

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

January 11, 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, 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 Botts, Franklin, Machisic, Robinson, Mayor Hanna

**II. REPORT ON CLOSED SESSION**

**III. PUBLIC COMMENTS/CORRESPONDENCE**

**IV. PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS/APPOINTMENTS**

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.

PRESENTATIONS:

1. BPAL – Shop with a Hero Program Presentation (ORAL)

*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. City Council Committee Assignments . . . . . 1

## **V. 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 8**

**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 – 12/14/10 . . . . . 3
2. Approval of Minutes – Regular Meeting – 12/14/10. . . . . 5
3. Ordinance No. 1433 – 2<sup>nd</sup> Reading: An Ordinance of the City Council of the City of Banning, California, Amending Chapter 15.08 of the Banning Municipal Code By Adopting by Reference the Entirety of the Latest California Building Code, Residential Code, Green Building Standards Code, Plumbing Code, Mechanical Code, Electrical Code, and International Property Maintenance Code, All Relative to Construction Codes. . . . . 41
4. Resolution No. 2011-02, Authorizing a Budget Appropriation of Funds to Cover Expenses Related to Capital Projects Funded by the Electric Utility Bonds. . . . . 48
5. Resolution No. 2011-03, Initiating Proceedings to Update Landscape Maintenance District No. 1 for Fiscal Year 2011/2012 . . . . . 52
6. 2009-10 Annual Report of Development Impact Fees. . . . . 58
7. Report of Investments for October 2010 . . . . . 63
8. Report of Investments for November 2010 . . . . . 73

- Open for Public Comments
- Make Motion

## **RECESS REGULAR CITY COUNCIL MEETING AND CALL TO ORDER A JOINT MEETING OF THE BANNING CITY COUNCIL AND THE BANNING UTILITY AUTHORITY.**

### **CONSENT ITEM**

1. Resolution No. 2011-01UA, Awarding the Contract for Project No. 2010-01WW, Iron Sponge Media and Granulated Activated Carbon Drum Filter Replacement to Prominent Systems, Inc. of City of Industry, CA for an Amount “Not to Exceed” \$39,700.00 . . . . . 83
2. Resolutions Authorizing the Amendment of the Fiscal Year 2009-10 Budget to Include Certain Necessary Adjustments and the Fiscal Year 2010-11 Budget to Include Encumbrance Carryovers and Continuing Appropriations of Certain Unexpended Fiscal Year 2009-10 Appropriations and Associated Revenues . . . . . 87

- a) Resolution No. 2011-05, Authorizing the Amendment of Fiscal Year 2009-10 Budget to Include Certain Necessary Adjustments and the Fiscal Year 2010-11 Budget to Include Encumbrance Carryovers and Continuing Appropriations of Certain Unexpended Fiscal Year 2009-10 Appropriations and Associated Revenues.
- b) Resolution No. 2011-02 UA, Authorizing Amendments of the Fiscal Year 2010-11 Water and Wastewater Budgets to Include Encumbrance Carryovers and Continuing Appropriations of Certain Unexpended Fiscal Year 2009-10 Appropriations and Associated Revenues.

- Open for Public Comments
- Make Motion

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

**VI. REPORTS OF OFFICERS**

1. Resolution No. 2011-01, Authorizing a \$0.0236/kWh Increase to the Low Income Qualified Baseline Service Rate (also Known as the Banning Electric Alternative Rate “BEAR”) and Approving the City of Banning Electric Utility Rate Schedule. . . . . 99

Recommendation: **That the City Council approve Resolution No. 2011-01, Authorizing a \$0.0326/kWH increase to the Low Income Qualified Baseline Service Rate (also known as the Banning Electric Alternative Rate “BEAR”) and approving the City of Banning Electric Utility Rate Schedule, attached herewith as Exhibit “A”.**

2. Request for lease of portion of Dysart Park by Alliance for Youth Employment Skills (“AYES”) . . . . . 126

Recommendation: **That the City Council direct staff to negotiate lease agreement with AYES for utilization of portions of Dysart Park for the sole purpose of providing horticulture and landscape training for youth and young adults in our community.**

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

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

**VIII. ITEMS FOR FUTURE AGENDAS**

New Items –

### Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials
2. Schedule Meeting with Banning Library Board *(City Clerk – Check Dates)*
3. Update on Economic Development Plan
4. Review of Fees and Rates
5. Approach in regards to Code Enforcement *(1/25/10) (Zai)*
6. Yard Sale Signs *(1/25/10) (Zai)*

## **IX. 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].

## COMMITTEE ASSIGNMENTS - 2010

### CITY COUNCIL CITY OF BANNING

NAME OF COMMITTEE	DAY & TIME OF MEETING	ASSIGNMENT	ALTERNATE	STAFF MEMBER
Western Riverside Council of Governments (WRCOG)	1 <sup>st</sup> Monday of each month.	Machisic	Hanna	City Manager
Riverside Transit Agency (RTA)	4 <sup>th</sup> Thurs. of each month – 2:00 p.m. (Nov. & Dec. 3 <sup>rd</sup> Thursday)	Robinson	Botts	Heidi Meraz Community Services Dir.
Riverside County Transportation Commission (RCTC)	2 <sup>nd</sup> Wednesday of each month - 10:00 a.m.	Botts	Robinson	Duane Burk, Public Works Director and Heidi Meraz, Community Services Dir.
Pass Area Transportation <b>NOW</b> Committee	1 <sup>st</sup> Friday of each month at Noon	Franklin	Robinson	Duane Burk, Public Works Director.

(1/12/10)

## Assignments - 2010 (Continued)

<b>Regional Conservation Authority</b>	<b>Tribal Distribution Fund Committee (County Appt.)</b>	<b>ECONOMIC DEVELOPMENT COMMITTEE LIAISONS</b>	<b>GOVERNMENT ACCESS CHANNEL COMMITTEE (as needed)</b>	<b>PUBLIC UTILITY ADVISORY COMMITTEE FOR CITY OF BANNING (as needed)</b>
Machisic Hanna, Alt.	Machisic	Robinson, CRA Chairman	Robinson	Hanna

<b>TIME ZONE COMMITTEE</b>	<b>SOUTHERN CALIF. ASSOC. OF GOVERNMENTS (SCAG)</b>	<b>LEAGUE OF CALIF. CITIES – Contact and Executive Board Representative</b>		
Machisic Franklin, Alt.	Robinson	Botts (Mayor)		

<b>CHAMBER OF COMMERCE (External Group)</b>	<b>LEAGUE OF CALIFORNIA CITIES (External Group)</b>	<b>SAN GORGONIO PASS WATER AGENCY (External Group)</b>	<b>COMMUNITY ACTION AGENCY (External Group)</b>	
Hanna Robinson, Alt.	City Council	Robinson Botts, Alt.	Franklin City Staff, Alt.	

## **2 x 2 COUNCIL WORKING GROUPS**

<b>BANNING UNIFIED SCHOOL DIST.</b>	<b>MORONGO BAND OF MISSION INDIANS</b>	<b>MT. SAN JACINTO COLLEGE</b>	<b>AIRPORT (Ad Hoc)</b>	
Franklin Hanna	Botts Machisic	Franklin Robinson	Botts Franklin	

(1/12/10)

MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

12/14/10  
JOINT MEETING

A joint meeting of the Banning City Council and the Community Redevelopment Agency was called to order by Mayor Botts on December 14, 2010 at 4:02 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/Agency Counsel  
Kirby Warner, Interim Administrative Services Director  
June Overholt, Administrative Services Director  
Duane Burk, Public Works Director  
Zai Abu Bakar, Community Development Director  
Marie A. Calderon, City Clerk/Secretary

CLOSED SESSION

City Attorney announced that the City Council would meet in closed session pursuant to Government Code Section 54957.6 in regards to labor negotiations with the International Brotherhood of Electrical Workers – Utility Unit; International Brotherhood of Electrical Workers’ General Unit; Banning Police Officers Association (BPOA) and City of Banning Association of Managers (CBAM); also pursuant to the provisions of Government Code Section 54956.9(a) to confer with legal counsel with regards to one matter of pending litigation – Banning Airport Associates, et al. v. City of Banning, et al.: (Riverside Superior Court Case No. RIC 497338); also a matter of threat of litigation pursuant to Government Code Section 54956.9(b) (1). The Agency Board will meet in closed session pursuant to the provisions of Government Code Section 54956.8 in regards to real property negotiations concerning 1) 1585 W. Ramsey Street (APN 540-130-024 – Ramsey Ford property); and 2) Westview Terrace Apartments – 287 W. Westward.

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

Meeting went into closed session at 4:04 p.m. and returned to regular session at 5:10 p.m.

ADJOURNMENT

By common consent the meeting adjourned at 5:14 p.m.

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Marie A. Calderon, City Clerk/  
Agency Secretary



MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

12/14/10  
REGULAR MEETING

A regular meeting of the Banning City Council and a Joint Meeting of the City Council, Banning Utility Authority and Community Redevelopment Agency was called to order by Mayor Botts on December 14, 2010 at 5:10 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  
  Kirby Warner, Interim Administrative Services Director  
  June Overholt, New Administrative Services Director  
  Duane Burk, Public Works Director  
  Fred Mason, Electric Utility Director  
  Zai Abu Bakar, Community Development Director  
  Leonard Purvis, Police Chief  
  Phil Holder, Police Lieutenant  
  Jeff Stowells, Fire Battalion Chief  
  Heidi Meraz, Community Services Director  
  Perry Gerdes, Public Utilities Superintendent  
  Marie A. Calderon, City Clerk

The invocation was given by Pastor Jerry Westholder. Councilmember Machisic invited the audience to join him in the Pledge of Allegiance to the Flag.

PUBLIC COMMENTS

Santa Claus (Bill Dickson) addressed the Council stating that the last ten days have been so exciting and the City of Banning should have a big star for what has happened in this city. He said that BPAL (Banning Police Activities League) is a great organization and what an exciting day for those children. Morongo did such a big part in helping the City of Banning and there were so many people that volunteered it was a fantastic event. Santa has also done some things for somebody special in our city and that is "Tender Loving Critters". Another event coming up on Saturday is the "Winter Magic Celebration" and with Deck Your Vehicle Competition, Ice Skating and Santa at the Banning Community Center from 3 to 9 p.m. on Saturday, December 18<sup>th</sup>. He said that on Sunday, December 12<sup>th</sup> the Hispanic Chamber of Commerce held their event and they had in excess of 2000 people in attendance. He thanked everyone and it was wonderful and it showed what a city could do when they really put their mind to it and he thanked everyone for their support.

EthelLee Hughs, 3800 W. Wilson, Sp. 146 addressed the Council stating that she has been a resident of Banning since February. She said she came in with praise and questions in reference to the transportation that is available here in our city regarding ADA, as well as, regular bus. She was curious as to why Cabazon no longer is available through the Dial-a-Ride service particularly for the people who are wheelchair bound and also why the Desert connection is no longer available. She said she had actually lived in Indio for awhile and used that bus that was made available through this city to make that connection. She praised the drivers for their courtesy to her herself and her employer as he is in a wheelchair and blind. She also wanted to promote the reestablishment of the ADA Committee. She is a past member in good standing and at that time she was married and her name was Bush; it is now Hughs and she has had her trustee guide dog Dandy for the last four and half years. She said she loves this community and has lived here for about twenty years and then moved away for about twelve and she retired and moved back. She would like to see us grow and be able to develop a program for the seniors and the disabled so that they can get out for the Christmas programs and the summer programs.

Karen Clavelot, 5449 Riviera said that she is the outgoing president for the Banning Cultural Alliance and thanked everybody for a very successful Phineas Festival. We had a great time and the kids had fun in the snow and a "thank you" to all the City personnel that helped. A special "thank you" to the Hammers and their wonderful fire trucks. The kids lined up all day long to ride on those fire trucks. Thank you to everybody.

Matthew Clarke, 1036 Charles Street addressed the Council stating that on Friday, Saturday and Sunday Life Point Church will be having a festival from 6 to 9 p.m. including a Living Singing Christmas Tree and will be having cookies and games and it is all free. Also, he seconded the previous speaker's voice about an ADA Committee. He said that he has mentioned on four different occasions in these Council Chambers about sidewalks not accessible to those in wheelchairs. He said being a former wheel person he noticed that quite intently the lack of connection to medical facilities when you go eastward to Eisenhower or Desert Regional Community Hospital. He thanked the Council for including the invocation this evening. This country was built on Christian values and if there is one person in this city or two that don't like it, then tough. This is a country created for by God and if one person doesn't like it, then it is just too bad.

Betty McMillion, 5549 W. Pinehurst addressed the Council (see Exhibit "A").

Sheila Hureta, member of the Concerned Citizens for A Better Banning and resident of Serrano Del Vista addressed the Council (see Exhibit "B").

Joanne Thielien, 3800 W. Wilson addressed the Council stating that she also feels that Debbie Franklin should be the next Mayor. She said that she has been in this town for four years and in the time that she has been here she has had several occasions to call the Council and the only one that has every bothered to return her calls is Debbie. If there is a problem, she calls Debbie and it is taken care of. She really appreciates the way she serves the whole community along with the individuals and she really thinks that it is a shame that she hasn't been mayor although other people on the Council have been mayor. She heartedly supports Debbie as Mayor of Banning.

Krista Baird, 1036 Charles Street addressed the Council stating that she is really hoping that they will support Barbara Hanna for Mayor. Everywhere she goes Barbara is there and when she

personally comes to the Council the person that has always been receptive to her and listens to her issues and helps her out or told her to go away is Barbara Hanna. She is a wonderful woman and she campaigned for her. Barbara is not perfect and nobody is perfect but she genuinely and honestly cares about the city of Banning and the citizens of Banning and she has always has an open ear. She thinks she would be a wonderful mayor and hopes the Council will vote for her.

Dorothy Familetti-McLean of Banning addressed the Council (see Exhibit "C").

Nathan Johns, 1389 E. Williams addressed the Council stating that as he said before he is a recent transfer from New York City and he is starting to adjust pretty well. He said he is here to support Debbie Franklin for Mayor. In the three and half years that he has been here he has seen her do some real good things. He is happy whenever he has a conversation with her and it very easy and very comfortable and if there is something that she cannot do, she has been quite direct and that is the type of person we need as mayor. He has always wondered why someone would want the extra stress of being mayor. You are responsible for everything here in Banning. He used to look at Banning as a very small town and he has changed his mind because you have big city problems. Whoever gets to be mayor he prays the work continues in the effort and energy for this town. The senior citizens all have concerns because we are on fixed incomes and anytime a price goes up, we can't buy that loaf of bread today. We need your support there but as important and maybe even a little more important than we that have retired is our youth. We have got to find a way to help our youth. They have got to have some feeling that they can grow up and be good citizens of Banning or wherever they might go in this world and we got to somehow, if it is volunteer work by the senior citizens, direct our energy there also. Please don't leave the old people out.

Inge Schuler resident of Banning said that she wanted to reiterate what she said on November 9<sup>th</sup>. It has been a tradition to vote in as the mayor the highest vote getter in the election of the City Council and without doubt and surviving the recount Debbie Franklin won that position by a great number of votes. She thinks that it is time for her time to take on the stress of mayor so please vote for her.

Don Smith resident of Banning addressed the Council stating that about a year ago this Council had some discussions on how to elect the mayor and there were about three different theories on how to do it and none of those three theories got enough votes to actually happen so we are back to how Banning historically has elected the mayor which is the five of you deciding who you want to serve as the chair of your committee usually for two years. As a 50-year resident of Banning who has been to a few of these swearing in ceremonies he can say how it is picked is often contentious, often leads to bad feelings so he would like to point out that about a year ago Barbara Hanna suggested a rotating system with the understanding that all five of you actually have the qualifications to be mayor, that all five of you were equally elected by the public and that Barbara Hanna has been elected twice as the leading vote getter in Banning and at neither of those elections was elected mayor. At the time when he had the highest election ever in the history of Banning he was elected at the next meeting as mayor. No matter what happens today there are going to be some people that think something went wrong and maybe we need to develop a system to solve that problem because he would have to agree with what was said a year ago that all five of you were elected, all five of you have the qualifications as picked by the public to serve as mayor so whichever one of you wins, congratulations.

City Clerk read into the record two letters. One from Charlie Strang, 4175 Hillside Drive, Banning (see Exhibit "D") and one from Kathleen Martin (see Exhibit "E"), 4271 Autumn Gold, Banning.

### CERTIFICATION OF ELECTION RESULTS

1. Resolution No. 2010-88, Reciting the Facts of the General Municipal Election Held in Said City on November 2, 2010 Declaring the Result Thereof and Such Other Matters as Provided by Law.

**Motion Machisic/Franklin that the City Council adopt Resolution No. 2010-88, Reciting the Facts of the General Municipal Election Held in Said City on November 2, 2010 and Declaring the Result Thereof and Such Other Matters as Provided by Law. Motion carried, all in favor.**

### SWEARING IN OF COUNCILMEMBERS

City Clerk administered the oath of office to Councilmembers-elect Botts and Franklin and asked the new Councilmembers to take a seat at the dais.

Councilmember Debbie Franklin said that she sits here by the grace of God and the work of a lot of people and the prayers and support of many people in the city and she thanked everyone so very much for all of their support and to know that she will continue to give 100% of all that she can to help make Banning good, better and great no matter what position she is in.

Councilmember Botts thanked those that supported him in the campaign and the dear friends and campaign committee some of which are here this evening during a rather challenging campaign race. He would like to specifically thank and introduce some people in his life his wife Ann who has always been there for 41 years especially during a challenging time these past few months. He introduced his daughter Kris who always stands by dad and his two grandchildren Jennifer and Clayton. He said that he has done his best and will continue to try to do that and move Banning forward.

Councilmember Machisic said before we get to the appointment of the Mayor Don Smith said some things that he was going to repeat and he has been disappointed that the Council has not taken an action of providing some orderly method of selecting the mayor. We talked about it two years ago, four years ago and six years ago and we talked about it recently and he thinks that it is important that we have an orderly series of events where we go through the process. He thinks that anyone that is elected on the Council is capable of being the mayor and doing a very good job. He would like to see, although it won't be done tonight, at some future meeting that we get a process of rotation with some criteria so that the process becomes much orderly and there is anticipation on the people that will serve next. He thinks that would be good for the entire Council and also for the community.

Councilmember Botts said he would agree and we need to resolve this issue in some fashion. All five of us discussed this at length and there are a number of alternatives not only automatic rotation but there is directly elected mayor that is very successful in other cities big and small. He would agree and we do need to have that discussion.

## REORGANIZATION OF CITY COUNCIL

City Clerk said that nominations for the office of Mayor are now in order and a second to the nomination is not required.

Councilmember Machisic nominated Debbie Franklin for Mayor. City Clerk asked if there were any further nominations.

Councilmember Botts said that he has literally be inundated with phone calls and emails and of course at meetings to elected Councilwoman Franklin and in fairness he thinks we need to look at most of those said that we ought to elect somebody because it is their turn and they got the most votes and historically as we have already started to talk about we have not done that at this Council and ultimately we will decide that we need a new way of doing this. But if you look historically, Councilwoman Franklin was elected six years ago and re-elected two years ago and has not served as mayor for the past six years and in fact, with the exception of Don Smith, he thinks Councilwoman Hanna had 5,900 votes so if we use the criteria as to whose turn it is and who has the most votes he thinks in fairness we need to certainly consider Councilwomen Hanna so he would nominate Councilwoman Hanna.

City Clerk asked if there were any further nominations and if not, would entertain a motion that nominations be closed.

**Motion Robinson/Machisic that nomination be closed. Motion carried, all in favor.**

**City Clerk took a roll call vote and asked the Councilmembers to signify their choice for Mayor:**

**Councilmember Botts: Hanna**  
**Councilmember Franklin: Franklin**  
**Councilmember Hanna: Hanna**  
**Councilmember Machisic: Franklin**  
**Councilmember Robinson: Hanna**

City Clerk said the vote is in favor of Councilmember Hanna who is our newly elected Mayor for the term of one year and who will now preside over the election of the Mayor Pro Tem.

Mayor Hanna said that nominations for the office of Mayor Pro Tem are now in order and a second to the nomination is not required.

Mayor Hanna nominated Debbie Franklin for Mayor Pro Tem. Councilmember Franklin declined.

Mayor Hanna nominated John Machisic for Mayor Pro Tem.

**Motion Botts/Robinson that nominations be closed. Motion carried, all in favor.**

**City Clerk took a roll call vote and asked the Councilmembers to signify their choice for Mayor Pro Tem and it was a unanimous vote for John Machisic as Mayor Pro Tem for the term of one year.**



## REORGANIZATION OF COMMUNITY REDEVELOPMENT AGENCY

Mayor Hanna said that nominations for the office of Chairman are now in order and a second to the nomination is not required.

Boardmember Botts nominated Don Robinson.

**Motion Botts/Robinson that nominations be closed. Motion carried, all in favor.**

**Agency Secretary took a roll call vote and asked the Boardmembers to signify their choice for CRA Chairman:**

<b>Boardmember Botts:</b>	<b>Robinson</b>
<b>Boardmember Franklin:</b>	<b>No</b>
<b>Boardmember Hanna:</b>	<b>Robinson</b>
<b>Boardmember Machisic:</b>	<b>Robinson</b>
<b>Boardmember Robinson:</b>	<b>Robinson</b>

Agency Secretary said that the vote is in favor of Boardmember Robinson as newly elected CRA Chairman for the term of one year and who will now preside over the election of the Vice Chairman.

Chairman Robinson said that nominations for the office of Vice Chairman are now in order and a second to the nomination is not required.

Boardmember Botts nominated Debbie Franklin for Vice Chairman.

**Motion Machisic/Hanna that nominations be closed. Motion carried, all in favor.**

**Agency Secretary took a roll call vote and asked the Boardmembers to signify their choice for CRA Vice Chairman and it was unanimous vote for Debbie Franklin for the term of one year.**

Mayor Hanna said that she would like to thank Bob Botts for his service in the last two years as Mayor and again, it has been a very trying time and he has offered excellent leadership and he really appreciates the work he has done on Council's behalf. She said she would like to thank her colleagues for this opportunity. She said Nathan just asked this question why people love being Mayor so much and her response is that as Mayor you have many opportunities to meet all parts of the community. And if you weren't in love with Banning when you started, you will be when you are done because the people of Banning are so great. As Don Smith just mentioned, she believes in an annual rotation of the Council offices including the Mayor. Even though our Council rules allow someone to serve as Mayor for two years she will serve only one year at this time. This past election season as shown her that we need to build re-confidence in Banning. She thinks that we can achieve that by greater transparency in everything we do, increase opportunities for civic engagement and teamwork. In terms of transparency we will never reach 100% of our people on 100% of the issues but with much consistently make more of an effort to clearly explain the issues before us. As one example, she would suggest that staff oral reports should provide enough of the background, facts and alternatives so that someone unfamiliar with

the topic can understand the issue. In terms of civic engagement we can't wait until a crisis to involve our residents in conversations. Residents should be offered opportunities to share their thoughts and questions on the issues that concern them. She believes that we as a Council should provide those on-going opportunities. And finally, we run for City Council as individuals with whatever ideas and talents we may have but once elected we need to work as a team. She has said many times that she may have the best idea in the world for Banning but if she cannot convince at least two other Councilmembers, her ideas are not worth much. We will also be more successful in our economic development if we are seen as a united front. In her mind, that doesn't mean we should be a rubber stamp and in fact, she thinks that we need more discussion of the pros and cons of alternatives but we will be viewed as a team if we keep our focus on the policies and not personalities. She thinks that we will rebuild confidence in Banning this year if we can have greater transparency in everything we do, increased opportunities for civic engagement and teamwork. As Victor Hugo wrote about the future, "The future has many names, for the weak it is impossible, for the fainthearted it is unknown, for the thoughtful and the valiant it is idea. The challenge is urgent, the task is large, the time is now."

Meeting recessed at 5:55 p.m. and reconvened at 6:03 p.m.

#### REPORT ON CLOSED SESSION

City Attorney said that the City Council and Agency Board met in closed session and on the Council agenda they discussed labor negotiations with basically the Police Officers Unit and the Banning Association of Managers and a status report was given and memorandums of understanding (MOU's) are coming forward. With respect to the litigation matter involving the Banning Airport Associates, et al. v. City of Banning, et al.: (Riverside Superior Court Case No. RIC 497338) a status report was given and received direction concerning the litigation and there was no reportable action taken. In regards to a matter of threat of litigation in one matter a report was given and no reportable action was taken. In regards to real property negotiations for the Agency staff discussed the Ramsey Ford property and the Westview Terrace Apartment project and a status report was given on both of those matters and got direction for further negotiations.

#### PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS

##### PUBLIC COMMENTS – *On Items Not on the Agenda*

Ellen Carr, 471 W. George Street addressed the Council and stated that she was also speaking for Tender Loving Critters Animal Rescue. She said do you know where your family pet is tonight? She hopes so because there is a saying called "out of sight, out of mind" and that is what our pets have been. Has anyone checked at the San Jacinto Shelter to see what the rate is of our animals being reclaimed and if they are not reclaimed what happens to them next? She said that one of her cats got out and was lost and wound up at San Jacinto and she only took a guess because she couldn't get anything straight out of animal control because they never bothered to answer her phone call. She said she called up San Jacinto and asked many questions in regards to her cat such as a list of animals brought in by Beaumont Animal Care, was there a description list, etc. and was told no to her questions. The animals were not even quarantined. They told her that she would just have to come and see if her cat was there. She said she had the means of going up to look and finally found her cat. She then had to pay a \$40 impound fee and then pay for boarding which was \$12.00 a day. She said it cost her \$76.00 to bail out her cat. She said she was lucky because she was able to get up there and able to pay. How many other people are able

to do that? How many of our people have their animals go missing? To give an example of what goes on at the animal campus in Thousand Palms which is a Riverside County Shelter between January 1, 2010 and the middle of November 2010 they took in over 8,000 animal and they killed over 5,000 of them. Is this is what is happening to our animals? Has anyone checked? She doesn't think so.

Inge Schuler, resident of Banning said that she brought this up also on the 9<sup>th</sup> of November and she has not gotten a single response from anyone in the City what the status of the animal shelter is. She knows that some time ago the discussion was that it would be made available and upgraded and there would be some things that could be done and she still has not heard anything. That was the 9<sup>th</sup> of November and here it is the 14<sup>th</sup> of December and that animal shelter has been vacant for quite some time and we all know what happens with vacant buildings, they deteriorate. She is very concerned and not just because of Ellen and she said she tries not to lose her animals but it does happen. She is wondering when these animals are chipped what is the good of doing this and if they are at the shelter the people who are the registered owners of these animals should be notified. As Ellen pointed out many of the people cannot get their animals because they cannot transport them. She feels that the City should probably investigate a mandatory spay and neuter program and she is sure it can be arranged with somebody at a reasonable cost. We need to do something.

Santa Claus (Bill Dickson) addressed the Council introducing Al Lopez who has been responsible now for about 8 years of bringing the Hispanic Chamber program forward. Mr. Lopez sincerely thanked the Council for the support the City of Banning has given them for this great event. They had kids there from all over and this has been the highest since they started eight years ago. They were very fortunate to receive 500 boxes of meals given to each head of the family and this was one full meal for a day. Also all the kids had bottled water. People started lining up at 8 a.m. and the event started at noon. There were a lot of small kids and many babies. It was a great event. Mr. Dickson said that in regards to the youth of our community they had a lot of young people volunteering.

Dorothy Familetti-McLean addressed Councilmember Franklin stating that she was a classy lady. You are professional, you are ethical, you are honest, you are caring and we love you and support you. She gave flowers to Councilmember Franklin from her supporters.

CORRESPONDENCE: There were none.

PRESENTATION:

1. Introduction of June Overholt, New Administrative Services Director/  
Deputy City Manager

City Manager Takata said that Kirby Warner has been with us for over a year now and he came in during a very difficult time for this City and along with Sam Racadio they began the process of trying to heal our budget and putting us back where we needed to be. He thanked Kirby for his time and effort because he had to tackle many difficult things. He introduced June Overholt, our new Director of Administrative Services/Deputy City Manager, who comes to us with over ten years of experience from the City of Rialto as Chief Financial Officer and she was there with Kirby when they together fixed the budget. She is an amazing lady and has a B.A. from Biola University in Business Administration and Accounting at an M.B.A from the University of



Redlands. She is very well qualified and had stiff competition but finished number one with both interview panels.

