feel safe with there kids out side ... trash ect all the things that goes along with homeless unemployed people? Leave the camp where it is ... next to the court house up town.. stores fire station?! Find a solution and quit pulling at straws hoping one will work .. we accommodate the county of Riverside with a prison-court house ect the city is bought out not looking at a bright future.. crime crime addiction-trash-tent city.. shame.. what are we doing for our youth in banning? Fox theatre and funky skate park? Wow!! It is great to help people in need BUT it has to make sense!.. Thank you very much for your time . Wayne and Vikki Timms

ATTACHMENT 4

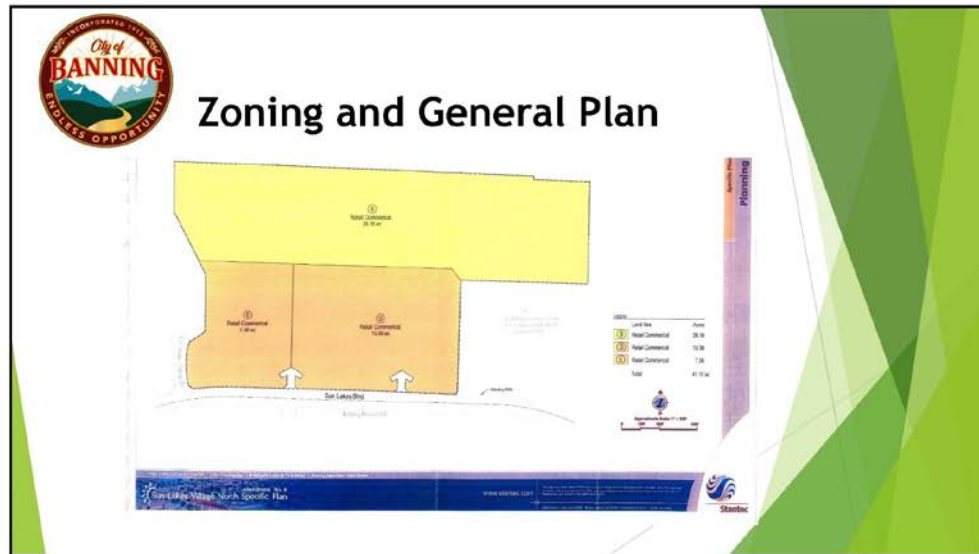


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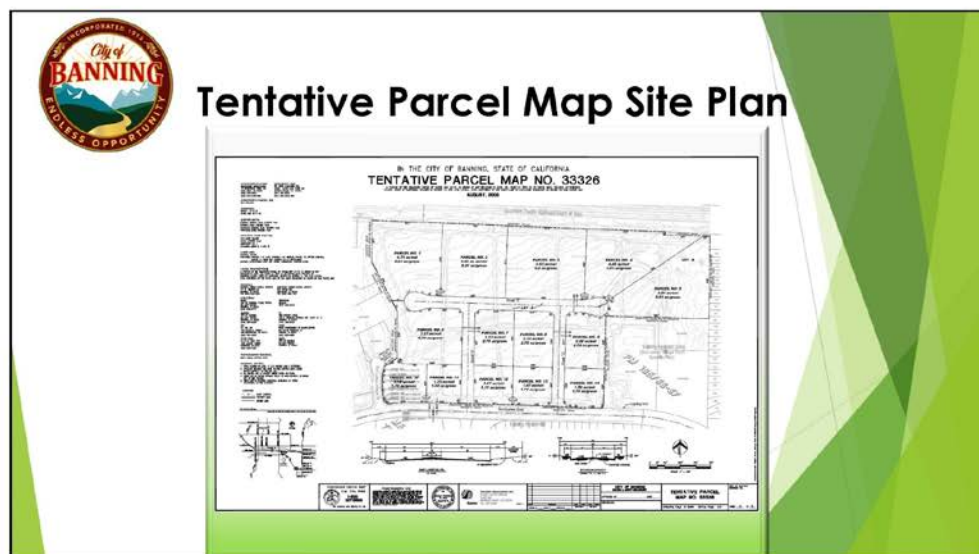


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Background

April 23rd City Council Meeting:

- ▶ Concerns expressed about the lack of development and progress on the property.
- ▶ Staff engaged the land owner and initiated a Specific Plan Amendment process.
- ▶ Community meeting held in early March.
- ▶ NOP/EIR process started
- ▶ Anticipate Public Hearings in June/July of 2020

5



City Council Recommended Action

RECOMMENDED ACTION:

That the City Council Adopt Resolution 2020-29:

- ▶ Conduct a Public Hearing on the extension of time for Tentative Parcel Map 33326; and
- ▶ Approve a twelve (12) month extension of time for Tentative Parcel Map 33326.

6

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ATTACHMENT 5

Emergency Medical Services Billing Program Fee

ADMINISTRATIVE SERVICES DEPARTMENT

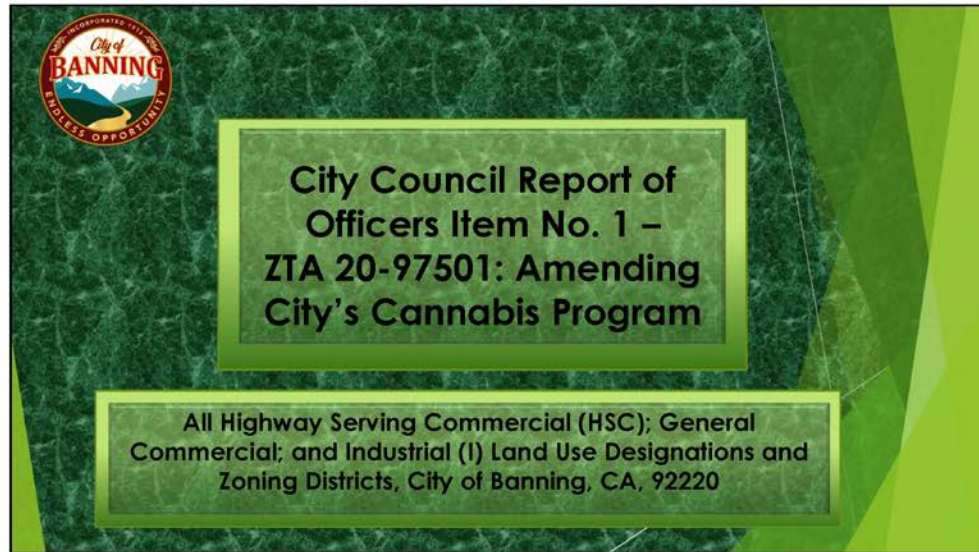
APRIL 14, 2020

EMERGENCY MEDICAL SERVICES BILLING PROGRAM FEE

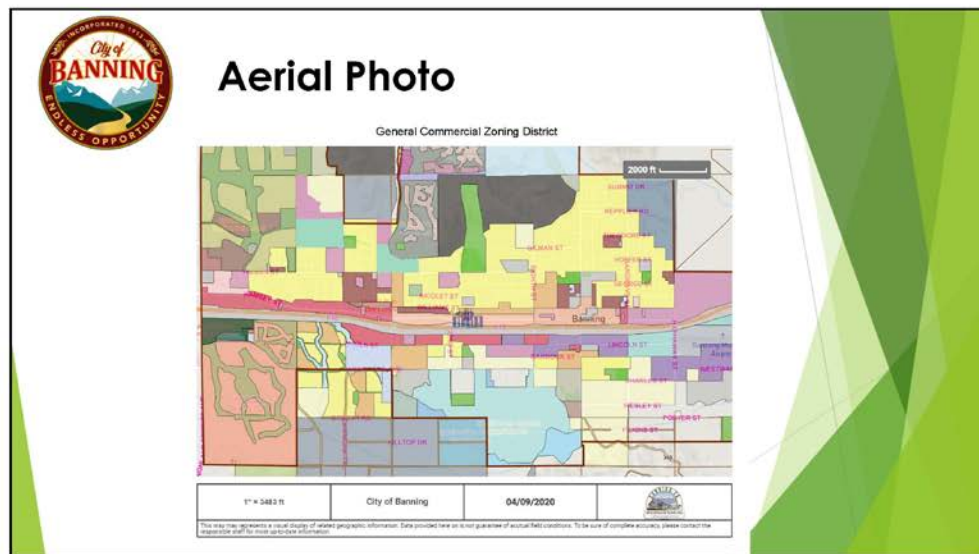
RECOMMENDED ACTIONS

- ▶ That the City Council adopt Resolution 2020-39, approving the emergency medical services billing program fee and related write-off policy with the following amendment:
 - ▶ That the billing program be initiated on May 15, 2020

ATTACHMENT 6




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- ▶ July 10, 2018 - City Council Adopted Ordinance 1523 & 1527, establishing the Commercial and Retail Cannabis CUP processes, setting tax measures on the ballot, and establishing provisions for a commercial cannabis program.
- ▶ City Taxes:
 - ▶ \$15 per sq. ft. of canopy space, but up to \$25 per sq. ft.
 - ▶ 10% of gross receipts for retail dispensaries

Background

3



- ▶ January of 2019, the City accepted 24 applications for retail cannabis regulatory permits.
- ▶ May 23, 2019, the City hosted a lottery to select the order of CUP applications.
- ▶ Three applicants were chosen. Two CUPs have been issued concurred with their Regulatory Permits.
- ▶ The 3rd lottery winner has until May 23rd to complete the CUP process.

Background

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- ▶ The City has accepted 2 Commercial Cannabis Cultivation facilities.
- ▶ The first was submitted in October of 2019 and the second in December of the same year.
- ▶ Both are located at the intersection of S. 8th Street and W. Lincoln St.
- ▶ Public Hearings are anticipated early summer of 2020.

Background

5



Analysis


- ▶ Over one year has passed since the City's Cannabis program was adopted.
- ▶ The City's Cannabis program has not yielded the anticipated results.
- ▶ The constraints are two-fold:
 - ▶ Property Constraints /Location/Zoning
 - ▶ "Typical" Development Process

Commercial & Retail Cannabis Site Selection



6

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- ▶ **Cannabis Delivery (non-store front)** - Pursuant to the revised state regulations every jurisdiction must accept cannabis delivery service even if the cultivation or sale of cannabis is restricted; however, delivery-only services are opportunities for additional licenses.
- ▶ **Cannabis Distributor Transport Only (Type 11 license)** - is responsible for transporting cannabis goods between licensees, but may not transport any cannabis goods, except for immature cannabis plants and/or seeds, to a licensed retailer or to the retailer portion of a licensed microbusiness.
- ▶ **Microbusiness (Type 12 license)** - for the cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer under this division, provided such licensee can demonstrate compliance with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities. Microbusiness licenses that authorize cultivation of cannabis shall include the license conditions described in subdivision (b) of Section 26060.1


Further Discussion


7

City Council Recommended Action

 **RECOMMENDED ACTION:**

 Review and Discuss Proposed Amendments; and,

 Provide possible additions, amendments, and recommendations to staff, and;

 Refer the Ordinance Amendment to a Planning Commission public hearing in compliance with Title 17 of the Banning Municipal Code (BMC).

