



## **AGENDA**

### **REGULAR MEETING OF THE BANNING CITY COUNCIL**

### **CITY OF BANNING, CALIFORNIA**

**December 13, 2022**

**5:00 p.m.**

**In Chambers and via Zoom**

Council Chambers  
99 E. Ramsey Street  
Banning, CA 92220

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

***This meeting is being held via Zoom so that members of the public may observe and participate in this meeting electronically. If you participate in this meeting via Zoom, you are agreeing to abide by the City's Zoom Community Standards for Public Meetings (provided in full on the last page of the agenda). Esta reunión se lleva a cabo en la Cámara y a través de Video/Teleconferencia en Zoom para que los miembros del público puedan observar y participar en esta reunión de manera electrónica. Si elige participar en esta reunión a través de Zoom, acepta cumplir con los Estándares comunitarios de Zoom para reuniones públicas de la ciudad (que se proporcionan en su totalidad en la última página de la agenda).***

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*Per City Council Resolution 2016-44, matters taken up by the Council before 10 p.m. may be concluded, but no new matters shall be taken up except upon a unanimous vote of the council members present and voting. Such an 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 Dave Kieffer of Our Savior's Lutheran Church*
- 1.2. Pledge of Allegiance
- 1.3. Roll Call

#### **2. CERTIFICATION OF ELECTION RESULTS**

- 2.1. Consideration of Resolution 2022-158, Reciting the Facts of the Consolidated General Election Held in the City of Banning on November 8, 2022..... **10**

**Recommendation:** Staff respectfully recommends that the City Council adopt Resolution 2022-158, reciting the facts of the Consolidated General Election held in the City of Banning on November 8, 2022.

### **3. SPECIAL PRESENTATIONS**

- 3.1. Swearing In Elected Council Members
- Council Member Reuben Gonzales (District 4)
  - Council Member Colleen Wallace (District 5)

- 3.2. Recognition of Council Member Happe

### **4. REORGANIZATION OF CITY COUNCIL**

- 4.1. Annual City Council Reorganization..... **12**

**Recommendation:** Staff respectfully recommend City Council appoint one of its members as Mayor and a second as Mayor Pro Tem to serve for a period of one year.

### **5. AGENDA APPROVAL**

- 5.1. Approve Agenda

### **6. PRESENTATION(S)**

- 6.1. U.S. Representative Ruiz Recognition of Banning Police Department Officers
- 6.2. Banning Beautification Award for December 2022 – Farmer’s Fresh Burgers..... **14**

### **7. CLOSED SESSION**

#### **7.1. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6

Agency Designated Representatives: Doug Schulze, City Manager; Art Vela, Director of Public Works; Thomas Miller, Electric Utility Director; Lincoln Bogard, Finance Director; Nicole Jews, Human Resources Manager; Shelline Bennett of Liebert Cassidy Whitmore (City Counsel)

Employee Organization: International Brotherhood of Electrical Workers (IBEW) General Unit; Teamsters

#### **7.2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Government Code Section 54956.9

Name of Case: Pass Action Group v. City of Banning, et al.

Case No. CVRI2201482

## **8. REPORT ON CLOSED SESSION**

### 8.1. City Attorney

## **9. PUBLIC COMMENTS, CORRESPONDENCE, APPOINTMENTS, CITY COUNCIL COMMITTEE REPORTS, CITY MANAGER REPORT, AND CITY ATTORNEY REPORT**

### 9.1. PUBLIC COMMENTS – *Non-Agenda Items Only*

*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.** ~ Se aplicará una limitación de tres (3) minutos a cada miembro del público que desee dirigirse al Alcalde y al Concejo sobre un asunto que no esté en la agenda. A ningún miembro del público se le permitirá compartir su tiempo con ningún otro miembro del público. Por lo general, cualquier artículo recibido bajo este encabezado se envía al personal para su estudio, investigación, finalización y / o acción futura del Consejo en el futuro (consulte el artículo 10). **POR FAVOR INDIQUE SU NOMBRE PARA EL REGISTRO.***

### 9.2. CORRESPONDENCE

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

### 9.3. APPOINTMENTS

None

### 9.4. CITY COUNCIL COMMITTEE REPORTS

*This category is for reports on meetings attended on behalf of the City Council at public expense (for example: meetings related to City Council committee assignments).*

### 9.5. CITY MANAGER REPORT

### 9.6. CITY ATTORNEY REPORT

### 9.7. CITY TREASURER REPORT

## **10. 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 to 6.14.**

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

- |   |    |
|---|----|
| 10.1. Minutes of the November 8, 2022 City Council Meetings.....  | 15 |
| 10.2. Approval and Ratification of Accounts Payable and Payroll Warrants Issued in the Month of October 2022..... | 16 |

10.3. Receive and File Cash, Investments and Reserve Report for the Month of October 2022.....	<b>18</b>
10.4. Receive and File Police Department Statistics for the Month of October 2022.....	<b>20</b>
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10.8. Second Reading and Consideration of Ordinance 1587 Amending Chapters 13.08.040 and 13.08.050 of the Banning Municipal Code Adopting New Water and Wastewater Rate Schedules and Directing Staff to File a Notice of Exemption from the California Environmental Quality Act.....	<b>27</b>
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10.11. Discussion and Consideration of Resolution 2022-157, Approving the Termination of Electric Tariff EV-1 and the Modification of Electric Tariff ED-1 .....	<b>38</b>
10.12. Consideration of Resolution 2022-159, Approving the Purchase of a Replacement Part for the Automated Weather Observing System at Banning Municipal Airport in the amount of \$15,500.....	<b>40</b>
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10.16. Consideration of Approval for Purchase of Twelve (12) Vehicles from McCracken Automotive LLC dba Brennan Motor Company.....	<b>49</b>
10.17. Consideration of Resolution 2022-163, Accepting a Donation for the Banning Senior Center from the Sun Lakes Country Club Charitable Trust in the Amount of \$2,000.....	<b>51</b>
10.18. Consideration of Resolution 2022-165, Approving Amendment No. 2 to the Agreement (C00689) for Property Tax Management, Audit and Information Services with HdL Coren & Cone through December 31, 2024 for a Not-To-Exceed Amount of \$61,200.....	<b>53</b>

- 10.19. Consideration of Resolution 2022-166, Approving a Professional Services Agreement with HdL Companies for Cannabis Revenue Audit Services.....**55**
- 10.20. Consideration of Resolution 2022-170 and Resolution 2022-15UA, Approving the Purchase of a Backhoe/Loader for the Water Division of the Public Works Department and a Backhoe/Loader for the Electric Utility..... **57**
- 10.21. Consideration of Amendment 2 to the Professional Services Agreement with STV Incorporated Extending the Term Through December 22, 2023 and Increasing the Total Compensation by \$7,500..... **60**
- 10.22. Consideration of Amendment No. 1 to the Purchase Order with Center Electric for Electrical Services for the Water/Wastewater Divisions in the Amount of \$20,000 for a Total Amount of \$45,000..... **62**
- 10.23. Consideration of Resolution 2022-14UA, Awarding a Professional Services Agreement to N2W Engineering to Provide Owner Advisor Services and Preliminary Engineering for the Wastewater Treatment Plant Improvement Project in a Not-to-Exceed Amount of \$1,576,430..... **64**

## **11. PUBLIC HEARING(S)**

- 11.1. Consideration of Resolution 2022-168, Approving Tentative Parcel Map 38367 (TPM 22-4501) Located Westerly of North 16th Street , Northerly of West Williams Street, and Southerly of West Nicolet Street (APN: 538-142-018), A Proposed Subdivision of One (1) 0.70-Acre Parcel into Three (3) Single-Family Residential Lots within the Low Density Residential District... **70**  
(Staff Report: Adam Rush, Community Development Director)

**Recommendation:** Staff respectfully recommends that the City Council adopt Resolution 2022-168: (1) Approving staff's determination of exemption under the requirements of the California Environmental Quality Act ("CEQA") pursuant to CEQA Section 15315 (Minor Land Divisions); and, (2) Approving the Tentative Parcel Map No. 38367 subject to the Conditions of Approval attached herein.

## **12. REPORTS OF OFFICERS**

- 12.1. Deployment of DropCountr CLEAR Customer Water Usage Software and Application..... **76**  
(Staff Report: Art Vela, Director of Public Works)

**Recommendation:** Receive and file.

- 12.2. Opportunity Village Staffing.....**78**  
(Staff Report: Doug Schulze, City Manager)

**Recommendation:** Authorize the City Manager to initiate the recruitment to fill four Homeless Case Worker positions and to terminate the security contract with Good Guard for security services at Opportunity Village.

- 12.3. Authorize Communications Manager Position Funding..... **80**  
(Staff Report: Doug Schulze, City Manager)

**Recommendation:** Authorize the City Manager to initiate the recruitment to fill the Communications Manager position and direct the Finance Officer to include funding for the position in the mid-year budget adjustments.

- 12.4. Status Update for the City's Fiscal Year 2021-22 Annual Comprehensive Financial Report (ACFR) ..... **82**  
(Staff Report: Lincoln Bogard, Finance Director)

**Recommendation:** Receive and file Status Update for the City's Fiscal Year 2021-22 Annual Comprehensive Financial Report (ACFR).

- 12.5. Consideration of Resolution 2022-169, Approving a Template Small Business Grant Program Agreement as Part of the City's Small Business Grant Program and Authorizing the City Manager's Execution of Small Business Grant Program Agreements Consistent with the Program's Policies and Procedures.....**85**  
(Staff Report: Doug Schulze, City Manager)

**Recommendation:** Staff recommend City Council adopt Resolution 2022-169: (1) Approving the template Small Business Grant Program Agreement to be used in conjunction with administration of the City's Small Business Grant Program; (2) Authorizing the City Manager or designee to execute a Small Business Grant Program Agreement with the 2 businesses that have submitted the necessary documentation to ensure compliance with the program requirements—(1) Eighth Irish Grub and Tap House, LLC dba The Station TapHouse Bar and Grill, and (2) Banning Cinema Group, LLC dba Fox Cineplex is D'Place—in substantially the same form as the draft agreements, included as Attachments 4 and 5; and, (3) Authorize the City Manager or designee to execute a Small Business Grant Program Agreement in substantially the same form as included in Attachment 3 with future businesses that apply and are determined to meet all program requirements.

- 12.6. Consideration of Resolution 2022-164 and 167, Approving Changes to the City's Classification and Compensation Plan to Implement Revisions to Positions Without Recommendations included in the Comprehensive Classification and Compensation Study Performed by Public Sector Personnel Services..... **88**  
(Staff Report: Lincoln Bogard, Finance Director)

**Recommendation:** Staff recommend that the City Council: (1) Adopt Resolution No. 2022-164 Amendment to the Compensation and Classification Plan; (2) Adopt Resolution No. 2022-167 Amendment to the Compensation and Classification Plan for Executives; and, (3) Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations, and transfers.

### **13. DISCUSSION ITEM(S)**

None

### **14. ITEMS FOR FUTURE AGENDAS**

- 14.1. New Items

14.2. Pending Items:

1. Cannabis Microbusiness (Wallace)
2. Grow Banning (Sanchez)
3. Rent Control (Sanchez)
4. Potential Grants to Fund Playhouse Bowl Improvements (Sanchez)

**15. CLOSED SESSION**

**15.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8

Property: Banning Municipal Airport, 200 South Hathaway Street, Banning, CA 92220 (including APNs: 532-130-011, -012, and -018)

Negotiating Parties: Grandave Capital, LLC, Ruben Islas, Manager, and First Industrial, Ryan Mclean, Regional Director

Under Negotiations: Terms of Payment

**15.2. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS**

Pursuant to Government Code Section 54956.8

Property: 33 S San Geronio Ave (APN: 540204009)

Agency negotiator: Doug Schulze, City Manager

Negotiating parties: Undetermined at this time

Under negotiation: Price and Terms of Payment

**15.3. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS**

Pursuant to Government Code Section 54956.8

Property: 150 E Ramsey Street (APNs 541-181-014, -023, -037, -039)

Agency negotiator: Doug Schulze, City Manager

Negotiating parties: Undetermined at this time

Under negotiation: Price and Terms of Payment

**16. REPORT ON CLOSED SESSION**

City Attorney Young

**17. ADJOURNMENT**

***Next Regular Meeting – January 10, 2022 at 5:00 p.m.***

### **Zoom Community Standards for Public Meetings**

*By participating in this meeting on Zoom, you are agreeing to abide by the City of Banning's Community Standards for Public Meetings. Zoom attendees that fail to adhere to these standards may be removed from the meeting room.*

- Your microphone must remain on mute, and you may only unmute your microphone when/if you are recognized by the Mayor.
- Your camera must be turned off unless/until you are recognized by the Mayor.
- To indicate a desire to make Public Comment, you must use the Raise Hand function. The Mayor will not recognize those who have not used the Raise Hand function.
- Public Comment from Zoom attendees will immediately follow in person comment from members of the public in Council Chambers.
- If you fail to adhere to these community guidelines, **you may be removed** for disrupting the meeting occurring in Council Chambers. You may rejoin the meeting but may be removed for each violation of these community standards.
- The chat function will be disabled for all City Council meetings on Zoom.

### **Estándares comunitarios de Zoom para Reuniones Públicas**

*Al participar en esta reunión en Zoom, usted acepta cumplir con los Estándares Comunitarios para Reuniones Públicas de la ciudad de Banning. Los que atienden por Zoom que no cumplan con estos estándares pueden ser retirados de la sala de reuniones.*

- Su micrófono debe permanecer en silencio, y solo puede reactivar su micrófono cuando / si es reconocido por el alcalde.
- Su cámara debe estar apagada a menos que sea reconocido por el alcalde.
- Para indicar el deseo de hacer un Comentario Público, debe utilizar la función Levantar la mano. El alcalde no reconocerá a quienes no hayan utilizado la función Levantar la mano.
- Los comentarios públicos de lo que atienden por Zoom seguirán inmediatamente los comentarios en persona de los miembros del público en las Cámaras del Consejo.
- Si no cumple con estas pautas de la comunidad, es posible que lo destituyan por interrumpir la reunión que tiene lugar en las Cámaras del Consejo. Puede volver a unirse a la reunión, pero es posible que lo eliminen por cada violación de estos estándares de la comunidad.
- La función de chat estará deshabilitada para todas las Reuniones del Ayuntamiento en Zoom.



### **AFFIDAVIT • DECLARACIÓN JURADA**

IT IS HEREBY CERTIFIED under the laws of the State of California that the above agenda was posted on the City's website ([www.banningca.gov](http://www.banningca.gov)) as well as the Bulletin Board at Banning City Hall, located at 99 E Ramsey Street, Banning, CA 92220 by 5:00 P.M. on the 8th day of December 2022.



Caroline Patton, Deputy City Clerk  
Secretario adjunto de la ciudad

### **PUBLIC NOTICE • NOTICIA PÚBLICA**

#### **Meeting Agendas and Notices**

Interested in receiving email and/or text notifications of upcoming City Council meetings? Sign up for meeting notifications through Notify Me (<https://banningca.gov/list.aspx>). Pursuant to amended Government Code §54957.5(b), staff reports and other public records related to open session agenda items are available on the City's website ([www.banningca.gov/archive](http://www.banningca.gov/archive)).

#### **Public Comment**

##### *Agenda Items*

Any member of the public may address this meeting of the City Council on any item appearing on the agenda. A five-minute limitation shall apply to each member of the public and no member of the public shall be permitted to share their time with any other person.

##### *Non-Agenda Items*

Any member of the public may address this meeting of the 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 Council may act. A three-minute limitation shall apply to each member of the public and no member shall be permitted to share their time with any other person. No action shall be taken, nor discussion held by the 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 §54954.2 of the Government Code.

#### **Special Assistance/Accessibility Requests**

In compliance with the Americans with Disabilities Act, any member of the public may request that the agenda and agenda packet be mailed to them. If you need special assistance to participate in this meeting (such as translation services), please contact the Office of the City Clerk. Advanced notification of at least 48 hours prior to the meeting will allow the city to make arrangements to ensure your accessibility.

**¿Necesita servicios de traducción para participar?** Contacto Oficina del Secretario de la Ciudad.

### **CONTACT • CONTACTO**


Office of the City Clerk • 951-922-3102 • [CityClerks@banningca.gov](mailto:CityClerks@banningca.gov)  
99 East Ramsey Street, Banning, California 92220



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-158, Reciting the Facts of the Consolidated General Election Held in the City of Banning on November 8, 2022

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### **RECOMMENDATION:**

Staff respectfully recommends that the City Council adopt Resolution 2022-158, reciting the facts of the Consolidated General Election held in the City of Banning on November 8, 2022.

### **BACKGROUND:**

At the Regular City Council Meeting held on June 14, 2022, the City Council adopted Resolution 2022-69, calling and giving notice of a General Municipal Election to be held Tuesday, November 8, 2022. The positions on the ballot for this election included City Council Districts 4 and 5.

At the Regular City Council Meeting held on July 12, 2022, the City Council adopted Resolution 2022-94, calling for placement of a measure on the ballot. Measure 1 proposed a utility users' tax be assessed on every electric utility customer within the City.

### **JUSTIFICATION:**

Elections Code Section 10263 requires that the City Council adopt a "resolution reciting the fact of the election" at the next regularly scheduled meeting following the final canvass of votes.

The County of Riverside Registrar of Voters conducted the election at the City's request and has completed a canvass of the votes. The certification of that canvass is provided here as Exhibit A to the attached resolution.

### **FISCAL IMPACT:**

The City will be invoiced for the costs of the election at a later date.

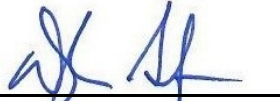
**ALTERNATIVES:**

This action is required by California Elections Code in order to swear in new City Council members. There is no alternative course.