Ms. Overholt said it is an honor to be here and she is privileged to be able to work with you and looks forward to this next season and the life of Banning and being able to contribute to the process, the strategies and to the goals of the City.

2. Project: Scalping Plant

Presented by: Surendra Thakral, P.E., BCEE

Senior Vice President, Technology Director with Parsons

Duane Burk, Public Works Director addressed the Council stating that this presentation is a little bit broader than just the presentation put before you. He said he was asked by the City Manager to kind of review the current status of the wastewater system as a whole. He said that this Council approved a contract with Parsons in 2005 to redesign the central plant of the Wastewater Treatment Plant. Tonight is kind of an overview and some different ideas as it relates to not just the central plant and they will present some different ideas, funding and where we stand today.

Mr. Burk gave a power point presentation on what the wastewater collection system looks like. He said the service area is approximately 25 square miles. The sewer mains vary in size from 4 inches in diameter to 30 inches in the trunk lines. Primary systems are gravity fed systems and there are over 115 miles of sewer line that we maintain. Forced mains are sewer systems that are under pressure and they push the water back to gravity fed mains and we have about 1.6 miles. He went over the various manholes, annual maintenance, root intrusion, broken pipe, sewer overflow problems and cost of repairs.

Mr. Burk said that in 2005 the City entered into a contract with Parsons to develop tertiary treated water at our central plant. The central plant is located at 2252 E. Charles which is south east portion of our community. He said that Surendra Thakral is a Professional Engineer from Parsons and they are probably one of the finest engineering firms within California and other states and some of the presentation before you will show some of things that we have done. He said that the design idea we had in 2005 has taken two years to complete because of regulatory compliance with the type of water we want to distribute to our demand areas plus there was some turnover. He said he took over Water/Wastewater in October 2009 and some of the projects, of which this was one, were still in the works. However, what he is presenting this evening is a little bit of a difference approach and he is asking the community and the public in general to keep an open mind of what we are trying put forward because anytime you are talking about a "drop in plant" or "scalping plant" it comes with the label that you are going to put a sewer treatment plant in my backyard and that is not really what we are doing. Treating recycled water in today's economy can be treated at a very high level and in fact the water that we are talking about treating would be drinkable "at the tap". However, no one wants to hear that but he would say that by the time you drink it in Orange County it has been recycle five times. The idea that we are talking about doing is intercepting water within our system, sewer water, currently flowing today, current customers today and nothing to do with new development but it is one thing that he has talked about in a water presentation as it relates to creating new water. You can build the central plant and you can move forward today because your plans and specifications are completed and we have been to the regional board and you could develop the new water but that water is about six miles east. Most of our demand is towards the west. The idea here is not to discard what the design was for the east plant project but it is to take it and maybe put in a plant

some where else where the demand is further to the central part of the city or the western part of the city and use that water and then send whatever solids we have to the central plant. He further explained the process. So the idea behind this plan is the idea of recharging water for conjunctive use meaning at a later date we would be able to extract that water, put it back in that pipe and then deliver it. He said that the concept of putting this plant forward was not part of the original scope for Parsons so it is a whole new idea for them. Mr. Thakral with bring forward to you the idea that you can take that design and move it somewhere else so you don't have to redesign this. It has to fit in the footprint of what we are going to do so there would be some redesigning of that but you would never lose the idea of the central plant. You would have typical filtration process just somewhere else in your community.

Councilmember Robinson said the main plant on Charles Street that does not meet specifications today so that has to be rebuilt so there is no option there even if we do a drop in plant or a scalping plant.

Mr. Burk said that was correct. The intent behind what the Council wanted to do in 2005 was to start to bring recycled water or tertiary water from a regulatory process. Currently the way the system works is that you do a two-stage process and then you recharge the water in percolations ponds and it leaves and you never get it again. The Regional Board frowns upon trickling filters so the idea was that we have to come into 21<sup>st</sup> Century technology and get rid of the trickling filter process because it is not the state-of-the-art process. We are always on regulatory watch as it relates to what we are discharging with nitrogen or TDS or metals or whatever may happen so the tertiary would bring that into that 21<sup>st</sup> Century idea. The current plant is 3 million gallons per day design. The design that Parsons was delivering was to do 1.5 million gallons per day so in 2005 the decision was made to do only half the size of the plant. What he is saying is to just move that 1.5 mgd somewhere else in the community where it is closer to your demand. However, you still have the ability to do that same 1.5 mgd at the central plant at any time whether we build a planning period in ten years or 5 years or 3 years or whatever develops recycled water. Tonight what he is looking for is to introduce this drop in idea and at the same time let you know that we are still under regulatory watch to get into compliance.

Councilmember Machisic said the other thing that was brought out that was important is that projects with water and wastewater take inordinate number of years to develop and sometimes the community gets very impatience. Once you mention it they think it needs to be built tomorrow and that doesn't happen and you are talking about something from 2005 and we are now at 2010 and we really are only in the planning stage.

Councilmember Botts said you mention the 1.5 mgd and can you translate that into acre feet and are we basing that on capacity. Mr. Burk said 1600 acre feet of new water and the current capacity of the plant is around 2.3 to 3.0 mgd so the design was for 1.5 mgd.

Mr. Burk at this time turned the meeting over to Surendra Thakral, Senior Vice President with Parsons.

Mr. Thakral addressed the Council thanking them for this opportunity and clarified the permitted capacity at the central plant and the upgrade that is needed for nitrogen removal. He started his power-point presentation (see Exhibit "F") going over the what would be presented and the areas are: 1) City's Goal of Water Recycling, 2) Current Design Concept for Water Recycling Facility at Wastewater Treatment Plant, 3) Water Recycling Facility at Wastewater Treatment Plant -

What it means to the community, 4) Alternative Approach of Scalping Plant new Westward Pump Station, 5) Design Concept, 6) Key Site specific Design Consideration, 7) Westward Water Recycling Facility - What it means to the community, 8) Preliminary Project Costs, and 9) recommendations. He also showed a short video showing the Membrane Bioreactor (MBR) process and also the different MBR facilities which look like a house or a barn. They also have no odor because they are not handling the sludge. They are just taking sewage and cleaning it and putting all the stuff back. You can make the building look like anything to match the local architecture.

Mr. Burk went over the well sites located near the Westward Water Recycling Facility and also pointed out and explained the different basins and what they are trying to do.

Mayor Hanna said she was curious whether we know if the characteristics of this Banning Storage Unit will contain water that is put into it.

Mr. Burk said one of the tasks for this project is to do some recharge tests and also to study how fast the water would recharge in the ground.

Mr. Thakral continued to explain the Westward Water Recycling Facility Site Layout showing a rendering of the Westward Water Recycling Facility along with percolation ponds. He also explained the Solar Energy System. Mr. Burk added some information in regards to the regulatory requirements for UV disinfection and how that would affect us.

Mr. Burk said before they brought this presentation to the Council they invited all the large developers within the city and met with Lennar who currently owns the property and they met with Pardee and Loma Linda so that they kind of understand where the technology has really gone when you see recharge ponds or solar panels or anything else you could actually make this fit into a community where you would really not notice it. He said that Lennar is under receivership but yet the person that owns this property is Michael Dell and Michael Dell's builder is Lennar so he doesn't know if they will come back under a different name. They were the ones that represented the property. Pardee in their EIR as we move forward in 2011 their concept is to build a satellite plant so this is something that Pardee may be conditioned to do for their development. He said that this is not for new development. We have a current demand in our system that this Council decided years ago to move forward to develop and recycle water. Our R-1 Well was built in 1990 and the design for the pipeline was done in 1992 so these planning phases have been out there. This water would free up potable water for new development however, whether another house gets built here or not it is part of AB 1881 which is the plan for conservation in developing drought plans so this idea is for our current customers. Pardee was basically positive with this but Lennar because this may be a negative impact. However, what we are trying to show here is that with today's technology you can develop this water to a level of an extremely high standard with no odor. One of the biggest issues is the odor but as Mr. Thakral pointed out we are not handling any solids here. So the water that would be out there would be basically drinkable water and it would be something that we would want to capture later.

Councilmember Machisic said about five or six months ago didn't we do a redesign of a pipeline because we couldn't get permission because Lennar was in receivership. Mr. Burk said that was correct and we did do that but the good news is that Lennar has gotten back control over this land. It would not affect the redesign however one of the original tasks for Parsons was to do an

environmental impact report in that area where the pipeline is going to go and it has been reviewed and approved from Zai and she did say it was a good document.

Mayor Hanna said it sounds really good and we are not dealing with the sludge at this plant but then you just showed us gorgeous photos of a plant that does do all. It appeared from the previous photos that there are some sites that are doing the full process within the buildings so why not do it all here.

Mr. Thakral said those sites that he showed were built by someone else and they were required to do all of that. Even when you did everything it was an odor free unit. In our case we do have the capacity at that central treatment plant and those digesters are fine and they are not required to be upgraded. He continued with his presentation in regards to the approach for the recycled water pipeline and what it means to the community and went over preliminary construction costs, potential energy cost saving, loans, potential grant options, benefit of potable water system and recommendations.

There was some Council and staff discussion in regards to some of the buildings built, sale back to Beaumont on water, timeframe, handling of sludge, and land acquisition costs.

Councilmember Machisic thanked him for the presentation and said that it is almost overpowering with statistics and recommendations and all of the various numbers. He wished that we had had a special session to cover this particular item. It appears to him that it would be beneficial but it appears that we have a lot of partners who's permission or who's cooperation we have to have and one is the builders, grants and the money is vital to us right now and cooperation with a couple of water companies. We need to get some of our ducks in a row before we determine what direction we want to go because when you have a lot of partners they have a lot of concerns just like we do. The money is the major concern and everybody is out looking for grants today.

City Manager said that this was a presentation so it is not slated for action so this was kind of like your study session and staff will come back and be talking about this issue again with the Council in the future.

Mr. Burk said the intent behind this is kind of two-prong approach: 1) it is a workshop, and 2) as development moves forward, Pardee specifically, when you read their EIR their intent is to intercept this water and put in a satellite plant for themselves for their development. The idea behind that is that our sewer master plan calls for a brand new trunk sewer line all the way down to the wastewater plant so we are going to take additional flow however, those houses are not built yet and in today's market we don't know when they are going to build. The idea behind the central plant here is that we adopted rates for state revolving fund money already and that was always the essential plan for this and that is actually in the books right now, and you have been approved for state revolving fund application and ERA money but it is a 50% match. So funding has been looked at at different levels. The idea behind moving this to the west is kind of to build back a plan that would come in phases. The intent was for us to save energy costs in the future. So all the other grants that we are looking at could fall in phases. The idea was kind of to build our own plant for our current demand.



Councilmember Machisic said that he would be a little more comfortable if this was laid out in phases for him because we are looking at the whole project and he sees the rational for it but at the same time he is trying to figure out which comes first.

Councilmember Franklin said she has several questions but what she wanted to know if there is a way to present all of our questions to you and then you could give us some kind of written reply so that we can take all of this information together because she has questions everywhere from how this talks about impacting our rate payers to how it fits with our long term water plan to grants.

Mr. Burk said that he appreciates all of this but there had to be a point in time when we got to here and this is the first step. This is an overview of what you are currently faced with in the current collection system and the current demand. It would be welcomed if the Council would study this. The key thing about the time is that 2014 is here before you know it and this is the water that is going to offset some of that other water and that is part of adjudication. The water plan as we move forward is to develop new water and he doesn't want to say that this is etched in stone. He would like to leave tonight knowing the Council is in support of a drop in plant somewhere within the City so that staff can move forward with the development. If the Council doesn't like the idea and you want to think about it, he gets that also.

City Manager said if you do have questions, please email us and we will get those answers to you.

Councilmember Botts said that this makes a lot of sense, if you are looking for direction. He thinks that he heard Mayor Hanna and others say quite talking about a scalping plant and tell us what you talking about and he is assuming that this is in response to begin to educate us and certainly he has a lot of questions like the others do but this is very, very helpful.

Councilmember Botts left the meeting at 7:54 p.m. He was not feeling well.

Mayor Hanna said we should send our questions and things to him but just one idea just from the Parks and Recreation Master Plan we recently considered in concept and that is to do by population growth rather than years.

Mayor Hanna asked the Council conceptually is this something you want to proceed with.

Councilmember Franklin asked what our commitment is when we say yes tonight. Mr. Burk said you don't have a commitment. As far as he is concerned it gives him a direction that you like the idea and that we could move forward with the location and further our negotiations with Lennar. Anything we would have to do would have to come back to the Council. He said that if we did nothing with the scalping plant, that you would continue your support on building the recycle line as part of this because the recycle line goes through this area. He will be moving that project forward in 2011 in phases as it relates to the project.

City Attorney said that since this is a presentation he thinks the best thing is that Duane has a staff report that comes back on the agenda which has the implementation things that you are going to go forward with and he kind of lays the out the steps.

Councilmember Franklin said one of her biggest concerns is what the impact is to the rate payers before she would say yes or no on it. Because we just went through a major concern of the whole community about our rates so she really needs to get more information as to what this means as opposed to doing something at the central plant and how does that come out in dollars and cents.

Mayor Hanna said also the cost of tertiary water. It has been a policy issue concern for her for years and we keep talking about it and it is a valuable thing to have tertiary water but she has been very concerned that the cost would be exorbitant especially when you go to Sun Lakes or any other entity that needs to buy this water and we say it is going to be more expensive than potable water.

Mr. Burk said he thinks what you have to play into the role is that if you don't develop this water then you are going to buy supplemental water from the State and that State water can average \$5,000 an acre foot.

The following people spoke in favor or against or had some questions or concerns or general comments in regards to this item (*any written comments handed to the City Clerk will be attached as an exhibit to the minutes*):

Don Smith, resident  
Dorothy Familetti-McLean

Councilmember Machisic said that Mayor Hanna and Councilmember Botts mentioned that they are in agreement with the concept and he is too and one of the things that you have to consider when you are going out to borrow money at this low rate and looking for grants you have to have some plans because there are a lot of agencies that go look for money but if you don't have plans set up, the chances are that you won't get any money. So he thinks that we need to move ahead with the concept, answer the questions and come up with parts of it. He thinks for the well-being of the community and not necessarily now but within the next 5 to 15 years, even though most of us won't be here, we need to think about the future and if we can move ahead in this resource, we should.

Councilmember Franklin said she would like to see us set a date that we are going to be able to get our questions in where this is going to be able to come back so that staff knows that we are interested in moving this forward but it is not something that is going to be dragged on. If we can give a timeframe that we are going to get our questions to you and be able to get them back and be able to have a staff report that we can actually take action on.

City Manager said this was basically your study session and one of the things that Duane was looking for and is within his authority if we start doing some exploratory to get some permission in regards to flow of the water, how long it takes to percolate, etc., etc. and so those are things that the Council doesn't need to bother themselves with unless it is over \$25,000 and he has the authority to do that. And we will need that information actually to be able to get the Council to commit to the project in the future.

Mayor Hanna called to order a Joint Meeting of the Banning City Council, The Banning Utility Authority and the Community Redevelopment Agency.

#### CONSENT ITEMS

Councilmember Machisic pulled Consent Item No. 16 and Councilmember Robinson pulled Consent Items 6, 9, 14 and 18 for discussion.

1. Approval of Minutes – Joint Meeting – 10/28/10

Recommendation: That the minutes of the joint meeting of October 28, 2010 be approved.

2. Approval of Minutes – Joint Meeting – 11/09/10

Recommendation: That the minutes of the joint meeting of November 9, 2010 be approved.

3. Approval of Minutes – Regular Meeting – 11/09/10

Recommendation: That the minutes of the regular meeting of November 9, 2010 be approved.

4. Ordinance No. 1421 – 2<sup>nd</sup> Reading: An Ordinance of the City Council of the City of Banning, California, Amending Chapter 8, Article II, Section 8-16 Repealing Sections 8-17 of the Banning Ordinance Code Adopting the 2010 California Fire Code In Its Entirety for 1) Regulating and Governing the Safeguard of Life and Property from Fire and Explosion Hazards (Arising from the Storage, Handling and Use of Hazardous Substances, Materials and Devices) and From Conditions Hazardous to Life or Property in the Occupancy of Buildings and Premises in the City of Banning, and 2) Providing for the Issuance of Permits and the Collection of Fees Therefore.

Recommendation: That Ordinance No. 1421 pass its second reading and be adopted.

5. Resolution No. 2010-33, Authorizing the Destruction of City Records as Provided by Section 34090 of the California Government Code and Resolution No. 2003-26 of the City of Banning as listed in Attachment A.

Recommendation: That the City Council adopt Resolution No. 2010-33, authorizing the destruction of records in Human Resources and Finance as provided by Section 34090 of the California Government Code and Resolution No. 2003-26 of the City of Banning.

7. Resolution No. 2010-83, Adoption of Banning Police Office Association (BPOA) Memorandum of Understanding.

Recommendation: That the City Council adopt Resolution No. 2010-83, approving the Memorandum of Understanding (MOU) with the Banning Police Officer's Association (BPOA) for the period July 1, 2010 through June 30, 2011.

8. Resolution No. 2010-84, Approving a Resolution for Employer Paid Member Contributions through CalPERS.

Recommendation: That the City Council adopt Resolution No. 2010-84, approving a Resolution for Changes to Employer Paid Member Contributions ("EPMC") to the California Public Employees' Retirement System ("CalPERS").

10. Resolution No. 2010-89, Authorizing an Appropriation of \$5,300 from the City's General Fund to the Police Department's Clothing and Accoutrements Account to Replace Funds Used to Purchase Bulletproof Vests.

Recommendation: That the City Council adopt Resolution No. 2010-89, Authorizing an appropriation in the amount of \$5,300 from the General Fund to the Police Department's clothing and accoutrements account to replace funds used to purchase replacement bulletproof vests for police officers.

11. Resolution No. 2010-90, Authorizing an Adjustment in Banning's Parking Violation Penalty Schedule Due to Increased Surcharges by State of California.

Recommendation: That the City Council adopt Resolution No. 2010-90, Authorizing an added penalty of \$13.00 to each parking citation issued to cover the cost of state imposed surcharges used to fund services such as Emergency Management Programs and Criminal Justice Facility Construction.

12. Resolution No. 2010-91, Authorizing the Purchase of Five (5) Camera Systems and Accessories from Safety Vision of Houston, Texas to be Installed in the Banning Pass Transit Buses.

Recommendation: That the City Council adopt Resolution No. 2010-91, Authorizing the purchase of five (5) camera systems and accessories from Safety Vision of Houston, Texas to be installed in the Banning Pass Transit Buses.

13. Approve Amendment to Original Agreement with Normal A. Traub Associates for Investigation Services for the City of Banning Police Department.

Recommendation: That the City Council amend the current limit on compensation for services (\$25,000) with Norman A. Traub Associates for Investigation Services for the City of Banning Police Department to \$60,000.

15. Resolution No. 2010-11 UA, Supporting Southern California Edison Company's Application for Surrender of License for Federal Energy Regulatory Commission (FERC) Project No. 344 and Urging the FERC To Set Terms and Conditions That Help Assure the Safety and Reliability of the Project Facilities for Continued Long-Term Water Supply.

Recommendation: That the Utility Authority Board I) adopt Resolution No. 2010-11UA, Supporting Southern California Edison Company's Application for Surrender of License for Federal Energy Regulatory Commission (FERC) Project No. 344; and II) notifying FERC that the Banning Utility Authority supports Southern California Edison's surrender, repair, and transfer of ownership of the Whitewater Flume (also known as FERC Project No. 344) for continued operation and water supply; III) and requesting FERC support and urging the FERC to set terms and conditions that help assure the safety and reliability of the project facilities for continued long-term water supply.



17. Resolution No. 2010-13 UA, Awarding a Professional Services Agreement to Nobel Systems, Inc. of San Bernardino, CA for the Maintenance, Training and Support of the Water and Wastewater Geographic Infrastructure System (GIS).

Recommendation: That the Utility Authority adopt Resolution No. 2010-13UA, Awarding the Professional Services Agreement to Nobel Systems, Inc., of San Bernardino, CA for the Maintenance, Training and Support of the Water and Wastewater Geographic Infrastructure System (GIS.)

**Motion Machisic/Robinson to approve Consent Items 1, 2, 3, 4, 5, 7, 8, 10, 11, 12, 13, 15 and 17.**

Mayor Hanna opened the item for public comments.

Dorothy Familetti-McLean said she is speaking for Inge Schuler because she had to go home and in regards to Consent Item No. 13, Investigative Services she said this is another issue of transparency in government as said in Hanna's speech. Why is it necessary to investigate employees of the City of Banning for such a significant amount of money? Confidentiality of personal matters needs to be maintained but why the 100% increase.

City Manager said basically the amount of money determines the number of investigations we have to do and basically that is why the amount is that many.

Mayor Hanna said for the public's perspective the original scope was for \$25,000 and the increase is to \$60,000.

City Attorney said the original scope was kind of limited by what the City Manager's authority was so once you exceed that then it has to come back to the Council and you get to look at the whole thing.

Chief Purvis said the reasons we have to do these is that we want to run a professional police organization and unfortunately these investigations cost quite a bit of money to investigate and we have had a few this year that have been very in depth and they took a lot of time to investigate and a lot of resources so his response as to why it cost quite a bit of money to look into these matters is because we want to run a transparent organization and as far as a police department we bring in that third party so that they can do an objective investigation and not feel influenced from anybody within the City or the police department.

**Motion carried, all in favor with Councilmember Botts absent.**

6. Accept Right-of-Way Dedication from Assessor's Parcel 419-101-009 (5701 W. Ramsey St.) and Direct the City Clerk to Accept and Record Said Dedication.

Recommendation: That the City Council accept the Right-of-Way dedication from Assessor's Parcel Number 419-101-009 (physical address of 5701 W. Ramsey Street) and direct the City Clerk to accept and record said dedication. The parcel number is described in the attached Exhibit "A" and Exhibit "B".

Councilmember Robinson wanted to know exactly what had been done there. The address was given but was this for an existing facility.

Mr. Burk said that 5601 W. Ramsey is located just west of Apex and the improvements for the Redevelopment Agency were Apex and the widening of Ramsey Street within the front of those vacant lands. There is a house that is there and it is owned by four sisters and our agreement for doing the improvements was we do the improvements and they give us the dedication.

9. Approve Authorized Budget Positions for FY 2010-2011.

Recommendation: That the City Council approve the authorized positions as budgeted for Fiscal Year 2010-11.

Councilmember Robinson said that we show one officer on the CRA budget and he doesn't know how much longer we are going to do that but in fact, we won't be able to do that for much longer so is there some kind of plan to get him off CRA and get him on to some other General Fund or grant.

Mr. Warner said he is certain as you continue your budget maneuvering and working with not only with a deficit in the General Fund but also some of the plans in the CRA this is something that he and the City Manager have talked about and you have that as well as a couple of others that need to move out of there so it will be a phased approach. Certainly at this point in time it has been there for awhile and does fund a gang team member and that will be a longer term plan over the next couple of years that the City Manager and finance and the police department will be working on.

Mayor Hanna asked if there were any public comments on Consent Items 6 and 9. There were none.

14. Accept Notice of Completion for Project No. 2009-04, Street Improvements and Sidewalk Improvements at Various Locations

Recommendation: That the City Council accept Project No. 2009-04, "Street Improvements and Sidewalk Improvements at Various Locations," as complete and direct the City Clerk to record the Notice of Completion.

Councilmember Robinson said part of this description in here included street lights and lighting and he noticed that we are trying to complete these projects and yet the lighting does not work in the new parking lot area across the street.

Mr. Burk said that the lights are working now thanks to Fred Mason.

Councilmember Machisic said he wanted to point out in that particular item that we are looking for grants and we did receive \$152,000 dollars in grants as a result of staff work so that offsets some of the money the City doesn't have.

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

16. Resolution No. 2010-12 UA, Approving the Second Amendment to the Professional Services Agreement with Raftelis Financial Consultants, Inc. for the Development of Water Rates and Connection Fees.

Recommendation: That the City Council adopt Resolution No. 2010-12UA, "Approving the 2<sup>nd</sup> Amendment to the Professional Services Agreement with Raftelis Financial Consultants, Inc. for the Development of Water Rates and Connection Fees."

Councilmember Machisic said his chief concern is that the study took 18 months to complete and he would hope that if we have another study that it doesn't take that long.

City Manager said that he and Duane Burk were not involved in this in the very beginning and they can guarantee that it is not going to take 18 months.

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

ADDENDUM:

18. Resolution No. 2010-93, Accepting the 2011 Supplemental Law Enforcement Services Fund Allocation and Authorizing the Banning Police Department to use the funds towards the purchase of law enforcement related equipment and training.

Recommendation: That the City Council adopt Resolution No. 2010-93, accepting the 2011 Supplemental Law Enforcement Services Fund (SLESF) allocation and authorize the Banning Police Department to apply the funds towards the purchase of law enforcement related equipment and training.

Councilmember Robinson said he wanted to highlight what this grant was all about and the fact that our police department and public works are getting all of these grants and it is much to our benefit as a City.

Lieutenant Holder said that this is an annual grant that they receive and it is federal funded and they sent through the State and then the County and then on to the different agencies. Based on the size of our agency we receive an annual sum of \$100,000 that goes towards equipment and training for the officers. It is a one-time fund and they say every year don't count on it for the next year and that is why they dedicated this particular grant to capital expenditures. We don't want to use personnel funds because we know we can't count on it being there for next year but we find it a very invaluable tool in that as the year goes by if we run short of supplies due to significant events we are able to restock our evidence room and other types of technology especially with the new station so this gives us a little bit of a buffer if a circuit goes out or a server. It also allows them to provide additional advanced officer training for the officers.

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

**Motion Machisic/Franklin to approve Consent Items 6, 9, 14, 16 and 18. Motion carried, all in favor with Councilmember Botts absent.**

Mayor Hanna adjourned the Joint Meeting of the Banning City Council, the Banning Utility Authority and the Community Redevelopment Agency and reconvened the Regular City Council Meeting.

## PUBLIC HEARINGS

1. Ordinance No. 1433, Adoption of the Latest Editions of California Building, Residential, Green Building Standards, Plumbing, Mechanical and Electrical Codes  
(continued from 11/9/10 Council Meeting).  
(Staff Report – Zai Abu Bakar, Community Development Director)

Zai stated that this is pertaining to adoption of the latest construction codes and all cities in California are required to adopt the new construction codes every three years. Basically the ordinance repeals the existing section of the current building codes and replaces it with the new construction codes and there are six difference ones. She clarified that if someone submits construction plans this year before January 1, 2011, if their application is complete, we will honor that plan using the 2007 Building Codes. The ordinance would also clean up any references to the Uniform Building Code because it is scattered throughout the Municipal Code and Zoning Code and make references to the new construction codes.

Mayor Hanna opened the public hearing on this item for public comments. Seeing no one come forward she closed the public hearing.

Mayor Hanna asked the City Clerk to read the title of Ordinance No. 1433. City Clerk read: An Ordinance of the City Council of the City of Banning, California, Amending Chapter 15.08 of the Banning Municipal Code by Adopting by Reference the Entirety of the Latest California Building Code, Residential code, Green Building Standards Code, Plumbing Code, Mechanical Code, Electrical Code, and International Property Maintenance Code, All Relative to Construction Codes.

**Motion Machisic/Robinson to waive further reading of Ordinance No. 1433. Motion carried, all in favor with Councilmember Botts absent.**

**Motion Machisic/Franklin that Ordinance No. 1433 pass its first reading. Motion carried, all in favor with Councilmember Botts absent.**

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

### City Council

Councilmember Franklin –

- There were two events coming in January – January 13, 2011 from 6:30 to 7:30 p.m. in the Council Chambers the First Community Meeting regarding Emergency Preparedness Community-wide and they are looking at a program called NEST (Neighborhood Emergency Services Training). This is to get the public involved in getting the public and our community prepared in the event we have any disaster in our area. It doesn't have to be something like an earthquake; it can be anything as simple as a home fire or a flood in your local neighborhood. On January 22, 2011 the Second Annual Veteran's Expo will be held at the Beaumont Civic Center from 9 a.m. to 12 p.m. The public is invited and it is all free. There will be

approximately 30 different vendors there to answer questions and provide information for veterans, their families and friends.