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ATTACHMENT 7



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BUDGET ADJUSTMENT REQUESTS – CITY-WIDE FISCAL IMPACT

	Previous Budgeted Amount	Mid-Year Adjustments	Adjusted FY 19-20 Budget
Operating Revenues	96,010,483	4,995,837	101,006,320
Operating Expenses	97,614,709	682,704	98,297,413
Operating Surplus (Deficit)	(1,604,226)	4,313,133	2,708,907
Capital Expenditures	39,365,595	2,316,739	41,682,334
Total Budget	136,980,304	2,996,597	139,979,747

Budget Request details are listed in the FY 2019-20 Mid-Year Operating and Capital Budget Request Reports as attachments to the Resolutions.

3

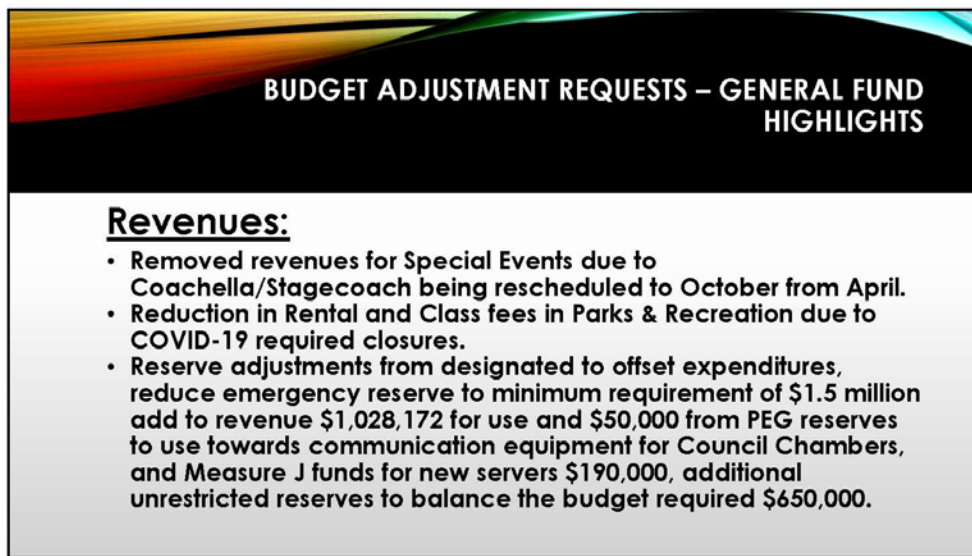
BUDGET ADJUSTMENT REQUESTS – GENERAL FUND HIGHLIGHTS

Revenues:

- Various deductions to taxes based on previous receipts
- Removed projected revenue related to Cannabis retail \$779,200 (Measure O) and Cultivation \$1,289,600 (Measure N) as actual revenues have not been realized during this fiscal year to date.
- Increase in Building permit fees for improvements \$1,094,984 and Public work Permit fees \$942,000 and plan check fees \$118,640 related to developments.

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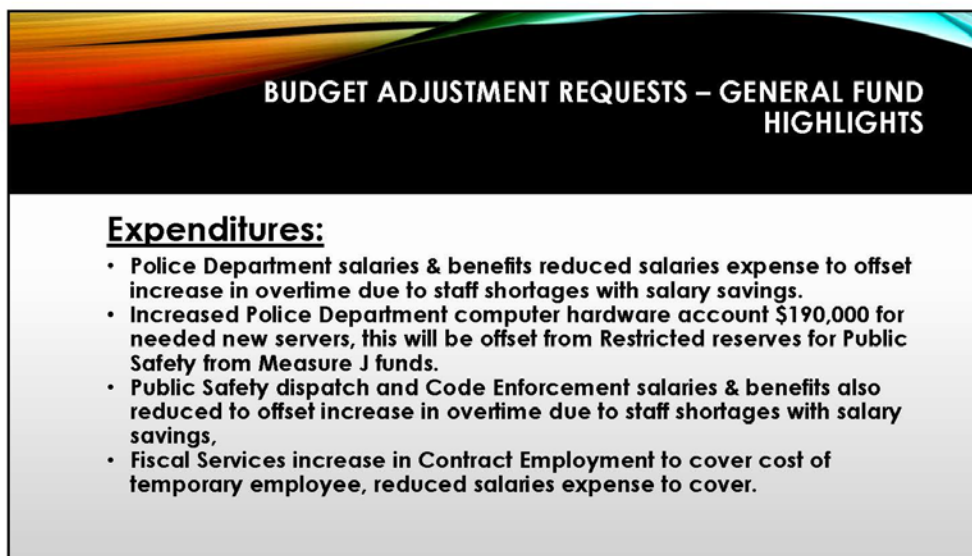


BUDGET ADJUSTMENT REQUESTS – GENERAL FUND HIGHLIGHTS

Revenues:

- Removed revenues for Special Events due to Coachella/Stagecoach being rescheduled to October from April.
- Reduction in Rental and Class fees in Parks & Recreation due to COVID-19 required closures.
- Reserve adjustments from designated to offset expenditures, reduce emergency reserve to minimum requirement of \$1.5 million add to revenue \$1,028,172 for use and \$50,000 from PEG reserves to use towards communication equipment for Council Chambers, and Measure J funds for new servers \$190,000, additional unrestricted reserves to balance the budget required \$650,000.

5



BUDGET ADJUSTMENT REQUESTS – GENERAL FUND HIGHLIGHTS

Expenditures:

- Police Department salaries & benefits reduced salaries expense to offset increase in overtime due to staff shortages with salary savings.
- Increased Police Department computer hardware account \$190,000 for needed new servers, this will be offset from Restricted reserves for Public Safety from Measure J funds.
- Public Safety dispatch and Code Enforcement salaries & benefits also reduced to offset increase in overtime due to staff shortages with salary savings,
- Fiscal Services increase in Contract Employment to cover cost of temporary employee, reduced salaries expense to cover.

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BUDGET ADJUSTMENT REQUESTS – GENERAL FUND HIGHLIGHTS

Expenditures:

- Increases to Parks for tree trimming safety concerns with trees, \$10,000; increase in grounds/fields \$4,000 backfilling of safety surfacing in two park playgrounds.
- Increases in standby pay for Parks \$12,850 and Recreation staff working out of class \$5,000 not originally budgeted for interim staff coverage.
- Aquatics increases in Maintenance equipment \$6,000 replacement of flange on main slide landing and \$6,250 for replacement of lifeguard chairs.
- Increases in Insurance \$51,645 and Computer services \$111,108 allocation costs to the general fund.

