



AGENDA

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

June 22, 2021
5:00 p.m.

In Chamber and via Video/Teleconference
Council Chambers
99 E. Ramsey Street

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.

Due to the COVID-19 pandemic emergency, and to protect the health and safety of all participants, this meeting is being held in Chamber and via Video/Teleconference on Zoom. Pursuant to Governor Newsom's Executive Orders, members of the Banning City Council, staff and public may observe and participate in this meeting electronically or telephonically as outlined 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://us02web.zoom.us/j/87415277765?pwd=dFVSOFBuMGpSeTBSREtPNytXYnhSQT09>

**Meeting ID: 874 1527 7765
Password: 870511**

One tap mobile: +16699009128,, 87415277765#

Dial in: +1 669 900 9128 US
Meeting ID: 874 1527 7765

Find your local number: <https://us02web.zoom.us/u/kb6rMlvB4i>

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.

1. **CALL TO ORDER**

- 1.1. Invocation – Pastor Damon Allen of the First Missionary Baptist Church
- 1.2. Pledge of Allegiance

1.3. Roll Call – *Council Members Hamlin, Happe, Pingree, Sanchez, and Mayor Wallace*

2. AGENDA APPROVAL

2.1. Approve Agenda

3. PRESENTATION(S)

3.1. Introduction of New Dispatchers and Police Officers.....	9
3.2. Proclamation for Parks and Recreation Month.....	12
3.3. Mayor's Special Recognitions.....	13
3.4. Banning's Future Fellowship	

4. REPORT ON CLOSED SESSION

Moved to Agenda Item 12.

5. PUBLIC COMMENTS, CORRESPONDENCE, APPOINTMENTS, CITY COUNCIL COMMITTEE REPORTS, CITY MANAGER REPORT, AND CITY ATTORNEY REPORT

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

A three (3) 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 their time 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 Item 10). PLEASE STATE YOUR NAME FOR THE RECORD.

5.2. CORRESPONDENCE

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

5.3. APPOINTMENTS

None

5.4. CITY COUNCIL COMMITTEE REPORTS

5.5. CITY MANAGER REPORT

5.6. CITY ATTORNEY REPORT

6. 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/Successor Agency Board wishes to remove an item for separate consideration.)

Mayor to Open Consent Items for Public Comments**Motion: Approve consent items 6.1 - 6.15.**

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

6.1.	Minutes of the June 08, 2021 City Council Meetings	22
6.2.	Approval and Ratification of Accounts Payable and Payroll Warrants Issued in the Month of May 2021.....	23
6.3.	Receive and File Cash, Investments and Reserve Report for the Month of May 2021.....	25
6.4.	Receive and File Police Department Statistics for May 2021.....	28
6.5.	Receive and File Contracts Approved Under the City Manager's Signature Authority for the Month of May 2021.....	29
6.6.	Public Works Capital Improvement Project Tracking List for May 2021.....	30
6.7.	Adopt Resolutions approving: Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the City of Banning, Banning Utility Authority and Successor Agency; the Capital Improvement Program for Fiscal Years 2021-22; the Gann Limit (Appropriations Limit) Fiscal Year 2021-22; and amending the Classification and Compensation Plan.....	31
6.8.	Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report.....	40
6.9.	Adopt Resolution 2021-55, Authorizing the amendment to Agreement C00692 with Playcore Wisconsin, Inc. dba Gametime for the purchase and installation of Playground Equipment at Richard Sanchez Park in the amount of \$5,865.00 for a total not to exceed amount of \$75,957.24.....	48
6.10.	Resolution 2021-58, Approving the Certificate of Acceptance for Property Located at 215 E. Barbour Street.....	50
6.11.	Approving a Professional Services Agreement with Babcock Laboratories, Inc. of Riverside, California for Laboratory Analytical Testing Services in the amount of \$97,933 with the Option to Renew.....	52
6.12.	Approving the Purchase of a 6-Inch Emergency Wastewater Diesel Pump from Xylem Dewatering Solutions, Inc. through a California Multiple Award Schedules (CMAS) Co-Op contract No. 4-17-84-0026C in the Amount of \$69,272.74.....	55
6.13.	Adopt Resolution 2021-62, Approving the Interagency Services Agreement between the City of Banning and the City of Beaumont for the purpose of providing coordinated transit services.....	57
6.14.	Approving an Increase in the amount of \$8,000 to the Purchase Order with Altec Industries, Inc., for Onsite Inspections and Repair of Bucket Trucks for Fiscal Year 2020/2021.....	60
6.15.	Ground Lease Agreement - Stagecoach Days Overflow Parking.....	62

7. PUBLIC HEARING(S):

7.1. Resolution 2021-49, Approving the Charges for Residential and Commercial Garbage, Recyclable Materials and Organics Waste Collection, Transportation, Recycling and Disposal Services..... **64**
(Staff Report: Art Vela, Public Works Director)

Recommended Action: City Council adopt Resolution 2021-49 approving charges for Residential and Commercial Garbage, Recyclable Materials and Organics Waste Collection, Transportation, Recycling and Disposal Services effective July 1, 2021 and approving annual increases beginning July 1, 2022 through July 1, 2025.

7.2. Resolution 2021-60, recommending the City Council make a determination of exemption under CEQA Guidelines Section 15301 and consider a recommendation by the Planning Commission to approve Conditional Use Permit 21-8007, to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit A (APN: 532-130-004) in the Industrial (I) Zoning District..... **67**
(Staff Report: Adam Rush, Community Development Director)

Recommended Action: Staff recommends the City Council accept the Planning Commission's recommendation of approval and adopt Resolution 2021-60, make a determination that the Project is exempt under Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) and approve Conditional Use Permit 21-8007 to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit A (APN: 532-130-004) in the Industrial (I) zoning district.

7.3. Resolution 2021-61, recommending the City Council make a determination of exemption under CEQA Guidelines Section 15301 and consider a recommendation by the Planning Commission to approve Conditional Use Permit 21-8009, to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit B (APN: 532-130-004) in the Industrial (I) Zoning District..... **72**
(Staff Report: Adam Rush, Community Development Director)

Recommended Action: Staff recommends the City Council accept the Planning Commission's recommendation of approval and adopt Resolution 2021-61, making a determination that the Project is exempt under Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) and approve Conditional Use Permit 21-8009 to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit B (APN: 532-130-004) in the Industrial (I) zoning district.

7.4. Resolution 2021-63 approving General Plan Amendment 21-2501 & Zone Change 21-3501 and Ordinance 1574 adopting General Plan Amendment 21-2501 & Zone Change 21-3501, a proposed General Plan Amendment and Zone Change from General Commercial/Medium Density Residential to Industrial for future expansion related to a business, "Pro-Line Racing" located at the southwest corner of Lincoln Street and San Gorgonio Avenue., finding the project will be categorically exempt from the requirements of the California Environmental Quality Act..... 77
(Staff Report: Adam Rush, Community Development Director)

Recommended Action: Staff recommends the City Council adopt Resolution 2021-63, approving General Plan Amendment 21-2501 & Zone Change 21-3501, Ordinance 1574 adopting General Plan Amendment 21-2501 & Zone Change 21-3501, and determine that the Project is exempt under Section 15061(b)(3) (Common Sense Exemption) of the California Environmental Quality Act (CEQA).

7.5. Resolution 2021-59, considering a recommendation by the Planning Commission to approve Tentative Tract Map 37389, a proposal to subdivide approximately 152.47 gross acres of vacant land for the purposes of creating 616 single-family residential lots, 3 park lots with PA 28 being an optional well or park lot, 30 open space lettered lots, private common driveway and public streets, all within the Butterfield Specific Plan, Phase 2A and, make a determination that no further environmental review is required pursuant to CEQA Guidelines Section 15162..... 84
(Staff Report: Adam Rush, Community Development Director)

Recommended Action: (1) The City Council adopt Resolution 2021-59, approving Tentative Tract Map 37389 to subdivide approximately 152.47 gross acres of land for single family, open space, and public streets, subject to the conditions of approval; and, (2) Find that in accordance with CEQA Guidelines Section 15162, Subsequent EIRs and Negative Declarations, a subsequent environmental document is not required, and a Notice of Determination shall be filed.

8. REPORTS OF OFFICERS:

8.1. Resolution 2021-56, Approving the Memorandum of Understanding" (MOU) between the City of Banning and the Stagecoach Days Association..... 92
(Staff Report: Ralph Wright, Parks and Recreation Director)

Recommendation: That City Council adopt Resolution 2021-56, approving a renewed MOU between the City and the Stagecoach Days Association, defining the roles of both parties relative to the production the annual "Banning Stagecoach Days" event.

8.2. Resolution 2021-06 UA, Approving a Professional Services Agreement in the Amount of \$99,890 with Black & Veatch Management Consulting, LLC for the Preparation of a Water, Recycled Water and Wastewater Rate Study..... **94**
(Staff Report: Art Vela, Public Works Director)

Recommendation: Staff recommends that the Banning Utility Authority adopt Resolution 2021-06 UA: (1) Approving a Professional Services Agreement with Black & Veatch Management Consulting, LLC (“Black & Veatch”) in the amount of \$99,890 for the preparation of a Water, Wastewater and Recycled Water Rate Study; (2) Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement with Black & Veatch; and, (3) Authorizing the City Manager to execute the Professional Services Agreement with Black & Veatch.

9. DISCUSSION ITEM(S)

9.1. Smith Creek Park Master Plan Update..... **98**
(Staff Report: Doug Schulze, City Manager)

Recommendation: That the City Council make a motion to direct the Parks and Recreation Commission to consider updating the Smith Creek Park Master Plan to include removal of the proposed golf course.

10. ITEMS FOR FUTURE AGENDAS

10.1. New Items:

10.2. Pending Items:

1. Permanent Homeless Solution
2. Shopping Cart Ordinance Update
3. Scholarship/Internship Program
4. Census/Redistricting
5. Golf Cart/EV Ordinance
6. Revenue Generation Ideas
7. Joint Workshop with P&R Commission

11. CLOSED SESSION

11.1. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Potential Initiation of Litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

Number of Potential cases: at least one case but total number is uncertain at this time

11.2. **THREAT TO PUBLIC SERVICES OR FACILITIES**

Pursuant to Government Code Section 54957

Consultation with Banning Police Department Captain Jeff Horn and
Public Works Director Arturo Vela

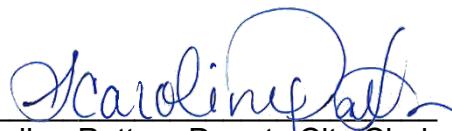
12. REPORT ON CLOSED SESSION

12.1. City Attorney

13. ADJOURNMENT

Next Meeting – July 13, 2021 at 5:00 p.m.

IT IS HEREBY CERTIFIED under the laws of the State of California that the above Agenda was posted on the Banning City Hall Bulletin Board and the City's Website by 5:00 P.M. on the 17th day of June 2021.



Caroline Patton, Deputy City Clerk

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 their time 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 regular meeting agenda but is of interest to the general public and is an item upon which the Mayor and Council may act. A three-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 their time 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. Advanced notification of at least 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m. **Since City Hall is currently closed to the public due to COVID, please call (951) 922-3102 or email cpatton@banningca.gov to request information be mailed.**



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL
FROM: Douglas Schulze, City Manager
PREPARED BY: Jeff Horn, Police Captain
MEETING DATE: June 22, 2021
SUBJECT: Introduction of New Dispatchers and Police Officers

RECOMMENDED ACTION:

This is an introduction to the newest team members at the Banning Police Department.

BACKGROUND:

The Banning Police Department would like to introduce the newest officers and dispatchers to the City Council. These Dispatchers and Officers have all gone through rigorous background investigations to qualify for the Banning Police Department. The Banning Police Department would like to thank the City Council for their continued support of the department and give them an opportunity to meet the newest group of employees.

- **Dispatcher Chanda Austin** moved to Banning in 2002 when her parents bought the Super Subs. She graduated from Banning High School. She has 2 children who both go to school in Banning and served 7 years in the United States Air Force as a Communications Technician. She went to MiraCosta College in Oceanside for Biochemistry. She enjoys spending time with her family, working out, and going to the beach.
- **Dispatcher Sara Brock** graduated from Banning High School in the top 10 of her graduating class. While attending Banning High School she was on the Varsity Track and Field Team all four years competing in the Shot Put and Discus. She graduated on the Dean's List with a bachelor's degree in Criminal Justice and a focus in Criminal Psychology from Liberty University.
- **Officer Amritpal Sandhu** has a bachelor's degree in Justice Studies. He started his law enforcement career in 2015 with the Riverside County Sheriff's Department. He enjoys traveling and riding his motorcycles in his free time and he is glad to be part of the Banning Police Department family.
- **Officer Alyssa Roebuck** grew up in Canyon Lake, California with two loving parents and an older brother. She attended Black Hills State University in Spearfish, South

Dakota where she studied sociology. She grew up in a law enforcement family and has always been passionate about pursuing a career in this field. She attended San Bernardino Sheriff's Academy and worked in the corrections division at Riverside County Sheriff's Department. While assigned to corrections, she was also on the Riverside County Sheriff's Underwater Search and Recovery Team. In her free time, she enjoys working out, playing golf, archery, and jujitsu. She is excited to be a part of this community and look forward to serving the residence of Banning.

- **Officer Nathan Montes** grew up in the City of Fontana, California and graduated from Fontana High in 2005. He was an Explorer with the San Bernardino County Sheriff's department for 4 years. In 2008, he joined the US Marine Corps Reserve and served as an Aircraft Rescue Firefighter and was later honorably discharged as a corporal in 2014. After serving, he put himself through pre-service in the San Bernardino Valley College Police Academy and graduated in 2015. He is the father of two daughters. He comes to the Banning Police Department with 3 years of law enforcement experience from the City of Brawley, located in Imperial County. During his time with the Brawley Police Department, he was assigned to the Patrol Division as a Field Training Officer. He is grateful for the opportunity he has been given to serve the residents of the City of Banning.
- **Officer Andy Vardanyan** was born in Armenia and moved to the United States at the age of 5. He grew up in a small community in Tujunga, California where he attended school and began his 14-year YMCA career. He was able to advance in his career, starting off as a lifeguard to a director level position. After hearing many intriguing stories from his retired police-officer father, he decided to pursue law enforcement. Andy successfully graduated from the Rio Hondo Police Academy and began his employment at City of Montebello Police Department, where he discovered his passion for law enforcement. Shortly after, he decided to accept an offer from Banning Police Department to continue growing in his career. He is excited to start his journey at the city and is looking forward to getting to know the community. In his free time, Andy enjoys spending time with his family, playing golf, and hiking.
- **Officer Kevin Termonfils** was born and raised in the North Bay Area in the City of Novato. He is the proud father of two beautiful boys and married to the love of my life. His childhood was shaped by his steadfast love for and participation in community athletics. He played high school football and ran track. He went on to play football for Santa Rosa Junior College. Prior to his law enforcement career, he spent 7 years working with at-risk and underprivileged youth at Catholic Charities, St. Vincent's School for Boys and was a wide receiver coach for San Marin High school. Before moving down to Southern California, and working for the City of Banning, he spent 14 months working as a Deputy Sheriff for the Marin County Sheriff Office. He enjoys playing sports, interacting with the community, doing CrossFit at a local box, and going on trips with his family.
- **Officer Angel Alarcon Garcia** was born in Orange California. Is married with two young kids. He served in the United States Marine Corps from November 2014 to November 2018. He was attached to 1st Supply Battalion, 1st Marine Regiment, CLR-15, in Camp Pendleton, California. He graduated from Moreno Valley College

receiving his associate degree in Administration of Justice. On his off time, he likes going to church and watching baseball, basketball, and football. His favorite sports teams are the Anaheim Angels, Los Angeles Lakers, and the Philadelphia Eagles. He is very pleased and honored to be given the opportunity to serve the citizens of Banning.

- **Officer Hannah Poulter** was raised nearby in the City of Beaumont. She started her law enforcement career with Beaumont Police Department in 2019 after graduating from the San Bernardino County Sheriff's Academy in 2019. She worked for the Beaumont Police Department before lateralizing to Riverside County Sheriff's Department where she spent 10 months working in the jail facility. She lateralized to Banning Police Department and started on May 17, 2021. Officer Poulter comes from a law enforcement family. Her father has been with the California Highway Patrol for 20 years. Shortly after Officer Poulter became an officer, she inspired her older brother to pursue a career in law enforcement and he is now a Deputy Sheriff with San Bernardino County Sheriff's Department. Officer Poulter is looking forward to a long career with the Banning Police Department.
- **Officer Mitchell Lara** was born in Chino, California and graduated from Chino High School in 2016. When he was about 12 years old, he was playing at a park and an officer pulled up next to him, got out of his unit and gave him a piece candy and a police badge sticker. The officer had him sit in his unit and showed him all the gadgets the unit was equipped with. The officer asked him, "What do you want to be when you grow up", he told him he wanted to be like him. The officer smiled and told me if you really want to be a police officer just remember not everyone is going to like you, but you must remember to treat everyone with the upmost respect. The officer drove off and from that day on he was on a mission to become the best officer that he could be. He hopes to inspire others to follow their dreams and aspirations just like that officer inspired him.

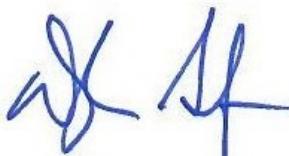
JUSTIFICATION:

This is an introduction only, not requesting Council Action.

FISCAL IMPACT:

Already realized upon hiring and continued employment.

Approved by:



Douglas Schulze
City Manager

CITY OF BANNING
OFFICE OF THE MAYOR



P

Proclamation

WHEREAS parks and recreation programs are an integral part of communities throughout this country, including the City of Banning; and

WHEREAS parks and recreation are vitally important to establishing and maintaining the quality of life in communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

WHEREAS parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and

WHEREAS parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS parks and recreation areas are fundamental to the environmental well-being of our community and the City of Banning offers a variety of parks and recreation opportunities designed for all ages and interests, including popular recreation, athletic programs and Senior Services; and

WHEREAS the City of Banning Parks and Recreation has planned activities in July such as a July 4th Celebration, "Pop ups in the Parks," Dive in Movies and much more!

WHEREAS the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS the City of Banning recognizes the benefits derived from parks and recreation resources.

NOW THEREFORE, the City of Banning City Council do hereby proclaim and designate the Month of July 2021 as Parks and Recreation Month!

Dated this 22nd day of June 2021.

ATTEST:

12Caroline Patton, Deputy City Clerk

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

ABRAHAM CAZAREZ

The Mayor and City Council of the City of Banning recognize your contributions to the history of our city and the institutions that support our community.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

AMAYA DIAZ

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

ANGELA GALLARDO

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

ATHENA VILLANUEVA

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

CAMILA GALLARDO

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

CHRISTIANA VILLANUEVA

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

ELLONA ALLEN

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

ISABEL MARTINEZ CASSADAS

The Mayor and City Council of the City of Banning recognize your talent and appreciate your contributions to the community as future artist.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen M. Wallace

Colleen Wallace, Mayor

City of Banning



CERTIFICATE OF RECOGNITION



PRESENTED TO

LEROY MILLER

The Mayor and City Council of the City of Banning recognize your contributions to the history of our city and the institutions that support our community.

WITH DEEP APPRECIATION



Presented on this 22nd day of June 2021

Colleen G. Wallace

Colleen Wallace, Mayor



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Caroline Patton, Deputy City Clerk *CP*

MEETING DATE: June 22, 2021

SUBJECT: Minutes of the June 8, 2021 City Council Meetings

RECOMMENDED ACTION:

Approve the Minutes of the June 8, 2021 City Council Meetings.

OPTIONS:

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

ATTACHMENTS:

1. Minutes of the June 8, 2021 Special Meeting
https://banningca.gov/DocumentCenter/View/8954/2021-06-08_Minutes_Special-Meeting
2. Minutes of the June 8, 2021 Regular City Council Meeting
https://banningca.gov/DocumentCenter/View/8953/2021-06-08_Minutes-Regular-Meeting

Approved by:

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

Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director
A'ja Wallace, Budget and Financial Analyst

MEETING DATE: June 22, 2021

SUBJECT: Approval and Ratification of Accounts Payable and Payroll
Warrants Issued in the Month of May 2021

RECOMMENDATION:

That City Council review and ratify the warrants for period ending **May 31, 2021**, per California Government Code Section 37208.