**Councilmember Machisic –**

- The CBC (Community Benefits Committee) that deals with gaming funds will have their first meeting on February 7<sup>th</sup> (tentative).
- In regards to the Regional Conservation Authority, Senator Feinstein has introduced a bill that will loan money to the Regional Conservation Authority but we will not know for months whether it is approved. As you know we are trying to get some money so that we can buy property when property values are low.
- At the last Council meeting he spoke about the Transportation Uniform Mitigation Fee (TUMF) that had been reduced this year by 50%. In the committee there was an extensive discussion and they voted unanimously to eliminate the reduced TUMF fee on December 31, 2010. As a result though they made some exceptions and for 2011 the City has a right to reduce the TUMF fees 25% to 50% until December 31, 2011 or until the fees reach \$20 million dollars. But they introduced a little something that we haven't heard of and that is if you reduce the fees at some point in time, the cities will have to pay the money back in some form and they had never discussed that before. Most of the cities were taken back by these particular couple of items on the agenda and so in the resolution to eliminate the TUMF fee they also said let them take that back and restudy it in regards to the payment by the cities. Also the Business Industry Association (BIA) has been a vital spokesman in getting the fee reduced and one of the things that WRCOG (Western Riverside Council of Governments) has asked them to do was to show that their reduction has provided sustainable jobs and has introduced more housing activity and they are to come back to WRCOG in the next six months.

**Councilmember Robinson –**

- He stated that he attended the National League of Cities Conference and has a stack of items that he will bring to the City Manager's Office for distribution. Some of these things include training from Homeland Security Officers that will come and train the Council and the Police Chief and Fire Chief on disasters that can happen within our city also because we are supposed to be trained on what to do if a disaster hits the city.

**Mayor Hanna –**

- Said if anyone listening is proud of their chili recipe the Banning Rotary Club for the first time is going to have a "Chili Cook-off" as part of the Winter Magic Celebration on Saturday, December 18<sup>th</sup> at the Banning Community Center, 789 N. San Geronio Ave. To enter your chili there is a \$20 entry fee and people at the celebration can buy tastes and there will be a people's vote so bring your pennies. All of the money collected by the Banning Rotary Club will go to Rotary's Polio Plus Program. You can get entry forms at the Banning Community Center this week and you can also enter on the spot by bringing your chili to the event at 3 p.m.
- She wanted to mention the passing of one of our local artist and business persons who had quite a role in the creation of the concept of an "arts district". We don't have a formal "arts district" in the downtown but the City Council and the Redevelopment Agency has been using art as one of its tools to help revitalize that and that person was Joe Corda. He had a gallery and shop on San Geronio Avenue and there was a wonderful celebration of his life this past week at the Banning Women's Club and she would like to adjourn this meeting in memory of Joe Corda.

City Committee Reports – None at this time.



Report by City Attorney – None at this time.

Report by City Manager

City Manager stated that in regards to the animal shelter they have been talking to an individual who would like to open possibly a private animal shelter and obviously try to get our business at that time. There are going to be willing to do some improvements possibly in that shelter. We would have to have a lease and that lease would have to be approved by the City Council, of course, at the market rate and if they did any improvements it could be taken off the rent at that point in time but those are details that would have to be worked out. Staff will be bringing that back to the Council at some point in time. Also, he understands that Ms. Carr is upset in regards to the animals and he will talk to Frank Coe about the aspect of the Ramona Humane Society and he also understands that the San Jacinto Shelter may end up having a third party.

ITEMS FOR FUTURE AGENDAS

New Items –

Councilmember Machisic said that we donated some money to the Chamber for a golf tournament and we haven't had a report. City Manager said that is on the list for them to address the Council.

City Manager said in regards to the Mayor's position does the Council want to have a report brought back. **There was Council consensus to have it brought back.** Mayor Hanna suggested that the report that the City Attorney had already done be brought back.

Pending Items – City Council

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
6. Approach in regards to Code Enforcement
7. Yard Sale Signs

ADJOURNMENT

By common consent the meeting adjourned the meeting at 8:30 p.m. in memory of Joe Corda.

---

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.

**To The Banning City Council:**

**I come before you again this evening to ask you to elect Council Member Franklin as the Mayor of the City of Banning.**

**She has served Banning for 21 years, and is by far the best qualified candidate to be Mayor. Second, she has a history of support for older adults, including residents of Sun Lakes. Third, as Chairwoman of the Planning Commission, she has toiled tirelessly to improve Banning housing, develop the Ramsey Street corridor, and protect our environment. She has worked for improvements, not just mouthed election-time platitudes. Her efforts on behalf of this city and her volunteer work with schools, social service agencies, churches, and youth and senior citizens' organizations has convinced me we need her to be our next Mayor.**

**Her qualifications are many and varied. She holds a BA in Sociology from the University of Redlands. She held a Management position with All State Insurance for 28 years in charge of a variety of employees and departments. She also is certified as a Senior Claim Law Associate. She is a proven leader with the added bonus of being able to bring a sense of unity and commitment to our City.**

**She is currently actively involved with 17 community organizations and has been recognized at the county level for her involvement and participation when she received the Riverside County Commission of Women 5<sup>th</sup> District Women of the year award in 2007. She has served as the Coordinator for the Banning holiday Wish Program for 8 years, she is a Committee member of Banning's Disaster Survival Expos, participated in Banning's General Plan Committee and was appointed by County Supervisor Ashley to Riverside's Children and Families Advisory Committee in 2009. Her lists of accomplishments are long and varied, her qualifications are without question and she deserves the position as Mayor. More importantly the citizens of Banning deserve to have her as Mayor.**

**In a spirit of unity we ask you to nominate and unanimously elect Council Member Franklin as our new Banning Mayor.**

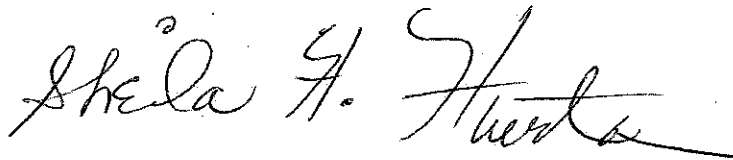
**Thank you for your consideration  
Betty McMillion  
5549 W. Pinehurst Dr  
Banning, CA 92220  
(951) 769-6636**

HELLO, I'M SHEILA HUERTA, A MEMBER OF THE CONCERNED CITIZENS FOR A BETTER BANNING.

IN THE FORMER CAPACITY OF HUMAN RESOURCES SUPERVISOR, REVIEWING APPLICANTS FOR EMPLOYMENT WAS ONE OF MY PRIMARY FUNCTIONS.

WITH THAT IN MIND, I HAD THE OPPORTUNITY TO REVIEW DEBBIE FRANKLIN'S QUALIFICATIONS AND ACCOMPLISHMENTS, WHICH WERE MOST IMPRESSIVE... THEN WE COUPLE THIS WITH DEBBY'S EXCELLENT PEOPLE SKILLS. THE RESULTS SHOW AN OUTSTANDING TALENT. A PERSON WHO WOULD BE A PERFECT FIT IN THE POSITION OF BANNING'S MAYOR.

IN CONCLUSION, I SAY TO MY COUNCIL MEMBERS, THERE SHOULD BE NOTHING STOPPING YOU FROM VOTING FOR DEBBY FRANKLIN AS BANNING'S NEXT MAYOR,

A handwritten signature in cursive script that reads "Sheila H. Huerta". The signature is written in dark ink and is positioned below the main body of text.



To: Banning City Council Members

From: Dorothy Familetti-McLean  
December 14, 2010

This is an exciting time for the city of Banning. We have the opportunity to change the negative image of our town and the council, heal some old wounds and look positively to the future.

As council members, you were elected to serve the community. That means to give of self to work in behalf of the people of Banning.

The Banning voters have spoken loudly and clearly. They support Debbie Franklin for mayor. If you have listened to the people, you will do the right thing and elect Franklin as mayor. If you are self-serving and are not concerned about what the people think or you don't really care about the views of the voters of Banning, then elect someone else. Your choice will have far-reaching repercussions either way.

Do you start on a new page, elect Franklin as mayor, bring this council together in behalf of the people, and promote our town as the fine town that it is, or do you vote for someone other than Franklin, keep the negative bonds of the council in tact, and keep spreading the negative image that our council has earned.

We all hope that you have the courage to do the right thing. It would definitely make a positive statement about this council. Elect Franklin for mayor.

Thank you.



Print

Subject Letter to city council

From: Charlie Strang &lt;thebravestgreek@verizon.net&gt;

Sent: Dec 2, 2010 11:58:19 PM

To: mcalderson@ci.banning.us

4175 HILLSIDE DRIVE  
BANNING, CA  
849-3050

Marie, hope you are well. Will you please read this letter to the council at the next meeting?  
Thank you, hope you and your family have a Merry Christmas.  
Charlie Strang

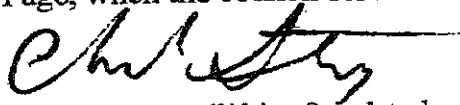
To the City Council  
12-03-10

Three of the five members of the council have served as mayor; Bob Botts, John Machisic and Barbara Hanna (as Barbara Sheldon). Barbara's tenure as mayor and council member was of a nature which resulted in the Record Gazette not recommending her for re-election to the council. The Record Gazette, in fact, recommended electing those running against her for the council seat in that election.

The only members of the current council who have not served as mayor are Don Robinson and Debbie Franklin. Don, according to the Riverside County Office of the Treasurer-Tax Collector, currently owes \$13,562.77 in property taxes. The major portion of these taxes are overdue. The records indicate overdue taxes as far back as 2005. Interest and penalties amount to approximately \$5,000.00.

These facts can be verified on the Riverside County Office of the Treasure-Tax Collector website. I mention this information, frankly, because I have grave reservations about the prospect of the mayor of our city, "The Face of Banning" if you will allow me to use that phrase, being an individual who does not fully pay his taxes in full, as the vast majority of us do. I can only speculate as to how much improved our fiscal situation would be if everyone paid their taxes on time and in full as is required to be considered as a citizen in good standing.

This leaves Debbie Franklin, the archetype of a good citizen in all ways. I will leave it to others to enumerate her many acts of service to our community. Let me simply say that Debbie, in her role as chair of the planning commission several years ago, was excellent. She facilitated meetings very effectively and actually listened to and showed respect for the public. Debbie, as mayor, would return city council meetings to times past, such as those of Mayor Brigitte Page, when the council served the public and our community flourished.



12-2-10

<http://webmail.verizon.com/netmail/driver?numlet=deggetemail&fn=SentMail&page=1&d...> 12/2/2010

Exhibit "D"

26

reg.mtg.-12/14/10

City of

# Banning

An Approach for Recycled Water Use Optimization  
Westward Water Recycling Facility

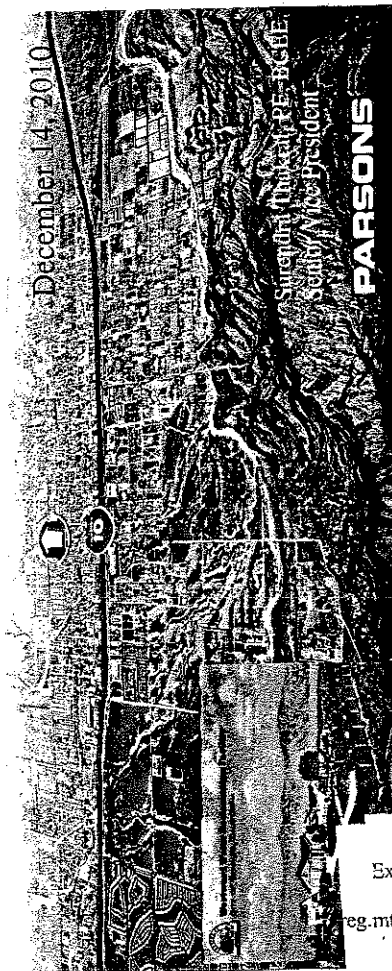


Exhibit "F"  
27

reg.mtg.-12/14/10

## Presentation Outline

- City's Goal of Water Recycling
- Current Design Concept for Water Recycling Facility (WRF) at Wastewater Treatment Plant (WWTP)
- WRF at WWTP – What it means to the community?
- An Alternative Approach – WRF near Westward Avenue Pump Station
- Westward WRF – Design Concept
- Key Site Specific Design Considerations
- Westward WRF – What it means to the community?
- Preliminary Project Costs
- Recommendations

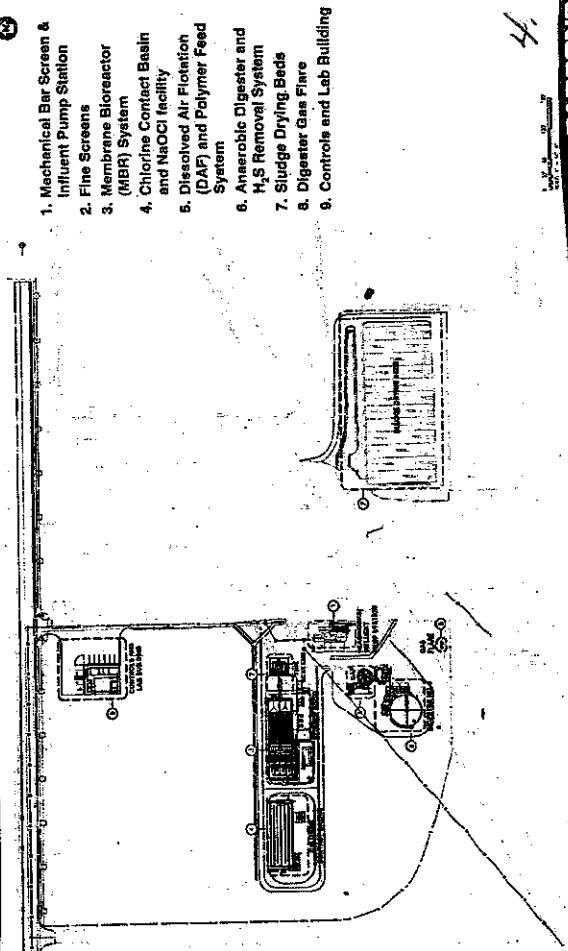
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**PARSONS**

## City's Goal of Water Recycling

- Produce and supply high quality Recycled Water (RW) in a cost effective manner
- Use it for direct non potable purposes as much as possible
- Relieve pressure on potable water system
- Recharge groundwater with surplus recycled water
- Comply with the additional purification requirements (nitrogen removal) for groundwater recharge
- Locate Water Recycling Facility (WRF) near by the major users to save cost & energy
- Build recycle water system in phases
- Integrate with neighboring agencies' systems

3  
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## ORIGINAL CONCEPT - Wastewater Treatment Plant Upgrade for Additional 1.5 million gallons per day Capacity



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## ORIGINAL CONCEPT - Currently Proposed Phased Recycled Water Distribution System from WWTP

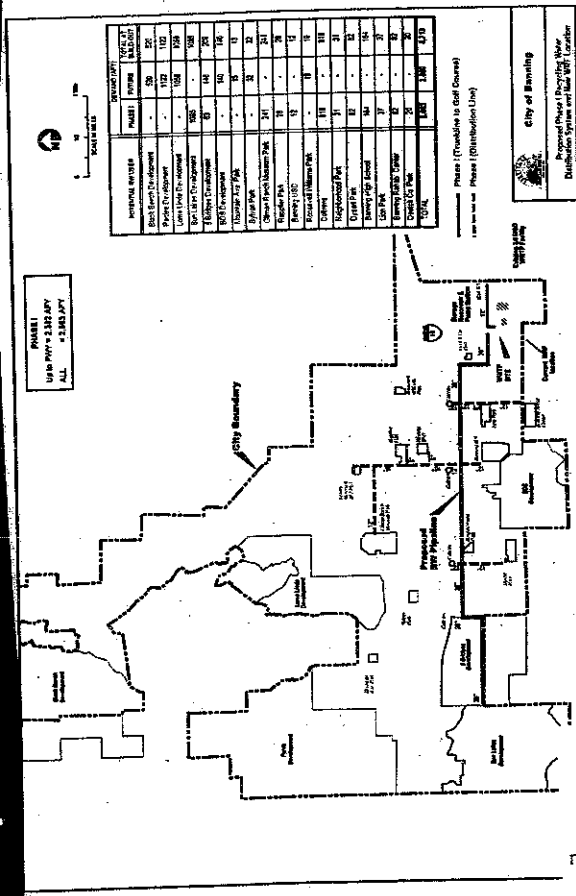


Exhibit "F"  
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reg.mtg.-12/14/10

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## ORIGINAL CONCEPT - Currently Proposed Project Estimated Construction Cost

### Construction Cost (2008 Dollars)

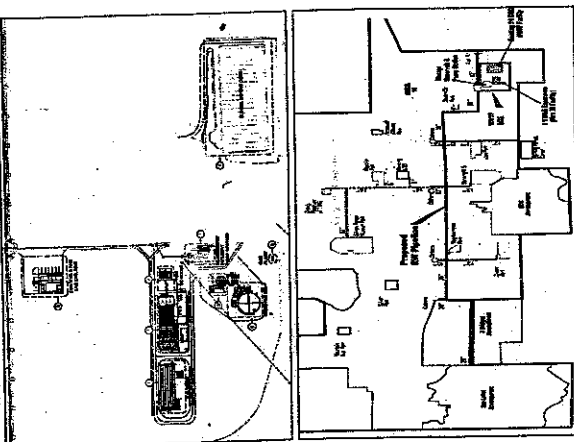
1.5 mgd WWTP Expansion*	\$22.0 M
Recycle Water System for Phase I (Trunk line Only)	\$13.5 M
Total Construction Cost	\$35.5M

\* Includes also storage reservoir and pump station

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## Currently Proposed Project What it means to the community?

- One single WWTP operation
- No land acquisition
- No need to modify current design and reports
- No need to modify SRF loan package & permit applications
- R-1 well could be used with WRF to augment recycle water system
- Higher construction & operation costs relative to the newly proposed approach
- No benefit of groundwater recharge to augment water supply demand in Banning
- Does not optimize benefits of water recycling



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## Recycled Water Production Technology

**Membrane Bioreactor (MBR), A state-of-the-art technology, produces highest quality recycled water**

MBR is considered for the Banning project

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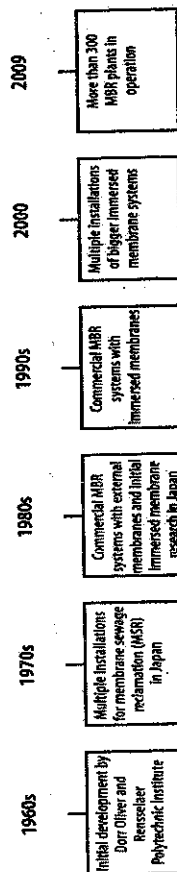
## What is Membrane Bioreactor (MBR) Process?

- The MBR is a multi-purpose process that
  - Provides secondary treatment for organic and nitrogen removal
  - Uses membrane filters to separate mixed liquor solids from the wastewater stream
- Membranes take the place of
  - Conventional secondary clarifiers
  - Conventional tertiary filters
- The MBR process
  - Eliminates problems associated with sludge settling
  - Allows smaller facilities
  - Produces the highest quality Title 22 water for recycling/irrigation

Exhibit "F"  
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reg.mtg.-12/14/10

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## MBR Historical Development



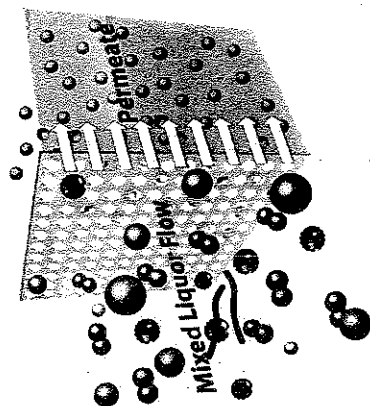
MBR Improvements similar to cell phone technology development

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## Membrane Filtration Concept

Membrane Pore Size: 0.01 to 0.10 microns	
Impurities	Size (microns)
Sand Grain	400 - 2,000
Human Hair	40 - 120
Giardia	6 - 10
Cryptosporidium	3 - 5
Bacteria	0.5 - 0.9
Virus	0.01 - 0.25



Membrane pore sizes are so small even most of the viruses can not pass through

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## MBR Technology Video

MBR Technology Video will be shown during the presentation

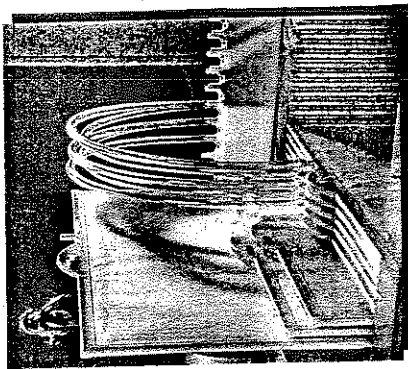
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## Types of Membranes

Flat Sheet



Hollow Fiber

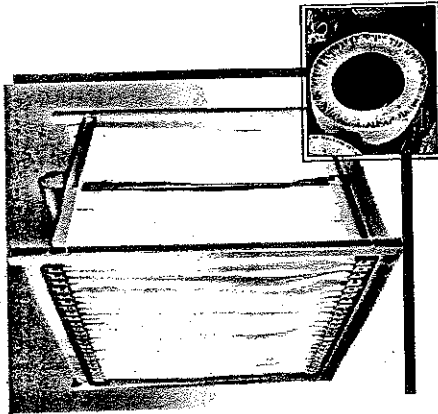


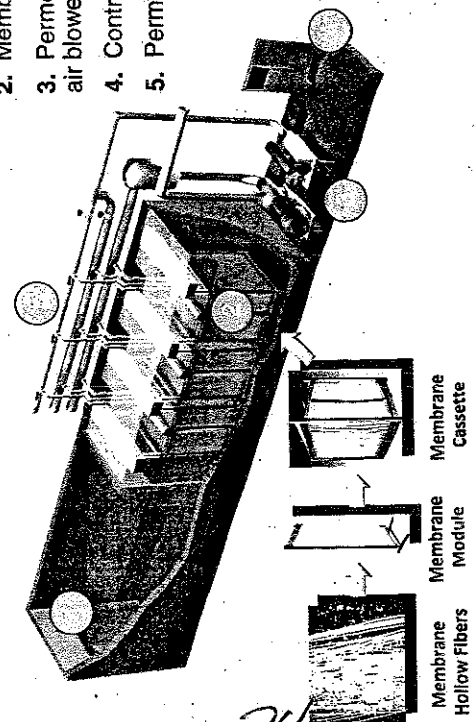
Exhibit "F"  
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reg.mtg.-12/14/10

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## Hollow Fiber Immersed Membrane Bioreactor

1. Biological reactor
2. Membranes
3. Permeate pump & air blower
4. Control panel
5. Permeate & air piping

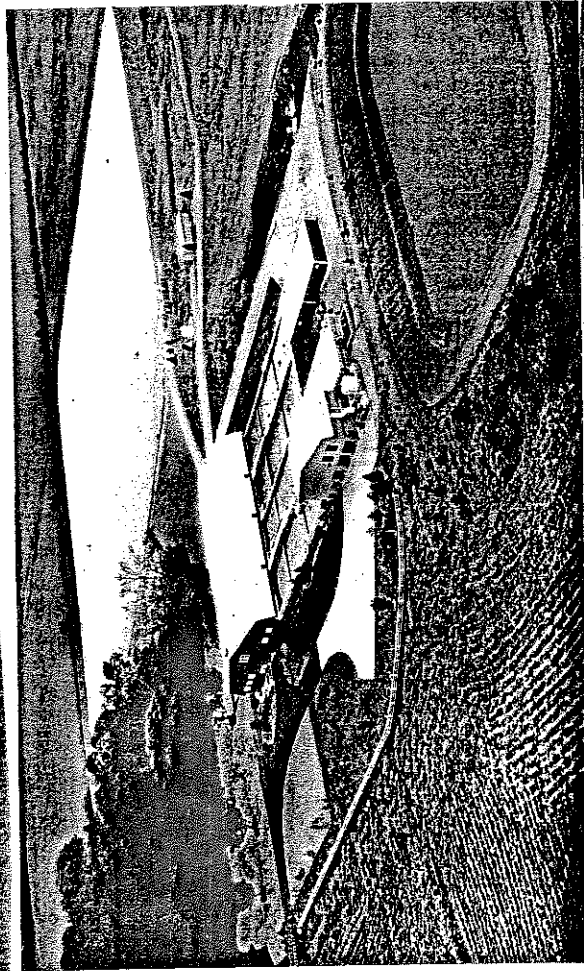


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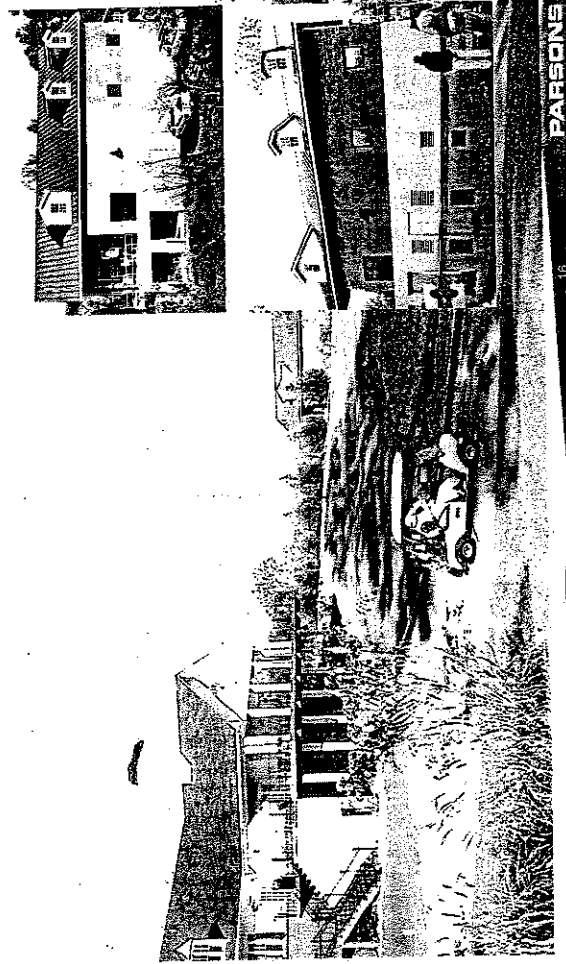
## Gauley Creek 5 mgd MBR Facility, GA



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## Hampton Creek 1.0 mgd MBR Facility, GA



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# Upper Sweetwater WRF, GA



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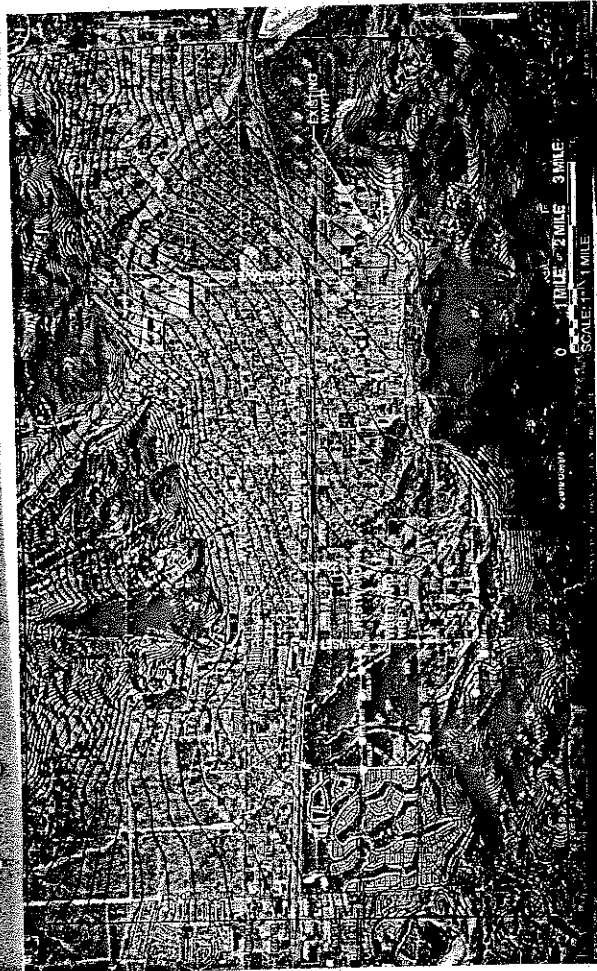
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Exhibit "F"  
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reg.mtg.-12/14/10