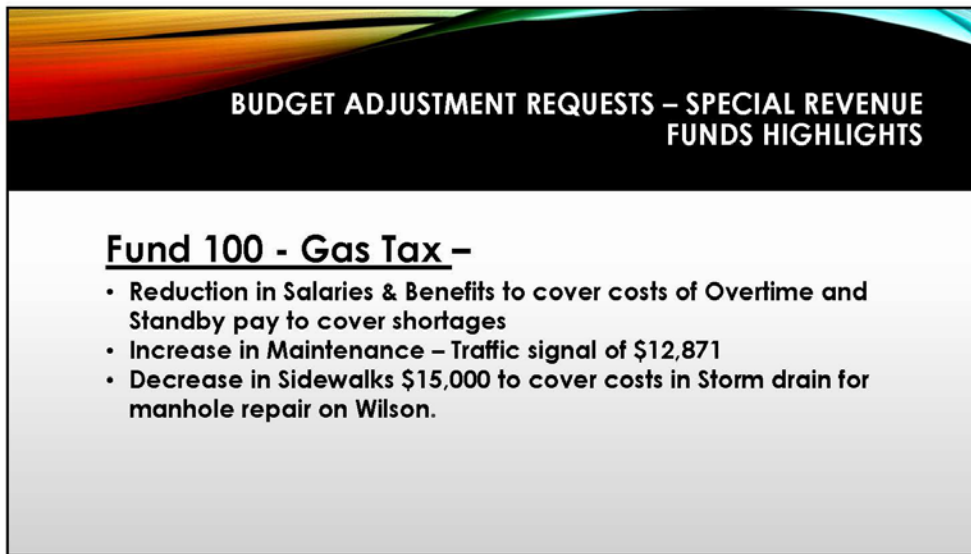
7

GENERAL FUND

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 3/14/2020			Available Fund Balance		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)	Beginning of Fiscal Year	Unobligated Portion	After Net Adjustment
Governmental Funds											General Fund Balance		
001	General	16,707,119	-	-	1,413,358	-	-	18,190,477	-	-	-	-	-
	0001 City Council	-	108,752	-	-	1,995	-	-	110,747	-	-	-	-
	1200 City Manager	-	252,388	-	-	-	-	-	252,388	-	-	-	-
	1210 Economic Development	-	252,533	-	-	-	-	-	252,533	-	-	-	-
	1300 Human Resources	-	185,247	-	-	(14,046)	-	-	171,201	-	-	-	-
	1400 City Clerk	-	181,637	-	-	9,625	-	-	191,262	-	-	-	-
	1500 Elections	-	-	-	-	50	-	-	50	-	-	-	-
	1800 City Attorney	-	362,077	-	-	27,117	-	-	389,194	-	-	-	-
	1900 Fiscal Services	-	424,983	-	-	1,412	-	-	426,395	-	-	-	-
	1910 Purchasing	-	161,272	-	-	(25,791)	-	-	135,481	-	-	-	-
	2000 TV Government Access	61,000	115,988	-	50,000	6,500	-	111,000	122,488	-	-	-	-
	2200 Police	517,119	8,093,674	-	30,919	22,158	-	548,038	8,715,832	-	-	-	-
	2210 Dispatch	-	1,052,420	-	-	3,350	-	-	1,055,770	-	-	-	-
	2279 TASIN - 58621 (Police)	-	-	-	-	-	-	-	-	-	-	-	-
	2300 Animal Control	-	210,503	-	-	-	-	-	210,503	-	-	-	-
	2400 Fire	244,058	3,550,275	-	112,511	(481)	-	356,569	3,549,794	-	-	-	-
	2479 TASIN - 58621 (Fire)	-	-	-	-	-	-	-	-	-	-	-	-
	2700 Building & Safety	537,688	773,239	-	1,094,984	100	-	1,632,650	773,339	-	-	-	-
	2740 Code Enforcement	96,574	583,717	-	290	-	-	96,824	583,729	-	-	-	-
	2800 Planning	2,514,247	1,630,112	-	(2,044,432)	32,331	-	469,815	1,662,443	-	-	-	-
	3000 Engineering	356,678	1,183,144	-	1,061,848	(1,159)	-	1,418,526	1,181,985	-	-	-	-
	3200 Building Maintenance	-	215,116	-	-	(2,063)	-	-	213,053	-	-	-	-
	3600 Parks	-	567,554	-	-	39,736	-	-	607,290	-	-	-	-
	4000 Recreation	40,000	556,751	-	(10,502)	8,778	-	49,500	565,529	-	-	-	-
	4010 Aquatics	54,300	220,530	-	12,463	594	-	54,494	232,993	-	-	-	-
	4020 Day Care	16,000	800	-	-	-	-	16,000	800	-	-	-	-
	4050 Senior Center	5,400	119,849	-	-	3,487	-	5,400	123,336	-	-	-	-
	4800 Debt Service	-	1,134,833	-	-	162,753	-	-	1,297,586	-	-	-	-
	5400 Community Enhancement	1,200	87,931	-	1,099	17,750	-	2,299	105,681	-	-	-	-
	GENERAL FUND TOTAL	21,171,961	22,625,395	(1,453,434)	1,790,191	396,074	1,474,117	22,951,352	22,931,379	20,173	12,829,494	6,154,530	2,256,521

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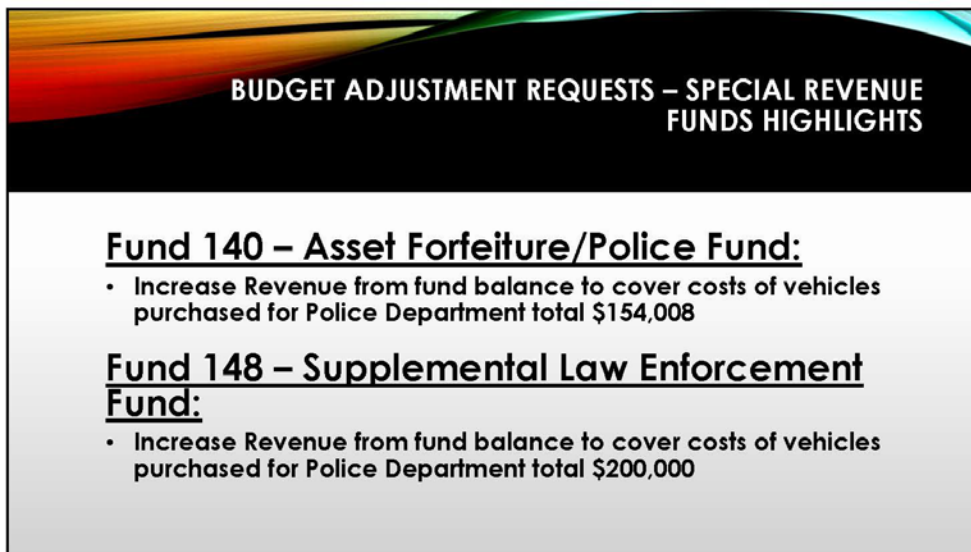


BUDGET ADJUSTMENT REQUESTS – SPECIAL REVENUE FUNDS HIGHLIGHTS

Fund 100 - Gas Tax –

- Reduction in Salaries & Benefits to cover costs of Overtime and Standby pay to cover shortages
- Increase in Maintenance – Traffic signal of \$12,871
- Decrease in Sidewalks \$15,000 to cover costs in Storm drain for manhole repair on Wilson.

9



BUDGET ADJUSTMENT REQUESTS – SPECIAL REVENUE FUNDS HIGHLIGHTS

Fund 140 – Asset Forfeiture/Police Fund:

- Increase Revenue from fund balance to cover costs of vehicles purchased for Police Department total \$154,008

Fund 148 – Supplemental Law Enforcement Fund:

- Increase Revenue from fund balance to cover costs of vehicles purchased for Police Department total \$200,000

10

5

SPECIAL REVENUE FUNDS												
		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 3/14/2020			Available Fund Balance	
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)	Beginning of Fiscal Year	Undesignated Portion
Special Revenue Funds												
002	Developer Deposit Fund	6,120	51,278	(45,158)	62,168	17,010	45,158	68,288	68,288	-	(27,560)	(27,560)
003	Riverside County MOU	-	-	-	-	-	-	-	-	-	-	-
005	SA Administration Fund	250,000	16,190	233,810	-	-	-	250,000	16,190	233,810	778,773	1,015,583
100	Gas Tax Street	1,870,567	1,710,954	159,613	377	55,858	(55,481)	1,870,944	1,766,012	104,932	(85,409)	(85,409)
101	Measure A Street	604,750	-	604,750	517	-	517	605,267	-	605,267	2,233,868	2,839,135
102	RWA (181) Gas Tax	521,076	-	521,076	34,901	-	34,901	555,977	-	555,977	713,547	1,267,524
103	SR300 Street Improvement	-	-	-	182	-	182	-	-	182	74,362	74,362
110	C.D.B.G.	184,193	-	184,193	-	-	-	184,193	-	184,193	(999)	(999)
111	Landscape Maintenance Assmt. Dist. A	141,882	322,465	(180,583)	-	3,994	(3,994)	141,882	326,459	(184,577)	358,728	174,151
132	Air Quality Improvement	39,800	3,000	36,800	199	-	199	39,999	3,000	36,999	258,663	196,662
140	Asset Forfeiture	-	154,008	(154,008)	154,008	-	154,008	154,008	154,008	-	299,910	245,907
148	Supplemental Law Enforcement	100,000	249,216	(149,216)	356,051	206,835	149,216	456,051	456,051	-	9,552	9,552
150	State Park Bond Act	-	-	-	-	-	-	-	-	-	977	977
190	Housing Authority Fund	-	-	-	-	-	-	-	-	-	-	-
200	Special Donations	8,000	8,000	-	120	(130)	250	8,120	7,870	250	27,343	27,343
201	Senior Center Activities	600	1,280	(680)	-	-	-	600	1,280	(680)	-	-
4050	Senior Center	10,700	10,020	680	(1,032)	(1,500)	468	9,668	8,520	1,148	40,885	41,833
4060	Senior Center Advisory Board	11,300	11,300	-	(1,032)	(1,500)	468	10,268	9,800	468	40,885	41,833
202	Animal Control Reserve	-	-	-	14	-	14	-	-	14	5,128	5,128
203	Police Volunteer	1,500	1,781	(281)	9	(272)	281	1,509	1,509	-	956	956
300	City Hall CDP Debt Service*	437,000	437,000	-	26	-	26	437,026	437,000	26	5,951	5,977
360	Sun Lakes CDP #06-1	125	-	125	-	-	-	125	-	125	36,606	36,731
365	Wilson Street #91-1 Assessment Debt	255	-	255	-	-	-	255	-	255	55,732	55,987
370	Area Police Computer	51,812	51,812	-	-	-	-	51,812	51,812	-	66,271	66,271
375	Fair Oaks #2004-1 Debt Service	199,000	199,000	-	-	-	-	199,000	199,000	-	370,659	370,660
376	Carleto Homes	170	-	170	-	-	-	170	-	170	7,853	8,023
SPECIAL REVENUE FUNDS TOTAL		4,427,550	3,216,004	1,211,546	607,500	281,795	325,755	5,035,100	3,497,799	1,537,301	5,111,777	6,515,071

11

BUDGET ADJUSTMENT REQUESTS – BANNING UTILITY AUTHORITY FUNDS												
Fund 660 – Water:												
Revenue:												
<ul style="list-style-type: none"> Reduced CA Department of Water IRWW Grant \$800,405 amount due to fully expense already. Increase in Miscellaneous Revenues of \$115,077 related to Pardee 												
Expenditures:												
<ul style="list-style-type: none"> Increase in Pump Equipment expense \$78,663 well rehab and additional repairs Increase in Reservoir Expenses \$39,400 OSHA safety improvements to Tank cleaning project. Reduction of transfer to Irrigation Water Fund \$196,950 one-time transfer done in previous year 												

12

BUDGET ADJUSTMENT REQUESTS – BANNING UTILITY AUTHORITY FUNDS

Fund 680 – Wastewater:

Expenditures:

- Decrease in Salaries & Benefits \$88,357 to cover contract services due to staff vacancies.
- Increase in Inter-fund allocations \$40,719