WARRANT SUMMARY:

Description	Payment #	Amount	Total Amount
Checks:			
Checks Issued during Month	178190-178501	\$ 3,737,075.37	
Voided / Reissue Check		\$ 20,769.86	
Check Total			\$ 3,716,305.51
Wires Total			\$ 2,919,676.05
ACH payments:			
Payroll Direct Deposit	5/7/2021	\$ 414,032.73	
Payroll Direct Deposit	5/21/2021	\$ 436,929.91	
Other Payments		\$ 885,005.56	
ACH Total			\$ 1,735,968.20
Payroll Checks:			
Payroll - Regular	5/7/2021	\$ 1,888.30	
Payroll - Regular	5/21/2021	\$ 2,015.97	
Manual Check	5/25/2021	\$ 943.40	
Payroll Check Total			\$ 4,847.67
Total Warrants Issued for May 2021			\$ 8,376,797.43

Staff Report: AP & Payroll Warrants Report for May 2021

June 22, 2021

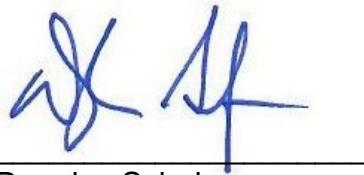
Page **2** of **2**

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

ATTACHMENTS:

1. Fund List
<https://banningca.gov/DocumentCenter/View/8972/Attachment-1--Fund-List>
2. Warrant Report May 2021
<https://banningca.gov/DocumentCenter/View/8973/Attachment-2--Warrant-Report-May-2021>
3. Warrant Report Detail May 2021
<https://banningca.gov/DocumentCenter/View/8974/Attachment-3--Warrant-Report-Detail-May-2021>
4. Voided Check Log, Payroll Log & Registers – May 2021
<https://banningca.gov/DocumentCenter/View/8975/Attachment-4--Void-Check-log-Payroll-Log-and-Payroll-Registers>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director
A'ja Wallace, Budget and Financial Analyst

MEETING DATE: June 22, 2021

SUBJECT: Receive and File Cash, Investments and Reserve Report for the Month of May 2021

RECOMMENDATION:

That City Council receive and file Cash, Investment and Reserve Report for **May 31, 2021** in accordance with California Government Code 53646.

CASH AND INVESTMENT SUMMARY:

Description	Prior Month	Current Month
Funds Under Control of the City		
Cash		
Cash on Hand	\$ 4,155.00	\$ 4,155.00
Checking and Savings Accounts	\$ 7,573,430.56	\$ 6,670,755.92
Investments		
LAIF	\$ 39,712,747.94	\$ 39,712,747.94
Brokerage	\$ 27,534,480.74	\$ 27,534,601.42
Total Funds Under Control of the City	\$ 74,824,814.24	\$ 73,922,260.28
Funds Under Control of Fiscal Agents		
US Bank		
Restricted Bond Project Accounts	\$ 11,671,192.48	\$ 11,671,251.98
Restricted Bond Accounts	\$ 4,820,127.79	\$ 4,820,128.55
Union Bank & SCPPA		
Restricted Funds	\$ 4,194,601.87	\$ 4,036,823.18
Total Funds Under Control of Fiscal Agents	\$ 20,685,922.14	\$ 20,528,203.71
Total Funds	\$ 95,510,736.38	\$ 94,450,463.99

RESTRICTED, ASSIGNED, COMMITTED AND RESERVED SUMMARY:

Description	Prior Month	Current Month
Total Funds	\$ 95,510,736.38	\$ 94,450,463.99
Restricted Funds	39,928,031.26	\$ 42,822,185.76
Assigned Funds - Specific Purpose	8,881,339.00	\$ 8,881,339.00
Committed Funds - Specific Purpose	3,525,858.25	\$ 2,125,858.25
Fund Balance Reserves	13,059,561.44	\$ 13,059,561.44
Total Restricted, Assigned, Committed and Reserves	\$ 65,394,789.95	\$ 66,888,944.45
Operating Cash - Unrestricted Reserves	\$ 30,115,946.43	\$ 27,561,519.54
Less Accounts held in Investments	\$ 27,534,480.74	\$ 27,534,601.42
Liquid Cash	\$ 2,581,465.69	\$ 26,918.12

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

ATTACHMENTS:

1. Cash, Investment and Reserve Report May 2021
<https://banningca.gov/DocumentCenter/View/8970/Attachment-1--Cash-Investment-and-Reserve-Report-May-2021>
2. Investment Report May 2021
<https://banningca.gov/DocumentCenter/View/8971/Attachment-2--Investment-Report-May-2021>
3. City of Banning Broker Investment Report – May 2021
<https://banningca.gov/DocumentCenter/View/8967/Attachment-3--City-of-Banning-Broker-Report>
4. LAIF / PMIA Performance Report
<https://banningca.gov/DocumentCenter/View/8968/Attachment-4--PMIA-LAIF-Performance-Report-May-2021>
5. LAIF Market Valuation Report May 2021
<https://banningca.gov/DocumentCenter/View/8969/Attachment-5--LAIF-Market-Valuation-May-2021>

Staff Report: Investment Report for May 2021

June 22, 2021

Page 3 of 3

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Matthew Hamner, Police Chief
Angie Lam, Police Assistant II

MEETING DATE: June 22, 2021

SUBJECT: Receive and File Police Department Statistics for May 2021

RECOMMENDED ACTION:

Receive and File May 2021 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. Police Statistics for May 2021
<https://banningca.gov/DocumentCenter/View/8985/May-2021>

Approved by:

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

Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Laurie Sampson, Executive Assistant

MEETING DATE: June 22, 2021

SUBJECT: Receive and File Contracts Approved Under the City Manager's Signature Authority, including CUPPCAA Projects, for the Month of May 2021

RECOMMENDATION:

Receive and file contracts approved under the City Manager's signature authority, including CUPPCAA projects, for the Month of May 2021.

BACKGROUND:

City Council requested regular reports of contracts signed under the City Manager's signature authority of \$25,000 or less and CUPPCAA projects up to \$250,000.

ATTACHMENT:

1. Contracts List for May 2021
<https://banningca.gov/DocumentCenter/View/8962/CM-Approved-Contracts-for-May-2021>

Approved by:

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

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: June 22, 2021
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

ATTACHMENT:

1. CIP Status List
<https://banningca.gov/DocumentCenter/View/9023/Attach-1-CIP-Update-June-2021>

Approved by:

A handwritten signature in blue ink, appearing to read "AS 14".

Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director
A'ja Wallace, Budget and Financial Analyst

MEETING DATE: June 22, 2021

SUBJECT: Adopt Resolutions approving: Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the City of Banning, Banning Utility Authority and Successor Agency; the Capital Improvement Program for Fiscal Years 2021-22; the Gann Limit (Appropriations Limit) Fiscal Year 2021-22; and amending the Classification and Compensation Plan

RECOMMENDED ACTION:

1. Adopt Resolution No. 2021-52 approving the Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the City of Banning
2. Adopt Resolution No. 2021-05 UA approving the Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the Banning Utility Authority
3. Adopt Resolution No. 2021-02 SA approving the Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the Banning Successor Agency
4. Adopt Resolution No. 2021-53 approving the Gann Limit for Fiscal Year 2021-22
5. Adopt Resolution No. 2021-54 amending the Classification and Compensation Plan

BACKGROUND:

The Budget is an ever-evolving document that needs to be reviewed and adjusted on a regular basis to reflect the current financial situation of the City. Mid-Cycle is the middle of the biannual budget cycle. The City is coming to the end of the first fiscal year of the budget cycle and beginning the second year. During the first year, many changes have occurred, and it is necessary to reflect those changes in the 2nd year of the budget.

On June 15, 2021 these detailed proposed Mid-Cycle Budget adjustments to the Operating and Capital Improvement Budgets for FY2021-22 were reviewed and discussed with the Budget and Finance Committee in order to provide direction to staff on any changes and recommendation to take to full Council at the June 22, 2021 meeting. Staff received recommendation to bring to the full Council tonight.

JUSTIFICATION:

The adjustments are necessary to provide a more accurate projection of the available funds for the next fiscal year and incorporate the changes which occurred during the first budget year. The proposed adjustments are based on reductions or increases in expenditures and revenues due to various reasons, which have been highlighted below:

REVENUES**General Fund:**

General Revenues	Amount
Increase Sales Tax Revenue based on projections for Sales Tax Company per HdL our Sales Tax Consultant	\$ 531,997
Increase Sales Tax Revenue from Cabazon Outlet also based on sales tax projections from HdL.	\$ 323,087
Increase Property Tax and the admin fee (reduction in property tax revenue) based on projections from HdL Coren & Cone.	\$ 307,449
Increase revenue to include the balance of the Tri-Pointe Settlement, \$1.2 million.	\$ (10,324)
Increase Federal Revenue from American Rescue Plan Act	\$ 1,200,000
Total Adjustments to General Revenues	\$ 3,734,000
	\$ 6,086,209

General Fund Departmental Revenues:

Parks & Recreation - Reduce Revenue for Contract Classes	\$ (13,490)
Buidlign & Safety - Increase Permit Fees due to developments	\$ 530,000
Total Adjustments to General Fund Departmental Revenues	\$ 516,510
Total Adjustments to General Fund Revenue	\$ 6,602,719

Special Revenue Funds and Capital Improvement Funds:**Fund 100 - Gas Tax Streets:**

Increase in Gas Tax Revenue due to transfer from Refuse Fund to provide maintenance support due to wear and tear from Wastemanagement trucks
\$ 400,000

Amount**Fund 420 Traffic Control Facility**

Increase of \$515K for funding from WRCOG for Hargrave GS
\$ 515,000

Proprietary – Enterprise Fund:

Fund 690 Refuse Fund	Amount
Decreased Direct Franchise Revenue to zero to reflect Waste Management performing billing and collection	\$ (51,611)
Added AB939 Support Fee revenue paid by Waste Management	\$ 300,000
Decreased Refuse Monthly Billing revenue to zero to reflect Waste Management performing billing and collection	\$ (4,407,500)
Decreased Turn-on Charges revenue to zero to reflect Waste Management performing billing and collection	\$ (15,465)
Increased Franchise Fee revenue to reflect the increase to 12.5% fee and CPI adjustments	\$ 200,000
Decreased Misc Receipts revenue to zero	\$ (8,000)
Total Adjustments to Refuse Fund Revenue	\$ (3,982,576)

EXPENDITURES

Salaries & Benefits:	Amount
During Budget development to help the budget deficit furloughs were included but concessions were not made, adding back into salaries and benefits	\$ 488,075
Another concession that did not transpire is the leave balance payouts which need to be added back:	
Vacation Payout	\$ 378,038
Comp time Payout	\$ 261,760
Management/Executive Leave Payout	\$ 138,922
Sick Leave Payout	\$ 354,619
Holiday Payout	\$ 244,514
Citywide total increase to Salaries and Benefits due to new hires, new positions, increases due to step changes	\$ 4,281,634

See *Attachment 3 for the above increase broken out by Fund/Dept*

Changes included in the increase to Salaries & Benefits:

- Parks & Recreation – additional hours
 - In the 4000 Recreation department:
 - Add 860 hours of Rec Leader – This allows us to operate the Community Center after hours and without it, our revenue and program operations will be significantly reduced.
 - Add 1,000 hours of Senior Recreation Leader – This is to replace the 1,000 hours of Sports Coordinator that was not funded in the last budget cycle.
 - Previously approved Council Action:
 - Add Office Specialist – reclass Receptionist position to better reflect the duties performed by employee.
 - Receptionist – Un-fund – Vacant
 - In the 4010 Aquatics department:

- Add 292 hours of cashier – allows us to operate pool and snack bar this summer and next June.
 - Add 500 hours of Pool Manager – allows us to operate pool and snack bar this summer and next June.
- In the 4050 Sr. Center department:
 - Add 500 hours of Rec Leader – allows us to operate the front desk when we reopen the Senior Center this budget cycle.
- Police Department (001-2200)
 - Add the five (5) new authorized officer positions from previously approved Council action.
 - Change Steps on all officers to Step 13.
 - Animal Control (001-2300)
 - Add 2 Animal Control Officers previously approved Council action.
- Fiscal Services
 - Finance (001-1900)
 - Administrative Services Director Position – Un-fund – Vacant
 - Add Finance Director Position – Reclass Deputy Finance Director
 - Deputy Finance Director – Un-fund – Vacant
- Utility Billing (761-3100)
 - Previously approved Council Action:
 - Customer Service Lead – Un-fund
 - Add - Utility Financial Analyst
- City Manager Dept (001-1200)
 - Add Grant Coordinator position from previously approved Council action.
 - Add Site Coordinator – New Position
- Public Works (various Funds/Dept)
 - Add Deputy Public Works Director – New Position
 - Management Analyst Positions (2) – Un-fund – vacant
 - Add Public Works Program Manager – Reclass the remaining Management Analyst position
 - Add Solid Waste Coordinator (Fund 690) previously approved Council action.
 - Changes to distribution %'s
 - Add Associate Engineer (CIP) – previously approved Council action that unfunded the other Management Analyst position.
- Electric (670)
 - Presented several changes that will need a comprehensive salary survey to complete, however, budget money was included to accommodate the changes.
 - Add Service Planning Supervisor – New Position
 - Sr. Service Planner – Un-fund – Vacant
 - Add Electrical Energy Influencer New Position Reclass Public Benefits Coordinator position
 - Public Benefits Coordinator – Un-fund – Vacant
 - Add Warehouse Services – additional position, currently there is one (1).

Staff Report: Mid-Cycle Budget Adjustments

June 22, 2021

Page 5 of 9

- Add Powerline Superintendent – New position
- Recommending changes to Operations Manager position but unable to include in budget currently.
- Add Meter Test Tech Apprentice – previously approved Council action.
- Information Systems (703):
 - Promote Information Tech Analyst to Information Tech Analyst II - budgeted and approved position vacated during the year. Reduction in salaries and benefits due to employee who left was at a higher step.

Other Expenditure adjustments:

General Fund:

	Amount
City Council (001-1000) - Reduction in expenses related to food/meals costs and telephone services	\$ (3,081)
City Manager (001-1200) -reduction in telephone services offset by increases in advertising/publishing and printing	\$ (1,068)
Economic Development (001-1210) -decreases in Postage, telephone service and office furniture/fixtures	\$ (1,320)
City Clerk (001-1400) -decrease in vision allowance and computer software offset by an increase in telephone service and advertising	\$ (4,517)
Human Resources (001-1300) add funds for a comprehensive salary survey	\$ 175,000
Finance (001-1900) add previously approved Council actions for contracts with ResourceX (Priority Based Budgeting) MGT (Cost Allocation Plan)	\$ 116,600
Audit Services increase in previously budgeted costs.	\$ 6,122
Reduction in Contract Employment Services	\$ (25,000)
Increase in Overtime to \$7,500	\$ 2,500
TV Government Access/Media (001-2060) -increase in Computer Hardware and equipment maintenance	\$ 4,000
Police department (001-2200)	\$ 392,500
Increase in Overtime to \$650,000	\$ 13,750
Increase to staff training	\$ (3,000)
Reduction in Advertising, Printing and Dues/Subscriptions \$1,000 each	\$ 425
Increase to travel & conferences	\$ (560)
Reduction in mailing and misc contract services	\$ 1,000
Increase Computer Services	\$ 1,000
Increase to vision allowance for new employees	\$ 6,658
Increase to telephone services	\$ 37,000
Increase to Radio Transmission Services	\$ (1,503)
Reduction in Satellite television	\$ 3,208
Increase to Vehicle Maintenance	\$ (3,532)
Reduction to Repair & Maintenance Equipment	\$ 2,500
Increase Software Maintenance	\$ 4,500
Increase to Lease purchases for leased vehicles	\$ 518
Increase in custodian services	\$ 8,800
Increase in Medical/Hospital for officer activity	\$ 11,714
Increase in departmental supplies	\$ 9,612
Increase in Ordinance	\$ 337
Increase in Food/Meal costs	\$ 1,000
Increase in K9 Program	\$ 10,000
Increase in Area Police Computer (city's portion of JPA)	

Staff Report: Mid-Cycle Budget Adjustments

June 22, 2021

Page 6 of 9

General Fund continued:

	Amount
Dispatch (001-2210)	
Increase in Overtime Increase in overtime meals, telephone service, lease purchase payments vehicles and departmental supplies	\$ 75,000 \$ 3,511
Animal Control (001-2300) savings between contract with Riverside County and expenses needed to operate in-house	\$ (91,500)
Fire (001-2400)	
Professional Services increase - Medical Response (Wittman)	\$ 60,000
Personnel Services increase - EMD/Emergency Response Coordinator	\$ 45,000
Code Enforcement (001-2740) Increase in lease payments for vehicles, fleet maintenance, telephone service, weed abatement services, misc contract services, travel/conference, dues & subscriptions, printing offset by decrease in mailing.	\$ 30,689
Engineering (001-3000) Increase in professional services for grant writing services	\$ 10,000
Parks (001-3600) Increase in Overtime & Standby pay, landscape maintenance, telephone service, irrigation maintenance, lease payments for vehicles and professional services grant writing support	\$ 57,400
Recreation (001-4000) increase in dues/subscriptions and repair and maintenance buildings	\$ 1,450
Senior Center (001-4050) increase in training and departmental supplies	\$ 950
Central Services (001-4500) increase to professional services for Iron Mtn, Superion, OpenGov GovInvest	\$ 53,757
Community Enhancement (001-5400) increase to add contributions for Stagecoach Days and Playhouse Bowl events	\$ 50,000
Total General Fund Expenditure Adjustments	\$ 1,061,420

Staff Report: Mid-Cycle Budget Adjustments

June 22, 2021

Page 7 of 9

Proprietary - Enterprise Funds & Internal Service Funds	Amount
Fund 600 - Airport Fund	
Increase for Audit services	\$ 2,500
Fund 660 - Water	
Increase to NPDES Storm Water expenses due to increase in permit and inspection fees	\$ 25,000
UWMP update, increasing use of consultants to pursue grant funding opportunities, comply with new regulations, and support water conservation and water loss reduction programs PBB & GovInvest	\$ 10,300
Total Fund 660 - Water adjustments	\$ 35,300
Fund 670 - Electric	
Professional Services - PBB & GovInvest & MGT (CAP)	\$ 17,695
Fund 680 - Wastewater	
Professional Services - PBB & GovInvest & MGT (CAP)	\$ 4,520
Fund 690 - Refuse	
Increase printing/binding additional outreach	\$ 2,000
Increase dues/subscriptions	\$ 4,000
Increase in mailing costs additional outreach	\$ 2,000
Remove contracted refuse service	\$ (4,212,750)
Increase planning services	\$ 30,000
Increase in community programs	\$ 12,500
Decrease in customer service/utility billing	\$ (195,049)
Increase transfer to Fund 100 Gas Tax fund.	\$ 400,000
Total Fund 690 Refuse Adjustments	\$ (3,957,299)
Fund 700 - Risk Management	
Dept - 5020 Workers Comp increase in premiums	\$ 51,218
Dept - 5040 Liability Insurance	
Increase in Property Insurance premiums	\$ 125,683
Increase in General Liability Insurance premiums	\$ 207,251
Increase in Earthquake Insurance premiums	\$ 20,770
Increase in professional services	\$ 142,034
Total Fund 700 - Risk Management Adjustments	\$ 495,738
Fund 703 - Information Systems	
Increase in telephone services	\$ 2,100
Increase in software maintenance	\$ 190,000
Increase in departmental supplies	\$ 2,500
Total Fund 703 Information Systems Adjustments	\$ 194,600
Fund 761 Utility Billing Administration	
Dept 3100 - Utility Billing increase for additional computer hardware and credit card fees, other increases for mailing costs, courier services printing and audit services	\$ 76,439
Dept 3110 Meter Reading-minor increases for uniforms and mailing costs	\$ 1,377
Total Fund 761 Utility Billing Administration Adjustments	\$ 77,816

FISCAL IMPACT:

General Fund:

Operating Revenue	\$ 25,371,069
Operating Expenditures	\$ 25,555,926
Operating Surplus (Deficit)	\$ (184,857)
Use of Reserves for Operations to Balance Budget	\$ 184,857
As Originally Adopted Budget Use of Reserves on 6/23/2020*	\$ 3,528,135
*Deficit for FY21-22 reduced by the expected one-time funds	
Current Emergency Reserve Balance	\$ 3,525,858
Less reserve required to balance budget	\$ 184,857
Emergency Reserve Balance	\$ 3,341,001
Operating Budget	\$ 25,555,926
Emergency Reserve %	13%

Reserve Policy: Commitment for emergency contingencies is established at a minimum of \$1.5 million or up to 25% of operating appropriations. The Emergency contingency is reserved for economic uncertainties, local disasters, recession or other financial hardships, to subsidize unforeseen operating or capital needs, and for cash flow requirements.