# WESTWARD WATER RECYCLING FACILITY

35

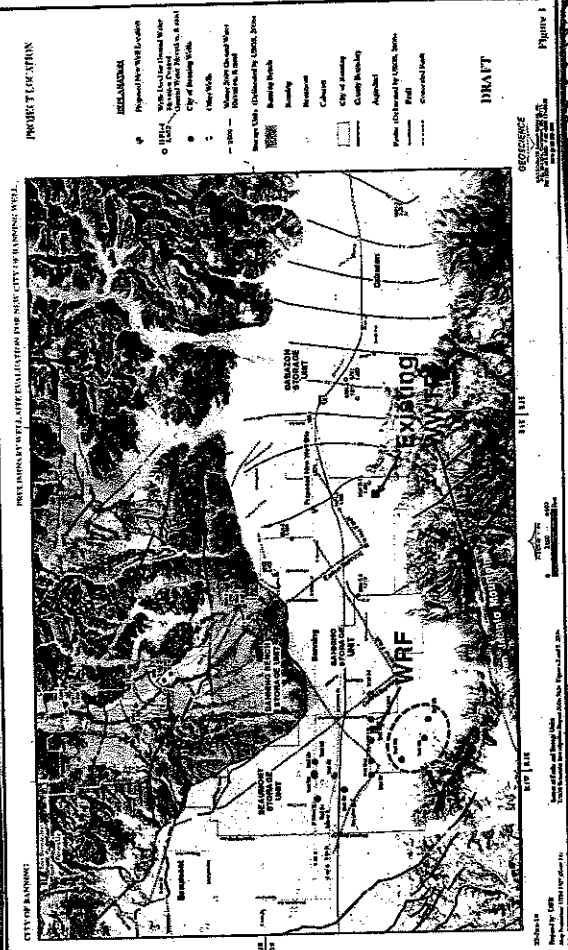
# Vicinity Map for Proposed Westward Water Recycling Facility (WRF)



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# Well Site Locations near Westward WRF

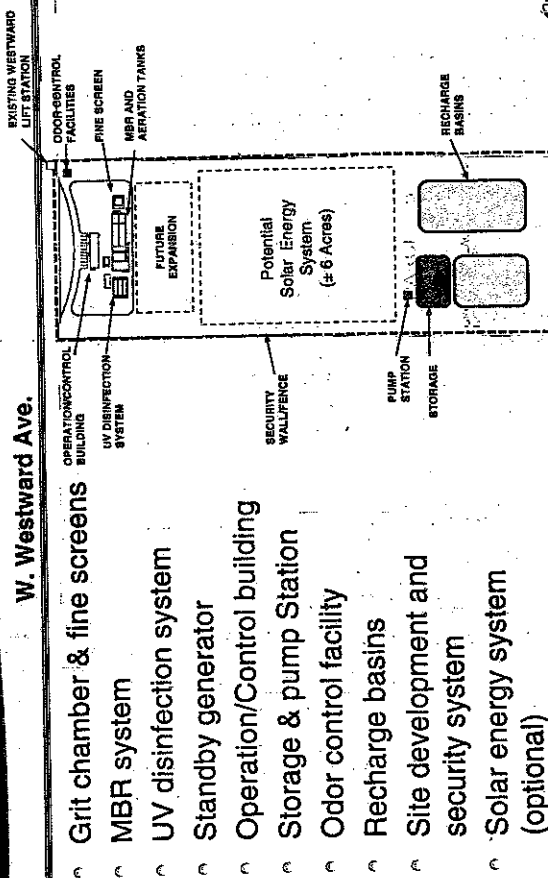


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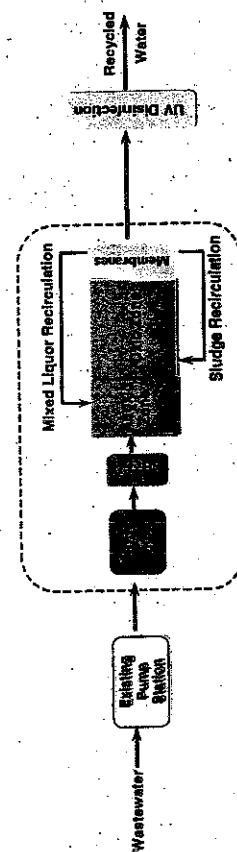
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# Westward WRF Simplified Site I



# Membrane Bioreactor (MBR) Process



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## Westward WRF Approach

- Upgrade existing Westward Lift Station to provide 1.5 mgd to the WRF
  - Maximize the use of present design, reports, CEQA, SRF loan & permit applications, etc.
  - Use MBR concept for 1.5 mgd WRF
  - Bypass biosolids to existing sewer for treatment at WWTP
  - Construct or phase construct future new digester and drying beds at WWTP
  - Locate recharge basins near WRF for excess RW percolation to Banning Basin.
- Design for unmanned operation

Exhibit "F"

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reg.mtg.-12/14/10

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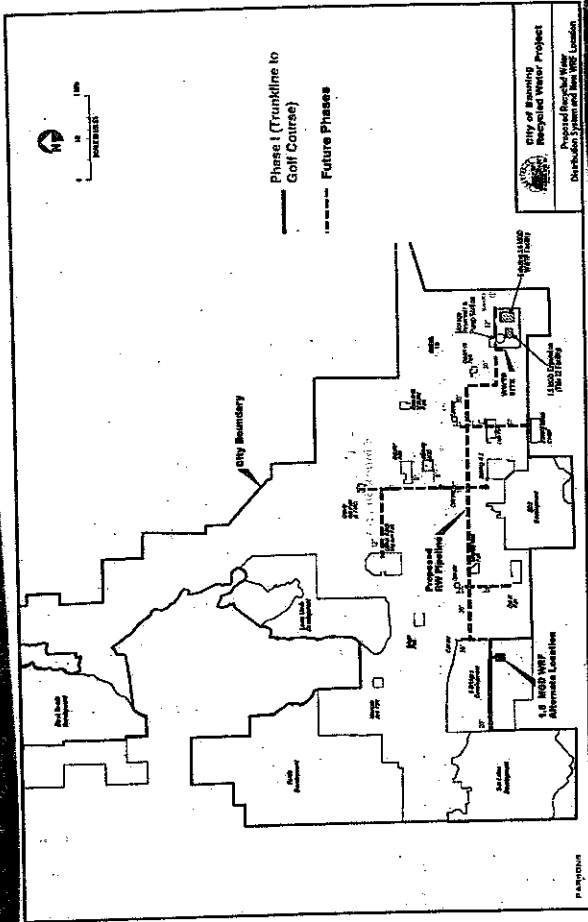
## Westward WRF Approach (Cont'd)

- Build a RW pipeline from the WRF for nearby landscapes/golf course irrigation, etc.
- Phase construct other RW Pipelines for future
- Provide site development and security at WRF
- Provide necessary architectural treatment to facilities for public perception
- Contact stakeholders, regulatory agencies, SRF, etc. at the earliest possible

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## Recycled Water Pipeline to Nearby Landscapes, Golf Course, etc. from Westward WRF

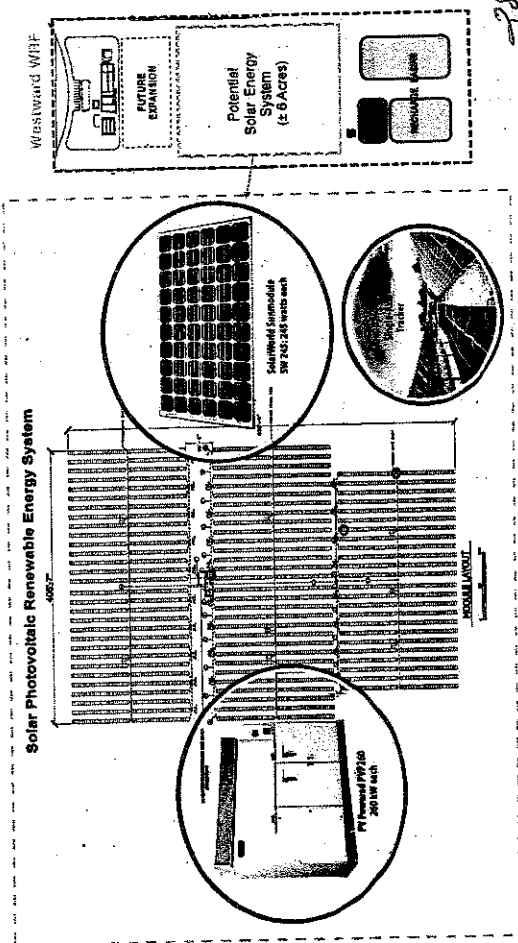


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## Solar Energy System



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## Key Site Specific Considerations for Westward WRF

- Land Acquisition
- Regulatory Compliance
- Percolation Rate
- Groundwater Recovery

Exhibit "F"  
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## Westward WRF What it means to the community?

- Closer to the major recycled water users
- Phased construction of the remaining recycled water pipeline as demand increases
- Potential inter-agency exchange of recycled water
- Recharge to the groundwater within the Banning Basin
- Maximizes the beneficial use of recycled water
- Maximizes the use of current investment
- Land acquisition required

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## Proposed Modified Project - Preliminary Construction Costs 1.5 mgd Westward WRF and Essential Upgrades at WWTP

### Preliminary Construction Costs (2010 Dollars)

1.5 mgd Westward Water Recycling Facility \$17.0 M

Recycled Water Pipeline to Nearby Landscapes, Golf Course, etc. \$1.5 M

Essential Upgrades at WWTP  
(Laboratory Building, Digester Gas Treatment and Flare) \$1.5 M

Total Estimated Construction Cost \$20.0M

1 MW PV Solar Energy System construction cost could be about \$6.5M

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## Westward WRF Potential Energy Cost Saving

### Potential Energy Cost Saving

Approx. power cost saving of pumping recycled water from WWTP to nearby landscapes, golf course, etc.\* (\$32,300)/Year

Approx. power cost of pumping recycled water from Westward WRF to nearby landscapes, golf course, etc. \$2,900/Year

Net Potential Power Cost Saving\* (\$29,400)/Year

\* Pressurizing the pipeline is required from WWTP to nearby landscapes, golf course, etc.

Based on City's power rate of 9 cents/kWh

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## Low Interest State Revolving Fund Loan

- State Revolving Fund (SRF)
  - 2.7% Interest (half of bond rates)
  - Provides total interest payments saving over \$ 6.8M against bond money at 5.4% interest rate over 20 years
- SRF application was prepared for the City on July 2007
- Banning is on priority list for SRF loan
- Application package to be completed/modified on priority basis for the funds commitment
- Solar energy system can be funded under SRF loan

Exhibit "F"  
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reg.mtg.-12/14/10

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## Bond vs. SRF Loan

Loan Amount	Annual Payment (20-year Payback Plan)		Savings per Year	Loan Life Time Savings (20 years)
	Bond (5.4%)	SRF (2.7%)		
\$ 35,000,000	\$ 2,866,000	\$ 2,267,000	(\$ 599,000)	(\$ 11,980,000)
\$ 25,000,000	\$ 2,047,000	\$ 1,620,000	(\$ 427,000)	(\$ 8,540,000)
\$ 20,000,000	\$ 1,638,000	\$ 1,296,000	(\$ 342,000)	(\$ 6,840,000)
\$ 10,000,000	\$ 819,000	\$ 648,000	(\$ 171,000)	(\$ 3,420,000)

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PARSONS

## Potential Grant Options

- U.S. Department of Energy (DOE)
  - Renewable Energy Production Incentive (REPI): Annual incentive payments of 2.1 cents per kilowatt-hour for the first 10-year period of operation
- California Solar Initiative - PV Incentives
  - \$0.39/kWh for the first five years for taxable entities, and \$0.50/kWh for the first five years for government entities - ??

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PARSONS

## Westward WRF Benefit to Potable Water System

- Relieves the demand on potable water system by 1.5 mgd  $\approx$  2,700 homes water demand
- Helps to create additional 1,700 acre ft/year of new water (Judication of Beaumont Basin Limits the City for extraction up to a minimum of 450 acre ft/year in 2014)
- Provides a reliable water source during the drought period
- Provides ability to recharge the Banning Basins for future use

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PARSONS



## Recommendations

- Consider Building:
  - 1.5 mgd Westward Water Recycling Facility
  - Recycled water pipeline to nearby landscapes, golf course, etc.
  - Essential upgrades at WWTP (laboratory building, digester gas treatment and flare)
- Proceed for a parcel of land acquisition near Westward pump station
- Complete Westward WRF feasibility study
- Assess potential of groundwater recharge/potable water recovery
- Assess overall benefits to the potable water system/program
- Move aggressively to success SRF loan
- Explore available grants
- Explore feasibility of solar PV system
- Coordinate with regulatory agencies
- Upgrade/modify current design documents (CEQA, air permits, WDR, SRF loan application, Title 22, etc.) for WRF Westward

Exhibit "F"

36

reg.mtg.-12/14/10

PARSONS

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40

2nd Read.

**ORDINANCE NO. 1433**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, AMENDING CHAPTER 15.08 OF THE BANNING MUNICIPAL CODE BY ADOPTING BY REFERENCE THE ENTIRETY OF THE LATEST CALIFORNIA BUILDING CODE, RESIDENTIAL CODE, GREEN BUILDING STANDARDS CODE, PLUMBING CODE, MECHANICAL CODE, ELECTRICAL CODE, AND INTERNATIONAL PROPERTY MAINTENANCE CODE, ALL AS RELATIVE TO CONSTRUCTION CODES**

**WHEREAS**, the State's Health and Safety Code Section 17958 mandates that the California Building Standards Commission adopt and publish the California Building Standards Code (Title 24 California Code of Regulations) every three (3) years; and

**WHEREAS**, the State's Health and Safety Code requires local governments to adopt the most recent editions of the model codes related to construction.

**WHEREAS**, the construction codes include the California Building, Residential, Green Building Standards, Plumbing, Mechanical, and Electrical Codes.

**WHEREAS**, the adoption of the Ordinance related to construction codes is consistent with California Government Code Title 5, Division 1, Part 1, as published by the Building Standards Bulletin 09-02.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1. ADOPTION**

Chapter 15.08 of the Banning Municipal Code relating to "Adoption of Uniform Codes" is hereby amended by deleting the existing Chapter 15.08 in its entirety and adopting a new Chapter 15.08 to read as follows in its entirety:

"Chapter 15.08 Construction Codes

Sections:

15.08.010 Incorporation by Reference.

15.08.020 Interpretation of the Banning Municipal Code and Zoning Code with regard to references to the amended Construction Codes

15.08.030 Additional Penalties



15.08.010      Incorporation by Reference.

A. Except as otherwise provided in this chapter for the purposes of prescribing regulations for erecting, construction, enlargement, alteration, repair, improving, removal, conversion, demolition, occupancy, equipment use, height, and area of building and structures, the following construction codes are hereby adopted as “Chapter 15.08, Construction Codes,” and all appendices, tables, and indices thereto, as the same existed on December 14, 2010, are hereby adopted by reference and incorporated as if fully set out herein, and the provisions thereof shall be controlling within the limits of the city.

1. California Building Code, 2010 Edition, including Chapter 1 Division II, based on the 2009 International Building Code as published by the International Code Council;
2. California Residential Code, 2010 Edition, based on the 2009 International Residential Code as published by the International Code Council;
3. California Green Building Standards Code, 2010 Edition;
4. California Plumbing Code, 2010 Edition, based on the 2009 Uniform Plumbing Code as published by the International Association of Plumbing and Mechanical Officials;
5. California Mechanical Code, 2010 Edition, based on the 2009 Uniform Mechanical Code as published by the International Association of Plumbing and Mechanical Officials;
6. California Electrical Code, 2010 Edition, based on the 2008 National Electrical Code as published by the National Fire Protection Association;
7. International Property Maintenance Code, 2006 Edition, as published by the International Code Council; the Uniform Code For The Abatement of Dangerous Buildings, 1997 Edition, as published by the International Code Council.

B. One copy of the Construction Codes, described in this Section, has been deposited in the office of the city clerk and shall be at all times maintained by the city clerk for use and examination by the public.

15.08.020      Interpretation of the Banning Municipal Code and Zoning Code with regard to references to the amended Construction Codes

For the purposes of interpreting the adopted Construction Codes in the Banning Municipal Code and Zoning Code, references to the Uniform Building Code shall be replaced with the latest adopted California Building Code, if any.

#### 15.08.030 Additional Penalties

In addition to those penalty provisions adopted by reference from those codes listed in Section 15.08.010, the following penalties shall also apply:

It shall be unlawful for any person, firm, corporation or association of persons to violate any provision of this ordinance, or to violate the provisions of any permit granted pursuant to this ordinance. Any person, firm, corporation or association of persons violating any provisions of this ordinance or the provisions of any permit granted pursuant to this ordinance, shall be deemed guilty of an infraction or misdemeanor as hereinafter specified. Such person or entity shall be deemed guilty of separate offense for each and every day or portion thereof during which any violation of any of the provisions of this ordinance or the provisions of any permit granted pursuant to this ordinance, is committed, continued, or permitted.

Any person, firm, corporation or association of persons so convicted shall be: (1) guilty of an infraction offense and punished by a fine not exceeding two hundred dollars (\$200.00) for a first violation; (2) guilty of an infraction offense and punishable by a fine not exceeding three hundred dollars (\$300.00) for a second violation on the same site. The third and any additional violations on the same site shall constitute a misdemeanor offense and shall be punishable by a fine not exceeding one thousand dollars (\$1,000.00) or six months in jail, or both. Notwithstanding the above, a first offense may be charged and prosecuted as a misdemeanor. Payment of any penalty herein shall not relieve a person or entity from the responsibility for correcting the violation."

#### **SECTION 2. FINDINGS**

The City of Banning is not making any amendments to the California Building Codes; therefore, the findings are not required per the California Government Code Section 17958.7.

#### **SECTION 3. PENALTIES ADOPTED BY REFERENCE**

Violation of or failure to comply with any of the provisions of Chapter 15.08, Construction Codes shall be subject to those penalty provisions set forth in Attachment "A" hereto. These penalty provisions are so set forth herein to meet the requirements of Government Code Section 50022.4; such penalty provisions are also adopted by reference pursuant to Section 1 without any revisions (unless otherwise specified above) and, therefore, such penalty provisions as printed in Attachment "A" need not be codified in the Banning Municipal Code.

#### **SECTION 4. SEVERABILITY**

If any section, subsection, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portions thereof,

irrespective of the fact that any one or more sections, subsections, subdivisions, sentences clauses, phrases or portions thereof be declared invalid or unconstitutional.

**SECTION 5. EFFECTIVE DATE**

This Ordinance shall be in full force and effective 30 days after its passage.

**PASSED, APPROVED, AND ADOPTED** at a regular meeting of the City Council of the City of Banning, California, this \_\_\_\_ day of January, 2011.

---

Barbara Hanna, Mayor  
City of Banning

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

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Dave Aleshire, City Attorney  
Aleshire & Wynder, LLP

**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 Ordinance No. 1433 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 14<sup>th</sup> day of December, 2010, and was duly adopted at a regular meeting of said City Council on the \_\_\_\_ day of January, 2011, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

## ATTACHMENT "A"

**Penalties.** In addition to the penalty provision provided in Section 15.08.030 of this chapter, the following penalty provisions are incorporated by reference into Chapter 15.08, but will not be expressly stated therein:

**California Building Code Section 114.1 - Unlawful acts.** It shall be unlawful for any person, firm or corporation to erect, construct, alter, extend, repair, move, remove, demolish or occupy any building, structure or equipment regulated by this code, or cause same to be done, in conflict with or in violation of any of the provisions of this code.

**California Building Code Section 114.2 - Notice of violation.** The building official is authorized to serve a notice of violation or order on the person responsible for the erection, construction, alteration, extension, repair, moving, removal, demolition or occupancy of a building or structure in violation of the provisions of this code, or in violation of a permit or certificate issued under the provisions of this code. Such order shall direct the discontinuance of the illegal action or condition and the abatement of the violation.

**California Building Code Section 114.3 - Prosecution of violation.** If the notice of violation is not complied with promptly, the building official is authorized to request the legal counsel of the jurisdiction to institute the appropriate proceeding at law or in equity to restrain, correct or abate such violation, or to require the removal or termination of the unlawful occupancy of the building or structure in violation of the provisions of this code or of the order or direction made pursuant thereto.

**California Building Code Section 114.4 - Violation penalties.** Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, constructs, alters or repairs a building or structure in violation of the *approved construction documents* or directive of the *building official*, or of a *permit* or certificate issued under the provisions of this code, shall be subject to penalties as prescribed by law.

**California Residential Code – R113.3 Prosecution of violation.** If the notice of violation is not complied with in the time prescribed by such notice, the *building official* is authorized to request the legal counsel of the *jurisdiction* to institute the appropriate proceeding at law or in equity to restrain, correct or abate such violation, or to require the removal or termination of the unlawful occupancy of the building or structure in violation of the provisions of this code or of the order or direction made pursuant thereto.

**California Residential Code - R113.4 Violation penalties.** Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, constructs, alters or repairs a building or structure in violation of the *approved construction documents* or directive of the *building official*, or of



a *permit* or certificate issued under the provisions of this code, shall be subject to penalties as prescribed by law.

**California Residential Code - R114.2 Unlawful continuance.** Any person who shall continue any work in or about the structure after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be subject to penalties as prescribed by law.

**California Plumbing Code Section 102.3.1 - Violations.** It shall be unlawful for any person, firm, or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert, demolish, equip, use, or maintain any plumbing or permit the same to be done in violation of this code.

**California Plumbing Code Section 102.3.2 - Penalties.** Any person, firm, or corporation violating any provision of this code shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punishable by a fine and/or imprisonment set forth by the governing laws of the jurisdiction. Each separate day or any portion thereof, during which any violation of this code occurs or continues, shall be deemed to constitute a separate offense.

**California Plumbing Code – Section 1327.12 Corrections.** Notices of correction or violation shall be written by the Authority Having Jurisdiction and posted at the site of the work, mailed or delivered to the permittee or an authorized representative. Refusal or failure to comply with any such notice or order within ten (10) days of receipt thereof shall be considered a violation of this code, and shall be subject to the penalties set forth elsewhere in this code for violations.

**California Mechanical Code Section 111.0 - Violations.** It shall be unlawful for a person, firm, or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert or demolish, equip, use, or maintain mechanical systems or equipment or cause or permit the same to be done in violation of this code.

**International Property Maintenance Code Section 106.4 – Violation Penalties.** Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall be prosecuted within the limits provided by state or local laws. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

**International Property Maintenance Code Section 106.5 – Abatement of Violation.** The imposition of the penalties herein prescribed shall not preclude the legal officer of the jurisdiction from instituting appropriate action to restrain, correct or abate a violation, or to prevent illegal occupancy of a building, structure or premises, or to stop an illegal act, conduct, business or utilization of the building, structure or premises.

## CITY COUNCIL AGENDA

**Date:** January 11, 2011  
**TO:** Honorable Mayor and City Council  
**FROM:** Fred Mason, Electric Utility Director  
**SUBJECT:** Resolution No. 2011-02 Budget Appropriation of Funds to Cover Expenses Related to Capital Projects Funded by the Electric Utility Bonds

**RECOMMENDATION:** The City Council approves Resolution No. 2011-02 appropriating funds from the Electric Bond Fund balance in the amount of \$311,798.08 to cover expenses related to capital projects funded by the Electric Utility Bonds ("Bonds"), as described below.

**JUSTIFICATION:** Resolution 2010-27 was adopted by the City Council on April 27, 2010 and amended the list of capital projects to be completed with Electric Utility Bond funds. Resolution 2010-41 was adopted by the City Council on June 8, 2010 and authorized the Electric Utility to repurchase Electric Utility Bonds from the market.

**BACKGROUND:** The addition of a third 34.5kV circuit at the Southern California Edison ("Edison") owned Banning Substation was one of the original projects approved to be completed with funds from the Bonds. The original cost estimate received from Edison to complete the project was \$519,150, and the City made an upfront payment in that amount. Per the interconnection agreement with Edison, there was a true-up at the completion of the project, and Banning was presented with a final invoice of \$1,015,929, with a balance due of \$496,779.

Staff disputed the final project cost and requested an audit to validate the additional charges. After an extensive investigation, Edison determined that labor charges for work benefitting Edison had inadvertently been assigned to Banning. Edison revised the final invoice which resulted in a reduction of \$221,331 and a final balance due of \$275,448.08.

The amended list of capital projects to be completed with Bond funds included a four phase project to underground the Electric Utility's distribution system in the Downtown Corridor. The City executed an agreement with RW Beck to develop a detailed project schedule, including manpower requirements, material, and duration for this four phase project. RW Beck's total compensation for this project is \$23,950.

Resolution 2010-41 authorized the appointment of Kinsell, Newcomb & De Dios, Inc., as special advisor to the City to find and solicit bids in connection with the Open Market Purchase; and approved the appointment of Fulbright & Jaworski L.L.P., Bond Counsel for the Bonds, to serve as special counsel and prepare all required legal documents in connection with the Open Market Purchase of the Electric Utility Bonds. The compensation for Fulbright & Jaworski's services was \$12,400.

Staff recommends appropriating funds from the Electric Bond Fund in the amount of \$311,798.08 to cover the expenses detailed above.

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**FISCAL DATA:** The budgeted amounts for the affected Electric Fund accounts will be increased by the amounts shown in the Appropriation Request column in the table below:

<u>FY 2010-11</u>	<u>Approved Budget</u>	<u>Appropriation Request</u>	<u>Account #</u>
Sunset Substation Project	\$0.00	\$275,448.08	673-7000-473.96-18
Underground	\$0.00	\$ 23,950.00	673-7000-473.95-04
Legal	\$0.00	\$ 12,400.00	674-7000-473.33-11

**RECOMMENDED BY:**



Fred Mason  
Electric Utility Director

**APPROVED BY:**



Andrew J. Takata  
City Manager



June Overholt  
Administrative Services Director

**RESOLUTION NO. 2011-02**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING  
AUTHORIZING A BUDGET APPROPRIATION OF FUNDS TO COVER EXPENSES  
RELATED TO CAPITAL PROJECTS FUNDED BY THE ELECTRIC UTILITY BONDS**

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

**WHEREAS**, the Banning City Council previously adopted Resolutions 2010-27 and 2010-41 on April 27, 2010 and June 8, 2010 respectively; and

**WHEREAS**, the City Council has approved specific expenditures for expenses related to capital projects funded by the Electric Utility Bonds;

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

**Section I.** Adopt Resolution No. 2011-02 approving the appropriation of funds in the total amount of \$311,798.08 for accounts under 673-7000-473 and 674-7000-473 and authorize the Administrative Services Director to make necessary budget adjustments related to these funds.

**Section II.** Authorize the Mayor to execute Resolution No. 2011-02, but said authorization shall become void if not executed within 30 days of the effective date of this resolution.

**PASSED, APPROVED, AND ADOPTED** this 11<sup>th</sup> day of January 2011.

\_\_\_\_\_  
Barbara Hanna, Mayor

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk

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

\_\_\_\_\_  
David J. Aleshire, City Attorney  
Aleshire and Wydner, LLP

CERTIFICATION

I, MARIE A. CALDERON, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-02 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 11<sup>th</sup> day of January 2011 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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



**CITY COUNCIL AGENDA  
CONSENT ITEM**

**DATE:** January 11, 2011

**TO:** City Council

**FROM:** Duane Burk, Director of Public Works

**SUBJECT:** Resolution No. 2011-03, "Initiating Proceedings to Update Landscape Maintenance District No. 1 for Fiscal Year 2011/2012"

**RECOMMENDATION:** Adopt Resolution No. 2011-03, "Initiating Proceedings to Update Landscape Maintenance District No. 1 for Fiscal Year 2011/2012."

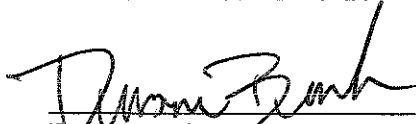
**JUSTIFICATION:** The City Council approved the formation of Landscape Maintenance District No. 1 ("the District") by adopting Resolution No. 1990-59 on August 14, 1990. The adoption of Resolution No. 2011-03 will enable the City Engineer to prepare for the assessment for Fiscal Year 2011/2012.