13

CAPITAL IMPROVEMENT & BUA FUNDS

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 3/14/2020			Available Fund Balance		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)	Beginning of Fiscal Year	Undesignated Portion	After Net Adjustment
Capital Improvement Funds											Capital improvement fund balances reflect		
400	Police Facilities Development	-	-	-	3,021	-	3,021	3,021	-	3,021	23,632	23,632	26,653
410	Fire Facility Development	3,000	-	3,000	4,584	-	4,584	7,584	-	7,584	1,014,880	1,014,880	1,022,514
420	Traffic Control Facility	1,750	-	1,750	1,926	-	1,926	3,676	-	3,676	474,072	474,072	477,748
421	Ramsey/Highland Home Traffic Signal	310	-	310	-	-	-	310	-	310	84,343	84,343	84,643
430	General Facilities	1,400	-	1,400	1,642	-	1,642	3,042	-	3,042	261,413	261,413	264,455
441	Sunset Grade Separation Fund	-	-	-	-	-	-	-	-	-	(612,744)	(612,744)	(612,744)
444	Wilson Median	1,450	-	1,450	-	-	-	1,450	-	1,450	394,665	394,665	396,111
451	Park Development	-	-	-	40,000	40,000	-	40,000	40,000	-	135,980	135,980	105,487
470	Capital Improvement Fund	-	-	-	-	-	-	-	-	-	655,049	655,049	655,049
CAPITAL IMPROVEMENT FUNDS TOTAL		7,510	-	7,510	51,173	40,000	11,173	59,083	40,000	19,083	2,431,330	2,431,330	2,438,928
Banning Utility Authority Funds											BUA / Enterprise funds cash balance		
660	Water Operations	10,570,147	9,725,243	844,904	(645,285)	(45,519)	(99,766)	9,324,862	9,679,724	245,138	24,746,725	14,702,095	14,947,233
661	Water Capital Facility Fee	45,000	-	45,000	1,250	-	1,250	46,250	-	46,250	3,916,600	3,910,050	3,956,000
663	BUA Water Capital Project Fund	3,750	-	3,750	52,176	-	52,176	55,926	-	55,926	1,535,675	1,535,675	1,591,601
669	BUA Water Debt Service Fund	1,989,318	1,989,318	-	794	-	794	1,990,112	1,990,112	-	20,199,049	20,148,429	20,495,714
Water Subtotal		12,688,215	11,714,561	893,654	(591,065)	(44,265)	(546,346)	12,017,130	12,669,836	347,314	20,199,049	20,148,429	20,495,714
680	Wastewater Operations	3,567,979	3,824,554	(256,575)	39,912	(89,912)	(50,000)	3,567,979	3,864,466	(296,487)	1,636,271	1,636,271	1,339,784
681	Wastewater Capital Facility Fees	86,860	-	86,860	-	-	-	86,860	-	86,860	10,786,044	10,786,044	10,872,904
683	BUA WWR Capital Project Fund	4,000	-	4,000	2,853	-	2,853	6,853	-	6,853	2,761,568	2,761,568	2,768,421
685	State Revolving Loan	304,289	304,289	-	-	-	-	304,289	304,289	-	-	-	-
689	BUA Wastewater Debt Service Fund	393,966	393,966	-	-	-	-	393,966	393,966	-	-	-	-
Wastewater Subtotal		4,357,094	4,522,809	(165,715)	2,853	(89,912)	(87,059)	4,359,947	4,562,721	(202,774)	25,183,883	25,183,883	24,961,109
662	Irrigation Water	202,050	109,147	92,903	(196,950)	-	(196,950)	5,100	109,147	(104,047)	1,370,414	1,370,414	1,266,367
682	Wastewater Tertiary	234,496	-	234,496	8,026	-	8,026	242,522	-	242,522	5,963,776	5,963,776	6,206,298
Reclaimed Water Subtotal		436,546	109,147	327,399	(188,924)	-	(188,924)	247,622	109,147	138,475	7,334,190	7,334,190	7,472,665
Subtotal		17,481,855	16,346,517	1,055,338	(777,136)	(4,813)	(772,323)	16,624,719	16,341,704	283,015	42,727,122	42,666,492	42,945,507

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BUDGET ADJUSTMENT REQUESTS – ENTERPRISE FUNDS

Fund 610 – Transit & Dial-A-Ride:

Expenditures:

- **Decrease Salaries & Benefits \$22,642 to cover overtime, working out of class, and incentive pay with salary savings due to shortage of staff. Salary savings to cover costs of additional FT bus driver**
- **Inter-fund Service allocation increase \$9,808**

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BUDGET ADJUSTMENT REQUESTS – ENTERPRISE FUNDS

Fund 670 – Electric:

Revenue:

Overall Increase Revenue \$127,358 based on actual receipts received to date exceeding budget already.

Reserve adjustment of \$2.14 million from unrestricted/undesignated reserves to balance the operations budget

Expenditures:

Increase in Salaries & Benefits \$108,818 for Overtime, Incentive pay,

Decrease in Inter-fund Service allocations \$67,460

Public benefits increase in Lease payments \$10,400 for vehicle.

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BUDGET ADJUSTMENT REQUESTS – ENTERPRISE FUNDS

Fund 690 – Refuse:

Revenue:

Adjustment to Franchise fee to account for revenue that was netted previously, \$841,280.

Expenditures:

Increase in Salaries & Benefits \$10,000 to cover costs of Solid Waste Coordinator salary for one month.

Increase in Inter-fund allocations \$72,449


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ENTERPRISE FUNDS

		FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 3/14/2020			Available Fund Balance		
Fund	Department Name	Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)	Beginning of Fiscal Year	Undesignated Portion	After Net Adjustment
Enterprise Funds											WMA / Enterprise Funds Cash Balance		
600	Airport	194,050	205,838	(11,188)	820	(14,134)	14,960	195,470	191,704	3,772	261,190	286,594	170,766
610	Transit Operations												
5800		1,895,035	1,736,523	158,512	513	40,704	(40,191)	1,895,548	1,777,227	118,321			
		232,621	287,650	(55,029)	-	(25,286)	25,286	232,621	262,364	(29,743)			
	610 - Total	2,127,656	2,024,173	103,483	513	15,418	(14,905)	2,128,169	2,039,591	88,578	107,297	107,297	195,875
690	Refuse	3,711,539	3,691,714	19,825	841,789	86,276	755,513	4,553,328	3,777,990	775,338	1,167,916	1,167,916	1,943,254
	Airport, Transit & Refuse Subtotal	6,033,845	5,911,725	112,120	841,128	87,560	755,568	6,897,973	6,009,285	867,688	1,536,313	1,481,808	2,329,436
670	Electric Operations	29,796,500	14,401,712	15,394,788	2,267,350	29,194	2,238,164	32,003,850	14,430,906	17,572,952			
7000	Electric	1,535,261	20,037,878	(18,502,617)	-	(934,139)	934,139	1,535,261	19,103,739	(17,568,478)			
7010	Generation & Transmission	31,271,761	34,438,590	(3,167,829)	2,267,350	(904,945)	1,372,303	33,539,119	33,534,645	4,474	11,888,559	9,125,340	6,989,820
	670 - Total	31,271,761	34,438,590	(3,167,829)	2,267,350	(904,945)	1,372,303	33,539,119	33,534,645	4,474	11,888,559	9,125,340	6,989,820
672	Rate Stability	21,000	-	21,000	-	-	-	21,000	-	21,000	6,446,435	6,446,435	6,467,435
673	Electric Improvement	21,000	49,500	(28,500)	-	-	-	21,000	49,500	(28,500)	9,420,368	9,420,368	3,391,868
674	2007/2015 Elec Rev Bond Project Fund	5,000	-	5,000	16,431	9,600	6,831	21,431	9,600	11,831	2,274,492	1,892,299	1,904,130
675	Public Benefits Fund	795,088	569,873	225,215	-	85,477	(85,477)	795,088	655,350	139,738	954,057	954,057	1,093,795
678	2007 Elec Rev Bond Debt Service	2,427,219	2,427,219	-	294	294	-	2,427,513	2,427,513	-			
	Electric Subtotal	34,541,068	37,486,182	(2,945,114)	2,284,083	(809,574)	1,093,657	36,825,152	36,676,608	148,543	11,095,953	12,711,159	12,857,228
ENTERPRISE FUNDS TOTAL		40,574,913	43,407,907	(2,832,994)	3,127,211	(722,014)	1,849,225	43,702,124	42,645,893	1,056,231	14,611,660	14,174,966	15,186,723

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BUDGET ADJUSTMENT REQUESTS – INTERNAL SERVICE FUNDS

Fund 700 – Risk Management:

Expenditures:

- **Increase in Attorney Fees \$50,000** allocated across funds for various attorney services.
- **Increase in Worker's comp premium \$28,450**
- **Increase in Property insurance premium \$48,287**
- **Increase in Liability insurance premium \$224,678**
- **Increase in Professional Services \$100,000** to cover legal expenses related to liability claims.

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BUDGET ADJUSTMENT REQUESTS – INTERNAL SERVICE FUNDS

Fund 702 – Fleet Maintenance

Revenue:


- **Increase in Sale of Surplus Property \$14,380**
- **Decrease in Inter-fund allocations revenues \$206,267** due to surplus from FY 2018-2019

Expenditures:

- **Decrease in Salaries \$6,869** to cover overtime and working out of class
- **Increase in Maintenance costs \$5,000** for miscellaneous repairs
- **Increase in Auto Parts \$35,000** for tires and miscellaneous repairs

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BUDGET ADJUSTMENT REQUESTS – INTERNAL SERVICE FUNDS

Fund 703 – Information Systems

Expenditures:

- **Increase Computer Hardware \$25,000 additional laptops and computers**
- **Increase in Computer Software \$15,000 Self-service payroll product and other software licenses for remote processes.**
- **Increase in Communication Equipment \$200,000 for audio visual equipment for Council Chambers (offset by PEG fees for partial cost recovery) to be allocated among departments/funds.**

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BUDGET ADJUSTMENT REQUESTS – INTERNAL SERVICE FUNDS

Fund 761 – Utility Billing

Expenditures:

- **Decrease Salaries & Benefits \$83,997 to cover contract employee costs.**
- **Increase in Professional Services \$70,000 for contract employees.**

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INTERNAL SERVICE FUNDS & SA FUNDS