See Attachment 2 Fiscal Year 2021-22 Mid-Cycle Budget Adjustments Funds Summary for all funds.

ALTERNATIVES:

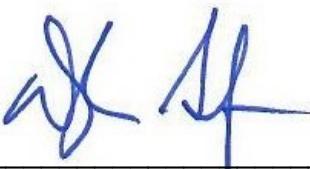
1. Adopt Resolutions and approve the Proposed Mid-Cycle Budget Adjustments and GANN Limit for Fiscal Year 2021-22 and amendments to the Classification and Compensation Plan.
2. Provide direction to staff on amending the Proposed Mid-Cycle Budget Adjustments for Fiscal Year 2021-22.

ATTACHMENTS:

1. Fund Balance Projections
<https://banningca.gov/DocumentCenter/View/9030/Attachment-1---Fund-Balance-Projections>
2. Fiscal Year 2021-22 Mid-Cycle Budget Adjustments Fund Summary
<https://banningca.gov/DocumentCenter/View/9028/Attachment-2---FY-21-22-Mid-Cycle-Adjustments-Fund-Balance-Report>

3. Salary and Benefit differences broken out by department
<https://banningca.gov/DocumentCenter/View/9029/Attachment-3---Salary-and-Benefit-Differences-Broken-Out-by-Department>
4. Resolution No. 2021-52 approving the Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the City of Banning
<https://banningca.gov/DocumentCenter/View/9031/Attachment-4---Reso-2021-52-Mid-Cycle-Budget-Adjustments-FY21-22>
5. Resolution No. 2021-05 UA approving the Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the Banning Utility Authority
<https://banningca.gov/DocumentCenter/View/9032/Attachment-5---Reso-2021-05-UA-Mid-Cycle-Budget-Adjustments-FY21-22>
6. Resolution No. 2021-02 SA approving the Mid-Cycle Budget Adjustments for Fiscal Year 2021-22 for the Banning Successor Agency
<https://banningca.gov/DocumentCenter/View/9033/Attachment-6---Reso-2021-02-SA-Mid-Cycle-Budget-Adjustments-FY21-22>
7. Resolution No. 2021-53 approving the Gann Limit for Fiscal Year 2021-22
<https://banningca.gov/DocumentCenter/View/9034/Attachment-7---Reso-2021-53-GANN-Limit-FY-2021-22>
8. Resolution No. 2021-54 amending the Classification and Compensation Plan
<https://banningca.gov/DocumentCenter/View/9035/Attachment-8---Reso-2021-54-Amended-Class-Plan>
9. Position Costs
<https://banningca.gov/DocumentCenter/View/9036/Attachment-9---Position-Costs>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director
A'ja Wallace, Budget & Financial Analyst

MEETING DATE: June 22, 2021

SUBJECT: Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

RECOMMENDED ACTION:

That the City Council receive and file the Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report for the quarter ending March 31, 2021.

BACKGROUND:

The Fiscal Year 2020-21 Budget and Financial Update for the third quarter ending March 31, 2021, provides a review of the City's financial position relative to the FY2020-21 adjusted budget.

JUSTIFICATION:

THIRD QUARTER REPORT

In this report, projected financial results for the fiscal year-end are compared to the annual adjusted budget. The significant differences (variances) between budgeted and actuals through March 31, 2021, are discussed below.

Actual revenues and expenditures through quarter three of FY 2020-21 have been reviewed with each department to evaluate any variances from budget for the same period, in order to determine whether the variance results from timing of revenues and expenditures or is expected to persist as a result of a change in operations or economic circumstance.

BUDGET POLICY

As outlined in the City Council's adopted budget policies, the adoption of the budget is not the end of the budget process. To ensure execution of the Council's adopted policies, the City will use a formal reporting and review process to monitor and evaluate progress

and assist in achieving stated objectives and priorities. The city will maintain a budgetary control system to ensure compliance with the budget. The city will prepare quarterly status reports comparing actual revenues and expenditures to the budget amounts.

Finally, the City has adopted a policy of full cost recovery and utilizes a cost allocation plan where the full cost of City services both direct and indirect, shall be calculated in all cases where fees are charged and/or services contracts are negotiated to cover operating costs. This will also include services performed by one city department for another city department. In all cases, unless precluded by law, contracts, or current City Council policy, full costs shall be recovered.

REVENUE POLICY

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

GENERAL FUND SUMMARY (Also see Attachment 1)

As of March 31, 2021, the General Fund shows an operating deficit of \$2.6 million dollars whereas the original projected year-end negative deficit was \$4.3 million dollars. As noted in Table 1, staff analysis indicates that labor costs are at 73% of budget at the end of the third quarter. The variance is attributable to vacancies, retirements and staff transition. Services and supplies have used 62% of the budgeted amount while capital has used 59% of the budget. A significant portion of the variance is due to timing of revenue expected in the last quarter of the fiscal year. All revised budget reflects Mid-Year adjustments.

Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

June 22, 2021

Page 3 of 8

Table 1 below provides detail on General Funds Revenues.

Q3 FY2020/21 SUMMARY						
	Revised Budget	Jul-Mar	% of Budget Used	Variance		
	2020/21	Q3 FY2020		Remaining Budget		
				\$		%
Operating Revenues	22,313,414	13,970,004	63%	8,343,410		37%
Taxes	10,595,056	6,678,419	63%	3,916,637		37%
Property Taxes	2,712,021	1,640,586	60%	1,071,435		40%
In Lieu Property Tax (VLF)	2,538,637	1,354,992	53%	1,183,645		47%
Sales Tax	3,023,038	2,180,027	72%	843,011		28%
Other Taxes	2,321,360	1,502,814	65%	818,546		35%
Other Operating Revenues	11,718,358	7,291,585	62%	4,426,773		38%
Building Permits Total	460,000	236,044	51%	223,956		49%
Other Permits Total	1,496,601	1,415,175	95%	81,426		5%
Intergovernmental Revenues	1,015,236	822,600	81%			81%
Charges for Services	375,279	121,836	32%	253,443		68%
Use of Money and Property	79,620	67,355	85%	12,265		15%
Fines and Forfeitures	121,389	102,988	85%	18,401		15%
Contributions	5,400	4,050	75%	1,350		25%
Miscellaneous Revenue	4,946,982	2,214,514	45%	2,732,468		55%
Transfers/Recoveries	3,217,851	2,307,023	72%	910,828		28%
Operating Expenditures	24,398,427	16,637,630	68%	7,760,797		32%
Personnel	13,526,830	9,918,941	73%	3,607,889		27%
Services and Supplies	7,982,706	4,976,713	62%	3,005,993		38%
Repairs and Maintenance	410,545	211,965	52%	198,580		48%
Capital	832,632	494,248	59%	338,384		41%
Transfers Out	1,645,714	1,035,763	63%	609,951		37%
Operating Surplus/(Deficit)	(2,085,013)	(2,667,626)		582,613		

*Includes reserve cancellations in the amount of \$4.3 Million within miscellaneous revenue (under Operating Revenues)

Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

June 22, 2021

Page 4 of 8

SPECIAL REVENUE FUNDS

See Table 2 for a detailed list of Special revenue funds and what has been received through March 31, 2021.

Table 2 Special Revenue Funds

Q3 - SPECIAL REVENUE FUNDS	January 2020-21	February 2020-21	March 2020-21	2020-21 Budget	% of Budget Received
	Actual	Actual	Actual		
(002) DEVELOPER DEPOSIT FUND	194,535	222,804	250,447	99,199	252%
(003) RIVERSIDE COUNTY MOU FUND	0	0	0	0	0%
(005) ADMIN ALLOWANCE FUND	250,000	250,000	250,000	250,000	100%
(100) GAS TAX STREET FUND	541,764	591,596	758,517	2,104,385	36%
(101) MEASURE A STREET FUND	292,804	292,804	421,945	540,716	78%
(102) RMRA (SB1) GAS TAX FUND	246,610	289,208	330,911	714,298	46%
(103) SB 300 STREET FUND	0	0	0	0	0%
(104) ARTICLE 3 SIDEWALK FUND	0	0	0	0	0%
(110) CDBG FUND	64,018	64,018	251,818	544,113	46%
(111) LANDSCAPE MAINTENANCE FUND	72,429	72,429	72,543	208,438	35%
(132) AIR QUALITY IMPROVEMENT FUND	11,007	11,007	20,602	41,679	49%
(140) ASSET FORFEIT-POLICE FUND	6,071	6,071	6,153	148,077	4%
(148) SUPPLEMENTAL LAW ENFORCEMENT FUND	599	599	231,872	101,321	229%
(150) STATE PARK BOND ACT FUND	0	0	0	0	0%
(190) BANNING HOUSING AUTHORITY	0	0	0	0	0%
(200) SPECIAL DONATION FUND	800	800	1,000	9,983	10%
(202) ANIMAL CONTROL RESERVE FUND	0	0	0	0	0%
(203) POLICE VOLUNTEER FUND	758	758	1,134	1,502	75%
(300) CITY ADMINISTRATION DEBT SVC FUND	216,253	216,253	216,256	216,860	100%
					0%
Total	1,897,647	2,018,346	2,813,199	4,980,571	56%

Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

June 22, 2021

Page 5 of 8

PROPRIETARY/ENTERPRISE FUNDS

Electric

At third quarter, Electric has used 42% of its FY 20-21 expenditure budget and has received 50% of its projected revenue for the year.

Table 3 Electric Revenues vs Expenditures

REVENUES/EXPENSES	CATEGORY	January 2020-21 Actual	February 2020-21 Actual	March 2020-21 Actual	2020-21 Budget
Revenues	Revenues Totals	20,402,019	22,333,830	24,686,370	49,466,857
Revenues	SALES AND SERVICE CHARGES	19,192,416	21,100,268	23,409,094	29,710,212
Revenues	INTERGOVERNMENTAL	6,625	8,480	10,070	13,515
Revenues	USE OF MONEY AND PROPERTY	61,132	61,154	71,230	92,608
Revenues	MISCELLANEOUS INCOME	529,849	551,930	583,978	11,083,706
Revenues	TRANSFERS IN	611,997	611,997	611,997	8,566,816
Expenses	Expenses Totals	20,144,790	22,664,429	25,403,490	61,110,301
Expenses	SALARIES & BENEFITS	2,620,383	3,082,882	3,342,629	5,051,493
Expenses	SUPPLIES & SERVICES	1,237,288	1,365,472	1,527,022	2,783,261
Expenses	REPAIRS & MAINTENANCE	72,578	81,937	115,012	470,667
Expenses	STREET LIGHTING	84,167	96,191	108,215	144,287
Expenses	PURCHASED POWER	10,275,107	11,578,965	12,786,671	17,771,893
Expenses	CAPITAL EXPENDITURES	3,274,319	3,878,035	4,510,213	21,275,482
Expenses	DEPRECIATION	0	0	0	0
Expenses	BAD DEBT	0	0	0	0
Expenses	DEBT SERVICE	508,327	508,327	508,327	2,426,519
Expenses	TRANSFERS OUT	2,072,621	2,072,621	2,505,402	10,889,224
Expenses	CONTRA EXPENDITURE	0	0	0	297,475
Revenues Less Expenses		257,229	-330,599	-717,121	-11,643,444

Airport

At third quarter, Airport has used 42% of its FY 20-21 expenditure budget and has received 50% of its projected revenue for the year.

Table 4 Airport Revenues vs Expenditures

REVENUES/EXPENSES	CATEGORY	January 2020-21 Actual	February 2020-21 Actual	March 2020-21 Actual	2020-21 Budget
Revenues	Revenues Totals	130,071	169,388	181,531	311,242
Revenues	SALES AND SERVICE CHARGES	129,995	148,433	160,573	204,469
Revenues	INTERGOVERNMENTAL	0	20,876	20,876	42,525
Revenues	USE OF MONEY AND PROPERTY	18	21	24	46
Revenues	MISCELLANEOUS INCOME	58	59	59	64,202
Revenues	TRANSFERS IN	0	0	0	0
Expenses	Expenses Totals	166,630	173,763	190,019	299,882
Expenses	SALARIES & BENEFITS	35,387	40,614	44,800	69,471
Expenses	SUPPLIES & SERVICES	59,089	60,994	76,579	108,387
Expenses	REPAIRS & MAINTENANCE	14,749	14,749	15,274	18,430
Expenses	CAPITAL EXPENDITURES	26,466	26,466	26,466	57,500
Expenses	DEPRECIATION	0	0	0	6,553
Expenses	TRANSFERS OUT	30,940	30,940	26,900	39,541
Revenues Less Expenses		-36,559	-4,375	-8,488	11,360

Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

June 22, 2021

Page 6 of 8

Transit

At third quarter, Transit has used 40% of its FY 20-21 expenditure budget and has received 37% of its projected revenue for the year.

Table 5 Transit Revenues vs Expenses

REVENUES/EXPENSES	CATEGORY	January 2020-21	February 2020-21	March 2020-21	2020-21
		Actual	Actual	Actual	Budget
Revenues	Revenues Totals	1,080,563	1,208,223	1,367,826	3,681,810
Revenues	SALES AND SERVICE CHARGES	1,250	1,405	1,522	127,550
Revenues	INTERGOVERNMENTAL	1,045,538	1,173,043	1,300,547	3,075,284
Revenues	USE OF MONEY AND PROPERTY	-144	-144	-152	213
Revenues	MISCELLANEOUS INCOME	3,919	3,919	20,909	1,026
Revenues	OTHER INCOME	0	0	0	12,291
Revenues	TRANSFERS IN	30,000	30,000	45,000	465,446
Expenses	Expenses Totals	1,107,755	1,209,022	1,481,487	3,688,279
Expenses	SALARIES & BENEFITS	662,052	753,526	841,517	1,197,494
Expenses	SUPPLIES & SERVICES	97,670	102,576	103,932	361,571
Expenses	REPAIRS & MAINTENANCE	5,169	5,169	5,169	18,449
Expenses	CAPITAL EXPENDITURES	0	4,888	4,888	1,444,993
Expenses	DEPRECIATION	0	0	0	2,049
Expenses	TRANSFERS OUT	342,864	342,864	525,983	663,723
Revenues Less Expenses		-27,191	-799	-113,661	-6,469

Water

At third quarter, Water has used 44% of its FY 20-21 expenditure budget and has received 72% of its projected revenue for the year.

Table 6 Water Revenues vs Expenses

REVENUES/EXPENSES	CATEGORY	January 2020-21	February 2020-21	March 2020-21	2020-21
		Actual	Actual	Actual	Budget
Revenues	Revenues Totals	9,799,997	10,566,795	13,907,727	19,386,022
Revenues	SALES AND SERVICE CHARGES	7,282,598	8,024,747	11,208,856	10,092,868
Revenues	INTERGOVERNMENTAL	479,601	494,505	520,740	329,134
Revenues	USE OF MONEY AND PROPERTY	69,394	69,394	81,549	55,636
Revenues	MISCELLANEOUS INCOME	461,668	471,412	589,845	6,916,746
Revenues	TRANSFERS IN	1,506,737	1,506,737	1,506,737	1,991,638
Expenses	Expenses Totals	7,523,231	8,020,682	8,862,929	20,191,160
Expenses	SALARIES & BENEFITS	1,151,952	1,315,461	1,427,657	2,009,512
Expenses	SUPPLIES & SERVICES	1,342,898	1,489,609	1,639,242	2,520,961
Expenses	REPAIRS & MAINTENANCE	40,462	40,699	42,802	75,090
Expenses	PURCHASED POWER	15,285	15,285	15,285	50,000
Expenses	CAPITAL EXPENDITURES	1,147,508	1,334,502	1,436,920	9,237,484
Expenses	DEPRECIATION	0	0	0	328,957
Expenses	BAD DEBT	0	0	0	0
Expenses	DEBT SERVICE	1,343,996	1,343,996	1,343,996	1,990,303
Expenses	TRANSFERS OUT	2,481,130	2,481,130	2,957,027	3,978,853
Revenues Less Expenses		2,276,766	2,546,113	5,044,798	-805,138

Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

June 22, 2021

Page 7 of 8

Wastewater

At third quarter Wastewater has used 42% of its FY 20-21 expenditure budget and has received 45% of its projected revenue for the year.

Table 7 Wastewater Revenues vs Expenses

REVENUES/EXPENSES	CATEGORY	January 2020-21 Actual	February 2020-21 Actual	March 2020-21 Actual	2020-21 Budget
Revenues	Revenues Totals	2,482,375	2,784,807	3,097,428	6,959,134
Revenues	SALES AND SERVICE CHARGES	2,264,710	2,562,081	2,859,718	4,644,470
Revenues	USE OF MONEY AND PROPERTY	61,387	61,387	72,022	47,729
Revenues	MISCELLANEOUS INCOME	10,122	15,183	19,533	905,407
Revenues	TRANSFERS IN	146,156	146,156	146,156	1,361,528
Expenses	Expenses Totals	2,642,764	2,808,191	3,085,106	7,388,678
Expenses	SALARIES & BENEFITS	417,907	479,254	526,740	767,446
Expenses	SUPPLIES & SERVICES	634,253	712,078	802,672	1,424,803
Expenses	REPAIRS & MAINTENANCE	37,268	37,268	37,672	82,815
Expenses	CAPITAL EXPENDITURES	349,452	375,707	387,644	2,174,093
Expenses	DEPRECIATION	0	0	0	124,259
Expenses	BAD DEBT	0	0	0	0
Expenses	DEBT SERVICE	545,768	545,768	545,768	598,927
Expenses	TRANSFERS OUT	658,117	658,117	784,610	2,216,335
Revenues Less Expenses		-160,389	-23,384	12,323	-429,544

Refuse

At third quarter, Refuse has used 72% of its FY 20-21 expenditure budget and has received 74% of its projected revenue for the year.

Table 8 Refuse Revenues vs Expenses

REVENUES/EXPENSES	CATEGORY	January 2020-21 Actual	February 2020-21 Actual	March 2020-21 Actual	2020-21 Budget
Revenues	Revenues Totals	2,808,130	3,207,897	3,613,908	4,861,838
Revenues	SALES AND SERVICE CHARGES	2,772,369	3,159,542	3,558,355	4,696,793
Revenues	TAXES	32,048	44,642	51,229	50,353
Revenues	USE OF MONEY AND PROPERTY	3,713	3,713	4,323	2,315
Revenues	MISCELLANEOUS INCOME	0	0	0	112,377
Revenues	TRANSFERS IN	0	0	0	0
Expenses	Expenses Totals	2,700,506	3,045,363	3,525,118	4,886,467
Expenses	SALARIES & BENEFITS	125,370	143,273	160,986	212,019
Expenses	SUPPLIES & SERVICES	2,403,597	2,730,551	3,126,562	4,278,263
Expenses	CAPITAL EXPENDITURES	0	0	0	88,839
Expenses	DEPRECIATION	0	0	0	0
Expenses	BAD DEBT	0	0	0	0
Expenses	TRANSFERS OUT	171,539	171,539	237,570	307,346
Revenues Less Expenses		107,624	162,534	88,790	-24,629

NEXT STEPS

The Executive team in addition to departmental staff will continue to monitor and report to Council on a quarterly basis in order to adjust revenue projections and authorized expenditures. When considering both the revenue shortfalls and negative expenditures variances, the city is at risk of ending the current fiscal year with an additional deficit that will negatively impact the following year's available resources. In addition, there is a word

Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report

June 22, 2021

Page 8 of 8

of caution to be taken with one-time revenues that may temporarily relieve the budget deficit.

