

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

September 27, 2011  
**5:00 p.m.**

Banning Civic Center  
Council Chambers  
99 E. Ramsey St.

*The following information comprises the agenda for a regular meeting of the City Council and a Joint Meeting of the City Council and the Banning Community Redevelopment Agency.*

*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 – Pastor of New Creation Church
- Pledge of Allegiance
- Roll Call – Councilmembers Botts, Franklin, Machisic, Robinson, Mayor Hanna

**II. REPORT ON CLOSED SESSION**

**III. 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.

*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.*

## PRESENTATIONS:

1. Banning Centennial Update – Don Smith, Steering Committee Member .. 1

## APPOINTMENTS

1. Continuity of Government - Appointment of Standby Officers. .... 3  
(Per Ordinance No. 1378) – City Council

## **IV. CONSENT ITEMS**

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

**Motion: That the City Council approve Consent Item 1 through 9**

**Items to be pulled \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ for discussion.**

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

1. Approval of Minutes – Special Meeting – 09/13/11 (Workshop) ..... 12
2. Approval of Minutes – Joint Meeting – 09/13/11 (Closed Session). .... 23
3. Approval of Minutes – Joint Meeting – 09/13/11 ..... 24
4. Report of Investments for July 2011 ..... 43
5. Resolution No. 2011-82, Approving the Banning Electric Utility Power Content Label ..... 55
6. Resolution No. 2011-86, Approving the Local and System Resource Adequacy Capacity Purchase Agreement with Shell Energy North America for Calendar Year 2012 ..... 59

- Open for Public Comments
- Make Motion

## **V. PUBLIC HEARINGS**

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

1. City Business Permit for Pacific Ambulance  
Staff Report ..... 63  
Recommendation: That the City Council review and consider approving a City Business Permit for Pacific Ambulance to provide medical transport services within the city limits of Banning.

2. Resolution No. 2011-81, Approving the Change of Street Name from Fields Road to Malki Road. 65  
 Staff Report .....  
**Recommendation: That the City Council adopt Resolution No. 2011-81, Approving the Change of Street Name from Fields Road to Malki Road. services within the city limits of Banning.**

**RECESS REGULAR CITY COUNCIL MEETING AND CALL TO ORDER A JOINT MEETING OF THE BANNING CITY COUNCIL AND THE BANNING COMMUNITY REDEVELOPMENT AGENCY.**

**VI. REPORTS OF OFFICERS**

1. Resolution No. 2011-83, Awarding the Construction Contract for Project No. 2011-02, Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street and Rejecting all other Bids. 72  
 Staff Report .....  
 Recommendations:  
 I. **That the City Council adopt Resolution No. 2011-83, Awarding the Construction Contract for Project No. 2011-02, Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street to Matich Corporation of San Bernardino, CA for an amount of \$596,000.00 and allowing a 10% contingency of \$59,600.00 and rejecting all other bids; and**  
 II. **Approving the Professional Services Agreement for Surveying and Construction Staking Services with H.P. Engineering of Redlands, CA For an amount of “not to exceed” \$9,800.00 and a Professional Services Agreement for Material Testing Services with Aragon Geotechnical of Riverside, CA, for an amount of “not to exceed” \$6,223.00; and**  
 III. **Authorizing the Administrative Services Director to appropriate \$238,258.90 (includes a 10% contingency) from the 2007 Electric Revenue Bond Proceeds to Account No. 673-7000-473-96.29 to make the necessary budget adjustments, appropriations and transfer to fund this project; and**  
 IV. **Authorizing the Administrative Services Director to approve change orders within the 10% contingency of \$59,600.00.**

**Adjourn joint meeting of the Banning City Council and the Banning Community Redevelopment Agency and reconvene the regular City Council Meeting.**

**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. Review of Fees and Rates
3. Policy Discussion Re. Code Enforcement *(study session)*
4. General Management of Council Meetings *(Sept. 27, 2011)*
5. Update on Loans *(Oct. 11, 2011)*
6. Polices & Procedures for Applicant re. Projects and Applicants for Commissions & Committees
7. Report on the Five-Year Water Plan

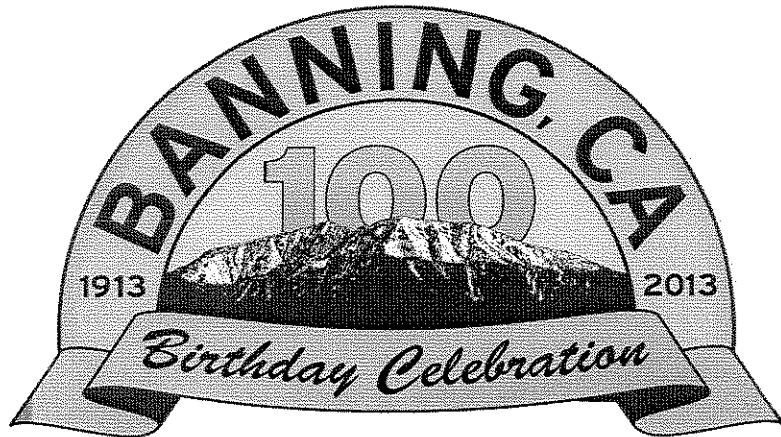
**IX. ADJOURNMENT**

*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 (951) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].