Fund	Department Name	FY 2019-2020 Adopted Budget			FY 2019-2020 Budget Adjustment Requested Amounts			FY 2019-2020 with Adjustments Effective 3/14/2020			Available Fund Balance		
		Operating Revenue Budget	Operating Expenditures Budget	Net Budget Surplus (Deficit)	Operating Revenue Requests	Operating Expenditures Requests	Net Adjustments	Adjusted Operating Revenue	Adjusted Operating Expenditures	Net Adjusted Budget Surplus (Deficit)	Beginning of Fiscal Year	Undesignated Portion	After Net Adjustment
Internal Service Funds											Net Cash Balances		
700	Risk Management Fund												
5020	Workers Compensation	791,208	739,129	52,079	3,000	38,924	(35,924)	794,208	778,053	16,155			
5030	Unemployment Insurance	79,711	47,558	32,153	-	2,661	(2,661)	79,711	50,219	29,492			
5040	Liability Insurance	894,336	953,326	1,000	207,665	378,239	(170,574)	1,101,901	1,331,565	(229,664)			
5300	City Attorney	750,000	750,000	-	60,000	50,000	10,000	810,000	800,000	10,000			
700 - Total		2,575,245	2,490,013	85,232	270,665	469,824	(199,159)	2,845,910	2,959,837	(113,927)	(606,428)	(606,428)	(720,355)
702	Fleet Maintenance	1,569,953	1,597,755	(27,802)	(191,132)	42,808	(233,940)	1,378,821	1,640,563	(261,742)	422,349	422,349	140,587
703	Information Systems Services	755,522	536,689	218,833	42,054	228,939	(186,885)	797,576	765,628	31,948	69,568	69,568	71,516
761	Utility Billing Administration												
3100	Account & Collection Service	1,713,964	1,731,276	(17,312)	49,325	31,738	17,587	1,763,289	1,763,014	275			
3110	Meter Reading & Service	656,043	656,043	-	8,353	8,353	-	664,396	664,396	-			
761 - Total		2,370,007	2,387,319	(17,312)	57,678	40,091	17,587	2,427,685	2,427,430	275	530,917	530,917	531,112
INTERNAL SERVICE FUNDS TOTAL		7,240,707	7,011,776	228,931	179,265	781,662	(602,997)	7,419,972	7,793,438	(373,466)	426,526	426,526	43,060
Successor Agency Funds													
805	Redevelopment Obligation Retirement	2,575,619	2,445,629	529,990	-	-	-	2,575,619	2,445,629	529,990	1,628,300	1,628,300	2,158,290
810	Successor Housing Agency	3,939	365,942	(362,003)	27,029	-	27,029	30,968	365,942	(334,974)	1,635,023	1,635,023	1,300,049
830	Debt Service Fund	2,195,629	2,195,629	-	-	-	-	2,195,629	2,195,629	-			
850	Successor Agency	-	-	-	155	-	155	-	-	155	59,020	59,020	59,175
840	BEA Capital Project Fund	9,000	-	9,000	399	-	399	9,399	-	9,399	7,653,588	7,653,588	7,662,987
841	BEA L/M Capital Project Fund	2,000	-	2,000	-	-	-	2,000	-	2,000	548,071	548,071	548,071
855	2007 TABS Bond Proceeds	-	-	-	-	-	-	-	-	-	(2,794,420)	(2,794,420)	(2,794,420)
856	2003 TABS Bond Proceeds	-	-	-	-	-	-	-	-	-	34,232	34,232	34,232
857	2003 TABS Bond Proceeds Low/Mod	-	-	-	-	-	-	-	-	-	104,505	1,212	1,212
SUCCESSOR AGENCY FUNDS TOTAL		5,186,187	5,007,200	178,987	27,583	-	27,583	5,213,770	5,007,200	206,570	8,866,279	8,762,022	8,963,552
OTHER FUNDS GRAND TOTAL		74,899,122	74,989,404	(150,282)	3,215,646	576,630	2,839,016	78,654,768	75,366,034	3,288,734	74,214,807	73,584,121	76,083,680
CITY WIDE GRAND TOTAL		96,031,485	97,614,709	(1,604,226)	4,995,837	682,704	4,313,135	101,006,520	98,297,413	2,709,107	85,544,237	79,738,642	78,540,407

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POSITION REQUESTS BUDGET ADJUSTMENT REQUEST DETAIL:

PUBLIC WORKS – Reclassify two positions and Add one position:

- Update salary scale range of Water/Wastewater Superintendent and Public Works Superintendent to appropriately reflect the increasing demands of these positions
- Add Full-time Bus Driver to Transit due to the shortage of full-time drivers and unreliability of on-call part-time drivers. Salary savings currently realized due to absence of current driver of leave of absence.

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RECLASSIFICATIONS

The Annual Fiscal Impact to Re-class 2 Positions **\$6,531.30**

Fiscal Year 2019-20 Public Works Superintendent Salary and Benefits Calculation			
Public Works Superintendent		FY20	Fiscal Increase
SALARY RANGE - T10		Step 9	
(593,145.58 - \$126,014.56)		Hourly	54.78
Annual		\$	113,837.82
Vehicle Allowance		3,000.00	0.00
Residence Allowance/Incentive Pay		1,800.00	0.00
Benefit Allowance		16,800.00	0.00
Maximum Cash Out:			
Sick Payoff		2,191.11	49.21
Personal Leave Payoff		2,191.11	49.21
Holiday Payoff		2,191.11	49.21
Vacation Payoff		2,191.11	49.21
Total Salary Cost		144,302.27	2,758.87
Life Insurance		936.00	0.00
PERS Employer Cost		10,974.49	246.49
Medicare		1,848.78	39.94
Social Security		7,905.14	170.36
SUI		695.02	15.61
WC		4,807.50	110.00
Total Benefit Cost		27,266.94	582.92
Total Salary & Benefits		\$	171,569.21
Allocation:			
Street Fund 100	30%	\$1,407.78	2,758.87
General Fund 001-1200	20%	\$4,311.34	2,758.87
Landscape Maintenance Fund 111	10%	1,715.92	2,758.87
Algebra Fund 600	5%	857.96	2,758.87
Refuse Fund	25%	42,898.00	2,758.87
Fleet Maintenance Fund	10%	17,159.21	2,758.87
		171,569.21	2,758.87

Fiscal Year 2019-20 Water/Wastewater Superintendent Salary and Benefits Calculation			
Water/Wastewater Superintendent		FY20	Fiscal Increase
SALARY RANGE - T18		Step 7	
(593,145.58 - \$126,014.56)		Hourly	54.72
Annual		\$	113,825.71
Vehicle Allowance		3,000.00	0.00
Residence Allowance/Incentive Pay		1,800.00	0.00
Benefit Allowance		16,800.00	0.00
Maximum Cash Out:			
Sick Payoff		2,188.96	47.06
Personal Leave Payoff		2,188.96	47.06
Holiday Payoff		2,188.96	47.06
Vacation Payoff		2,188.96	47.06
Total Salary Cost		144,181.54	2,655.14
Life Insurance		936.00	0.00
PERS Employer Cost		10,963.69	236.69
Medicare		1,847.03	38.21
Social Security		7,897.66	163.38
SUI		694.34	14.93
WC		4,802.68	105.18
Total Benefit Cost		27,331.40	557.38
Total Salary & Benefits		\$	171,412.94
Allocation:			
Water Fund 600	70%	119,989.06	2,314.54
Wastewater Fund 600	30%	51,423.88	3,192.51
		171,412.94	3,192.51

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Bus Driver

- The Annual Fiscal Impact for a Full-Time Bus Driver **\$72,388.24**
- Allocated as follows:
- 100% Transit

Fiscal Year 2019-20 Bus Driver Salary and Benefits Calculation			
Bus Driver		FY20	
SALARY RANGE - G47		Step 3	
(537,547.93-\$50,797.74)		Hourly	18.98
Annual		\$	39,487.76
Residence Allowance/Incentive Pay		1,800.00	
Benefit Allowance		16,800.00	
Maximum Cash Out:			
Sick Payoff		759.38	
Comp Leave Payoff		759.38	
Vacation Payoff		759.38	
Total Salary Cost		60,365.90	
Life Insurance		0.00	
PERS Employer Cost		3,803.46	
Medicare		875.31	
Social Security		3,742.69	
SUI		442.26	
WC		3,158.63	
Total Benefit Cost		12,022.34	
Total Salary & Benefits		\$	72,388.24
Allocation:			
Transit Fund 610	100%	\$	72,388.24
Fiscal Year Impact - FY2020 - None			

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BUDGET ADJUSTMENT REQUESTS – CITY-WIDE FISCAL IMPACT - REVIEW

	Previous Budgeted Amount	Mid-Year Adjustments	Adjusted FY 19-20 Budget
Operating Revenues	96,010,483	4,995,837	101,006,320
Operating Expenses	97,614,709	682,704	98,297,413
Operating Surplus (Deficit)	(1,604,226)	4,313,133	2,708,907
Capital Expenditures	39,365,595	2,316,739	41,682,334
Total Budget	136,980,304	2,996,597	139,979,747

Budget Request details are listed in the FY 2019-20 Mid-Year Operating and Capital Budget Request Reports as attachments to the Resolutions.

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ACTION ITEMS:

1. ADOPT RESOLUTIONS:

- Adopt Resolution No. 2020-46 approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning
- Adopt Resolution No. 2020-05 UA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Utility Authority
- Adopt Resolution No. 2020-04 SA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Utility Authority
- Adopt Resolution No. 2019-49 Amending the Classification and Compensation Plan
- Authorize the City Manager, Administrative Services Director, Executive Director or designee to make necessary budget adjustments, appropriations, and transfers

2. PROVIDE ALTERNATIVE DIRECTION TO STAFF

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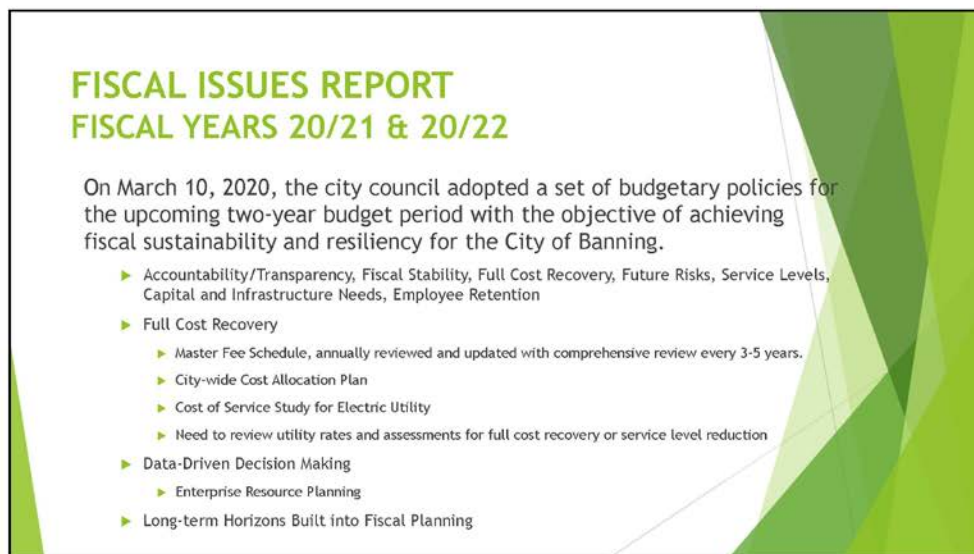
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ATTACHMENT 8



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ISSUE 1 | TRANSIT OPERATIONS

Projected Fiscal Impact

FY 20/21 Impact	FY 21/22 Impact
\$100,000 (ongoing)	\$100,000 (ongoing)

- ▶ Costs of operation (annual deficit)
 - ▶ Coronavirus impact has significantly reduced ridership which will affect fare box receipts
 - ▶ General fund contribution will be necessary to support operations so that transit is self-sustaining (full cost recovery model)
- ▶ Insurance/liability (social inflation)
- ▶ Does not include capital needs or capital expenditures
- ▶ Consider methods of alternative service delivery in order to preserve service level while reducing cost to the City

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ISSUES 2&3 | PUBLIC SAFETY MOU/VEHICLES

Projected Fiscal Impact

FY 20/21 Impact	FY 21/22 Impact
\$700,000 (ongoing)	\$700,000 (ongoing)

