

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

October 12, 2010
5:00 p.m.

Banning Civic Center
Council Chambers
99 E. Ramsey St.

The following information comprises the agenda for a regular meeting of the City Council and a Joint Meeting of the City Council and Banning Utility Authority.

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

I. CALL TO ORDER

- Invocation –
- Pledge of Allegiance
- Roll Call – Councilmembers Franklin, Hanna, Machisic, Robinson, Mayor Botts

II. REPORT ON CLOSED SESSION

III. PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS

PUBLIC COMMENTS – On Items Not on the Agenda

A three-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. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her three minutes with any other member of the public. (Usually, any items received under this heading are referred to staff or future study, research, completion and/or future Council Action.) (See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

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

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

APPOINTMENTS:

1. Appointment of a Task Force (Ad Hoc) for Highland Springs Traffic Improvements *(ORAL)*

IV. CONSENT ITEMS

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

Motion: That the City Council approve Consent Item 1 through 12

Items to be pulled _____, _____, _____, _____ for discussion.

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

1.	Approval of Minutes – Joint Meeting – 09/28/10	1
2.	Approval of Minutes – Regular Meeting – 09/28/10.	2
3.	Approval of Accounts Payable and Payroll Warrants for the Month of August 2010.	15
4.	Agreement to Provide Animal Control Services.	18
5.	Resolution No. 2010-70, Approving the Revised Annual Pole Attachment Fees for Any Foreign Utility Not Participating in the Southern California Joint Pole Committee (“SCJPC”) Authorized Costs Program	24
6.	Resolution No. 2010-72, Authorizing the Banning Police Department to Accept the 2010 U. S. Department of Justice COPS Law Enforcement Technology Grant in the Amount of \$300,000 to Purchase State-of-the Art Handheld Radios.	29
7.	Resolution No. 2010-73, Authorizing the Banning Police Department To Accept the 2010 U. S. Department of Justice COPS Hiring Program (CHP) Grant in the Amount of \$791,956 to Fund Two Police Officer Positions Over a Three Year Period.	33
8.	Resolution No. 2010-13 (as amended) – Vacating a Portion of Val Monte Street from Ramsey Street to Interstate 10 and Adjacent Alleys.	36

- Open for Public Comments
- Make Motion

Adjourn Joint Meeting of the Banning City Council and the Banning Utility Authority.

CALL TO ORDER A JOINT MEETING OF THE BANNING CITY COUNCIL AND THE BANNING UTILITY AUTHORITY

V. PUBLIC HEARINGS

(The Mayor/Chairman will ask for the staff report from the appropriate staff member. The City Council/Utility Board will comment, if necessary on the item. The Mayor/Chairman will open the public hearing for comments from the public. The Mayor/Chairman will close the public hearing. The matter will then be discussed by members of the City Council/Utility Board prior to taking action on the item.)

1. Urgency Ordinance No. 1428, Increase of the Water Rates for the Water Utility	
Staff Report	49
Recommendation: Adopt Urgency Ordinance No. 1428, approving the increase of Water Rates for the Water Utility as presented in the City of Banning Water and Wastewater Rate Study Report attached at Exhibit A.	

Mayor asks the City Clerk to read the title of Ordinance No. 1428:

“An Urgency Ordinance of the City Council of the City of Banning, Amending Chapter 13.08 of the Banning Municipal Code Relating to the Water Rate Schedule.”

Motion: I move to waive further reading of Urgency Ordinance No. 1428
 (Requires a majority vote of Council)

Motion: I move that Urgency Ordinance No. 1428 be adopted.

2. Urgency Ordinance No. 1429, Increase of the Wastewater Rates for Wastewater Utility.	
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Staff Report	63
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Recommendation: Adopt Urgency Ordinance No. 1429, approving the increase of Wastewater Rates for the Wastewater Utility as presented in the City of Banning Water and Wastewater Rate Study Report attached at Exhibit A.	
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Mayor asks the City Clerk to read the title of Ordinance No. 1429:

“An Urgency Ordinance of the City Council of the City of Banning, Amending Chapter 13.08 of the Banning Municipal Code Relating to the Sewer Rate Schedule.”

Motion: I move to waive further reading of Urgency Ordinance No. 1429
 (Requires a majority vote of Council)

Motion: I move that Urgency Ordinance No. 1429 be adopted.

Adjourn Joint Meeting of the Banning City Council and the Banning Utility Authority.

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

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

VII. ITEMS FOR FUTURE AGENDAS

New Items –

Pending Items –

1. Schedule Meetings with Our State and County Elected Officials
2. Schedule Meeting with Banning Library Board
3. Update on Economic Development Plan
4. Update on Golf Carts
5. Review of Fees and Rates

Future Meetings –

1. October 28, 2010 at 5:00 p.m. – Jt. Meeting with the Banning School Board

VIII. ADJOURNMENT

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Thursday, 8 a.m. to 5 p.m.

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

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

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (909) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

09/28/10
JOINT MEETING

A joint meeting of the Banning City Council and the Community Redevelopment Agency was called to order by Mayor Botts on September 14, 2010 at 4:01 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS/

BOARDMEMBERS PRESENT:

Councilmember Franklin
Councilmember Hanna
Councilmember Machisic
Councilmember Robinson
Mayor Botts

COUNCIL MEMBERS ABSENT:

None

OTHERS PRESENT:

Andrew Takata, City Manager/Executive Director
David J. Aleshire, City Attorney
Duane Burk, Public Works Director
Zai Abu Bakar, Community Development Director
Steve Dukett, Consultant
Marie A. Calderon, City Clerk/Secretary

CLOSED SESSION

Agency Counsel said that the Redevelopment Agency Board will meet in closed session pursuant to Government Code Section 54956.8 regarding real property negotiations involving 1) 1585 and 1601 W. Ramsey Street (APNs 540-130-024 and 538-150-001 – former Ramsey Ford properties); 2) 2301 W. Ramsey Street (APN 538-162-016 – former All Star Dodge property); and 3) 2648 W. Ramsey (Green Thumb) and a status report will be given on these properties.

Mayor Botts opened the item for public comments. There were none.

Meeting went into closed session at 4:03 p.m. Councilmember/Chairman Robinson excused himself from the discussions regarding 2301 W. Ramsey Street and 2648 W. Ramsey Street.

The meeting recessed at 4:40 p.m. and reconvened at 5:01 p.m.

ADJOURNMENT

By common consent the meeting adjourned at 5:03 p.m.

**Marie A. Calderon, City Clerk/
Agency Secretary**

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

09/28/10
REGULAR MEETING

A regular meeting of the Banning City Council and a Joint Meeting of the Banning City Council and Banning Utility Authority was called to order by Mayor Botts on September 28, 2010 at 5:01 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT:

Councilmember Franklin
Councilmember Hanna
Councilmember Machisic
Councilmember Robinson
Mayor Botts

COUNCIL MEMBERS ABSENT:

None

OTHERS PRESENT:

Andrew Takata, City Manager
David J. Aleshire, City Attorney
Duane Burk, Public Works Director
Zai Abu-Bakar, Community Development Director
Leonard Purvis, Police Chief
Rita Chapparosa, Deputy Human Resources Dir.
Fred Mason, Electric Utility Director
Heidi Meraz, Community Services Director
Marie A. Calderon, City Clerk

Mayor Botts asked for a silent invocation. Councilmember Franklin invited the audience to join her in the Pledge of Allegiance to the Flag.

Mayor Botts said that we are always pleased to have our elected representatives representing us in various parts of our country and we are pleased to have Assemblyman Paul Cook here to give us some good news about the state budget.

Assemblyman Paul Cook addressed the Council stating that he will try to give a snapshot of what is going on and will keep his remarks primarily about the budget. There have been some news releases about what is called a "framework" meaning that they now have a budget in place pretty much but right now they have a tentative agreement of which he hasn't seen and they are talking about \$7.5 billion dollars in cuts from the State. They are factoring in more federal money and he is not really sure of how they are going to do that because those of you that deal with State money or categorical money you know that any money you get from the Feds always has a number of strings and you may or may not be able to use it for certain programs. There are the usual beg, borrow and stealing. The fiscal picture actually from what he understands has actually improved a little bit in terms of revenues. There are some good

signs in California in terms of increased revenues which obviously will make our budget picture brighter but will enable us to borrow money short term or at least give us a little bit of relief because of all of the pressures of all the bonds that have been passed. Right now they are only off by \$1.5 billion dollars. The governor is holding out for some kind of reform, some kind of rainy day scenario and there is going to be something in there but we will have to see what it is going to look like. But if we do have that final tentative agreement today or tomorrow then they will put it in budget language and they will probably be voting on it next Tuesday. There are some parts of it that he has some heartburn with and as your Assembly person he is very concerned about education cuts, there is talk about suspending Prop 98 so he wants to take a good look at it even though they say that the funding on it is supposed to be the same as last year but we have to talk about Cal Works and funding and everything like that. He was hoping to have "Operation Welcome Home" for the veterans and treatment of some of their problems and it is only \$10 million dollars and they saved it in Committee the first time and it got cut out and it is back in there again and it is not a lot of money but it is something that as a veteran and the Chairman of the Veteran's Committee it is one of those areas he focuses a lot of attention on. He said that this is the most optimistic that he has been. He said that being one of 80 is very frustrating and this is something that they should have been talking about in January or February. He said that he is actually an optimist on bipartisan support. Far too often in Sacramento and Washington everybody has a tendency to blame the Democrats or the Republicans and you circle the wagons and nothing gets done and he thinks that looking at the polls he thinks the people are frustrated with that. It is kind of like in the Marine Corps I don't want to hear any of that stuff just get the mission done. They are getting to the same stage and I don't want to hear any of that just pass the budget and pass it on time and if you don't, suffer the consequences. And one of the consequences that he has advocated is that you don't get your pay suspended; you lose it for the whole year. He said that he talked about bipartisanship and he just had three bills signed, Sexual Predator Bills and signed with Pedro Nava and he is a Democrat. They saw eye to eye and they worked together and carried them through. He said that he has six bipartisan bills in front of the governor where he is looking for those areas where you can have agreement and he is a Republican and he wants agreement from the Democrats that we can go forward on this and to him it is common sense in the way you should do government. He said he is very, very optimist on this and as he said what you can learn from this is that you cannot let the Assembly and the legislators off the hook. If you have a responsibility which is your biggest policy issue and that is to take care of the budget, then he thinks that you have to use everything in your power and that means not just suspending your pay and per diem but losing it totally. The consequences have to been that severe that all your attention will be to take care of that issue.

Councilmember Franklin asked Assemblyman Cook to explain Prop 98.

Assemblyman Cook said that Pro 98 was passed a number of years ago and it specially refers to the funding of educational programs based upon historical data and there are certain thresholds that have to be met. Suppose the Assembly wanted to make like 50% cuts in education or even 25%, Prop 98 does not allow you to do that. The voters passed that. You have to meet that formula based upon your spending level last year, the number of students, etc., etc. However, there are things in statute, certain emergencies, where you can suspend Prop 98 because of the fiscal situation. It will be extremely controversial.

Assemblyman Cook said that from his perspective there are certain things that he will look out for and said that he is in the State Assembly but came from local government and he doesn't trust the state and they are in a move to grab every dime that you have here in Banning and one of the ways that they have historically done it is redevelopment funds. And when you run out of revenue option at your level, at least from his perspective, redevelopment is one of the things that you have left and if they take that away or cut into it, it is going to hurt your overall fiscal posture. He said that he is very nervous about some of these fixes when he hasn't seen them writing.

Councilmember Franklin said that she knows that there is one issue that is going to have a long term ripple effect that has to do with is there any type of emergency assistance for some of the agencies that because they are going to be closing because of the budget that it is going to have many repercussions and the example would be child care centers that are not getting funded.

Assemblyman Cook said he is not sure of the cuts and it is kind of split. There are a number of different special interest groups those that represent health care providers and the education community and these are the tough decisions. He said that he will probably support things such as in-home support services which are usually very controversial. So he wants to see what happens because right now it is a soft target. When it gets down the kids programs and things like that it is really, really tough to do that and you are always looking for alternatives on how big is the cut and even more than that you are trying to see whether this cut or reduction is going to kill the program or is it going to take them 5 or 10 years and how many people are going to be cut out of it because you do it. This is where is very, very difficult trying to interpret this based upon the data. He said if he had his way he would want the background data right now that they have agreed on and they won't do that because when you actually do get the budget it is so thick and you are trying to go through it. He does try to read every bill and go back through them and get the research material so at least he will be a little bit ahead of the game and still hasn't got anything on some of this stuff. Assemblyman Cooks said that he works for everyone in Banning and works for the Council and if you have an issue, let him know.

REPORT ON CLOSED SESSION

City Attorney said that the Redevelopment Agency Board met in closed session pursuant to Government Code Section 54956.8 regarding real property negotiations involving 1) 1585 and 1601 W. Ramsey Street (APNs 540-130-024 and 538-150-001 – former Ramsey Ford properties); 2) 2301 W. Ramsey Street (APN 538-162-016 – former All Star Dodge property); and 3) 2648 W. Ramsey (Green Thumb) and a status report was given on those negotiations and there was not reportable action taken in closed session.

PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS

PUBLIC COMMENTS

Inge Schuler commended staff for cleaning up those properties that she brought to the Council's attention a few meetings ago. The property on the north east corner of Westward and Eighth Street looks good. The property on the south west corner of 12th Street and Westward looks good. She is sure that the people who visited the Stagecoach Days were not absolutely bummed out by the property on the corner of Victory and Lovell. They moved the trash but it is still a fire hazard but it did look a heck of a lot better.

Carol Barber introduced herself stating that she was just elected the president of the Senior Advisory Board at the Senior Center so she is going to be in the Council's face for a little while and wanted to let the Council know that they will be having a parking lot sale and bake sale at the Senior Center on Saturday starting at 8 a.m. She said also that the people here really need the Senior Center and she thinks that Banning needs the seniors also and they are a big part of Banning. She thanked the Council for keeping the Senior Center open.

Brandon Contreras, Vice Chairman of the Economic Development Committee addressed the Council stating that on September 16th the Committee after a lengthy discussion and unanimous vote of the community members presents chose to support Measure U bond measure on the November election ballot that would finance the construction of the Mt. San Jacinto Campus in the city of Banning. They felt it would be a great asset to the community and would appreciate Council's support.