Dear Banning,

Banning's 100<sup>th</sup> birthday is in 2013. Residents of Banning have formed committees to plan for a yearlong celebration. This is a community-based effort, not government, so all of the funds needed for the celebration will be raised from donors, sponsors, tickets and merchandise sales.

As a kick off fundraiser, we are proud to announce the 2013 Club. To become a member of the 2013 Club, all you need to do is write a check for \$100 made out to the Banning Cultural Alliance noting it is for the 2013 Club membership. For your donation, you will receive 2 tickets for the 2013 Gala when they are available. Checks may be mailed to: Banning Cultural Alliance P.O. Box 385, Banning 92220. The Banning Cultural Alliance will be used as an umbrella charity for this event until the end of 2013.

The 100<sup>th</sup> Birthday Celebration can include every business and organization in town. The volunteer steering committee has already begun to formulate a calendar of events for 2013. We want to hear from your business or organization as soon as possible so we can assess how we can help promote and support your event.

We are developing a sponsor benefit package and would welcome the opportunity to meet with businesses to see how we can help you meet your marketing or community goals. The calendar will be available for purchase during Stagecoach Days next year. Sponsors and donors will be featured in this calendar.

We hope to develop a better sense of community by a more complete revelation of our history. Pat Murkland is assembling an amazing collection of 100 items that reflect our history and who we are as a people. If you have unique items that you are willing to give or loan us, let us know. We will be happy to consider them for the 100 Things collection or in conjunction with other birthday-related events.

Our plan is to sell lapel pins, the calendar and shirts with the wonderful centennial logo created by Brandon Contreras of the SGP Design and Print. Pre ordering of these items would be helpful.

We are working with the Banning Unified School District to involve our youth. Youth have already expressed a desire for a Masquerade Ball that might take place close to Halloween,

2013. We hope to incorporate History Day projects, the High School Drama Club to produce plays written based on actual Banning events and perhaps a competition among high school social studies classes on a vision of Banning in 100 years in the future.

Other proposed events include:

February 9, 2013, Saturday, Opening Lecture on Banning and the West by Patty Nelson Limerick

Feb 16, 2013, Saturday, Go Red Luncheon

February 23, 2013, Saturday, Black History Day

Fire Muster (Mar)

Morongo Heritage Day

Dragon Fly Lectures

2nd Quarter:

Sock Hop/Antique Cars by BHS Alumni Association

May 4, 2013, Saturday, Art Hop:

Malki Festival (Memorial Day)

3rd Quarter:

June 1, 2013, Saturday, Banning Charity Bike Ride

August 10, 2013, Saturday, Dorothy Ramon Learning Center Gala

July 5 - 7 Community Picnic, Fireworks and Fire Muster

Gilman Ranch BBQ

International Culture Day

September 4, 2013, Wednesday, Rotary Spaghetti Dinner

September 7, 2013 Pass Has Talent Contest

September 6 – 8 Stage Coach Days

4th Quarter:

October 26, 2013, Saturday, Youth Masquerade Ball

October 31 2013, Tuesday, Downtown Halloween

December 7, 2013, Saturday, Phineas Festival

November 2, 2013, Saturday, 100th Birthday Gala

November 28, 2013 Thursday, Hmong New Year's Celebration

December 31, 2013, Tuesday, New Year's Eve Celebration of Centennial Year

What would your organization or business like to add?

We are also looking for organizations to partner with to produce these events. Would your organization be willing to take the lead?

Contact Heidi Meraz (922-3242 and [hmeraz@ci.banning.ca.us](mailto:hmeraz@ci.banning.ca.us) ) or Barbara Hanna 922-0856; [barbarafhanna@yahoo.com](mailto:barbarafhanna@yahoo.com) ) with how you or your organization would like to participate in Banning's 100<sup>th</sup> birthday celebration!

## ORDINANCE NO. 1378

### AN ORDINANCE OF THE CITY OF BANNING AMENDING CHAPTER 6A OF THE BANNING ORDINANCE CODE RELATING TO DISASTER OPERATIONS AND RELIEF

BE IT ORDAINED, by the City Council of the City of Banning as follows:

SECTION 1. Chapter 6A of the Banning Ordinance Code is hereby deleted in its entirety and replaced by the following:

#### “CHAPTER 6A DISASTER OPERATIONS AND RELIEF”

##### Sec. 6A-1. Purpose

The purpose of this chapter is to provide for the preparation and carrying out of plans for the protection of persons and property within the City in the event of an emergency, including the direction of the emergency organization and the coordination of the emergency functions of this City, with all other public agencies, corporations, organizations and affected private persons.

##### Sec. 6A-2. Definitions

As used in this chapter, “emergency” shall mean the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within this City caused by such conditions as air pollution, fire, flood, storms, epidemic, riot, earthquake, or other conditions, including conditions resulting from a labor controversy, which conditions are or likely to be beyond the control of the services, personnel, equipment, and facilities of this city, requiring the combined forces of other political subdivisions to combat.