**BACKGROUND:** In accordance with the "Landscaping and Lighting Act of 1972" ("1972 Act") of the Streets and Highways Code, the City Council adopted a resolution on August 14, 1990 ordering the formation of Landscape Maintenance District No. 1, the boundaries of which are shown in Attachment "A". On May 10, 2005, the City Council approved Resolution No. 2005-36 ordering Annexation No. 1 (consisting of five tracts and three tentative tracts) to Landscape Maintenance District No. 1. The District, by special benefit assessments, provides funding for the servicing and maintenance of certain landscape areas within the City of Banning, all of which are located in the public right-of-way. The "1972 Act" requires that assessments are to be levied according to benefit rather than according to assessed value. Resolution No. 2011-03 will initiate the proceedings to update the District for Fiscal Year 2011/2012. A tentative schedule for updating the District, as required by the "Landscaping and Lighting Act of 1972," is attached hereto as Attachment "B" for your information.

**FISCAL DATA:** Not applicable. A detailed estimate will be prepared and forwarded with the Engineer's Report.

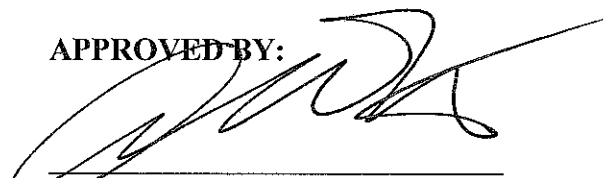
**RECOMMENDED BY:**

**REVIEWED BY:**

  
Duane Burk  
Director of Public Works

  
June Overholt  
Administrative Services Director

**APPROVED BY:**

  
Andy Takata  
City Manager

RESOLUTION NO. 2011-03

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, INITIATING PROCEEDINGS TO UPDATE LANDSCAPE MAINTENANCE DISTRICT NO. 1 FOR THE FISCAL YEAR 2011/2012, PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972**

**WHEREAS**, the City Council, pursuant to the provisions of the "Landscaping and Lighting Act of 1972," Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500, desires to initiate proceedings to update the City of Banning's Landscape Maintenance District No. 1, and to levy and collect annual assessments to pay for the operation, maintenance and servicing of landscaping and all appurtenant facilities related thereto.

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

**Section I.** The City Council desires to update Landscape Maintenance District No. 1 for Fiscal Year 2011/2012, pursuant to the "Landscaping and Lighting Act of 1972" (Section 22500 and following, Streets and Highways Code) for the purpose of the following improvements:

Maintaining and servicing street trees, parkways, median islands, perimeter strips and backup walls, side slopes adjacent to sidewalks and storm drains, open space areas, flood detention or retention basins, and the irrigation of the above improvements.

**Section II.** The City Council hereby directs the City Engineer to prepare and file with the City Clerk an Engineer's Report in accordance with Article 4 of Chapter 1 of the "Landscaping and Lighting Act of 1972."

**Section III.** The fee to be assessed will not exceed the reasonable cost of providing the service. The fee charged shall be based on the rate and methodology set forth in Resolution Nos. 1990-59 and 2005-36.

**Section IV.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

**PASSED, APPROVED AND ADOPTED** this 11<sup>th</sup> day of January, 2011.

\_\_\_\_\_  
Barbara Hanna, Mayor

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk

Reso. No. 2011-03

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

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

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-03 was duly adopted by the City Council of the City of Banning at a regular meeting thereof held on the 11<sup>th</sup> day of January, 2011.

AYES:

NOES:

ABSENT:

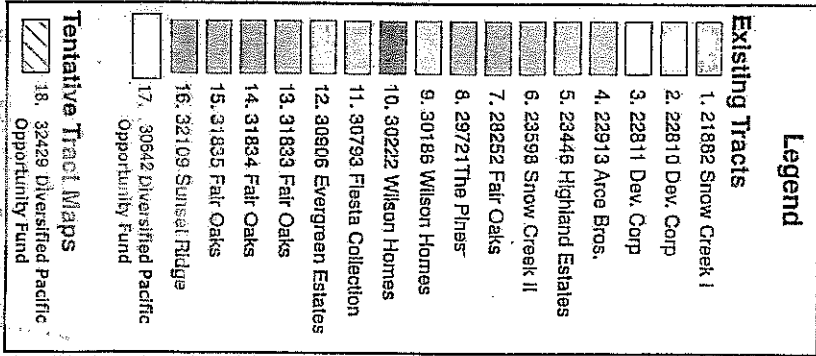
ABSTAIN:

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

**ATTACHMENT “A”**

**LANDSCAPE MAINTENANCE DISTRICT NO. 1  
FOR FISCAL YEAR 2011/2012**





## **ATTACHMENT “B”**

### **TENTATIVE SCHEDULE UPDATING LANDSCAPE MAINTENANCE DISTRICT NO. 1**

<b>Item</b>	<b>Council Meeting</b>
Resolution Initiating Update	January 11, 2011
Resolution of Intention (Approving Engineer’s Report)	April 12, 2011
Public Hearing, Resolution Confirming Assessment	May 24, 2011

## CITY COUNCIL AGENDA

**Date:** January 14, 2011  
**TO:** Mayor and City Council  
**FROM:** June Overholt, Administrative Services Director  
**SUBJECT:** 2009-10 Annual Report of Development Impact Fees

**RECOMMENDATION:** “That the City Council review and approve the 2009-10 Annual Report of Development Impact Fees as required by the Mitigation Fee Act.”

**JUSTIFICATION:** The Mitigation Fee Act requires an annual report on the receipt, use and retention of development impact fees.

**BACKGROUND/ANALYSIS:** Pursuant to the Mitigation Fee Act (the Act) the City is required to report on the status of its development impact fee (DIF) balances on an annual basis. The report must contain a summary of receipts, disbursements and retention of these funds. In addition, one of the requirements under that Act is that the City expend the DIF collected within five (5) years. If the City fails to do so the City must make certain findings or refund the monies. With respect to a 5 year accumulation of funds, the required findings are as follows:

- Identify the purpose for which funds will be spent
- Indicate that the fee was appropriately charged
- Identify all monies on hand that will go toward certain incomplete improvements
- Identify the expected dates that the City anticipates having all required funding and making the appropriate identified improvements

The City currently has 4 categories of fees that have a 5 year accumulation of funds. In each case, the attached report contains the required findings.

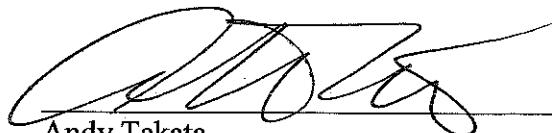
**FISCAL DATA:** None. The attached report contains all required findings.

Report prepared by: Michelle M. Green, Deputy Finance Director

**RECOMMENDED BY:**

**APPROVED BY:**

  
June Overholt  
Administrative Services Director

  
Andy Takata  
City Manager

## 2009-10 ANNUAL REPORT OF DEVELOPMENT IMPACT FEES

Pursuant to Government Code Section 66006, the following report on the receipt, use and retention of development impact fees for fiscal year 2009-10 is hereby presented to the City Council for review and approval.

**Police Facilities Development Fund** - To account for development impact fees levied for the purpose of acquisition and expansion of police facilities.

Beginning Balance at 07/01/09	\$	15,958
Receipts		3,132
Disbursements		<u>-0-</u>
Ending Balance at 06/30/10	\$	19,090

Receipts include \$2,944 of fees and \$188 of interest income.

The balance is committed to reimburse expenses to build police facilities and to purchase police vehicles.

Funds unexpended or uncommitted for five years or more: None

**Fire Facilities Development Fund** - To account for development impact fees levied for the purpose of acquisition and expansion of fire facilities.

Beginning Balance at 07/01/09	\$	896,001
Receipts		20,247
Disbursements		<u>-0-</u>
Ending Balance at 06/30/10	\$	916,248

Receipts include \$10,960 of fees and \$9,287 of interest income.

Funds unexpended or uncommitted for five years or more: \$639,472

The City's Capital Improvement Plan (CIP) includes relocating a portion of its fire personnel to a building that was previously being occupied by police dispatch. The building would need to be remodeled in certain areas to restore it to a functional fire station. Although the costs associated with any remodel are expected to be significant, there is currently no certain timeframe or current cost estimate for the above. The above fees were appropriately charged and collected for the identified improvement.

**Traffic Control Facilities Fund** - To account for development impact fees levied for the purpose of constructing and installing new traffic signals.

Beginning Balance at 07/01/09	\$	372,394
Receipts		11,216
Disbursements		<u>-0-</u>
Ending Balance at 06/30/10	\$	383,610

Receipts include \$7,344 of fees and \$3,872 of interest income.

Funds unexpended or uncommitted for five years or more: \$206,448

Due to the economic downturn that has existed since 2008, the level of new development has not dictated the need for the anticipated number of traffic signals. Once development related activity increases, the above funds will be spent on eligible improvements. The above fees were appropriately charged and collected for the identified improvement.

**General Government Facilities Fund** - To account for development impact fees levied for the purpose of constructing and making improvements to City facilities that are not part of the City's enterprise fund operations.

Beginning Balance at 07/01/09	\$	454,057
Receipts		8,629
Disbursements		<u>-0-</u>
Ending Balance at 06/30/10	\$	462,686

Receipts include \$3,936 of fees and \$4,693 of interest income.

Funds unexpended or uncommitted for five years or more: \$326,874

The funds are committed to improvements to the City's animal control facility. The City has made minor improvements to the facility and is considering other more significant improvements; however a definitive timeline has not been established. Current estimates indicate that improvements required to bring the facility in full compliance with State law are approximately \$600,000. The City is still working to identify the balance of the funding. The above fees were appropriately charged and collected for the identified improvement.

**Park Development Fund** - To account for development impact fees levied for the purpose of funding the acquisition and development of park facilities.

Beginning Balance at 07/01/09	\$	249,562
Receipts		3,465
Disbursements		<u>(73,557)</u>
Ending Balance at 06/30/10	\$	179,470

Receipts include \$1,233 of fees and \$2,232 of interest income.

Disbursements consisted of costs for professional services related to the parks master plan and landscape improvements at Replier Park.

Funds unexpended or uncommitted for five years or more: None

In the 2009-10 budget, \$232,971 in appropriations were carried forward from FY 2008-09. Approximately \$132,299 remained at year end and will be carried forward to FY 2010-11. The projects include updating the City's parks master plan as well as improvements to Replier Park. The above fees were appropriately charged and collected for the identified services and improvements.

**Water Capital Facilities Fees Fund** - To account for development impact fees levied for the purpose of funding the initial cost of new water facilities to meet the water demand of new users.

Beginning Balance at 07/01/09	\$	4,792,371
Receipts		78,981
Disbursements		(188,189)
Ending Balance at 06/30/10	\$	4,683,163

Receipts include \$30,808 of fees and \$48,173 of interest income.

Disbursements consisted of payments related to the relocation of the S.C.E. transmission facility as well as engineering related to replacement of water lines.

Funds unexpended or uncommitted for five years or more: None

**Wastewater Capital Facilities Fees Fund** - To account for development impact fees levied for the purpose of the initial cost of sewerage capacity to meet the service demand of new users.

Beginning Balance at 07/01/09	\$	10,486,747
Receipts		505,206
Disbursements		-0-
Ending Balance at 06/30/10	\$	10,991,953

Receipts include \$46,630 of fees, \$348,182 of tertiary surcharges and \$110,394 of interest income.

Funds unexpended or uncommitted for five years or more: \$6,800,444

The City is in the design stage of an upgrade to the wastewater treatment plant. This upgrade will significantly increase the capacity of the facility. The estimated cost of the project is excess of \$20 million. The estimated completion date is in 2011. The City has earmarked all of its wastewater capital facilities fees for this project. In addition, the City



has earmarked \$5 million in bonds proceeds and is actively pursuing low interest loans and grants through the State programs to assist in the funding. The above fees were appropriately charged and collected for the identified improvement.

## CITY COUNCIL AGENDA

**Date:** January 11, 2010  
**TO:** City Council  
**FROM:** June Overholt, Administrative Services Director/Deputy City Manager  
**SUBJECT:** Report of Investments for October 2010

**RECOMMENDATION:** "The City Council receive and place these required monthly *Reports of Investments* on file."


**JUSTIFICATION:** State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

**BACKGROUND:** This report includes investments on hand at the end of October 2010. As of October 31, 2010, the City's operating funds totaled \$68,357,360. Included in operating funds is \$3,053,421 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of October 31, 2010 approximately 41% of the City's unrestricted cash balances were invested in investments other than LAIF.

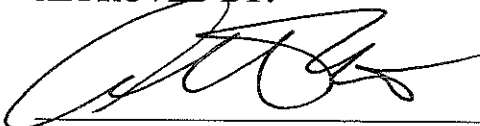
Presented are three months of Investment Reports. October is a first issue, while August and September are included to provide multiple months of statements for comparison.

**FISCAL DATA:** The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.480 % in October. The average rate for all investments in October was 0.681%.

**RECOMMENDED BY:**

  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

  
Andy Takata  
City Manager

**Summary Schedule of Cash and Investments****Operating Funds**Petty Cash

Amount

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000% 104,656

Wells Fargo Bank-Investment Account

0.100% 1,035,167

Bank of America-Airport

0.300% 7,007

Bank of America-Parking Citations

0.300% 3,465

Bank of America-CNG Station

0.300% 4,421

*Money Market and Bank Account Sub-Total*

1,154,716

Government Pools

Local Agency Investment Fund: Account #1

0.480% 31,370,908

Account #2 Operating Amount 6,344,477

Account #2 CRA Bond Cash Bal 3,053,421

Local Agency Investment Fund: Account #2

0.480% 9,397,898

*Government Pool Sub-Total*

40,768,806

**Operating Cash Balance****41,925,827**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.050%

1,018,644

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

1.031%

25,412,888

***Operating Funds Total*****68,357,360****Fiscal Agent**

Amount

BNY Western Trust Company

927,597

US Bank

45,658,482

***Fiscal Agent Total*****46,586,079**

## City of Banning Investment Report

October 31, 2010

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
104,656	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	104,656	n/a	104,656
1,035,167	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,035,167	n/a	1,035,167
7,007	Bank of America-Airport	n/a	0.30%	daily	varies	7,007	n/a	7,007
3,465	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,465	n/a	3,465
4,421	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,421	n/a	4,421
Sub-total								
								1,154,716
<u>Government Pools</u>								
31,370,908	L.A.I.F. account #1	n/a	0.480%	daily	varies	31,370,908	n/a	31,370,908
9,397,898	L.A.I.F. account #2	n/a	0.480%	daily	varies	9,397,898	n/a	9,397,898
Sub-total								
								40,768,806
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		2,001,260
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,999,070
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,004,380
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,001,110
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,016,890
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,006,120
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,007,440
Sub-total								
4,376,618	Money Market	n/a	0.000%	daily	varies	4,376,618	0	4,376,618
Sub-total								
								25,412,888
<u>US Bank/Piper Jaffray Average Rate=</u>								
			1.031%					

Average Rate All= 0.681%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 27, 2010. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 322 days and does not include Bond Reserve Fund Investments.

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## City of Banning Investment Report

October 31, 2010

## Individual Investments with Fiscal Agent

Bond Issue Description BNY WESTERN TRUST COMPANY	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Bond Reserve	Minimum Reserve Requirement	Interest Oct-10	10/31/2010 Market Value
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375		*	522,562 405,035
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580		4.50	265,594
		US Bank Mmkt 4-Ct	0.390%	daily			1.28	3
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943		31.78	189,362
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.870%	7/29/2010	971,763			989,739
		US Bank Mmkt 4-Ct	0.200%	daily			3.41	20,742
		US Bank Mmkt 4-Ct	0.200%	daily			0.02	99
Surplus Fund		US Bank Mmkt 4-Ct	0.025%	daily				8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.200%	daily			1,958.34	11,915,248
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751		308.39	1,876,355
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily			0.02	145
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily				9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily			0.00	133,746
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily			21.80	265,022
		US Bank Mmkt 4-Ct	0.200%	daily			605.34	3,683,122
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily			0.00	811,069
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily			56.34	685,056
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710		380.72	2,311,118
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily			688.94	4,191,784
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily			0.03	171
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500			3,016,509
		US Bank Mmkt 4-Ct	0.190%	daily			0.01	41
Acquisition & Construction		US Bank Mmkt 4-Ct	0.200%	daily			1,267.70	7,303,541
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010				8,000,000
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	46,586,079

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## Summary Schedule of Cash and Investments

**Operating Funds**Petty Cash

Amount
2,305

Bank Accounts

	Interest Rate	Amount
Wells Fargo Bank	0.000%	270,776
Wells Fargo Bank-Investment Account	0.100%	2,028,667
Bank of America-Airport	0.300%	5,376
Bank of America-Parking Citations	0.300%	3,895
Bank of America-CNG Station	0.300%	4,217

Money Market and Bank Account Sub-Total	2,312,931
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Government Pools

Local Agency Investment Fund: Account #1	0.500%	31,330,445
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Account #2 Operating Amount	7,377,627
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Account #2 CRA Bond Cash Bal	3,106,975
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Local Agency Investment Fund: Account #2	0.500%	10,484,602
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Government Pool Sub-Total	41,815,047
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Operating Cash Balance	44,130,283
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.050%	906,774
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	1.362%	25,341,663
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Operating Funds Total	70,378,720
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**Fiscal Agent**

	Amount
BNY Western Trust Company	539,035
US Bank	44,547,865

Fiscal Agent Total	45,086,901
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# City of Banning Investment Report

## Operational Portfolio Individual Investments

September 30, 2010

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
270,776	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	270,776	n/a	270,776
2,028,667	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,028,667	n/a	2,028,667
5,376	Bank of America-Airport	n/a	0.30%	daily	varies	5,376	n/a	5,376
3,895	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,895	n/a	3,895
4,217	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,217	n/a	4,217
Sub-total								2,312,931
<u>Government Pools</u>								
31,330,445	L.A.I.F. account #1	n/a	0.500%	daily	varies	31,330,445	n/a	31,330,445
10,484,602	L.A.I.F. account #2	n/a	0.500%	daily	varies	10,484,602	n/a	10,484,602
								41,815,047
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	1.250%	4/5/2012	4/5/2010	2,000,000		2,000,000
3,000,000	FNMA MTN	n/a	1.550%	10/5/2012	4/5/2010	3,000,000		3,000,000
3,000,000	FNMA MTN	n/a	1.875%	4/8/2013	4/8/2010	3,000,000		3,000,930
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,006,260
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,004,620
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,015,930
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,007,360
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,005,320
1,301,243	Money Market	n/a	0.000%	daily	varies	1,301,243	0	1,301,243
US Bank/Piper Jaffray Average Rate=								25,341,663
Average Rate All=								0.800%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 27, 2010. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 333 days and does not include Bond Reserve Fund Investments.

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## City of Banning Investment Report

September 30, 2010

## Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Sep-10	9/30/2010 Market Value
Bond Issue Description								
BNY WESTERN TRUST COMPANY								
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*		522,562 16,473
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.78		265,589
		US Bank Mmkt 4-Ct	0.000%	daily		1.28		1
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	37.38		189,330
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	0.870%	7/29/2010	971,763			990,272
		US Bank Mmkt 4-Ct	0.200%	daily		8.96		20,738
		US Bank Mmkt 4-Ct	0.200%	daily		3.68		99
Surplus Fund		US Bank Mmkt 4-Ct	0.025%	daily				8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.200%	daily		2,023.26		11,913,289
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.63		1,876,046
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		5.39		145
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily				9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.00		25
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		22.52		132,588
		US Bank Mmkt 4-Ct	0.200%	daily		625.41		3,682,517
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02		108
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		58.21		342,727
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	393.34		2,316,074
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		711.78		4,191,095
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.03		171
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500			3,016,550
		US Bank Mmkt 4-Ct	0.190%	daily		0.01		41
Acquisition & Construction		US Bank Mmkt 4-Ct	0.200%	daily		1,361.17		7,610,440
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010				8,000,000
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	5,575.85 45,086,901

**Summary Schedule of Cash and Investments****Operating Funds**Petty Cash

Amount

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000% 263,597

Wells Fargo Bank-Investment Account

0.100% 894,318

Bank of America-Airport

0.300% 3,671

Bank of America-Parking Citations

0.300% 3,080

Bank of America-CNG Station

0.300% 3,313

*Money Market and Bank Account Sub-Total*

1,167,979

Government Pools

Local Agency Investment Fund: Account #1

0.513% 31,330,445

Account #2 Operating Amount 8,366,913

Account #2 CRA Bond Cash Bal 3,117,689

Local Agency Investment Fund: Account #2

0.513% 11,484,602

*Government Pool Sub-Total*

42,815,047

**Operating Cash Balance**

43,985,330

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.050%

887,303

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

1.178%

25,346,683

*Operating Funds Total*70,219,317**Fiscal Agent**

Amount

BNY Western Trust Company

539,035

US Bank

45,150,268

*Fiscal Agent Total*45,689,303

## City of Banning Investment Report

August 31, 2010

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
263,597	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	263,597	n/a	263,597
894,318	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	894,318	n/a	894,318
3,671	Bank of America-Airport	n/a	0.30%	daily	varies	3,671	n/a	3,671
3,080	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,080	n/a	3,080
3,313	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,313	n/a	3,313
Sub-total								1,167,979
<u>Government Pools</u>								
31,330,445	L.A.I.F. account #1	n/a	0.513%	daily	varies	31,330,445	n/a	31,330,445
11,484,602	L.A.I.F. account #2	n/a	0.513%	daily	varies	11,484,602	n/a	11,484,602
								42,815,047
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	1.250%	4/5/2012	4/5/2010	2,000,000		2,001,260
3,000,000	FNMA MTN	n/a	1.550%	10/5/2012	4/5/2010	3,000,000		3,002,820
3,000,000	FNMA MTN	n/a	1.858%	4/8/2013	4/8/2010	3,000,000		3,003,750
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,007,500
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,008,130
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,013,140
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,008,840
5,301,243	Money Market	n/a	0.000%	daily	varies	5,301,243	0	5,301,243
US Bank/Piper Jaffray Average Rate=								25,346,683
Average Rate All=								0.748%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 27, 2010. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 282 days and does not include Bond Reserve Fund Investments.



## City of Banning Investment Report

August 31, 2010

## Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Aug-10	8/31/2010 Market Value
<b>BNY WESTERN TRUST COMPANY</b>							
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*	522,562 16,473
<b>US BANK</b>							
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65	265,585
		US Bank Mmkt 4-Ct	0.180%	daily			27
		US Bank Mmkt 4-Ct	0.200%	daily			233,323
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	36.85	309,956
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	0.870%	7/29/2010	971,763		990,737
		US Bank Mmkt 4-Ct	0.200%	daily		19.89	20,729
		US Bank Mmkt 4-Ct	0.200%	daily		95.19	95
Surplus Fund		US Bank Mmkt 4-Ct	0.025%	daily			8
<b>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007</b>							
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.200%	daily		2,022.93	11,911,266
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.98	1,875,728
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		139.51	140
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily			9
<b>BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.00	25
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		22.51	132,565
		US Bank Mmkt 4-Ct	0.200%	daily		625.31	3,681,891
<b>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	108
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		58.20	342,669
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	393.28	2,315,681
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		711.67	4,190,384
<b>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</b>							
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.03	171
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500	0.00	3,016,509
		US Bank Mmkt 4-Ct	0.190%	daily		0.01	41
Acquisition & Construction		US Bank Mmkt 4-Ct	0.200%	daily		1,352.72	7,862,621
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010			8,000,000
<b>Total</b>						<b>5,801.75</b>	<b>45,689,303</b>

\*Paid Semi-Annually-Deposited into Money Mkt Account

## CITY COUNCIL AGENDA

**Date:** January 11, 2010  
**TO:** City Council  
**FROM:** June Overholt, Administrative Services Director/Deputy City Manager  
**SUBJECT:** Report of Investments for November 2010

**RECOMMENDATION:** "The City Council receive and place these required monthly *Reports of Investments* on file."


**JUSTIFICATION:** State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

**BACKGROUND:** This report includes investments on hand at the end of November 2010. As of November 30, 2010, the City's operating funds totaled \$66,684,759. Included in operating funds is \$2,943,681 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of November 30, 2010 approximately 43% of the City's unrestricted cash balances were invested in investments other than LAIF.


Presented are three months of Investment Reports. November is a first issue, while September and October are included to provide multiple months of statements for comparison.

**FISCAL DATA:** The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.454 % in November. The average rate for all investments in November was 0.582%.

**RECOMMENDED BY:**

  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

  
Andy Takata  
City Manager

**Summary Schedule of Cash and Investments****Operating Funds**Petty CashAmount

2,305

Bank Accounts

Interest

RateAmount

Wells Fargo Bank

0.000% 209,571

Wells Fargo Bank-Investment Account

0.100% 1,519,846

Bank of America-Airport

0.300% 3,494

Bank of America-Parking Citations

0.300% 3,156

Bank of America-CNG Station

0.300% 3,316*Money Market and Bank Account Sub-Total*

1,739,383

Government Pools

Local Agency Investment Fund: Account #1

0.454% 31,370,908

Account #2 Operating Amount 4,154,217

Account #2 CRA Bond Cash Bal 2,943,681

Local Agency Investment Fund: Account #2

0.454% 7,097,898*Government Pool Sub-Total*38,468,806**Operating Cash Balance****40,210,494**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.040%

1,072,592

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

0.809%

25,401,673

*Operating Funds Total*66,684,759**Fiscal Agent**Amount

BNY Western Trust Company

538,762

US Bank

44,822,244*Fiscal Agent Total*45,361,006

## City of Banning Investment Report

November 30, 2010

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
209,571	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	209,571	n/a	209,571
1,519,846	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,519,846	n/a	1,519,846
3,494	Bank of America-Airport	n/a	0.30%	daily	varies	3,494	n/a	3,494
3,156	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,156	n/a	3,156
3,316	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,316	n/a	3,316
Sub-total								
								1,739,383
<u>Government Pools</u>								
31,370,908	L.A.I.F. account #1	n/a	0.454%	daily	varies	31,370,908	n/a	31,370,908
7,097,898	L.A.I.F. account #2	n/a	0.454%	daily	varies	7,097,898	n/a	7,097,898
Sub-total								
								38,468,806
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		1,996,260
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,978,430
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,002,500
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,012,180
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,003,560
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,004,000
Sub-total								
								15,996,330
7,404,743	Money Market	n/a	0.000%	daily	varies	7,404,743	0	7,404,743
Sub-total								
								7,404,743
US Bank/Piper Jaffray Average Rate=								
								25,401,673

Average Rate All= 0.582%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 27, 2010. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 280 days and does not include Bond Reserve Fund Investments.