**ATTACHMENTS:**

1. Resolution 2022-158  
<https://banningca.gov/DocumentCenter/View/11854/Att-1-Resolution-2022-158>
2. Certification of Election Results  
[https://banningca.gov/DocumentCenter/View/11852/Att-2-CertificateCities\\_wMeasure\\_BANNING](https://banningca.gov/DocumentCenter/View/11852/Att-2-CertificateCities_wMeasure_BANNING)
3. Resolution 2022-69, Calling for an Election  
<https://banningca.gov/DocumentCenter/View/11853/Att-3-Resolution-No-2022-069>

Approved by:

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Douglas Schulze  
City Manager



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Annual City Council Reorganization

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### **RECOMMENDATION:**

Staff respectfully recommend City Council appoint one of its members as Mayor and a second as Mayor Pro Tem to serve for a period of one year.

### **BACKGROUND:**

The annual process of Council reorganization is set by the Banning Municipal Code, Chapter 2.04.070, which dictates that City Council appoint one of its members as Mayor and a second as Mayor Pro Tem.

The term of service for both Mayor and Mayor Pro Tem shall be for a period of one year from date of appointment or until a successor is appointed. No person may become Mayor or Mayor Pro Tem unless a majority of Council members votes to approve the action. A Council member may be elected to a maximum of two consecutive one-year terms in the same position.

In accordance with statute, these appointments are made at the meeting the municipal elections results are declared and new elected officials sworn in and seated. In non-election years, reorganization occurs at the first meeting in December.

Finally, City code dictates that the Council member appointed to mayor shall serve as the chair of the City's Successor Agency and Housing Authority. The member appointed as mayor pro tem will serve as the vice chair to each of these bodies. The Mayor Pro Tem serves as mayor or chair only in instances where the mayor is absent, or the position vacated.

### **ALTERNATIVES:**

There are no alternatives since the City's municipal code requires this annual process.

**ATTACHMENTS:**

1. Election of Mayor  
<https://banningca.gov/DocumentCenter/View/11769/Att-1-Election-of-Mayor>
2. Election of Mayor Pro Tem  
<https://banningca.gov/DocumentCenter/View/11770/Att-2-Election-of-Mayor-Pro-Tem>
3. Banning Municipal Code Chapter 2.04.070  
<https://banningca.gov/DocumentCenter/View/11771/Att-3-BMC-204070-Appointment-of-mayor-and-mayor-pro-tem>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



# CITY OF BANNING

## Beautification Award

PRESENTED TO

**FARMER'S FRESH BURGERS**



*This City of Banning Beautification Award recognizes **Farmer's Fresh Burgers in Banning** for exemplary property appearance. The City Council thanks you for your pride in ownership and commitment to the Banning community.*

*Presented on this 13th day of December 2022*

*Colleen Wallace*

*Colleen Wallace, Mayor*



**CITY OF BANNING  
STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Minutes of the November 8, 2022 City Council Meetings

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**RECOMMENDATION:**

Approve the minutes of the November 8, 2022 City Council Meetings.

**ALTERNATIVES:**

1. Approve as recommended.
2. Approve with modifications.

**ATTACHMENTS:**

1. Minutes of the November 8, 2022 Special City Council Meeting – Closed Session  
[https://banningca.gov/DocumentCenter/View/11766/2022-11-08\\_Minutes\\_Special-Meeting---Closed-Session](https://banningca.gov/DocumentCenter/View/11766/2022-11-08_Minutes_Special-Meeting---Closed-Session)
2. Minutes of the November 8, 2022 Special City Council Meeting – Workshop  
[https://banningca.gov/DocumentCenter/View/11768/2022-11-08\\_Minutes\\_Special-Meeting---Workshop](https://banningca.gov/DocumentCenter/View/11768/2022-11-08_Minutes_Special-Meeting---Workshop)
3. Minutes of the November 8, 2022 Regular City Council Meeting  
[https://banningca.gov/DocumentCenter/View/11767/2022-11-08\\_Minutes\\_Regular-Meeting](https://banningca.gov/DocumentCenter/View/11767/2022-11-08_Minutes_Regular-Meeting)

Approved by:

Douglas Schulze  
City Manager





## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager  
Alejandro Geronimo, City Treasurer

**PREPARED BY:** Lincoln Bogard, Finance Director  
A'ja Wallace, Deputy Finance Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Approval and Ratification of Accounts Payable and Payroll Warrants Issued in the Month of October 2022

### **RECOMMENDATION:**

That City Council review and ratify the warrants for period ending **October 31, 2022**, per California Government Code Section 37208.

### **WARRANT SUMMARY:**


Description	Payment #	Amount	Total Amount
<b>Checks:</b>			
Checks Issued during Month	184236-184610	\$ 4,190,500.40	
Voided / Reissue Check		\$ 9,231.20	
<b>Check Total</b>			<b>\$ 4,181,269.20</b>
<b>Wires Total</b>	1095-1097		<b>\$ 3,279,440.36</b>
<b>ACH payments:</b>	9007390-9007408		
Payroll Direct Deposit	10/2/2022	\$ 485,470.68	
Payroll Direct Deposit	10/16/2022	\$ 483,186.77	
Other Payments		\$ 683,255.45	
<b>ACH Total</b>			<b>\$ 1,651,912.90</b>
<b>Payroll Checks:</b>	12789-12816		
Payroll - Regular	10/6/2022	\$ 4,460.29	
Payroll - Regular	1/20/2022	\$ 4,012.45	
<b>Payroll Check Total</b>			<b>\$ 8,472.74</b>
<b>Total Warrants Issued for October 2022</b>			<b>\$ 9,121,095.20</b>



**ATTACHMENTS:**

1. Fund List  
<https://banningca.gov/DocumentCenter/View/11843/Att-1-Fund-List>
2. Warrant Report October 2022  
<https://banningca.gov/DocumentCenter/View/11844/Att-2-Warrant-Report-October-2022>
3. Warrant Report Detail October 2022  
<https://banningca.gov/DocumentCenter/View/11841/Att-3-Warrant-Report-Detail-October-2022>
4. Voided Check Log, Payroll Log & Registers – October 2022  
<https://banningca.gov/DocumentCenter/View/11842/Att-4-Voided-Check-Log-Payroll-Log-Payroll-Registers>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Lincoln Bogard, Finance Director  
A'ja Wallace, Deputy Finance Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Receive and File Cash, Investments and Reserve Report for the Month of October 2022

### **RECOMMENDATION:**

That City Council receive and file Cash, Investment and Reserve Report for **October 31, 2022** 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	\$	4,055.00	\$ 4,055.00
Checking and Savings Accounts	\$	10,935,849.88	\$ 6,892,605.58
Investments			
LAIF	\$	31,895,406.87	\$ 32,020,022.02
Brokerage	\$	27,631,965.87	\$ 27,743,610.48
Total Funds Under Control of the City	\$	70,467,277.62	\$ 66,660,293.08
Funds Under Control of Fiscal Agents			
US Bank			
Restricted Bond Project Accounts	\$	11,901,424.45	\$ 12,051,108.20
Restricted Bond Accounts	\$	4,820,097.85	\$ 4,820,098.61
Union Bank & SCPPA			
Restricted Funds	\$	3,806,838.51	\$ 3,462,671.27
Total Funds Under Control of Fiscal Agents	\$	20,528,360.81	\$ 20,333,878.08
Total Funds	\$	90,995,638.43	\$ 86,994,171.16

**RESTRICTED, ASSIGNED, COMMITTED AND RESERVED SUMMARY:**

Description	Prior Month	Current Month
<b>Total Funds</b>	<b>\$ 90,995,638.43</b>	<b>\$ 86,994,171.16</b>
Restricted Funds	\$ 40,707,778.62	\$ 38,532,422.16
Assigned Funds - Specific Purpose	\$ 6,801,603.04	\$ 5,227,058.65
Committed Funds - Specific Purpose	\$ 1,500,000.00	\$ 1,500,000.00
Fund Balance Reserves	\$ 13,471,043.56	\$ 13,469,579.75
<b>Total Restricted, Assigned, Committed and Reserve</b>	<b>\$ 62,480,425.22</b>	<b>\$ 58,729,060.56</b>
<b>Operating Cash - Unrestricted Reserves</b>	<b>\$ 28,515,213.21</b>	<b>\$ 28,265,110.60</b>
Less Accounts held in Investments	\$ 27,631,965.87	\$ 27,743,610.48
Liquid Cash	\$ 883,247.34	\$ 521,500.12

**ATTACHMENTS:**

1. Cash, Investment and Reserve Report October 2022  
<https://banningca.gov/DocumentCenter/View/11848/Att-1-Cash-Investment-and-Reserves-October-2022>
2. Investment Report  
<https://banningca.gov/DocumentCenter/View/11849/Att-2-Investment-Report-October-2022>
3. City of Banning Broker Investment Report  
<https://banningca.gov/DocumentCenter/View/11845/Att-3-Cty-of-Banning-Broker-Investment--Report>
4. LAIF / PMIA Performance Report  
<https://banningca.gov/DocumentCenter/View/11846/Att-4-LAIF-Market-Valution-October-2022>
5. LAIF Market Valuation Report  
<https://banningca.gov/DocumentCenter/View/11847/Att-5-PMIA-LAIF-Pformance-Report-October-2022>

Approved by:



Douglas Schulze  
 City Manager



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Laurie Sampson, Assistant City Manager  
Maria Vargas, Police Assistant II

**MEETING DATE:** December 13, 2022

**SUBJECT:** Receive and File Police Department Statistics for the Month of October 2022

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**RECOMMENDATION:**

Receive and file Police Department statistics for the month of October 2022

**BACKGROUND:**

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

**ATTACHMENT:**

1. Police Statistics for October 2022  
<https://banningca.gov/DocumentCenter/View/11787/October-Stats->

Approved by:

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Douglas Schulze  
City Manager



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Laurie Sampson, Assistant City Manager  
Todd Hopkins, CALFIRE Division Chief

**MEETING DATE:** December 13, 2022

**SUBJECT:** Receive and File Fire Department Statistics for the Month of October 2022

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**RECOMMENDATION:**

Receive and file Fire Department statistics for the month of October 2022.

**BACKGROUND:**

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

**FISCAL IMPACT:**

None

**ATTACHMENT:**

1. Fire Statistics for October 2022  
<https://banningca.gov/DocumentCenter/View/11788/Banning-October-2022-Fire-Report>

Approved by:

Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Laurie Sampson, Assistant City Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Amendment No. 1 to the Professional Services Agreement with Blais and Associates, LLC for Grant Writing Services Associated with the Hargrave Grade Separation for an Amount Not to Exceed \$3,850.00

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### **RECOMMENDATION:**

Staff recommend City Council:

1. Approve Amendment No. 1 to the Professional Services Agreement ("Agreement") with Blais and Associates, LLC for grant writing services associated with the Hargrave Grade Separation for an amount not to exceed \$3,850.00.
2. Authorize the City Manager or designee to make necessary budget adjustments, appropriations and transfers related to Amendment No. 1 to the Professional Services Agreement with Blais and Associates, LLC.
3. Authorize the City Manager to execute Amendment No. 1 to the Professional Services Agreement with Blais and Associates, LLC.

### **BACKGROUND:**

The City entered into a Professional Services Agreement (PSA) with Blais and Associates, Inc. for grant writing services related to the Hargrave Grade Separation, in the amount of \$10,450.00 on August 22, 2022. The term of the agreement is one (1) year, terminating on August 22, 2023.

### **JUSTIFICATION:**

Blais & Associates submitted a change order associated with scope changes and anticipated updates in the amount of \$3,850.00 for an agreement total of \$14,300.00. Per Purchasing Policy B-30 Section 16-107 any change order to an agreement over 10% of the original agreement requires City Council approval.

### **FISCAL IMPACT:**

Amendment No. 1 to the Agreement with Blais and Associates, LLC will be funded by the account number 001-3000-442.33-11.

**ALTERNATIVES:**

1. Approve Amendment No. 1 to the professional services agreement with Blais and Associates, LLC.
2. Do not approve staff executing Amendment 1 and provide further direction to staff.

**ATTACHMENTS:**

1. Draft Amendment No. 1 to the Professional Services Agreement with Blais and Associates, LLC  
<https://banningca.gov/DocumentCenter/View/11779/Att-1-C00781-Amendment-1---Blais--Associates-LLC>
2. Original Blais and Associates, LLC Agreement  
[https://banningca.gov/DocumentCenter/View/11777/Att-2-C00781\\_BLAIS\\_AND\\_ASSOCIATES\\_PSA](https://banningca.gov/DocumentCenter/View/11777/Att-2-C00781_BLAIS_AND_ASSOCIATES_PSA)
3. Change Order #1  
[https://banningca.gov/DocumentCenter/View/11778/Att-3-CHANGE-ORDER\\_Banning\\_Railroad-Crossing-Elimination\\_100422](https://banningca.gov/DocumentCenter/View/11778/Att-3-CHANGE-ORDER_Banning_Railroad-Crossing-Elimination_100422)

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Stacy Bouslog, Customer Service & Billing Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Approval of a Service Agreement with Auto Renewals to Provide Data-Processing, Printing, and Mailing Services for Utility Billing with InfoSend

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### **RECOMMENDATION:**

Staff respectfully recommends City Council approve this annual renewal to the existing contract with InfoSend for data-processing, printing and mailing services related to utility billing.

### **BACKGROUND:**

The utility billing division utilizes InfoSend to produce a variety of mailings on behalf of the City, including utility bills, reminder notices, announcements, rate change advisories, water quality program notices, awareness and education campaign notices, final bills and penalties/collection notices. InfoSend services include, paper bill processing, printing and the entire mailing process – validation, bar code, printing, folding, envelope stuffing and postage application for every item.

The City incurs the cost of postage for mailing all bills and notices. InfoSend pays this expense upfront and then passes the cost on to the City, with no mark-up, during the invoicing process. Therefore, InfoSend only retains a portion of the total amount paid by the City through this contract, with the rest going to the U.S. Postal Service. The City is responsible for this postage regardless of the vendor providing the printing and support services.

In previous years, the majority of funds paid through this contract go directly to postage. The table provided shows the actual costs associated with the InfoSend contract for FY20 as well as the anticipated FY 2023 costs as approved in the budget.



Fiscal Year	Printing Costs	Postage Costs
	Supplies & Services	Pass through to USPS
FY 2020	\$ 26,926.00	\$ 66,000.00
FY 2021	\$ 22,381.00	\$ 64,700.00
FY 2022	\$ 30,869.00	\$ 85,969.00
FY 2023	\$ 38,000.00	\$ 86,000.00
<i>Adopted Budget</i>	<i>Anticipated</i>	<i>Anticipated</i>

In August 2012, the City entered into a 4-year agreement for data processing, printing and mailing services. This agreement included auto renewals processed annually following the initial term. Utility Billing staff is recommending Council approve this annual renewal to the contract with InfoSend for printing and mailing services related to utility billing.

**JUSTIFICATION:**

On an annual basis, InfoSend produces and mails approximately 184,000 bills and notices on behalf of the City. Without the expert assistance of InfoSend, the City would not be able to produce, assemble and mail the current volume of utility bills and notices in house.

The City has been utilizing the services of InfoSend for thirteen years and has experienced excellent service during this time. In order to maintain current business processes, the City would like to continue the contract with InfoSend by executing another one-year renewal.

**FISCAL IMPACT:**

Funds for this contract have already been allocated in the Approved FY2022-2023 Budget.

**ALTERNATIVES:**

1. Council could approve as recommended.
2. Council could not approve the contract and provide staff alternate direction.

**ATTACHMENTS:**

1. InfoSend Rates (Notice as of Last Increase in November 2017)  
<https://banningca.gov/DocumentCenter/View/11791/Att-1-InfoSend-Latest-Rate-Increase-dated-11-01-2017>
2. InfoSend Agreement  
[https://banningca.gov/DocumentCenter/View/11792/Att-2-InfoSend-Executed-Agreement\\_202109081608407632](https://banningca.gov/DocumentCenter/View/11792/Att-2-InfoSend-Executed-Agreement_202109081608407632)

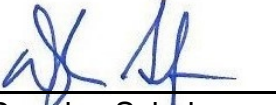
3. InfoSend Proposal

<https://banningca.gov/DocumentCenter/View/11789/Att-3-InfoSend-Proposal-dated-04-16-2012>

4. InfoSend Sole Source Determination

<https://banningca.gov/DocumentCenter/View/11790/Att-4-Sole-Source-Memorandum-06-28-17>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



## CITY OF BANNING STAFF REPORT

**TO:** CITY OF BANNING

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Second Reading and Consideration of Ordinance 1587 Amending Chapters 13.08.040 and 13.08.050 of the Banning Municipal Code Adopting New Water and Wastewater Rate Schedules and Directing Staff to File a Notice of Exemption from the California Environmental Quality Act

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### **RECOMMENDATION:**

Staff respectfully recommends that City Council:

1. Conduct second reading and adopt Ordinance 1587, an Ordinance of the City of Banning, California, amending Section 13.08.040 and 13.08.050 of Chapter 13.08 of the Banning Municipal Code, adopting new water and wastewater rate schedules, and making a determination of exemption from the California Environmental Quality Act (CEQA) in connection therewith; and
2. Direct staff to file a Notice of Exemption with the County Clerk of the County of Riverside consistent with the City Council's determination in Ordinance 1587 that the Ordinance is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15237.

### **BACKGROUND:**

#### **2017 Water and Wastewater Rate Study**

On August 22, 2017, Willdan Financial Services, who was hired by the City of Banning ("City") to develop a Water and Wastewater Rate Study ("2017 Rate Study"), presented to City Council the results of the 2017 Rate Study including recommended rate increases based on operating costs and the City's capital improvement needs. Willdan, based on their analysis, recommended water rate increases of **19%, 18%, 18%, 5% and 3%** over five years. 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 time City Council directed staff to decrease the proposed adjustments to 3% increases annually over a five-year period for both water and wastewater rates. 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 increases were approved in June 2018.

#### 2022 Water and Wastewater Rate Study

On March 18, 2021, the Department of Public Works advertised a Request for Proposals for the preparation of a new water and wastewater rate study ("2022 Rate Study"). As a result, on June 22, 2021, the Banning Utility Authority approved Resolution 2021-06UA, approving a professional services agreement with Black & Veatch Consulting, LLC ("Black & Veatch"). On September 13, 2022, the Banning Utility Authority approved the 2022 Rate Study.