Henry Durrell, Administration Manager and member of the Board of Director of Hope, Empathy, Love and Prayer located here in Banning addressed the Council stating that he is here to make the Council aware of what they do. He passed out to the Council at this time a booklet of their organization and directed the Council to the last three pages and one of them is a Banning Utility Pledge Letter. He said last year they had an agreement with the Utility Dept. to provide emergency assistance for people who had shut-off notices in the city of Banning. As it turns out literally all of their clients are eligible for the Banning Electrical Assistance Program for help under that guideline. In addition there was additional funds and they were told originally there was \$100,000 that was available to help people who are under privileged with their utility bills when people came into them with a shut off notice they would then pay up to \$113.50 and then this pledge letter would go to the Utility Dept. along with whatever extra the person had to pay and the Utility Dept. would transfer the money from internal funds to the clients account and then the client would have a continuous supply of electricity. He was informed at the end of June that as of July 1st the funds would be cut \$10,000 for the fiscal year starting July 1 through June 30, 2011. He said that they have since met that number and have no more funds available through the Utility Dept. so unfortunately they will no longer be supplying people that come to them with a shut off notice with a pledge letter. They simply don't have the funds and their primary focus is as a food pantry. They will continue to pass out the BEAR applications. The second to the last page gives the household size and the maximum income requirements that they have for people who come to them for food and emergency assistance. The last page is a summary page and they have helped 1,310 families just in the month of August. There have been over 1000 families since October of last year and two years ago they were at about 850. They have been in the Pass for over 30 years and serve Calimesa from the Riverside County border through Whitewater and 20 of those years they were located in Beaumont and they are located in Banning at 53 S. 6th Street and they own the property and

building and have no expenses for that except for the operating expenses and have almost 100 volunteers and are 100% volunteer run and have no paid employees so every penny that they receive goes to provide assistance. They have served 110 homeless and out of the 3,477 persons that they served in August, 2,268 of those are in the city of Banning. He invited to the Council to come and visit them and they will be happy to show them around.

CORRESPONDENCE: None

PRESENTATIONS:

1. Presentation from Riverside County Registrar of Voters

A representative from the Registrar of Voters Office gave a power-point presentation going over the voter registration process and went over the important dates and deadlines involved in this process and also went over early voting and Election Day voting in connection with the November 2, 2010 election.

2. Proclamation – “Tenth Annual Binational Health Week” Oct. 4-15, 2010

Mayor Botts asked Mr. Juarez on behalf of the Consul of Mexico in San Bernardino and Al Lopez, President of the Hispanic Chamber of Commerce to come forward to accept the proclamation. At this time Mayor Botts read the proclamation for the benefit of the audience.

Mr. Juarez, Deputy of Community Affairs thanked the City on behalf of Consul Carolina Zaragoza.

3. Proclamation – “Recognizing Public Power Week” Oct. 3-9, 2010

Mayor Botts asked Fred Mason, Electric Utility Director to come forward to accept the proclamation. At this time Mayor Botts read the proclamation for the benefit of the audience.

APPOINTMENTS:

1. Designation of Voting Delegate(s) to the National League of Cities Conference – Nov. 30 – Dec. 4, 2010.

Motion Hanna/Machisic that Councilmember Don Robinson be designated as the voting delegate to the National League of Cities Conference. Motion carried, all in favor.

2. Appointment of Ad Hoc Committee to Review FY 2011/12 Community Development Block Grant (CDBG) Program Applications.

Mayor Pro Tem Hanna and Councilmember Robinson said that they would be happy to serve on this Ad Hoc Committee. **There was common consent that Mayor Pro Tem Hanna and Councilmember Robinson be appointed as the Ad Hoc Committee to review Fiscal Year 2010/11 CDBG Program Applications.**

Mayor Botts called to order a joint meeting of the Banning City Council and the Banning Utility Authority.

CONSENT ITEMS

Councilmember Machisic and Hanna asked that Consent Item No. 9 be pulled for discussion.

1. Approval of Minutes – Joint Meeting – 09/14/10

Recommendation: That the minutes of the joint meeting of September 14, 2010 be approved.

2. Approval of Minutes - Regular Meeting – 09/14/10

Recommendation: That the minutes of the regular meeting of September 14, 2010 be approved.

3. Approval of Accounts Payable and Payroll Warrants for the Month of July 2010.

Recommendation: That the City Council review and ratify the following reports per the California government Code.

4. Report of Investments for June 2010

Recommendation: That the City Council review and place these required monthly Reports of Investments on file.

5. Report of Investment for July 2010

Recommendation: That the City Council review and place these required monthly Reports of Investments on file.

6. Accept the Right-of-Way Dedication for APN 532-110-005.

Recommendation: Accept the Right-of-Way dedication for APN: 532-110-005 as described in Exhibit "A" and Exhibit "B" and direct the City Clerk to accept and record said dedication.

7. Approve Final Tract Map No. 32370 (consists of 20 subdivision lots located on the west side of the intersection of Mountain Ave. and Red Bluff Lane).

Recommendation: Approve Final Tract Map No. 32370 and authorize the City Clerk and the City Engineer to sign said map.

8. Resolution No. 2010-45, Employer-Employee Relations Resolution which Supersedes Resolution No. 2007-71.

Recommendation: That Resolution No. 2010-45, Entitled Employer-Employee Relations Resolution (“EERR”), which revokes and supersedes Resolution No. 2007-41 be adopted.

10. Resolution No. 2010-68, Authorizing Investment of Monies in the Local Agency Investment Fund.

Recommendation: That Resolution No. 2010-68 be adopted.

11. Resolution No. 2010-69, Awarding the Construction Contract for Federal Aviation Administration Airport Improvement Project No. 3-06-0018 AIP 10 (C), Airport Rotating Beacon, Wind Cone, Segmented Circle & AWOS to Cindy Bales Engineering, Inc. from Big Bear City, Calif. for an amount “Not to Exceed” \$32,246.50.

Recommendation: That Resolution No. 2010-69 be adopted Awarding the Construction Contract for Federal Aviation Administration Airport Improvement Project No. 3-06-0018 AIP 10 (C), Airport Rotating Beacon, Wind Cone, Segmented Circle & AWOS to Cindy Bales Engineering, Inc. from Big Bear City, Calif. for an amount “Not to Exceed” \$32,246.50 and authorizing an additional ten-percent (10%) construction contingency in the amount of \$32,624.65 to be used for additional work that arises from unforeseen conditions and authorizing the Director of Finance to appropriate funds from the Airport Fund to Account No. 600-5100-435-93.73.

12. Resolution No. 2010-08 UA, Awarding a Professional Services Agreement for the Whitewater Flume Restoration to Tomas R. Payne & Associates of Arcata, Calif. for an amount “Not to Exceed” \$37,900.00.

Recommendation: That Resolution No. 2010-08 UA be adopted Awarding a Professional Services Agreement for the Whitewater Flume Restoration Project to Tomas R. Payne & Associates of Arcata, Calif. in an amount “Not to Exceed” \$37,900.00 for the Fisheries and Aquatic Resources Update and Riparian Habitat Evaluation Update for the Southern California Edison Surrender of License Application and Authorize the Director of Finance to make necessary adjustments and appropriations in an amount of \$37,900.00 from the Banning Utility Authority Water Capital Facility Fund to Account No. 661-6300-471.33-11 (Professional Services).

Motion Machisic/Robinson that Consent Items 1 through 8 and 10 through 12 be approved. Mayor Botts opened the item for public comments. There were none. **Motion carried, all in favor.**

9. Resolution No. 2010-67, Approving the Appropriation of Funds from the fund balance in the amount of \$1,488,517 for the City of Banning’s Public Benefit Programs.

Councilmember Machisic said that a gentleman from H.E.L.P. presented a concern he had about the amount of money they had for people who were unable to pay their utility bills, particularly electricity and would they be affected by this action.

Mr. Mason said no. This action basically corrects for under-budgeting for Fiscal Year 09/10 for the BEAR Program and that is for actual expenditures and for solar PV installs/rebates for both 2009/10 and 2010/11. This is already for expenditures that have already taken place and none for the future.

Mayor Pro Tem Hanna asked Mr. Mason to make a presentation on this item. Mr. Mason gave a presentation in regards to this program as per his staff report contained in the agenda packet.

Mayor Pro Tem Hanna said it is really a policy issue and this resolution is just a budget appropriation and does not deal with this policy issue. If that is the case, she would suggest, if the Council is interested that this come back and the Council have an opportunity to consider it as a policy issue and determine whether we want we want to retain the BEAR rate at what it is and maintain the 55% low income assistance or whether we are interested in having some of the other programs available and not just photovoltaic but the other energy efficiency programs. **There was Council consensus to have this come back as a policy.**

Councilmember Franklin said as you are working on another presentation for the Council is there some way to look at how to spread payments out over a longer period of time for the high energy months. She said she knows that we have the level pay plan but one of the things that she is hearing from people is that Edison has some kind of a payment plan that they are able to spread some of the payments out because people are concerned that they can't make their payments certain months of the year but they can in other months.

Mr. Mason said that he would include this in his presentation.

Mayor Pro Tem Hanna said that as you indicated our budget is \$684,000 per year with 55% spent on low income assistance and where is the rest being spent.

Mr. Mason said approximately 20% is spent for administration and the rest is on energy efficiency.

Motion Robinson/Hanna that the City Council approve Consent Item No. 9, adopting Resolution No. 2010-67. Mayor Botts opened the item for public comments. There were none. **Motion carried, all in favor.**

Mayor Botts adjourned the joint meeting of the Banning City Council and the Banning Utility Authority and reconvened the regular City Council Meeting.

PUBLIC HEARINGS

1. Banning Pass Transit Service Route Reduction
(Staff Report – Heidi Meraz, Community Services Director)

Mrs. Meraz gave a power-point presentation on this item and as also contained in her staff report as contained in the agenda packet.

Councilmember Machisic said that she mention that ridership has dropped off the last two years and what is her best guess as to the reason.

Mrs. Meraz said because people are not working and don't have as much discretionary income so they are not taking the trips that they might have taken just to go to the store or movies for other things. This is a trend certainly within our county and we are not alone. It has been down an average of roughly a little over 15%. Last month they actually did see an increase in ridership so they are hoping that it will continue.

Mrs. Meraz continued her presentation going over the proposed changes and went over the daily ridership by route and the operational costs involved.

Councilmember Franklin asked if we have received the new buses and are they operational. Mrs. Meraz said that two new buses were received and they are not ready yet because of some problems and anticipate that they will be out in the road in two weeks and this should help reduce the maintenance costs.

Mayor Pro Tem Hanna asked if this would reduce staffing. Mrs. Meraz said it will but will not affect the full time staff. It will affect part-time drivers and hours will have to be reduced. Also the contract with Professional Transit Management ended in June.

Mayor Botts opened the public hearing for comments from the public at this time.

A newly relocated resident to Banning from Pennsylvania addressed the Council stating that she was curious about the pie chart as to what fell under miscellaneous.

Mrs. Meraz said under the miscellaneous section fell all of our interfund transfers which pay for our share of the attorney's cost within the City, Information Services, training costs, and office supplies.

Mayor Botts closed the public hearing.

Motion Machisic/Franklin that the City Council approve the proposed route reduction of the Banning Pass Transit System to be effective October 15, 2010. Motion carried, all in favor.

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

City Council Reports

Councilmember Franklin—

- She said that most of them attended the League of California Cities Conference last week and each of them had an opportunity to attend various sessions and some of the ones she went to talked about policy governance and how that is a very successful way to run a city. They talked about fiscal responsibility, communications with the city, and how to get the word out to the population more often. She did attend a session in regards to the clergy and how the

clergy can be a part in helping the city communications. She said that she sits on a Committee for Community Services and they talked about "Move On" and this is a program that talks about the health of our young people especially our children and there are concerns with obesity and how we can be a part of the national movement to help people focus on making our children healthier and doing it in a way that does not necessarily cost money but how can we work with our school districts and libraries to put programs in place that will help people focus on being healthier. As a city some of the things that they talked about is that when we do planning that we look at where we have bus routes, where we have walking paths and bicycling paths so that we are trying to make sure that we are a healthier community in the way we plan our community out.

Councilmember Machisic –

- He said that he serves on the Audit Committee for the Regional Conservation Authority (RCA) and he passed out a two page notice a couple of weeks ago and it had the name of several cities and it was sent to RCTC (Riverside County Transportation Commission) and we are doing an audit on all of our member cities and some of them are not in compliance because they changed the ordinance and as a result RCA has a difficult time because sometimes the cities haven't paid enough money and the reason it was submitted to RCTC is because if they don't comply with RCA, RCTC holds up their Measure A money and that is a sizable sum.
- In regards to RCA we have now acquired 42,162 acres and as you might surmise the purchase process has slowed considerably.
- At WRCOG (Western Regional Council of Governments) Dave Wellmon who represents the League of California Cities talked about the budget and he indicated that the budget was close and the reason he felt the budget was close is that the Republicans and the Democrats stopped calling each other names.
- Also a number of local cities have put items on the ballot concerning elected officials in cities for instance they have in Murrieta setting terms limits for officials, eliminating Council compensation, eliminating compensation for City administrators, a debt bond limit, public safety and he would be happy to share this with the Council and will leave this with the City Clerk and it is interesting that there are local measures coming out he is sure as a result of the situation in the City of Bell.

Mayor Pro Tem Hanna –

- She said she was able to attend a meeting last week with LAFCO (Local Agency Formation Commission) which determines the boundaries of any governmental agency and she attended with the Banning Library District to this meeting where it was staff's recommendation to allow Sun Lakes to become part of the Banning Library District. Some of you may recall that everything west of Highland Home was part of the Beaumont School District and in an effort through LAFCO the school districts finally agreed that Sun Lakes would become part of the Banning Unified School District but unfortunately no one considered at the time when that happened that they should also change the library boundaries so that was approved by LAFCO at that time. There will be an opportunity for anyone who objects to this to occur sometime in the next six weeks. It was interesting and she came to the conclusion that we should always have an elected person at a LAFCO meeting where there is an issue of interest to the City of Banning. The recommendation when it is approved will transfer the tax funds



that will go to the library district gradually one-fifth every year so that at the end of five years Banning will get the full library tax and Beaumont will get none.

Councilmember Robinson –

- He attended an RTA Board Meeting and they gave a commendation to the lady who kept everybody calm when her bus was covered with high voltage lines during a windstorm down in the south east area of Riverside County. She said that she was just doing her job and was very humble about it. She had only been a bus driver for about a year.

Councilmember Robinson asked if Chief Purvis could speak to the FBI report that just came out this week. It is an outstanding accomplishment for the City of Banning.