## City of Banning Investment Report

November 30, 2010

## Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Nov-10	11/30/2010 Market Value
BNY WESTERN TRUST COMPANY								
Bond Issue Description	1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.000%	11/1/2020 daily	522,375	16,200.29 *	522,562 16,200
US BANK								
1991 Wilson St. Assessment District		2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.65	265,599
			US Bank Mmkt 4-Ct	0.390%	daily		0.00	3
2005 Fair Oaks Ranch Estates		2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	32.16	189,394
2003 CRA Tax Allocation Bonds		2028	U S Treasury Bill	0.870%	7/29/2010	971,763		989,116
			US Bank Mmkt 4-Ct	0.200%	daily		3.52	20,745
			US Bank Mmkt 4-Ct	0.200%	daily		0.02	99
Surplus Fund			US Bank Mmkt 4-Ct	0.025%	daily			8
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund		2037	US Bank Mmkt 4-Ct	0.200%	daily		2,023.93	11,917,272
Reserve Fund			US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.72	1,876,673
Special Fund			US Bank Mmkt 4-Ct	0.200%	daily		0.02	145
Surplus Fund			US Bank Mmkt 4-Ct	0.210%	daily			9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund			US Bank Mmkt 4-Ct	0.140%	daily		7.33	7
Interest Account			US Bank Mmkt 4-Ct	0.230%	daily		8.75	9
Principal Account			US Bank Mmkt 4-Ct	0.190%	daily		30.51	52
			US Bank Mmkt 4-Ct	0.200%	daily		625.62	3,683,748
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund			US Bank Mmkt 4-Ct	0.200%	daily		44.44	44
Interest Account			US Bank Mmkt 4-Ct	0.210%	daily		37.75	38
Principal Account			US Bank Mmkt 4-Ct	0.200%	daily		78.86	135
Reserve Fund			US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	393.18	2,311,511
Project Fund			US Bank Mmkt 4-Ct	0.200%	daily		712.02	4,192,496
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Reserve Fund			US Bank Mmkt 4-Ct	0.200%	daily		0.03	942,777
			Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509
			US Bank Mmkt 4-Ct	0.200%	daily		0.01	55,136
Acquisition & Construction			US Bank Mmkt 4-Ct	0.200%	daily		1,247.34	15,360,718
			Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010		39,970.85	0
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	45,361,006

\*Paid Semi-Annually-Deposited into Money Mkt Account



**Summary Schedule of Cash and Investments****Operating Funds**Petty Cash

Amount

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000% 104,656

Wells Fargo Bank-Investment Account

0.100% 1,035,167

Bank of America-Airport

0.300% 7,007

Bank of America-Parking Citations

0.300% 3,465

Bank of America-CNG Station

0.300% 4,421

*Money Market and Bank Account Sub-Total*

1,154,716

Government Pools

Local Agency Investment Fund: Account #1

0.480% 31,370,908

Account #2 Operating Amount 6,344,477

Account #2 CRA Bond Cash Bal 3,053,421

Local Agency Investment Fund: Account #2

0.480% 9,397,898

*Government Pool Sub-Total*

40,768,806

**Operating Cash Balance****41,925,827**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.050%

1,018,644

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

1.031%

25,412,888

*Operating Funds Total***68,357,360****Fiscal Agent**

Amount

BNY Western Trust Company

927,597

US Bank

45,658,482

*Fiscal Agent Total***46,586,079**

## City of Banning Investment Report

October 31, 2010

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
104,656	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	104,656	n/a	104,656
1,035,167	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,035,167	n/a	1,035,167
7,007	Bank of America-Airport	n/a	0.30%	daily	varies	7,007	n/a	7,007
3,465	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,465	n/a	3,465
4,421	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,421	n/a	4,421
Sub-total								
								1,154,716
<u>Government Pools</u>								
31,370,908	L.A.I.F. account #1	n/a	0.480%	daily	varies	31,370,908	n/a	31,370,908
9,397,898	L.A.I.F. account #2	n/a	0.480%	daily	varies	9,397,898	n/a	9,397,898
40,768,806								
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		2,001,260
3,000,000	FNMA MTN	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,999,070
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,004,380
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,001,110
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,016,890
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,006,120
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,007,440
4,376,618	Money Market	n/a	0.000%	daily	varies	4,376,618	0	4,376,618
US Bank/Piper Jaffray Average Rate=								
			1.031%					25,412,888

Average Rate All= 0.681%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 27, 2010. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 322 days and does not include Bond Reserve Fund Investments.

## City of Banning Investment Report

October 31, 2010

## Individual Investments with Fiscal Agent

Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Oct-10	10/31/2010 Market Value
<b>BNY WESTERN TRUST COMPANY</b>							
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*	522,562 405,035
<b>US BANK</b>							
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.50	265,594
		US Bank Mmkt 4-Ct	0.390%	daily		1.28	3
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	31.78	189,362
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.870%	7/29/2010	971,763		989,739
		US Bank Mmkt 4-Ct	0.200%	daily		3.41	20,742
		US Bank Mmkt 4-Ct	0.200%	daily		0.02	99
Surplus Fund		US Bank Mmkt 4-Ct	0.025%	daily			8
<b>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007</b>							
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.200%	daily		1,958.34	11,915,248
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	308.39	1,876,355
Special Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.02	145
Surplus Fund		US Bank Mmkt 4-Ct	0.210%	daily			9
<b>BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.00	133,746
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		21.80	265,022
		US Bank Mmkt 4-Ct	0.200%	daily		605.34	3,683,122
<b>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Bond Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.00	811,069
Principal Account		US Bank Mmkt 4-Ct	0.200%	daily		56.34	685,056
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	380.72	2,311,118
Project Fund		US Bank Mmkt 4-Ct	0.200%	daily		688.94	4,191,784
<b>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</b>							
Reserve Fund		US Bank Mmkt 4-Ct	0.200%	daily		0.03	171
		Reliance Trust Company # 9AMGGBEZ7	3.650%	11/17/2011	2,961,500		3,016,509
		US Bank Mmkt 4-Ct	0.190%	daily		0.01	41
Acquisition & Construction		US Bank Mmkt 4-Ct	0.200%	daily		1,267.70	7,303,541
		Reliance Trust Co C D #7AMCD49F7	0.500%	11/18/2010			8,000,000
<b>*Paid Semi-Annually-Deposited into Money Mkt Account</b>						<b>Total</b>	<b>5,328.62</b>
							<b>46,586,079</b>

**Summary Schedule of Cash and Investments****Operating Funds**Petty Cash

Amount

2,305

Bank Accounts

Interest

Rate

Amount

Wells Fargo Bank

0.000%

270,776

Wells Fargo Bank-Investment Account

0.100%

2,028,667

Bank of America-Airport

0.300%

5,376

Bank of America-Parking Citations

0.300%

3,895

Bank of America-CNG Station

0.300%

4,217

*Money Market and Bank Account Sub-Total*

2,312,931

Government Pools

Local Agency Investment Fund: Account #1

0.500%

31,330,445

Account #2 Operating Amount

7,377,627

Account #2 CRA Bond Cash Bal

3,106,975

Local Agency Investment Fund: Account #2

0.500%

10,484,602

*Government Pool Sub-Total*

41,815,047

**Operating Cash Balance****44,130,283**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund

0.050%

906,774

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2

1.362%

25,341,663

*Operating Funds Total***70,378,720****Fiscal Agent**

Amount

BNY Western Trust Company

539,035

US Bank

44,547,865

*Fiscal Agent Total***45,086,901**

# City of Banning Investment Report

## Operational Portfolio Individual Investments

September 30, 2010

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
270,776	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	270,776	n/a	270,776
2,028,667	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,028,667	n/a	2,028,667
5,376	Bank of America-Airport	n/a	0.30%	daily	varies	5,376	n/a	5,376
3,895	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,895	n/a	3,895
4,217	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,217	n/a	4,217
Sub-total								
								2,312,931
<u>Government Pools</u>								
31,330,445	L.A.I.F. account #1	n/a	0.500%	daily	varies	31,330,445	n/a	31,330,445
10,484,602	L.A.I.F. account #2	n/a	0.500%	daily	varies	10,484,602	n/a	10,484,602
41,815,047								
<u>Investments-US Bank/Piper Jaffray</u>								
2,000,000	FNMA MTN	n/a	1.250%	4/5/2012	4/5/2010	2,000,000		2,000,000
3,000,000	FNMA MTN	n/a	1.550%	10/5/2012	4/5/2010	3,000,000		3,000,000
3,000,000	FNMA MTN	n/a	1.875%	4/8/2013	4/8/2010	3,000,000		3,000,930
2,000,000	Federal Home Loan Banks	n/a	1.625%	1/7/2013	4/7/2010	2,000,000		2,006,260
3,000,000	FHLMC MTN	n/a	1.875%	5/10/2013	5/10/2010	3,000,000		3,004,620
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,015,930
4,000,000	FHLMC MTN	n/a	1.150%	4/26/2013	7/26/2010	4,000,000		4,007,360
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,005,320
1,301,243	Money Market	n/a	0.000%	daily	varies	1,301,243	0	1,301,243
25,341,663								
<u>US Bank/Piper Jaffray Average Rate=</u>								
			1.362%					

Average Rate All= 0.800%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 27, 2010. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 333 days and does not include Bond Reserve Fund Investments.

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## City of Banning Investment Report

September 30, 2010

## Individual Investments with Fiscal Agent

TRUSTEE		Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Sep-10	9/30/2010 Market Value
BNY WESTERN TRUST COMPANY								
Bond Issue Description		2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	*	522,562 16,473
US BANK								
1991 Wilson St. Assessment District		2012	AIM U.S. Treasury Money Market US Bank Mmkt 4-Ct	0.200% 0.000%	daily daily	265,580	4.78 1.28	265,589 1
2005 Fair Oaks Ranch Estates		2035	US Bank Mmkt 4-Ct	0.200%	daily	188,943	37.38	189,330
2003 CRA Tax Allocation Bonds		2028	U S Treasury Bill US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.870% 0.200% 0.200% 0.200% 0.025%	7/29/2010 daily daily daily daily	971,763	 8.96 3.68  8	990,272 20,738 99 8
Surplus Fund								
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund		2037	US Bank Mmkt 4-Ct	0.200%	daily		2,023.26	11,913,289
Reserve Fund			US Bank Mmkt 4-Ct	0.200%	daily	1,880,751	318.63	1,876,046
Special Fund			US Bank Mmkt 4-Ct	0.200%	daily		5.39	145
Surplus Fund			US Bank Mmkt 4-Ct	0.210%	daily			9
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund			US Bank Mmkt 4-Ct	0.200%	daily		0.00	25
Principal Account			US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.200% 0.200%	daily daily		22.52 625.41	132,588 3,682,517
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund			US Bank Mmkt 4-Ct	0.200%	daily		0.02	108
Principal Account			US Bank Mmkt 4-Ct	0.200%	daily		58.21	342,727
Reserve Fund			US Bank Mmkt 4-Ct	0.200%	daily	2,310,710	393.34	2,316,074
Project Fund			US Bank Mmkt 4-Ct	0.200%	daily		711.78	4,191,095
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Reserve Fund			US Bank Mmkt 4-Ct Reliance Trust Company # 9AMGGBEZ7 US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct Reliance Trust Co C D #7AMCD49F7	0.200% 3.650% 0.190% 0.200% 0.500%	daily 11/17/2011 daily daily 11/18/2010	2,961,500	0.03  0.01 1,361.17	171 3,016,550 41 7,610,440 8,000,000
Acquisition & Construction								
*Paid Semi-Annually-Deposited into Money Mkt Account							Total	45,086,901

\*Paid Semi-Annually-Deposited into Money Mkt Account

**RESOLUTION NO. 2011-06**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BANNING DECLARING THE EXISTENCE OF A LOCAL  
EMERGENCY UNDER GOVERNMENT CODE SECTION 8630  
AND CHAPTER 2.48, DISASTER OPERATIONS AND RELIEF  
OF THE CITY OF BANNING MUNICIPAL CODE.**

**WHEREAS**, Chapter 2.48, Section 2.48.060 of the Municipal Code of the City of Banning empowers the Director of Emergency Services to proclaim the existence or threatened existence of a disaster or an emergency, and the termination thereof; and

**WHEREAS**, the City Council of the City of Banning has been requested by the Director of Emergency Services of said City to confirm the existence of a local emergency therein; and

**WHEREAS**, on December 22, 2010, the Director of Emergency Services of the City of Banning, Andy Takata, signed a Proclamation of Existence of a Local Emergency, declaring a local emergency due to a natural disaster caused by a severe rain event; and

**WHEREAS**, said City Council does hereby find that:

1. The conditions of extreme peril to the safety of persons and property have arisen within said City, caused by severe rain storms commencing on or about December 22, 2010; and
2. The conditions of extreme peril warrant and necessitate the proclamation of the existence of a local emergency;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BANNING THAT:**

1. A local emergency now exists throughout said City;
2. It is ordered that during the existence of said local emergency the powers, functions and duties of the Director of Emergency Services and the emergency organization of this city shall be those prescribed by state law, by ordinances, and resolutions of this city approved by the City Council; and
3. It is further proclaimed and ordered that said local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of Banning.

**PASSED, APPROVED AND ADOPTED** this 11<sup>th</sup> day of January, 2011.

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Barbara Hanna, Mayor

APPROVED AS TO FORM  
AND LEGAL CONTENT:

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

ATTEST:

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Marie A. Calderon  
City Clerk

CERTIFICATION:

I, Marie A. Calderon, City Clerk for the City of Banning, California do hereby certify that the foregoing Resolution No. 2011-06 was duly adopted by the City Council of the City of Banning at a regular meeting thereof held on the 11<sup>th</sup> day of January, 2011, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

CITY OF BANNING  
STATE OF CALIFORNIA

PROCLAMATION OF A LOCAL EMERGENCY  
BY THE DIRECTOR OF EMERGENCY SERVICES

WHEREAS, Ordinance No. 1378 of the City of Banning empowers the Director of Emergency Services to proclaim the existence of a "Local Emergency" when the Board of supervisors is not in session; and

WHEREAS, the Director of Emergency Services finds:

That at the time of this proclamation the City Council is not in session; and,

That conditions of extreme peril to the safety of persons and property have arisen within the City of Banning caused by severe winter storms, resulting in subsequent flooding, rockslides and road closures; and,

There exists an imminent threat to life, property and critical infrastructure; and,

Limited resources within the City are available due to the number of ongoing incidents throughout Riverside County; and,

State Resources have been called upon to assist in flood fighting efforts and to clear blocked roadways; and,

Evacuation of critical facilities and citizens are possible; and,

Communities in the unincorporated areas could be isolated; and,

That the aforementioned conditions of extreme peril warrant and necessitate the proclamation of a "Local Emergency".

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that a "Local Emergency" exists throughout the City of Banning; and,

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said "Local Emergency", the powers, functions and duties of the Director of Emergency Services and the Emergency Management Organization of this County shall be those prescribed by State law and the charter, ordinances, resolutions and approved plans of the City of Banning in order to mitigate the effects of said "Local Emergency"; and,

IT IS FURTHER PROCLAIMED AND ORDERED that said "Local Emergency" shall be deemed to continue to exist for the next fourteen days; and, thereafter by ratification of the City of Banning, until its termination is proclaimed by the City Council of the City of Banning; and,

IT IS FURTHER PROCLAIMED AND ORDERED that a copy of this proclamation be forwarded to the Governor of California with the request that he proclaim the existence of a State of Emergency throughout Riverside County and that the Governor request a Presidential Declaration.



Director of Emergency Services  
City of Banning

Dated: December 22, 2010

**CITY COUNCIL/BANNING UTILITY AUTHORITY JOINT MEETING  
AGENDA**

**DATE:** January 11, 2011

**TO:** Banning Utility Authority

**FROM:** Duane Burk, Director of Public Works

**SUBJECT:** Utility Authority Resolution No. 2011-01UA, "Awarding the Contract for Project No. 2010-01WW, 'Iron Sponge Media and Granulated Activated Carbon Drum Filter Replacement'"

**RECOMMENDATION:** Adopt Resolution No. 2011-01UA awarding the Contract for Project No. 2010-01WW, "Iron Sponge Media and Granulated Activated Carbon Drum Filter Replacement," to Prominent Systems Inc. of City of Industry, California for an amount "Not to Exceed" \$39,700.00.

**JUSTIFICATION:** Prominent Systems Inc. is the lowest responsive and responsible bidder to perform the work for the City of Banning's Project No. 2010-01WW "Iron Sponge Media and Granulated Activated Carbon Drum Filter Replacement". It is imperative that the scope of work for this project be completed in order to reduce hydrogen sulfite gases produced at the Wastewater Treatment Plant and to meet Air Quality Management District (AQMD) requirements.

**BACKGROUND:** United Water Services, the City's Wastewater Treatment Plant Operator, has informed staff that the current iron sponge media and the Granulated Activated Carbon (GAC) drum filters are nearing the end of their service life. The iron sponge media, last replaced in November of 2007, removes hydrogen sulfite which is a highly corrodible and odorous gas. The GAC drum filters were installed in October of 2005 when the treatment plant's gas flare was outdated and taken out of service. The drum filters remove certain compounds in order to meet requirements set forth by the AQMD.

On November 22, 2010 staff solicited Request for Proposals from the following four companies, all of which are capable of providing the required services: Southland Water Technologies, J.R. Filanc Construction, Westtek Inc. and Prominent Systems Inc.. Of the four companies, Prominent Systems Inc. was the only one to submit a proposal:

<u>NAME OF FIRM</u>	<u>PROPOSAL AMOUNT</u>
1. Prominent Systems Inc.	\$39,700.00


The scope of work for this project will include the removal and disposal of the existing iron sponge media, painting of the iron sponge vessels, replacement of neoprene gaskets, removal and disposal of the existing GAC drums and the installation of new GAC drum filters.

Resolution No. 2011-01UA



**FISCAL DATA:** The total project cost is \$43,670.00, which includes a 10% construction contingency. Funding for the project is available in the Wastewater Capital Facility Fund, Account No. 681.8000-454.95-12 (Treatment Plant Improvements), which currently holds a balance of \$100,000.00.

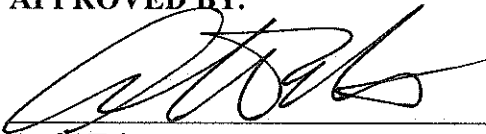
**RECOMMENDED BY:**

  
Duane Burk  
Director of Public Works

**REVIEWED BY:**

\_\_\_\_\_  
June Overholt  
Administrative Services Director

**APPROVED BY:**

  
Andy Takata  
City Manager

## RESOLUTION NO. 2011-01UA

### A RESOLUTION OF THE CITY COUNCIL OF THE BANNING UTILITY AUTHORITY OF THE CITY OF BANNING, CALIFORNIA, AWARDING THE CONTRACT FOR PROJECT NO. 2010-01WW, "IRON SPONGE MEDIA AND GRANULATED ACTIVATED CARBON DRUM FILTER REPLACEMENT"

**WHEREAS**, United Water Services, the City's Wastewater Treatment Plant Operator, has informed staff that the current iron sponge media and the Granulated Activated Carbon (GAC) drum filters are nearing the end of their service life; and

**WHEREAS**, the iron sponge media was last replaced in November of 2007 and the GAC drum filters were installed in October of 2005; and

**WHEREAS**, these improvements are required in order to remove highly corrodible and odorous gases and to also meet requirements set forth by the Air Quality Management District (AQMD); and

**WHEREAS**, Prominent Systems Inc. from City of Industry, California, is the lowest responsible bidder; and

**WHEREAS**, funding is currently available in the Wastewater Capital Facility Fund, Account No. 681.8000-454.95-12 (Treatment Plant Improvements), which currently holds a balance of \$100,000.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Banning Utility Authority of the City of Banning as follows:

**Section I.** Award the Contract for Project No. 2010-01WW, "Iron Sponge Media and Granulated Activated Carbon Drum Filter Replacement" to Prominent Systems Inc. of City of Industry, California, for an amount "Not to Exceed" \$39,700.00.

**Section II.** Authorize the City Manager to execute the Contract agreement with Prominent Systems Inc. of City of Industry, California for Project No. 2010-01WW, "Iron Sponge Media and Granulated Activated Carbon Drum Filter Replacement". This authorization will be rescinded if the contract agreement is not executed by both parties within sixty (60) days of the date of this resolution.

**PASSED, ADOPTED AND APPROVED** this 11<sup>th</sup> day of January, 2011.

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Barbara Hanna, Chairman  
Banning Utility Authority

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, Secretary

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

\_\_\_\_\_  
David J. Aleshire, Authority Counsel  
Aleshire & Wynder, LLP

**CERTIFICATION:**

I, Marie A. Calderon, Secretary to the Utility Authority of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-01UA, was duly adopted by the Banning Utility Authority of the City of Banning, California, at its joint meeting thereof held on the 11<sup>th</sup> day of January, 2011.

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Marie A. Calderon, Secretary  
Banning Utility Authority

**CITY COUNCIL AGENDA  
BANNING UTILITY AUTHORITY AGENDA**

**Date:** January 11, 2011

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

**FROM:** June Overholt, Administrative Services Director/Deputy City Manager

**SUBJECT:** Resolutions Authorizing the Amendment of the Fiscal Year 2009-10 Budget to Include Certain Necessary Adjustments and the Fiscal Year 2010-11 Budget to Include Encumbrance Carryovers and Continuing Appropriations of Certain Unexpended Fiscal Year 2009-10 Appropriations and Associated Revenues

**RECOMMENDATION:**

1. "The City Council of The City of Banning adopt Resolution 2011-05 Authorizing the Amendment of the Fiscal Year 2009-10 Budget to Include Certain Necessary Adjustments and the Fiscal Year 2010-11 Budget to Include Encumbrance Carryovers and Continuing Appropriations of Certain Unexpended Fiscal Year 2009-10 Appropriations and Associated Revenues"
2. "The Banning Utility Authority of The City of Banning adopt Resolution 2011-02UA Authorizing Amendments of the Fiscal Year 2010-11 Water and Wastewater Budgets to Include Encumbrance Carryovers and Continuing Appropriations of Certain Unexpended Fiscal Year 2009-10 Appropriations"

**JUSTIFICATION:** At the end of fiscal year 2009-10 several budgeted projects had not been fully completed for a variety of reasons. In addition, in many cases funds had been encumbered (i.e. committed via purchase order toward a specific item or project) but not yet expended. In preparation of the 2010-11 Budget, departments were instructed not to include previously approved appropriations or encumbered items in their upcoming fiscal year requests in order to avoid the "double" budgeting of expenditures. However, these items (continuing appropriations and encumbrances) were accounted for in available fund projections and thus will not impact previously presented 2010-11 fund balances. Allowing for the carryover of unexpended funds that are earmarked for specific purposes facilitates meeting our budgetary goals.

**BACKGROUND & ANALYSIS:** Appropriations which were approved by Council last fiscal year which qualify for a "Continuing Appropriation" status include capital projects, work projects, grant appropriations and other goods and services which have a specific purpose and have not been completed by fiscal year end.

Continuing appropriations and encumbrance carryovers is a standard budgetary method common to many agencies and is authorized by the City's Council approved Budget and Fiscal Administrative Policy. Exhibit A, attachment to Resolution 2011-05 and Resolution 2011-02UA, is a detailed listing of the recommended encumbrance carryovers and continuing appropriations.

In addition, in order to complete the audit, other housekeeping adjustments are deemed necessary to the fiscal year 2009-10 budget to reflect proper budgeting practices. These adjustments are detailed on Exhibit "B".

**FISCAL IMPACT:** Previously approved, unspent appropriations as well as other known budgetary adjustments were accounted for in the Fiscal Year 2010-11 available fund balance projections that were approved during the recent budget process. Therefore, funding for Fiscal Year 2009-10 encumbrance carryovers, continuing appropriations and other recommended adjustments will not impact previously presented projections.

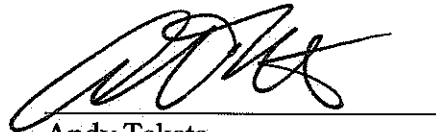
Report prepared by: Michelle M. Green, Deputy Finance Director

RECOMMENDED BY:

APPROVED BY:



June Overholt  
Administrative Services Director/  
Deputy City Manager



Andy Takata  
City Manager



**RESOLUTION NO. 2011-05**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE AMENDMENT OF THE FISCAL YEAR 2009-10 BUDGET TO INCLUDE CERTAIN NECESSARY ADJUSTMENTS AND THE FISCAL YEAR 2010-11 BUDGET TO INCLUDE ENCUMBRANCE CARRYOVERS AND CONTINUING APPROPRIATIONS OF CERTAIN UNEXPENDED FISCAL YEAR 2009-10 APPROPRIATIONS AND ASSOCIATED REVENUES**

**WHEREAS**, Council desires to ensure continuity in accomplishing multi-year objectives by continuing unspent approved Fiscal Year 2009-10 budgeted items and/or services into Fiscal Year 2010-11; and

**WHEREAS**, Departments requesting encumbrance carryovers and continuing appropriations are within their approved budget amounts and the items or services were previously approved in the Fiscal Year 2009-10 Budget; and

**WHEREAS**, adequate balances are available in all funds to support the recommended changes;

**WHEREAS**, Council also desires to make certain other necessary adjustments to Fiscal Year 2009-10 budget as presented in Exhibit "B";

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Banning, California that the budgets for the fiscal year ended June 30, 2011 and June 30, 2010, are amended to include Encumbrance Carryovers, Continuing Appropriations and Associated Revenue Projections as reflected in Exhibit "A", and other adjustments as reflected in Exhibit "B", respectively, and by this reference incorporated herein as though set forth in full.

**PASSED, APPROVED AND ADOPTED** this 11th day of January 2011.

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Barbara Hanna, Mayor  
City of Banning

APPROVED AS TO FORM AND  
LEGAL CONTENT:

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

ATTEST:

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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. 2011-05 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 11th day of January, 2011, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

**RESOLUTION NO. 2011-02UA**

**A RESOLUTION OF THE BANNING UTILITY AUTHORITY OF THE CITY OF BANNING AUTHORIZING AMENDMENTS OF THE FISCAL YEAR 2010-11 WATER AND WASTEWATER BUDGETS TO INCLUDE ENCUMBRANCE CARRYOVERS AND CONTINUING APPROPRIATIONS OF CERTAIN UNEXPENDED FISCAL YEAR 2009-10 APPROPRIATIONS.**

**WHEREAS**, the Authority desires to ensure continuity in accomplishing multi-year objectives by continuing unspent approved Fiscal Year 2009-10 budgeted items and/or services into Fiscal Year 2010-11; and

**WHEREAS**, after including the requested encumbrance carryovers and continuing appropriations, water and wastewater appropriations are within their approved budget amounts and the items or services were previously approved in the Fiscal Year 2009-10 Budget; and

**WHEREAS**, adequate balances are available in all funds to support the recommended changes;

**NOW, THEREFORE, BE IT RESOLVED** by the Banning Utility Authority that the water and wastewater budgets for the fiscal year ended June 30, 2011, are amended to include Encumbrance Carryovers and Continuing Appropriations as reflected in Exhibit "A", and by this reference incorporated herein as though set forth in full.