The next major step in the budget cycle is to review the FY21-22 budget and mid-cycle revisions to be presented to Council for possible action. The fourth quarter FY 20-21 report with preliminary unaudited final year figures will be brought to the Budget & Finance Committee meeting in September and subsequently to Council for review.

OPTIONS:

1. Receive and file Fiscal Year 2020-21 Third Quarter Budget Update and Financial Status Report.
2. Provide direction to staff and input to City Council, as needed.

ATTACHMENTS:

1. General Fund/Discretionary Revenue, Expenditures by Department and Fund Type for Third Quarter

<https://banningca.gov/DocumentCenter/View/9037/Attachment-1--General-Fund-Revenue-Expenditures-by-Department-and-Fund-Type-for-3Q>

2. Fund List

<https://banningca.gov/DocumentCenter/View/9038/Attachment-2--Fund-List>

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Ralph Wright, Parks and Recreation Director

MEETING DATE: June 22, 2021

SUBJECT: Adopt Resolution 2021-55, Authorizing the amendment to Agreement C00692 with Playcore Wisconsin, Inc. dba Gametime for the purchase and installation of Playground Equipment at Richard Sanchez Park in the amount of \$5,865.00 for a total not to exceed amount of \$75,957.24

RECOMMENDED ACTION:

Staff recommends that the City Council adopt Resolution 2021-55, approving the amendment to the purchase and installation agreement with Playcore Wisconsin, Inc. dba Gametime in the amount of \$5,865.00 for a total not-to-exceed amount of \$75,957.24 for the purchase and installation of playground equipment at Richard Sanchez Park.

BACKGROUND:

At the December 8, 2020, meeting of the City Council, the City Council adopted Resolution 2020-144, authorizing the purchase and installation of a replacement playground at Richard Sanchez Park and approving the agreement with Playcore Wisconsin, Inc. dba Gametime in the amount of \$70,092.24.

During the installation of the new playground, it was determined that installation of 2 new sump drains would improve the drainage in rain events and minimize damage to the newly installed playground. The contractor provided a quote for the installation of the new sumps for \$5,865, which exceeds the percentage increase authorized in the existing contract. Section 1.10 of the agreement for additional Services, requires that any change greater than 5% of the awarded contract amount requires approval from the City Council.

JUSTIFICATION:

The contractor that installed the new playground has a proven and trusted track record for installation of playgrounds and properly installed the new playground that has since been inspected by a third-party inspector with no compliance issues. The installation of

the sump drains by the same contractor ensures there will be no warranty issues with the additional services.

FISCAL IMPACT:

In the adopted budget for fiscal year 2020-21, \$80,000 was allocated for the Purchase and installation of replacement playground equipment for Richard Sanchez Park. The additional cost associated with the installation of the new sump drains brings the total project cost to a not-to-exceed amount of \$75,957.24, which is below the allocated amount.

ALTERNATIVE:

Do not approve Resolution 2021-55 and provide alternate direction.

ATTACHMENTS:

1. Resolution 2021-55
<https://banningca.gov/DocumentCenter/View/8979/Att-1-Resolution-No-2021-55>
2. Amendment No. 1 to Contract (C00692)
<https://banningca.gov/DocumentCenter/View/8980/Att-2-C00692-Playcore-Wisconsin-Inc-dba-Gametime-Agreement---Amendment-No-1>
3. Quote #103751-01-01
<https://banningca.gov/DocumentCenter/View/8976/Att-3-Quote-103751-01-01-Richard-Sanchez-Park-Drains>
4. Resolution 2020-144
<https://banningca.gov/DocumentCenter/View/8977/Att-4-Resolution-No-2020-144>
5. Agreement for Contract Services (C00692)
<https://banningca.gov/DocumentCenter/View/8978/Att-5-C00692-Purchasing-Contract-with-Playcore-Wisconsin-Inc-for-Richard-Sanchez-Park-Replacement-Playground>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Laurie Sampson, Executive Assistant

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-58, Approving the Certificate of Acceptance for Property Located at 215 E. Barbour Street

RECOMMENDATION:

That City Council adopt Resolution 2021-58, Approving the certificate of acceptance for property located at 215 E. Barbour Street

1. Ordering the Certificate of Acceptance be submitted to the Riverside County Clerk Recorder through Fidelity National Title; and
2. Authorizing the City Manager and City Clerk to execute the Certificate of Acceptance on behalf of the City of Banning.

BACKGROUND:

On May 13, 2014, per Resolution 2014-31, the City of Banning purchased five (5) lots, APN's 541-260-030, 541-260-031, 541-260-040, 541-260-043, and 541-260-045, collectively referred to as 215 E. Barbour Street, from Pristine Builders, Inc. for the future expansion of the Electric Utility Yard. The deed was recorded as document number 2014-0199243 on May 30, 2014.

On March 3, 2021, the City received correspondence from the County of Riverside Treasurer-Tax Collector advising there was property near or abutting City property that the City may be interested in purchasing at tax sale for Tax-Defaulted properties. Upon inspection it was discovered the City's five parcels at 215 E. Barbour Street were included and still listed as being owned by Pristine Builders.

After several emails to the Riverside County Clerk Recorder and The Riverside County Treasurer Tax Collector and several weeks later, we were informed, while the documents had been recorded and returned to the City, the title did not transfer due to a missing certificate of acceptance. The County's notes showed the title company, Fidelity National Title, was directed to supply the missing document. Collecting this information from the County was complicated by the fact all County offices were closed thereby creating serious delays in returning emails and voice mails.

June 22, 2021

Page 2 of 2

Upon contacting Fidelity National Title regarding this matter a claim was opened to resolve the missing document. In order to stave off the sale of the City's property Fidelity National Title paid the past due taxes and confirmed they would not seek reimbursement from the City of Banning. Payment was confirmed received by Riverside County Treasurer-Tax Collector on May 12, 2021. One day before the tax sale was to take place.

JUSTIFICATION:

The City must provide a recorded Certificate of Acceptance to the County of Riverside Treasurer Tax Collector to retain ownership of these five (5) lots.

FISCAL IMPACT:

Not approving the Certificate of Acceptance would block the transfer of these lots to the City of Banning. The Electric Utility Department has already started the process of expanding into these lots.

ALTERNATIVE:

The City Council may choose not to adopt Resolution No. 2021-58 and give staff alternate directions.

ATTACHMENTS:

1. Resolution No. 2021-58

<https://banningca.gov/DocumentCenter/View/8959/Att-1-Resolution-2021-58-215-E-Barbour-Street-Certificate-of-Acceptance>

2. Resolution 2014-31

<https://banningca.gov/DocumentCenter/View/8960/Att-2-Resolution-2014-31>

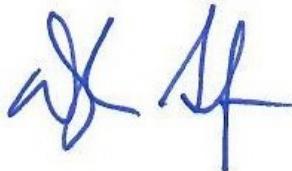
3. Recorded Grant Deed 2014-0199243

<https://banningca.gov/DocumentCenter/View/8957/Att-3-20140530-GRANT-DEED>

4. Certificate of Acceptance

<https://banningca.gov/DocumentCenter/View/8958/Att-4-Certificate-of-Acceptance>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING STAFF REPORT

TO: BANNING UTILITY AUTHORITY

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works/City Engineer
Perry Gerdes, Water / Wastewater Superintendent

MEETING DATE: June 22, 2021

SUBJECT: Approving a Professional Services Agreement with Babcock Laboratories, Inc. of Riverside, California for Laboratory Analytical Testing Services in the amount of \$97,933 with the Option to Renew

RECOMMENDED ACTION:

Staff recommends that the City Council:

1. Approves the Professional Services Agreement with Babcock Laboratories, Inc. of Riverside, CA in the "not to exceed" amount of \$97,933 for Fiscal Year 2021/2022 with the option for annual renewals for up to 4 additional single year periods for Fiscal Years 2022/2023, 2023/2024, 2024/2025 and 2025/2026.
2. Authorize the City Manager to execute the Professional Services Agreement with Babcock Laboratories, Inc., for Fiscal Year 2021/2022 with the option for annual renewals for up to four (4) additional single year periods for Fiscal Years 2022/2023, 2023/2024, 2024/2025 and 2025/2026.
3. Authorize the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement with Babcock Laboratories, Inc.

BACKGROUND:

The State Water Resources Control Board (SWRCB") is responsible for the enforcement of the Federal and California Safe Drinking Water Acts and the regulatory oversight of public water systems to ensure the delivery of safe drinking water. The SWRCB prescribes regulations that limit the amount of certain contaminants in drinking water.

Furthermore, the Colorado Regional Water Quality Control Board oversees the City of Banning Wastewater Treatment Plant Wastewater Discharge Requirements ("WDR"). The WDR has set specific groundwater quality monitoring requirements.

Consequently, the City of Banning Water and Wastewater Divisions obtain over 1,500 water samples annually from more than 33 sample points throughout the City and submits them

for laboratory testing in order to confirm that the divisions are operating within their respective permit requirements.

In order to obtain laboratory services, Public Works staff advertised a Request for Proposals (“RFP”) on May 20, 2021 on Planet Bids the City’s bidding website. In response to these efforts, the Public Works Department received two (2) proposals from the following companies:

<u>Companies</u>	<u>Ranking</u>
1) Babcock Laboratories, Inc.	93.0
2) BSK Associates	81.3

The proposals were evaluated based on specific criteria including how long the company has been in business, qualifications and experience in implementing an analytical testing program, costs for performing the required analytical testing, quality of services, references, proximity and overall responsiveness to the RFP.

As part of the RFP, proposers were required to submit a cost proposal for various tests and testing quantities for water and wastewater samples in order to obtain estimated cost for services. The quantity of each test listed in the proposal sheet is a staff estimate based on previous annual test quantities. The amount of test quantities can decrease or increase due to follow up tests required due to exceedance of maximum constituent levels, amount of wells in operation, testing during performance of work on wells and well equipment and changes in state and federal testing requirements.

Consequently, based on the evaluations, staff recommends a contract award to Babcock Laboratories, Inc. in the amount of \$97,933 for a one (1) year period beginning July 1, 2021 and ending June 30, 2022. The Professional Services agreement will have an option to be renewed for an additional four (4) single years upon staff review of the previous year's service.

JUSTIFICATION:

Laboratory analytical testing services are necessary in order to meet permit requirements of the SWRCB and the CRWQCB related to the operations of the Water and Wastewater Divisions.

FISCAL IMPACT:

The Professional Services Agreement for Laboratory Analytical Testing Services will be funded by the Water Fund Fiscal Year 2021/2022, Account No. 660-6300-471.23-32 (Contractual Services / Laboratory Services) in the amount of \$90,623 and by the Wastewater Fund Fiscal Year 2021/2022 Account No. 680-8000-454.23-32 in the amount of \$7,310 for a total amount of \$97,933. Annual renewals, if approved, will have the same funding breakdown.

ALTERNATIVE:

Reject the recommendation. If rejected laboratory and analytical testing services will be discontinued and the City will not meet State mandated testing requirements. Provide alternative direction to staff.

ATTACHMENTS:

1. Babcock Laboratories, Inc. Proposal
[https://banningca.gov/DocumentCenter/View/9022/Attachment-1-Babcock Labs RFP 21-008 Proposal Response](https://banningca.gov/DocumentCenter/View/9022/Attachment-1-Babcock%20Labs%20RFP%2021-008%20Proposal%20Response)
2. Babcock Laboratories, Inc. Price Matrix
[https://banningca.gov/DocumentCenter/View/9020/Attachment-2-Babcock Labs Pricing-1](https://banningca.gov/DocumentCenter/View/9020/Attachment-2-Babcock%20Labs%20Pricing-1)
3. Draft Agreement
<https://banningca.gov/DocumentCenter/View/9021/Attachment-3-C00710-BABCOCK-LABORATORIES-INC-PSA---DRAFT>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING STAFF REPORT

TO: BANNING UTILITY AUTHORITY

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works/City Engineer
Perry Gerdes, Water/Wastewater Superintendent

MEETING DATE: June 22, 2021

SUBJECT: Approving the Purchase of a 6-Inch Emergency Wastewater Diesel Pump from Xylem Dewatering Solutions, Inc. through a California Multiple Award Schedules (CMAS) Co-Op contract No. 4-17-84-0026C in the Amount of \$69,272.74

RECOMMENDED ACTION:

Staff recommends that the Banning Utility Authority:

1. Approve the purchase of a 6-inch Emergency Wastewater Diesel Pump and Connections through a Co-Op Contract No. 4-17-84-0026C in the amount of \$69,272.74 with Xylem Pumps of Mira Loma, California.
2. Authorize the City Manager or designee to make necessary budget adjustments, appropriations and transfers related to the purchase of a 6-inch Emergency Wastewater Diesel Pump and Connections through a Co-Op Contract No. 4-17-84-0026C

BACKGROUND:

The City Wastewater Collections system covers 109 miles of sewer mains, four sewer lift stations and a Wastewater Treatment Plant (WWTP). The sewer collections crew is required to maintain and prevent the system from sewer system overflows (SSO's) and use several types of equipment to help in this process. The City's twenty-year-old 4-inch sewer pump that was used at the WWTP had a catastrophic motor failure and is unserviceable and needs to be replaced.

The State of California requires publicly owned sanitary sewer systems to develop and implement a Sewer System Management Plan (SSMP), including measures to control and mitigate sewer spills. The SSMP requires the system to have and maintain necessary equipment and supplies to respond timely to avoid contamination to storm drains, water ways and property.

Vendor Selection Process

The City of Banning has found a 6-inch diesel pump that will meet the City's through a CMAS Co-Op agreement.

CMAS has a contract with Xylem to guaranty the lowest pricing available; Contract No. 4-17-84-0026C.

JUSTIFICATION:

The new 6-inch diesel pump will replace the existing 4-inch diesel pump which has reach its end of life and is currently non-operational. The increase in pump size will provided additional support during emergencies.

FISCAL IMPACT:

Funding for the purchase of the new 6-inch diesel pump is currently budgeted in the Fiscal Year 2020/2021 budget and is available in Wastewater Account 680-8000-454.90-56.

ALTERNATIVE:

Reject purchase of the 6-inch diesel wastewater pump and risk a possible Sanitary Sewer Overflow (SSO) and possible fines from the State of California.

ATTACHMENTS:

1. Xylem CMAS Quote

<https://banningca.gov/DocumentCenter/View/9024/Attach-2-4-17-84-0026C-CMAS-Xylem-Dewatering-Solutions>

2. CMAS Contract

<https://banningca.gov/DocumentCenter/View/9025/Attach-1-City-of-Banning-117021363>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Doug Schulze, City Manager

PREPARED BY: Art Vela, Public Works Director/City Engineer

MEETING DATE: June 22, 2021

SUBJECT: Adopt Resolution 2021-62, Approving the Interagency Services Agreement between the City of Banning and the City of Beaumont for the purpose of providing coordinated transit services

RECOMMENDED ACTION:

Staff Recommends that City Council adopt Resolution 2021-62, approving an Interagency Services Agreement between the City of Banning ("Banning") and the City of Beaumont ("Beaumont") for the purpose of providing coordinated transit services.

BACKGROUND:

On October 22, 2002 the City Council of the City of Banning approved Resolution 2002-76, "Resolution of the City Council of the City of Banning Authorizing the Execution of an Agreement with the City of Beaumont to Provide Coordinated Transit Services".

Subsequently, on June 25, 2019 City Council approved an Interagency Services Agreement (ISA) which superseded the 2002 Agreement. The new ISA described the way integration will occur between both agency's transit operations, including the following:

1. Cooperation in providing the public with specific bus transit information, advertising the operations of both agencies and promoting the general use of public transit.
2. Cooperation in the location, installation and maintenance of the following jointly used transfer bus stops:
 - a. Walmart Transfer Station – 1540 E. 2nd Street, Beaumont, CA 92223
 - b. San Gorgonio Memorial Hospital – 600 N. Highland Springs Avenue, Banning, CA 92220
3. Banning will be limited to no more than three buses per hour at the Walmart Transfer Station.
4. Beaumont will be limited Beaumont to no more than three buses per hour at the San Gorgonio Memorial Hospital bus stop.

5. Each party agrees that neither party will board passengers at any other bus stop within the other party's jurisdiction, with the exception as those listed as transfer bus stops.
6. Each party shall retain all fares collected in the operation of their service.
7. Each agency agrees to accept a one-time transfer media (e.g. ticket) of the other agency valued at the base fare at the above mentioned transfer stops. Passengers will not be required to "top-up" their bus fare to cover any shortfall between the agencies base fare.
8. The transfer ticket or media shall not be issued on a Dial-A-Ride or other curb-to-curb service.
9. Each party shall accept the other party's valid employee identification, on all fixed route and commuter services in lieu of payment of fare.
10. Each agency will accept the others Military Veteran Identification for purchase of each other's reduced Veterans fares.
11. Neither party may operate duplicating services in the other's jurisdiction without the written approval of the other party's elected city council.

JUSTIFICATION:

The ISA has resulted in increased ridership for the Banning transit operations as well as coordination efforts between both cities. The ISA described above, which was approved on June 25, 2019, and renewed in 2020 is set to expire on June 30, 2021.

For these reasons staff recommends that the City Council approve Resolution 2021-62 approving the ISA as attached and as previously approved in 2019 and renewed in 2020. There are no changes to the language in the agreement.

FISCAL IMPACT:

After the initial agreement approval in 2019, the Banning's transit operations realized an increase in ridership and farebox revenue because of operational changes made related to the ISA such as Beaumont revising their operations to no longer operate along the Ramsey Street corridor. Although, the increase was short lived due to ridership impacts related to COVID-19, it is expected that the ridership increase will once again be realized once things resume to normalcy.

ALTERNATIVE:

Do not approve Resolution 2021-62 and provide additional direction.

ATTACHMENTS:

1. Resolution 2021-62
<https://banningca.gov/DocumentCenter/View/9026/Attachment-1--Resolution-2021-62>

June 22, 2021

Page 3 of 3

2. Interagency Services Agreement

<https://banningca.gov/DocumentCenter/View/9027/Attachment-2---Interagency-Agreement-2021>

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
Holly Stuart, Management Analyst

MEETING DATE: June 22, 2021

SUBJECT: Approving an Increase in the amount of \$8,000 to the Purchase Order with Altec Industries, Inc., for Onsite Inspections and Repair of Bucket Trucks for Fiscal Year 2020/2021

RECOMMENDED ACTION:

Approving an increase to the purchase order with Altec Industries in the amount of \$8,000 for a total Fiscal Year 2020-2021 purchase order amount of \$33,000 and authorizing the City Manager or designee to make necessary budget adjustments, appropriations and transfers related to the requested increase.

BACKGROUND:

The City of Banning owns five (5) bucket trucks. The Street Division utilizes one (1) truck to perform general maintenance services with the remaining four (4) trucks being utilized by the Electric Department for overhead line repair and maintenance. To remain in compliance with safety standards and requirements regulated by Occupational Safety and Health Administration (OSHA) and American National Standards Institute (ANSI), annual bucket truck inspections are necessary which include inspection of aerial devices and boom platforms.

Electric Utility operations specifically require dielectric testing of the bucket trucks which is the process of applying high voltage to a device in order to determine the status of its electrical insulation. Other bucket truck inspection tests are administered to address structural, functional and operational aspects of the equipment. These regular inspections are designed to identify developing problems in an effort to avoid injuries or equipment downtime. Following the inspections, if any defects are found, they are categorized by severity and scheduled for repairs. Inspection is performed onsite, and certification is provided verifying annual equipment inspection and operability.

All five (5) City-owned bucket trucks utilize Altec Industries, Inc., (Altec) aerial devices. In order to obtain inspection and repair services, staff has solicited the services of Altec Industries, Inc. (Altec), a company that has provided the City with reliable and effective services in the past. In addition, Altec Industries participated in a competitive bid process and was awarded a cooperative agreement and established pricing through Sourcewell; Contract Award 021418-AIC. For these reasons, staff respectfully requests to increase the FY 2020/2021 purchase order with Altec for onsite inspections and repair of the bucket trucks in the amount of \$8,000 to cover expense related to Altec's scope of services during the current fiscal year.