Chief Purvis said that the FBI compiles statistics every year for police departments and sheriff's departments throughout the country and it usually takes 8 to 9 months to compile all of this data and in September they released crime statistics for 2009 and in one of the charts it was just a nice surprise and he knew that crime numbers were going down but to see it placed in a chart that showed where the other cities in Riverside County were it was very nice to see that we placed third out of 23 cities as far as crimes per 1000 residents. We have 29,000 residents in Banning per the FBI statistics. It showed that we had 25 crimes per 1000 residents and those are the more serious crimes and 731 total crimes for the 2009 year. Basically they divide that into the overall population which is 29,000. It was Canyon Lake, Murrieta and Banning and then went down from there. It made him very proud of the men and women of the Banning Police Department. As you know we face some pretty severe budget cuts over the last couple of years and we are down eight sworn positions, eight and half non-sworn positions, about 30% reduction overall in staff and in the budget but day in and day out the staff is doing their jobs. Crime rates continue to go down in all categories and productivity is going up and you don't see that very often.

Mayor Botts –

- He stated that he represents the Council at Riverside County Transportation Commission (RCTC) and we got a report that if we don't get a budget fairly quickly, Caltrans is going to run out of money to continue to pay all of their contractors hundreds of millions of dollars on projects throughout the state of California. And if they don't get a budget and that fund is not filled then most all of those projects will be shut down and those are major highway and freeway construction projects all over California. This will be a huge loss in productivity and then hundreds of millions of dollars to crank those projects back up. If you don't mind picking up the phone and calling your legislative representative or the governor to tell them to get a budget because the implications are just horrendous as we heard from Assemblyman Cook.

City Committee Reports – There were none

Report by City Attorney – None at this time

Report by City Manager

- The Administrative Services Director position received around 61 applications and there are some very qualified individuals. As everybody knows it has a /Deputy City Manager and that

is not an assistant City Manager. That is a Deputy and usually deputies are used when you have multi-departments and we combined Human Resources and Finance together and eliminated director for a cost savings measure. It is not being hired as an Assistant City Manager not that we couldn't use one but we can't afford one and that is the bottom line.

- We have no word yet from The O'Donnell Group but they have their grading permit going on and we are happy to see that and that is the warehousing on the east gate.
- Also on the east gate we are preparing the plans as requested by the Council and the Agency Board to do a different type of entry way cleaning up Ramsey Street all the way to Hargrave and he has seen some preliminary drawings and right now they are kind of playing with the entry sign because he felt the entry sign shouldn't be a standard entry sign and should be more of artistic or an art type of form sign. Council will get to see the traditional sign and the more artistic and make a decision at that point in time.
- Lawrence Equipment who took over the Pacific Window building has hired 7 people from Pacific Windows to train for his business. They are training in South El Monte and eventually he will start moving things over to Banning.
- He believes that they have now hired the engineering design firm for the by-pass. They have three different alternatives which will all be looked at when they go through the environmental process.
- The Sunset Grade Crossing (underpass) is going along and hope to have groundbreaking in 2012.
- Parking lot in the downtown has been paved, Apex Street is now open and the left hand turn at Beaver Medical is now completed.
- On a future agenda in working with Beaumont will be the synchronization on Highland Springs, as well as, looking at a different alternative for the intersection of Joshua Palmer, Highland Springs and the on and off ramps.
- A meeting was held with The Morongo Band of Mission Indians and they talked about things such as joint marketing and joint economic development and they want to work with the City and we have a lot of common goals. They also discussed animal control and will be having a meeting with Beaumont in regards to animal control.
- In regards to animal control we have addressed several people and several groups and there was a group in Sun Lakes which included most of the individuals who had their own shelters/rescue centers and it was very well received. Frank Coe, Police Chief of Beaumont did a very good job in presenting how animal control works for us since Beaumont is now animal control. Staff expects to also have a similar presentation to the Council when the ordinance is brought back to make changes so that it mirrors that of Beaumont.
- The Mt. San Jacinto Community College grading has been done and he believes that October was their goal to get up one of the temporary buildings up for administration and still have classes in January.

Mayor Pro Tem Hanna said that she wanted to mention that the grading is for the temporary campus and not the permanent campus. Some people looking at Measure U have been concerned that why are you already grading if you haven't voted for Measure U.

City Manager said that they will have temporary buildings which will be there and if they pass the bond, they will start creating their actual campus on the same side but right now it will be used for temporary buildings.

ITEMS FOR FUTURE AGENDAS

New Items –

Councilmember Machisic said that he brought this up before and he thinks that the Council concurred but he would like to see it on the list and that is the review of fees and rates throughout the City. You indicated that we were going to do an ordinance or some procedure but he would like to see it on the list.

City Manager said yes and it will not be quite that simple and will have to go through a process to make sense of the fees so it is not going to be an easy thing to accomplish especially if we do it in-house.

Pending Items –

1. Schedule Meetings with Our State and County Elected Officials
2. Schedule Meeting with Banning Library Board
3. Update on Economic Development Plan
4. Update on Golf Carts

Future Meetings –

1. October 28, 2010 at 5:00 p.m. – Jt. Meeting with the Banning School Board

Mayor Pro Tem Hanna said in regards to this joint meeting with the Banning School Board she wanted to throw in an idea. The subcommittee consisting of Councilmember Franklin and herself with staff that we need a more fully developed joint use agreement with the schools especially given the new facilities that will be opening up this next year. It would be great to have something that we can take action on and not just be a discussion. **There was Council concurrence on this suggestion.**

ADJOURNMENT

Mayor Botts adjourned the meeting at 6:27 p.m.

Marie A. Calderon, City Clerk

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

CITY COUNCIL AGENDA

Date: **October 26, 2010**

TO: **City Council**

FROM: **Kirby J. Warner, Interim Administrative Services Director**

SUBJECT: **Approval of Accounts Payable and Payroll Warrants for Month of August 2010**

RECOMMENDATION: The City Council review and ratify the following reports per the California Government Code.

FISCAL DATA: The reports in your agenda packet cover "Expenditure Disbursements" and "Payroll Expenses" for the month of August 2010.

The reports are:

Expenditure approval lists

August 5, 2010	655,289.78
August 5, 2010	523.06
August 12, 2010	199,441.65
August 19, 2010	92,112.47
August 26, 2010	568,015.26
August 31, 2010	738.37

October 5, 2010 2,664,157.13 (August Month End)

Payroll check registers

August 10, 2010	Manual Check	55,744.21
August 13, 2010		10,947.55
August 27, 2010		10,998.90

Payroll direct deposits*

August 13, 2010	288,045.94
August 27, 2010	285,114.12

As you review the reports, if you have any questions please contact the Finance Department so that we can gather the information from the source documents and provide a response.

* Included on the July month end expenditure approval list of 10/5/2010.

⁽¹⁾ Due to Positive Pay reporting, manual checks must be recorded in the accounting system separately from the weekly check register.

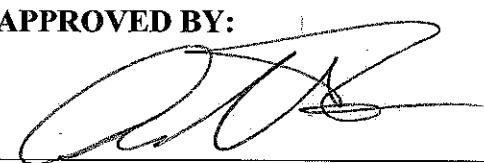
Report Prepared by: Jenna Harrell, Accounts Payable

RECOMMENDED BY:



Kirby J. Warner
Interim Administrative Services Director

APPROVED BY:



Andy Takata
City Manager

Fund/Department Legend:

General Fund – 001

Departments

0001 – General
1000 – City Council
1200 – City Manager
1300 – Human Resources
1400 – City Clerk
1500 – Elections
1800 – City Attorney
1900 – Fiscal Services
1910 – Purchasing & A/P
2060 – TV Government Access
2200 – Police
2210 – Dispatch
2300 – Animal Control

2400 – Fire
2700 – Building Safety
2800 – Planning
3000 – Engineering
3200 – Building Maintenance
3600 – Parks
4000 – Recreation
4010 – Aquatics
4050 – Senior Center
4060 – Sr. Center Advisory Board
4500 – Central Services
4800 – Debt Service
5400 – Community Enhancement

All Other Funds

003 - Riverside County MOU
100 – Gas Tax Street Fund
101 – Measure A Street Fund
103 – SB 300 Street Fund
104 – Article 3 Sidewalk Fund
110 – CDBG Fund
111 – Landscape Maintenance
132 – Air Quality Improvement Fund
140 – Asset Forfeiture-Police Fund
144 – Local Law Enforcement Block Grant
146 – San Gorgonio Gang Task Force
148 – Supplemental Law Enforcement
149 – Public Safety Sales Tax Fund
150 - State Park Bond Fund
200 – Special Donation Fund
201 – Sr. Center Activities Fund
202 – Animal Control Reserve Fund
203 – Police Volunteer Fund
204 – D.A.R.E. Donation Fund
300 – City Administration COP Debt Service
360 – Sun Lakes CFD #86-1
365 – Wilson Street #91-1 Assessment Debt
370 – Area Police Computer Fund
375 – Fair Oaks #2004-01 Assessment Debt
376 – Cameo Homes
400 – Police Facilities Development
410 – Fire Facility Development
420 – Traffic Control Facility Fund
421 – Ramsey/Highland Home Road Signal
430 – General Facilities Fund
441 - Sunset Grade Separation Fund
444 - Wilson Median Fund
451 – Park Development Fund

470 – Capital Improvement Fund
475 – Fair Oaks #2004-01 Assessment District
600 – Airport Fund
610 – Transit Fund
660 – Water Fund
661 – Water Capital Facilities
662 – Irrigation Water Fund
663 – BUA Water Capital Project Fund
669 – BUA - Water Debt Service
670 – Electric Fund
672 – Rate Stability Fund
673 – Electric Improvement Fund
674 - '07 Elec Revenue Bond Project Fund
675 – Public Benefit Fund
678 - '07 Elec Revenue Bond Debt Service Fund
680 – Wastewater Fund
681 – Wastewater Capital Facility Fund
683 – BUA Wastewater Capital Project Fund
685 – State Revolving Loan Fund
689 – BUA Wastewater Debt Service Fund
690 – Refuse Fund
700 – Insurance Fund
702 – Fleet Maintenance
703 – Information Systems Services
761 – Utility Billing Administration
810 – CRA – Low/Mod Fund
830 – CRA – Debt Service Fund
850 – CRA - Administration Fund
854 – CRA Low/Mod Bond Fund
855 - 2007 TABS Bond Proceeds
856 – 2003 TABS Bond Proceeds
857 – 2003 TABS Bond Proceeds Low/Mod
860 – CRA - Project Fund

**CITY COUNCIL AGENDA
CONSENT**

DATE: **October 12, 2010**

TO: **Honorable Mayor and City Council**

FROM: **Andy Takata, City Manager**

SUBJECT: **Agreement to Provide Animal Control Services**

RECOMMENDATION:

It is recommended that the City Council approve the Agreement between the City of Banning and the City of Beaumont to provide citywide Animal Control Field Services for the period of July 1, 2010 through June 30, 2011.

JUSTIFICATION:

There was an urgent need to secure ongoing animal control field services. Staff was directed by the City Council to bring back an agreement for said services.

BACKGROUND:

The City of Beaumont has provided Animal Control Field Services for the City of Banning since July 1, 2010. The City of Beaumont is transporting animals as necessary to the Ramona Humane Society.

As the service with the City of Beaumont matures, and if there are any changes necessary to the agreement or issues that arise, staff will bring it back to the City Council at that time for further direction.

FISCAL DATA:

There are sufficient funds in the FY 2010-11 budget to cover the anticipated costs of this contract for these services.

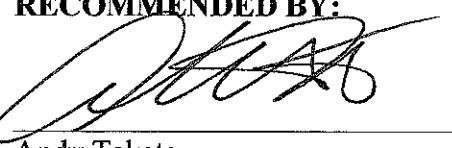
ATTACHMENT

1. Animal Control Services Agreement

REVIEWED BY:

Kirby Warner by ems
Kirby Warner
Interim Administrative Services Director

RECOMMENDED BY:


Andy Takata
City Manager

ATTACHMENT 1

AGREEMENT TO PROVIDE ANIMAL CONTROL FIELD SERVICES

THIS AGREEMENT is made and effective July 1, 2010, by and between the CITY OF BANNING ("City") and the CITY OF BEAUMONT ("Beaumont").

RECITALS

- A. Beaumont has the personnel, experience and equipment to provide animal control field services under the direction of Beaumont's Chief of Police.
- B. The City has asked Beaumont to provide it with animal control field services. It is the purpose of this Agreement to set forth the terms and conditions by which Beaumont will do so.

AGREEMENT

NOW, THEREFORE, the City and Beaumont agree as follows:

1. **Scope of Basic Services.** Beaumont shall provide the following Basic Services:
 - a. A 24-hour Call Center to which City residents may call for animal control field services;
 - b. A trained animal control field service officer on duty 7 days a week, during the hours of 0700 to 1900 hours, which officer shall be equipped with a motor vehicle suitable for the impoundment of small animals, including basic tools required to perform basic animal services;
 - c. The conduct of periodic animal licensing clinics;
 - d. The billing of fees and charges to City recipients of animal control services; and
 - e. Recordkeeping services, including animal licenses.
2. **Compensation.** For each animal control service call-out, the City shall pay to Beaumont the sum of \$30.00 per call-out, plus any actual costs incurred including, but not limited to, the impoundment of large or wild animals, tranquilizers, veterinary services, shelter services and any additional services not included within the Basic Services, billed monthly.
3. **Credit for Fees and Charges.** Beaumont shall attempt to collect from City recipients of animal control services such fees and charges as are lawfully imposed for the impoundment, boarding, adoption of animals. When collected, Beaumont shall remit the collected amount to the City monthly.

4. **Term of Agreement.** The term of this Agreement shall be one year, terminating on June 30, 2011, but shall be automatically renewed thereafter in one-year increments without further notice, unless terminated.

5. **Termination.** The **City** or **Beaumont** may terminate this Agreement at any time, upon 30-days prior written notice; provided, however, that the **City** shall pay for all services rendered to it prior to the date of termination, and **Beaumont** shall reimburse the **City** for any fees and charges collected from recipients of animal control services rendered prior to the termination date but collected thereafter.