**PASSED, APPROVED AND ADOPTED** this 11th day of January 2011.

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Barbara Hanna, Chairman  
Banning Utility Authority

APPROVED AS TO FORM AND  
LEGAL CONTENT:

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David J. Aleshire, Authority Counsel  
Aleshire & Wynder, LLP

ATTEST:

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Marie A. Calderon, Secretary  
Banning Utility Authority

CERTIFICATION

I, MARIE A. CALDERON, Secretary of the Banning Utility Authority do hereby certify that the foregoing Resolution No. 2011-02UA was duly adopted by the Banning Utility Authority at a regular meeting thereof held on the 11th day of January, 2011, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Marie A. Calderon, Secretary  
Banning Utility Authority

FY 2009-10

## Encumbrances and Continuing Appropriations and Projected Revenue Carryovers

FUND ACCOUNT #	ACCOUNT DESCRIPTION	REVENUE CARRYOVER	ALLOCATION CARRYOVER
<b>General Fund</b>			
<b>Revenue</b>			
001-0001-301.10-01	Property Taxes - Teeter	138,803	
001-0001-302.11-06	Cabazon Outlet - pmt for last quarter	109,379	
001-2200-341-31-46	OTS - 2010 DUI Mini Grant E10GR1	14,328	
001-2200-341-31-46	OTS - 2010 Click it or Ticket E10GR2	11,791	
001-2200-347.34-25	FY09 OJP Byrne Grant E9GR05	76,253	
001-2200-347.34-25	FY09 OJP Byrne Memorial Grant E9GR06	2,713	
001-2200-347.34-25	FY10 Byrne Memorial Grant E10GR3	20,960	
001-2700-306.15-08	Weed Abatement - Teeter	36,441	
<b>Allocations</b>			
001-1300-412.10-95	Severance Package		29,111
001-1900-412.33-11	Professional Services - P.O. Bureau Veritas		4,000
001-1900-412.33-11	Professional Services - Misc		50,000
001-1900-412.89.48	Computer hardware - DMS printer		2,500
001-2200-421.10-30	Overtime - Grant funded		91,354
001-2200-421.15-10	FICA - Grant funded		6,989
001-2200-421.89-46	Office Furn/Fixtures - P.O. Extenda		836
001-2200-421.90-52	Vehicles - Grant E7GR05		268
001-2210-421.10-95	Severance Package		4,009
001-2279-421.10-10	Regular Payroll - Grant funded		31
001-2279-421.10-10	FICA - Grant funded		78
001-2279-421.15-80	Benefit Allowance - Grant funded		2
001-2279-421.90-48	Computer hardware - Grant funded		236
001-2279-421.90-52	Vehicles - Grant funded		14,760
001-2279-421.90-56	Machinery/equip - Grant funded		16,495
001-2400-422.30-17	Software Maintenance - P.O. Telexis		108
001-2400-422.33-95	Direct Bill Expense - P.O. Landeros Furniture		1,997
001-2400-422.41-30	Community Services - P.O. Foremost Promotions		523
001-2800-441.33-11	Professional Services - P.O. Wirth, Diane		16,500
001-3000-442.33-53	Engineering Services - P.O.'s Union Pacific and Value Management		46,817
001-3000-442.90-49	Computer Software - P.O. Carte Graph		1,544
001-4010-461-30-12	Pool Maintenance - P.O. Ocean Springs		7,209
001-4500-412.90-56	Machinery & Equipment - Scanners		10,000
<b>Fund #001 Total:</b>		<b>410,668</b>	<b>305,367</b>
<b>Developer Deposit Fund</b>			
<b>Revenue</b>			
002-2800-351.36-01	Environmental Review	131	
<b>Allocations</b>			
002-2800-441.33-05	Environmental Review - P.O. Michael Brandman		131
<b>Fund #002 Total:</b>		<b>131</b>	<b>131</b>
<b>Gas Tax Street Fund</b>			
<b>Allocations</b>			
100-4900-431-93-37	Storm Drain - Design/construction of Line "H"		100,000
<b>Fund #100 Total:</b>		<b>-</b>	<b>100,000</b>
<b>Measure A Street Fund</b>			
<b>Allocations</b>			
101-4900-431-56-50	Transfer - Airport Fund		11,600
<b>Fund #101 Total:</b>		<b>-</b>	<b>11,600</b>

FY 2009-10  
Encumbrances and Continuing Appropriations and Projected Revenue Carryovers

FUND ACCOUNT #	ACCOUNT DESCRIPTION	REVENUE CARRYOVER	ALLOCATION CARRYOVER
<b>Article 3 Sidewalk Fund</b>			
<b>Revenue</b>			
104-4900-344-33-01	Article 3 Sidewalk Grant	96,172	
<b>Allocations</b>			
104-4900-431-93-11	Sidewalk Improvements - P.O. Jacinto Constr.		155,449
<b>Fund #104 Total:</b>		<u>96,172</u>	<u>155,449</u>
<b>Community Development Block Grant Fund</b>			
<b>Revenue</b>			
110-5510-347-34-02	Federal CDB Grants	81,901	
<b>Allocations</b>			
110-5510-461-90-67	Repplier Park Improvements		10,000
110-5510-461-90-67	Repplier Park Improvements- P.O. Williams Architects		71,901
<b>Fund #110 Total:</b>		<u>81,901</u>	<u>81,901</u>
<b>Landscape Maintenance</b>			
<b>Revenue</b>			
111-4900-306.15-01	Special Assessment - Teeter	3,223	
<b>Fund #111 Total:</b>		<u>3,223</u>	<u>-</u>
<b>Supplemental Law Enforcement</b>			
<b>Allocations</b>			
148-2209-421-90-56	Machinery & Equipment		4,727
148-2210-421.23-06	Staff Training		50,000
148-2210-421-90-56	Machinery & Equipment		51,137
<b>Fund #148 Total:</b>		<u>-</u>	<u>105,864</u>
<b>DARE/GREAT Fund</b>			
<b>Revenue</b>			
204-2210-347.34-26	GREAT Grant	42,593	
<b>Allocations</b>			
204-2210-421.10-10	Regular Payroll		21,668
204-2210-421.10-51	Incentive Pay		1,576
204-2210-421.15-10	FICA		2,175
204-2210-421.15-15	PERS		9,468
204-2210-421.15-20	Worker's Comp		4,211
204-2210-421.15-30	Unemployment Insurance		138
204-2210-421.15-80	Benefit Allowance		5,568
204-2210-421.25-04	Uniform Allowance		880
204-2210-421.42-14	Special Program Expenses		890
<b>Fund #204 Total:</b>		<u>42,593</u>	<u>46,574</u>
<b>Fair Oaks AD 2004-1</b>			
<b>Revenue</b>			
375-4900-306.15-01	Special Benefit Assessment - Teeter	8,642	
<b>Fund #375 Total:</b>		<u>8,642</u>	<u>-</u>



FY 2009-10

## Encumbrances and Continuing Appropriations and Projected Revenue Carryovers

FUND ACCOUNT #	ACCOUNT DESCRIPTION	REVENUE CARRYOVER	ALLOCATION CARRYOVER
<b>Traffic Facilities Fund</b>			
<b>Allocations</b>			
420-4900-431.33-53	Engineering Services		50,000
420-4900-431.93-27	Design of various traffic signals		175,000
<b>Fund #420 Total:</b>		<u>-</u>	<u>225,000</u>
<b>Sunset Grade Separation Fund</b>			
<b>Revenue</b>			
441-6500-366.41-21	TUMF Funding	796,715	
<b>Allocations</b>			
441-6500-431.93-02	Engineering Services		838,154
<b>Fund #441 Total:</b>		<u>796,715</u>	<u>838,154</u>
<b>Park Development Fund</b>			
<b>Allocations</b>			
451-3600-461-33-11	Professional Services - P.O. RJM Design Group		9,161
451-3600-461-90-37	Repplier Park Improvements- P.O. Williams Architects		17,954
451-3600-461-90-37	Repplier Park Improvements		132,046
<b>Fund #451 Total:</b>		<u>-</u>	<u>159,161</u>
<b>Capital Improvement Fund</b>			
<b>Allocations</b>			
470-4000-413-90-15	Building Improvements - P.O. Whitmore Construction		19,294
<b>Fund #470 Total:</b>		<u>-</u>	<u>19,294</u>
<b>Airport Fund</b>			
<b>Revenue</b>			
600-5100-381-56-02	Transfer - Measure A Fund	11,600	
<b>Allocations</b>			
600-5100-435-33-11	Professional Services - P.O. C & S Engineers		29,886
600-5100-435-93-42	Storm Drain Improvements		11,600
<b>Fund #600 Total:</b>		<u>11,600</u>	<u>41,486</u>
<b>Transit Fund</b>			
<b>Revenue</b>			
610-5800-306-12-09	Article 4 - Capital	1,200	
610-5800-341-31-25	Capital Grant - STA	1,405,793	
610-5850-341-31-25	Capital Grant - STA	199,341	
610-5800-341-31-61	CEMA Grant	50,000	
610-5800-341-31-45	State Homeland Security Grant	1,214	
610-5850-341-31-45	State Homeland Security Grant	58,712	
<b>Allocations</b>			
610-5800-434-89-46	Office Equipment		6,681
610-5800-434-89-56	Machinery & Equipment - P.O. Napa Auto Parts		804
610-5800-434-90-19	Plant Property		214,012
610-5800-434-90-48	Computer Hardware		60,000
610-5800-434-90-51	Automotive Equipment		127,391
610-5800-434-90-51	Automotive Equipment - P.O. Creative Bus Sales		784,857
610-5800-434-90-56	Machinery & Equipment		249,897
610-5850-434-90-49	Computer Software		25,000
610-5850-434-90-51	Automotive Equipment		208,053
610-5850-434-90-56	Machinery & Equipment		25,000
<b>Fund #610 Total:</b>		<u>1,716,260</u>	<u>1,701,695</u>

FY 2009-10

## Encumbrances and Continuing Appropriations and Projected Revenue Carryovers

FUND ACCOUNT #	ACCOUNT DESCRIPTION	REVENUE CARRYOVER	ALLOCATION CARRYOVER
<b>Water Operations Fund</b>			
<b>Allocations</b>			
660-6300-471-33-11	Professional Services - P.O. Geoscience		23,774
660-6300-471-33-53	Engineering Services - P.O. Carollo Engineers		6,640
660-6300-471-45-11	Meters Expense - P.O. Mc Call's Meters		103
660-6300-471-45-16	Tools/Misc Supplies - P.O. Reliable Equipment		762
<b>Fund #660 Total:</b>		<u>-</u>	<u>31,279</u>
<b>Water Capital Facilities Fund</b>			
<b>Allocations</b>			
661-6300-471-33-11	Professional services - P.O. Raftelis Financial		11,865
<b>Fund #661 Total:</b>		<u>-</u>	<u>11,865</u>
<b>BUA Water Capital Projects Fund</b>			
<b>Allocations</b>			
663-6300-471-95-09	Reservoirs - Design - P.O. Metcalf & Eddy		11,693
663-6300-471-95-09	Reservoirs		1,217,132
663-6300-471-95-10	Water Mains - P.O. MWH Americas		13,774
663-6300-471-95-10	Water Mains		1,202,585
<b>Fund #663 Total:</b>		<u>-</u>	<u>2,445,184</u>
<b>Electric Operations Fund</b>			
<b>Allocations</b>			
670-7000-473-30-06	Repair/Maintenance Equipment		2,365
670-7000-473-33-11	Professional Services - P.O. Soar Technologies		6,000
670-7000-473-45-05	Substation Expense		86,000
670-7000-473-45-16	Tools/misc supplies - P.O. Farwest Line Specialties		287
670-7000-473-45-16	Tools/misc supplies		2,142
670-7000-473-90-18	Plant Improvements - P.O. David Evans and Assoc.		2,537
670-7000-473-90-52	Vehicles		89,076
670-7000-473-95-05	Transformers		40,000
670-7000-473-95-06	Substation Equip - P.O. A & A Fence Company		19,553
670-7000-473-95-06	Substation Equip		23,246
<b>Fund #670 Total:</b>		<u>-</u>	<u>271,206</u>
<b>Electric Improvement Fund</b>			
<b>Allocations</b>			
673-7000-473-96-23	Voltage Conversion		1,130,214
<b>Fund #673 Total:</b>		<u>-</u>	<u>1,130,214</u>
<b>Wastewater Operations Fund</b>			
<b>Allocations</b>			
680-8000-454-23-27	NPDES Storm Water Expense		45,000
680-8000-454-33-11	Professional services		37,302
680-8000-454-33-11	Professional services - P.O. G&G Environmental		5,443
680-8000-454.90-56	Machinery and Equipment		45,000
680-8000-454-95-14	Sewer Mains & Collection System		38,467
<b>Fund #680 Total:</b>		<u>-</u>	<u>171,212</u>

FY 2009-10

## Encumbrances and Continuing Appropriations and Projected Revenue Carryovers

<b>FUND ACCOUNT #</b>	<b>ACCOUNT DESCRIPTION</b>	<b>REVENUE CARRYOVER</b>	<b>ALLOCATION CARRYOVER</b>
<b>BUA Wastewater Capital Projects Fund</b>			
<b>Allocations</b>			
683-8000-454-90-78	Planning/Design - P.O. Parsons		474,185
683-8000-454-90-78	Planning/Design - P.O. Albert A Webb Associates		132,330
<b>Fund #683 Total:</b>		<u>-</u>	<u>606,515</u>
<b>Insurance fund</b>			
<b>Allocations</b>			
700-5020-480.10-95	Severance Package		11,645
700-5040-480.10-95	Severance Package		17,484
<b>Fund #700 Total:</b>		<u>-</u>	<u>29,129</u>
<b>Information Services</b>			
<b>Allocations</b>			
703-3700-480-89-48	Computer Hardware - Various		7,500
703-3700-480-90-48	Computer Hardware - Various		7,500
<b>Fund #703 Total:</b>		<u>-</u>	<u>15,000</u>
<b>Grand Total All Funds</b>		<u><b>3,167,905</b></u>	<u><b>8,503,280</b></u>

**FY 2009-10**  
**Recommended Budget Adjustments**

<b>FUND ACCOUNT #</b>	<b>ACCOUNT DESCRIPTION</b>	<b>REVENUE ADJUSTMENT</b>	<b>EXPENDITURE ADJUSTMENT</b>
<b>General Fund</b>			
<b>Allocations</b>			
001-2210-421-10-59	Recruitment Bonus		4,000
001-2210-421-15-10	FICA		200
001-2479-422.33-93	Fire Suppression Svcs - Grant funded		702
001-4000-461-10-10	Regular Payroll		18,074
001-4010-461-10-10	Regular Payroll		2,840
<b>Fund #001 Total:</b>		<u>-</u>	<u>25,816</u>
<b>City Admin COP</b>			
<b>Allocations</b>			
300-6800-467.33-11	Professional Services		250
<b>Fund #300 Total:</b>		<u>-</u>	<u>250</u>
<b>Area Police Computer fund</b>			
<b>Allocations</b>			
370-2200-421.30-19	Repair/Maint - Hardware		12,000
<b>Fund #370 Total:</b>		<u>-</u>	<u>12,000</u>
<b>Fairs Oaks Assessment Dist.</b>			
<b>Allocations</b>			
375-4900-431-33-15	Arbitrage Rebate Calculations		2,500
<b>Fund #375 Total:</b>		<u>-</u>	<u>2,500</u>
<b>Capital Improvement Fund</b>			
<b>Allocations</b>			
470-4000-413.90-15	Building Improvements		250
<b>Fund #470 Total:</b>		<u>-</u>	<u>250</u>
<b>Electric Improvement Fund</b>			
<b>Revenues</b>			
673-7000-381.56-86	Transfer - 07 Electric Bond Project Fund	146,071	
<b>Fund #673 Total:</b>		<u>146,071</u>	<u>-</u>
<b>07 Electric Bond Project Fund</b>			
<b>Allocations</b>			
674-7000-473.56-57	Transfer - Electric Improvement Fund		146,071
<b>Fund #674 Total:</b>		<u>-</u>	<u>146,071</u>
<b>Grand Total All Funds</b>		<u>146,071</u>	<u>161,071</u>

## CITY COUNCIL AGENDA

**Date:** January 11, 2011  
**TO:** Honorable Mayor and City Council  
**FROM:** Fred Mason, Electric Utility Director  
**SUBJECT:** Resolution No. 2011-01, Banning Electric Alternative Rate

**RECOMMENDATION:** The City Council approves Resolution No. 2011-01 authorizing a \$0.0326 / kWh increase to the Low Income Qualified Baseline Service rate (also known as the Banning Electric Alternative Rate “BEAR”) and approving the City of Banning Electric Utility Rate Schedule, attached herewith as Exhibit “A”.

**JUSTIFICATION:** Per Assembly Bill 1890 (AB1890) and Assembly Bill 995 (AB995) funds collected through the Public Benefit Surcharge are to be expended on qualified programs.

**BACKGROUND:** The California electric restructuring legislation signed into law on September 23, 1996, AB 1890, requires that Investor Owned Utilities (“IOUs”) and Publically Owned Utilities (“POUs”) establish a non-bypassable usage based charge to fund investments in energy related Public Benefit Charge (“PBC”) programs. AB 995, signed into law September 30, 2000, extended funding for PBC programs another 10 years to January 1, 2012.

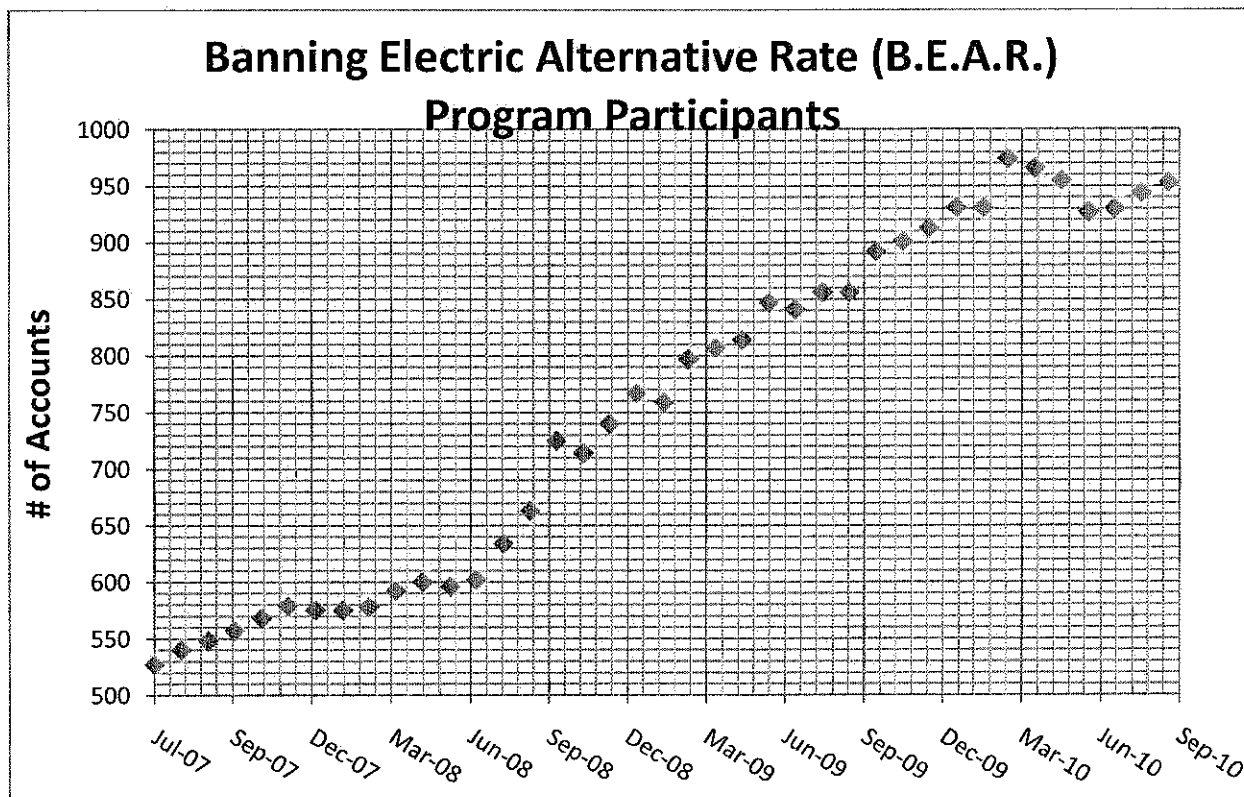
With respect to municipal electric utilities, AB1890 and AB995 mandated that each municipal utility must collect and spend a set percentage of annual revenues during the years 1998-2012 on PBC programs. Specifically, “each local publicly owned electric utility shall establish a non-bypassable, usage based charge on local distribution service of not less than the lowest expenditure level of the three largest electrical corporations in California on a percent of revenue basis, calculated from each utility’s total revenue requirement for the year ended December 31, 1994, and each utility’s total annual public benefit programs expenditures.” The California Municipal Utilities Association has determined this amount to be 2.85% of annual revenues.

These funds are to support programs that provide:

- (1) Cost-effective demand-side management services to promote energy-efficiency and energy conservation;
- (2) New investment in renewable energy resources and technologies consistent with existing statutes and regulations, which promote those resources and technologies;
- (3) Research, development and demonstration programs for the public interest to advance science or technology which is not adequately provided by competitive and regulated markets.
- (4) Services provided for low-income electricity customers, including but not limited to, targeted energy efficiency service and rate discounts.

In September of 2009 City Council passed resolution 2009-69 authorizing an electric rate increase. The rate increase was not applied to the BEAR rate which has remained at its present level, \$0.0672 /kWh for baseline service, since October 2007. As a result Banning Electric

Utility's ("Utility") low income subsidy has more than doubled. Furthermore, due to the effects of a widespread economic recession, the Utility is experiencing an increase in the number of applicants to the BEAR Low Income Assistance program. Both the doubling of the subsidization and the increase in applicants to the BEAR program will result in a significant rise in Public Benefit Fund expenditures for low income assistance, in excess of the amount budgeted in the fiscal year 2010/11 budget. The chart below shows the number of customer accounts participating in the BEAR program from July 2007 to the present.



Approximately 10% of all Utility residential customers are currently participating in the BEAR program. Demographic data suggests that more than 1/3 of all Utility residential customers qualify for the program.

Total PBC revenues for the current fiscal year are projected at \$684,000, of which approximately \$400,000 or (58%) is projected to be used for low income assistance programs, including \$10,000 for the H.E.L.P. non-profit charity operating in Banning. Out of the total PBC programs budget, less than \$100,000 remains for energy efficiency/conservation & renewable energy programs.

The participation trend in the BEAR program continues to rise, and average participation in the program in FY 2010/11 will likely reach 990 accounts. As of the end of September 2010 there were 953 active accounts within the BEAR program with an average increase of 11 approved applicants every month. As a result of the increased low income assistance expenditures, the Utility has been forced to cut the rebate amounts on several of the energy efficiency programs, and has eliminated other programs. Even if staff's recommendation is adopted, the rebate amounts of these programs will not return to former levels, as overall participation in the



Utility's energy efficiency programs has continued to increase and it is expected that these programs will absorb any additional PBC funds.

### **FISCAL DATA:**

The baseline energy allotment for all residential customers in the City of Banning totals 4,696 kWh/year. This energy amount is broken down to 558 kWh during the months of June through September and 308 kWh for all other months. It is reasonable to assume, for the purpose of budget analysis, that all of the BEAR customers will use their entire baseline energy amounts in any given month. Staff's recommendation is to increase the BEAR rate by \$0.0326/kWh, bringing the new baseline rate of the BEAR program to \$0.0998/kWh. By comparison, the Utility's standard baseline rate is \$0.1498/kWh. The maximum monthly increase BEAR customers will realize is \$10.04 during the winter months (October – May) and \$18.19 during the four summer months. At the current level of BEAR program participation, adoption of the recommended rate increase will result in an additional \$151,000 in available PBC funds for Banning's other existing PBC programs.

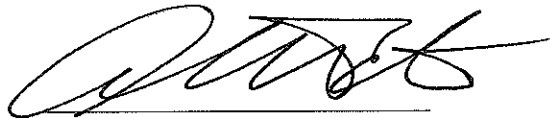
If approved, the BEAR rate change will become effective March 1, 2011. Alternatives to the recommended BEAR rate change are the following: 1) Increase the PBC beyond the current level of 2.85% of each Utility customer's electric bill (staff estimates that for every 0.1% increase beyond the 2.85%, the annual adjustment to the PBC fund will be approximately \$24,000); 2) A combination of a BEAR rate change and an increase to the PBC percentage; or 3) Do not increase the BEAR rate or PBC, and continue to scale back the energy conservation and renewable energy programs.

### **RECOMMENDED BY:**



Fred Mason  
Electric Utility Director

### **APPROVED BY:**



Andrew J. Takata  
City Manager



June Overholt  
Administrative Services Director

**RESOLUTION NO. 2011-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING A \$0.0326 / KWH INCREASE TO THE LOW INCOME QUALIFIED BASELINE SERVICE RATE (ALSO KNOWN AS THE BANNING ELECTRIC ALTERNATIVE RATE "BEAR") AND APPROVING THE CITY OF BANNING ELECTRIC UTILITY RATE SCHEDULE**

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

**WHEREAS**, Assembly Bill 1890 mandated the implementation and funding of qualified Public Benefit Programs equal to 2.85% of retail sales; and

**WHEREAS**, the City collects funds for its Public Benefits Program through a surcharge of 2.85% assessed on its electric retail customers; and

**WHEREAS**, the City desires to maintain a Public Benefit Program which meets the requirements of AB1890 and provides adequate funding for low income assistance, energy conservation, and renewable energy programs;

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

**Section I.** Adopt Resolution No. 2010-78 approving a \$0.0326/kWh increase to the Low Income Qualified Baseline Service rate, and authorize the City Manager, or his designee to implement the City of Banning Electric Utility Rate Schedule, attached herewith as Exhibit "A", effective March 1, 2011.

**Section II.** Authorize the Mayor to execute Resolution No. 2011-01 but said authorization shall become void if not executed within 30 days of the effective date of this resolution.

**PASSED, APPROVED, AND ADOPTED** this 11<sup>th</sup> day of January 2011.

\_\_\_\_\_  
Barbara Hanna, Mayor

**ATTEST:**

\_\_\_\_\_  
Marie A. Calderon, City Clerk

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

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

**CERTIFICATION**

I, MARIE A. CALDERON, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-01 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 11<sup>th</sup> day of January 2011 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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

# **CITY OF BANNING**

## **ELECTRIC UTILITY RATE SCHEDULE**

**March 2011**

Resolution No. 2011-01

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CITY OF BANNING  
Electric Division

GENERAL PROVISIONS

SYSTEM COST ADJUSTMENT FACTOR

The System Cost Adjustment Factor (SCAF) is a charge per kWh that is used to ensure an adequate revenue stream to cover all costs incurred by Banning's electric system, and will be assessed to all customer classes. System costs will include: Power purchases, debt service, transmission, distribution and O&M expense, as well as all overhead costs of the electric system including inter-fund transfers.

The SCAF shall be calculated quarterly for the periods (January-March, April-June, July-September, and October-December) and shall become effective the first day of the 2<sup>nd</sup> quarter following the calculated period (i.e. January-March SCAF would become effective July 1<sup>st</sup>).

The SCAF shall be determined using the following formula and be expressed to the nearest \$0.0001 per kWh:

$$\text{SCAF} = (a+b+c+d-e)/f$$

Where:

a = revenue from retail sales during the period.

b = revenue from bulk sales to other utilities.

c = fees collected from contractors in aid of construction or for other services provided.

d = miscellaneous revenues.

e = total cost of Banning's electric system including power purchases, debt service, transmission, distribution and operating expense, as well as all overhead costs of the electric system including inter-fund transfers.

f = the retail energy sales during the period in kWh.

SCAF will not exceed \$0.02/kWh during any quarter. The uncollected revenue in excess of the \$0.02 cap, if any, will be carried over as an expense in the next quarter. The Electric Utility shall maintain an operating reserve of \$3M. Surplus revenue, if any, collected during any fiscal year, will be set aside in the Capital Improvement fund for system upgrades and future improvements.

PUBLIC BENEFITS CHARGE

All bills rendered under the above rate shall be subject to the Public Benefits Charge as established by the City Council.



## **General Provisions (continued)**

### **SEASONS**

The Summer season shall commence at 12:00 a.m. on the first day in June and continue until 12:00 a.m. on the first day in October of each year. The Winter season shall commence at 12:00 a.m. on the first day in October of each year and continue until 12:00 a.m. on the first day in June of the following year. Utility bills generated during each applicable season will reflect any appropriate seasonal rate variances.

CITY OF BANNING  
Electric Division

SCHEDULE A

RESIDENTIAL SERVICE

APPLICABILITY

This schedule is applicable to single family and multiple family accommodations devoted primarily to domestic use, and includes services for lighting, cooking, heating and power consuming appliances.

CHARACTER OF SERVICE

Alternating current with regulated frequency of 60 hertz, delivered at 120 or 240 volts, single phase, as may be specified by the Division.

TERRITORY

Within the area served by the City of Banning

RATES

	<u>Per Meter</u> <u>Per Month</u>
1. Standard Residential Service	
Customer Charge	\$ 3.00
Energy Charge	<u>Per kWh</u>
Baseline Service	
All kWh	\$.1498
Low Income Qualified Baseline Service	
All kWh as described below	\$.0998
Non-baseline Service (Winter)	
All kWh above baseline through 1,000	\$.1995
All kWh above 1,000	\$.3180
Non-baseline Service (Summer)	
All kWh above baseline through 1,500	\$.1995
All kWh above 1,500	\$.3180

## **Schedule A – Residential Service (continued)**

Non-baseline service includes all kWh in excess of applicable baseline allowance as described below.

### **MINIMUM CHARGE**

The Customer Charge plus the Energy Charge shall be subject to a minimum charge of \$0.10 per day.

### **MINIMUM REQUIREMENTS**

All services through one meter.

#### **Multiple Family Dwellings**

Whenever two or more individual family accommodations (in an apartment house, duplex, court, mobile home park, etc.) receive electric service from the Division through a master meter, the service shall be billed under this Schedule, with the Customer Charge and first 308 kWh per month multiplied by the number of individual accommodations served, plus additional baseline kWh as specified below. Base rate charges shall be reduced by \$0.10 per sub-metered customer per day. In no case shall the base rate billing be less than the Minimum Charge.

#### **Energy Surcharge**

The charges in the above rate are subject to California State Energy surcharge tax and shall be adjusted accordingly.

### **LOW INCOME SENIOR CITIZEN SERVICE**

Upon application to the City, each eligible low-income senior citizen residential customer shall pay a customer charge of \$1.00 only. The customer shall notify the City when the conditions of the application are no longer valid.

### **LOW INCOME QUALIFIED BASELINE SERVICE**

Upon application to the City, each approved low-income residential customer shall be placed on the Low Income Qualified Baseline rate as described below. The customer shall be required to recertify their eligibility on an annual basis. Failure to recertify will result in removal from the Low Income Qualified Baseline rate.