- ▶ MOU with County of Riverside expired 2018
 - ▶ Loss of \$500,000 annually for sworn officers
 - ▶ No reduction of workload impacts to city public safety due to county operations
- ▶ Vehicles
 - ▶ Department's plan is to replace four (4) vehicles per year at \$50,000 per vehicle
 - ▶ Department has front-loaded purchases into FY 2019-20 mid-year budget adjustment
 - ▶ MOU consideration for take-home vehicles

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ISSUE 4 | ENTERPRISE RESOURCE PLANNING AND IT INFRASTRUCTURE

Projected Fiscal Impact

FY 20/21 Impact	FY 21/22 Impact
\$1.5 milling (one-time)	\$1.5 million (one-time)

- ▶ Enterprise Resource Planning (ERP)
 - ▶ Feasibility study completed in 2018
 - ▶ Estimated \$3 million for acquisition and implementation
 - ▶ Possibility of scaling
- ▶ IT Infrastructure (not included in fiscal impacts)
 - ▶ City-wide aging switches and servers that are at capacity, no longer supported or warrantied, and in need of replacement
 - ▶ Estimated \$450,000 for acquisition and implementation
 - ▶ \$190,000 estimated one-time cost for Police Department (CY budget adjustment)
 - ▶ \$260,000 estimated for all other city departments

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ISSUES 5 | WATER PIPELINE REPLACEMENT

Projected Fiscal Impact

FY 20/21 Impact	FY 21/22 Impact
\$3 million(ongoing)	\$3 million (ongoing)

- ▶ Water: Pipeline Replacement Program, entire system \$326.5 million
 - ▶ P1: replace pipes installed prior to 1950, \$3MM average annual cost
 - ▶ Currently budgeting at \$500,000 annually
 - ▶ P2: replace 1950s and later (\$286 million)
- ▶ Water rates are insufficient to support infrastructure replacement needs
 - ▶ Savings of \$600,000 for FY 20/21 due to use of municipal rate for all city departments

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ISSUE 6 | DEFERRED MAINTENANCE (CITY HALL)

Projected Fiscal Impact

FY 20/21 Impact	FY 21/22 Impact
\$750,000-\$1 million (one-time)	\$750,000-\$1 million (one-time)

- ▶ City Hall built in 1990
- ▶ No major renovations to facility or systems since construction
- ▶ Security and accessibility issues
- ▶ Replacement and repairs needed include:
 - ▶ Plumbing and electrical systems
 - ▶ HVAC
 - ▶ Roof
 - ▶ Pest control/eradication
 - ▶ Site drainage
- ▶ Estimated two-year project at \$1.5-2 million

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ISSUE | CORONAVIRUS ECONOMIC IMPACT

Projected Fiscal Impact

FY 20/21 Impact	FY 21/22 Impact
> \$1 million	> \$1 million

- ▶ Economic impacts of coronavirus pandemic continuing to emerge
 - ▶ May be more significant than credit crisis of 2008
- ▶ Impacts on discretionary revenues (property tax, sales tax, TOT)
 - ▶ State's deferral of sales tax of \$525,000
 - ▶ Sales tax loss
 - ▶ Due to economic downturn of \$300,000 over two years
 - ▶ Due to Cabazon closure of \$900,000 over two years
- ▶ Measure A street funding reduction of \$1 million over five years
- ▶ Many unknowns

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4

EMERGING FISCAL ISSUES REPORT FISCAL YEARS 20/21 & 20/22

RECOMMENDED ACTIONS

- ▶ That the City Council receive and file a report on Emerging Fiscal Issues for the Fiscal Years Ending 2021 and 2022 budget for the City of Banning, and
- ▶ Provide direction to staff as needed.

9

EMERGING FISCAL ISSUES REPORT

QUESTIONS?

A magnifying glass is positioned over a bar chart. The chart has two visible labels, 'Q2' and 'Q3', under the bars. The bars are blue and green. The magnifying glass is held by a hand, and the lens is focused on the 'Q2' and 'Q3' bars.

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5



**CITY OF BANNING
OFFICE OF THE
MAYOR**



proclamation

WHEREAS, more than a million law enforcement officers serve in communities across the United States, including the dedicated members of the Banning Police Department. Since the first recorded law enforcement death in 1791, nearly 24,000 law enforcement officers in the United States have made the ultimate sacrifice and have been killed in the line of duty. In 1962, President John F. Kennedy designated May 15 as Peace Officers Memorial Day and the week that it falls as National Police Week; and

WHEREAS, the City of Banning wishes to honor the service and sacrifice of law enforcement officers killed in the line of duty by participating in a nationwide virtual candlelight vigil on Wednesday May 13, 2020, and by flying U.S. Flags at half-staff on May 15, 2020; and

WHEREAS, the Banning City Council formally designates May 10-16, 2020 as Police Week in Banning, California, to publicly salute the service of law enforcement officers in our community and communities across the nation.

NOW THEREFORE, the City of Banning City Council do hereby proclaim May 10-16, 2020 as



FURTHER, we encourage all residents to join us in this special observance.

Dated this 28th day of April 2020.

ATTEST:

Sonja De La Fuente, Deputy City Clerk

Daniela Andrade, Mayor



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: April 28, 2020

SUBJECT: Public Works Capital Improvement Project Tracking List

RECOMMENDED ACTION:

This is informational only; receive and file report.

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.

FISCAL IMPACT:

None

ATTACHMENTS:

1. CIP Status List
<https://banningca.gov/DocumentCenter/View/7294/Attachment-1-CIP-Update-April-2020>

Approved by:

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Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Laurie Sampson, Executive Assistant

MEETING DATE: April 28, 2020

SUBJECT: Receive and File Contracts Approved Under the City Manager's Signature Authority for the Month March 2020

RECOMMENDATION:

Receive and file contracts approved under the City Manager's signature authority for the Month of March 2020.

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 March 2020
<https://banningca.gov/DocumentCenter/View/7276/Attach-1-March-2020-Agreements>

Approved by:

Douglas Schulze
City Manager

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**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Todd Hopkins, Division Chief
Laurie Sampson, Executive Assistant

MEETING DATE: April 28, 2020

SUBJECT: Receive and File Fire Department Statistics for March 2020

RECOMMENDED ACTION:

Receive and file Fire Department statistics for March 2020.

BACKGROUND:

The Fire Department provides statistics to the public and City Council upon request.

JUSTIFICATION:

N/A

FISCAL IMPACT:

None

ATTACHMENTS:

1. Fire Statistics for March 2020
<https://banningca.gov/DocumentCenter/View/7277/Banning-March-2020-Fire-Report>

Approved by:

Douglas Schulze
City Manager

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**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Matthew Hamner, Police Chief
Sol Ivett Avila, Executive Assistant

MEETING DATE: April 28, 2020

SUBJECT: Police Department Statistics for March 2020

RECOMMENDED ACTION:

Receive and File March 2020 Police Statistics.

BACKGROUND:

The Police Department provides statistics to the public and City Council upon request.

FISCAL IMPACT:

None

OPTIONS:

1. Receive and File

ATTACHMENT:

1. March 2020 Statistics
<https://banningca.gov/DocumentCenter/View/7278/Police-Statistics-March-2020>

Approved by:

Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: April 28, 2020

SUBJECT: Authorize the City Manager to sign the Notice of Completion for Project No. 2014-06, "Ramsey Street Pavement Rehabilitation, Hargrave Street to West of Hathaway Street" as complete and direct the City Clerk to record the Notice of Completion

RECOMMENDED ACTION:

That the City Council accept Project No. 2014-06, "Ramsey Street Pavement Rehabilitation, Hargrave Street to West of Hathaway Street" as complete, authorize the City Manager or his designee to sign the Notice of Completion and direct the City Clerk to record the Notice of Completion.

BACKGROUND:

On August 27, 2019, City Council adopted Resolution 2019-106 awarding a Construction Agreement to Hardy and Harper, Inc. for Project No. 2014-06, "Ramsey Street Pavement Rehabilitation, Hargrave Street to West of Hathaway Street." The project was approved in the amount of \$239,000 with a 10% contingency for a total project budget of \$262,900.

The principal items of work included: grinding the entire width of Ramsey Street, crack sealing, asphalt concrete (A.C.) overlay, removal and reconstruction of one handicap ramp, adjusting manholes and water valve covers to grade, striping and signage, traffic control, and cleaning of the job site, within the project limits and in accordance with City of Banning and Caltrans Standard Specifications. The work was performed along Ramsey Street in the City of Banning as shown in Attachment 2.

One project change order was processed in the amount of \$3,850 to reinstall the traffic loop at the Hargrave Street left turn pocket, but other quantities were under the contract bid amount and therefore the total contract amount including the Change Order was below the award amount of \$239,000.

JUSTIFICATION:

The lowest qualified bidder, Hardy and Harper, Inc. was awarded the contract and work was completed on December 18, 2019. Public Works staff verified through inspections that the workmanship, materials, and procedures were satisfactory and that the contractor had met the required contract obligations.

FISCAL IMPACT:

The original contract was awarded in the amount of \$239,000 and the final contract amount for this project is \$236,935.18, under the allocated project budget approved under Resolution 2019-106. The project was partially funded by a Federal STPL Grant in the amount of \$181,893, administered by Caltrans, and the remainder is from Measure A funds.

OPTIONS:

1. Approve as recommended.
2. City Council may elect to not accept the project as complete which would keep the project open and prevent the release of retention funds to the contractor.

ATTACHMENTS:

1. Notice of Completion
<https://banningca.gov/DocumentCenter/View/7281/Attachment-1-Notice-of-Completion----Project-2014-06>
2. Project Location
<https://banningca.gov/DocumentCenter/View/7282/Attachment-2-Location-Map-of-Ramsey-Street-Pavement-Rehabilitaion>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Public Works Director/City Engineer
Kevin Sin, Senior Civil Engineer

MEETING DATE: April 28, 2020

SUBJECT: Adopt Resolution 2020-40, Approving a List of Projects to be Funded for Fiscal Year 2020-2021 by SB 1 “The Road Repair and Accountability Act of 2017”

RECOMMENDED ACTION:

That the City Council Adopt Resolution 2020-40, adopting a list of projects to be funded by SB 1, “The Road Repair and Accountability Act of 2017.”

BACKGROUND:

Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation shortfalls statewide.

SB 1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year. The City must include a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, in the City budget, which must include a description and the location of each proposed project, a proposed schedule for the project’s completion, and the estimated useful life of the improvement.