6. **City Liaison.** In order to ensure smooth operation of the services provided hereunder, the **City** and **Beaumont** each agree to appoint a representative who shall be responsible for coordinating the implementation of this Agreement.

a. **Beaumont Appointment:** **Beaumont** appoints the Chief of Police as its representative. The Chief may be contacted as follows:

By Telephone: 951-769-8500
By Fax: 951-769-8508
By E-Mail: fcoe@beaumontpd.org

b. The **City** appoints the following representative as its liaison:

Name: Andy Takata, City Manager
By Telephone: 951-922-3101
By Fax: 951-922-3174
By E-Mail: atakata@ci.banning.ca.us

7. **Indemnification.** **Beaumont** agrees to indemnify and hold the **City**, its officers, officials, agents and employees free and harmless from any claim or liability whatsoever, including property damage, bodily injury or death, arising out of the **Beaumont**'s performance of this Agreement to the extent that such liability is imposed on the **City** by the provisions of California Government Code Section 895.2 or other applicable law, and **Beaumont** shall defend at its expense, including attorneys' fees, the **City**, its officials, officers, agents and employees in any legal action based upon such claims or liabilities.

8. **Amendments to this Agreement.** From time-to-time, the **City** and **Beaumont** may determine that the provision of services hereunder could be improved, made more efficient or expanded. Therefore, the parties agree to meet and confer at the request of either party and to negotiate in good faith such reasonable amendments to this Agreement as the parties deem appropriate.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the following authorized officials.

CITY OF BEAUMONT

By _____
BRIAN DE FORGE, Mayor

CITY OF BANNING

By _____
ROBERT E. BOTTS, Mayor

**CITY COUNCIL AGENDA
CONSENT**

Date: November 9, 2010
TO: Honorable Mayor and City Council
FROM: Fred Mason, Electric Utility Director
SUBJECT: Resolution No. 2010-70 Revise Annual Pole Attachment Fees for Any Foreign Utility Not Participating in the SCJPC's Authorized Costs Program

RECOMMENDATION: The City Council approves the revised pole attachment fee for any foreign utility not participating in the SCJPC's Authorized Costs program, with calculations attached herewith as Exhibit "A".

JUSTIFICATION: After reviewing our own per-pole costs and surveying nearby municipal electric utilities, we have discovered that the current annual attachment charge of \$5 per pole no longer covers our costs associated with foreign utility attachments. Exhibit "A" includes revised rate calculations for both foreign power and communications utilities. Exhibit "B" includes a survey of nearby municipal electric utilities' foreign utility attachment rates.

BACKGROUND: The Southern California Joint Pole Committee ("SCPJC") is made up of a group of member representatives of utilities and municipalities in Southern California who hold joint equity interest in utility poles. The SCJPC's principal function is to calculate the established value of each transaction, involving the sale or purchase of joint pole equity interests or maintenance of those interests. The Joint Pole Committee office prepares monthly Bills of Sale to the members to enable them to make monetary settlement of their joint enterprises. Most utilities participate in this SCJPC Authorized Costs program, but an annual attachment fee must be established for non-participants (such as Time Warner Cable, Inc.)

FISCAL DATA: Exhibit "A" includes calculations that result with the following recommended foreign utility attachment charges: \$30 annually for each communications attachment and \$45 annually for each power attachment. We currently have 2,175 non-SCJPC foreign communications attachments and thus anticipate an increase of \$54,375.00 in annual non-SCJPC pole attachment revenues.

RECOMMENDED BY:



Fred Mason
Electric Utility Director

APPROVED BY:



Andrew J. Takata
City Manager

RESOLUTION NO. 2010-70

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING APPROVING THE REVISED ANNUAL POLE ATTACHMENT FEES FOR ANY FOREIGN UTILITY NOT PARTICIPATING IN THE SCJPC'S AUTHORIZED COSTS PROGRAM

WHEREAS, the City of Banning owns and operates its Municipal Electric Utility; and

WHEREAS, a foreign utility attaches to City of Banning power poles in order to connect to their customers; and

WHEREAS, the City of Banning maintains an annual attachment rate agreement with any foreign utility that does not participate in the Southern California Joint Pole Committee (“SCJPC”) Authorized Costs program; and

WHEREAS, the Electric Utility updated the costs related to foreign utility attachments, attached herewith as Exhibit “A”;

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

1. Adopt Resolution No. 2010-70 approving the revised annual pole attachment fees for any foreign utility not participating in the SCJPC’s Authorized Costs program, and authorize the City Manager or his designee to administer this fee revision to any current or future pole attachment agreements.
2. Authorize the Mayor to execute Resolution No. 2010-70. The revised attachment rates shall be effective on December 1, 2010. Said authorization shall become void if not executed within 30 days of the effective date of this resolution.

PASSED, APPROVED, AND ADOPTED this 9th day of November 2010.

APPROVED AS TO FORM
AND LEGAL CONTENT:

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

Robert E. Botts, Mayor
City of Banning

ATTEST:

Marie A. Calderon, City Clerk
City of Banning

Marie A. Calderon, City Clerk
City of Banning

CERTIFICATION

I, MARIE A. CALDERON, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2010-70 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 9th day of November 2010 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

ATTACHMENT RATE CALCULATIONS

POLE BREAKDOWN - COMMUNICATIONS

Average pole height = 45'
Usable footage = 21'
Safety clearance zone = 6'
Communication responsibility = $6' \div 2 = 3'$
Communication space = 4'
Communication pole usage = $(4' + 3') \div 21' = 1/3$ of pole

COMMUNICATIONS UTILITY COST BREAKDOWN

Life span of pole = 25 years
Cost of installing pole = \$2,254
Communication's share of pole install = $\$2,254 \div 3 = \751
Communication annual attachment cost = $\$751 \div 25 = \30

POLE BREAKDOWN - POWER

Average pole height = 45'
Usable footage = 21'
Power space = 11'
Power pole usage = $11' \div 2 = 1/2$ of pole

POWER UTILITY COST BREAKDOWN

Life span of pole = 25 years
Cost of installing pole = \$2,254
Power's share of pole install = $\$2,254 \div 2 = \$1,127$
Power annual attachment cost = $\$1,127 \div 25 = \45

ATTACHMENT RATE SURVEY

Electric Utility	Attachment Charge	Notes
Anaheim	\$25.00	Rate increases/decreases annually based on annual CPI change.
Colton	\$5.00	They are planning to revise this rate soon.
Los Angeles	\$33.00	
Riverside	\$40.00	

**CITY COUNCIL AGENDA
CONSENT ITEM**

Date: **October 12, 2010**

TO: **City Council**

FROM: **Leonard Purvis, Chief of Police**

SUBJECT: **Resolution No. 2010-72 Accepting and authorizing expenditures under the 2010 U.S. Department of Justice COPS Law Enforcement Technology Grant in the amount of \$300,000.**

RECOMMENDATIONS: "Adopt Resolution No. 2010-72 accepting the U.S. Department of Justice COPS Law Enforcement Technology Grant in the amount of \$300,000 and authorize the Banning Police Department to purchase start-of-the-art handheld interoperable radios with the grant funds."

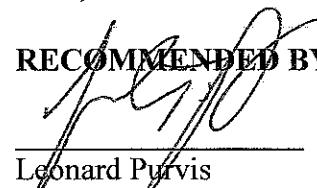
JUSTIFICATION: Funds from the 2010 U.S. Department of Justice COPS Law Enforcement Grant will be used to purchase state-of-the-art interoperable handheld radios capable of transmitting on both VHF and 700/800 MHZ frequencies. The upgraded radios will enable Banning Police Officers to communicate with allied law enforcement agencies participating in the Eastern Riverside County Interoperable Communications Authority (E.R.I.C.A) and the Public Safety Enterprise Communication System (P.S.E.C.). Additionally, the radios will also allow officers to communicate using secure analog and digital modes while meeting the federal P25 public safety standards for communications.

BACKGROUND: The Banning Police Department was awarded the 2010 U.S. Department of Justice COPS Law Enforcement Technology Grant with the recommendation and support of Congressman Jerry Lewis.

STRATEGIC PLAN INTEGRATION: Approval of this recommendation will help facilitate the Police Department's goal of improving its technology and equipment.

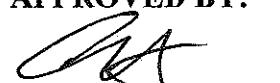
FISCAL DATA: The funds for the grant must first be appropriated from the General Fund in the amount of \$300,000 to pay for the handheld radios. Upon purchase of the radios, a reimbursement request will be submitted to the U.S. DOJ COPS Office, which will provide \$300,000 in reimbursement. This grant does not require matching funds.

RECOMMENDED BY:


Leonard Purvis
Chief of Police


Kirby Warner
Administrative Services Director

APPROVED BY:


Andrew Takata
City Manager

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RESOLUTION NO. 2010-72

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE BANNING POLICE DEPARTMENT TO ACCEPT THE 2010 U.S. DEPARTMENT OF JUSTICE COPS LAW ENFORCEMENT TECHNOLOGY GRANT IN THE AMOUNT OF \$300,000 TO PURCHASE STATE-OF-THE-ART HANDHELD RADIOS.

WHEREAS, the City of Banning Police Department is responsible for the security and safety of the Citizens of the City; and

WHEREAS, the City of Banning Police Department operates a 24 hour a day operation; and

WHEREAS, it is imperative the Banning Police Department maintain the optimal level of communication with allied law enforcement agencies in the area; and

WHEREAS, state-of-the-art technology is necessary for the daily operations of the Police Department; and

WHEREAS, there is a need to purchase upgraded handheld radios; and

WHEREAS, the City's procedures requires the City Council to adopt a resolution authorizing the expenditure of funds procured through grants.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning authorizes the Banning Police Department to accept the 2010 U.S. Department of Justice COPS Law Enforcement Technology Grant in the amount of \$300,000 to purchase state-of-the-art handheld radios. Furthermore, the City Council authorizes the appropriation of City Funds into the appropriate Banning Police Department Technology account in the amount of \$300,000. The Finance Department is authorized to make the necessary budget adjustments related to these funds.

PASSED, APPROVED, AND ADOPTED this 12th day of October, 2010.

Bob Botts, Mayor
City of Banning

APPROVED AS TO FORM
AND LEGAL CONTENT

ATTEST

Aleshire & Wynder, LLP
City Attorney

Marie A. Calderon, City Clerk
City of Banning

RESOLUTION NO. 2010-72

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE BANNING POLICE DEPARTMENT TO ACCEPT THE 2010 U.S. DEPARTMENT OF JUSTICE COPS LAW ENFORCEMENT TECHNOLOGY GRANT IN THE AMOUNT OF \$300,000 TO PURCHASE STATE-OF-THE-ART HANDHELD RADIOS.

WHEREAS, the City of Banning Police Department is responsible for the security and safety of the Citizens of the City; and

WHEREAS, the City of Banning Police Department operates a 24 hour a day operation; and

WHEREAS, it is imperative the Banning Police Department maintain the optimal level of communication with allied law enforcement agencies in the area; and

WHEREAS, state-of-the-art technology is necessary for the daily operations of the Police Department; and

WHEREAS, there is a need to purchase upgraded handheld radios; and

WHEREAS, the City's procedures requires the City Council to adopt a resolution authorizing the expenditure of funds procured through grants.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning authorizes the Banning Police Department to accept the 2010 U.S. Department of Justice COPS Law Enforcement Technology Grant in the amount of \$300,000 to purchase state-of-the-art handheld radios. Furthermore, the City Council authorizes the appropriation of City Funds into the appropriate Banning Police Department Technology account in the amount of \$300,000. The Finance Department is authorized to make the necessary budget adjustments related to these funds.

PASSED, APPROVED, AND ADOPTED this 12th day of October, 2010.

Bob Botts, Mayor

APPROVED AS TO FORM
AND LEGAL CONTENT

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

ATTEST:

Marie A. Calderon, City Clerk

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2010-72 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 12th day of October 2010, by the following to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

**CITY COUNCIL AGENDA
CONSENT ITEM**

Date: **October 12, 2010**

TO: **City Council**

FROM: **Leonard Purvis, Chief of Police**

SUBJECT: **Resolution No. 2010-73 Accepting and authorizing expenditures under the 2010 U.S. Department of Justice COPS Hiring Program (CHP).**

RECOMMENDATIONS: "Adopt Resolution No. 2010-73 accepting the U.S. Department of Justice COPS Hiring Program (CHP) Grant in the amount of \$791,956 and authorize the Banning Police Department to fund two police officer positions with the grant over the next three years."

JUSTIFICATION: Funds from the 2010 U.S. Department of Justice COPS Hiring Program (CHP) will be used to fund two police officer positions over the next three years. Acceptance of the grant eliminates the need to lay off two police officers. The police officers were scheduled to be laid off effective September 30, 2010.

BACKGROUND: On September 30, 2010, the U.S. Department of Justice awarded the Banning Police Department the 2010 COPS Hiring Program (CHP) Grant. This particular grant involved a very competitive process. There were 4423 grant applications submitted nationwide and only 379 agencies received funding. Out of 202 agencies in California that submitted grant proposals, 28 received grant awards. Riverside and Banning were the only two agencies in Riverside County to receive grant funding. Only four Southern California agencies received funding (Banning, Riverside, Costa Mesa, and Fontana).

According to our calculations, only 8% of the agencies that submitted grant proposals received funding. When you look at our overall score (94.7) that was adjusted for population based on fiscal need and crime statistics, we scored 5th in the Nation and #1 in the State.

STRATEGIC PLAN INTEGRATION: Approval of this recommendation will help facilitate the Police Department's goals to better serve the community with adequate staffing levels.

FISCAL DATA: The grant provides funding for two police officer positions over a three year period in the following amounts: FY 10-11 (\$249,926), FY 11-12 (\$264,834), and FY 12-13 (\$277,196). Acceptance of the grant requires the City of Banning to maintain both police officer positions during FY 13-14 using funds outside of the grant.

RECOMMENDED BY:



Leonard Purvis
Chief of Police



Kirby Warner
Administrative Services Director

APPROVED BY:



Andrew Takata
City Manager

RESOLUTION NO. 2010-73

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE BANNING POLICE DEPARTMENT TO ACCEPT THE 2010 U.S. DEPARTMENT OF JUSTICE COPS HIRING PROGRAM (CHP) GRANT IN THE AMOUNT OF \$791,956 TO FUND TWO POLICE OFFICER POSITIONS OVER A THREE YEAR PERIOD.