##### Sec. 6A-3. Disaster Council powers and duties

A non-emergency committee, to be known as the City of Banning Disaster Council, is hereby created.

It shall be the duty of the City of Banning Disaster Council, and it is hereby empowered, to develop and recommend for adoption by the City Council, emergency and mutual aid plans and agreements and such ordinances, resolutions, rules and regulations as are necessary to implement such plans and agreements.

The Disaster Council shall meet upon call of the Chairperson or, in his or her absence from the City or inability to call such meeting, upon call of the Vice-Chairperson or his designee. All meetings of the Disaster Council shall be held and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code Sections 54950 et seq.

Sec. 6A-4. Emergency Services Division

Hereby created are the Office of Director of Emergency Services, who shall be the City Manager; the Office of Assistant Director of Emergency Services, who shall be the first alternate City Manager as designated in the latest City Manager's "Letter of Authority"; and the Office of Emergency Services Coordinator, who shall be appointed by the City Manager.

Sec. 6A-5. Disaster Council membership

The membership of the Disaster Council shall include:

- (1) The Mayor, who shall be Chairperson;
- (2) The Director of Emergency Services, who shall be Vice-Chairperson;
- (3) The Assistant Director of Emergency Services;
- (4) Chief of Police;
- (5) Human Resource Director;
- (6) Public Works Director;
- (7) Finance Director;
- (8) Electric Utility Director
- (9) Water/Wastewater Utility Director
- (10) Community Development Director
- (11) Parks and Recreation Director
- (12) Emergency Services Coordinator;
- (13) One member from the Superintendent's office of the Banning Unified School District; and
- (14) Such additional citizens of this City, as the City Council may appoint to be "members at large."

Sec. 6A-6. Powers and duties of the Director, Assistant Director of Emergency Services and the Emergency Services Coordinator

(1) The Director is hereby empowered to:

- a. Request the City Council to proclaim the existence or threatened existence of a "local emergency" if the City Council is in session, or to issue such proclamation if the City Council is not in session;
- b. Request the Governor to proclaim a "state of emergency" when, in the opinion of the Director, locally available resources are inadequate to cope with the emergency;
- c. Control and, direct the effort of the emergency organization of the City for the accomplishment of the purposes of this chapter;
- d. Direct cooperation between and coordination of services and staff of the emergency organization of this City and resolve questions of authority and responsibility that may arise between them;
- e. Represent the City in all dealings with public or private agencies on matters pertaining to emergencies as defined herein;
- f. In the event of the proclamation of a "local emergency," or the proclamation of a "state of emergency" by the Governor or the Director of the State Office of Emergency Services, or the existence of a "state of war emergency," the Director is hereby empowered:
  - i. To make and issue rules and regulations on matters reasonably related to the protection of life and property affected by such emergency; provided, however, such rules and regulations shall be ratified at the earliest practicable time by the City Council,
  - ii. To obtain vital supplies, equipment, and such other necessities found lacking and needed for the protection of life and property and to bind the City for the fair value thereof and, if required immediately, to commandeer the same for public use,
  - iii. To require emergency services of any City officer or employee and to command the aid of as many citizens

of this community as he deems necessary in the execution of his duties; such persons shall be entitled to all privileges, benefits, and immunities as are provided by state law for registered disaster service workers,

- iv. To requisition necessary personnel or material of any City department, and
- v. To execute all of his ordinary power as City Manager, conferred upon him by the Banning Ordinance Code or by resolution or emergency plan adopted pursuant to this chapter by the City Council, all powers conferred upon him by a statute, by any agreement approved by the City Council and by any other lawful authority.

(2) The following order of succession shall take effect in the event the Director of Emergency Services is unavailable to attend meetings and otherwise perform his duties during an emergency:

- a. Assistant Director of Emergency Services
- b. The department director named as 2<sup>nd</sup> alternate City Manager in the latest City Manager's "Letter of Authority"
- c. Chief of Police

(3) The Assistant Director of Emergency Services shall have such other powers and duties as may be assigned by the Director.

(4) The Emergency Services Coordinator shall, under the supervision of the Director of Emergency Services, develop emergency plans and manage the emergency programs of this City and shall have such other powers and duties as may be assigned by the Director.

#### Sec. 6A-7. Appointment of Standby Officers

(1) To provide for the continuance of legislative and executive functions in the City during a state of war emergency, a state of emergency or a local emergency the City Council shall appoint three Standby Officers for each of its members. In case a Standby Office becomes vacant because of removal, death, resignation, or other cause, the City Council shall appoint another person to fill said office. Standby Officers shall be designated Nos. 1, 2, and 3 as the case may be.

(2) The qualifications of each Standby Officer should be carefully investigated, and the City Council may request the Chief of Police to aid in the investigation of any prospective appointee. No examination or investigation shall be made without the consent of the prospective appointee.

(3) Consideration shall be given to places of residence and work, so that for each office for which Standby Officers are appointed there shall be the greatest probability of survivorship. Standby Officers may be residents or Officers of a city other than the City of Banning.