The key elements of the 2022 Rate Study include:

- Development of a financial plan over a five-year planning period beginning July 1, 2022 and ending June 30, 2027 to provide sufficient revenues to meet all operation and maintenance expenses, water purchases, wastewater treatment, debt service requirements, capital improvements funded from current revenues, and other expenditures.
- Performance of a cost-of-service analysis which calculates the cost to serve each customer class.
- Recommendation of changes to the City's current water and wastewater rate structures, including revisions to the City's three-tiered rate structure for water use; development of a private fire service rate; and creation of two independent rates for residential and commercial customers.
- Development of water and wastewater rates for FY 2022/2023 to FY 2026/2027 in a manner that is fair, equitable and in proportion to the cost of providing service to the City's customers.

Based on the financial plans, Black and Veatch concluded that revenue adjustments as shown in the following table are required:

<b>Fiscal Year</b>	<b>Effective Month</b>	<b>Water Utility</b>	<b>Wastewater Utility</b>
FY 2022-2023	January	10.75%	40.00%
FY 2023-2024	July	0.00%	25.00%
FY 2023-2024	January	10.75%	25.00%
FY 2024-2025	January	10.75%	3.00%
FY 2025-2026	January	10.75%	3.00%
FY 2026-2027	January	10.75%	3.00%

It should be noted that the table above reflects the revenue increases needed to meet the revenue requirements for FY 2022-2023 to FY 2026-2027 and does not represent proposed rate increases to customers. The table also reflects that there will be two adjustments during FY 2024 to wastewater rates in order to incrementally increase the needed revenues rather than making a larger adjustment all at once.

### Proposed Water Rate Adjustments

The following table shows the current rates and proposed water rates over the five-year period:

#### **BASE WATER METER RATE**

Customer Class	Current*	FY22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
<b>Effective Date</b>		1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
<b>Service Charge (\$/Month)</b>						
5/8"	\$24.28	\$25.74	\$27.75	\$30.92	\$33.64	\$35.66
3/4"	\$24.28	\$25.74	\$27.75	\$30.92	\$33.64	\$35.66
1"	\$36.81	\$38.36	\$41.08	\$44.84	\$48.97	\$51.91
1-1/2"	\$68.10	\$69.90	\$74.39	\$79.63	\$87.31	\$92.53
2"	\$105.66	\$107.75	\$114.37	\$121.38	\$133.31	\$141.27
3"	\$193.33	\$208.68	\$220.97	\$232.72	\$255.98	\$271.25
4"	\$318.60	\$322.23	\$340.91	\$357.97	\$393.98	\$417.48
6"	\$631.56	\$637.64	\$674.05	\$705.90	\$777.33	\$823.68
8"	\$1,007.21	\$1,016.14	\$1,073.82	\$1,123.41	\$1,237.34	\$1,311.11

\* In the current rates the City does not pay a base water meter fee and would begin to pay the base water meter fee in the new rate structure.

#### **WATER USAGE RATES**

Customer Class	Current*	FY22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
<b>Effective Date</b>		1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
<b>Commodity Charges (\$/HCF)</b>						
All Customers						
Tier 1 (0-12 HCF)*	\$2.13					
Tier 2 (13-25 HCF)*	\$2.71					
Tier 3 (26+ HCF)*	\$3.06					
Tier 1 (0-7 HCF)	N/A	\$2.42	\$2.76	\$3.10	\$3.48	\$3.96
Tier 2 (8-15 HCF)	N/A	\$2.62	\$2.97	\$3.31	\$3.72	\$4.23
Tier 3 (16+ HCF)	N/A	\$3.15	\$3.52	\$3.88	\$4.31	\$4.83

\* Note the proposed revisions to the current three-tiered structure. Also in the proposed structure City accounts would pay the new rate rather than a rate of \$.67/HCF.

#### **FIRE SERVICE LINE FEE**

Customer Class	Current*	FY22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
<b>Effective Date</b>		1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
<b>Fire Service (\$/Month)</b>						
2"	N/A	\$24.25	\$25.45	\$25.56	\$28.78	\$30.69
4"	N/A	\$38.79	\$40.72	\$40.89	\$46.05	\$49.10
6"	N/A	\$77.59	\$81.43	\$81.78	\$92.09	\$98.21
8"	N/A	\$121.23	\$127.24	\$127.79	\$143.89	\$153.45
10"	N/A	\$242.46	\$254.48	\$255.57	\$287.79	\$306.90
12"	N/A	\$387.94	\$407.16	\$408.91	\$460.46	\$491.04

\*A private fire service line fee currently does not exist.

The following table shows the drought surcharges that would be applied during drought conditions:

Description	Additional Conservation Compared to Baseline					
	10%	20%	30%	40%	50%	Greater than 50%*
FY 2023	\$0.18	\$0.42	\$0.71	\$1.11	\$1.66	\$2.49
FY 2024	\$0.22	\$0.49	\$0.84	\$1.30	\$1.95	\$2.93
FY 2025	\$0.25	\$0.57	\$0.98	\$1.52	\$2.28	\$3.43
FY 2026	\$0.30	\$0.66	\$1.14	\$1.77	\$2.65	\$3.98
FY 2027	\$0.34	\$0.77	\$1.32	\$2.05	\$3.07	\$4.61

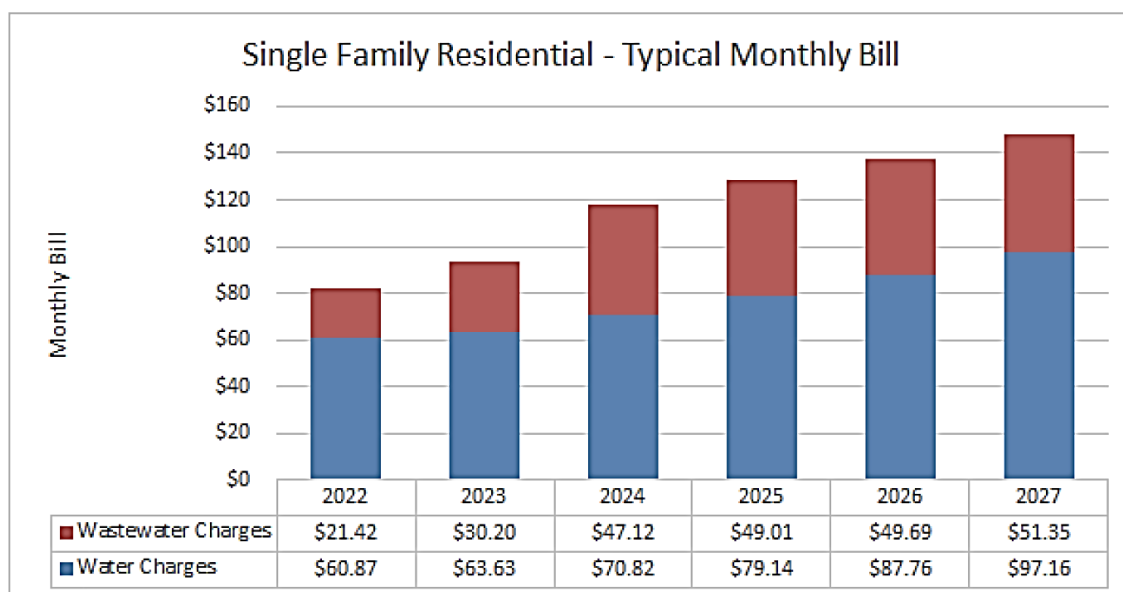
\* "Greater than 50%" represents surcharge up to 60%. Anything larger will need to be calculated.

#### Proposed Wastewater Rate Adjustments

The following table shows the current and proposed wastewater rate schedule over the following five year period:

Customer Class	Current	FY22-23	FY23-24	FY23-24	FY24-25	FY25-26	FY27-28
<b>Fixed Charge (\$/Month/EDU)</b>							
<b>Effective Date</b>		1/1/2023	7/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
Residential	\$21.42	\$30.20	\$37.75	\$47.12	\$49.01	\$49.69	\$51.35
Commercial	\$21.42	\$32.81	\$41.01	\$51.57	\$51.03	\$56.06	\$56.98
Tertiary Surcharge	\$2.32	\$2.32	\$2.32	\$2.32	\$2.32	\$2.32	\$2.32

The following graph shows the average monthly bill for a single-family residential customer over the proposed five-year schedule of adjustments (average use 15 HCF = 11,200 gallons):



On August 23, 2022, the City Council received a written and oral presentation of the draft 2022 Rate Study during which staff provided answers to various questions received. As a result, no changes were made to the draft 2022 Rate Study. On September 13, 2022, the Banning Utility Authority approved the final draft of the 2022 Rate Study and directed staff to move forward with public noticing of the proposed rate adjustment in compliance with Proposition 218.

The following tables shows the past and current milestones throughout the rate study development process:

<b>Dates</b>	<b>Actions</b>
<i>April 19, 2021</i>	<ul style="list-style-type: none"> <li>• Budget and Finance Committee Rate Study Presentation</li> </ul>
<i>June 21, 2021</i>	<ul style="list-style-type: none"> <li>• Budget and Finance Committee Rate Study Presentation</li> </ul>
<i>August 23, 2022</i>	<ul style="list-style-type: none"> <li>• City Council draft 2022 Rate Study Presentation and Workshop</li> </ul>
<i>September 13, 2022</i>	<ul style="list-style-type: none"> <li>• Banning Utility Authority approval of 2022 Rate Study</li> <li>• Authorization to proceed with Proposition 218 noticing</li> </ul>
<i>September 23, 2022</i>	<ul style="list-style-type: none"> <li>• Mail notices and protest forms at least 45 days prior to the Public Hearing</li> </ul>
<i>November 8, 2022</i>	<ul style="list-style-type: none"> <li>• Public Hearing and introduction of Ordinance 1587</li> </ul>
<i>December 13, 2022</i>	<ul style="list-style-type: none"> <li>• Second reading and adoption of Ordinance 1587, approving water and wastewater rate adjustments to be effective 2023</li> </ul>
<i>January 12, 2023</i>	<ul style="list-style-type: none"> <li>• Ordinance 1587 becomes effective</li> <li>• First rate adjustment implemented</li> </ul>

### Proposition 218

In California, public water and wastewater utilities must meet Proposition 218 procedural requirements for adoption of new or increased rates for property related fees. To comply with Proposition 218 the City must hold a public hearing to consider the proposed rate adjustments and must provide written notice, at least 45 days in advance, to all property owners and tenants responsible for the payment of water and/or wastewater service to the City of Banning (each a “customer”).

Approximately 16,200 notices were mailed out on September 23, 2022. The notices provided an explanation of the reason for the proposed increases to the water and wastewater service rates; a link to the 2022 Water and Wastewater Rate Study; tables reflecting the proposed water and wastewater rates; information regarding the public hearing; and instructions on how to submit a protest against the water and wastewater rates increases along with a protest form. The notice also had a note in Spanish regarding the importance of the notice.

On November 8, 2022 a public hearing was held to determine if majority protests were presented against the proposed rate increases. Staff calculated the existence of a majority protest (i.e., 50% plus 1) two different ways for both the water rates and the wastewater rates as set forth below. If a majority protest existed against the proposed

water rate increases, the Council could not approve the water rate adjustments. Similarly, if a majority protest existed against the proposed wastewater rate increases, the Council could not approve the wastewater rate adjustments.

The following written protests were received in connection with the proposed water rate increases:

- 1,066 from customers (record owners of legal parcels who have a customer account and tenants who have a customer account) out of 11,590 Accounts or 9.2%, which is less than a majority protest
- 1,053 from record owners of legal parcels or tenants who have a customer account out of 11,460 legal parcels or 9.19%, which is less than a majority protest

The following written protests were received in connection with the proposed wastewater rate increases:

- 1,066 from customers (record owners of legal parcels who have a customer account and tenants who have a customer account) out of 11,899 Accounts or 8.96%, which is less than a majority protest
- 1,053 from record owners of legal parcels or tenants who have a customer account out of 10,957 legal parcels or 9.61%, which is less than a majority protest

In conclusion, under either calculation described above, a majority protest was not received for the water rate increases or wastewater rate increases.

### **JUSTIFICATION:**

The revenue analysis included as part of the 2022 Rate Study concluded that revenue projections from the water and wastewater utilities, based on existing rates, are insufficient to meet revenue requirements for FY 2022/2023 through FY 2026/2027 and will not be able to keep pace with increasing operating costs, capital improvement costs, debt service obligations and reserve balances.

Proposition 218 requires California water and wastewater utilities to follow certain procedural requirements when setting new water and/or wastewater rates. To comply with Proposition 218 the City must hold a public hearing to consider the proposed rate adjustments and must provide written notice, at least 45 days in advance, to all property owners and customers responsible for the payment of water and/or wastewater service to the City of Banning. A public hearing was held on November 8, 2022 and it was determined that a majority protest was not received for the water rate increases or wastewater rate increases.

The Banning Municipal Code requires that water and wastewater rates be adopted by ordinance. At the November 8, 2022 public hearing City Council waived the first reading and introduced Ordinance 1587 adopting the proposed water and wastewater rate adjustments.



**CEQA REVIEW:**

City Staff recommends that the City Council find that the approval of the proposed water and wastewater rate adjustments as described herein are exempt from review under the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15273 on the basis that the rates are imposed for the operation of water and wastewater utility services provided by the City to the public and on the basis that the imposition of rates does have the possibility of causing a significant impact on the environment.

**FISCAL IMPACT:**

The cost to print and mail the notices was \$14,018.84 and was shared equally by the Water Fund (660) and the Wastewater Fund (680).

The adoption of Ordinance 1587 will generate sufficient revenues from FY 2022/2023 through FY 2026/2027 to pay for operating costs, capital improvements costs, debt service obligations and to maintain reserve balances.


**ALTERNATIVES:**

Continue the item and request clarification from or provide direction to staff. Continuance of Ordinance 1587 will result in a delay in the implementation of the proposed water and wastewater rate increases.

**ATTACHMENTS:**

1. Ordinance 1587  
<https://banningca.gov/DocumentCenter/View/11830/Att-1-Ordinance-1587---Water-Wastewater-Rates>
2. Water and Wastewater Rate Study  
[https://banningca.gov/DocumentCenter/View/11831/Att-2-2022-Rate-Study-Report\\_FINAL](https://banningca.gov/DocumentCenter/View/11831/Att-2-2022-Rate-Study-Report_FINAL)
3. Proposition 218 Protest Data  
<https://banningca.gov/DocumentCenter/View/11839/Att-3-Protest-Totals-from-Prop-218-Process>

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  
Kevin Sin, Senior Civil Engineer

**MEETING DATE:** December 13, 2022

**SUBJECT:** Accept Easement from Tri Pointe Homes for Public Water Utility  
Purposes for Tract Map No. 35967 within the Atwell  
Development

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### **RECOMMENDATION:**

That City Council accepts an easement from Tri Pointe Homes for Public Water Utility Purposes for Tract Map No. 35967 within the Atwell Development.

### **BACKGROUND:**

Final Tract Map No. 35967 within the Atwell Development Specific Plan was approved by City Council by Resolution No. 2020-94 on July 14, 2020. Tract Map No. 35967 is a subdivision which includes 47 numbered lots and 21 lettered lots for street and public utility purposes and open space. This tract map covers the northerly portion of the Atwell Development (Butterfield Specific Plan) project area, excluding the substation site along the easterly edge of the site and the former annexation area at the northwest portion of the site.

The easement for the public water utility is within portion of Lot 24 of Tract Map No. 35967. The water transmission line to the Foothill West Zone Reservoir will be covered by the proposed easement.

### **JUSTIFICATION:**

It is necessary to obtain the easement in order for the City to access and provide maintenance for the water infrastructure.

### **FISCAL IMPACT:**

There is no fiscal impact associated with the acceptance of the easement.

**ALTERNATIVES:**

1. Accept easement.
2. Do not accept easement and provide alternative direction.

**ATTACHMENTS:**

1. Easement – Public Water Utility Purposes  
<https://banningca.gov/DocumentCenter/View/11828/Att-1-PA-50A-Public-Water-Easement>

Approved by:

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Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Accept Easement from Tri Pointe Homes for Public Street and Utilities Purposes for Tract Map Nos. 35966 and 35967 within the Atwell Development

---

### **RECOMMENDATION:**

That City Council accepts an easement from Tri Pointe Homes for public street and utility purposes for Tract Map Nos. 35966 and 35967 within the Atwell Development.

### **BACKGROUND:**

Final Tract Map Nos. 35966 and 35967 within the Atwell Development Specific Plan were approved by City Council by Resolution No. 2020-94 on July 14, 2020. Tract Map No. 35967 is a subdivision that includes 22 numbered lots and 15 lettered lots for street and public utility purposes and open space. This tract map covers the southerly portion of the Atwell Development (Butterfield Specific Plan) project area.

Tract Map No. 35967 is a subdivision that includes 47 numbered lots and 21 lettered lots for street and public utility purposes and open space. This tract map covers the northerly portion of the Atwell Development project area, excluding the substation site along the easterly edge of the site and the former annexation area at the northwest portion of the site.

The easement for the public street and utilities is within portion of Lots 2, 3 and C of Tract Map No. 35966 and Lot D of Tract Map No. 35967. Portion of the new Highland Home Road will be covered by the proposed easement.

### **JUSTIFICATION:**

It is necessary to obtain the easement for public access along the public streets and in order for the City to access the public streets and utilities for maintenance purposes.

**FISCAL IMPACT:**

There is no fiscal impact associated with the acceptance of the easement.