WHEREAS, the City of Banning Police Department is responsible for the security and safety of the Citizens of the City; and

WHEREAS, the City of Banning Police Department operates a 24 hour a day operation; and

WHEREAS, it is imperative the Banning Police Department maintain its optimal level of staffing to effectively perform its law enforcement duties; and

WHEREAS, the City's procedures requires the City Council to adopt a resolution authorizing the expenditure of funds procured through grants.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning authorizes the Banning Police Department to accept the 2010 U.S. Department of Justice COPS Hiring Program (CHP) Grant in the amount of \$791,956 to fund two police officer positions over a three year period. Furthermore, the City Council authorizes the appropriation of City Funds into the appropriate Banning Police Department Payroll accounts in the following amounts: FY 10-11 (\$249,926), FY 11-12 (\$264,834), and FY 12-13 (\$277,196). The Finance Department is authorized to make the necessary budget adjustments related to these funds.

PASSED, APPROVED, AND ADOPTED this 12th day of October, 2010.

Bob Botts, Mayor

ATTEST:

Marie A. Calderon, City Clerk

APPROVED AS TO FORM
AND LEGAL CONTENT

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

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2010-73 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 12th day of October 2010, by the following to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

CITY COUNCIL AGENDA

DATE: October 12, 2010

TO: Honorable Mayor and City Council Members

FROM: Duane Burk, Director of Public Works

SUBJECT: **Resolution No. 2010-13 (as amended) – Request to Vacate a Portion of Val Monte Street and Adjacent Alleys.**

RECOMMENDATION: Adopt Resolution No. 2010-13, as amended, vacating a portion Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys.

BACKGROUND: On March 9, 2010 the City Council held a public hearing and approved the subject street vacation. At that hearing the City Attorney requested minor amendments to the subject resolution. The amended resolution is included in the report as Attachment 1.

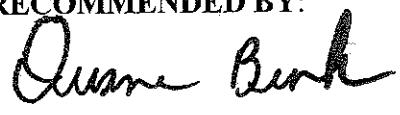
As you may recall, this street vacation request is part of the proposed 9,000 square foot medical and dental office project located at 1070 E. Ramsey Street by Inland Behavioral and Health Services, Inc. of San Bernardino, California.

FISCAL DATA: There is no fiscal impact associated with adoption of this resolution. However, should the applicant complete the proposed project, the project will generate revenues to the City in the form of one-time building permit fees as well as annual property taxes.

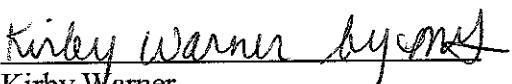
APPROVED BY:


Andrew J. Takata
City Manager

RECOMMENDED BY:


Duane Burk
Director of Public Works

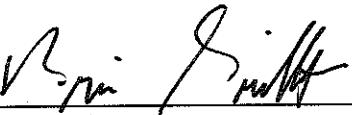
REVIEWED BY:


Kirby Warner
Interim Administrative Services Director

REVIEWED BY:


Zai Abu Bakar
Community Development Director

PREPARED BY:


Brian Guillot
Assistant Planner

Attachments:

1. Resolution No. 2010-13, as amended.
2. Legal description Exhibit A and Exhibit B Val Monte Street vacation.
3. Legal description Exhibit A and Exhibit B Public Utility Easement and Public Alley reservation.

Attachment 1

(Resolution No. 2010-13, as amended)

RESOLUTION NO. 2010-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA VACATING THE STREET COMMONLY KNOWN VAL MONTE STREET FROM RAMSEY STREET TO INTERSTATE 10 AND ADJACENT ALLEYS

WHEREAS, the City of Banning desires to vacate that roadway commonly known as Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys located in,

THAT PORTION OF VAL MONTE STREET AS SHOWN ON HUNTER'S VAL MONTE TRACT, IN THE CITY OF BANNING, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MAP BOOK 17, PAGE 91 RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF SAID VAL MONTE STREET, BEING NORTH OF THE NORTHERLY RIGHT-OF-WAY INTERSTATE 10, AND BEING SOUTH OF THE SOUTHERLY RIGHT-OF-WAY OF RAMSEY STREET (HAVING A 60 FOOT RIGHT-OF-WAY, 30 FEET BOTH SIDES.)

TOGETHER WITH LOT C OF SAID HUNTER VAL MONTE TRACT, AND LOT A OF SAID HUNTER'S VAL MONTE TRACT BEING NORTH OF THE NORTHERLY RIGHT-OF-WAY OF INTERSTATE 10.

TOGETHER WITH THOSE PORTIONS OF LOTS 15 AND 16 OF SAID HUNTER'S VAL MONTE TRACT, DESCRIBED IN INSTRUMENT NO. 21465, RECORDED APRIL 29, 1954 IN BOOK 1582 PAGE 47 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE EAST LINE OF SAID LOT 16, DISTANT ALONG LAST SAID EAST LINE, SOUTH $0^{\circ}02'13''$ WEST, 16.43 FEET FROM THE NORTHEAST CORNER OF SAID LOT 16; THENCE ALONG A NON-TANGENT CURVE CONCAVE EASTERLY WITH A RADIUS OF 35 FEET, FROM A TANGENT BEARING SOUTH $64^{\circ}40'15''$ WEST, THROUGH AN ANGLE OF $129^{\circ}15'57''$, A DISTANCE OF 78.96 FEET TO THE EAST LINE OF SAID LOT 15, A DISTANT ALONG THE EAST LINE OF SAID LOTS 16 AND 15, SOUTH $0^{\circ}02'13''$ WEST, 63.25 FEET FROM THE POINT OF BEGINNING; THENCE ALONG SAID EAST LINE OF LOTS 15 AND 16, NORTH $0^{\circ}02'13''$ EAST 63.25 FEET TO THE POINT OF BEGINNING.

WHEREAS, the City of Banning desires to reserve a Public Utility Easement and Public Alley for the benefit of the owners of the real property abutting said street vacation located in,

THOSE PORTIONS OF LOTS 15 AND 16 OF HUNTER'S VAL MONTE TRACT AS SHOWN ON BOOK 17, PAGE 91 OF MAPS, RECORDS OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, AND THE EAST HALF OF VAL MONTE STREET, SAID MAP, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 1 OF SAID TRACT, THENCE SOUTH ALONG THE EAST RIGHT-OF-WAY LINE OF VAL MONTE STREET A DISTANCE OF 250.05 FEET TO ITS INTERSECTION WITH THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE 10 AS SHOWN ON CALTRANS RIGHT-OF-WAY MAP NO. 421541; THENCE WESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY A DISTANCE OF 50.14 FEET TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF SAID VAL MONTE STREET;

THENCE NORTH ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 4.71 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE EAST HAVING A RADIUS OF 31.41 FEET, A RADIAL TO SAID POINT BEARS SOUTH 27°27'45" WEST (SOUTH 27°02'37" WEST RECORD);

THENCE ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 125°20'46". A DISTANCE OF 68.71 FEET TO ITS INTERSECTION WITH THE SAID WESTERLY RIGHT-OF-WAY OF VAL MONTE STREET AND THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 46.22 FEET;

THENCE ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 62°40'23", A DISTANCE OF 50.55 FEET TO ITS TANGENCY WITH THE CENTERLINE OF SAID VAL MONTE STREET; THENCE NORTH ALONG SAID CENTERLINE, A DISTANCE OF 144.99 FEET TO THE SOUTH RIGHT-OF-WAY OF RAMSEY STREET;

THENCE EASTERLY ALONG SAID SOUTH RIGHT-OF-WAY, A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING.

WHEREAS, pursuant to California Streets and Highways Code Sections 8300 et seq., the City Council has the authority and responsibility to resolve to vacate streets and highways within the City; and

WHEREAS, on December 1, 2009 the Planning Commission adopted Resolution No. 2009-09, finding that the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys is consistent with the City of Banning's General Plan and recommending that the City Council vacate Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys; and

WHEREAS, on February 9, 2010, the City Council set March 9, 2010 as the date on which it would hold a hearing for the purpose of considering the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys; and

WHEREAS, on February 19, 2010, and continuing through February 26, 2010, the City gave public notice, by publishing in *Record Gazette* newspaper and by posting in prominent places on Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys in compliance with Streets and Highways Code Section 8320, of the holding of the public hearing at which the City Council would consider the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys; and

WHEREAS, on March 9, 2010, the City Council held the noticed public hearing considering the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys, at which interested persons had an opportunity to testify in support of, or opposition to, the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys:

NOW, THEREFORE, the City Council of the City of Banning does Resolve, Determine, Find and Order as follows:

SECTION 1. FINDINGS.

The City Council, in light of the whole record before it, including but not limited to, the City's General Plan, the recommendation of the Community Development Director as provided in the Planning Commission Staff Report dated December 1, 2009, and the documents incorporated therein by reference, the recommendation of the Planning

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Commission, and any other evidence within the record or provided at or prior to the public hearing of this matter, hereby finds and determines as follows:

1. Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys is unnecessary for present or prospective public use.
2. The vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys is consistent with the City of Banning's General Plan.
3. No conditions precedent to the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys exist or are necessary.

SECTION 2. CITY COUNCIL ACTION.

The City Council hereby takes the following actions:

1. The City Council hereby recognizes Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys is not necessary for present or prospective public use.
2. The City Council hereby orders vacated Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys.
3. The City Council hereby orders the City Clerk to record this Resolution with the County Recorder, which recording will make the vacation of Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys effective pursuant to Streets and Highways Code Section 8325.
4. The City Council hereby orders Public Works Department to review potential uses for the land formerly known as Val Monte Street from Ramsey Street to Interstate 10 and adjacent alleys and to provide to the City Council by April 13, 2010 a report analyzing the reasonably practicable uses for that land, including but not limited to sale of the land as surplus property.

PASSED, APPROVED, AND ADOPTED this 9th day of March, 2010.

Robert E. Botts, Mayor
City of Banning

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

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP
City of Banning, California

ATTEST:

Marie A. Calderon, City Clerk
City of Banning

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2010-13, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 9th day of March 2010.

AYES:

NOES:

ABSENT:

ABSTAIN:

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

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Attachment 2

(Legal description Exhibit A and Exhibit B Val Monte
Street vacation.)

EXHIBIT "A"
LEGAL DESCRIPTION
STREET AND ALLEY VACATION

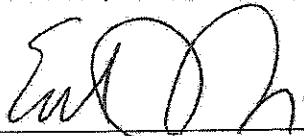
THAT PORTION OF VAL MONTE STREET AS SHOWN ON HUNTER'S VAL MONTE TRACT, IN THE CITY OF BANNING, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MAP BOOK 17 PAGE 91 RECORDS OF SAID COUNTY. MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF SAID VAL MONTE STREET, BEING NORTH OF THE NORTHERLY RIGHT-OF-WAY OF INTERSTATE 10, AND BEING SOUTH OF THE SOUTHERLY RIGHT OF WAY OF RAMSEY STREET (HAVING A 60 FOOT RIGHT-OF-WAY, 30 FEET BOTH SIDES.)

TOGETHER WITH LOT C OF SAID HUNTER VALMONTE TRACT, AND LOT A OF SAID HUNTER VALMONTE TRACT BEING NORTH OF THE NORTHERLY RIGHT-OF-WAY OF INTERSTATE 10.

TOGETHER WITH THOSE PORTIONS OF LOTS 15 AND 16 OF SAID HUNTER'S VAL MONTE TRACT, DESCRIBED IN INSTRUMENT NO. 21465, RECORDED APRIL 29, 1954 IN BOOK 1582 PAGE 47 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE EAST LINE OF SAID LOT 16, DISTANT ALONG LAST SAID EAST LINE, SOUTH $0^{\circ}02'13''$ WEST, 16.43 FEET FROM THE NORTHEAST CORNER OF SAID LOT 16;
THENCE ALONG A NON-TANGENT CURVE CONCAVE EASTERLY WITH A RADIUS OF 35 FEET, FROM A TANGENT BEARING SOUTH $64^{\circ}40'15''$ WEST, THROUGH AN ANGLE OF $129^{\circ}15'57''$, A DISTANCE OF 78.96 FEET TO THE EAST LINE OF SAID LOT 15, A DISTANT ALONG THE EAST LINE OF SAID LOTS 16 AND 15, SOUTH $0^{\circ}02'13''$ WEST, 63.25 FEET FROM THE POINT OF BEGINNING;
THENCE ALONG SAID EAST LINE OF LOTS 15 AND 16, NORTH $0^{\circ}02'13''$ EAST 63.25 FEET TO THE POINT OF BEGINNING.


Edward J. Bonadiman, P.L.S. Date 10-6-10

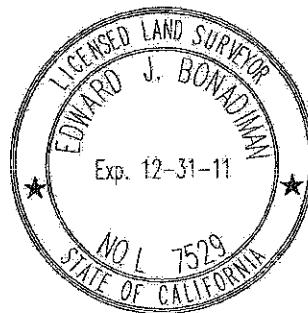
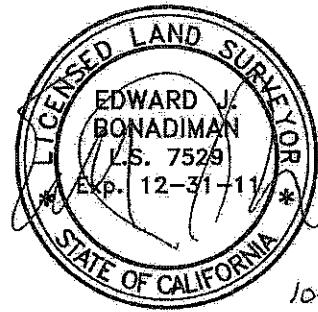
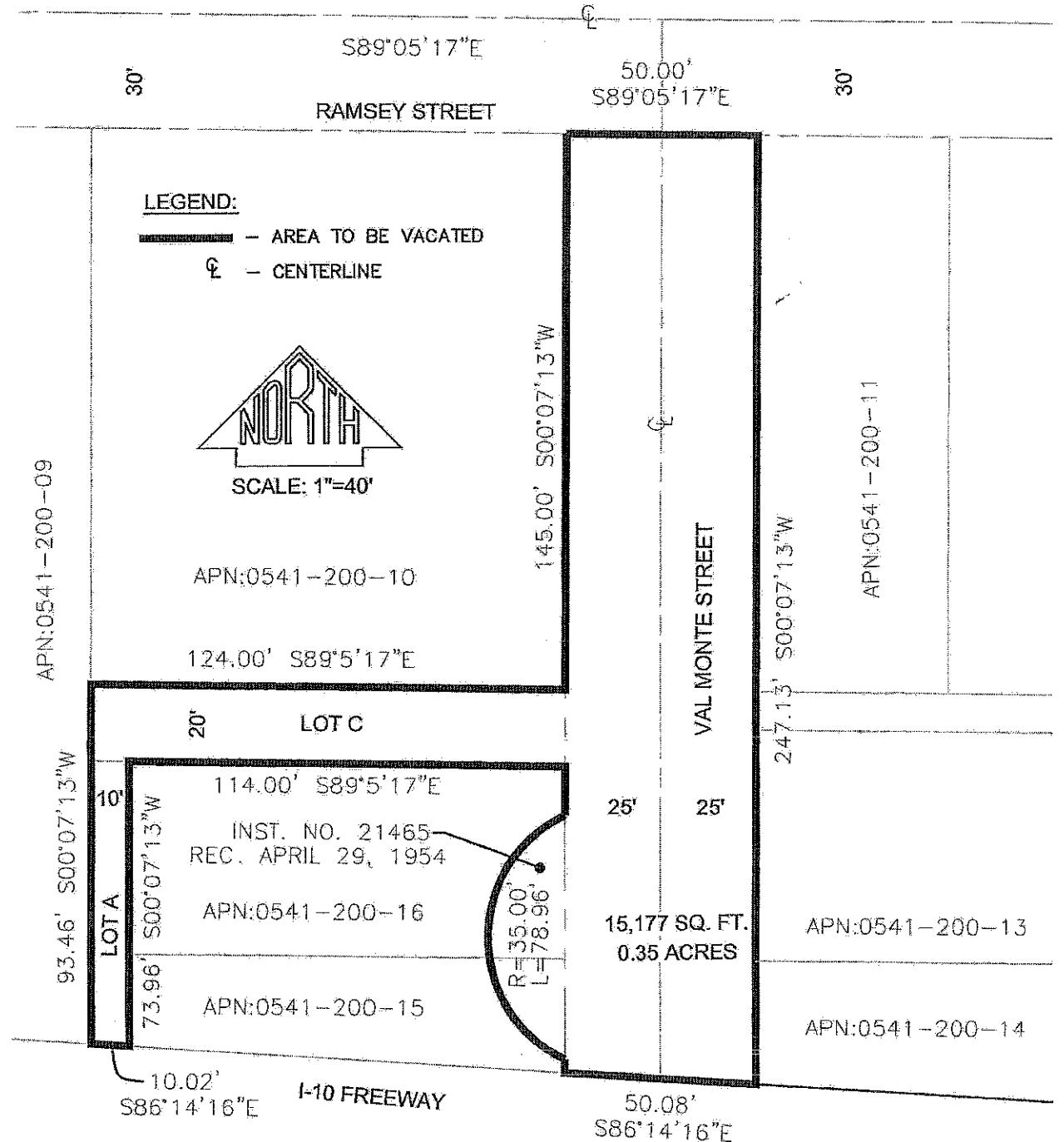