JUSTIFICATION:

Annual inspections of bucket trucks are required in order to maintain compliance with safety standards related to the operation of the trucks.

Altec is a sole source provider of Altec OEM parts and accessories and is unique in that they provide onsite inspection and repair services. Additionally, Altec has been issued a cooperative agreement through Sourcewell, Contract Award 021418-AIC.

FISCAL IMPACT:

The Fleet Division's current operational budget will fund the requested increase of \$8,000 for onsite inspections and repairs.

ALTERNATIVE:

The City Council may choose to reject staff's recommendation take no action which will result in delays in performing the required safety inspections and needed repairs.

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL
FROM: Douglas Schulze, City Manager
MEETING DATE: June 22, 2021
SUBJECT: Ground Lease Agreement - Stagecoach Days Overflow Parking

RECOMMENDED ACTION:

I make a motion to authorize the City Manager to execute the Ground Lease Agreement with Diversified Pacific Development Group, LLC, for overflow parking during Stagecoach Days.

BACKGROUND:

The City of Banning has entered into ground lease agreements with Diversified Pacific Development Group for several years to accommodate overflow parking during Stagecoach Days. The Agreement allows the City to use land owned by Diversified Pacific for a nominal fee of \$1.00. No changes have been made to the Agreement, except dates have been updated for 2021.

JUSTIFICATION:

Parking at Dysart Park is not sufficient to accommodate parking needs during Stagecoach Days. The Diversified Pacific property is immediately adjacent to the parking lot at Dysart Park and rent charged is a nominal fee. Without the Agreement, off-site parking and shuttle buses would be required.

OPTIONS:

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

ATTACHMENTS:

1. Ground Lease Agreement

<https://banningca.gov/DocumentCenter/View/8961/Ground-Lease-Agreement-Stagecoach-Days-2021>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Public Works Director
Holly Stuart, Management Analyst

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-49, Approving the Charges for Residential and Commercial Garbage, Recyclable Materials and Organics Waste Collection, Transportation, Recycling and Disposal Services

RECOMMENDED ACTION:

City Council adopt Resolution 2021-49 approving charges for Residential and Commercial Garbage, Recyclable Materials and Organics Waste Collection, Transportation, Recycling and Disposal Services effective July 1, 2021 and approving annual increases beginning July 1, 2022 through July 1, 2025.

BACKGROUND:

On April 27, 2021, City Council approved a new solid waste franchise agreement for Residential and Commercial Garbage, Recyclable Materials and Organics Waste Collection, Transportation, Recycling and Disposal Services (Franchise Agreement), effective July 1, 2021. In order to adopt the proposed rate structure established by the Franchise Agreement, Council directed staff to administer the required Proposition 218 (Prop 218) process.

JUSTIFICATION:

On May 7, 2021, staff mailed Prop 218 notices to rate payers and property owners providing public hearing information, an explanation of the proposed charges, and instructions for submitting a protest.

As described in the Prop 218 notice, at the time of the public hearing, the City Council will hear and consider all protests and objections concerning the Charges and will consider and may adopt the charges. Property owners and rate payers may submit a written protest against the charges. To be counted, the written protest must contain a description of the property subject to the charges, be signed by the property owner or rate payer, and be

received prior to the close of the public hearing. Only one protest per identified account will be counted. If written protests are submitted by a majority of the affected property owners and rate payers, a majority protest exists and the City Council may not adopt the charges.

In addition, to the property-related service charges, the Franchise Agreement provides charges for the additional services, which also will be adopted as part of Resolution 2021-49.

The proposed rates and adjustments reflect new programs and unfunded, mandated requirements of Assembly Bill (AB) 341 and 1826 and newly adopted Short-Lived Climate Pollutants mandate, Senate Bill (SB) 1383. Through the negotiation process, it was determined that all solid waste programs and activities will generally remain the same with the addition of a few key elements including 1) the administration of billing and collection services, 2) collection services shall include trash, recycling and organic services to all commercial and residential accounts, and 3) delinquent account non-payments may be collected through the Assessor's Tax Roll following a noticed hearing.

FISCAL IMPACT:

Under approval of this resolution and Prop 218 process, future CPI rate adjustments will be authorized for four additional years, consistent with the approved Franchise Agreement. The future rate increases will occur July 1st of 2022, 2023, 2024 and 2025. Staff will report future CPI increases to the City Council prior to implementation.

OPTIONS:

The implementation of the Franchise Agreement is contingent upon approval of the charges. If the approval is rejected as a result of receiving a majority protest, then the City Council should not approve Resolution 2021-49 and instead may negotiate reductions in programs, services, or fees.

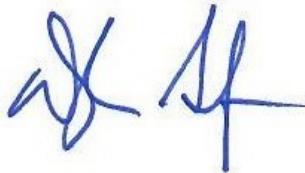
ATTACHMENTS:

1. Resolution 2021-49 with Solid Waste Rates
<https://banningca.gov/DocumentCenter/View/9013/Attachment-1-Resolution-2021-49--Solid-Waste-Rates>
2. Franchise Agreement
https://banningca.gov/DocumentCenter/View/9014/Attachment-2_Final-Draft-Banning--SW-Franchise-Agreement-City-6_16_21-version-v-3
3. Sample Prop 218 Notification
<https://banningca.gov/DocumentCenter/View/9011/Attachment-3---Sample-Prop-218-Notice>
4. Rate Comparison
https://banningca.gov/DocumentCenter/View/9012/Attachment-4_Rate-Comparison

June 22, 2021

Page **3** of **3**

Approved by:

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

Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam Rush, Community Development Director

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-60, recommending the City Council make a determination of exemption under CEQA Guidelines Section 15301 and consider a recommendation by the Planning Commission to approve Conditional Use Permit 21-8007, to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit A (APN: 532-130-004) in the Industrial (I) Zoning District

RECOMMENDED ACTION:

Staff recommends the City Council accept the Planning Commission's recommendation of approval and adopt Resolution 2021-60, make a determination that the Project is exempt under Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) and approve Conditional Use Permit 21-8007 to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit A (APN: 532-130-004) in the Industrial (I) zoning district.

PROJECT / APPLICANT INFORMATION:

Project Location: 700 South Hathaway Street, Unit A, Banning, CA 92220

APN Information: 532-130-004

Project Applicant: Hathaway Diamondfly, LLC
Attn: Stephan Escalante
3 Corporate Park, Suite 200
Irvine, CA 92606

Property Owner: Weeks Investment Group
4811 Icon Way
Palm Springs, CA 92262

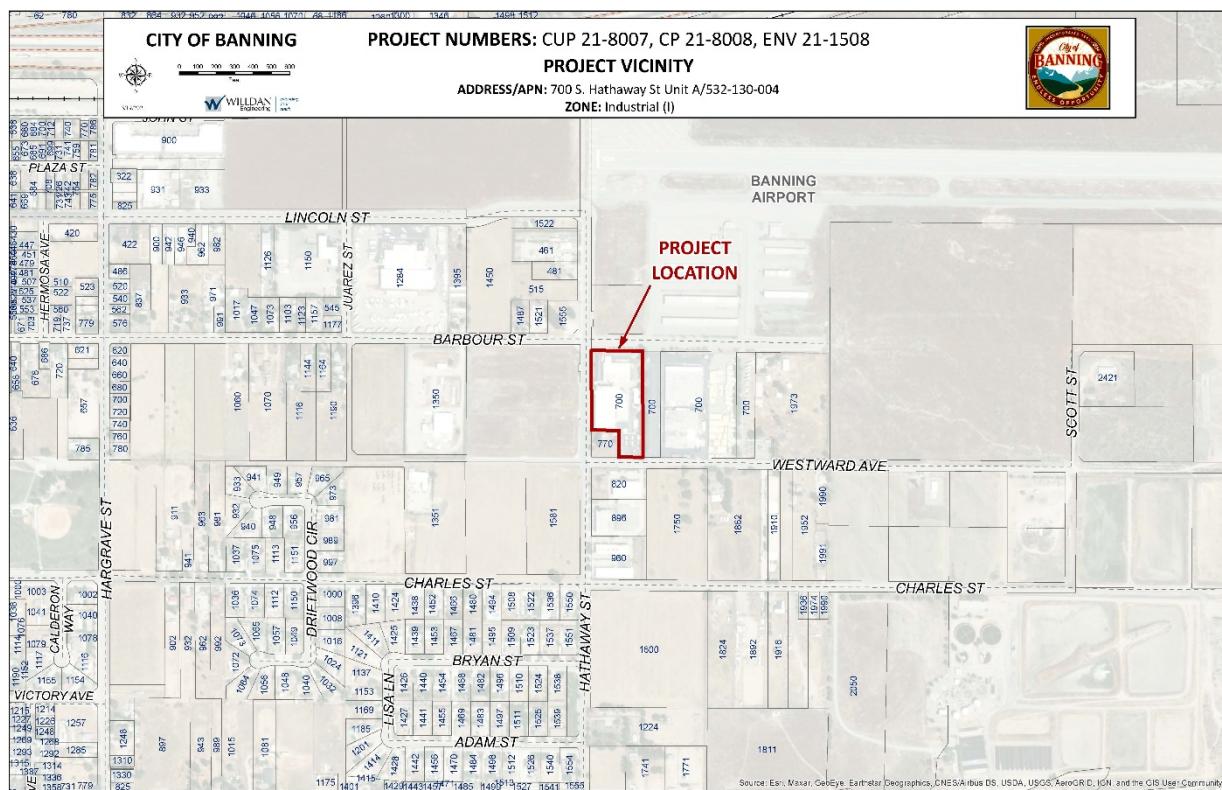
PLANNING COMMISSION RECOMMENDATION:

At the meeting of June 2, 2021, the Planning Commission approved Resolution 2021-07 recommending the City Council approve Conditional Use Permit 21-8007.

REQUEST:

The applicant, Hathaway Diamondfly, LLC, is requesting approval of a Conditional Use Permit (CUP) to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit A, Banning, CA 92220. For location, see Figure 1 below.

FIGURE 1



DESCRIPTION:

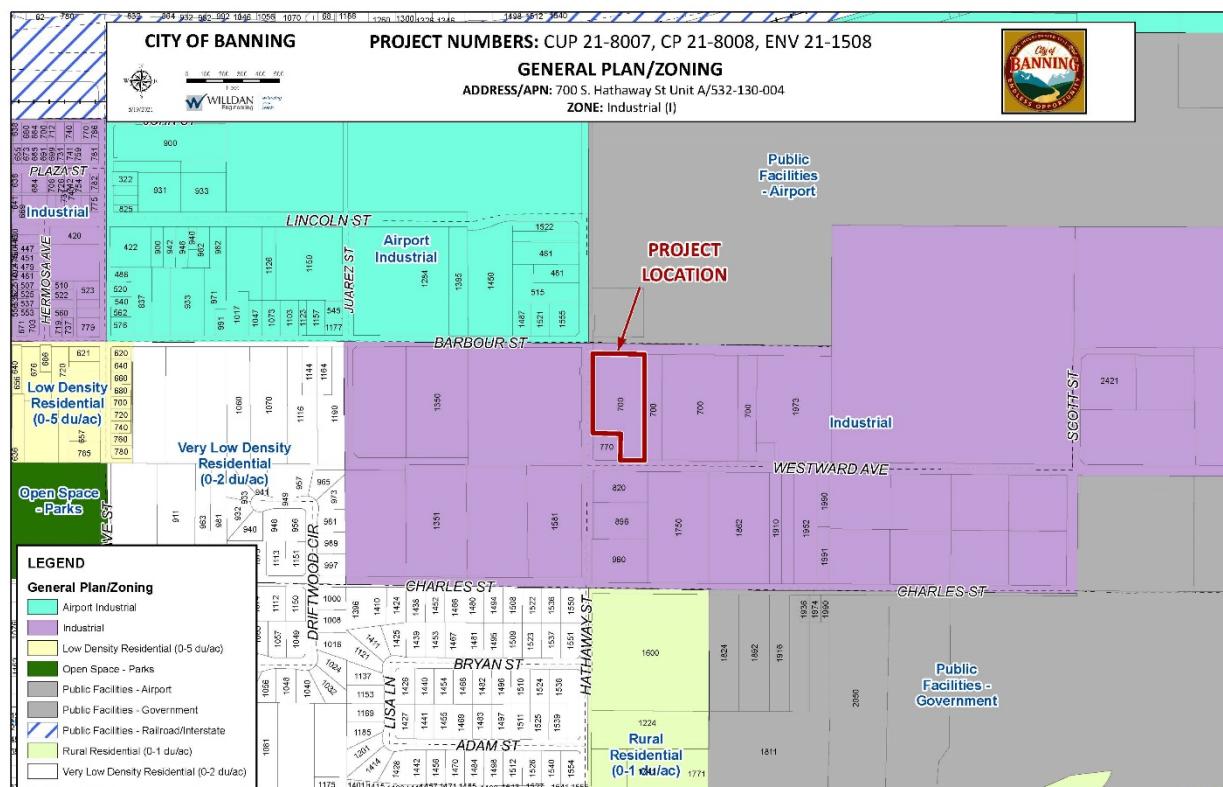
The applicant is requesting approval to allow for the commercial cultivation of cannabis. The applicant proposes tenant improvements to the existing industrial building located at 700 South Hathaway Street, Unit A. This industrial building is approximately 12,570 square feet in floor area and is proposed to accommodate a lobby, office, storage room, security room, break room, grow rooms, dry and trim room, clone room and rest room.

In accordance with Banning Municipal Code (BMC), the applicant proposes a security plan with cameras, guards, and surveillance equipment. There will be adequate security lighting and protocols to minimize potential security threats. Additionally, a two-stage air filtration system will be installed to prevent odors from leaving the premises.

Surrounding Land Use

The site consists of two large industrial buildings that are connected by a common area. Building A is the area proposed for this project which is approximately 12,570 square feet in size. To the north is the Banning Municipal Airport zoned Public Facility-Airport. The property to the west is vacant industrial and the property to the east is developed industrial. To the south is a developed industrial property. The nature of the surrounding uses, zoning classifications, and General Plan land use designations are delineated for City Council consideration in the following Figure and Table:

FIGURE 2



Land Use Summary Table

TABLE 1

	Existing Land Use	Zoning Classification	General Plan Designation
Subject Site	Industrial	(I)	(I)
North	Public Facility-Airport	(PF-A)	(PF-A)
South	Industrial	(I)	(I)
East	Industrial	(I)	(I)
West	Vacant	(I)	(I)

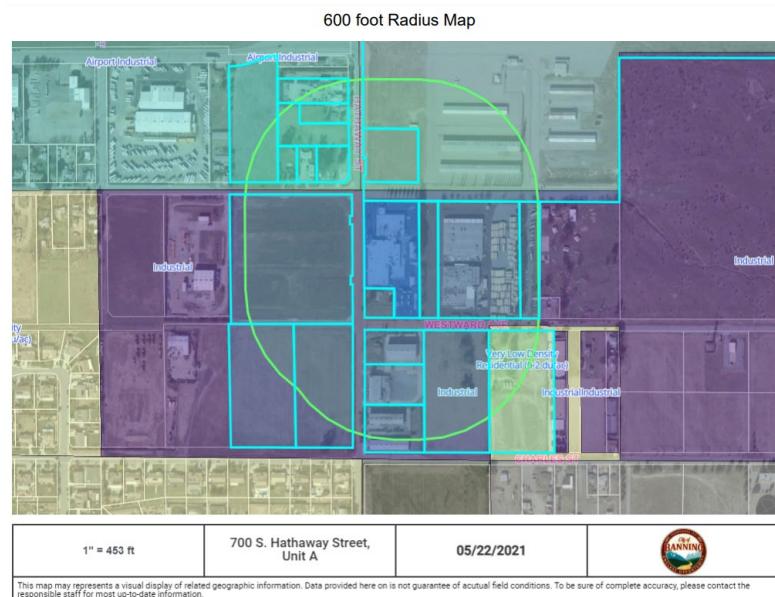
PROJECT ANALYSIS:

Zoning

Table 17.12.020 (“*Permitted, Conditional and Prohibited Commercial and Industrial Uses*”) of Section 17.12.020 of Chapter 17.12 of Title 17 of the Banning Municipal Code provides that Cannabis Commercial Indoor Cultivation is permitted in the Industrial (I) zoning district, subject to approval of a Cannabis CUP by the City Council, and recommendation by the Planning Commission, and subject to the requirements of Chapters 17.52 and 17.53 of the Zoning Code.

Additional requirements identified in the Code state the cannabis cultivator must be at least 600-feet from any day care center, youth center, public or private school providing instruction in kindergarten or any of grades K-12, or park. The proposed location of the Commercial Cannabis Cultivation facility is compliant with the above-mentioned requirements. For a radius map demonstrating the 600-foot buffer, see Figure 2 below.

FIGURE 2



Staff believes that approval of the CUP will serve the community by providing a location for the cultivation of cannabis, providing for jobs and tax revenue, and assisting local cannabis retailers with product procurement.

ENVIRONMENTAL DETERMINATION:

California Environmental Quality Act (CEQA)

Planning Division staff has determined that this Project is categorically exempt from the requirements of the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines Section 15301 (Existing Facilities - Class 1 Categorical Exemption) because the project consists of the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of an existing private structure involving negligible or no

expansion of an existing use, including interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances.

Multiple Species Habitat Conservation Plan (MSHCP).

The project is not subject to MSHCP as the project is an existing facility with no expansion of the current structural footprint.

PUBLIC COMMUNICATION:

Proposed Conditional Use Permit 21-8007 was advertised in the Record Gazette newspaper on June 11, 2021. As of the date of this report, staff has not received any written comments on the project.

ATTACHMENTS:

1. City Council Resolution 2021-60
<https://banningca.gov/DocumentCenter/View/8986/Att-1-Resolution-2021-60-CUP-21-8007>
2. Planning Commission Resolution 2021-07
<https://banningca.gov/DocumentCenter/View/8987/Att-2-PC-Resolution-2021-07-CUP-20-8007->
3. Project Plans
<https://banningca.gov/DocumentCenter/View/8965/Att-3-Project-Plans>
4. Public Hearing Notice
https://banningca.gov/DocumentCenter/View/8988/ATT-4---PHN-CUP-21-8007-Cannabis_final
5. Notice of Exemption
<https://banningca.gov/DocumentCenter/View/8989/ATT-5----Notice-of-Exemption-CUP-21-8007>

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam Rush, Community Development Director

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-61, recommending the City Council make a determination of exemption under CEQA Guidelines Section 15301 and consider a recommendation by the Planning Commission to approve Conditional Use Permit 21-8009, to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit B (APN: 532-130-004) in the Industrial (I) Zoning District

RECOMMENDED ACTION:

Staff recommends the City Council accept the Planning Commission's recommendation of approval and adopt Resolution 2021-61, making a determination that the Project is exempt under Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) and approve Conditional Use Permit 21-8009 to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit B (APN: 532-130-004) in the Industrial (I) zoning district.