(4) Each Standby Officer shall take the oath of office required of the person occupying the office for which he/she stands by. Persons appointed as Standby Officers shall serve in their posts as Standby Officers at the pleasure of the City Council and may be removed and replaced at any time with or without cause.

(5) Each Standby Officer shall have the following duties:

- a. To inform himself/herself of the duties of the office for which he/she stands by. Employees of the City shall assist him/her and shall provide each Standby Officer with a copy of this chapter.
- b. To keep informed of the business and affairs of the City to the extent necessary to enable him/her to fill his/her post competently. For this purpose, the City may arrange information meetings and require attendance.
- c. To immediately report himself/herself ready for duty in the event of a state of war emergency or in the event of a state of emergency or a local emergency at the place and in the method previously designated in the City's emergency plan.
- d. To fill the post for which he/she has been appointed when the regular Council member is unavailable during a state of war emergency. Standby Officer No. 2 and 3 shall substitute in succession for Standby Officer No. 1 in the same way that said Standby Officer is substituted in place of the regular Council member. He/she shall serve until the regular Council Member becomes available or until the election or appointment of a new regular Council Member.

(6) Should all members of the City Council, including all Standby members be unavailable, temporary officers shall be appointed to serve until a regular member or a Standby member becomes available or until election or appointment of a new regular or

Standby member. Temporary officers shall be appointed as follows:

- a. By the Chairperson of the Board of Supervisors of Riverside County, and if he/she is unavailable.
- b. By the Chairperson of the Board of Supervisors of any other County within one hundred fifty miles of the City, beginning with the nearest and most populated County and going to the farthest and least populated, and if he/she is unavailable.
- c. By the Mayor of any city within one hundred-fifty miles of the City, beginning with the nearest and most populated city and going to the farthest and least populated.

- (7) As used in this article, "unavailable" means that a Council Member is either killed, missing or so seriously injured as to be unable to attend meetings and otherwise perform his/her duties. Any question as to whether a particular member is unavailable shall be settled by the City Council or any remaining available members of said body (including Standby Officers who are on the City Council).
- (8) The Office of Mayor shall be filled by the normally elected Mayor Pro Tempore should the Mayor be unavailable. Should both the Mayor and Mayor Pro Tempore be unavailable, the Mayor shall be selected by the City Council from among the ranks of remaining elected Council Members. Standby Officers serving on the City Council shall participate in the selection of a Mayor.

The selected person shall serve until the elected Mayor becomes available or until the election of a new Mayor.

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#### Sec. 6A-8. Emergency organization

The emergency management organization shall consist of the following:

- (1) City Manager/acting City Manager
- (2) Emergency Services Coordinator/acting Emergency Services Coordinator
- (5) Chief of Police/acting Chief of Police
- (4) Human Resource Director/acting Human Resource Director
- (5) Public Works Director/acting Public Works Director

- (6) Finance Director/ acting Finance Director
- (7) Electric Utility Director/acting Electric Utility Director
- 8) Water/Wastewater Utility Director/acting Water/Wastewater Utility Director
- (9) Community Development Director/acting Community Development Director
- (10) Parks and Recreation Director/acting Parks and Recreation Director

All officers and employees of the City, together with those volunteer forces enrolled to aid them during an emergency, and all groups, organizations, and persons who may by agreement or operation of law, including persons impressed into service under provisions of this chapter, be charged with duties incident to the protection of life and property in the City during such emergency, shall constitute the emergency organization of the City.

#### Sec. 6A-9. Emergency plan

The City of Banning Disaster Council shall be responsible for the development of the City's emergency plan, which shall provide for the effective mobilization of all of the resources of this City, both public and private, to meet any conditions constituting a local emergency, state of emergency, or state of war emergency; and shall provide for the organization, powers and duties, services, and staff of the emergency organization. Such plan shall take effect upon adoption by resolution of the City Council.

#### Sec. 6A-10. Designation of the Emergency Operations Centers

It is hereby designated that, in the event of an emergency, the city building located at 3900 W. Wilson Street shall be designated as the primary Emergency Operations Center (EOC) for the City.

Should that building be deemed unsafe to occupy, then the alternate EOC will be the City building at 176 E. Lincoln Street. The building at 176 E. Lincoln Street is also hereby designated as a Department Operations Center (DOC), to be utilized to help control City activities in conjunction with the EOC.

#### Sec. 6A-11. Expenditures

Any expenditure made in connection with emergency activities, including mutual aid activities, shall be deemed conclusively to be for the direct protection and benefit of the inhabitants and property of the City.

Sec. 6A-12. Punishment for violation

It shall be a misdemeanor, punishable by a fine of not to exceed one thousand dollars, or by imprisonment for not to exceed six months, or both, for any person, during an emergency, to:

- (1) Willfully obstruct, hinder, or delay any member of the emergency organization in the enforcement of any lawful rule or regulation issued pursuant to this chapter, or in the performance of any duty imposed upon him by virtue of this chapter;
- (2) Do any act forbidden by any lawful rule or regulation issued pursuant to this chapter, if such act is of such a nature as to give or be likely to give assistance to the enemy or to imperil the lives or property of inhabitants of this City, or to prevent, hinder, or delay the defense or protection thereof;
- (3) Wear, carry, or display, without authority, any means of identification specified by the emergency agency of the state.