**ALTERNATIVE:**

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

**ATTACHMENTS:**

1. Easement – Public Street Utilities Purposes  
<https://banningca.gov/DocumentCenter/View/11829/Att-1-HHR-Pub-St-and-Utilities-Easement>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Tom Miller, Electric Utility Director  
Jim Steffens, Power Resources Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Discussion and Consideration of Resolution 2022-157,  
Approving the Termination of Electric Tariff EV-1 and the  
Modification of Electric Tariff ED-1

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### **RECOMMENDATION:**

Staff recommends the City Council adopt Resolution 2022-157:

1. Approving the termination of Banning Electric Utility's ("BEU") Electric Tariff EV-1: Electric Vehicle Public Charging ("EV-1") and approving the modification of BEU's Electric Tariff ED-1: Economic Development Discount Rider ("ED-1").
2. Authorizing the city manager and/or the electric utility director, or their designees, to make all necessary utility billing system software modifications, or to take such other actions deemed necessary or useful to implement the termination of EV-1 and the modifications to ED-1.

### **BACKGROUND:**

On October 26, 2021, the City Council adopted resolution 2021-102 which approved BEU's new rate tariffs to go into effect January 1, 2022. These new tariffs included EV-1 and ED-1.

BEU desires to terminate EV-1 because there are no longer any City-owned or City-Sponsored EV charging stations within the City of Banning, and there are no customers on this rate tariff. Additionally, the EV-1 rate structure was made obsolete when the rate tiers were eliminated.

BEU desires to modify ED-1 for clarification purposes only. It was intended that the rate reduction for ED-1 include a reduction to all charges within the customer's applicable rate schedule. The way ED-1 was written, it could have been interpreted that the rate reduction would only apply to the customer's energy charge and demand charge. The proposed modifications to ED-1 make it clear that the 25% rate reduction is to be applied to ALL

charges within the customer's applicable rate schedule, except for the Public Benefits Charge.

**JUSTIFICATION:**

It is appropriate to terminate EV-1 as it is no longer applicable and because there are no customers on the rate schedule. It is prudent to modify ED-1 to clarify that the rate reduction applies to all charges on a customer's applicable rate schedule, to ensure that there is no confusion regarding how to implement ED-1 in the future.

**FISCAL IMPACT:**

None, there are no customers on either rate schedule. If we have a customer apply to ED-1 in the future, there will still be no fiscal impact because the modifications are merely clarifying the original intent of the rate schedule.

**ALTERNATIVES:**

1. Adopt Resolution 2022-157 as recommended.
2. Adopt Resolution 2022-157 with modifications.
3. Do not approve Resolution 2022-157 and provide alternative direction to staff.

**ATTACHMENTS:**

1. Resolution 2022-157  
<https://banningca.gov/DocumentCenter/View/11785/Att-1-Resolution-2022-157-Modifying-Electric-Rate-Tariffs>

Approved by:

  
\_\_\_\_\_  
Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Laurie Sampson, Assistant City Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-160, Approving Addendum No. 1 to the Professional Services Agreement with Zencity Technologies US, Inc. to Provide a Core SaaS Platform, Community Engagement Interface, and Online Survey Measuring Tools

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### **RECOMMENDATION:**

Staff recommend City Council:

1. Approve Addendum No. 1 to the Professional Services Agreement ("Agreement") with Zencity Technologies US, Inc. for 1) Zencity Organic, SaaS Platform for gathering and processing organic feedback from channels throughout the City's community and translating that data into quickly digestible analysis and personalized insights. 2) Zencity Engage for community engagement interface to share essential project context and invite resident collaboration and input, 3) Community Survey Quarterly for recurring online survey measuring resident satisfaction, with ongoing scores always viewable from a live dashboard and representative results aggregated into a report on a quarterly basis for two years at \$42,000 each year for a total approval of \$84,000 with an expiration date of December 6, 2024.
2. Authorize the City Manager or designee to make necessary budget adjustments, appropriations and transfers related Addendum No. 1 to the Professional Services Agreement with Zencity Technologies US, Inc.
3. Authorize the City Manager to execute Addendum No. 1 the Professional Services Agreement with Zencity Technologies US, Inc.

### **BACKGROUND:**

On November 9, 2021, City Council approved an agreement with ZenCity Technologies US, Inc. with the objective of engaging the community through information sharing and dialogue on two platforms. Zencity core SaaS platform gathers social media conversations from different platforms (Facebook, Twitter, NextDoor, etc.) to help understand the social media conversations occurring in the community. Civil Space Pro



Collab Edition provides the two-way communication. The annual cost of the agreement was \$24,000 and was funded through American Recovery Plan Act Funds.

**JUSTIFICATION:**

A pillar of success established by the current Strategic Plan is Reliable Infrastructure and Connected Mobility. One of the objectives of this pillar is to keep citizens connected and informed.

**FISCAL IMPACT:**

Approval of Addendum No. 1 for a two-year period at \$42,000 per year for a total of \$84,000 to be funded from account 001-1200-412.33-11.

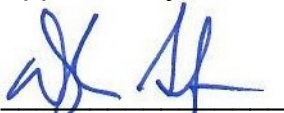
**ALTERNATIVES:**

1. Adopt Resolution 2022-160 as recommended.
2. Adopt Resolution 2022-160 with modifications.
3. Do not approve Resolution 2022-160 and provide alternative direction to staff.

**ATTACHMENTS:**

1. Resolution 2022-160  
<https://banningca.gov/DocumentCenter/View/11780/Att-1-Resolution-2022-160-Zencity-Agreement-2024-to-2026>
2. Original Agreement  
<https://banningca.gov/DocumentCenter/View/11783/Att-2-Zencity---Services-Agreement>
3. 2-Year Renewal Addendum  
<https://banningca.gov/DocumentCenter/View/11784/Att-3-Zencity-Agreement-Renewal>

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-159, Approving the Purchase of a Replacement Part for the Automated Weather Observing System at Banning Municipal Airport in the amount of \$15,500

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### **RECOMMENDATION:**

Staff Recommends that City Council adopt 2022-159:

1. Approve the purchase of a Central Data Platform for the Automated Weather Observing System (AWOS) system from DBT Transportation Inc. of Houston, Texas in the amount of \$15,500.
2. Authorize the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the purchase of the Central Data Platform from DBT Transportation Inc.

### **BACKGROUND:**

The City of Banning owns and operates Banning Municipal Airport ("Airport"). The AWOS system at the Airport is eleven years old, has not been working since August 3, 2022 and is non-functional without a replacement part. Fixing the existing AWOS is more cost effective than purchasing a new one. A new AWOS, in its entirety, is estimated to cost \$150,000. In an AWOS, meteorological data is collected by sensors located at the touchdown zone of a runway and is then transmitted by the Data Collection Platform (DCP), located at the sensor tower, to the Central Data Platform (CDP). The CDP is the part that needs to be replaced.

A functioning AWOS is needed to assist pilots with landings and take offs, as it provides current weather data.

**JUSTIFICATION:**

The purchase of a replacement part, a Central Data Platform (as described in Attachment No. 3), is needed for the AWOS to function again and necessary in order to maintain accurate and reliable weather reporting at the Airport to assist pilots with safe landings and departures.

**FISCAL IMPACT:**

An appropriation in the amount of \$15,500 from the Airport fund to Account 600-5100-435.90-42 (Capital Expenditures/Machinery/Equipment) is needed to fund the purchase of the AWOS replacement part from DBT Transportation Inc. Once the purchase is approved, staff will request FY 2018/19 and FY 2019/20 Caltrans Division of Aeronautics, California Aid to Airports Program (CAAP), funds to offset the full cost of the expense.

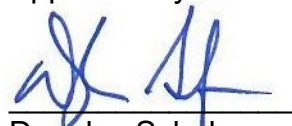
**ALTERNATIVES:**

1. Adopt Resolution 2022-159 with modifications.
2. Do not approve Resolution 2022-159 and provide alternative direction to staff.  
Not approving the purchase of a Central Data Platform will cause the AWOS to continue to be obsolete and impact daily operations at the Airport.

**ATTACHMENTS:**

1. Resolution 2022-159  
<https://banningca.gov/DocumentCenter/View/11827/Att-1-Resolution-2022-159-AWOS-Replacement-Authorization>
2. DBT Transportation Inc. Quote  
<https://banningca.gov/DocumentCenter/View/11825/Att-2-DBT-Transportation-Services-Quote>
3. Central Data Processing Specification Sheet  
<https://banningca.gov/DocumentCenter/View/11826/Att-3-CDP-Specifications>

Approved by:

  
\_\_\_\_\_  
Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Art Vela, Director of Public Works  
Kevin Sin, Senior Civil Engineer

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-161, Approving Amendment No. 2 to the Professional Services Agreement with Transtech Engineers, Inc. to Increase the Total Compensation by \$100,000 and to Extend the Term of Agreement through December 31, 2023 for Plan Check, Inspections and Related Administrative Services

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### **RECOMMENDATION:**

The City Council adopt Resolution 2022-161 approving the following actions:

1. Approving Amendment No. 2 to the Professional Services Agreement with Transtech Engineers, Inc. for an additional \$100,000 and to extend the term of the agreement through December 31, 2023 for plan check, inspections and related administrative services.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement Amendment No. 2 with Transtech Engineers, Inc.
3. Authorizing the City Manager to execute Amendment No. 2 to the Professional Services Agreement with Transtech Engineers, Inc.

### **BACKGROUND:**

The Public Works Department, currently staffed with four full-time engineers and one inspector, administers an array of services including management of capital improvement and infrastructure projects related to the design and construction of water, wastewater, streets, storm drain and building infrastructure. In addition to managing public works projects, staff is also responsible for processing private land development projects.

Due to staff resources and the anticipated workload related to land development projects such as the Rancho San Geronio (RSG) Specific Plan, the City Council adopted Resolution No. 2019-136 on November 12, 2019 awarding a professional services agreement to Transtech Engineers, Inc. (Transtech) for plan checks, inspections and related administrative services in the amount of \$100,000 on an as needed basis. And on November 10, 2020, the City Council adopted Resolution 2020-138 approving

Amendment 1 to the professional services agreement with Transtech to increase the compensation in the amount of \$250,000 and extend the term of agreement through December 31, 2022. The contract is set to expire by end of December 2022.

Staff recommends an increase in compensation in the amount of \$100,000 to the existing agreement with Transtech as well as an extension in the term of the agreement through December 31, 2023 to continue to receive the much-needed services through fiscal year 2022/2023 and portion of fiscal year 2023/24.

**JUSTIFICATION:**

Transtech has done a good job providing the required services (e.g. inspections, plan checks and review of technical studies) to meet the demands of Rancho San Geronio (RSG) specific plan development and other infill developments. It is anticipated that the demands created by RSG project will continue through fiscal years 2022/23 and 2023/24, hence staff's recommendation to increase the compensation and term of Transtech's agreement with the City. If approved, Amendment No. 2 will assure that we process development projects in a timely manner.

**FISCAL IMPACT:**

An appropriation from the General Fund in the amount of \$100,000 to Account No. 001-3000-442.33-53 is necessary and will be directly offset by revenues collected from plan check and inspection fees collected by the Public Works Department. Funds exhausted to date have been 100% recovered by said fees, which are collected prior to providing Transtech the approval to proceed with work.

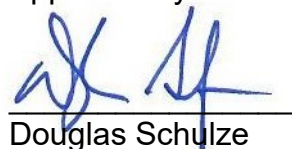
**ALTERNATIVES:**

Do not approve Resolution 2022-161. This alternative would cause a reduction in the level of service to private development applicants in the processing of their projects. Additionally, staff would have less time to work on the City's capital improvement projects.

**ATTACHMENTS:**

1. Resolution 2022-161  
<https://banningca.gov/DocumentCenter/View/11832/Att-1-Resolution-2022-161-Transtech-Amendment-2>
2. Amendment No. 2  
<https://banningca.gov/DocumentCenter/View/11833/Att-2-C00520-Transtech-Amendment-2>

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Art Vela, Director of Public Works  
Kevin Sin, Senior Civil Engineer

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-162, Approving Amendment No. 5 to the Professional Services Agreement with Engineering Resources of Southern California to Increase the Total Compensation by \$600,000 for Plan Check, Inspections and Related Administrative Services

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### **RECOMMENDATION:**

The City Council adopt Resolution 2022-162 approving the following actions:

1. Approving Amendment No. 5 to the Professional Services Agreement with Engineering Resources of Southern California (ERSC) for an additional \$600,000 for plan check, inspections and related administrative services.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement Amendment No. 5 with ERSC.

### **BACKGROUND:**

The Public Works Department, currently staffed with four full-time engineers and one inspector, administers an array of services including management of capital improvement and infrastructure projects related to the design and construction of water, wastewater, streets, storm drain and building infrastructure. In addition to managing public works projects, staff is also responsible for processing (e.g. plan checking, inspections, etc.) private land development projects.

Due to staff resources and the anticipated work load related to land development projects such as the Atwell Development (previously known as the Butterfield Specific Plan), the City Council adopted Resolution No. 2019-05 on January 8, 2019 awarding a professional services agreement to ERSC for plan checks, inspections and related administrative services in the amount of \$250,000 on an as needed basis with an option to renew for three additional years. Subsequently, the following amendments have been processed:

- On January 14, 2020, the City Council adopted Resolution No. 2020-05, approving Amendment No. 1 to increase the contract amount by \$350,000
- On May 12, 2020, the City Council adopted Resolution 2020-58, approving Amendment No. 2 to increase the contract amount by \$750,000 and to extend the term of the agreement through June 30, 2021
- On May 11, 2021, the City Council adopted Resolution 2021-37, approving Amendment No. 3 to increase the contract amount by \$850,000 and to extend the term of the agreement through June 30, 2022
- On March 8, 2022, the City Council adopted Resolution 2022-20, approving Amendment No. 4 to increase the contract amount by \$1,000,000 and to extend the term of the agreement through June 30, 2023.

Due to the continued workload related to the Atwell Development, staff recommends an increase in compensation in the amount of \$600,000 to the existing agreement with ERSC to cover the additional plan checks and inspections.

It should be noted that the ERSC agreement is set to terminate on June 30, 2023 and there are no more extensions. Due to this end of the term, staff will soon release a new Request for Proposals for these services.

#### **JUSTIFICATION:**

ERSC has done an excellent job providing the required services (e.g. plan checks, review of technical studies and construction inspections) to meet the demands of Tri Pointe's (formerly Pardee Homes) Atwell development. It is anticipated that the additional demands for inspection of off-site improvements created by Tri Pointe's project will continue through June 30, 2023, hence staff's recommendation to increase the compensation. If approved, Amendment No. 5 will ensure that we process development projects in a timely manner and that the City's infrastructures will continue to be inspected for compliance with the City's plans, standards and specifications.

#### **FISCAL IMPACT:**

An appropriation from the General Fund in the amount of \$600,000 to Account No. 001-3000-442.33-53 is necessary and will be directly offset by revenues collected from plan check and inspection fees collected by the Public Works Department. Funds exhausted to date have been 100% recovered by said fees, which are collected prior to providing ERSC the approval to proceed with work.

#### **ALTERNATIVES:**

Do not approve Resolution 2022-162. This alternative would cause a reduction in the level of service to the Atwell development project, especially in the off-site infrastructure improvement inspections. Additionally, staff would have less time to work on the City's capital improvement projects.

**ATTACHMENTS:**

1. Resolution 2022-162  
<https://banningca.gov/DocumentCenter/View/11835/Att-1-Resolution-2022-162-ERSC-Amendment-5>
2. Amendment 5 to Agreement with ERSC  
<https://banningca.gov/DocumentCenter/View/11836/Att-2-C00472-ERSC-AMENDMENT-5>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager





## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Approval for Purchase of Twelve (12) Vehicles  
from McCracken Automotive LLC dba Brennan Motor Company

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### **RECOMMENDATION:**

Staff recommend the City Council approve the purchase of twelve (12) vehicles from McCracken Automotive LLC dba Brannen Motor Company.

### **BACKGROUND:**

The council has approved the purchase of seven (7) vehicles for the police department along with the Upfit, Computer, Radio, Graphics, and tinting in December of 2021 (Resolution 2021-123). The vehicles were ordered immediately after approval from the council with Fritt's Ford. The Banning Police Department was notified on October 5, 2022 that Ford was not going to be able to provide the cars for the Banning Police Department and we could possibly purchase the vehicles in 2023. The department is in need of the replacement vehicles and immediately sought other means to purchase the vehicles.

The Chief reached out to Riverside County Sheriff Chad Bianco to see if there was a possibility of selling us some of the vehicles they had on order. Sheriff Bianco notified the Chief that his department does not have any cars to spare at the moment and they are 400 plus vehicles down.

The department identified McCracken Automotive LLC as a provider of vehicles and began dialog to purchase the needed vehicles. McCracken Automotive LLC currently does business with Cathedral City. The McCracken Automotive LLC did not have Ford Patrol Vehicles but does have Chevrolet Tahoe's which were about 500 dollars cheaper than the Ford Patrol Vehicles. The department currently has two Chevrolet Tahoe's in the fleet. The seven (7) vehicles (from the December 2021 resolution) and five (5) additional vehicles approved in the budget for 2022-2023 for a total of twelve (12) vehicles.

**JUSTIFICATION:**

The requested vehicles will be utilized by patrol officers detectives, and administrative staff while conducting business in the City of Banning. The Police Department worked with Purchasing and McCracken Automotive LLC to determine the Government Discount Rate from The Ford Motor Company. The Department had ordered the initial seven (7) vehicles from Fritt's Ford, as we had in the past, but was notified in October, after waiting for 10 months, that they were unable to fill the order. There is a shipping fee of \$2000 per car. The Department will pay the sales tax when the plates are purchased for the vehicles.

**FISCAL IMPACT:**

The City Council approved the purchase of seven (7) vehicles in December of 2021 (Resolution 2021-123) in the amount of \$505,190. In the 2022-2023 Budget Approval (Resolution 2022-77) \$378,892 was approved for the purchase, upfit, computer, radio, graphics, and tinting of five (5) cars for the current fiscal year.

The department is not asking for additional funding regarding this purchase.

**ALTERNATIVES:**

The City Council may choose to reject staff's recommendation and provide alternative direction.