PROJECT / APPLICANT INFORMATION:

Project Location	700 South Hathaway Street, Unit B, Banning, CA 92220
APN Information:	532-130-004
Project Applicant:	Hathaway Sapphire, LLC Attn: Michael Valdez 3 Corporate Park, Suite 200 Irvine, CA 92606
Property Owner:	Weeks Investment Group 4811 Icon Way Palm Springs, CA 92262

June 22, 2021

Page 2 of 5

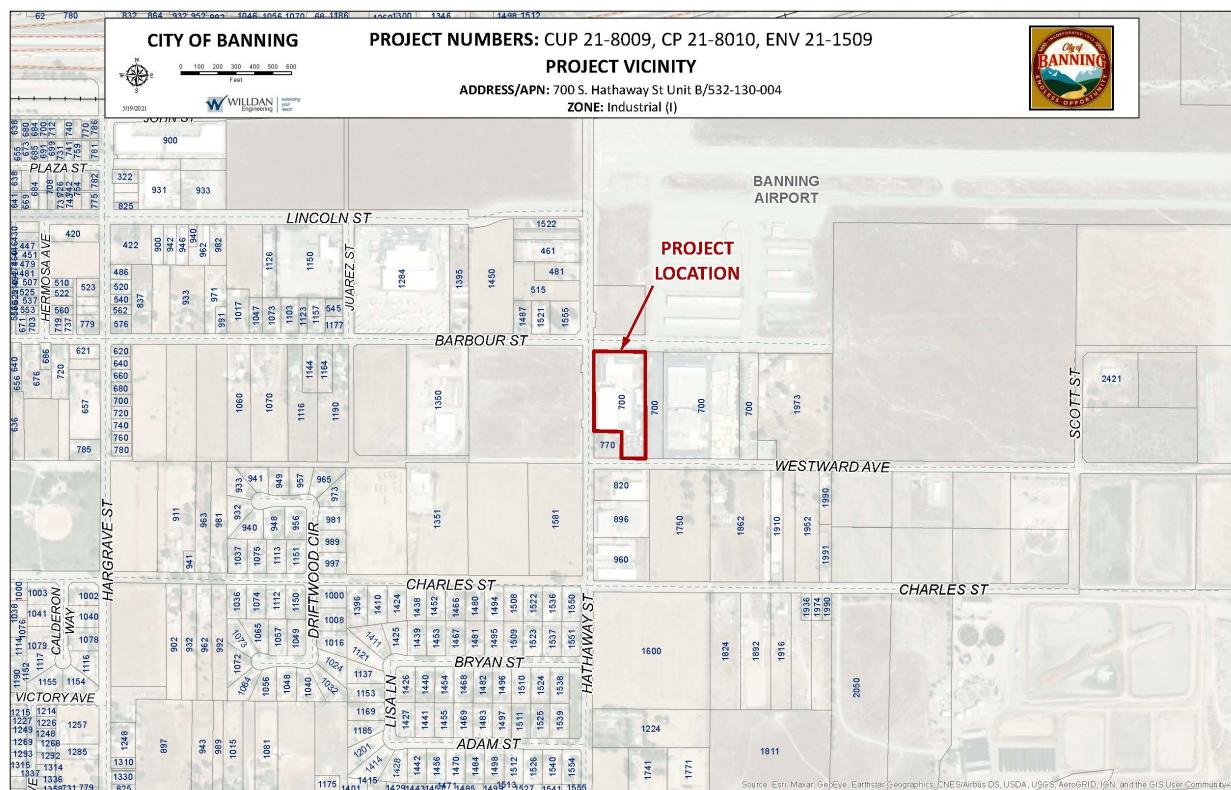
PLANNING COMMISSION RECOMMENDATION:

At the meeting of June 2, 2021, the Planning Commission approved Resolution 2021-08 recommending the City Council approve Conditional Use Permit 21-8009.

REQUEST:

The applicant, Hathaway Sapphire, LLC, is requesting approval of a Conditional Use Permit (CUP) to allow for the commercial cultivation of cannabis in an existing industrial building located at 700 South Hathaway Street, Unit B, Banning, CA 92220. For location, see Figure 1 below.

FIGURE 1



DESCRIPTION:

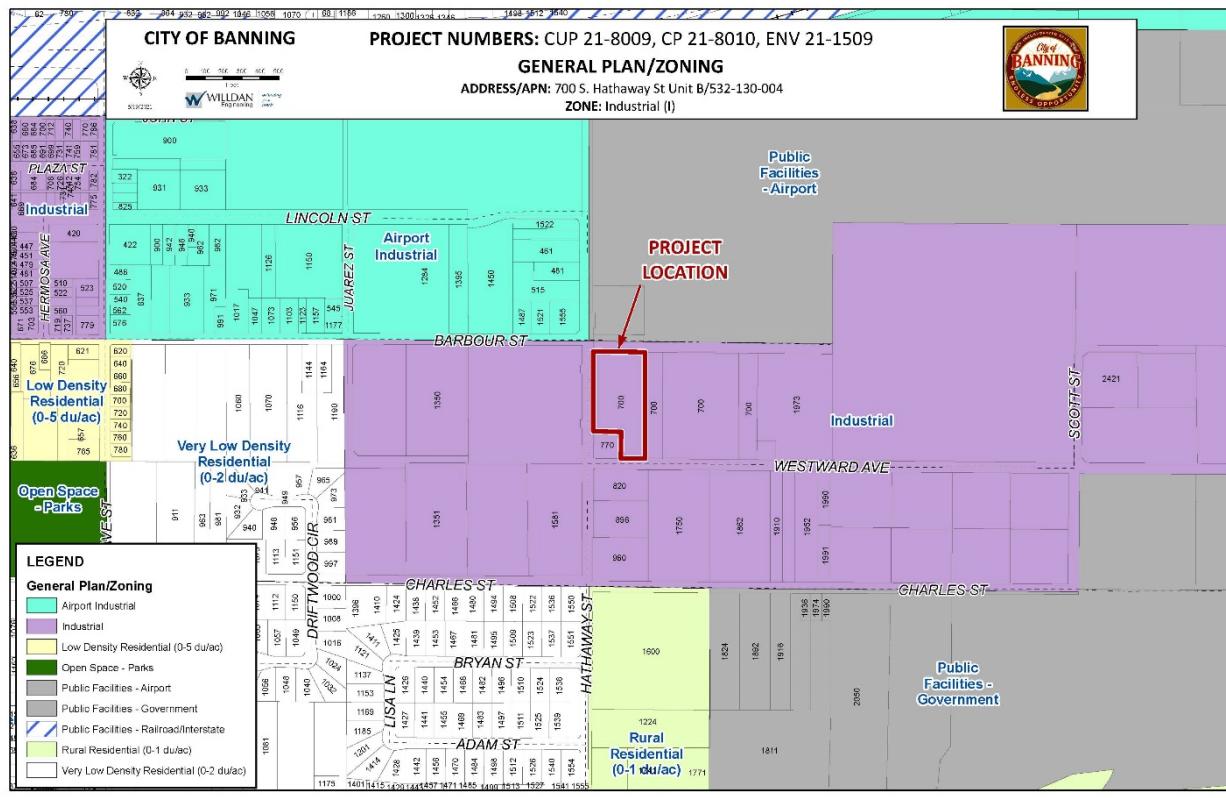
The applicant is requesting approval to allow for the commercial cultivation of cannabis. The applicant proposes tenant improvements to the existing industrial building located at 700 South Hathaway Street, Unit B. This industrial building is approximately 22,295 square feet in floor area and is proposed to accommodate a lobby, office, storage room, security room, break room, grow rooms, dry and trim room, clone room and rest room.

In accordance with Banning Municipal Code (BMC), the applicant proposes a security plan with cameras, guards, and surveillance equipment. There will be adequate security lighting and protocols to minimize potential security threats. Additionally, a two-stage air filtration system will be installed to prevent odors from leaving the premises.

Surrounding Land Use

The site consists of two large industrial buildings that are connected by a common area. Building B is the area proposed for this project which is approximately 22,295 square feet in size. To the north is the Banning Municipal Airport zoned Public Facility-Airport. The property to the west is vacant industrial and the property to the east is developed industrial. To the south is a developed industrial property. The nature of the surrounding uses, zoning classifications, and General Plan land use designations are delineated for City Council consideration in the following Figure and Table.

FIGURE 2



Land Use Summary Table

TABLE 1

	Existing Land Use	Zoning Classification	General Plan Designation
Subject Site	Industrial	(I)	(I)
North	Public Facility-Airport	(PF-A)	(PF-A)
South	Industrial	(I)	(I)
East	Industrial	(I)	(I)
West	Vacant	(I)	(I)

PROJECT ANALYSIS:

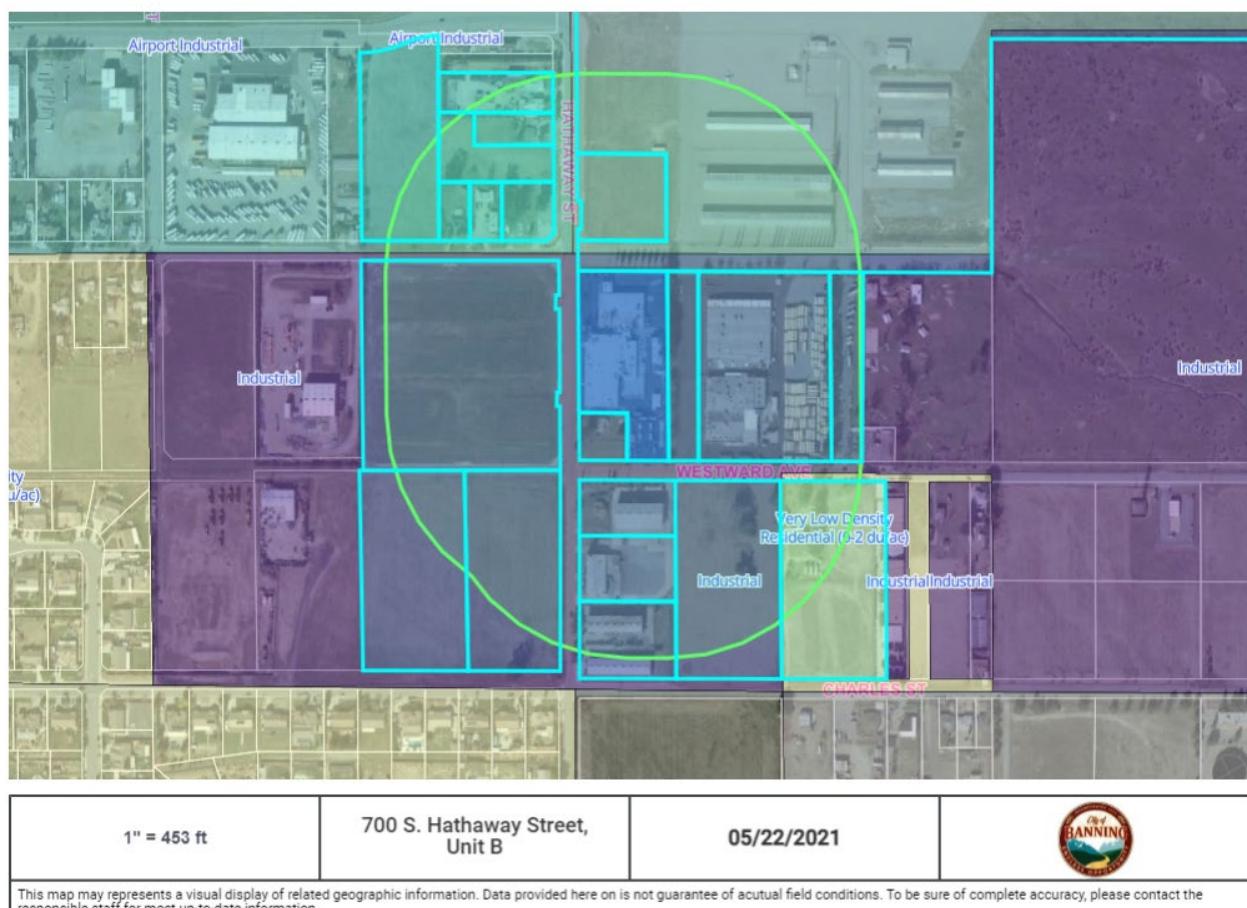
Zoning

Table 17.12.020 (“*Permitted, Conditional and Prohibited Commercial and Industrial Uses*”) of Section 17.12.020 of Chapter 17.12 of Title 17 of the Banning Municipal Code provides that Cannabis Commercial Indoor Cultivation is permitted in the Industrial (I) zoning district, subject to approval of a Cannabis CUP by the City Council, and recommendation by the Planning Commission, and subject to the requirements of Chapters 17.52 and 17.53 of the Zoning Code.

Additional requirements identified in the Code state the cannabis cultivator must be at least 600-feet from any day care center, youth center, public or private school providing instruction in kindergarten or any of grades K-12, or park. The proposed location of the Commercial Cannabis Cultivation facility is compliant with the above-mentioned requirements. For a radius map demonstrating the 600-foot buffer, see Figure 2 below.

FIGURE 3

600 foot Radius Map



Staff believes that approval of the CUP will serve the community by providing a location for the cultivation of cannabis, providing for jobs and tax revenue, and assisting local cannabis retailers with product procurement.

ENVIRONMENTAL DETERMINATION:

California Environmental Quality Act (CEQA)

Planning Division staff has determined that this Project is categorically exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Existing Facilities - Class 1 Categorical Exemption) because the project consists of the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of an existing private structure involving negligible or no expansion of an existing use, including interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances.

Multiple Species Habitat Conservation Plan (MSHCP).

The project is not subject to MSHCP as the project is an existing facility with no expansion of the current structural footprint.

PUBLIC COMMUNICATION:

Proposed Conditional Use Permit 21-8009 was advertised in the Record Gazette newspaper on June 11, 2021. As of the date of this report, staff has not received any written comments on the project.

ATTACHMENTS:

1. City Council Resolution 2021-61
<https://banningca.gov/DocumentCenter/View/8966/Att-1-Resolution-2021-61-CUP-21-8009>
2. Planning Commission Resolution 2021-08
https://banningca.gov/DocumentCenter/View/8997/ATT-2---CUP-20-8009-PC-Resolution-2021-08-with-COAs_202105271937333852
3. Project Plans
<https://banningca.gov/DocumentCenter/View/8998/Att-3-Project-Plans>
4. Public Hearing Notice
https://banningca.gov/DocumentCenter/View/8995/ATT-4---PHN-CUP-21-8009-Cannabis_final
5. Notice of Exemption
https://banningca.gov/DocumentCenter/View/8996/ATT-5--Notice-of-Exemption-CUP-21-8009_202105271754398469

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam Rush, Community Development Director

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-63 approving General Plan Amendment 21-2501 & Zone Change 21-3501 and Ordinance 1574 adopting General Plan Amendment 21-2501 & Zone Change 21-3501, a proposed General Plan Amendment and Zone Change from General Commercial/Medium Density Residential to Industrial for future expansion related to a business, "Pro-Line Racing" located at the southwest corner of Lincoln Street and San Gorgonio Avenue., finding the project will be categorically exempt from the requirements of the California Environmental Quality Act.

RECOMMENDED ACTION:

Staff recommends the City Council adopt Resolution 2021-63, approving General Plan Amendment 21-2501 & Zone Change 21-3501, Ordinance 1574 adopting General Plan Amendment 21-2501 & Zone Change 21-3501, and determine that the Project is exempt under Section 15061(b)(3) (Common Sense Exemption) of the California Environmental Quality Act (CEQA).

PROJECT / APPLICANT INFORMATION:

Project Location	South of Lincoln Street and west of San Gorgonio Avenue
APN Information:	APN(s) 540-250-061, 540-25-008, 540-250-060
Project Applicant:	Jorge Perez 133 W. Peck Street Lake Elsinore, CA 92530
Property Owner:	West Lincoln Properties, LLC Todd Mattson 201 W. Lincoln Street Banning, CA 92222

REQUEST:

The applicant is requesting consideration of a General Plan Amendment and Zone Change to change the zoning and land use designation from General Commercial/Medium Density Residential to Industrial for future expansion related to a business, "Pro-Line Racing" on 7.72 acres of land located at the southwest corner of Lincoln Street and San Gorgonio Avenue.

It is important to note that the General Plan Amendment and Zone Change is not concurrently being requested with a development application at this time, but rather independently for the sole purpose of preparing for Pro-Line Racing's future expansion.

BACKGROUND:

Proline Racing is a long-term business partner, having started their business in Banning over 30 years ago. Proline Racing has an employee roster of 56 staff positions and is growing each quarter, thus the need to expand. As such, this change in the land use and zoning will facilitate a significant investment in our community and add no less than 35 new jobs by allowing the owner the ability to bring work normally outsourced under the roof of this new facility. The types of jobs this expansion will provide will be across all areas of sales, manufacturing, assembly, and tooling.

The subject site is currently zoned for General Commercial and Medium Density Residential which allows for retail/service businesses and multi-family dwelling units that allow for 0-10 dwelling units per acre. The applicant is requesting the designation be changed to Industrial.

Planning Commission Recommendation: On June 2, 2021, the Planning Commission of the City of Banning, held a duly notice public hearing on the proposed General Plan Land Use Map and Zoning Map Amendments (GPA 21-2501, ZC 21-3501) and, following public testimony and the close of the hearing, and adopted Resolution No. 2021-63, by a 4-0 vote, recommending that the City Council of the City of Banning, approve GPA 21-2501 & ZC 21-3501.

The applicant, Jorge Perez, was present to address the Commissioner's questions. No members of the public attended to speak in support or opposition of the project.

ANALYSIS:

General Plan Amendment/Zone Change

Due to the applicant's anticipated future expansion of their business involving the manufacturing, assembly, and tooling of remote-control vehicle racing products, the applicant is requesting to change the General Plan and Zoning designation from General Commercial/Medium-density Residential to Industrial use to allow a more intensification of the property. See Figure 1 & 2.

June 22, 2021

Page 3 of 7

In California, each jurisdiction is allowed four General Plan Amendments per year pursuant to California Government Code Section 65358 (b) which states, "no mandatory element of a general plan shall be amended more frequently than four times during any calendar year. Subject to that limitation, an amendment may be made at any time, as determined by the legislative body. Each amendment may include more than one change to the general plan." This General Plan Amendment/Zone change request represents the first Amendment for the year (2021).

In accordance with Banning Municipal Code Section 17.64.010, "Purpose of General Plan Amendments, (A) The General Plan is the comprehensive long-term plan for the physical development of the City and lays the basic framework for all subsequent planning actions taken by the City. Since the City Council is desirous of proper development within the City and wishes to continue to encourage the development of appropriate projects, it becomes necessary to regulate such development so that it is properly integrated into the City's long-term vision and planning process." As stated above, it is the responsibility of the Planning Commission and City Council to determine whether this project is appropriate, proper and fits within the long term vision of the City. Findings for or against the project can be found in the attached Planning Commission Resolution 2021-63.

FIGURE 1. General Plan Amendment.