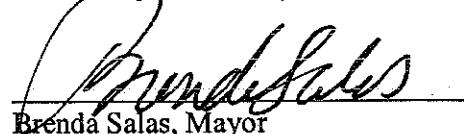
Sec. 6A-13. Severability

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, such action shall not affect other provisions of this chapter or applications, and to this end the provisions of this chapter are declared to be severable.

Section II.

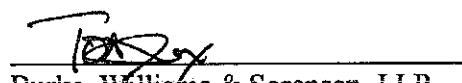
The Mayor shall sign this ordinance and the City Clerk shall attest thereto and shall within fifteen days of its adoption cause it, or a summary of it, to be published in the Record Gazette, a newspaper published and circulated in the City. Thereupon this ordinance shall take effect 30 days after adoption and be in force and effect according to law.

**PASSED, APPROVED AND ADOPTED** this 8<sup>th</sup> day of January, 2008.



Brenda Salas, Mayor

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



Burke, Williams & Sorensen, LLP

  
City Attorney

ATTEST:



Marie A. Calderon, City Clerk

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that Ordinance No. 1378 was duly introduced at a regular meeting of the City Council of the City of Banning, held on the 11<sup>th</sup> day of December, 2007, and was duly adopted at a regular meeting of said City Council on the 8<sup>th</sup> day of January, 2008, by the following vote, to wit:

AYES: Councilmembers Botts, Franklin, Hanna, Machisic, Mayor Salas

NOES: None

ABSENT: None

ABSTAIN: None



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

MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

09/13/11  
SPECIAL MEETING

A special meeting (workshop) of the Banning City Council was called to order by Mayor Hanna on September 13, 2011 at 3:02 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Botts  
Councilmember Franklin  
Councilmember Machisic  
Councilmember Robinson  
Mayor Hanna

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Andrew Takata, City Manager  
Duane Burk, Public Works Director  
Art Vela, Senior Civil Engineer  
Perry Gerdes, Public Utilities Superintendent  
Marie A. Calderon, City Clerk

## WORKSHOP ITEM

1. City of Banning's Industrial Pretreatment Program Proposed Changes  
(Staff Report – Duane Burk, Public Works Director)

Mr. Burk said that this workshop is to bring you up to date of what we have been going through as it relates to discharge to the sewer treatment plant with our businesses and our residents as it relates to the EPA (Environmental Protection Agency) and the Regional Water Quality Control Board. This is more driven by regulatory reasons and there is no action required by the Council. The idea behind this is to give the Council an update on consolidating two existing ordinances that we have in place. The consultant has been working on this for a long time and it has been through the City Attorney's office for review and approved. Staff will be bringing the ordinance back at a later date. He said that our consultant, Gary Ethridge from G&G Environmental, is here to make the presentation and that G&G Environmental has been working with the City for about 3 years doing some different things as it relates to the acronym "FOG" (Fats, Oils and Greases) as it relates to what our pretreatment is as it hits our wastewater treatment plant.

Gary Ethridge with G&G Environmental addressed the Council stating that it has been a pleasure working with the staff. He said that he would be giving an overview of what the pretreatment program is and kind of the nature of why we are bringing some proposed changes to you and as mentioned a lot of these are regulatory driven and they have had audits by the State and EPA over the last couple of years and each year they give some recommendations

and then the next year it becomes a requirement so we are at the point now where they are asking up to step this up a little bit so we are bringing some of these ideas to you at this point. Mr. Ethridge said that by way of a brief overview his presentation will cover the Purpose & Goals of the Pre-Treatment Program (PTP) of how it works and why some of these changes are probably important, Program Elements (EPA Program requirements), Benefit to the City, and Summary of the Proposed Changes to the Existing Program. At this time Mr. Ethridge started his power-point presentation (see Exhibit "A").

#### Purpose & Goals of PTP

- They are not unique to Banning and these actually come from federal and state documents over the years. The pretreatment program has been around for about 25 years. The objectives have changed slightly because the terminology has changed but essentially it is to protect the beneficial use of whatever product you produce at your wastewater plant. In years past it was usually disposed of to a lake, creek, ocean or whatever. In more recent years because of water shortages more agencies are moving towards recycled water so the pretreatment program goes a long way in having industries remove pollutants that are not amenable to treatment by your treatment plants so it opens up some of those beneficial uses for you. Municipal biosolids for years have been land-filled and they are becoming more recently used by agencies for energy purposes so those are things to keep in mind that the pretreatment program does by reducing heavy metals, toxics, etc. from municipal sludge.

#### Required Program Elements

- The elements that he described earlier that the regulatory agencies (EPA and State) have been looking at closely are your legal authority which we consider your ordinance which is codified in your existing code and you have existing Ordinances 1206 and 1271 which are the two wastewater ordinances. He said that the legal authority has already been reviewed by both the State and EPA so what you have in your binders that you were given is a final approved version by them. It is up to you at this point to decide if that is the way you want it to be but it has met their requirements. The other one that was approved by them most recently was the Enforcement Response Plan and that is kind of a progressive plan that looks at starting off trying to resolve compliance issues at the very lowest level with a verbal warning and trying to get education out there so that they can resolve things without any type of fines or fees and then it would move its way on upwards depending on the nature of the violations.
- Benefits to the City  
It improves opportunities for the use of recycled water and his understanding is that you have in place at least plans to convert or to build another tertiary recycled type of facility and part of our job is to make sure that we establish limits for you that helps protect whatever beneficial use you have designated for that recycled water.