**ATTACHMENTS:**

1. Quote from McCracken Automotive LLC  
<https://banningca.gov/DocumentCenter/View/11862/Att-1-Quote-McCracken-Automotive-LLC-2023-Tahoe-PPV-Price>
2. Resolution 2021-123  
<https://banningca.gov/DocumentCenter/View/11861/Att-2-Resolution-2021-123-Vehicle-Purchase>

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Ralph Wright, Parks and Recreation Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-163, Accepting a Donation for the Banning Senior Center from the Sun Lakes Country Club Charitable Trust in the Amount of \$2,000

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### **RECOMMENDATION:**

The City Council adopt Resolution 2022-163 approving the following:

1. Accepting the donation to the Banning Senior Center from the Sun Lakes Country Club Charitable Trust in the amount of \$2,000.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to donation and its use.

### **BACKGROUND:**

City of Banning Administrative Policy B-27 – Donation to City Funds and Programs/Administration, effective 4/2015 and reviewed on 07/2018, establishes the protocol for acceptance of donations for City programs and services.

Administrative Policy B-27 also establishes the acceptance approval thresholds and per this policy, donations in an amount greater than \$1,000 must be approved by the City Council.

The Banning Senior Center and its programming is substantially funded under the Parks and Recreation Budget allocation for the Senior Center within the General Fund and is also supported through donations and fund raising throughout the year.

Sun Lakes Country Club Charitable Trust has been a continuous supporter of the Banning Senior Center and has graciously donated \$2,000. The Sun Lakes Charitable Trust made the donation with the requirement that the funds are used for the Senior Center operations. After evaluation of programming, the donation will be used to continue the Happiness Campaign and support monthly events and programming through purchase of supplies or equipment for that purpose. All items will significantly improve and enhance the experience of our senior population that call the Banning Senior Center home.

**JUSTIFICATION:**

Donations such as this directly and positively impact the Parks and Recreation Services and Programs enhance the City's offerings and aid in the development and improvement of our community.

**FISCAL IMPACT:**

The acceptance of the donation does not require any matching funding and will allow for the improvement of program offerings at the Senior Center without additional General Fund allocation.

**ALTERNATIVES:**

1. Adopt Resolution 2022-163 as recommended.
2. Do not approve Resolution 2022-163 and provide alternative direction to staff.

**ATTACHMENTS:**

1. Resolution 2022-163  
<https://banningca.gov/DocumentCenter/View/11850/Att-1-Resolution-2022-163---Acceptance-of-Donation-from-Sun-Lakes-Charitable-Trust>
2. Donation Acceptance Form – Sun Lakes Charitable Trust 2022  
<https://banningca.gov/DocumentCenter/View/11851/Att-2-City-of-Banning---Donation-Acceptance-Fom---Sun-Lakes-Charitable-Trust-2022>

Approved by:

  
\_\_\_\_\_  
Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Lincoln Bogard, Finance Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-165, Approving Amendment No. 2 to the Agreement (C00689) for Property Tax Management, Audit and Information Services with HdL Coren & Cone through December 31, 2024 for a Not-To-Exceed Amount of \$61,200

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### **RECOMMENDATION:**

Staff recommend City Council:

1. Adopt Resolution No. 2022-165, approving Amendment No. 2 to the agreement between the City of Banning and HDL Coren & Cone for Property Tax Management, Audit and Information Services extend the Agreement for an additional two-year term, ending on December 22, 2024, and the increase in compensation for services for that term not to exceed Thirty-Two Thousand Seven Hundred and Fifty Dollars (\$32,750.00), for a new contract term not to exceed Sixty-One Thousand Two Hundred Dollars (\$61,200.00).
2. Authorize the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to this amendment.
3. Authorize the City Manager to execute Amendment No. 2 to the agreement.

### **BACKGROUND:**

On December 23, 2020, the City entered into an agreement with HdL Coren & Cone to provide property tax management, audit and information services including reports and analytical services, identification and correction of errors, quarterly reports, property tax application and database, and successor agency services as detailed in the scope of services in the agreement (Exhibit A).

On December 14, 2021, the City executed Amendment One to the original agreement, which is set to expire on December 22, 2022 and city staff recommends extending the contract in order to continue these services.

### **JUSTIFICATION:**

The reports provided by HdL Coren & Cone contain useful information for the City

detailing out property and revenue trends for the entire City and for custom defined geographic areas. The reports can be used for budgeting purposes, planning, economic development and public information. Details of services provided can be found in the scope of services section of the agreement.

**FISCAL IMPACT:**

The annual fiscal cost of \$15,000 and is covered by the current FY 22-22 budget in fiscal services department account number 001-1900-412.33-11 Professional Services.

The annual fiscal cost of \$16,000 and is covered by the current FY 23-24 budget in fiscal services department account number 001-1900-412.33-11 Professional Services.

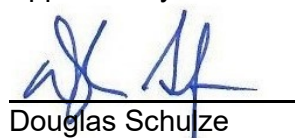
**ALTERNATIVES:**

1. Approve the recommended actions.
2. The City Council may choose to reject the recommended actions and provide alternative options.

**ATTACHMENTS:**

1. Resolution 2022-165  
<https://banningca.gov/DocumentCenter/View/11858/Att-1-Resolution-2022-165>
2. Draft Amendment No. 2 to the Agreement with HdL Core & Cone  
<https://banningca.gov/DocumentCenter/View/11856/Att-2-C00689-HdL-Coren-and-Cone---Amendment-2>
3. Resolution 2021-126  
<https://banningca.gov/DocumentCenter/View/11857/Att-3-Resolution-2021-126>
4. Amendment No. 1 to the Agreement with HdL Coren & Cone  
<https://banningca.gov/DocumentCenter/View/11865/Att-4-Amendment-No1-C00689-HdL-Coren-and-Cone>
5. Original Executed Agreement with HdL Coren & Cone  
<https://banningca.gov/DocumentCenter/View/11866/Att-5-C00689-HDL-COREN-AND-CONE>

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Lincoln Bogard, Finance Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-166, Approving a Professional Services Agreement with HdL Companies for Cannabis Revenue Audit Services

---

### **RECOMMENDATION:**

Staff recommend City Council:

1. Adopt Resolution No. 2022-166, approving an agreement between the City of Banning and HDL Companies for a two-year term, ending on December 31, 2024, with a contract term not to exceed Fifty Thousand Dollars (\$50,000.00).
2. Authorize the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to this amendment.
3. Authorize the City Manager to execute Amendment No. 2 to the agreement.

### **BACKGROUND:**

The City began allowing cannabis operations within the City in Fiscal Year 2019-20. City income from Cannabis Tax was approximately \$1.15 million this past year. To date, this revenue source is not monitored and is self-reported by the businesses. Most municipalities that allow for cannabis operations conduct revenue audits on an annual or biennial basis.

### **JUSTIFICATION:**

HdL Companies offer a broad range of tax services and the City currently contracts for many of those offerings. HdL Companies has developed a large Cannabis Revenue Audit Service that performs not only audits but also compliance services for cannabis operators. Some municipalities require that their operators utilize those compliance services at the operators' cost. We have left that as an option service for now.

### **FISCAL IMPACT:**

The first year of the contract is expected to be \$30,000 and the second is \$20,000. HdL Companies has shown city staff the expectations to increase revenues significantly above the costs of the revenue audits performed.

<u>Year</u>	<u>Estimated Amount</u>
2022/2023	\$30,000
2023/2024	\$20,000

**ALTERNATIVES:**

1. Adopt Resolution 2022-166 as recommended.
2. Adopt Resolution 2022-166 with modifications.
3. Do not approve Resolution 2022-166 and provide alternative direction to staff.

**ATTACHMENTS:**

1. Resolution 2022-166  
<https://banningca.gov/DocumentCenter/View/11860/Att-1-Resolution-2022-166---HdL-Cannabis-Revenue-Audits>
2. C00797 HDL Companies (Cannabis Revenue Audit) Contract  
<https://banningca.gov/DocumentCenter/View/11859/Att-2-C00797-HDL-Companies-Cannabis-Revenue-Audit>

Approved by:

  
\_\_\_\_\_  
Douglas Schulze  
City Manager





## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-170 and Resolution 2022-15UA, Approving the Purchase of a Backhoe/Loader for the Water Division of the Public Works Department and a Backhoe/Loader for the Electric Utility

---

### **RECOMMENDATION:**

Staff recommends that:

1. The City Council approve Resolution 2022-170, approving the purchase of a new CAT 420 Backhoe Loader from QUINN CAT in the amount of \$162,937.40 without a trade in for the Electric Utility.
2. The Board of the Utility Authority adopt Resolution 2022-15 UA, approving the purchase of a new CAT 420 Backhoe Loader from QUINN CAT in the amount of \$144,937.40 with a trade in for the Public Works Water Division.
3. Authorize the City Manager or designee to make necessary budget adjustments, appropriations and transfers related to both purchases.

### **BACKGROUND:**

The Water Division currently has a fleet consisting of several work trucks, large pieces of equipment (backhoes, loaders, etc.) and miscellaneous equipment (air compressors, welders, etc.). As part of its fleet, the Water Division operates two backhoes, which are utilized during the excavation process of installing new water services, water mains and appurtenances. More commonly, the backhoes are used for repairing water leaks in the water system.

The Electric Utility currently has a fleet consisting of several work trucks and large pieces of equipment. In February 2019, City Council authorized the Electric Utility Heavy Duty Trucks and Equipment Replacement Program. The growth within the City of Banning has made it necessary for the Electric Utility to own and operate its own land construction

equipment rather than put the burden of equipment availability on other departments as done in the past.

The Water Division is in need to replace one of the two backhoes, Unit 825, which is a 2007 Case 580N backhoe with 5,608 hours.

Staff has identified the availability of two CAT 420 Backhoe/Loaders from QUINN CAT through Sourcewell. Sourcewell, which the City is a member of, provides for cooperative purchasing options resulting in discounted costs in an efficient manner. QUINN CAT will also accept the Water Division's existing 2007 Case 580N backhoe as a trade-in for a credit in the amount of \$18,000.

#### **JUSTIFICATION:**

Provisions of Purchasing Policy B-30 identifies that cooperative bids prepared by and processed through local, state or federal government agencies, may be utilized by the City. City Council consent is required for such arrangements where purchases exceed \$25,000.

The purchase of the new CAT 420 Backhoe/Loaders is necessary in order to maintain safe and reliable Water Division and Electric Utility operations.

#### **FISCAL IMPACT:**

The sell price of the CAT 420 Backhoe Loader is \$200,049.16. Through the Sourcewell purchasing contract a 22% discount is applied along with an additional dealer discount for a net sell price of \$151,218.00 for each piece of equipment. After taxes, fees and the application of the trade-in value for the existing backhoe, the total purchase price is \$144,937.40 for the Water Division and \$162,937.40 for the Electric Utility, without a trade-in.

The Water Operations Fund (660) and the Electric Utility Capital Fund (673) will fund the purchase as follows:

<b>Account</b>	<b>Description</b>	<b>Amount</b>
660-6300-471.90-56	Machinery/Equipment	\$144,937.40
673-7000-473.90-52	Vehicles	\$162,937.40

The purchase of the new backhoes was planned and budgeted for in the current fiscal year (2022/2023).

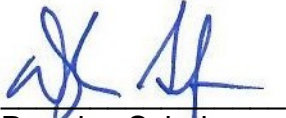
#### **ALTERNATIVE:**

Do not approve Resolution 2022-170 and provide alternative direction. Continual operations with the existing backhoe may result in delays for completing work (e.g. leak repairs, etc.) due to potential downtime of the backhoe. Additionally, the cost to maintain the existing backhoe will continue to increase.

**ATTACHMENTS:**

1. Resolution 2022-170  
<https://banningca.gov/DocumentCenter/View/11903/Att-1-Resolution-2022-170-Purchase-of-Backhoe>
2. Resolution 2022-15 UA  
<https://banningca.gov/DocumentCenter/View/11904/Att-2-Resolution-2022-15UA-Purchase-of-Backhoe>
3. Quote from QUINN CAT Water Division (with Trade-in)  
<https://banningca.gov/DocumentCenter/View/11905/Att-3-BACKHOE-with-Trade-in- - City-of-Banning>
4. Quote from QUINN CAT Electric Utility (no trade-in)  
<https://banningca.gov/DocumentCenter/View/11902/Att-4-BACKHOE-without-Trade-in City-of-Banning>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Amendment 2 to the Professional Services Agreement with STV Incorporated Extending the Term Through December 22, 2023 and Increasing the Total Compensation by \$7,500

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### **RECOMMENDATION:**

Approve Amendment 2 to the Professional Services Agreement with STV Incorporated extending the term by one year and increasing the contract amount by \$7,500 for a not-to-exceed amount of \$27,000.

### **BACKGROUND:**

The City of Banning entered into a Professional Services Agreement (“PSA”) with STV Incorporated (“STV”) on June 25, 2021 in the amount of \$19,500. STV’s scope of work was to update an existing set of bridging documents for a design-build solicitation to construct a new Compressed Natural Gas (“CNG”) Station (“Project”) at the City’s Corporate Yard located at 176 E. Lincoln Street. The updates included revising the electrical, mechanical and structural design.

On April 5, 2022 the City executed Amendment 1 to the PSA with STV for the purposes of extending the term of the agreement by 180 days. The extension set a new termination date of December 22, 2022.

The bid package for the Project is now completed. The next step is to advertise a Request for Qualifications (RFQ) which will result in a short list of approved vendors that are qualified to bid on the design-build scope of work.

Staff respectfully requests City Council’s approval of Amendment 2 to the PSA with STV so that STV can provide bid support such as: participation in vendor evaluation, design-build proposal evaluation and response to requests for information (RFI) during the RFQ and bidding phases.

**JUSTIFICATION:**

The City owns and operates a CNG fueling facility located at the Corporate Yard (179 E. Lincoln Street). The facility was commissioned in 2004 and serves the City's transit fleet, the Banning Unified School District bus fleet and at one time had a publicly used dispenser, which was discontinued due to capacity issues. The facility is currently past it's useful life.

The City is in the process of procuring a design-build contract that will lead to a brand new CNG facility and the decommissioning of the existing facility. The new CNG facility will restore the ability for the public to use the facility.

Amendment 2 to the STV Professional Services Agreement will provide City staff with additional support from a firm with experience in the design and construction of CNG stations to move the project along.

**FISCAL IMPACT:**

The amount will be funded by the Fleet Operations Fund, Account 702-3800-480.33-11, which has an available balance of \$50,800.

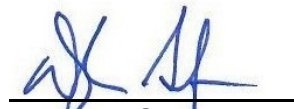
**ALTERNATIVES:**

Reject staff recommendation and provide additional direction.

**ATTACHMENTS:**

1. STV Professional Services Agreement  
[https://banningca.gov/DocumentCenter/View/11863/Att-1-C00714\\_STV\\_INCORPORATED](https://banningca.gov/DocumentCenter/View/11863/Att-1-C00714_STV_INCORPORATED)
2. STV Amendment 1  
[https://banningca.gov/DocumentCenter/View/11864/Att-2-C00714\\_STV\\_INCORPORATED\\_AMENDMENT\\_1](https://banningca.gov/DocumentCenter/View/11864/Att-2-C00714_STV_INCORPORATED_AMENDMENT_1)

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** UTILITY AUTHORITY

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Amendment No. 1 to the Purchase Order with Center Electric for Electrical Services for the Water/Wastewater Divisions in the Amount of \$20,000 for a Total Amount of \$45,000

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### **RECOMMENDATION:**

Staff recommend that the Utility Authority Board approve the purchase order amendment:

1. Approving Amendment No. 1 to the purchase order with Center Electric of Riverside, California for Water/Wastewater Electrical Services as needed in the amount of \$20,000 for a total purchase order in the amount of \$45,000.
2. Authorizing the City Manager or designee to make necessary budget adjustments, appropriations and transfers related to Amendment No. 1 to the purchase order with Center Electric for the Water/Wastewater Electrical Services as needed.
3. Authorizing the City Manager to execute Amendment No. 1 to the purchase order.

### **BACKGROUND:**

The City of Banning owns and operates its own water and wastewater systems, which includes twenty potable water wells and one non-potable water well, thirteen potable reservoirs, four wastewater lift stations and a wastewater treatment plant that occasionally needs electrical repairs and maintenance. Over the past six months the department has used the electrical services more than anticipated. Work completed this fiscal year includes electric work to support the City's new water operation SCADA system and problem solving wiring systems of outdated mechanical control cabinets.

### **Vendor Selection Process**

The City of Banning issued a Request for Proposals (RFP) on June 1, 2018 through Planet Bids resulting in three proposals being submitted. Center Electric submitted the proposal with the best rates. The first purchase order with Center Electric was issued on July 1, 2018 and it is allowed to renew the purchase order for a five-year period so long as no single work order exceeds \$5,000.

**JUSTIFICATION:**

This fiscal year's purchase order with Center Electric in the amount of \$25,000 has been exhausted. Amendment No. 1 will amend the purchase order by adding an additional \$20,000 to it, which staff feels is sufficient to cover work orders for the remainder of the fiscal year.

**FISCAL IMPACT:**

The Water and Wastewater funds will each pay for a portion of the costs, based on anticipated work needed for each division. The cost breakdown:

Fund	Account Number	Cost Allocation
Water	660-6300-471.45.06	\$15,000
Wastewater	680-8000-454.30.04	\$5,000
Total Amount of Amendment 1		\$20,000

Fiscal Year 2022/2023 purchase order with Center Electric is for an amount of \$25,000. If approved, Amendment No. 1 will add \$20,000 to it for a total purchase order amount of \$45,000.

**ALTERNATIVES:**

Reject Amendment No. 1, which could delay any repairs or planned maintenance activities involving electrical systems.

**ATTACHMENT:**

1. 2019 Maintenance Bid Center Electric  
[https://banningca.gov/DocumentCenter/View/11867/Att-1-COB-2018\\_2019-Maintenance-Bid-Center-Electric](https://banningca.gov/DocumentCenter/View/11867/Att-1-COB-2018_2019-Maintenance-Bid-Center-Electric)

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-14UA, Awarding a Professional Services Agreement to N2W Engineering to Provide Owner Advisor Services and Preliminary Engineering for the Wastewater Treatment Plant Improvement Project in a Not-to-Exceed Amount of \$1,576,430

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### **RECOMMENDATION:**

Staff recommend that the City Council adopt Resolution 2022-14UA:

1. Awarding a Professional Services Agreement to N2W Engineering to provide Owner Advisor services for the Wastewater Treatment Plant Improvement project in the “not-to-exceed” amount of \$1,576,430.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement with N2W Engineering for Owner Advisor services.
3. Authorizing the City Manager or his designee to execute the Professional Services Agreement with N2W Engineering of Irvine, California in the “not to exceed” amount of \$1,576,430.