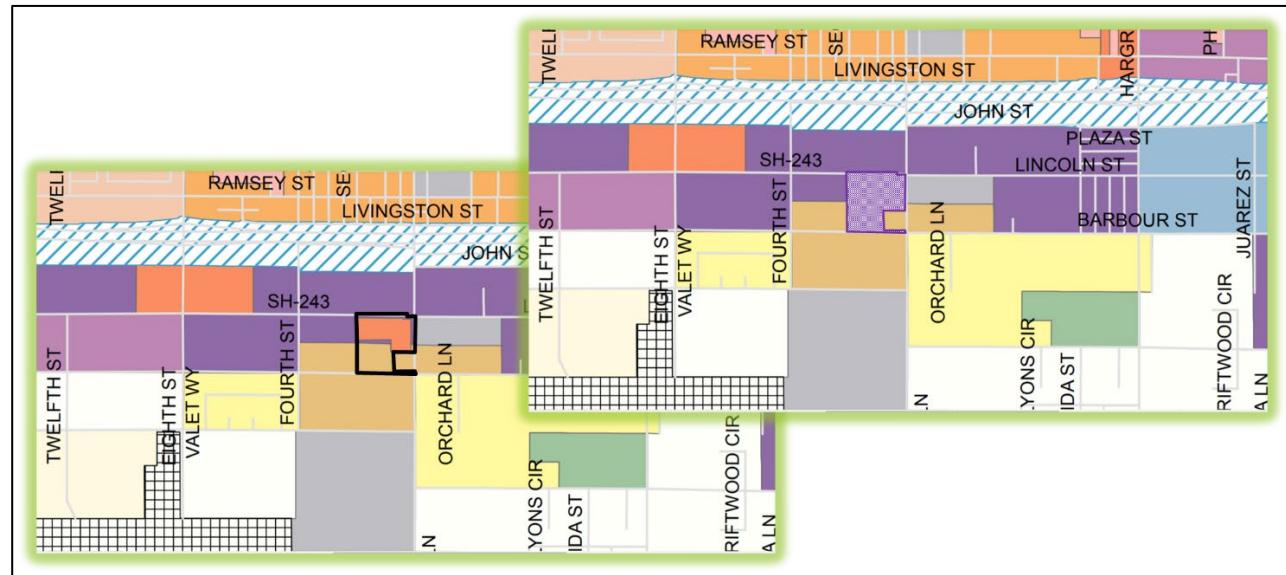
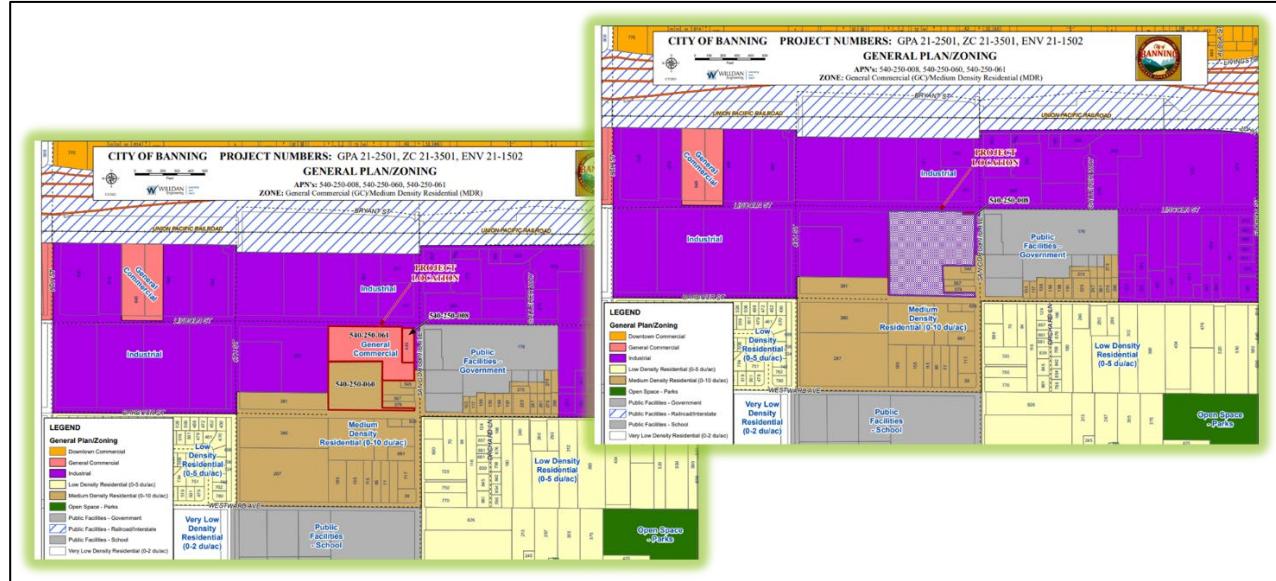


FIGURE 2. Zone Change.

The parcels identified for consideration are referenced below:

TABLE 1

APN	Acres	Zoning
540-250-061	3.75	General Commercial
540-25-008	0.75	General Commercial
540-250-060	3.22	Medium Density Residential

It is important to note that there is no development or ground disturbance proposed with this project. Any future development of any of the identified parcels will require separate approval in accordance with the Banning Municipal Code and environmental analysis pursuant to the California Environmental Quality Act.

The subject property is presently comprised of three (3) separate legal parcels, General Commercial (GC) (APN: 540-250-061 & 540-25-008) and Medium Density Residential (MDR) (APN: 540-250-060). See Figure 3. The total size of the site combined would result in 7.72 acres. The southwest part of this parcel is currently zoned, Medium Density Residential (MDR), and is proposed to be rezoned to, Industrial (I), to be consistent with the remainder of the parcel to be zoned Industrial. The site is surrounded by Industrial to the west, MDR to the south and east, and Industrial to the north (as a result of the zone change request). See Figure 4.

Staff Report: Resolution 2021-63, Ordinance 1574

June 22, 2021

Page 5 of 7

FIGURE 3

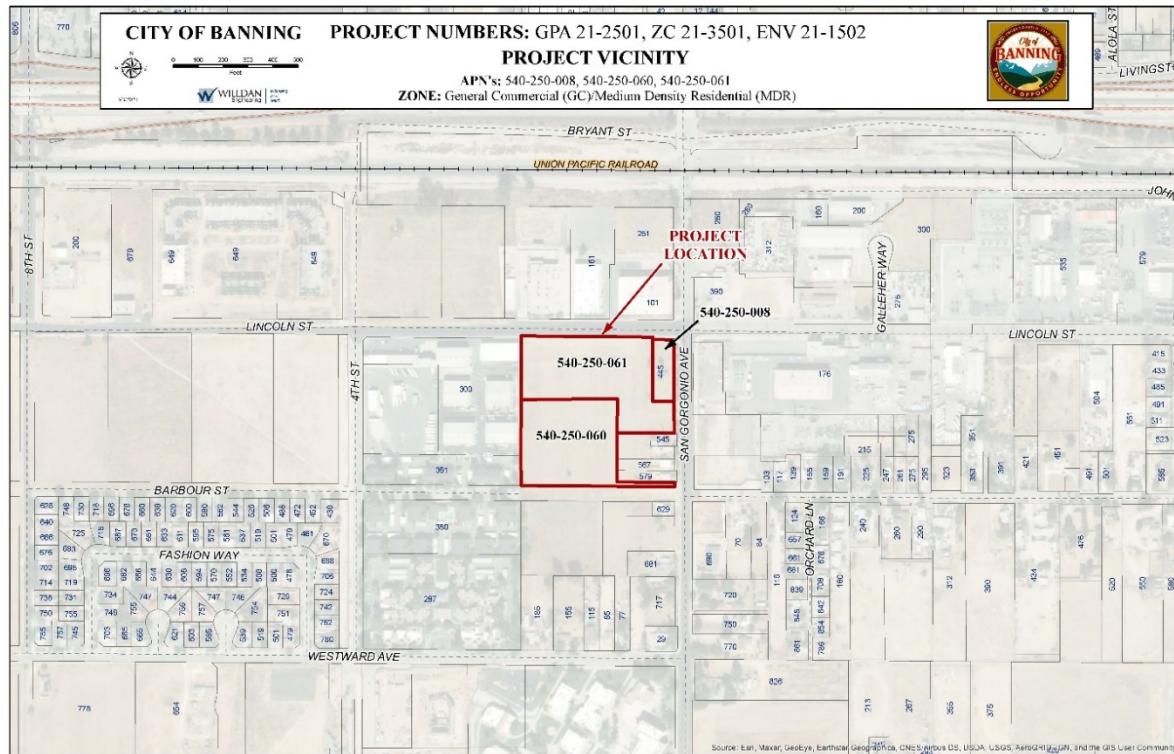
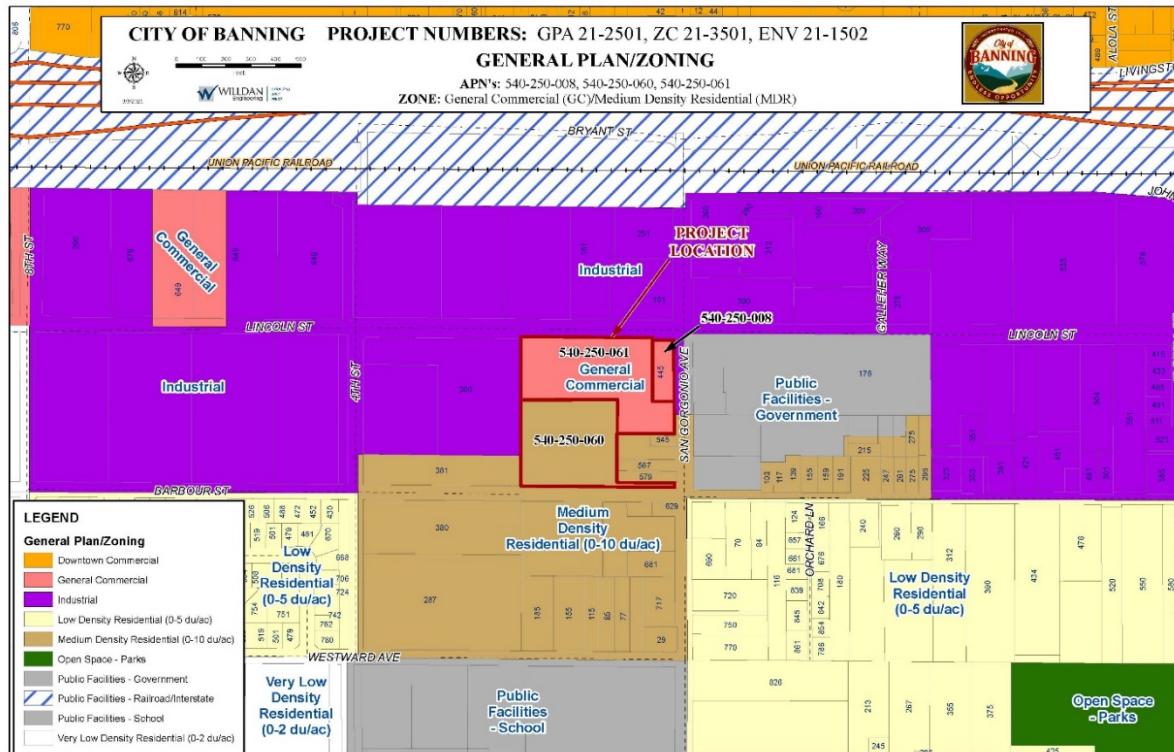


FIGURE 4



ENVIRONMENTAL DETERMINATION:

California Environmental Quality Act (CEQA)

Planning Division staff has determined that this Project is categorically exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption) because it can be seen with certainty that there is no possibility that the proposed General Plan Amendment and Zone Change, re-designating and re-classifying certain real property from General Commercial (GC) and Medium-density Residential (MDR) to Industrial (I), will have a significant effect on the environment.

The proposed General Plan Amendment and Zone Change are administrative processes of the City that will not result in direct or indirect physical changes in the environment because further environmental review, if required under CEQA, will be performed as development applications for the Project sites are submitted to the City.

Multiple Species Habitat Conservation Plan (MSHCP)

The Project is not subject to MSHCP as the Project is an existing facility and no development is proposed at this time.

PUBLIC COMMUNICATION:

Proposed General Plan Amendment No. 21-2501 & Zone Change No. 21-3501 was advertised in the Record Gazette newspaper on June 11, 2021 (Attachment 6). As of the date of this report, staff has not received any written comments on the project.

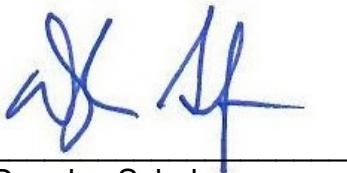
ATTACHMENTS:

1. Resolution 2021-63
<https://banningca.gov/DocumentCenter/View/9004/Att-1-Resolution-2021-63---GPA-21-2501 -ZA-21-3501>
p
2. Ordinance 1574
https://banningca.gov/DocumentCenter/View/9001/Att-2---Ordinance-No1574-ZC-21-2501_Proline-Racing
3. Notice of Exemption (NOE)
https://banningca.gov/DocumentCenter/View/9002/ATT-3---Notice-of-Exemption-CUP-21-8009_202105271754398469
4. Planning Commission Resolution 2021-05
https://banningca.gov/DocumentCenter/View/8999/ATT-4---PC-Reso_GPA-21-2501 -ZA-21-3501 -ENV-21-1502-w-attachments
5. Public Hearing Notice
<https://banningca.gov/DocumentCenter/View/9000/ATT-5---PHN-GPA-21-2501>

June 22, 2021

Page 7 of 7

Approved by:

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

Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam Rush, Community Development Director

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-59, considering a recommendation by the Planning Commission to approve Tentative Tract Map 37389, a proposal to subdivide approximately 152.47 gross acres of vacant land for the purposes of creating 616 single-family residential lots, 3 park lots with PA 28 being an optional well or park lot, 30 open space lettered lots, private common driveway and public streets, all within the Butterfield Specific Plan, Phase 2A and, make a determination that no further environmental review is required pursuant to CEQA Guidelines Section 15162

COUNCIL RECOMMENDED ACTION:

- The City Council adopt Resolution 2021-59, approving Tentative Tract Map 37389 to subdivide approximately 152.47 gross acres of land for single family, open space, and public streets, subject to the conditions of approval.
- Find that in accordance with CEQA Guidelines Section 15162, Subsequent EIRs and Negative Declarations, a subsequent environmental document is not required, and a Notice of Determination shall be filed.

APPLICANT INFORMATION:

Project Applicant: Tri Pointe Homes
1250 Corona Pointe Court, #600
Corona, CA 92879

Property Owner: Tri Pointe Homes
1250 Corona Pointe Court, #600
Corona, CA 92879

Project Location: North of Wilson Street, east of Highland Springs Avenue, generally in the southwesterly portions of the Butterfield Specific Plan.

APN Information: 408-120-006, 408-120-019, 408-120-024 and portions of 408-120-018 and 408-120-020

REQUEST:

Tentative Tract Map 37389 would subdivide approximately 152.47 gross acres of vacant land into 616 single-family lots, 3 park lots with one PA 28 having the option of being a well or park lot, 30 open space lots, common driveways and public streets. The Project site is located north of Wilson Street and east of Highland Springs Road within the Butterfield Specific Plan area; see Figures 1 and 2 for the overall Butterfield Specific Plan area, and a colored site plan of Tentative Tract Map 37389. The proposed Tentative Tract Map is attached to this report.

Figure 1: Butterfield Specific Plan

BACKGROUND:

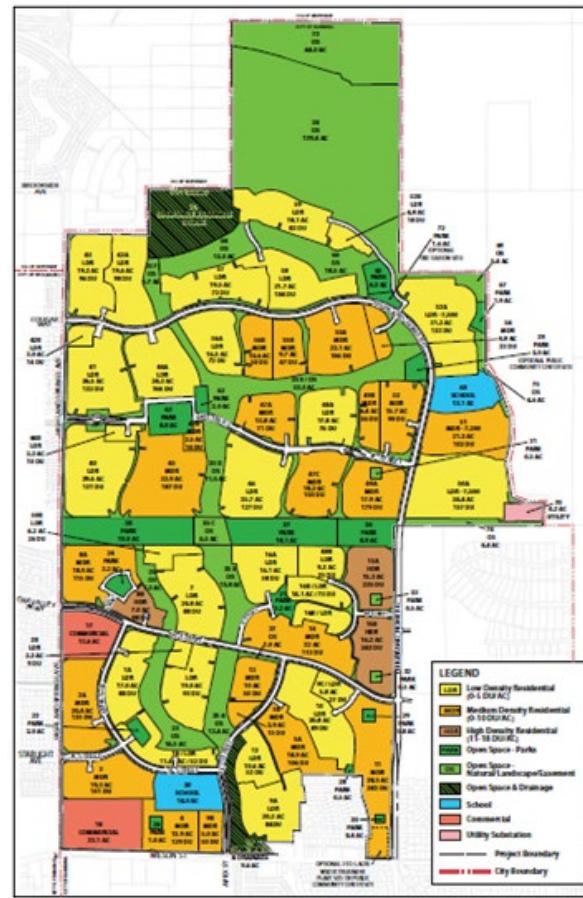
The Butterfield Specific Plan, General Plan and Zoning Map Amendments, Development Agreement, and accompanying Environmental Impact Report were originally approved by the City Council in March of 2012. Subsequent litigation and a settlement agreement resulted in a request by the applicant for approval of a General Plan Amendment related to Highland Home Road as well as certain minor modifications to the Specific Plan. These applications were reviewed by the Planning Commission in January 2017 and were reviewed and approved by the City Council in February 2017.

In May of 2017, the Planning Commission reviewed and recommended approval of Tentative Maps for the Butterfield project for financing and conveyance purposes. The City Council subsequently approved these maps at their June 27, 2017, meeting.

ANALYSIS:

The overall Butterfield Specific Plan project site is approximately 1,528 acres and is located in the northwestern corner of the City of Banning (see Figure 1). Tentative Tract Map 37389 is located generally within the southeasterly area of the Specific Plan.

The proposed Tentative Tract Map includes multiple Planning Areas within the Butterfield Specific Plan. The tentative tract map will create 616 single-family residential lots totaling 80.46-acres; 47 public streets totaling 41.95-acres; 30 Open Space lots totaling 22.52-acres; two parks totaling 2.65-acres; one potential well site totaling 2.01-acres, and private common drives totaling 7.61-acres. See the Planning Area Summary and Tentative Tract Map Chart.



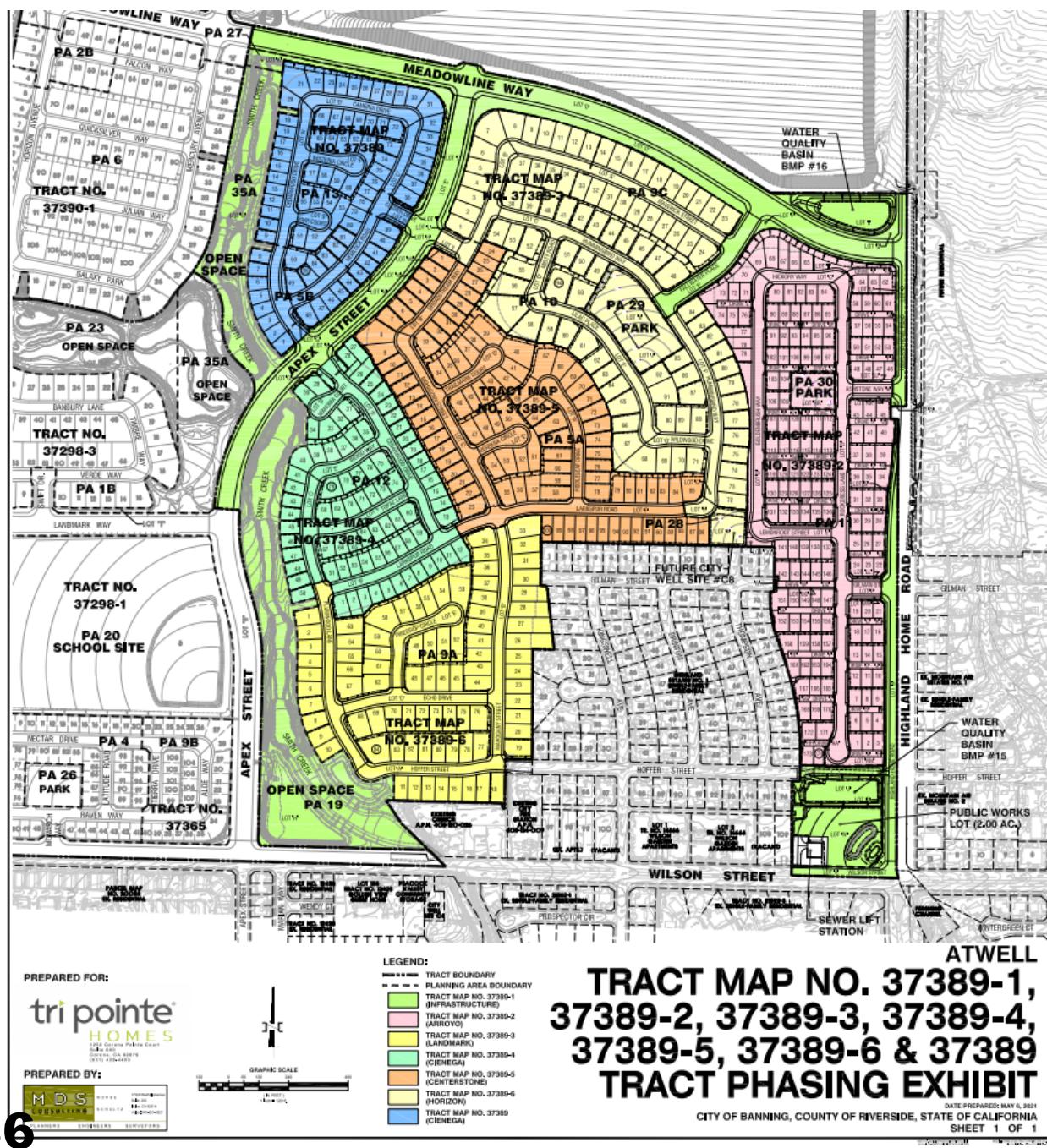
Staff Report: Resolution 2021-59: Tentative Tract Map 37389

June 22, 2021

Page 3 of 7

TENTATIVE TRACT NO. 37389	
NUMBER OF LOTS: TOTAL	701
SINGLE FAMILY RESIDENTIAL	616
WELL SITE (OPTIONAL PARK)	1
PARKS	2
OPEN SPACE	30
PUBLIC USE	1
LOCAL STREETS	47
MODIFIED COLLECTOR STREETS	2
MODIFIED MAJOR HIGHWAY	2
GROSS ACREAGE: 152.47 AC	
CONTROL INTERVAL: 1 FOOT	
DATE: MAY 11, 2021	

Figure 2: TTM 37389 Phasing Exhibit



PLANNING AREA SUMMARY

PROPOSED TENTATIVE TRACT NO. 37389											
PLANNING AREA (No.)	LAND USE (TYPE)	GROSS AREA (ACRE)	NUMBER LOTS (DU)	GROSS DENSITY (DU/AC)	RESIDENTIAL AREA (ACRE)	STREET AREA (ACRE)	LOT SIZE (MIN)	PAD SIZE (MIN)	LOT AREA MIN (SQ. FT.)	LOT AREA MAX (SQ. FT.)	LOT AREA AVG (SQ. FT.)
5A	MDR	19.44	100	5.1	14.75	4.69	45' x 100'	45' x 100'	4,500	13,699	6,294
5B	MDR	2.83	18	6.4	2.01	0.82	47' X 75'	47' X 75'	3,525	8,277	4,873
9A	LDR	18.70	84	4.5	14.13	4.57	55' x 100'	55' x 100'	5,500	14,347	7,330
9C	LDR	5.47	27	4.9	4.68	0.79	60' x 100'	60' x 100'	6,000	15,424	7,330
10	LDR	18.00	67	3.7	13.02	4.98	60' x 100'	60' x 100'	6,000	20,903	8,463
12	MDR	12.32	79	6.4	8.53	3.79	47' X 75'	47' X 75'	3,525	6,977	4,705
13	MDR	10.34	67	6.5	7.38	2.96	47' X 75'	47' X 75'	3,525	12,238	4,634
11	MDR	27.97	174	6.2	15.94	7.61	40' X 74'	40' X 74'	2,960	9,491	3,990
19	OS	9.94									
27	OS	0.84									
28	WELL SITE (OPTIONAL PARK)	0.51									
29	PARK	2.01									
30	PARK	0.64									
35A*	OS	10.00									

NOTE:

* PORTION OF PLANNING AREA WITHIN TTM NO. 37389.
SEE NOTE 35 IN GENERAL INFORMATION ON SHT. 2.