Mr. Ethridge said the nature of recycled water is typically from wastewater treatment plants and it contains fairly high amounts of phosphorus and nitrogen nutrients and so it is really very well suited for landscape irrigation for golf courses, freeway landscapes and other irrigation purposes. It helps extend the potable water supplies if you are in a situation where those become limited. It also helps protect capital infrastructure and reduces liability.

### Summary of Proposed Changes

- One of the changes would be to consolidate existing Ordinances 1206 and 1271. Mostly because there was some conflicting information in the two that needed to be rectified and pulled together into one but maybe the bigger issue was that there was a lot of additional language that needed to be put in so the idea was that we would put together one consolidated ordinance that addresses all of those issues.

### Reasons for the Change

- The changes really was as a result of a couple of successive audits by the State and EPA that pointed out particular portions of the existing program that just didn't meet their requirements and so we have made those changes as suggested the ordinance and the enforcement response plan now meet their regulatory requirements. In regards to local limits there is actually a project in place in re-evaluating those local limits. The way that process works very briefly is that we look at the existing limits and compare them to all the change factors. It could be that you don't have to change them and that would be the simple scenario. You can justify that they are still protective of your plant and you can still legally defend them if a challenge comes in from an industry that says is not a fair limit. If we can show that is not the case, then we will go ahead and re-establish some new limits and bring those to the Council for approval.

### Local Wastewater Limitations

- The limits that are in the resolution are the exact limits that are pulled directly from the ordinance and it is just a matter of adopting those by resolution rather than by ordinance. The important thing to mention is the fact that we meet with all your affected industrial users before we do any of that. In fact, we have met with them on a lot of these proposed changes already just to keep them in the loop as we move forward in this process so that they all don't end up here in the Council Chambers at the last minute saying that they didn't know this was happening, etc. Again the industries have been very receptive. There really isn't anything that has been proposed any of the new ordinances for enforcement response plans that we are not really doing right now so as far as the industries perspective they won't see any changes whatsoever.

### Wastewater Discharge Limits

- This chart shows what your existing local limits are. Some of these may not be necessary and may disappear entirely. With some of the other ones the numeric values may change.

### Fee Resolution, Permit Fees & Other Program Fees

- The current ordinance actually specified one specific fee and it was \$500 for an annual permit fee and that fee is really based on the amount of time it takes to write the permit and to do the inspections and you have different types of businesses out there with one referred to as a significant industrial user that they are required to inspect four times a year where some of the other ones might be inspected only once or twice so one of the changes that is proposed is a sort of a scale system based on the actual cost to the City for performing those particular inspections.

- In regards to Class II users there may be one of those permitted right now but it is typically one that there may be some non-compliance issues with so we issue permits but the ordinance currently doesn't require you to permit anyone other than people that are considered significant. These are just fees that are included just in case you need them. For example, the Class IV Permit (Liquid Waste Hauler) you don't accept hauled waste but if you ever wanted to this would be the fee for an annual user. It is there is you need it, but you don't have to use it. The Other Program Fees are actually consistent with what the enforcement response plan guidelines are for stepping up fines. We want to try to resolve all these issues (violations) at the lowest possible level with verbal warnings, written warnings so that people understand what is coming if they don't come into compliance.

Mr. Ethridge finished his presentation and asked if there were any questions.

Mayor Pro Tem Machisic asked when was the last time we revised this and what is mandated by the agencies in the State.

Mr. Ethridge said it was probably revised 7 or 8 years ago and what is mandated by the State are mostly new changes in federal and state law and one had to do with the recent permit that was issued to all the cities including Banning called the General Waste Discharge Requirement for Sanitary Sewer Systems and they mandate things like fats, oils and grease programs, best management practices, inspections at restaurants which were really never required before and those all came as a separate program that are now rolled into this Pretreatment Program requirement so those provisions have been added. The "streamlining" regulations in most cases actually reduce some of the requirements for example, significant non-compliance definition used to cover anybody that was in non-compliance for certain criteria including those people who were not significant users. That has now been changed only to apply to the most significant users you have so you don't have to publish in the newspaper a restaurant that had a grease trap overflow or something if you considered that significant. So some of those provisions actually are less restrictive than what was in your existing requirements.

Mayor Pro Tem Machisic said so in order words, if the agency changed the regulation they usually give you several years to comply and then we would do it through a resolution and then when we revise the whole thing and just add them all in, and is that what we are doing.

Mr. Ethridge said in the case of the streamlining regulations those were actually adopted by the federal government probably ten years ago and they were supposed to be adopted into your ordinances probably 7 years ago and they just haven't been. And so what we are doing is playing a little bit of catch-up right now.