The City will receive and estimated \$586,323 in RMRA funding in Fiscal Year 2020-2021 from SB 1. The City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used in an efficient and cost-effective manner.

JUSTIFICATION:

Local agencies are required to submit a list of projects to be funded by RMRA funds to the California Transportation Commission (CTC) by May 1, 2020 in order to receive funding for Fiscal Year 2020-2021.

FISCAL IMPACT:

The State Department of Finance estimates that the City of Banning will receive \$586,323 in RMRA funding in FY 2020-2021 from the SB 1. This revenue nearly doubles the City's pre-SB 1 annual budget for street rehabilitation projects.

ALTERNATIVE:

The City Council may choose not to adopt Resolution No. 2020-40 at this time, which as a result the City will not be eligible to receive SB 1 funding for the Fiscal Year 2020-2021.

ATTACHMENTS:

1. Resolution No. 2020-40
<https://banningca.gov/DocumentCenter/View/7291/Attachment-1---Resolution-2020-40>
2. Exhibit "A" - FY 2020-2021 SB 1 Proposed Projects List
<https://banningca.gov/DocumentCenter/View/7292/Attachment-2---Exhibit-A---Proposed-Projects-List-for-SB-1-FY20-21>
3. Exhibit "B" - SB 1 Projects Previously Approved Status Report
<https://banningca.gov/DocumentCenter/View/7293/Attachment-3---Exhibit-B---Approved-Projects-Status-Report-for-SB-1>

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Jennifer Christensen, Administrative Services Director

MEETING DATE: April 28, 2020

SUBJECT: Resolution 2020-44, and 2020-3 SA, City Officers Authorized to Order the Deposit and Withdrawal of Monies in the Local Agency Investment Fund

RECOMMENDED ACTION:

1. That the City Council approve Resolution 2020-44, and 2020-3 SA, approving a City Officer authorization to order the deposit and withdrawal of monies in the Local Agency Investment Fund.

BACKGROUND:

The Local Agency Investment Fund (LAIF) requires a specific resolution authorizing individuals to make deposits and withdrawals to the Fund. The City of Banning has two investment accounts with LAIF. One is in the name of the City of Banning and the other is in the name of the Community Redevelopment Agency (CRA).

JUSTIFICATION:

The last time the resolution pertaining to LAIF was updated for both the City and CRA in 2012. Due to changes in personnel it is necessary to update the authorized persons able to make deposits and withdrawals on the account. These resolutions will update the authorized personnel with LAIF based on the titles of those staff members authorized to make the necessary transactions to facilitate the cash flow and investment needs of the City.

FISCAL IMPACT:

No fiscal impact will result from adoption of these resolutions.

OPTIONS:

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

ATTACHMENTS:

1. Resolution 2020-44
<https://banningca.gov/DocumentCenter/View/7286/Resolution-2020-44>
2. Resolution 2020-3 SA
<https://banningca.gov/DocumentCenter/View/7287/Resolution-2020-3-SA>

Approved by:

A handwritten signature in blue ink, appearing to be 'DS' followed by a stylized flourish.

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: April 28, 2010

SUBJECT: Resolution 2020-54 Approving and Authorizing Submittal of California Emergency Management Agency Form California Office of Emergency Services Form 130 Designating Personnel to act as the Agent for the City when seeking Financial Assistance after a disaster

RECOMMENDED ACTION:

Staff recommends that City Council approve Resolution 2020-54 approving the California Office of Emergency Services (CalOES) Form 130 designating the City's Applicant Agents when seeking financial assistance after a Governor or Presidential disaster proclamation. City Council shall designate the City Manager, Administrative Services Director and Director of Public Works as the designees and direct the City Clerk to certify and transmit CalOES Form 130 to the California Office of Emergency Services

BACKGROUND:

The CalOES Form 130 authorizes the positions listed to execute for and on behalf of the City of Banning for the purpose of obtaining certain Federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act (CDDA).

The positions designated on the form will be the City Manager, Administrative Services Director and Director of Public Works.

The CDAD in Title 2, Division 1, Chapter 7.5 of the California Code provides State financial assistance for recovery efforts to counties, cities and/or special district after a State disaster has been proclaimed. CDAA can be implemented as "stand alone" funding sources

following a Director of California Office of Emergency Services Concurrence for a local emergency, or a Governor's Proclamation when there is no federal declaration.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, P.L. 93-288, as amended, 42 U.S.C. 5121 et seq., and Related Authorities, provides Federal financial assistance for Individual and/or Public Assistance after a Federal Major Disaster or Emergency Declaration is proclaimed. Public Assistance can include response, recovery, and mitigation after an Emergency or Major Disaster Declaration. Individual Assistance can include recovery and/or mitigation after a Major Disaster Declaration is proclaimed.

JUSTIFICATION:

It is required that City Council designate personnel to be the City's Applicant Agents and to submit CalOES Form 130 in order to eligible for financial assistance after a Governor or Presidential disaster proclamation.

The form will be effective for a period of three years.

FISCAL IMPACT:

There is no fiscal impact in the approval of staff recommendation although the approval will provide the City the opportunity to seek financial assistance during Governor and/or Presidential disaster proclamation such as those related to the February, 2019 storms and the current COVID-19 pandemic.

OPTIONS:

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

ATTACHMENTS:

1. Resolution 2020-54
<https://banningca.gov/DocumentCenter/View/7279/Attachment-1---Resolution-2020-54>
2. Cal OES Form 130
<https://banningca.gov/DocumentCenter/View/7280/Attachment-2-CalOES-130>

Approved by:

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

Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Matthew Hamner, Chief of Police
Jeff Horn, Captain

MEETING DATE: April 28, 2020

SUBJECT: Resolution 2020-55: Authorizing the Police Department to use Golden Star Technology (GST) to Outfit Seven (7) New Police Vehicles with a F110 G5 Series Tablet. This Purchase Will “Piggyback” on a Contract with the County of Riverside SHARC-20454-001-06/20.

RECOMMENDED ACTION:

The City Council adopt Resolution 2020-55, a Resolution of the City of Banning, California, authorizing the police department to utilize Golden Star Technology to purchase seven (7) F110 G5 Series Tablets for use in police vehicles. This purchase is “Piggybacking” on the Riverside County Contract #SHARC-20454-001-06/20.

BACKGROUND:

The contract the Banning Police Department is requesting to “Piggy Back” on for the installation of the required computer system was originally adopted on January 13, 2016 by the Riverside County Sheriff’s Department and has been extended to June 2020.

JUSTIFICATION:

The new patrol vehicles will require the purchase and installation of a computer to utilize the CAD (Computer-Aided Dispatch) system and the record management system (RIMS). This system is “new” for the Banning Police Department and will utilize a tablet that can be removed from the vehicle while previous computers were fixed in the vehicle.

FISCAL IMPACT:

The cost for equipping the new vehicles and removing equipment from the old vehicles will be covered by existing funds in the Supplemental Law Enforcement Services Allocation (SLESA) account.

OPTIONS:

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

ATTACHMENTS:

1. Resolution 2020-55
<https://banningca.gov/DocumentCenter/View/7288/Att-1-Resolution-2020-55-Golden-Star-Technology-Purchase>
2. Riverside County Contract SHARC-20454-001-06/20
<https://banningca.gov/DocumentCenter/View/7289/Att-2-Fully-Executed-Amendment-3-SHARC-268A>
3. Quote from Golden Star Technology for seven (7) tablets and accessories.
https://banningca.gov/DocumentCenter/View/7290/Att-3-Golden_Sta074542v18

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Jennifer Christensen, Administrative Services Director
Suzanne Cook, Deputy Finance Director

MEETING DATE: April 28, 2020

SUBJECT: Full Cost Allocation Plan

RECOMMENDED ACTION:

City Council receive and file Full Cost Allocation Plan as prepared by MGT Consulting Group, April 2020

BACKGROUND:

As a part of the City's budgeting and fiscal policies, a 10% of operational revenues transfer is authorized to cover administrative costs of the General Fund by the Electric Fund. This was approved by Council through the budgeting process each budget cycle. In November 2018, the City had put a measure on the ballot to allow the voters consideration for the authorization of the administrative transfer to the General fund from the Electric Fund. The outcome of this Ballot Measure was unsuccessful and as a result will cause a significant impact on the City's ability to fund public safety and other services provided by the City.

In order to establish and maintain a well-documented and defensible plan to recover indirect administrative costs in a variety of internal and external circumstances, the City decided to release a request for proposals to have an independent party perform the cost allocation plan for the Enterprise and Internal Service Funds.

On February 12, 2019, staff released a RFP through the centralized purchasing system (PlanetBids) notifying qualified firms of the opportunity to provide proposals, RFP 19-0131 "Enterprise Fund & Internal Service Fund Cost Allocations Study". Two hundred and three (203) firms were sent direct solicitations through PlanetBids, with twenty-one (21) vendors registering for the proposal. The deadline to submit proposals was March 20, 2019 and six (6) firms responded with submittals.

An evaluation committee consisting of three (3) City staff members, evaluated the six (6) proposals that were received based on qualifications of key personnel, experience in preparing a cost allocation plan, approach and methodology, professional references and price proposals.

MGT Consulting Group was determined to be the most qualified firm based on the proposal evaluations and interviews combined.

JUSTIFICATION:

The attached Indirect Cost Allocation Plan identifies the costs of indirect services provided by central service departments of the City of Banning (City) based on budgeted expenditures for fiscal year 2019/2020. MGT of America, Inc. (MGT) prepared these documents at the request of the City.

As with most organizations, whether private or public, the costs of providing services can be classified into two categories: direct or indirect. Direct costs are those which can be specifically identified with a particular service, such as street maintenance, police protection or water services. Indirect costs are not readily identifiable with a particular operating program, but rather are incurred for a joint purpose which benefits more than one cost objective. Common examples are city management, fiscal services, personnel and building maintenance. Although these costs are not readily identifiable with direct operating programs, they are nevertheless incurred by that organization in providing a service or product. As such, it is essential that some method be developed to distribute indirect costs to operating programs if the total cost of a program is to be determined. The City's attached cost allocation plan is prepared in accordance with generally accepted accounting principles (GAAP) as recognized by the Governmental Accounting Standards Board (GASB). The primary principles inherent in this document are (1) costs are necessary and reasonable for proper performance of a department, division and/or fund (2) costs are charged to departments, divisions and/or funds relative to benefits received and (3) costs are consistently treated as direct or indirect. These principles ensure that a uniform approach is used in the preparation of cost allocation plans. City personnel provided the expenditure and allocation data to MGT consultants.