EXHIBIT "B"



PREPARED BY:



JOSEPH E. BONADIMAN & ASSOCIATES INC.
consulting engineers

land surveyors

234 N. Arrowhead Ave., San Bernardino, CA. 92408
Phone: (909)885-3806 Fax: (909)381-1721

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Attachment 3

(Legal description Exhibit A and Exhibit B Reservation
of Public Utility Easement and Public Alley)

EXHIBIT "A"

LEGAL DESCRIPTION FOR ALLEY / UTILITY EASEMENT RESERVATION

THOSE PORTIONS OF LOTS 15 AND 16 OF HUNTER'S VAL MONTE TRACT AS SHOWN ON BOOK 17, PAGE 91 OF MAPS, RECORDS OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, AND THE EAST HALF OF VAL MONTE STREET, SAID MAP, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 1 OF SAID TRACT, THENCE SOUTH ALONG THE EAST RIGHT OF WAY LINE OF VAL MONTE STREET A DISTANCE OF 250.05 FEET TO ITS INTERSECTION WITH THE NORTHERLY RIGHT OF WAY LINE OF INTERSTATE 10 AS SHOWN ON CALTRANS RIGHT OF WAY MAP NO. 421541;

THENCE WESTERLY ALONG SAID NORTHERLY RIGHT OF WAY A DISTANCE OF 50.14 FEET TO ITS INTERSECTION WITH THE WESTERLY RIGHT OF WAY OF SAID VAL MONTE STREET;

THENCE NORTH ALONG SAID RIGHT OF WAY, A DISTANCE OF 4.71 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE EAST HAVING A RADIUS OF 31.41 FEET, A RADIAL TO SAID POINT BEARS SOUTH $27^{\circ}27'45''$ WEST (SOUTH $27^{\circ}02'37''$ WEST RECORD);

THENCE ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $125^{\circ}20'46''$, A DISTANCE OF 68.71 FEET TO ITS INTERSECTION WITH THE SAID WESTERLY RIGHT OF WAY OF VAL MONTE STREET AND THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 46.22 FEET;

THENCE ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $62^{\circ}40'23''$, A DISTANCE OF 50.55 FEET TO ITS TANGENCY WITH THE CENTERLINE OF SAID VAL MONTE STREET; THENCE NORTH ALONG SAID CENTERLINE, A DISTANCE OF 144.99 FEET TO THE SOUTH RIGHT OF WAY OF RAMSEY STREET;

THENCE EASTERLY ALONG SAID SOUTH RIGHT OF WAY, A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"

PAGE 2 OF 2

PLAT FOR ALLEY / UTILITY EASEMENT RESERVATION

THOSE PORTIONS OF LOTS 15 AND 16 OF HUNTER'S VAL MONTE TRACT AS SHOWN ON BOOK 17, PAGE 91 OF MAPS, RECORDS OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, AND THE EAST HALF OF VAL MONTE STREET, SAID MAP



50' 0' 50'

R A M S E Y 30'

30' S T R E E T

LINE TABLE

L1 - 4.71'
L2 - SOUTH 27°27'45" WEST (R)

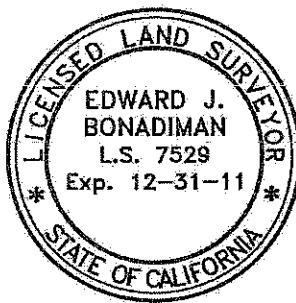
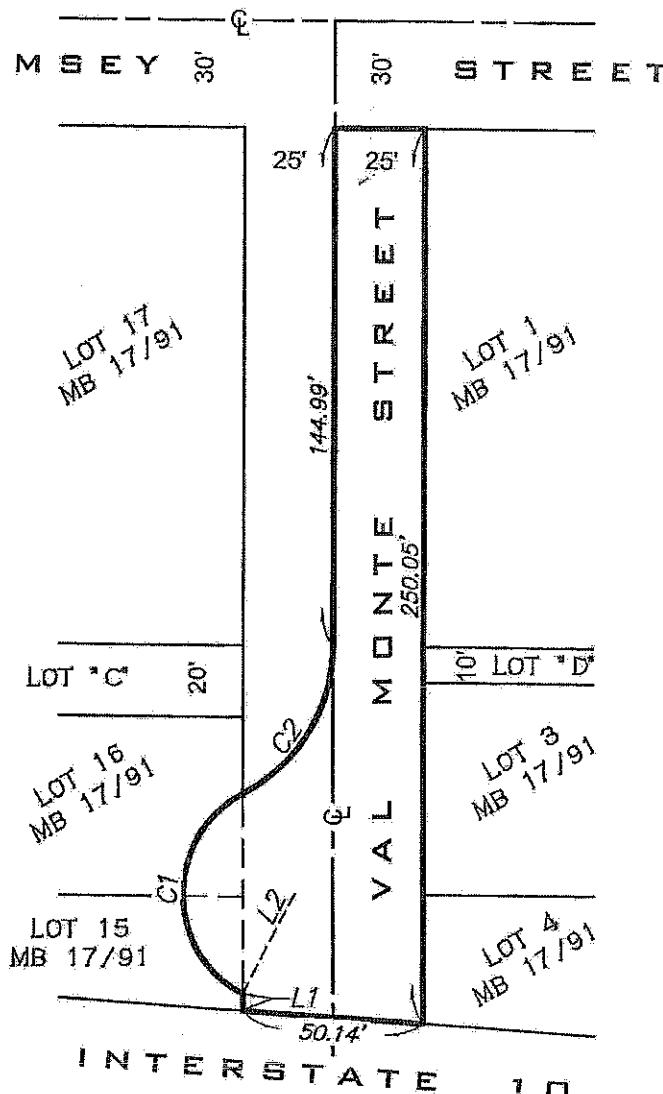
CURVE TABLE

#	RADIUS	DELTA	LENGTH
C1	31.41'	125°20'46"	68.71'
C2	46.22	62°40'23"	50.55'

PROPERTY OWNERS:

THE CITY OF BANNING
99 E. RAMSEY STREET
P.O. BOX 998
BANNING, CA 92220

INLAND BEHAVIORAL & HEALTH SERVICES, INC.
1963 NORTH "E" STREET
SAN BERNARDINO, CA 92405



Edward J. Bonadiman, LS 7529

10-6-10

DATE



JOSEPH E. BONADIMAN & ASSOCIATES INC.
consulting engineers

land surveyors

234 N. Arrowhead Ave., San Bernardino, CA 92408
Phone: (909)885-3806 Fax: (909)381-1721

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**CITY COUNCIL/BANNING UTILITY AUTHORITY AGENDA
PUBLIC HEARING**

Date: **October 12, 2010**

TO: **City Council/Banning Utility Authority**

FROM: **Duane Burk, Director of Public Works
Kirby Warner, Interim Administrative Services Director**

SUBJECT: **Urgency Ordinance No. 1428, "Increase of the Water Rates for the Water Utility"**

RECOMMENDATION: Adopt Urgency Ordinance No. 1428, approving the increase of Water Rates for the Water Utility as presented in the City of Banning Water and Wastewater Rate Study Report attached as Exhibit "A".

JUSTIFICATION: Increasing the water rates is essential to generate the required revenues to offset loss of revenue; maintain the minimum debt coverage ratio required by bond covenants; cover increasing costs for the water systems operations and maintenance; cover costs of the annual replacement program of water line infrastructure; and cover costs of the construction of new water facilities (wells, transmission pipelines, restoration of the flume, etc.).

BACKGROUND: The City Council last approved an increase in water rates at the July 8, 2003 City Council meeting, which increased the water rates for four years beginning August 7, 2003. Due to the current economic climate, which has resulted in a reduction in the City's customer base, increasing costs in the operating and maintenance expenses, debt coverage requirements due to bond covenants and capital expenditures costs, it is necessary to increase the water rates in order to ensure financial stability of the water enterprise.

On April 14, 2009 the City Council approved an Agreement with Raftelis Financial Consultants, Inc. (RFC) for Professional Services entitled "Financial Planning for the Water System" to develop a financial plan for the water enterprise. As a result of said agreement along with an existing agreement to develop a financial plan for the wastewater enterprise, RFC prepared the City of Banning "Water and Wastewater Rate Study Report" (Rate Study Report), *previously attached as Exhibit "A" during the first review of Urgency Ordinance No. 1428 on September 14, 2010*, which supports the recommended increase of the water rates for the next five years. The increase in rates will provide the required revenue to meet the necessary debt coverage requirements, operations and maintenance costs and capital improvement costs.

The Rate Study Report recommends a five year plan for implementing the rate increases beginning in Fiscal Year 2011:

Monthly Water Charges							
Service Charge Meter Size	Existing FY 2010	Service Charge Meter Size	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	Proposed FY 2015
5/8 Inch	\$16.77	5/8 Inch	\$17.73	\$19.15	\$20.68	\$22.33	\$23.89
3/4 Inch	\$16.77	3/4 Inch	\$17.73	\$19.15	\$20.68	\$22.33	\$23.89
1 Inch	\$25.64	1 Inch	\$26.85	\$29.00	\$31.32	\$33.83	\$36.20
1 1/2 Inch	\$46.87	1 1/2 Inch	\$49.64	\$53.61	\$57.90	\$62.53	\$66.91
2 Inch	\$72.51	2 Inch	\$76.98	\$83.14	\$89.79	\$96.97	\$103.76
3 Inch	\$132.64	3 Inch	\$140.80	\$152.06	\$164.22	\$177.36	\$189.78
4 Inch	\$218.41	4 Inch	\$232.00	\$250.56	\$270.60	\$292.25	\$312.71
6 Inch	\$432.40	6 Inch	\$459.81	\$496.59	\$536.32	\$579.23	\$619.78
8 Inch	\$688.84	8 Inch	\$733.29	\$791.95	\$855.31	\$923.73	\$988.39
Commodity Charge							
0-9 HCF	\$1.15	0-12 HCF	\$1.56	\$1.68	\$1.81	\$1.95	\$2.09
10-29 HCF	\$1.34	13-25 HCF	\$1.98	\$2.14	\$2.31	\$2.49	\$2.66
30+ HCF	\$1.51	26+ HCF	\$2.24	\$2.42	\$2.61	\$2.82	\$3.02

The proposed rate increases equate to an average increase of:

September 2010	30 Percent Increase
September 2011	7 Percent Increase
September 2012	7 Percent Increase
September 2013	7 Percent Increase
September 2014	7 Percent Increase

Staff recommends that the plan be reviewed annually prior to the implementation of the suggested rates. During the annual review staff will analyze changes in revenue sources such as water user fees, grants and credit agreements to determine if it is necessary to implement the suggested rate or if it is justified to implement one that is lower than the recommended rate.

On July 26, 2010, the Banning Utility Authority (BUA) approved BUA Resolution No. 2010-07UA, "Receive and File the 2010 Water and Wastewater Rate Study Report and Approve Proposition 218 Notifications". Proposition 218 was approved by California voters in 1996 and requires that local governments 1) give notification to all property owners of the proposed rates and instructions for those who wish to protest the rate increases, 2) hold a public hearing at least forty five (45) days after the mailing of the notifications and 3) reject the proposed fee if written protests are presented by a majority of the affected property owners. The Proposition 218 notifications were mailed out on July 28, 2010. Subsequently, City staff held three town hall meetings on August 5, 10 and 18 of 2010. The goal of the meetings was to discuss the Rate Study Report and to receive and answer questions from the public.

At the September 14, 2010 City Council meeting staff received direction from the Council members to review two optional scenarios for the proposed water rate increases attached as Option "A" and Option "B":

Option "A":

The proposed rate increases equate to an average increase of 18.0% in FY 2011, 17.5% in FY 2012 and 7.0% in FY 2013 and FY 2014. A proposed rate increase for FY 2015 has been eliminated under this option. Option "A" causes the City to not meet the bond covenant requirement in FY 2011, but becomes compliant in the subsequent years, and also requires the City to reduce the amount of water purchased. In this scenario the City will be able to maintain its reserves above the recommended levels.