### **BACKGROUND:**

#### Wastewater Treatment Plant

The City of Banning Wastewater Treatment Plant (WWTP), also known as the Water Reclamation Facility, provides for the collection, treatment, and disposal of municipal sewage. The WWTP dates back to 1925 and began to see significant additions beginning in 1950's and the last major renovation occurring in the early 2000's. Currently, the WWTP treatment process consists of preliminary, primary, secondary, disinfection (currently not in use), and sludge disposal.

The WWTP has a design treatment capacity of 3.6 million gallons per day (MGD) and typical average daily discharges range from 2.0 MGD to 2.1 MGD into 10 unlined evaporation/percolation ponds. The treated effluent then percolates into the groundwater of the San Geronio Hydraulic Unit. Groundwater from this basin is used for municipal and industrial applications.



In 2007, the City contracted Parsons to evaluate treatment technologies for a 1.5 MGD water reclamation facility (WRF) for the production of recycled water. Treatment alternatives investigated included oxidation ditch (OD), conventional activated sludge (CAS), and membrane bioreactor (MBR). The purpose of the evaluation was to determine the best option to comply with future Title 22 requirements for the beneficial reuse of recycled water. Parsons determined an MBR system was the best treatment option and completed a 90% design package of the WRF. Unfortunately, the project never reached 100% design and was terminated for various reasons.

#### 2016 Regional Water Quality Control Board Order

On June 30, 2016, the California Regional Water Quality Control Board, Colorado River Basin Region (RWQCB) adopted Board Order R7-2016-0015 (Board Order), which describes the Waste Discharge Requirements (WDRs) and other terms and conditions of operation for the City's WWTP. The Board Order requires the WWTP to remove constituents that present the greatest risk to groundwater quality such as nitrogen, coliforms, and total dissolved solids (TDS).

According to the United States Environmental Protection Agency (US EPA), the maximum contaminant level (MCL) for Nitrate as Nitrogen (TN) is 10 mg/L. Currently, the average TN concentration in the WWTP's effluent is 29 mg-N/L, well above the future TN limit of 10 mg-N/L specified in the Board Order.

As a result, the Board Order required the City to conduct a nitrogen removal analysis and to summarize the findings in a technical report that includes a tentative work plan and time schedule for the installation and implementation of nitrogen removal treatment alternatives. The final technical report (Nitrogen Removal Feasibility Study), attached hereto, was completed and submitted to the RWQCB by the due date of June 30, 2020.

The City has had plans for the development of a Title 22 compliant recycled water source dating back to the early 2000's and for this reason, the scope of the Nitrogen Removal Feasibility Study was expanded beyond complying with TN limits and included discharge requirements related to the use of recycled water.

Additionally, the Board Order requires that the City submit a plan for capacity improvements to the RWQCB once the WWTP reaches 80% of its design capacity, or 2.88 MGD.

#### 2018 Integrated Master Plan

In 2016 the Public Works Department set out to develop new master plans for the City's water, wastewater and future recycled water systems, which were previously updated in 2006. The final document resulted in a combined plan titled the Integrated Master Plan (IMP). The objective of the IMP was to develop capital improvement plans that would guide the City in the planning and development of water, wastewater and recycled water system facilities to meet system performance for existing customers as well as to support anticipated demands through the City's buildout.

The IMP projected that the City would reach 80% capacity by 2025 (although could be later if development slows down) and have a buildout wastewater flow of 6.35 MGD.

#### 2020 UWMP

On June 8, 2021 the City Council approved Resolution 2021-50, adopting the 2020 Urban Water Management Plan (UWMP). The UWMP is a planning document with a 20-year planning horizon that assess the water supply and water demand for the City. As part of the assessment all current water supplies and in the future water supplies are include as part of the City's water supply portfolio, which includes the use of recycled water to supplement potable demands (i.e. irrigation demands) and for groundwater recharge.

#### Owner Advisor

Staff determined that to comply with the Board Order; to increase treatment capacity at the WWTP to support development; and to add to the City's water supply portfolio by developing a recycled water source, the City would need to move forward with major improvements to the WWTP. Current staffing levels would make it challenging to successfully complete such a large capital project in a timely manner. For that reason, staff developed a Request for Qualifications to hire an Owner Advisor (OA) which would be dedicated to the project.

An OA is typically a design and/or construction consultant or consulting firm that has extensive knowledge in the specific type of project being represented. The OA, generally, is responsible for project execution including the management of communications, time, cost, quality, risk, procurement, design, construction, and acceptance.

On July 21, 2022 the City released the attached RFQ on the OpenGov ProcureNow platform as well as sent to several qualified consulting firms. Qualification submittals were due on August 15, 2022. The RFQ was downloaded 30 times from ProcureNow. As a result of the of the RFQ solicitation the City received only one submittal from N2W Engineering. An evaluation committee reviewed the qualifications of N2W Engineering and agreed that they were qualified and experienced and subsequently an interview was conducted on October 4, 2022.

Following the interview staff worked with N2W Engineering to define the scope of work and negotiated a fee for said scope, attached hereto.

It is staff's recommendation that City Council award a Professional Services Agreement to N2W Engineering, based on qualifications and fee statement. If approved, the term of the Professional Services Agreement is estimated to extend to fiscal year 2026/2027.

#### **JUSTIFICATION:**

Based on current and future wastewater regulatory requirements, implementation of the Integrated Master Plan and the City's strategy for developing a robust water supply portfolio, it is necessary to move forward with the improvements to the City's WWTP. Due

to current staff resource and size and complexity of the WWTP project, it is recommended by staff to hire an Owner Advisor to move the WWTP project forward.

City staff evaluated N2W Engineering's experience and qualifications and interviewed the firm for the WWTP project and subsequently have found them as a qualified firm to represent the City as its Owner Advisor.

### **FISCAL IMPACT:**

The negotiated fee for the identified scope of work is in the amount of \$1,576,430.

The funding for this project was programmed in the approved 5-year Capital Improvement Plan (CIP) as follows:

Account	Project Desc.	FY 2023	FY 2024	FY 2025
<b>680-8000-454.90-10</b>	WWTP Owner Advisor	\$100,000	\$100,000	\$100,000
<b>680-8000-454.95-12</b>	WWTP Upgrades	\$130,000	\$130,000	\$130,000
<b>681-8000-454.95-12</b>	WWTP Upgrades	\$130,000	\$650,000	\$650,000
<b>Total</b>		<b>\$360,000</b>	<b>\$880,000</b>	<b>\$880,000</b>

An appropriation from Fund 680 (Wastewater Fund) and Fund 681 (Wastewater Capital Facility Fund) fund balances will be required to allocate the needed funds in FY 2023. The appropriation would be offset by reducing/eliminating the expenditures in FY 2024 and FY 2025 as shown in the table above. The revised CIP table will be as follows:

Account	Project Desc.	FY 2023	FY 2024	FY 2025
<b>680-8000-454.90-10</b>	WWTP Owner Advisor	\$300,000	\$0	\$0
<b>680-8000-454.95-12</b>	WWTP Upgrades	\$390,000	\$0	\$0
<b>681-8000-454.95-12</b>	WWTP Upgrades	\$886,430	\$0	\$543,570
<b>Total</b>		<b>\$1,576,430</b>	<b>\$0</b>	<b>\$543,570</b>

In summary, appropriations in the amount of \$460,000 from Fund 680 and \$756,430 from Fund 681 are required to fund the Professional Services Agreement with N2W Engineering.

### **ALTERNATIVES:**

1. Approve as presented.
2. Approve with modifications.
3. Do not approve Resolution 2022-14UA and provide alternate direction to staff.

### **ATTACHMENTS:**

1. Resolution 2022-14UA  
<https://banningca.gov/DocumentCenter/View/11872/Att-1-Resolution-2022-14-UA-OA-WWTP>

2. Nitrogen Removal Feasibility Study  
<https://banningca.gov/DocumentCenter/View/11873/Att-2-Banning-Nitrogen-Removal-Feasibility-Study-FINAL-REV-1-STAMPED>
3. Request for Qualifications  
<https://banningca.gov/DocumentCenter/View/11874/Att-3-RFQ-22-019-Owner-Advisor-COB-WaterWasterwater>
4. Statement of Qualifications  
[https://banningca.gov/DocumentCenter/View/11868/Att-4-Statement\\_of\\_Qualifications](https://banningca.gov/DocumentCenter/View/11868/Att-4-Statement_of_Qualifications)
5. Scope of Services  
[https://banningca.gov/DocumentCenter/View/11869/Att-5-Scope\\_of\\_Services-11-22-2022](https://banningca.gov/DocumentCenter/View/11869/Att-5-Scope_of_Services-11-22-2022)
6. Fee Statement  
<https://banningca.gov/DocumentCenter/View/11870/Att-6-Fee-11-22-2022>
7. Draft Professional Services Agreement  
<https://banningca.gov/DocumentCenter/View/11871/Att-7-C00778-N2W-Engineering-Inc>

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Adam Rush, Community Development Director  
Emery Papp, Senior Planner

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-168, Approving Tentative Parcel Map 38367 (TPM 22-4501) Located Westerly of North 16<sup>th</sup> Street , Northerly of West Williams Street, and Southerly of West Nicolet Street (APN: 538-142-018), A Proposed Subdivision of One (1) 0.70-Acre Parcel into Three (3) Single-Family Residential Lots within the Low Density Residential District

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### **RECOMMENDATION:**

Staff respectfully recommends that the City Council adopt Resolution 2022-168:

1. Approving staff's determination of exemption under the requirements of the California Environmental Quality Act ("CEQA") pursuant to CEQA Section 15315 (Minor Land Divisions); and
2. Approving the Tentative Parcel Map No. 38367 subject to the Conditions of Approval attached herein.

### **PROJECT/APPLICANT INFORMATION:**

Project Location: West of 16th, North of Williams, South of Nicolet

APN Information: 538-142-018

Project Applicant: Nasimul Anwar  
31216 Quarry Street  
Mentone, CA 92359

Property Owner: Nasimul Anwar  
31216 Quarry Street  
Mentone, CA 92359

**PROJECT DESCRIPTION:**

The 0.7-acre parcel is an atypical “L-shaped” configuration, undeveloped, and is a relatively flat lot, gently sloping from north to south. The Applicant has requested and prepared a subdivision map for the single parcel to be divided into three new parcels within the Low Density Residential (LDR) zone. Lot 1 is proposed to have a gross area of 9,023 square feet in size; and Lot 2 and Lot 3 are proposed to be 10,335 gross square feet each. Each new lot will contribute to a public access easement for personal vehicles and emergency response vehicles to reach the rear of the site. The subdivision will create new parcels that are consistent with the LDR Zone.

**BACKGROUND:**

The property is an infill lot, surrounded by existing single-family homes, and is bounded by 16th Street to the east, W. Williams Street to the south and Nicolet Street to the north (Figure 2). The project site is located within the Low Density Residential (LDR) zone (Figure 3), wherein subdivisions of land are permitted upon an approval recommendation by the Planning Commission, subject to approval by the City Council.

**Surrounding Land Use**

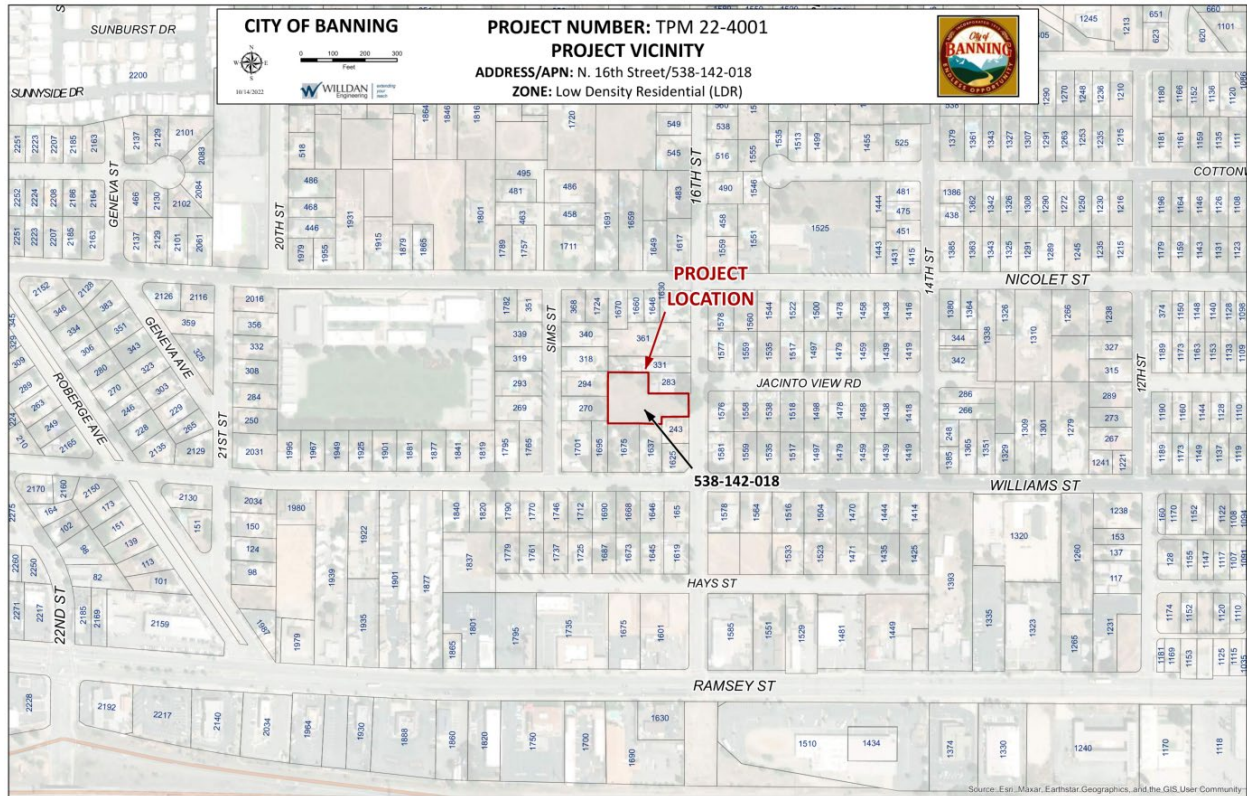
The site consists of a vacant, undeveloped parcels located in a built-out residential neighborhood environment on the west side of 16th Street, north of West Williams Street, on assessor parcel number 538-142-018. The nature of the surrounding uses, zoning classifications, and General Plan land use designations are delineated for Planning Commission consideration in the following table and Figures 2 and 3:

**Table 1, Land Use Summary Table:**

	<b>Existing Land Use</b>	<b>Zoning Designation</b>	<b>GP Designation</b>
<b>Subject Site</b>	Vacant	Low Density Residential (LDR)	LDR
<b>North</b>	Developed	LDR	LDR
<b>South</b>	Developed	LDR	LDR
<b>East</b>	Developed	LDR	LDR
<b>West</b>	Developed	LDR	LDR