Mayor Pro Tem Machisic said that he noticed on the last page that they have the various fines and permits fees, etc. and have they changed dramatically over the last time we had changes in fees.

Mr. Burk said he thinks the only one that really significantly changed is probably the Class I Permit and possibly the Class II Permit and all the rest are pretty much in compliance with the

previous ordinances. We probably have only a minimum amount of clients in the Class I and Class II categories.

Councilmember Robinson said that he was contacted by an automobile repair place here in town and one of his concerns is that he comes to the counter and realizes what he has to do as far as the local agency but then do you refer them to what they have to do as far as county, state and federal and is all that put together as a package for an automobile repair facility.

Mr. Ethridge said in regards to what they have done he will start with the restaurants first and then move to the automotive because we do them very similar and they are small businesses and in many cases all we want them to do is to know what they can and cannot do. We have actually prepared posters for the restaurants and we will be doing the same thing for automotive people and this actually list what the best management practices are and some of them are very simple. It is a matter of the owners making sure that the workers aren't mixing barrels of oil with solvents, storing them next to a drain where it can spill or illegally discharging things to save money. It is an educational process for most people and it works probably 95% of the time. That is why you have that progressive enforcement response plan for those people who are not good faith actors and it is clear they are not and you want to have some provisions that actually allow you to resolve that non-compliance as quick as you can. But that is a rare, rare instance. He has worked for the City now as an inspector inspecting literally every business that you have out there and he thinks that you could count the number of verbal warnings, written warnings and made a notice of violation on one hand that we have had to issue over the last three years. It is not just a very common occurrence.

Councilmember Robinson said so when they come to the counter they know going in what their requirements are at local, county and state level.

Mr. Ethridge asked if that would that be a brand new business? Councilmember Robinson said yes. This person said that they had come to the City and got some information and then he found out later about the county and state and federal requirements.

Mr. Ethridge said that right now that is probably a part of the program that we could improve significantly. He doesn't know if there is enough communication between the water/wastewater department and some of the plan check stuff that goes on in regards to these regulatory requirements. We could put together a brief bullet sheet that just says these are the expectations/requirements and they could become part of your plan check packages that you do. It would be very simple to do.

Councilmember Botts said he knows that we have to do these things but he is also concerned about a small town and small businesses and businesses struggling and he had asked the question and didn't get the answer back about potential costs and he knows that this is just a workshop but for the average restaurant and we have a lot of them and the average is probably fast-food versus sit-down but his question and concern is always trying to find a balance of imposing new fees and new costs on business and you feel like everybody is in compliance and that means every restaurant so there is nothing new here that is going to cause any business to have to go out for capital expenditures on new grease traps or new something and there are new

and increased costs for permits. It is easy to talk about Class I and Class II and we don't have very many of those but what is a Class III and a Class IV. He is assuming that the vast majority of all of our small businesses fall into categories III and IV and \$350 dollars and \$500 dollars is a significant amount of money for fees.

Mr. Ethridge said the way the ordinance is written is that you are only required to issue permits to Class I significant users. These other designations are in place if you chose to use them. You don't have to. In fact, it specifically states that Class III users, for example people who fall under this classification may be inspected by the City so there may be some cost to that but as far as issuing a permit and having them incur that cost that is not a mandatory part of the program at all. That is something you could do but you are not required to do that at all. As far as the interceptors, the cost to the restaurants for example for grease traps is the same program that it has always been for new businesses coming in they are evaluated the same way. If they need an interceptor, they have to put one in. For the old ones and there are several older established restaurants here in town that don't have grease interceptors. Part of the program that we did for the City was to develop these best management practices and to let them know that for their business if they were coming in today, they would be required to put in a grease trap but if they can continue to use these best management practices by not dumping grease and oil down the drain, removing garbage disposals, simple things that would reduce their impact on the system and we don't have any problems with the sewer collection system, they would not be required to install a grease interceptor. That would only occur at the point when they are causing sewer problems and it is a documented sewer problems and we would work with that business over time to let them know whatever you are doing is not working and we have videos of the line and we can see the grease building up and something has to give. There is a lot of communication between us, the inspectors, and that business well before they are installing a grease interceptor.

Mr. Burk said that we are trying to build a program that comes into compliance with the new regulations and combine our two ordinances. You are not adopting an ordinance now where we are going to go knock on doors and say you have to put in a grease interceptor and other things. Basically what we are doing is that if we do have an issue, for example like with American Linen where there were many issues, we didn't really have anything in place that would allow us to go effectively point out the fact that they were dumping laundry soap into our sewer lines and backing up sewers. So we didn't have anything in place to penalize them. And in this case, we really don't have anybody that we would need to do that on the fats, oils and greases as far as restaurants go. Basically most of our businesses if not 99% of them are in compliance.

Councilmember Franklin asked how often are the regulations required to be updated.

Mr. Ethridge said that you are supposed to look at the local limits and your legal authority every five years just to look and see if it is still adequate and that is typically what we have been doing. Anything less than that if there was a major change that occurred, then typically the State or EPA would come in and say you have to adopt these changes and then they give you a certain period of time to do that.