### **BASELINE SERVICE**

All domestic customers on this schedule are entitled to an allocation of a baseline quantity of electricity that is necessary to supply the minimum energy needs of the average residential user. The total baseline allocation to a customer is the sum of all

## Schedule A – Residential Service (continued)

applicable baseline quantities described in items A through D shown below. However, the Low Income Qualified Baseline rate will only be applied to items A and B. If a Low Income Qualified customer is also eligible for items C and/or D, any baseline allocation in excess of A and B will be charged at the regular Baseline Service rate:

	kWh Per Month
A. For basic standard residential use	308
B. For air conditioning use during June through September.	250
C. For life support devices	500
D. For all-electric residential heat use during November through March	498
E. For all-electric basic residential use (year around)	150
F. For residential water-well pump use (year around)	500

The all-electric residential heat allowance applies only to residences in which the sole source of heat consists of electric resistance heating installed prior to January 2000. Upon application to the City, the account of each eligible customer shall be provided with the all-electric allocation, including heat use and the year around basic residential use to cover water heaters and cooking.

### LIFE SUPPORT DEVICES

Medical Baseline Allocation: Upon application to the City, the account of each eligible residential customer will be provided a year-around Medical Baseline Allocation.

#### A. Eligibility

For an account to be eligible for the standard Medical Baseline Allocation, the residential customer will provide certification as set forth in Paragraph E below to the City that:

- (1) Regular use in the customer's home of one or more medical life support devices is essential to maintain the life of a full-time resident of the household; and/or
- (2) A full-time resident of the household is a paraplegic, hemiplegic, quadriplegic, multiple sclerosis, or schlerodemic patient.

#### B. Life-support Devices

The account of each eligible residential customer will be provided a standard Medical Baseline Allocation following certification acceptable to the City that a full-time resident of the household requires the regular use in the customer's home of one or more life-support devices.

Life-support devices means those devices or equipment which utilize mechanical or artificial means to sustain, restore, or supplement a vital function, or mechanical equipment which is relied upon for mobility both within and outside of buildings. Life-support devices or equipment include the following:

## Schedule A – Residential Service (continued)

Aerosol Tent	Electrostatic Nebulizer
Compressor	Electric Nerve Stimulator
Iron Lung	Ultrasonic Nebulizer
Pressure Pump	Motorized Wheel Chair
IPPB Machine	Kidney Dialysis Machine
Suction Machine	Respirator (all types)
Oxygen Generator (Electrically Operated)	

### C. Paraplegic, Hemiplegic, Quadriplegic, Multiple Sclerosis or Scherodemic Patients

The account of each eligible residential customer, who provides certification that a full-time resident of the household is a paraplegic, hemiplegic, quadriplegic, multiple sclerosis or scherodemic patient or suffers from abnormality of centrally controlled body thermostat will be provided a standard Medical Baseline Allocation in consideration of special heating and/or cooling needs.

### D. Hardship Cases

If the customer believes that the life-support device and/or a patient's space conditioning equipment (as set forth in Paragraph B and C above) requires more than 500 kWh per month to operate, the customer may apply for a higher allocation than the standard Medical Baseline Allocation. Upon receipt of such application, the City shall make a determination if any additional monthly baseline quantity is required to operate the device or equipment based on the nameplate rating and operating hours. The monthly amount of the Medical Baseline Allocation shall be increased to the number of kWh so determined.

### E. Certification

The City may require the following Certification:

- (1) The Customer shall have a medical doctor or osteopath licensed to practice medicine in the State of California provide the City with a certification letter, acceptable to the City. The letter shall describe in detail the type of life-support device(s) regularly required by the patient and the utilization requirements, and/or certify that the full-time resident is a paraplegic, hemiplegic, quadriplegic, multiple sclerosis, or scherodemic patient; or
- (2) County, State, or Federal agencies, using an established notification letter to electric utilities, shall provide the City with information relative to a patient who regularly requires the use of a life-support device in a customer's residence.

Within 15 days after acceptance of the above certification, the City will provide a Medical Baseline Allocation to the customer's account. The City may require a new or renewed application and/or certification when needed, in the opinion of the City.

///

## Schedule A – Residential Service (continued)

### F. Termination of Use

The Customer shall notify the City of termination of use of equipment or devices set forth above.

### WATER WELL PUMPS

This allocation is for Banning Electric Utility customers that are not connected to the City's water distribution system, and have a water well onsite. Customers must request this designation, and an onsite inspection must be completed before the allocation is authorized.



CITY OF BANNING  
Electric Division

SCHEDULE B

SMALL GENERAL SERVICE

APPLICABILITY

Applicable to service for all types of uses, including lighting, power and heating, alone or combined.

CHARACTER OF SERVICE

Alternating current with regulated frequency of 60 hertz single-phase, three-phase, or a combination single and three-phase served through one meter, at a standard voltage not to exceed 240 volts, or as may be specified by the Electric Division. When the energy use for this service exceeds 5,000 kWh per month, the City will install a demand meter. If the maximum demand exceeds 20.0 kW in any three months during the preceding 12 months, the service will be transferred to Schedule C.

TERRITORY

Within the area served by the City of Banning.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Customer Charge	\$ 9.00
Energy Charge (to be added to Customer charge)	
All kWh, per kWh	\$.1758

MINIMUM CHARGE

The Customer Charge plus the Energy Charge shall be subject to a minimum charge of \$0.30 per day.

## Schedule B – Small General Service (continued)

### SPECIAL CONDITIONS

1. Voltage will be supplied at one standard voltage.
2. BILLING DEMAND: Billing demand shall be the kilowatts of measured maximum demand, but no less than 50 percent of the highest demand established in the preceding eleven (11) months. Billing demand shall be determined to the nearest 1/10 kW.
3. MAXIMUM DEMAND MEASUREMENT: in any month shall be the maximum average kilowatt input, indicated or recorded by instruments to be supplied by the Electric Division, during any 15 minute interval in the month. Where demands are intermittent or subject to violent fluctuations, a five minute interval may be used.
4. TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustment will be made for a temporary discontinuance of service. Any customer prior to resuming service within twelve months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.
5. X-RAY INSTALLATIONS: Where the utility installs standard transformer capacity requested by the customer to serve an x-ray installation, the customer charge will be increased by \$1.00 per kva of transformer capacity requested.
6. ENERGY SURCHARGE: The charges in the above rate are subject to California State Energy surcharge tax and shall be adjusted accordingly.

CITY OF BANNING  
Electric Division

SCHEDULE C

GENERAL AND INDUSTRIAL SERVICE

APPLICABILITY

Applicable to service for large general and industrial establishments. This schedule is limited to customers with demands below 500.0 kW. Customers with demands exceeding 500.0 kW must receive service under Schedule TOU.

CHARACTER OF SERVICE

Alternating current with regulated frequency of 60 hertz, three-phase, or a combination single and three-phase served through one meter, at a standard voltage not to exceed 480 volts, or as may be specified by the Electric Division. All customers will have a demand meter. If the Maximum Demand drops below 20.0 kW for 12 consecutive months, the customer will be transferred to Schedule B.

TERRITORY

Within the area served by the City of Banning.

RATES

	Per Meter Per Month <u>Summer</u>	Per Meter Per Month <u>Winter</u>
Customer Charge	\$12.00	\$12.00
Demand Charge (to be added to the Customer Charge)		
All kW of billing demand, per kW	\$15.50	\$ 9.95
Energy Charge (to be added to the Demand Charge)		
All kWh, per kWh	\$.1497	\$.1392

MINIMUM CHARGE

The monthly minimum charge shall be the Demand Charge.

## Schedule C – General and Industrial Service (continued)

### SPECIAL CONDITIONS

1. Voltage will be supplied at one standard voltage.
2. BILLING DEMAND: Billing demand shall be the kilowatts of measured maximum demand, but no less than 50 percent of the highest demand established in the preceding eleven (11) months. Billing demand shall be determined to the nearest 1/10 kW.
3. MAXIMUM DEMAND MEASUREMENT: The measured maximum demand in any month shall be the maximum average kilowatt input, indicated or recorded by instruments to be supplied by the Electric Division, during any 15 minute interval in the month. Where demands are intermittent or subject to violent fluctuations, a five minute interval may be used.
4. TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustment will be made for a temporary discontinuance of service. Any customer prior to resuming service within twelve months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.
5. X-RAY INSTALLATIONS: Where the utility installs standard transformer capacity requested by the customer to serve an x-ray installation, the customer charge will be increased by \$1.00 per kva of transformer capacity requested.
6. POWER FACTOR ADJUSTMENT: When the billing demand has exceeded 200.0 kW for three consecutive months, a kilovar hour meter will be installed as soon as practicable and thereafter until the billing demand has been less than 150 kW for twelve (12) consecutive months. The charges will be adjusted each month for the power factor as follows:

The monthly charges will be decreased by \$0.20 per kW of measured maximum demand and will be increased by \$0.20 per kilovar of reactive demand. In no case will the kilovars used for the adjustment be less than 20 % of the number of kW the kilovars of reactive demand shall be calculated by multiplying the kW of measured maximum demand by the ratio of kilovar hours to the kWh. Demands in kW and kilovars shall be determined to the nearest 1/10 unit. A ratchet device will be installed on the kilovar meter to prevent its reverse operation on leading power factors.
7. ENERGY SURCHARGE The charges in the above rate are subject to California State Energy surcharge tax and shall be adjusted accordingly.

CITY OF BANNING  
Electric Division

SCHEDULE TOU

LARGE GENERAL AND INDUSTRIAL SERVICE

APPLICABILITY

Applicable to service for all types of uses, including lighting, power and heating, alone or in combination. This rate shall be mandatory for customers whose monthly demand exceeds 500.0 kW for any three months during the preceding 12 months. Any customer whose monthly maximum demand has fallen below 450.0 kW for 12 consecutive months may elect to take service on any other applicable schedule. This schedule is an option for customers whose monthly demands are between 200.0 kW and 499.9 kW; however, participation for one year in the rate is required.

CHARACTER OF SERVICE

Alternating current with regulated frequency of 60 hertz, three-phase, or a combination single and three-phase served through one meter, at a standard voltage not to exceed 480 volts, or as may be specified by the Electric Division.

TERRITORY

Within the area served by the City of Banning.

RATES

Charges are calculated for customer billing using the components shown below:

	Per Meter <u>Summer</u>	Per Month <u>Winter</u>
Customer Charge	\$340.00	\$340.00
Demand Charge (to be added to Customer Charge)		
All kW of non-time related component, per kW	\$ 8.50	\$ 9.75
Plus all kW of on-peak billing demand, per kW	\$18.08	N/A
Plus all kW of mid-peak billing demand, per kW	\$ 2.88	\$0.00
Plus all kW of off-peak billing demand, per kW	\$ 0.00	\$0.00

## Schedule TOU – Large General and Industrial Service (continued)

Energy Charge (to be added to the Customer and Demand Charges)

	<u>Summer</u>	<u>Winter</u>
All kWh of on-peak energy, per kWh	\$.1198	N/A
Plus all kWh of mid-peak energy, per kWh	\$.0860	\$.0998
Plus all kWh of off-peak energy, per kWh	\$.0598	\$.0648

### SPECIAL CONDITIONS

1. Time periods are defined as follows:

On-Peak	Noon to 9:00 p.m. summer weekdays except holidays
Mid-Peak	7:00 a.m. to Noon and 9:00 p.m. to 11:00 p.m. summer weekdays except holidays. 7:00 a.m. to 11:00 p.m. winter weekdays except holidays.
Off-Peak	All other hours

Holidays are New Year's Day (January 1), Washington's Birthday (third Monday in February), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Veterans Day (November 11), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25).

2. Voltage will be supplied at one standard voltage.
3. MAXIMUM DEMAND: Maximum demands shall be established for on-peak, mid-peak, and off-peak periods. The maximum demand for each period shall be the measured maximum average kilowatt input, indicated or recorded by instruments to be supplied by the Electric Division, during any 15 minute interval, but (except for new customers or existing customers electing Contract Demand as defined in these Special Conditions) not less than the diversified resistance welder load computed. Where demands are intermittent or subject to violent fluctuations, a five minute interval may be used.
4. BILLING DEMAND: The Demand Charge shall include the following billing components. The Time Related Component shall be for the kilowatts of Maximum Demand recorded during the monthly billing period for each of the On-Peak, Mid-Peak, and Off-Peak time periods. The Non-Time Related Component shall be for the total kilowatts of demand recorded in the demand period with the highest Maximum Demand during the monthly billing period. Separate Demand Charges for the On-Peak, Mid-Peak, and Off-Peak time periods shall be established for each monthly billing period as applicable. The Demand Charge for each time period shall be based on the maximum demand for that time period occurring during the respective monthly billing period. The Maximum Demand shall be determined to the nearest 1/10 kW.



## Schedule TOU – Large General and Industrial Service (continued)

5. CONTRACT DEMAND: A contract demand will be established by the City, based on the applicant's demand requirements for any customer newly requesting service on this schedule and for any customer of record on this schedule who requests an increase or decrease in transformer capacity.

A contract demand arrangement is available upon request for all customers of record on this schedule. The contract demand will be used only for purposes of establishing the minimum demand charge for facilities required to provide service under the rate and will not be otherwise used for billing purposes.

The contract demand is based upon the nominal kilovolt-amperes rating of the City's serving transformer(s) or the standard transformer size determined by the City as required to serve the customer's stated measurable kilowatt demand, whichever is less, and is expressed in kilowatts.

6. MINIMUM DEMAND CHARGE: Where a contract demand is established, the monthly minimum demand charge shall be \$1.00 per kilowatt of contract, but not less than \$500.00.
7. EXCESS TRANSFORMER CAPACITY: Excess Transformer Capacity is the amount of transformer capacity requested by a customer in excess of that which the City would normally install to serve the customer's Maximum Demand. Excess Transformer Capacity shall be billed at \$1.00 per KVA per month.
8. POWER FACTOR ADJUSTMENT: The charges will be adjusted each month for reactive demand. The Charge will be increased by \$0.30 per kilovar of maximum reactive demand imposed on the City. The kilovars of reactive demand shall be calculated by multiplying the kilowatts of measured maximum demand by the ratio of the kilovar-hours to the kilowatt hours. Demand in kilowatts and kilovars shall be determined to the nearest unit. A device will be installed on each kilovar meter to prevent reverse operation of the meter.
9. TEMPORARY DISCONTINUANCE OF SERVICE: Where the use of energy is seasonal or intermittent, no adjustment will be made for a temporary discontinuance of service. Any customer prior to resuming service within twelve months after such service was discontinued will be required to pay all charges which would have been billed if service had not been discontinued.
10. SUPPLEMENTAL VISUAL DEMAND METER: Subject to availability, and upon written application by the customer, the City will, within 180 days, supply and install a City owned supplemental visual demand meter. The customer shall provide the required space and associated wiring beyond the point of interconnection for such installation. Said supplemental visual demand meter shall be in parallel with the standard billing meter delineated in Special Condition 3 above. The reading measured or recorded by the supplemental visual demand

## Schedule TOU – Large General and Industrial Service (continued)

meter are for customer information purposes only and shall not be used for billing purposes in lieu of meter readings established by the standard billing meter. If a meter having visual display capability is installed by the City as the standard billing meter, no additional metering will be installed pursuant to this Special Condition.

One of the following types of supplemental visual demand meters will be provided in accordance with provisions above at no cost to the customer: Dial Watt-meter, Recording Watt-meter, or Paper-Tape Printing Demand Meter.

If the customer desires a supplemental visual demand meter having features not available in any of the above listed meters, such as an electronic microprocessor-based meter, the City will provide such a supplemental visual demand meter subject to monthly charge, if the meter and its associated equipment have been approved for use by the City. Upon receipt from the customer of a written application the City will design the installation and will thereafter supply, install, and maintain the supplemental visual demand meter subject to all conditions stated in the first and last paragraph of this Special Condition. For purposes of computing the monthly charge, any such supplemental visual demand meter and associated equipment shall be treated as Added Facilities. Added investment for computing the monthly charges shall be reduced by the City's estimated total installed cost at the customer location of the Paper-Tape Printing Demand Meter offered otherwise herein at no additional cost.

The City shall have sole access for purposes of maintenance and repair to any supplemental visual demand meter installed pursuant to this Special Condition and shall provide all required maintenance and repair. Periodic routine maintenance shall be provided at no additional cost to the customer. Such routine maintenance includes changing charts, inking pens, making periodic adjustments, lubricating moving parts and making minor repairs. Non-routine maintenance and major repairs or replacement shall be performed on an additional cost basis with the customer reimbursing the City for such cost.

11. CONTRACTS: An initial three-year facilities contract may be required where an applicant requires new or added serving capacity exceeding 2,000 KVA.
12. AUXILIARY/EMERGENCY GENERATION EQUIPMENT: Auxiliary/Emergency Generation Equipment is the customer-owned electrical generation equipment normally used for auxiliary, emergency, or standby electrical generation purpose. Auxiliary/Emergency Generation Equipment may be used by a customer to serve that customer's load only during a Period of Interruption, and only when such loads are isolated from the City's system. Other than for Auxiliary/Emergency generation or service, all service under this rate schedule is applicable only for service supplied by the City.

**Schedule TOU – Large General and Industrial Service (continued)**

13. REMOVAL FROM SCHEDULE: Customers receiving service under this schedule whose monthly Maximum Demand has registered below 450.0 kW for 12 consecutive months may be changed to another schedule.
14. ENERGY SURCHARGE: The charges in the above rate are subject to California State Energy surcharge tax and shall be adjusted accordingly.

CITY OF BANNING  
Electric Division

SCHEDULE SLS

UNMETERED STREET LIGHTING SERVICE

APPLICABILITY

Applicable for unmetered lighting of public streets, highways and thorough-fares, including City owned and City operated public parks and parking lots which are opened to the general public.

TERRITORY

Within the area served by the City of Banning.

RATES

<u>Customer Class</u>	<u>Monthly Charges</u> <u>Per kW of</u> <u>Lamp Load</u>
Residential (Rate A)	\$2.00
Small Commercial (Rate B)	\$2.80
Large General & Industrial (Rate C)	\$4.45
Time-of-Use (Rate TOU)	\$6.00
Lights on abutting property	\$6.00

SPECIAL CONDITIONS:

The above charges shall be placed on the City Utility bills.

CITY OF BANNING  
Electric Division

SCHEDULE OLS

OUTDOOR LIGHTING SERVICE  
(SECURITY)

APPLICABILITY

Applicable to all customers for outdoor area security lighting service furnished from dusk to dawn, supplied from existing overhead facilities. The Division will install, own operate and maintain the complete lighting installation, including customer owned support.

TERRITORY

Within the area served by the City of Banning.

RATES

		<u>Per Lamp</u> <u>Per Month</u>
(Fixture installed on existing support)		
100 Watt Sodium Vapor	( 9,500 Lumen)	\$ 8.47
200 Watt Sodium Vapor	( 16,000 Lumen)	11.97
250 Watt Sodium Vapor	( 25,000 Lumen)	13.17
		<u>Per Pole</u> <u>Per Month</u>
Pole (Department owned wood pole installation)		
20' or 35' Wood Pole		\$ 2.95

SPECIAL CONDITIONS

1. Service under this schedule will be supplied at a single-phase voltage from the Electric Department's existing overhead lines.
2. The above lamp rates are applicable to Department-owned outdoor area lighting equipment mounted on existing Department owned poles or on customer owned supports acceptable to the Department.

## Schedule OLS (continued)

3. Lighting equipment will consist of a Department standard overhead outdoor sodium vapor luminaries with photo electric switch, support and one overhead service drop not to exceed 100'.
4. Mounting height of 175 watt lamp will be approximately 25 to 30 feet, and mounting height of 400 watt lamps will be approximately 30 feet.
5. A customer who requests more than one wood pole, or other than wood poles shall install the poles at the customer's expense. The standard sodium vapor luminaire will be provided and installed by the Department.
6. Customers who do not wish to pay monthly pole charge, may pay a non-refundable amount for the installation of standard wood pole or other pole as the customer desires. The pole will remain the property of the customer at termination of service.
7. A contract for a period of one year will be required for initial installation of facilities under this schedule, and will remain in effect from month to month thereafter subject to termination or cancellation under terms stated therein.
8. Lamp maintenance will be done during regular working hours as soon as reasonably possible after the customer has notified the Department of service failure. Monthly bills will not be adjusted because of a lamp outage.
9. Relocation of an outdoor area lighting installation at the customer's request or because of government requirements will be made providing the customer pays the entire cost of such relocation.
10. Billing for an installation will be to only one account. Prorated billings to more than one account for a unit, or a combination of units will not be made. If the customer prefers to pay on an annual basis, payment shall be done and payable in advance.
11. The Department's dusk to dawn, all night service is based on a lighting period of approximately 4,080 hours per year.
12. If the customer discontinues service during the first three years of service, there will be a \$25.00 charge to remove the service and equipment.
13. Poles will be located in areas where they may be serviced by truck.
14. This rate is subject to power cost adjustment at the following rates:
  - 10 kWh per month per 1,000 lumen for mercury vapor units
  - 4 kWh per month per 1,000 lumen for sodium vapor units



CITY OF BANNING  
Electric Division

SCHEDULE MS

MUNICIPAL SERVICE

APPLICABILITY

Applicable to City of Banning municipal service for all types of uses, including lighting, power and heating, alone or combined.

CHARACTER OF SERVICE

Alternating current with regulated frequency of 60 hertz single-phase, three-phase, or a combination of single and three-phase served through one meter, at a standard voltage not to exceed 240 volts, or as may be specified by the Electric Division.

TERRITORY

Within the area served by the City of Banning.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Customer Charge	n/a
Energy Charge (to be added to Customer charge)	
All kWh, per kWh	\$.0923

MINIMUM CHARGE

Municipal services are not assessed a minimum charge.

SPECIAL CONDITIONS

1. Voltage will be supplied at one standard voltage.
2. ENERGY SURCHARGE: The charges in the above rate are subject to California State Energy surcharge tax and shall be adjusted accordingly.

## CITY COUNCIL AGENDA

**DATE:** January 11, 2010

**TO:** Honorable Mayor and City Council

**FROM:** Heidi Meraz, Community Services Director

**SUBJECT:** Request for lease of portion of Dysart Park by Alliance for Youth Employment Skills (AYES)

### **RECOMMENDATION**

That the City Council direct staff to negotiate lease agreement with AYES for utilization of portions of Dysart Park for the sole purpose of providing horticulture and landscape training for youth and young adults in our community.

### **JUSTIFICATION**

The programs that AYES will implement are plant growth and seed production of primarily California native plants that are naturally drought tolerant. In turn for the use of space, AYES will provide beautification and landscape in some areas of the park and maintain the areas that are utilized by their programs.

Given the consideration of underutilized space at Dysart Park and the need to provide programs that develop job skills for the youth and young adults in our community, the program that has been proposed by the Alliance for Youth Employment Skills is an appropriate use for areas of the park.

### **BACKGROUND**

Staff met with Mr. Ben White, Program Coordinator for AYES and Ms. Jackie Lassater, also a coordinator of the program to determine the feasibility of using spaces and at Dysart Park to provide a workability program that they currently provide at the Milo P. Johnson School in Banning. The program provides horticulture and landscape training for youth and young adults as well as encompasses developing skills in marketing, sales, logistics and website development and management.

The request for use of space was taken to the Parks and Recreation Advisory Committee at their regularly scheduled meetings on October 20, 2010 and November 17, 2010. Mr. White and Ms. Lassater were present at both meetings to answer questions regarding the program and the need for the space that is being requested at Dysart Park.

The space that is being requested by AYES is as follows:

- Exclusive use of 7,000 square feet surrounded by driveway/parking lot located on the West side of the park.
- Exclusive use of (1) storage room in the mobile structure

- Non-exclusive use of the remainder of the mobile structure excepting one storage room and storage closets on the north wall of the building
- Non-Exclusive use of three existing shade structures

At the November 17, 2010 meeting the Parks and Recreation Advisory Committee made a recommendation to the City Council to approve an appropriate lease agreement with AYES for the use of Dysart Park.

The request that is being made is essentially the same as agreements that are in place with other non-profit organizations that utilize city facilities. The rent on said space would be \$1.00 per year and AYES would be responsible for their portion of utilities used on site.

Attached is a program description, letter from a representative of the Riverside County Office of Education and a map of Dysart Park with the requested outdoor areas marked with by an "x".

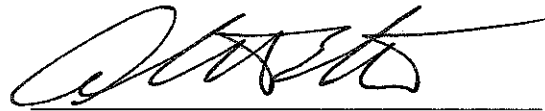
#### **FISCAL DATA**

The daily use fee for Dysart Park is \$125.00, however this fee is established for special events and use of the arena. Based on prices established for use of rooms at the Community Center, a per use fee of \$45.00 would be appropriate for the meeting room. Using this number, the annual cost would be \$8,640. This calculation is based on 4x's per week, 48 weeks each year.

#### **RECOMMENDED BY:**

  
Heidi Meraz  
Community Services Director

#### **APPROVED BY:**

  
Andrew J. Takata  
City Manager

#### **REVIEWED BY:**

  
June Overholt  
Administrative Services Director

# *Alliance for Youth Employment Skills ("AYES")*

## Program Description

The Alliance for Youth Employment Skills (AYES) is a new initiative to provide vocational training and development for Banning and surrounding area young people. This operation focuses on assisting economically disadvantaged, special needs and at-risk youth populations. Currently, AYES is working to establish a California native plant horticultural facility which will provide youth program participants with a broad array of employment-related skills building opportunities. This horticultural operation will propagate a wide range of drought-tolerant plants suitable for use in public projects including parks, public facility and highway landscaping. In addition to performing job responsibilities in plant propagation, nursery operations, and seed processing and packaging, area young people will also be engaged in certain facets of botanical and horticultural monitoring, research and development; systems design and implementation; marketing; sales; public education; and management (all to the extent warranted by each participant's interests, capacities, maturity, motivation, and demonstrated level of responsibility).

AYES' initial program commenced in September 2010 with the Milo P. Johnson Center for Learning in Banning with 12 participants from Banning and Beaumont. In the short period since its inception, the AYES program has become an integral part of the life skills and job skills training for these students. AYES anticipates integrating its presently existing services to young adults with learning disabilities together with its services to the broader population of young adults in the Banning area once a suitable location becomes available. The ability to address individual needs and limitations in a workplace context itself is a valuable skill set that contributes substantially to the depth and quality of training made available to all of the participants. It is also a way to weave the fabric of community more closely as we come together to address an array of challenges; and together, turn these challenges into opportunities that enrich the lives of the participants as well as contribute to the broader community in which we live.

AYES has approached the City of Banning seeking approval to use portions of Dysart Park for this project. Dysart Park has substantial areas not presently utilized that would be well suited for growing plants in containers on the ground and for placing shade coverings to protect young growing plants and seedlings from the hot midday summer sun, until they become mature. These areas are in close proximity to a 3,000 square foot mobile structure that includes lockable storage space as well as space suitable for indoor instruction and training. (AYES would use this facility in such a manner that it could continue to fully meet the needs of other functions and events such as the annual Stagecoach Days.) The Dysart Park facility is reasonably centrally located within Banning and is within reasonable proximity to public transportation. Dysart Park is a presently underutilized community asset that provides an excellent opportunity to contribute to addressing the employment-related challenges to young adults in the Banning area as well as provide other positive contributions to the community at large.



RIVERSIDE  
COUNTY  
OFFICE OF  
EDUCATION

Berneth M. Young, Riverside County Superintendent of Schools

October 25, 2010

To Whom It May Concern:

The Alliance for Youth Employment Skills (YES) under the coordination of Ben White and Jackie Lasater has been an instrumental work alliance for the students at the Milo P Johnson Center for Learning. The students in the adult life skills class need to acquire vital learning skills and work experience and YES has been an important part of developing and providing a basis for those skills. Ben White and Jackie Lasater have developed a program which requires the students to use many of the work skills needed upon completion of the program such as packaging, labeling, sorting, gathering, processing, planting and transplanting. They are learning about the importance of water conservation and other issues that make "going green" a natural part of their lives. The students are not only learning life skills and work skills they are learning about the community and incorporating science in the midst of learning; not to mention the self esteem the students have gained in participating in a hand on project with real life results.

This is a great experience for the students at Milo P Johnson and has become a vital program to educate and communicate important real world skills to the students.

Sincerely,

Brenda Barnor

Student Programs and Services  
Adult Life Skills Teacher  
671 N Florida St Bldg D  
Banning, CA 92220  
(951) 826 4551



# A.C. DYSART EQUESTRIAN PARK