Average Revenue Adjustments		18.0%	17.5%	7.0%	7.0%	5.9%
Reduced O&M Expenses and Inflation Factors						
Monthly Water Charges						
Service Charge Meter Size	Existing FY 2010	Service Charge Meter Size	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014
5/8 inch	\$ 16.77	5/8 inch	\$ 16.77	\$ 19.15	\$ 20.68	\$ 22.33
3/4 inch	\$ 16.77	3/4 inch	\$ 16.77	\$ 19.15	\$ 20.68	\$ 22.33
1 inch	\$ 25.64	1 inch	\$ 25.48	\$ 29.00	\$ 31.32	\$ 33.83
1 1/2 inch	\$ 46.87	1 1/2 inch	\$ 47.27	\$ 53.61	\$ 57.90	\$ 62.53
2 inch	\$ 72.51	2 inch	\$ 73.41	\$ 83.14	\$ 89.79	\$ 96.97
3 inch	\$ 132.64	3 inch	\$ 134.41	\$ 152.06	\$ 164.22	\$ 177.36
4 inch	\$ 218.41	4 inch	\$ 221.60	\$ 250.56	\$ 270.60	\$ 292.25
6 inch	\$ 432.40	6 inch	\$ 439.37	\$ 496.59	\$ 536.32	\$ 579.23
8 inch	\$ 688.84	8 inch	\$ 700.79	\$ 791.95	\$ 855.31	\$ 923.73
Commodity Charge						
0-9 HCF	\$ 1.15	0 - 12 HCF	\$ 1.43	\$ 1.68	\$ 1.81	\$ 1.95
10-29 HCF	\$ 1.34	13 - 25 HCF	\$ 1.81	\$ 2.14	\$ 2.31	\$ 2.49
30+ HCF	\$ 1.51	26 + HCF	\$ 2.03	\$ 2.42	\$ 2.61	\$ 2.82
COVERAGE RATIO		91%	172%	198%	198%	
REQUIRED COVERAGE		115%	115%	115%	115%	
Total Reserves - Revised O&M		\$ 5,183,810	\$ 4,983,097	\$ 3,110,994	\$ 3,346,119	
Total Target		\$ 2,689,976	\$ 2,736,918	\$ 2,785,469	\$ 2,960,687	
Old O&M		\$ 6,553,868	\$ 6,755,656	\$ 6,964,807	\$ 7,618,859	Reduction
Revised O&M (reduced water purchases)		\$ 6,346,541	\$ 6,534,308	\$ 6,728,511	\$ 7,379,386	\$ (904,444)
Reduction in Operating Costs		\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ (800,000)

Option "B":

The proposed rate increases equate to an average increase of 15% in FY 2011, 15.0% in FY 2012 and 7.0% in FY 2013 and FY 2014. A proposed rate increase for FY 2015 has been eliminated under this option. Option "B" causes the City to not meet the bond covenant requirement in FY 2011, but becomes compliant in the subsequent years, and also requires the City to reduce the amount of water purchased. In this scenario the City will not be able to maintain its reserves above the recommended levels beginning in FY 2013.

Average Revenue Adjustments		15.0%	15.0%	7.0%	7.0%	5.1%	
Reduced O&M Expenses and Inflation Factors							
Monthly Water Charges		Effective	15-Oct-10	1-Sep-11	1-Sep-12	1-Sep-13	Compounded Increase
Service Charge Meter Size	Existing FY 2010	Service Charge Meter Size	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	
5/8 inch	\$ 16.77	5/8 inch	\$ 15.90	\$ 18.29	\$ 19.57	\$ 20.94	
3/4 inch	\$ 16.77	3/4 inch	\$ 15.90	\$ 18.29	\$ 19.57	\$ 20.94	
1 inch	\$ 25.64	1 inch	\$ 24.11	\$ 27.73	\$ 29.67	\$ 31.75	
1 1/2 inch	\$ 46.87	1 1/2 inch	\$ 44.62	\$ 51.31	\$ 54.90	\$ 58.74	
2 inch	\$ 72.51	2 inch	\$ 69.23	\$ 79.61	\$ 85.18	\$ 91.14	
3 inch	\$ 132.64	3 inch	\$ 126.66	\$ 145.66	\$ 155.86	\$ 166.77	
4 inch	\$ 218.41	4 inch	\$ 208.74	\$ 240.05	\$ 256.85	\$ 274.83	
6 inch	\$ 432.40	6 inch	\$ 413.77	\$ 475.84	\$ 509.15	\$ 544.79	
8 inch	\$ 688.84	8 inch	\$ 659.89	\$ 758.87	\$ 811.99	\$ 868.83	
Commodity Charge							
0-9 HCF	\$ 1.15	0 - 12 HCF	\$ 1.40	\$ 1.61	\$ 1.72	\$ 1.84	60%
10-29 HCF	\$ 1.34	13 - 25 HCF	\$ 1.78	\$ 2.05	\$ 2.19	\$ 2.34	75%
30+ HCF	\$ 1.51	26+ HCF	\$ 2.01	\$ 2.31	\$ 2.47	\$ 2.64	75%
COVERAGE RATIO		84%	153%	175%	173%		
REQUIRED COVERAGE		115%	115%	115%	115%		
Total Reserves - Revised O&M		\$ 5,027,403	\$ 4,378,222	\$ 2,530,142	\$ 2,203,196		
Total Target		\$ 2,689,976	\$ 2,736,918	\$ 2,785,469	\$ 2,960,687		
Old O&M		\$ 6,553,868	\$ 6,755,656	\$ 6,964,807	\$ 7,618,859		Reduction
Revised O&M (reduced water purchases)		\$ 6,346,541	\$ 6,534,308	\$ 6,728,511	\$ 7,379,386	\$ (904,444)	
Reduction in Operating Costs		\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ (800,000)	

FISCAL DATA: A 30 percent increase in the first year, if approved, would provide additional revenues of approximately \$1,830,882.00; a 7 percent increase in each of the following four years would provide additional revenues, from its previous year, of approximately \$578,059.00, \$611,600.00, \$647,318.00 and \$685,366.00, respectively. The revenues generated will be sufficient to offset costs for maintaining the minimum bond coverage ratio required by bond covenants, increasing costs of the water systems operations and maintenance and capital improvement projects costs.

RECOMMENDED BY:

Duane Burk
Director of Public Works

REVIEWED BY:

Kirby Warner
Interim Administrative Services Director

APPROVED BY:

Andy Takata
City Manager

ORDINANCE NO. 1428

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BANNING
AMENDING CHAPTER 13.08 OF THE BANNING MUNICIPAL CODE RELATING TO
THE WATER RATE SCHEDULE**

WHEREAS, Chapter 13.08 of the Banning Municipal Code establishes the *Water Rate Schedule* which lists water rates for the City of Banning; and

WHEREAS, the City of Banning Water Rates are subject to periodic reviews and increases in order to maintain the rates at a level which ensures the City recovers all costs associated with providing water services; and

WHEREAS, increasing the water rates is essential to generate the required revenues to offset loss of revenue; maintain the minimum debt coverage ratio required by bond covenants; cover increasing costs for the water systems operations and maintenance; cover costs of the annual replacement program of water line infrastructure; and cover costs of the construction of new water facilities; and

WHEREAS, the City Council last approved an increase in water rates at the July 8, 2003 City Council meeting, which increased the water rates for four years beginning August 7, 2003; and

WHEREAS, on April 14, 2009 the City Council approved an Agreement with Raftelis Financial Consultants, Inc. for Professional Services Entitled “Financial Planning for the Water System” to develop a financial plan for the water enterprise which resulted in the City of Banning “Water and Wastewater Rate Study Report”; and

WHEREAS, said “Water and Wastewater Rate Study Report” supports the recommended increases of the water rates, as shown in Attachment I, for the next five years; and

WHEREAS, the Water Rate Schedule increases are recommended in accordance with the Banning Municipal Code; and

WHEREAS, Section 5471 of the Health and Safety Code and Section 13.08.030 of the Banning Municipal Code requires that an increase in water rates be adopted by ordinance approved by a two-thirds vote of the members of the City Council; and

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

Section I. Ordinance No. 1428, an Urgency Ordinance is adopted, approving the increases to the Water Rate Schedule as set forth in Attachment I affixed hereto and by reference made apart hereof.

Section II. This ordinance shall be considered as adopted upon the date that the vote is declared by the City Council, and will become effective on October 13, 2010.

Section III. The City Manager, or his designee, is authorized to implement the necessary annual changes to the City's billing system immediately after the Ordinance becomes effective. All previously Water Rate Structures are hereby rescinded.

PASSED, APPROVED, AND ADOPTED this 12th day of October, 2010.

Robert E. Botts, Mayor
City of Banning

APPROVED AS TO FORM AND
LEGAL CONTENT:

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

ATTEST:

Marie A. Calderon, City Clerk
City of Banning

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Urgency Ordinance No. 1428 was introduced at a regular meeting of the City Council of the City of Banning, California, held on the 14th day of September, 2010 and was duly adopted at a regular meeting of the City Council held on the 12th day of October, 2010, by the following roll-call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

ATTACHMENT I

CITY OF BANNING ORDINANCE NO. 1428

MONTHLY WATER CHARGES

Service Charge Meter Size	Existing FY 2010	Service Charge Meter Size	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	Proposed FY 2015
5/8 Inch	\$16.77	5/8 Inch	\$17.73	\$19.15	\$20.68	\$22.33	\$23.89
3/4 Inch	\$16.77	3/4 Inch	\$17.73	\$19.15	\$20.68	\$22.33	\$23.89
1 Inch	\$25.64	1 Inch	\$26.85	\$29.00	\$31.32	\$33.83	\$36.20
1 1/2 Inch	\$46.87	1 1/2 Inch	\$49.64	\$53.61	\$57.90	\$62.53	\$66.91
2 Inch	\$72.51	2 Inch	\$76.98	\$83.14	\$89.79	\$96.97	\$103.76
3 Inch	\$132.64	3 Inch	\$140.80	\$152.06	\$164.22	\$177.36	\$189.78
4 Inch	\$218.41	4 Inch	\$232.00	\$250.56	\$270.60	\$292.25	\$312.71
6 Inch	\$432.40	6 Inch	\$459.81	\$496.59	\$536.32	\$579.23	\$619.78
8 Inch	\$688.84	8 Inch	\$733.29	\$791.95	\$855.31	\$923.73	\$988.39
Commodity Charge							
0-9 HCF	\$1.15	0-12 HCF	\$1.56	\$1.68	\$1.81	\$1.95	\$2.09
10-29 HCF	\$1.34	13-25 HCF	\$1.98	\$2.14	\$2.31	\$2.49	\$2.66
30+ HCF	\$1.51	26+ HCF	\$2.24	\$2.42	\$2.61	\$2.82	\$3.02

Note: HCF is Hundred Cubic Feet

OPTION “A”

Average Revenue Adjustments	18.0%	17.5%	7.0%	7.0%	59%		
Reduced O&M Expenses and Inflation Factors							
Monthly Water Charges							
Service Charge Meter Size	Existing FY 2010	Service Charge Meter Size	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	Compounded Increase
5/8 inch	\$ 16.77	5/8 inch	\$ 16.77	\$ 19.15	\$ 20.68	\$ 22.33	33%
3/4 inch	\$ 16.77	3/4 inch	\$ 16.77	\$ 19.15	\$ 20.68	\$ 22.33	33%
1 inch	\$ 25.64	1 inch	\$ 25.48	\$ 29.00	\$ 31.32	\$ 33.83	32%
1 1/2 inch	\$ 46.87	1 1/2 inch	\$ 47.27	\$ 53.61	\$ 57.90	\$ 62.53	33%
2 inch	\$ 72.51	2 inch	\$ 73.41	\$ 83.14	\$ 89.79	\$ 96.97	34%
3 inch	\$ 132.64	3 inch	\$ 134.41	\$ 152.06	\$ 164.22	\$ 177.36	34%
4 inch	\$ 218.41	4 inch	\$ 221.60	\$ 250.56	\$ 270.60	\$ 292.25	34%
6 inch	\$ 432.40	6 inch	\$ 439.37	\$ 496.59	\$ 536.32	\$ 579.23	34%
8 inch	\$ 688.84	8 inch	\$ 700.79	\$ 791.95	\$ 855.31	\$ 923.73	34%
Commodity Charge							
0-9 HCF	\$ 1.15	0 - 12 HCF	\$ 1.43	\$ 1.68	\$ 1.81	\$ 1.95	70%
10-29 HCF	\$ 1.34	13 - 25 HCF	\$ 1.81	\$ 2.14	\$ 2.31	\$ 2.49	85%
30+ HCF	\$ 1.51	26 + HCF	\$ 2.03	\$ 2.42	\$ 2.61	\$ 2.82	87%
COVERAGE RATIO							
REQUIRED COVERAGE							
Total Reserves - Revised O&M	\$ 5,183,810	\$ 4,983,097	\$ 3,110,994	\$ 3,346,119			
Total Target	\$ 2,689,976	\$ 2,736,918	\$ 2,785,469	\$ 2,960,687			
Old O&M	\$ 6,553,868	\$ 6,755,656	\$ 6,964,807	\$ 7,618,859			
Revised O&M (reduced water purchases)	\$ 6,346,541	\$ 6,534,308	\$ 6,728,511	\$ 7,379,386	\$ (904,444)		
Reduction in Operating Costs	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ (800,000)		

OPTION “B”

Average Revenue Adjustments

15.0%

15.0%

7.0%

7.0%

51%

Reduced O&M Expenses and Inflation Factors

Monthly Water Charges

Effective

15-Oct-10

1-Sep-11

1-Sep-12

1-Sep-13

Service Charge Meter Size	Existing FY 2010	Service Charge Meter Size	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	Compounded Increase
5/8 inch	\$ 16.77	5/8 inch	\$ 15.90	\$ 18.29	\$ 19.57	\$ 20.94	25%
3/4 inch	\$ 16.77	3/4 inch	\$ 15.90	\$ 18.29	\$ 19.57	\$ 20.94	25%
1 inch	\$ 25.64	1 inch	\$ 24.11	\$ 27.73	\$ 29.67	\$ 31.75	24%
1 1/2 inch	\$ 46.87	1 1/2 inch	\$ 44.62	\$ 51.31	\$ 54.90	\$ 58.74	25%
2 inch	\$ 72.51	2 inch	\$ 69.23	\$ 79.61	\$ 85.18	\$ 91.14	26%
3 inch	\$ 132.64	3 inch	\$ 126.66	\$ 145.66	\$ 155.86	\$ 166.77	26%
4 inch	\$ 218.41	4 inch	\$ 208.74	\$ 240.05	\$ 256.85	\$ 274.83	26%
6 inch	\$ 432.40	6 inch	\$ 413.77	\$ 475.84	\$ 509.15	\$ 544.79	26%
8 inch	\$ 688.84	8 inch	\$ 659.89	\$ 758.87	\$ 811.99	\$ 868.83	26%
Commodity Charge							
0-9 HCF	\$ 1.15	0 - 12 HCF	\$ 1.40	\$ 1.61	\$ 1.72	\$ 1.84	60%
10-29 HCF	\$ 1.34	13 - 25 HCF	\$ 1.78	\$ 2.05	\$ 2.19	\$ 2.34	75%
30+ HCF	\$ 1.51	26 + HCF	\$ 2.01	\$ 2.31	\$ 2.47	\$ 2.64	75%