**Figure 1, Vicinity Map:**

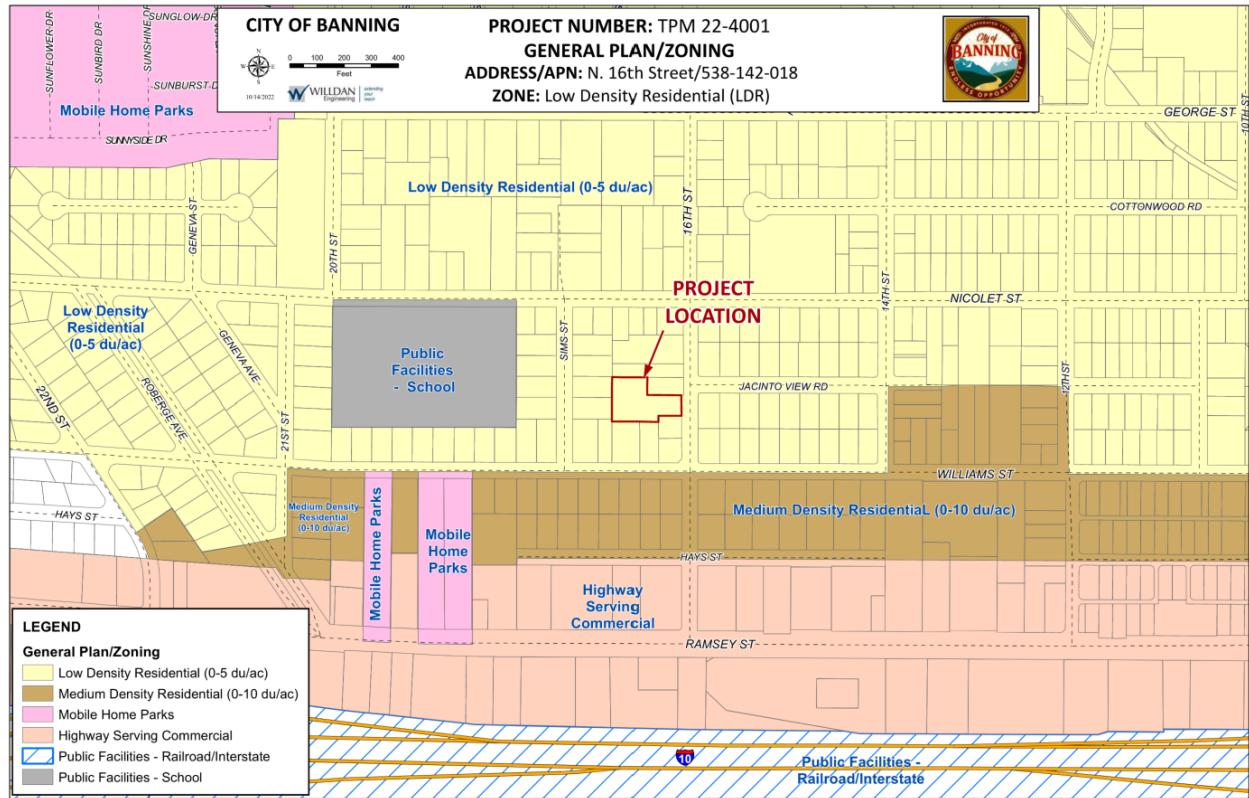


**Figure 2, Aerial Map:**

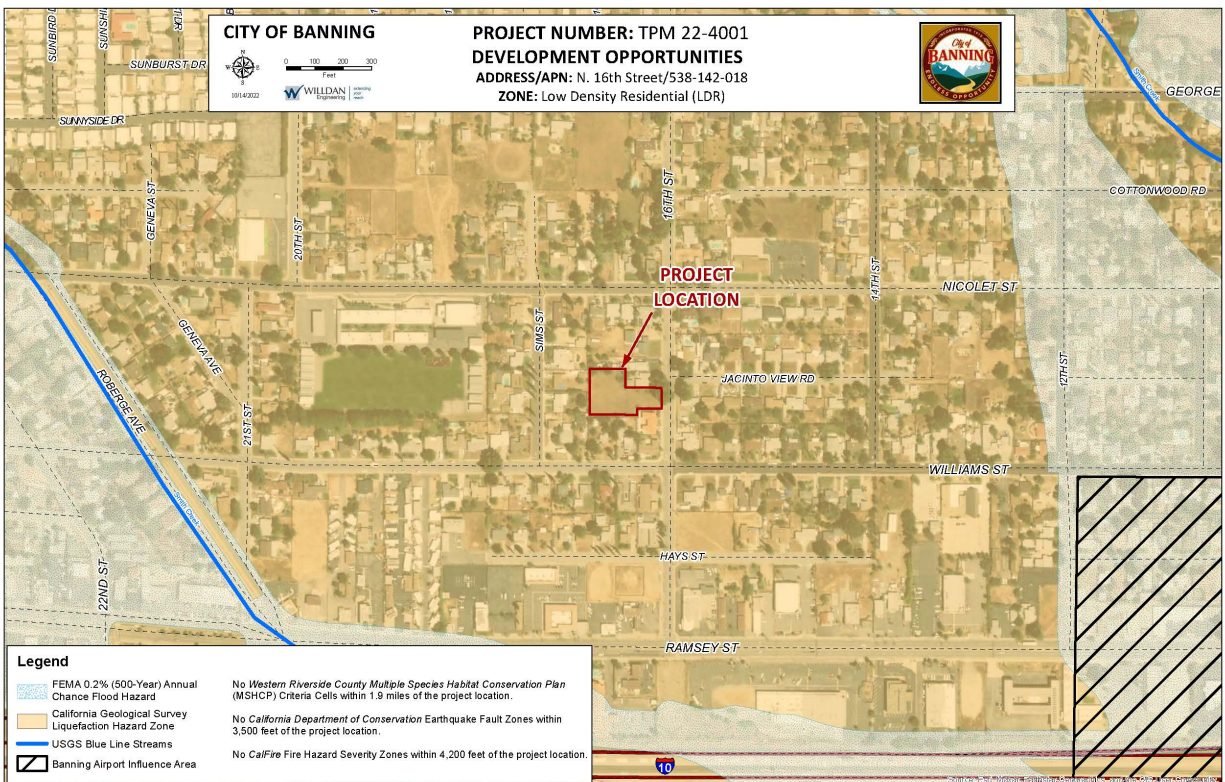




**Figure 3, General Plan/Zoning Map:**



**Figure 4, Development Opportunities:**





### Development Standards

Below illustrates that the newly created parcels will meet the minimum lot dimensions and setback standards for the Low-Density Residential District:

**Table 2, Lot Size Requirements:**

<b>MINIMUM LOT DIMENSIONS</b>	<b>LDR</b>	<b>LOT 1</b>	<b>LOT 2</b>	<b>LOT 3</b>
<b>Minimum Lot Size</b>	7,000 sf	9,0233 sf	10,335 sf	10,335 sf
<b>Lot Depth</b>	90 ft	125 ft	130 ft	130 ft
<b>Lot Width</b>	70 ft	71 ft	79.5 ft	79.5 ft
<b>Front Yard Setback</b>	20 ft	TBD	TBD	TBD
<b>Side Yard Setback</b>	10 ft	TBD	TBD	TBD
<b>Rear Yard Setback</b>	15 ft	TBD	TBD	TBD

All three new lots will be vacant LDR lots subject to the development standards for the LDR zone.

### Easement

A shared 25-foot-wide private driveway access easement is shown and shall be recorded as extending along the south side of Lot 1, into Lots 2 and 3, and culminating in a hammerhead turnaround near the easterly extent of Parcels 2 and 3. The private easement is for the use of future residents and designed to be consistent with Fire Department requirements for emergency vehicle ingress and egress.

### Parking Requirements

Pursuant to Banning Municipal Code Section 17.28.040, each new single-family home will be required to provide two covered parking spaces within an enclosed garage.

### Required Findings for Tentative Parcel Map

The City Council may recommend approval and/or modify a Tentative Parcel Map application in whole or in part, with or without conditions, only if all the following findings are made:

- A. The proposed map is consistent with the General Plan.
- B. The design or improvement of the proposed subdivision is consistent with the City's General Plan.
- C. The site is physically suitable for the type of development.
- D. The site is physically suitable for the density of development.

- E. The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
- F. The design of the subdivision or type of improvements is not likely to cause serious public health problems.
- G. The design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.

Findings A through G (referenced above) for the proposed Tentative Parcel Map are made and can be found in the attached Resolution 2022-168.

#### Conclusion

The Planning Commission has recommended approval of the proposed Tentative Parcel Map 38367 as the proposed project is consistent with the requirements of the General Plan and Banning Municipal Code including lot area, lot width and lot depth, provides for emergency vehicle access, and will make public improvements pursuant to the recommended Conditions of Approval while not adversely affecting the environment. All the findings and supplemental findings can be made, and the project adequately meets performance standards and guidelines as discussed in the staff report, CC Resolution 2022-168, and the Project Plans. Conditions of Approval have been included which will ensure that each lot shall substantially conform to the approved map and specifications, and that the lots will be maintained and operated for their intended purpose.

#### **ENVIRONMENTAL DETERMINATION:**

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 15315 (Minor Land Divisions) because:

Class 15 consists of the division of property in urbanized areas zoned for residential, commercial, or industrial use into four or fewer parcels when the division is in conformance with the General Plan and zoning, no variances or exceptions are required, all services and access to the proposed parcels to local standards are available, the parcel was not involved in a division of a larger parcel within the previous 2 years, and the parcel does not have an average slope greater than 20 percent.

Findings to support a CEQA exemption for the project are made and can be found in the attached CC Resolution 2022-168.

#### **MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP):**

The project is found to be consistent with the MSHCP. The project is located outside of any MSHCP criteria area and mitigation is provided through payment of the MSHCP Mitigation Fee.

### **PUBLIC NOTICE**

Notice of the proposed Tentative Parcel Map 38367 was mailed to all property owners within 300-feet of the project site on November 29, 2022; and was advertised in the Record Gazette newspaper and posted in two public places on December 2, 2022, in accordance with State law and the Banning Municipal Code.

### **PUBLIC COMMUNICATION:**

As of the date of this report, staff has not received any verbal or written comments for or against the proposal.

### **ALTERNATIVES:**

1. Adopt Resolution 2022-168 as recommended.
2. Adopt Resolution 2022-168 with modifications.
3. Do not approve Resolution 2022-168 and provide alternative direction to staff.

### **ATTACHMENTS:**

1. Resolution 2022-168  
<https://banningca.gov/DocumentCenter/View/11881/Att-1-Resolution-No-2022-168>
2. Conditions of Approval  
<https://banningca.gov/DocumentCenter/View/11882/Att-2-FINAL-COA-TPM-38367>
3. Project Plans  
<https://banningca.gov/DocumentCenter/View/11886/Att-3-Tentative-Parcel-Map-38367>
4. Notice of Exemption  
<https://banningca.gov/DocumentCenter/View/11883/Att-4-TPM-38367-NOE>
5. Public Hearing Notice  
[https://banningca.gov/DocumentCenter/View/11880/Att-5-PHN-TPM-38367\\_Final](https://banningca.gov/DocumentCenter/View/11880/Att-5-PHN-TPM-38367_Final)

Approved by:

  
\_\_\_\_\_  
Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

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

**MEETING DATE:** December 13, 2022

**SUBJECT:** Deployment of DropCountr CLEAR Customer Water Usage Software and Application

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### **RECOMMENDATION:**

Receive and file.

### **BACKGROUND:**

To help customers become actively aware of their water consumption, provide a higher level of customer service, ensure consistent and accurate meter readings, and create water use transparency, the city of Banning in 2019 launched its city-wide AMI (Advanced Metering Infrastructure) smart meter conversion project. With all meters projected to be installed and operational by December 31, 2022, the newly installed smart meters will provide detailed information on consumption patterns and anomalies that help alert both customers and utilities of potential issues as soon as they arise through the DropCountr portal.

DropCountr has developed a useful portal that helps water utility companies apply and present cloud based-data analytics to its customers clearly and concisely. The portal translates data generated by AMI smart water meters into applicable information for customers and water staff. The DropCountr portal has mobile device accessibility allowing customers to match water use directly to their water bills in real time and perform self-service tasks such as sending questions and concerns directly to utility companies.

According to City of Folsom California Case Study, "The Effect of Social Consumption Analytics on Residential Water Demand", "Interest in social norms-based conservation programs like Dropcountr guide household decisions by providing the end user with information like household water usage, comparisons to peer usage, pricing information, rebates and conservation tips. Many view non-price water conservation programs like Dropcountr as an appealing tool for guiding water efficient behavior and an alternative to [additional] price increases."

Banning Water Department will utilize DropCountr to distribute education based on customized customer consumption, alerting customers of potential leaks or other issues and identify water use trends. Its functions will aid in the Department of Water Resources (DWR) data review and reporting requirements; calculating water use efficiency (per the state standards) across the residential service area and at a customer/parcel level; and provide additional GIS tools complementary with existing water monitoring software.

**ATTACHMENTS:**

None

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Opportunity Village Staffing

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### **RECOMMENDATION:**

Authorize the City Manager to initiate the recruitment to fill four Homeless Case Worker positions and to terminate the security contract with Good Guard for security services at Opportunity Village.

### **BACKGROUND:**

When Opportunity Village was opened, the City entered into a contract with Good Guard for 24/7 security. The only staffing at Opportunity Village has been the Homeless Site Coordinator position. Support from Riverside County Housing and Workforce Solutions as well as other service providers was anticipated to be sufficient to provide the level of service necessary. However, after three months of occupancy and operation, it is clear that case management is not being provided at the level necessary.

With five full-time employees, the City will be able to staff Opportunity Village 24/7, which means security personnel will not be required. The cost savings from terminating the security contract is \$245,000 annually. In addition, the security trailer rental would also be terminated, saving an additional \$10,200 annually.

The Case Workers would be responsible for supervision of the shelter and for case management of clients living at Opportunity Village. With a total of five full-time employees, at least one staff member will be onsite 24/7/365. Use of volunteers to assist with support services will also be pursued.

### **JUSTIFICATION:**

Case management support is necessary at Opportunity Village and experience has demonstrated that 24/7 security isn't required if the facility has staff on site. If there is a problem that cannot be handle by staff or security personnel, Banning Police Department is called to assist. Currently, cases for all forty occupants at Opportunity Village are handle by the Site Coordinate with assistance from Faith in Action and other organizations. This workload, combined with site operation, is more than one full-time employee can handle effectively.

**FISCAL IMPACT:**

The cost savings from terminating security services and rental of the security trailer are expected to offset the cost of the full-time Case Worker positions.

**ATTACHMENTS:**

None

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Authorize Communications Manager Position Funding

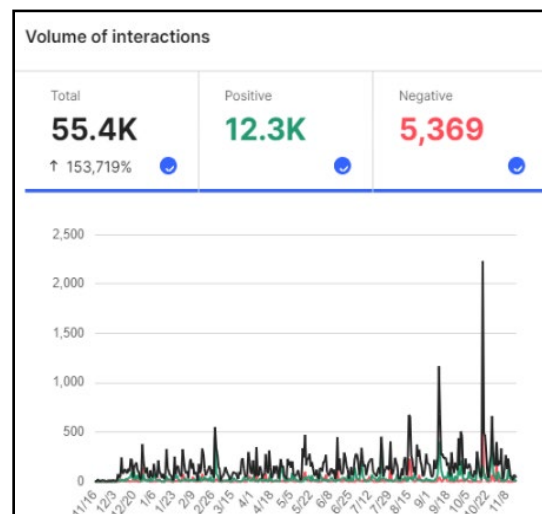
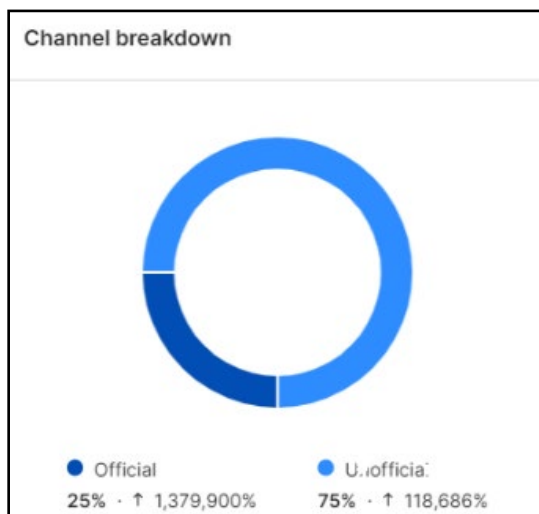
### **RECOMMENDATION:**

Authorize the City Manager to initiate the recruitment to fill the Communications Manager position and direct the Finance Officer to include funding for the position in the mid-year budget adjustments.

### **BACKGROUND:**

In 2018, the City Council unfunded the Public Information Officer position and the position has remained vacant. Communication is a key element of community engagement and without a dedicated staff person, it is frequently overlooked or completed at a minimal level. The City has sufficient tools to provide a high level of communications but lacks staff resources to use the available tools effectively.

A Communications Manager would be responsible for working with all City Departments to proactively develop content for social media, Government TV Channel 10, the City Website, print media, television media, and presentations at meetings of local service clubs and organizations. The position would provide primary support for messaging related to future ballot measures, projects and events.





Currently, the City communications is typically reactive and unofficial sources are telling the City's story rather than the City telling its own story. During the past year, nearly 75% of social media content related to the City of Banning was from unofficial sources.

Over 55,000 social media posts have been identified through the Zen City platform. Approximately 12,500 posts reflected positive sentiment and 5,000 reflected negative sentiment.

**JUSTIFICATION:**

City staff spend a considerable amount of time addressing false information, which reflects poorly on the City. This information is routinely from unofficial sources because the City is not proactively communicating with residents of Banning. Filling the vacant communications manager position will provide needed staff resources to proactively communicate with residents to make sure the community is informed about local government activities, issues, projects and events.

**FISCAL IMPACT:**

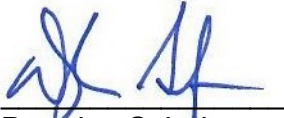
The Communications Manager position is classified in Grade T68, \$67,529.26 to \$91,358.90. The cost of the benefits package will be approximately \$27,904.24 resulting in an annual total compensation cost between \$95,433.50 to \$119,263.14

**ATTACHMENTS:**

1. Position Description

<https://banningca.gov/DocumentCenter/View/11824/Att-1-Communications-Manager-Public-Information-Officer>

Approved by:



Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Lincoln Bogard, Finance Director  
A'ja Wallace, Deputy Finance Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Status Update for the City's Fiscal Year 2021-22 Annual Comprehensive Financial Report (ACFR)

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### **RECOMMENDATION:**

Receive and file Status Update for the City's Fiscal Year 2021-22 Annual Comprehensive Financial Report (ACFR).

### **BACKGROUND:**

After the conclusion of each fiscal year, an independent auditor (currently CliftonLarsonAllen LLP) reviews the reporting of the City's financial statements in accordance with industry accounting standards. The result is an "Annual Comprehensive Financial Report (ACFR)". It includes financial statements for the City of Banning, the Banning Utility Authority, and the Banning Successor Agency of the Former RDA. It also contains the independent auditor's report, which describes the scope of the audit as well as the auditor's opinion on the financial statements. For the last Fiscal Year 2020-21 ACFR, the City received an "unmodified" opinion. An "unmodified" opinion is only issued when there are no significant reporting issues, the financial statements are free of material misstatements, and information is presented in accordance with Generally Accepted Accounting Principles (GAAP). This opinion indicates that the City's financial condition, position, and operations are fairly presented in the financial statements. This is important to financial statement users and provides comfort to the City's creditors, while enabling the City to obtain better interest rates on any new debt issuances.

City management assumes full responsibility for the completeness and reliability of all the information presented in the ACFR. The City is continuing to establish a comprehensive internal control framework designed to protect the City's assets from loss, theft, or misuse and provide sufficient reliable information that the City of Banning's financial statements are in conformity with GAAP. The cost of internal controls should not outweigh the resulting benefits and internal controls are designed to provide reasonable assurance, not absolute assurance, that the financial statements will be free from material

misstatements. City management asserts that, to the best of our knowledge and belief, the financial data provided to the auditor is complete and reliable in all material respects.

**JUSTIFICATION:**

Staff has submitted the Fiscal Year 2020-21 ACFR for the Certificate of Achievement for Excellence in Financial Reporting issued by the Government Finance Officers Association and is expecting to receive the same award for this year's ACFR.

The "Management Letter" from last year's ACFR noted three matters for consideration that staff has fully corrected for this fiscal year.