** PA 11 STREET AREA INCLUDES COMMON DRIVES

LEGEND

LDR	LOW DENSITY RESIDENTIAL
MDR	MEDIUM DENSITY RESIDENTIAL
OS	OPEN SPACE
PARK	PARK - RECREATION

Adjustment of residential planning boundaries of 20% or less can be approved by the Community Development Director as substantially conforming to the Specific Plan, and revisions to the number of dwelling units within a PA can be approved as substantially conforming to the Specific Plan as long as the total number of units for the Specific Plan area does not exceed the maximum number of approved Specific Plan units nor the maximum density allowed in a Planning Area.

Grading:

Pad elevations provided for some residential lots indicate that there may be elevation differentials between residential lots of approximately two to three feet. The applicant has noted that the lot lines will be at top of slope where this condition occurs, that the elevation difference will be addressed via a 2:1 slope bank in the rear yard of the lower lot, and that the slope bank will occur outside of required rear yard setbacks to ensure usable yard area for the residence.

Future City Approvals:

Grading permits may be issued by the City's Engineering Department after approval of the Tentative Tract Map.

Planning Department approval of Design Review applications for building architecture and related site improvements (e.g., landscaping, walls) will be required, if different from the currently approved architecture, prior to construction of structures and/or other improvements associated with the residential development.

Open Space Lettered Lots

Open space lots A, B, and C total 15.6-acres and will provide a landscaped buffer along Apex Street. Proposed open space lots A, B, and C are anticipated to be maintained by an established Homeowner's Association (HOA).

Future City Approvals

Permits for grading may be issued after approval of the Tentative Tract Map.

Parks and Recreation Commission approval of Design Review applications for the design of open space improvements (e.g., structures, planting/landscaping, and any other proposed improvements) will be required prior to development of the open space areas.

Streets/Circulation System

Proposed public streets within the subdivision are consistent with sections provided in the Butterfield Specific Plan. Residential streets proposed will be 36' wide from curb to curb, consistent with the approved Specific Plan and allowing for on-street parking.

Proposed entry streets to residential neighborhoods will include medians. Cluster Home development (PA 11) will provide private common driveways that are maintained by the Homeowners Association.

Utilities

Electrical service will be provided by the City of Banning; Electric Utility and has provided conditions of approval that have been incorporated into the draft project conditions. Permanent City of Banning electrical utilities will be underground except for temporary overhead electrical lines and pad-mount equipment such as transformers and switchgear.

Water and wastewater services will be provided by the City of Banning.

ENVIRONMENTAL DETERMINATION:

California Environmental Quality Act (CEQA)

Potential environment issues associated with the proposed Tentative Tract Map were analyzed in the previously certified Environmental Impact Report for the Butterfield Specific Plan project (SCH 2007091149) as modified by the Addendum approved by the City Council on February 14, 2017, which documents are on file in the Community Development Department. There have been no substantial changes in the project nor in the circumstances under which the project is undertaken which will require major revisions of the previous environmental document; nor is there new information that shows that the project will have a significant environmental effect or an effect more severe than originally thought. Therefore, in accordance with CEQA Guidelines Section 15162, Subsequent EIRs and Negative Declarations, a subsequent environmental document is not required, and a Notice of Exemption will be filed.

The project will be conditioned to comply with the conditions of the approved Mitigation Monitoring and Reporting Program (MMRP).

Multiple Species Habitat Conservation Plan (MSHCP)

The Project EIR's mitigation measures, including submittal of a Determination of Biologically Equivalent of Superior Preservation (DBESP), ensure consistency with the Western Riverside County MSHCP. These mitigation measures will be incorporated into all development approvals as required by the project MMRP to ensure consistency with the MSHCP.

SUBDIVISION MAP ACT FINDINGS

An application for a Tentative Tract Map requires that it meet specific findings in accordance with Title 16 (Subdivisions) of the Banning Municipal Code and Government Code Sections 66473.1, 66473.5 and 66474. A tentative map must adequately meet the provisions of Title 16 and the Subdivision Map Act:

Findings for approval have been made and can be found in attached Resolution 2021-59.

PUBLIC COMMUNICATION

Tentative Tract Map 37389 was advertised in the Record Gazette newspaper on June 11, 2021 (Attachment 5). Additionally, the notice was mailed to all property owners within 300 feet of the Project. Two letters were received prior to the Planning Commission meeting of June 2, 2021 and several people expressed concerns during the meeting. After hearing testimony and reviewing the letters, the Planning Commission recommended the City Council approve Tentative Tract Map 37389.

ATTACHMENTS:

1. Resolution 2021-59
<https://banningca.gov/DocumentCenter/View/9010/Att-1-Resolution-2021-59-TTM-37389>
2. Planning Commission Resolution 2021-06
<https://banningca.gov/DocumentCenter/View/9008/ATT-2---TTM-37389-PC-Resolution-2021-06-with-COAs>
3. Tentative Tract Map 37389
https://banningca.gov/DocumentCenter/View/9009/ATT-3---2021-0511-89408-37389-TTM-Sub4_202105271929494642
4. Butterfield Specific Plan, Land Use Plan
<https://banningca.gov/DocumentCenter/View/9005/ATT-4---BUTTERFIELD-SPECIFIC-PLAN-LAND-USE-PLAN-2017>
5. Public Hearing Notice
https://banningca.gov/DocumentCenter/View/9006/ATT-5---PHN-TTM-37389_final
6. Notice of Determination
https://banningca.gov/DocumentCenter/View/9007/ATT-6---DR-21-7007_NOE_202105271916408896

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Doug Schulze, City Manager

PREPARED BY: Ralph Wright, Parks and Recreation Director

MEETING DATE: June 22, 2021

SUBJECT: Resolution 2021-56, Approving the Memorandum of Understanding" (MOU) between the City of Banning and the Stagecoach Days Association

RECOMMENDATION:

That City Council adopt Resolution 2021-56, approving a renewed MOU between the City and the Stagecoach Days Association, defining the roles of both parties relative to the production the annual "Banning Stagecoach Days" event.

SUMMARY:

Since 2010, the City of Banning and the Stagecoach Days Association have collaborated to produce the annual event known as Banning Stagecoach Days. In July of 2018, the City Council adopted Resolution 2018-99 approving an MOU between the City of Banning and Stagecoach Days Association that is set to expire this July. The original MOU defined the roles and expectations of both the City and the associated level of support with regard to in-kind services as well as direct financial support for one of Banning's Signature Event and the expectations of the content of the event staged by Stagecoach Days Association. The City supported the event with both in-kind services and direct financial support in the first two years of the MOU. Due to the COVID-19 Pandemic, the event was canceled in 2020.

The proposed MOU's main content items:

- **City's level of support** (Dependent on sufficiency of annual appropriations properly budgeted and available for such purposes)
 - In-kind services – Police, Public Works, Parks and Recreation support – Not to exceed \$10,000
 - Direct Sponsorship - \$12,500
 - Bleacher Rental for the event – Not to exceed \$18,000
 - City provided event insurance

- **Expected content of the event:**

- The ASSOCIATION will organize, promote, and conduct the annual, three-day Stagecoach Days event and the annual Stagecoach Days Parade.
- The three-day event, depending upon budget, will consist of a minimum of two (2) Professional Rodeo Cowboy Association (PRCA) Pro Rodeo events, multiple food, souvenir, and craft vendors, live music performances, and either a carnival or a “Kid’s Zone” with mutually agreed upon activities and attractions that are geared towards family entertainment.

- **Term:**

The term of the MOU is for three years with an option to renew for two additional years. The term will allow for the MOU to align with the City’s two-year budget cycle.

BACKGROUND:

For over 60 years Stagecoach Days has been an annual citywide celebration of Banning’s history as a stagecoach stop on the Colorado Stage and Express Line and has become a signature event for the city. The Stagecoach Days Celebration serves as a community building tool by hosting activities that bring citizens together. Additionally, the event is also an economic driver, bringing people into town to shop in our stores, dine in our restaurants, use our hotels for lodging, and get fuel at our gas stations.

Throughout the years the event has been produced by different groups, such as the Banning Chamber of Commerce, the A.C. Dysart Park Association, City staff, and since 2010 the Stagecoach Days Association. The previously mentioned groups were only able to put the event on with the help of committed volunteers, a substantial volunteer workforce, and financial and in-kind contributions. Through the ongoing efforts of the Stagecoach Days Association for the past ten years, our city’s signature event continues to grow and attracts more visitors each year.

OPTIONS:

1. Adopt Resolution 2021-56, approving the Memorandum of Understanding between the City of Banning and the Stagecoach Days Association
2. Reject Resolution 2021-56 and provide further direction to staff on what the Council’s desire is in regard to an agreement with the Stagecoach Days Association relative to the production of the annual Stagecoach Days event.

ATTACHMENTS:

1. Resolution 2021-56

<https://banningca.gov/DocumentCenter/View/8983/Att-1-Resolution-2021-56-Stagecoach-Days-MOU>

2. Draft MOU

<https://banningca.gov/DocumentCenter/View/8984/Att-2-Resolution-2021-56-Stagecoach-Days-MOU>

3. Request Letter – Stagecoach Days Association

<https://banningca.gov/DocumentCenter/View/8981/Att-3-Request-Letter---Stagecoach-Days-Association>

4. Resolution 2018-99 and Original MOU

https://banningca.gov/DocumentCenter/View/8982/Att-4-Resolution-2019-99_Original-MOU

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING STAFF REPORT

TO: **BANNING UTILITY AUTHORITY**

FROM: **Douglas Schulze, City Manager**

PREPARED BY: **Art Vela, Director of Public Works**

MEETING DATE: **June 22, 2021**

SUBJECT: **Resolution 2021-06 UA, Approving a Professional Services Agreement in the Amount of \$99,890 with Black & Veatch Management Consulting, LLC for the Preparation of a Water, Recycled Water and Wastewater Rate Study**

RECOMMENDATION:

Staff recommends that the Banning Utility Authority adopt Resolution 2021-06 UA:

1. Approving a Professional Services Agreement with Black & Veatch Management Consulting, LLC ("Black & Veatch") in the amount of \$99,890 for the preparation of a Water, Wastewater and Recycled Water Rate Study.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement with Black & Veatch.
3. Authorizing the City Manager to execute the Professional Services Agreement with Black & Veatch.

BACKGROUND:

In October 2013 the Banning Utility Authority awarded a Professional Services Agreement to Willdan Financial Services ("Willdan") for the development of a Water, Wastewater and Reclaimed Water Rate Study ("Rate Study"). The Rate Study was put on hold for several years due to changing water quality regulations (i.e. Chromium-6) that were expected to drastically increase operating expenditures for the City's water operations.

On August 22, 2017, Willdan presented to City Council the results of the Rate Study including proposed rates based on operating costs and the City's approved capital improvement plan. Willdan, based on their analysis, recommended water rate increases of 19%, 18%, 18%, 5% and 3% over five years. At the time, new regulations related to Chromium-6 were successfully challenged and therefore the recommended rate increase did not include expenses related to it. Willdan also recommended wastewater rate increases of 26%, 26% and 5% over a three-year period with no increases the last two

years. At that same meeting, City Council gave direction for staff to work with the Budget and Finance Committee to identify what options were available to allow for a lesser rate increase.

As a result, City Council approved reduced rate increases for both water and wastewater rates of 3% annually for a five-year period. As a result, approximately 92% of water related capital improvement projects and approximately 98% of wastewater related capital improvements projects were defunded. The annual 3% rate increase were approved in June 2018. Prior to the rate increases in 2018, rates were adjusted in 2003 and 2010. A similar, but not as drastic, decrease in the recommended rate increases occurred in 2010.

Unfortunately, the 2018 approved rate increase deferred most of the City's water and wastewater infrastructure maintenance and replacement projects. The need for the projects still exists and it is evident in the cost of construction (i.e., labor and material) that the longer the projects are deferred the more expensive they become. Additionally, aging infrastructure is inefficient, unreliable and requires more resources (i.e., staffing and funding) to maintain.

It is staff's opinion that it has become necessary to evaluate the need for additional rate increases by studying the existing rate structure, service levels, regulatory demands, staffing levels, capital requirements and bond covenant requirements. In order to accomplish this task, staff prepared a Request for Proposal ("RFP") for the preparation of a Water, Recycled Water and Wastewater Rate Study.

On March 18, 2021, Public Works and Purchasing staff advertised a RFP on the City's electronic bidding system ProcureNow as well as directly solicited to firms with known experience in the development of rate studies. Additionally, email notifications were sent out to all vendors by ProcureNow. In response to these efforts, on April 13, 2021, the City received five (5) proposals.

The proposals were evaluated by an evaluation committee who scored the proposals based on qualifications, pricing, experience, professional references, and approach/methodology. The final rankings and scores are as follows:

<u>Firm</u>	<u>Score</u>
1) Black & Veatch	72.92
2) NBS	65.92
3) Lechowicz and Tseng	64.00
4) IB Consulting, LLC	56.67
5) AARC Consultants, LLC	54.83

Based on the results of the evaluations it is determined that Black & Veatch is the most qualified firm for this project. Black & Veatch submitted a price proposal to complete the required scope of work in the amount of \$99,890. The pricing proposals submitted ranged from \$59,910 to \$134,480, with an average cost of \$98,637.

The scope of work includes a thorough review of the City's fiscal policies to ensure that current policies are maintained, including: reserve levels, capital/system replacement funding and debt service coverage targets; development of financial plans for the water, non-potable/recycled water and wastewater enterprises to ensure financial sufficiency; meet operations and maintenance costs; ensure sufficient funding of City financial reserves, and fund capital repair and replacement; analysis of future annual non-capital costs associated with the operation, maintenance and administration of the utility systems; accounting for potential impacts related to the upcoming Chromium-6 regulation; analysis of the impact of recycled/non-potable water supplies from well and water reclamation facilities on potable water consumption and revenues; development of a fire line rate; and development of different scenarios for spreading a rate adjustment over multiple years (maximum of 5 years). The scope also includes participation in multiple public workshops and meetings. The full scope of work can be found in the attached RFP.

JUSTIFICATION:

An in-depth review of the City's revenues related to water, wastewater and future recycled water operations is critical in ensuring that the City can provide high quality and reliable service to the City while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. Revenues must also maintain the City's targeted reserve levels, debt service coverage requirement and ensure resources are available to meet regulatory demands.

Black & Veatch, who submitted the highest scored proposal, is well known in the industry and has impressive experience and a proven track record with rate setting projects.

FISCAL IMPACT:

Funding is currently available in the Water and Wastewater Operation Funds, and which will be committed as follows:

Water Fund Account 660-6300-471.33-11:	\$65,000
Wastewater Fund Account 680-8000-454.33-11:	<u>\$34,890</u>
	\$99,890

ALTERNATIVE:

Reject staff's recommendation to approve Resolution 2021-06 UA and provide alternative direction. It's noted that without appropriate utility rates, justified by an in-depth rate study, services provided may become less reliable, can make it difficult to comply with regulations, can make it challenging to borrow money to construct major infrastructure (i.e., chromium-6 treatment facilities and wastewater treatment plant upgrades) and could jeopardize existing bond debt coverage requirements.

ATTACHMENTS:

1. Resolution 2021-06 UA
<https://banningca.gov/DocumentCenter/View/9018/Attachment-1---Resolution-2021-06-UA>
2. Request for Proposals 21-007
<https://banningca.gov/DocumentCenter/View/9019/Attachment-2-RFP-Water-Recycled-Water-and-Wastewater-Rate-Study>
3. Black & Veatch Proposal
<https://banningca.gov/DocumentCenter/View/9015/Attachment-3---Proposal>
4. Black & Veatch Pricing Proposal
https://banningca.gov/DocumentCenter/View/9016/Attachment-4-Black-Veatch-Price_Proposal-3
5. Draft Agreement
<https://banningca.gov/DocumentCenter/View/9017/Attachment-5-C00705-BLACK-AND-VEATCH-MANAGEMENT-CONSULTING-LLC>

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL
FROM: Douglas Schulze, City Manager
MEETING DATE: June 22, 2021
SUBJECT: Smith Creek Park Master Plan Update

RECOMMENDED ACTION:

That the City Council make a motion to direct the Parks and Recreation Commission to consider updating the Smith Creek Park Master Plan to include removal of the proposed golf course.

BACKGROUND:

Recently, two different proposals for development of Smith Creek Park have been discussed with City staff. The current Master Plan for Smith Creek Park includes a golf course that is unlikely to be built due to lack of funding and financial difficulties that many golf courses experience. The Master Plan for Smith Creek Park is roughly 40 years old, and it is outdated.

A recent proposal for the City-owned property includes development of a drag racing strip, oval track and off-road track. With the success of drag races at Banning Municipal Airport, it is possible for the City to generate significant revenue from racing events at Smith Creek Park. In addition, the property could also be used for large outdoor concerts and events. Potential funding for construction of the drag strip has been discussed with donors who are interested in drag racing.

California has lost most drag racing tracks due to noise complaints from residential developments built near existing tracks. Complaints have forced closure of the venues. Smith Creek Park is located in an area primarily zoned for industrial uses.

JUSTIFICATION:

The Smith Creek Park Master Plan is outdated and should be updated to reflect current community interests and desires. A Master Plan is necessary to guide future development and to qualify for grant funding.

FISCAL IMPACT:

The Master Plan can be updated with minimal cost if it is completed in-house. Depending on the required updates, professional services might be required. A budget adjustment would be required prior to retaining a consultant.

OPTIONS:

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

ATTACHMENT:

1. Smith Creek Park Master Plan Diagram

<https://banningca.gov/DocumentCenter/View/9039/Master-Plan-Diagram>

Approved by:



Douglas Schulze

City Manager