COVERAGE RATIO

84% 153% 175% 173%

REQUIRED COVERAGE

115% 115% 115% 115%

Total Reserves - Revised O&M

\$ 5,027,403 \$ 4,378,222 \$ 2,530,142 \$ 2,203,196

Total Target

\$ 2,689,976 \$ 2,736,918 \$ 2,785,469 \$ 2,960,687

Reduction

Old O&M

\$ 6,553,868 \$ 6,755,656 \$ 6,964,807 \$ 7,618,859

Revised O&M (reduced water purchases)

\$ 6,346,541 \$ 6,534,308 \$ 6,728,511 \$ 7,379,386 \$ (904,444)

Reduction in Operating Costs

\$ 200,000 \$ 200,000 \$ 200,000 \$ 200,000 \$ (800,000)

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OPTIONS FOR REDUCING COSTS IN OPERATIONS FOR DISCUSSION

WATER OPERATING EXPENSES - NO REDUCTION

Categories	FY 2011	FY 2012	FY 2013	FY 2014
Personnel	\$ 1,491,406	\$ 1,565,977	\$ 1,644,276	\$ 1,726,489
Supplies & Professional Services	\$ 2,890,401	\$ 2,965,615	\$ 3,042,856	\$ 3,559,426
Transfers/Interfund Services	\$ 863,641	\$ 890,492	\$ 918,196	\$ 946,780
Lease Payments	\$ 470,000	\$ 470,000	\$ 470,000	\$ 470,000
Routine Capital Outlay	\$ 838,420	\$ 863,573	\$ 889,480	\$ 916,164
Total O&M Expenses	\$ 6,553,868	\$ 6,755,656	\$ 6,964,807	\$ 7,618,859
Total Debt Service	\$ 2,296,842	\$ 2,298,944	\$ 2,294,949	\$ 2,299,857

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**CITY COUNCIL/BANNING UTILITY AUTHORITY AGENDA
PUBLIC HEARING**

Date: **October 12, 2010**

TO: **City Council/Banning Utility Authority**

FROM: **Duane Burk, Director of Public Works
Kirby Warner, Interim Administrative Services Director**

SUBJECT: **Urgency Ordinance No. 1429, "Increase of the Wastewater Rates for the Wastewater Utility"**

RECOMMENDATION: Adopt Urgency Ordinance No. 1429, approving the increase of Wastewater Rates for the Wastewater Utility as presented in the City of Banning Water and Wastewater Rate Study Report attached as Exhibit "A".

JUSTIFICATION: Increasing the wastewater rates is essential to generate the required revenues to offset loss of revenue; maintain the minimum bond coverage ratio required by bond covenants; cover increasing costs of operating and maintaining wastewater collection, treatment and discharge facilities; cover costs of the replacement of wastewater infrastructure; cover costs of future construction of wastewater infrastructure required by Regional Water Quality Control Board regulations and the development of a recycled water system.

BACKGROUND: On August 21, 2008 the City Manager approved an Agreement with Raftelis Financial Consultants, Inc. (RFC) for Professional Services Entitled "Financial Planning for Wastewater and Recycled Water System Projects" to develop a financial plan and provide a report on wastewater rates and capital facilities fees. As a result of said agreement along with an existing agreement to develop a financial plan for the water enterprise, RFC prepared the City of Banning "Water and Wastewater Rate Study Report" (Rate Study Report), *previously attached as Exhibit "A" during the first review of Urgency Ordinance No. 1429 on September 14, 2010*, which supports the recommended increase of the Wastewater Rates for the next five years. The increase in rates will provide the required revenue to offset loss of revenue, meet the necessary debt coverage requirements due to bond covenants, cover increasing operations and maintenance costs and capital improvement costs.

The Rate Study Report recommends a five year plan for implementing the rate increases beginning in Fiscal Year 2011:

Monthly Wastewater Charges						
	Current FY 2010	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	Proposed FY 2015
Residential*	\$12.86	\$14.40	\$16.56	\$19.04	\$21.90	\$22.56
Commercial (\$/EDU)	\$12.86	\$14.40	\$16.56	\$19.04	\$21.90	\$22.56
Tertiary Surcharge (\$/EDU)	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

The proposed increases in wastewater rates (excluding the existing surcharge for tertiary system upgrades) equate to an average increase of:

September 2010	12 Percent Increase
September 2011	15 Percent Increase
September 2012	15 Percent Increase
September 2013	15 Percent Increase
September 2014	3 Percent Increase

Staff recommends that the plan be reviewed annually prior to the implementation of the suggested rates. During the annual review staff will analyze changes in revenue sources such as wastewater user fees, grants and credit agreements to determine if it is necessary to implement the suggested rate or if it is justified to implement one that is lower than the recommended rate.

On July 26, 2010, the Banning Utility Authority (BUA) approved BUA Resolution No. 2010-07UA, "Receive and File the 2010 Water and Wastewater Rate Study Report and Approve Proposition 218 Notifications". Proposition 218 was approved by California voters in 1996 and requires that local governments 1) give notification to all property owners of the proposed rates and instructions for those who wish to protest the rate increases, 2) hold a public hearing at least forty five (45) days after the mailing of the notifications and 3) reject the proposed fee if written protests are presented by a majority of the affected property owners. The Proposition 218 notifications were mailed out on July 28, 2010. Subsequently, City staff held three town hall meetings on August 5, 10 and 18 of 2010. The goal of the meetings was to discuss the Rate Study Report and to receive and answer questions from the public.

At the September 14, 2010 City Council meeting staff received direction from the Council members to review an optional scenario for the proposed wastewater rate increase attached as Option "A":

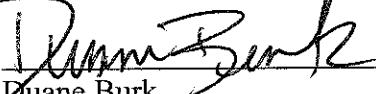
Option "A"

The proposed rate increases equate to an average increase of 12% in FY 2011, 10.0% in FY 2012 and 8.0% in FY 2013, FY 2014 and FY 2015. Option "A" causes the City to not meet the bond covenant requirements in FY 2014 and FY 2015. In this scenario the City will be able to maintain its reserves above the recommended levels.

Revenue Adjustments	Effective	12.0%	10.0%	8.0%	8.0%	8.0%	55% Compounded Increase
		15-Oct-10	1-Sep-11	1-Sep-12	1-Sep-13	1-Sep-14	
		Existing	Proposed	Proposed	Proposed	Proposed	
Residential*	\$ 12.86	\$ 14.40	\$ 15.84	\$ 17.11	\$ 18.48	\$ 19.96	55%
Commercial (\$/EDU)	\$ 12.86	\$ 14.40	\$ 15.84	\$ 17.11	\$ 18.48	\$ 19.96	
Tertiary Surcharge (\$/EDU)	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	
\$ Change		\$ 1.54	\$ 1.44	\$ 1.27	\$ 1.37	\$ 1.48	
Effective Percent change		10.4%	8.8%	7.1%	7.2%	7.2%	
COVERAGE RATIO		291%	217%	240%	79%	91%	
REQUIRED COVERAGE		115%	115%	115%	115%	115%	(w/ conn. fees) Reduction
Original CIP	\$ 3,090,600	\$ 10,292,728	\$ 16,056,656	\$ 1,147,692	\$ 1,193,600		
Revised CIP (WWTP reduce \$5 million)	\$ 3,090,600	\$ 7,639,963	\$ 13,297,780	\$ 1,147,692	\$ 1,193,600	\$ (5,411,641)	
Revised Coverage Ratio		291%	217%	240%	100%	117%	
Total Reserves - Original CIP	\$ 16,853,336	\$ 14,612,374	\$ 6,762,876	\$ 5,110,163	\$ 3,610,324		
Total Reserves - Revised CIP	\$ 16,853,336	\$ 14,559,053	\$ 6,762,068	\$ 5,464,199	\$ 4,330,908		
Total Target	\$ 2,301,468	\$ 2,316,773	\$ 2,359,054	\$ 2,509,151	\$ 2,530,687		

FISCAL DATA: A 12 percent increase in the first year, if approved, would provide additional revenues of approximately \$246,744.00; a 15 percent increase in each of the following three years would provide additional revenues, from its previous year, of approximately \$354,646.00, \$408,187.00, \$469,904.00, respectively and a 3 percent increase in the fifth year would provide additional revenues of approximately \$108,211.00. The revenues generated will be sufficient to offset loss of revenue, maintain the minimum bond coverage ratio required by bond covenants, cover increasing costs of the water systems operations and maintenance programs and cover capital improvement project costs.

RECOMMENDED BY:


Duane Burk

Director of Public Works

REVIEWED BY:


Kirby Warner

Interim Administrative Services Director

APPROVED BY:

Andy Takata
City Manager

ORDINANCE 1429

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BANNING AMENDING CHAPTER 13.08 OF THE BANNING MUNICIPAL CODE RELATING TO THE SEWER RATE SCHEDULE

WHEREAS, Chapter 13.08 of the Banning Municipal Code establishes procedures for the City of Banning to set water, sanitation and wastewater rates; and

WHEREAS, the City of Banning wastewater rates are subject to periodic reviews and increases in order to maintain the rates at a level which ensures the City recovers all costs associated with providing wastewater services; and

WHEREAS, increasing the wastewater rates is essential to generate the required revenues to offset loss of revenue; maintain the minimum bond coverage ratio required by bond covenants; cover increasing costs of operating and maintaining wastewater collection, treatment and discharge facilities; cover costs of the replacement of wastewater infrastructure; cover costs of future construction of wastewater infrastructure required by Regional Water Quality Control Board regulations and the development of a recycled water system; and

WHEREAS, on August 21, 2008 the City Manager approved an Agreement with Raftelis Financial Consultants, Inc. (RFC) for Professional Services Entitled "Financial Planning for Wastewater and Recycled Water System Projects" to develop a financial plan and provide a report on wastewater rates and capital facilities fees which resulted in the City of Banning "Water and Wastewater Rate Study Report", enclosed herewith as Exhibit "A"; and

WHEREAS, said "Water and Wastewater Rate Study Report" supports the recommended increase of the wastewater rates, as shown in Attachment I, for the next five years; and

WHEREAS, the Wastewater Rate Schedule increases are recommended in accordance with the Banning Municipal Code; and

WHEREAS, Section 5471 of the Health and Safety Code and Section 13.08.030 of the Banning Municipal Code requires that the increase in wastewater rates be adopted by ordinance approved by a two-thirds vote of the members of the City Council; and

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

Section I. Ordinance No. 1429, an Urgency Ordinance is adopted, approving the increases to the Wastewater Rate Schedule as set forth in Attachment I affixed hereto and by reference made apart hereof.

Section II. This ordinance shall be considered as adopted upon the date that the vote is declared by the City Council, and will become effective on October 13, 2010.

Section III. The City Manager, or his designee, is authorized to implement the necessary annual changes to the City's billing system immediately after the Ordinance becomes effective. All previously Wastewater Rate Structures are hereby rescinded.

PASSED, APPROVED, AND ADOPTED this 12th day of October, 2010.

Robert E. Botts, Mayor
City of Banning

APPROVED AS TO FORM AND
LEGAL CONTENT:

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

ATTEST:

Marie A. Calderon, City Clerk
City of Banning

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Urgency Ordinance No. 1429 was introduced at a regular meeting of the City Council of the City of Banning, California, held on the 14th day of September, 2010 and was duly adopted at a regular meeting of the City Council held on the 12th day of October, 2010, by the following roll-call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

ATTACHMENT I

CITY OF BANNING ORDINANCE NO. 1429

MONTHLY WASTEWATER CHARGES

	Current FY 2010	Proposed FY 2011	Proposed FY 2012	Proposed FY 2013	Proposed FY 2014	Proposed FY 2015
Residential*	\$12.86	\$14.40	\$16.56	\$19.04	\$21.90	\$22.56
Commercial (\$/EDU)	\$12.86	\$14.40	\$16.56	\$19.04	\$21.90	\$22.56
Tertiary Surcharge (\$/EDU)	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

* Assume 1 Equivalent Dwelling Unit (EDU) per bill; excludes \$2 surcharge.

OPTION “A”.

Revenue Adjustments	12.0%		10.0%		8.0%		8.0%		8.0%		55% Compounded Increase
	Effective	15-Oct-10	1-Sep-11	1-Sep-12	1-Sep-13	1-Sep-14	1-Sep-15				
	Existing	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed				
	Rate	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015					
Residential*	\$ 12.86	\$ 14.40	\$ 15.84	\$ 17.11	\$ 18.48	\$ 19.96					55%
Commercial (\$/EDU)	\$ 12.86	\$ 14.40	\$ 15.84	\$ 17.11	\$ 18.48	\$ 19.96					
Tertiary Surcharge (\$/EDU)	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00					
\$ Change	\$ 1.54	\$ 1.44	\$ 1.27	\$ 1.37	\$ 1.48						
Effective Percent change	10.4%	8.8%	7.1%	7.2%	7.2%						
COVERAGE RATIO	291%	217%	240%	79%	91%						
REQUIRED COVERAGE	115%	115%	115%	115%	115%						(w/ conn. fees)
Original CIP	\$ 3,090,600	\$ 10,292,728	\$ 16,056,656	\$ 1,147,692	\$ 1,193,600						Reduction
Revised CIP (WWTP reduce \$5 million)	\$ 3,090,600	\$ 7,639,963	\$ 13,297,780	\$ 1,147,692	\$ 1,193,600	\$ (5,411,641)					
Revised Coverage Ratio	291%	217%	240%	100%	117%						
Total Reserves - Original CIP	\$ 16,853,336	\$ 14,612,374	\$ 6,762,876	\$ 5,110,163	\$ 3,610,324						
Total Reserves - Revised CIP	\$ 16,853,336	\$ 14,559,053	\$ 6,762,068	\$ 5,464,199	\$ 4,330,908						
Total Target	\$ 2,301,468	\$ 2,316,773	\$ 2,359,054	\$ 2,509,151	\$ 2,530,687						