Staff has provided all requested information to the auditors and the final audit is underway. For the next month, we will be completing Government Accounting Standards Board (GASB) requirements for Governmental Funds Fund Balance reporting and Governmentwide conversions for Governmental Funds. These items are generally not prepared until the auditors provide any identified adjustments to staff for the governmental funds. Staff met with the auditors on Tuesday, December 6, 2022, and determined that no material audit adjustments related to this year's statements have been identified at this point.

Staff also identified that the City should have been reporting an Other Post-Employment Benefit liability in prior years. We have hired a consultant to prepare the necessary actuarial data to identify if that liability is material. If it is, our financial statements may be delayed beyond December 31, 2022, to include that required foot note and associated journal entries in our ACFR.

Staff has successfully implemented to new reporting requirements for leases, but that is the only GASB requirement due for implementation by the City this year.

**FISCAL IMPACT:**

The cost of the audit was consistent with the approved contract amount will have no impact on the City's Budget.

Implied in all City Council Goals, Objectives, and Work Programs is the fundamental principle that the City will follow the City Council's adopted Fiscal Policy and will exercise the utmost financial discipline and accountability. In accordance with, and pursuant to, Section 37208 of the Government Code, the City Manager is responsible for preparing an audited Comprehensive Financial Report each year.

**ALTERNATIVES:**

Not applicable, as no Council action is requested at this time.

**ATTACHMENT:**

1. Annual Comprehensive Financial Report Status Update  
<https://stories.opengov.com/banningca/published/Eh615r1sr>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Marisol Lopez, Economic Development Manager

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-169, Approving a Template Small Business Grant Program Agreement as Part of the City's Small Business Grant Program and Authorizing the City Manager's Execution of Small Business Grant Program Agreements Consistent with the Program's Policies and Procedures

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### **RECOMMENDATION:**

Staff recommend City Council adopt Resolution 2022-169:

1. Approving the template Small Business Grant Program Agreement to be used in conjunction with administration of the City's Small Business Grant Program;
2. Authorizing the City Manager or designee to execute a Small Business Grant Program Agreement with the 2 businesses that have submitted the necessary documentation to ensure compliance with the program requirements—(1) Eighth Irish Grub and Tap House, LLC dba The Station TapHouse Bar and Grill, and (2) Banning Cinema Group, LLC dba Fox Cineplex is D'Place—in substantially the same form as the draft agreements, included as Attachments 4 and 5;
3. Authorize the City Manager or designee to execute a Small Business Grant Program Agreement in substantially the same form as included in Attachment 3 with future businesses that apply and are determined to meet all program requirements.

### **BACKGROUND:**

During the April 12, 2022 City Council meeting, the City Council authorized the use of \$350,000 of American Rescue Plan Act ("ARPA") Coronavirus State and Local Fiscal Recovery Funds to establish a Small Business Grant Program ("Program").

The Program awards small grants of up to \$10,000 to businesses that meet the Federal requirements for ARPA Funds. For example, the grant funds could be used to:

- Mitigate financial hardships caused by the COVID-19 pandemic (ex. Declines in revenue, costs of retaining employees, mortgage/rent/lease costs, utilities, other operating costs).

- Implementing COVID-19 prevention or mitigation tactics (ex. Physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccinations).
- Technical assistance, counseling, or other like services to assist with business planning needs.
- Premium pay for employees working in key, eligible sectors such as healthcare, education and childcare, transportation, sanitation, social and human services, grocery and food production, and public health and safety.

During the April 26, 2022 Regular City Council meeting, the City Council adopted Resolution 2022-42, approving the Program's policies and procedures, as well as a general application format.

### **JUSTIFICATION:**

City staff worked diligently with members of the City Attorney's Office to refine the Program's guidelines to meet Federal ARPA fund requirements. The Program website and application went live on August 29, 2022. Three public information sessions were held in person and over Zoom to answer any questions from potential applicants.

Here is an overview of Program applications received to date (through **November 30, 2022**):

Applications Received	18
Disqualified Applications <i>Did not meet Federal requirements</i>	5
Applications Approved (to date)	2
Applications Pending (incomplete required further documentation)	11

Staff completed a first review of applications on September 9, 2022. Several of the applications were incomplete and required further documentation from the applicants.

There are 2 approved applications that staff have confirmed are qualified to receive the funds. Staff have worked with the City Attorney's Office to develop a standard Grant Subrecipient Agreement to be used for each grant award (See Attachment 2).

Staff are requesting that City Council approve the template for the Small Business Grant Program Agreements to be awarded to qualified applicants. Further, staff are recommending that the City Council authorize the City Manager or his designee to sign these agreements on behalf of the City.

### **FISCAL IMPACT:**

The ARPA funds have been committed to the Small Business Grant Program and no further resources will be expended through approving this item.

**ATTACHMENTS:**

1. Resolution 2022-169  
<https://banningca.gov/DocumentCenter/View/11890/Att-1-Resolution-2022-169-Small-Business-Grant-Program-Agreements>
2. Program Policies & Procedures (Revised)  
[https://banningca.gov/DocumentCenter/View/11889/Att-2-BNG\\_Small-Business-Grant-Program-Policies-Procedures](https://banningca.gov/DocumentCenter/View/11889/Att-2-BNG_Small-Business-Grant-Program-Policies-Procedures)
3. Small Business Grant Program Agreement Template  
<https://banningca.gov/DocumentCenter/View/11887/Att-3-Small-Business-Grant-Program-Agreement>
4. Small Business Grant Program Agreement – Eighth Irish Grub and Tap House, LLC dba The Station TapHouse Bar and Grill  
<https://banningca.gov/DocumentCenter/View/11891/Att-4-SBGP---Station-TapHouse-Bar-n-Grill>
5. Small Business Grant Program Agreement – Banning Cinema Group LLC dba Fox Cineplex is D'Place  
<https://banningca.gov/DocumentCenter/View/11892/Att-5-SBGP---Banning-Cinema-Group>
6. Resolution 2022-42, Approving Small Business Grant Program  
<https://banningca.gov/DocumentCenter/View/11888/Att-6-Resolution-No-2022-042>

Approved by:

  
\_\_\_\_\_  
Douglas Schulze  
City Manager



## **CITY OF BANNING STAFF REPORT**

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Lincoln Bogard, Finance Director  
A'ja Wallace, Deputy Finance Director

**MEETING DATE:** December 13, 2022

**SUBJECT:** Consideration of Resolution 2022-164 and 167, Approving Changes to the City's Classification and Compensation Plan to Implement Revisions to Positions Without Recommendations included in the Comprehensive Classification and Compensation Study Performed by Public Sector Personnel Services

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### **RECOMMENDATION:**

Staff recommend that the City Council:

1. Adopt Resolution No. 2022-164 Amendment to the Compensation and Classification Plan.
2. Adopt Resolution No. 2022-167 Amendment to the Compensation and Classification Plan for Executives.
3. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations, and transfers.

### **BACKGROUND:**

On June 22, 2021, City Council approved \$175,000 for a Total Classification & Compensation Plan (C&C Plan). Four proposals were received and an evaluation committee of ten persons, including union representation, scored each proposal. The committee has selected Public Sector Personnel Services (PSPC).

Past City Resolutions have identified the necessity to maintain a current C&C Plan which reflects the nature of work and organizational structure, that the plan is updated to reflect both market changes and appropriate compensation for work performed. City of Banning's bargaining units have been supportive of updated C&C Plans to obtain objective salary information and job comparisons.

The City of Banning Employee Handbook speaks to the necessity of utilizing current compensation data to update the salary schedules.



Section 5, Salary Plan & Administration (Pg 26):

A. SALARY SCHEDULE EXPLANATION

(2) The personnel director shall have the responsibility for recommending changes in the salary schedule to keep the same currently in a condition to meet the needs of the City and its departments. From time to time, he may, and upon order of the City Council shall, initiate salary schedule studies of the various positions and position specifications, and related matters, and make appropriate recommendations to the City Council for amendments of the salary schedule, this Resolution, orders, and regulations made pursuant thereto.

The City's last salary survey was conducted in 2016 by the same consultant firm chosen by the committee. That 2016 survey was limited in scope, is not up-to-date, and did not include all departments.

**JUSTIFICATION:**

On October 25, 2022, the City Council approved Resolution No. 2022-142 to implement the recommendations of the Comprehensive Classification and Compensation Plan however, there were some positions not included within the recommendations. Council requested that staff conduct a subsequent analysis and evaluation to determine if the positions were deemed at "market rate" or required an adjustment. Below outlines the findings of the reevaluation by Department throughout the City.

**Finance:**

Proposed Increase-Finance						
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference			
Financial Services Specialist/001/G48	\$54,671					
Proposed Financial Services Specialist/001/G52		\$55,956	\$1,284			
Purchasing Assistant/001/G48	\$44,694					
Proposed Purchasing Assistant/001/G52		\$45,744	\$1,050			
Accounting Specialist/001/G53	\$53,181					
Proposed Accounting Specialist/001/G58		\$54,402	\$1,221			

- Update the Financial Services Specialist:  
**Financial Services Specialist (Job Code 1130) Range G48 to Range G52**  
**\*per position (1 FTE & .5 currently budgeted)**
- Update the Purchasing Assistant:  
**Purchasing Assistant (Job Code 1170) Range G48 to Range G52**
- Update the Accounting Specialist:  
**Accounting Specialist (Job Code 1136) Range G53 to Range G58**  
**\*per position (2 FTE currently budgeted)**

**Parks and Recreation:**

Proposed Increase-Parks & Recreation						
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference			
Community Center Caretaker/001/G36	\$40,652					
Proposed Building Maintenance Specialist/001/G53		\$45,722		\$5,070		
Senior Center Program Coordinator/001/G49	\$56,039					
Proposed Senior Center Program Coordinator/001/G55		\$57,298		\$1,259		

- Reclass the Community Center Caretaker to Facility Maintenance Worker:  
***Community Center Caretaker (Job Code 4441) Range G36 to Building Maintenance Specialist (Job Code 4430 ) Range G53***
- Update the Senior Center Program Coordinator:  
***Senior Center Program Coordinator (Job Code 3328) Range G49 to Range G55***

**Community Services:**

Proposed Increase-Community Development						
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference			
Development Project Coordinator/001/G58	\$69,984					
Development Project Coordinator/001/G61		\$71,663		\$1,679		

- Update the Development Project Coordinator:  
***Development Project Coordinator (Job Code 3026) Range G58 to Range G61***

**Citywide:**

Proposed Increase-Citywide						
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference			
Office Specialist/Multiple/G44	\$49,529					
Proposed Office Specialist/Multiple/G49		\$50,668		\$1,139		

- Update the Office Specialist:  
***Office Specialist (Job Code 1620) Range G44 to Range G49***  
***\*per position (4 FTE currently budgeted)***

**Police Services:**

Proposed Increase-Police			
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference
Police Assistant I/001/G44	\$49,529		
Proposed Records Technician I/001/G51		\$50,618	\$1,089
Police Assistant II/001/G48	\$54,671		
Proposed Records Technician II/001/G55		\$55,873	\$1,202
Lead Public Safety Dispatcher/001/G60	\$68,176		
Public Safety Dispatch Supervisor/001/G63		\$69,812	\$1,636
Public Safety Dispatcher/001/G56	\$61,764		
Public Safety Dispatcher/001/G59		\$63,246	\$1,482

- Reclass the Police Assistant I to Records Technician I:  
***Police Assistant 1 (Job Code 2152) Range G44 to Records Technician I (Job Code 2152) Range G51***  
*\*per position (2 FTE currently budgeted)*
- Reclass the Police Assistant II to Records Technician II:  
***Police Assistant II (Job Code 2151) Range G48 to Records Technician II (Job Code 2151) Range G55***
- Reclass the Lead Public Safety Dispatcher to Public Safety Dispatch Supervisor:  
***Lead Public Safety Dispatcher (Job Code 2143) to Public Safety Dispatch Supervisor (Job Code 2143) Range G56 to G63***
- Update the Public Safety Dispatcher:  
***Public Safety Dispatcher (Job Code 2110) Range G56 to Range G59***  
*\*per position (7 FTE currently budgeted)*

**Public Works:**

Proposed Increase-Public Works			
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference
Management Analyst/660,680/T68	\$76,592		
Proposed Management Analyst/660,680/T73		\$78,352	\$1,761

- Update the Management Analyst:  
***Management Analyst (Job Code 1601) Range T68 to Range T73***

## **Executives:**

Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference
Public Works Director/001,100,600,610,660,680,690,702/D00	\$193,288		
Public Works Director/001,100,600,610,660,680,690,702/D12		\$197,048	\$3,760
Electric Utility Director/670/D00	\$193,288		
Electric Utility Director/670/D12		\$197,048	\$3,760
Finance Director/001/D95	\$170,839		
Finance Director/001/D02		\$174,592	\$3,753
Parks and Recreation Director/001/D92	\$158,641		
Parks and Recreation Director/001/D01		\$161,966	\$3,325
Community Development Director/001/D92	\$158,641		
Community Development Director/001/D01		\$161,966	\$3,325
Administrative Services Director/001/D00	\$0		
Administrative Services Director/001/D06		\$0	\$0
<small>*The ASD position is currently vacant, this is to standardize ranges for Executives</small>			

- Update the Public Works Director:  
***Public Works Director (Job Code 4400) Range D00 to Range D12***
- Update the Electric Utility Director:  
***Electric Utility Director (Job Code 5001) Range D00 to Range D12***
- Update the Finance Director:  
***Finance Director (Job Code 1110) Range D95 to Range D002***
- Update the Parks and Recreation Director:  
***Parks and Recreation Director (Job Code 3310) Range D92 to Range D01***
- Update the Community Development Director:  
***Community Development Director (Job Code 5001) Range D92 to Range D01***
- Update the Administrative Services Director:  
***Administrative Services Director (Job Code 1105) Range D00 to Range D06***

## **FISCAL IMPACT:**

Proposed Base Wage Increase					
Position/Fund/Range	Current Salary Range	Proposed Salary Range	Proposed Salary Difference		
Financial Services Specialist/001/G48	\$54,671				Budgeted
Proposed Financial Services Specialist/001/G52		\$55,956	\$1,284	\$1,927 (1.5FTE)	
Purchasing Assistant/001/G48	\$44,694				
Proposed Purchasing Assistant/001/G52		\$45,744	\$1,050	\$1,050	
Accounting Specialist/001/G53	\$53,181				
Proposed Accounting Specialist/001/G58		\$54,402	\$1,221	\$2,443 (2 FTE)	
Police Assistant I/001/G44	\$49,529				
Proposed Records Technician I/001/G51		\$50,618	\$1,089	\$2,178 (2 FTE)	
Police Assistant II/001/G48	\$54,671				
Proposed Records Technician II/001/G55		\$55,873	\$1,202	\$1,202	
Lead Public Safety Dispatcher/001/G60	\$68,176				
Public Safety Dispatch Supervisor/001/G63		\$69,812	\$1,636	\$1,636	
Public Safety Dispatcher/001/G56	\$61,764				
Public Safety Dispatcher/001/G59		\$63,246	\$1,482	\$10,374 (7 FTE)	
Management Analyst/660,680/T68	\$76,592				
Proposed Management Analyst/660,680/T73		\$78,352	\$1,761	\$1,761	
Community Center Caretaker/001/G36	\$40,652				
Proposed Building Maintenance Specialist/001/G53		\$45,722	\$5,070	\$5,070	
Senior Center Program Coordinator/001/G49	\$56,039				
Proposed Senior Center Program Coordinator/001/G55		\$57,298	\$1,259	\$1,259	
Office Specialist/Multiple/G44	\$49,529				
Proposed Office Specialist/Multiple/G49		\$50,668	\$1,139	\$4,557 (4 FTE)	
Development Project Coordinator/001/G58	\$69,984				
Development Project Coordinator/001/G61		\$71,663	\$1,679	\$1,679	
Public Works Director/001,100,600,610,660,680,690,702/D00	\$193,288				
Public Works Director/001,100,600,610,660,680,690,702/D12		\$197,048	\$3,760	\$3,760	
Electric Utility Director/670/D00	\$193,288				
Electric Utility Director/670/D12		\$197,048	\$3,760	\$3,760	
Finance Director/001/D95	\$170,839				
Finance Director/001/D02		\$174,592	\$3,753	3753.26	
Parks and Recreation Director/001/D92	\$158,641				
Parks and Recreation Director/001/D01		\$161,966	\$3,325	3324.95	
Community Development Director/001/D92	\$158,641				
Community Development Director/001/D01		\$161,966	\$3,325	3324.95	
Administrative Services Director/001/D00	\$0				
Administrative Services Director/001/D06		\$0	\$0	\$0	
Total Base Wage Difference-Citywide				\$53,058	

The fiscal impact considers the base wage differences (salary/grade increases) similar to the compensation study performed by Public Sector Personnel Consultants. In addition to the base wage increases, there will be an estimated benefits package increase by a percentage of 15% (To accommodate for increased maximum cash outs and other cafeteria items contained within the City offered benefits package).

**ALTERNATIVES:**

1. Adopt Resolution No. 2022-164 and Amendment to the Compensation and Classification Plan.
2. Adopt Resolution No. 2022-167 and Amendment to the Compensation and Classification Plan for Executives
3. Adopt Resolution No. 2022-164 and 2022-167 with modifications
4. Do not approve and adopt resolutions and provide alternative direction to staff.

**ATTACHMENTS:**

1. Resolution 2022-164 Amending Classification and Compensation Plan  
<https://banningca.gov/DocumentCenter/View/11898/Att-1-Resolution-2022-164-Class-and-Compensation-Plan-Amendment>
2. Resolution 2022-167 Amending Classification and Compensation Plan for Executives  
<https://banningca.gov/DocumentCenter/View/11896/Att-2-Resolution-2022-167-Classification-and-Compensation-Plan--Executives>
3. Reevaluation Worksheet by Position  
<https://banningca.gov/DocumentCenter/View/11897/Att-3-Reevaluation-Worksheet-by-Position>

Approved by:

  
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Douglas Schulze  
City Manager