Process

The significant steps involved in preparing the cost allocation plan include the following:

- Identify the departments that provide support. These departments are referred to as central service or allocating departments and they provide indirect services as described above.

- Identify the departments, divisions and funds that receive support. These departments, divisions and funds are referred to as operating or receiving departments and they provide direct services.
- Accumulate the allowable expenditures of the central service departments that provide support to the operating departments.
- Distribute, or allocate, the allowable expenditures of the central service departments that provide support to the operating departments based on available, meaningful, measurable, and auditable allocation statistics that match the service provided to the service received.

A double-step down allocation methodology is used to allocate the allowable costs of the central service departments. This methodology recognizes the cross support provided between central service departments. For example, Fiscal Services supports Building Maintenance by providing payroll, paying vouchers and preparing a budget. Building Maintenance, however, also supports Fiscal Services by performing regular building maintenance, and maintaining and administering various service requests and contracts.

The double-step down methodology requires an initial sequencing of allocating departments. In the first step of the double-step methodology, allowable costs from central service departments are allocated in the sequence selected to all City departments, divisions and funds; including to other central service departments. The second step in the double-step down methodology is made to fully account for the cross support provided between central service departments. Central service departments are closed after the second step in the double-step down allocation methodology.

Uses of the Cost Allocation Plan

Through the identification of total program costs, the cost allocation plan can be utilized as a basic information tool in a number of financial and budgetary decision-making situations, including the following:

- The cost allocation plan can be used to determine costs applicable to federal and state grant programs. Under the provisions of 2 CFR Part 200, it is permissible to include indirect costs in accounting for many federal and state grant programs. By establishing an indirect cost rate, the cost allocation plan can be utilized to recover the indirect costs associated with administering federal grant programs.
- The cost allocation plan can be used to identify the indirect costs incurred by the city in administering and providing support services to enterprise funds, internal service funds and other governmental funds.
- The cost allocation plan can also be used in establishing service fees designed for cost recovery by ensuring that all of the costs -- direct and indirect -- associated with providing services are included in the cost analysis. The cost

allocation plan provides for the identification and recapture of all indirect costs associated with fee for service activity.

Summary

The cost allocation plan establishes a fair and equitable methodology for identifying and allocating indirect costs to direct cost programs. As such, the cost allocation plan can be a valuable tool in a number of financial applications, including the allocation of organizational resources, performance of expense analyses, establishment of fees designed to recover total costs, recovery of indirect costs in the administration of grant programs and reimbursement of costs associated with providing support services to enterprise, internal service and other governmental funds.

FISCAL IMPACT:

To be incorporated into the City's Budget

OPTIONS:

1. Receive and File Cost Allocation Plan

ATTACHMENTS:

1. Full Cost Allocation Plan as prepared by MGT Consulting Group, April 2020
https://banningca.gov/DocumentCenter/View/7295/Attachment-1---Banning-Full-Cost-CAP_Guide_Final

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Jennifer Christensen, Administrative Services Director
Suzanne Cook, Deputy Finance Director

MEETING DATE: April 28, 2020

SUBJECT: Budget Workshop

RECOMMENDATION:

That the Council:

- a) Hold a budget workshop on April 28, 2020 to receive a presentation on the Fiscal Year 2020-21 and 2021-22 Budget;
- b) Provide direction, if any, regarding items to be addressed or included in the Recommended Budget, schedule for adoption on June 9, 2020;
- c) Provide direction, if any, regarding the special issues or other items.

JUSTIFICATION:

Purpose of the Budget Workshop

The budget workshop is held two months before the release of the Recommended Budget and Budget Hearings to provide the City Council an opportunity to review and discuss departments' preliminary budgets and special issues, receive public input on these items, and provide the City Manager and Administrative Services direction on policy issues or specific items for consideration prior to completion of the final Recommended Budget.

At the workshop, the Administrative Services Director will provide a presentation on proposed budgets and significant issues impacting operations. The Administrative Services Department, in conjunction with each city department director, has completed the review of submitted department budgets and revenue estimates, which remain

subject to change. The workshop provides an opportunity for the Council to receive information and provide direction to staff, as appropriate, on particular policy issues that affect department budgets. This year, the budget workshop has been augmented by the Emerging Fiscal Issues report that was presented to the Council on April 14, 2020.

The materials provided at the workshop are not intended to be inclusive of the entire Recommended Budget, which will be finalized with all financial schedules and department detail pages. Budget Hearings are scheduled to be held on June 9, 2020. At those hearings, staff will present and review the Recommended Budget for the Board's consideration, amendment, and adoption.

Of particular importance is the dramatic change in economic outlook for the City of Banning over the past five weeks. The City is not alone; public agencies around the world now face significant revenue shortfalls as a result of the shutdown caused by the coronavirus pandemic. In light of the anticipated fiscal challenges ahead for at least the span of the upcoming biennial budget, staff will be seeking direction from Council to implement budget reduction strategies across all departments.

Background

For the first half of the current fiscal year, the City was experiencing modest revenue growth like most cities and counties in California. The State of California was experiencing a healthy budget surplus. And from a longer-term perspective, the City was benefiting from the approval of Measure E, the ballot measure that eliminated the sunset provision and thereby extended the 12% transient occupancy tax for the future. Measure J was also approved by the voters, resulting in much needed funding for the general fund, public safety and streets.

On March 16, 2020, President Trump issued social distancing guidelines to slow the spread of coronavirus. On March 19, 2020, Governor Newsom issued the executive order mandating people shelter in place. As a result of the pandemic and actions taken to protect public health, the global economy has suffered unprecedented losses across numerous business sectors. The millions of Americans who sought unemployment benefits last week continued a historic labor-market decline, bringing the total claims for the past five weeks to more than 26 million, the Labor Department said Thursday.

Key Challenges and Emerging Issues

Every two years, the City develops a balanced budget while maintaining focus on community priorities, state and Federal mandates, legislative and regulatory changes, and building a strong future. Some challenges are unique to the City of Banning, and some are common among most local government agencies. As departments identified their key challenges, some common themes emerged.

- **Transit Operations:** Transit operations present several financial challenges for the City including insufficient farebox revenue, staffing challenges and exposure to liability. Estimated general fund impact: \$144,000 for FY 2020-21.
- **Public Safety Funding:** With the expiration of the MOU with Riverside County in 2018, the City has suffered an ongoing loss of approximately \$500,000 per year to fund officers. In addition, the police department has determined that it needs to replace 4 vehicles per year, in part due to the current MOU with BPOA which includes a provision for take-home vehicles for officers. Total fiscal impact: \$700,000 annually.
- **Growing need for updated technology infrastructure, security, and data storage capabilities:** The City is challenged to replace our core IT infrastructure. The preliminary budget includes \$300,000 for the replacement of servers to support operations. However, funding for enterprise resource planning has not been included in the proposed budget due to the strain on finances. The City may want to establish a Technology Replacement & Investment Fund to address critical enterprise and multi-departmental IT projects.
- **Deferred Maintenance:** The City is facing a growing deferred maintenance backlog for necessary infrastructure, streets and city facilities. A full inventory of the city's deferred maintenance backlog needs to be developed along with a comprehensive long-term plan for funding the city's capital and facility needs.

Highlights of Upcoming FY 2020-21 Budget

General Fund

The City's General Fund is currently projected to experience a budget deficit of \$2.6 million as a result of changes in revenues and expenditures in FY 2020-21.

- **Revenues:**
 - No Contra-Expenditure accounts used to offset expenses of interfund allocations for Human Resources, Fiscal Services, Purchasing and Building Maintenance in the General Fund and incorporated respective Revenue accounts, which will reflect higher expenses and higher revenue accordingly.
 - Reduction in Sales tax revenues by 23%, revenue from Cabazon 50%, and TOT by 25%.
 - Decrease in Administration Revenue from Enterprise Funds with new Cost Allocation plan in the amount of \$1.13 Million.

- Expenditures:
 - Animal Control Contract increased to \$30,000/month from current average \$15,000/month.
 - Engineering Services increase of \$700,000 due to Pardee and Rancho San Geronio development projects.
 - Increase in Professional Services of \$593,000 for Building Safety increases in permits and inspections due to developments.

Special Revenue Funds

Gas Tax

- Revenues:
 - Reduced Measure A funding by \$200,000 annually to reflect reduction of gas tax expected due to COVID-19.

Supplemental Law Enforcement Fund

- Revenues & Expenditures:
 - Currently projecting \$200,000 to cover costs of four (4) vehicles.

Enterprise Funds

Transit & Dial-A-Ride

- Revenue:
 - Capital Grant Expected for \$1.3 million included in operating revenues. After adjusting grant funding associated with the capital expenditure budget for Transit, the budgeted shortfall for Transit is approximately \$144,000.
- Expenditures:
 - Increase in Professional services for a Comprehensive Ops analysis
 - Capital Expenditure increase for new bus and CNG Station, offset by use of \$1.3 million in grant funds to cover expenses.

Electric

- Capital Expenditures Budget:
 - Capital expenditures of approximately \$16.4 million included in FY 2020-21 in the Electric Improvement Fund will require careful consideration of available fund balance and include:
 - Land acquisition of \$5 million
 - Electric administration building of \$2.6 million
 - Stagecoach substation improvements of \$1.75 million
 - Sunset substation improvements of \$1.3 million
 - Underground utility replacement of \$800,000

- Hathaway improvements of \$500,000
- Security improvements of \$500,000
- Vehicles of \$540,000
- Alternate fueling system of \$440,000
- Fire mitigation plan development of \$500,000
- Pardee-Atwell improvements of \$600,000

Internal Service Funds

Information Systems

- Expenditures:
 - Increases in technological infrastructure and security increased budget of \$321,000 related to servers for citywide support.

FISCAL IMPACT:

There are no fiscal impacts associated with holding the Budget Workshop. Addressing the information presented during the workshops will provide staff direction in finalizing the Fiscal Year 2020-21 and 2021-22 Recommended Budget for adoption at the June Budget hearing.

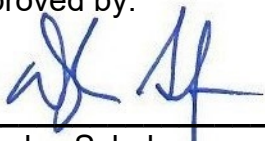
OPTIONS:

- a) Provide direction, if any, regarding items to be addressed or included in the Recommended Budget, schedule for adoption on June 9, 2020; and
- b) Provide direction, if any, regarding the special issues or other items.

ATTACHMENTS:

1. Budget Summary for FY 2020-21
<https://banningca.gov/DocumentCenter/View/7300/Attachment-1--Budget-Summary-FY-2020-2021>

Approved by:



Douglas Schulze
City Manager