Councilmember Franklin said what is the exposure to the City if there is non-compliance that we don't follow-up on.

Mr. Ethridge said you can be assessed fines under the federal and state programs for not implementing an effective pretreatment program. That is part of the waste discharge requirements that is issued to the wastewater treatment plant as part as NPDES (National Pollutant Discharge Elimination System) permits if you are discharging to a live-stream but if you are holding the water on-site it is a waste discharge requirement and that is a provision of that permit and they could fine you.

Councilmember Franklin said she is just more concerned that people understand that it is not that we are doing it just because we want to but that we are required to do it.

Councilmember Robinson said he was wondering how we deal with septic tank users as far as compliance and he is not sure that we have any. But he does know of some commercial facilities that are on septic system here on Ramsey Street but how do we deal with that and is there any way we could force compliance with connection since there is a pipe out there and they could connect.

Mr. Burk said not with this ordinance. We currently have an ordinance in place that addresses septic tanks as it relates to proximity to within the sewer system. For example, if you are within 200 feet of a sewer line you have to pay the fee and anything greater than that you don't have to. In some older areas of the community the sewer was never there. One of goals is to try to identify all the septic tanks that are out there and try to figure a way to get them on to our system. However, he doesn't believe that our ordinance mandates that they will. In fact, our ordinance waives their connection fee if they predate a certain date in the 1960's.

Councilmember Botts said in the document it says that prohibited discharges are rain water, storm water, ground water, street water, roof water and it seems that is kind of strange that it is prohibited supposedly toxic discharge.

Mr. Ethridge said no. The purpose for not having unpolluted water go to your wastewater treatment plant is because these plants are not designed to take on anything more than what the sewer system will allow and the rain water is not supposed to go to the sanitary sewer system. It is supposed to go to the storm system. There are actually other provisions that allow certain amounts of this like 100 square feet or pads that are outside maybe for certain industrial applications. So the idea behind that prohibition is to reduce hydraulic loading of your plant because if you funneled all of your rain water on a given day to that treatment plant, you would wipe it out.

Mr. Burk said the maximum capacity of the plant is 3.6 mgd and if you exceed that amount then the regulatory people would be knocking on our door as to why are you exceeding the 3.6 mgd. So the rain water and any other water intruding into the plant could be a violation on our part. That is one reason we need to identify those open areas if there are there; infiltration if you will.

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

Mr. Burk thanked the Council for the workshop. He extended his gratitude to Perry Gerdes and Art Vela who actually put all of this together along with Gary Ethridge and their hard work and effort is the document you have before you. This will go back to the Regional Board and then come back to the Council.

ADJOURNMENT

By common consent the meeting adjourned the meeting at 3:39 p.m.

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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.**

# Industrial Pretreatment Program



Proposed Ordinance and  
Enforcement Response Plan Changes

September 13, 2011



## Required Program Elements

- Legal Authority (Ordinance/Municipal Code)
- Technically based local wastewater limits
- Procedures for independently determining compliance (sampling, inspection, enforcement)
- Adequate funding to implement the program
- Ability to control pollutant loading through permits
- Progressive Enforcement Response Plan

## Presentation Overview

- Purpose & Goals of the Pre-Treatment Program (PTP)
- Program Elements (EPA Program requirements)
- Benefits to the City
- Summary of the Proposed Changes to the Existing Program

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## Purpose & Goals of PTP

- Protect the beneficial use of recycled water and municipal sludge (biosolids)
- Protect the City workers and the public
- Protect the environment
- Prevent upsets, interference, and pass through events
- Protect the City's capital infrastructure investment

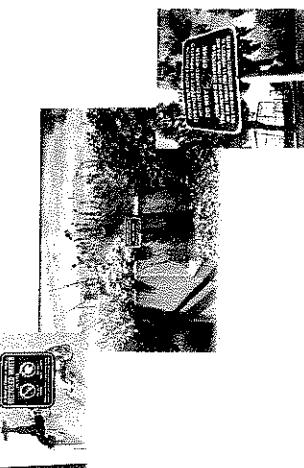
3

## Benefits to the City

- Improves opportunities for the use of recycled water
- Supports water conservation goals by preserving potable water
- Protects the major investment in wastewater infrastructure
- Reduces liabilities associated with non-compliance with State wastewater discharge permits

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## Protects Beneficial Use of Recycled Water



## Protects Capital Infrastructure



## Reduces Liability



## Local Wastewater Limitations

- Adopt existing limits by Resolution until new study is completed
- New limits to reflect recycled water use criteria and wastewater discharge requirements from the State
- Staff will meet with all affected Industrial Dischargers to review and resolve issues prior to adoption of new limits

## Summary of Proposed Changes

- Consolidate Existing Ordinances No. 1206 and No. 1271
- Update definitions for consistency with changes in State and Federal program language
- Incorporate required Federal "streamlining" regulations and Statewide General Permit provisions for Sanitary Sewer Systems
- Adopt local wastewater discharge limits and fees by separate resolution to better facilitate changes

## Wastewater Discharge Limitations

Pollutant	Limit (mg/L)
Aluminum	140.0
Asbestos *	.....
Cadmium	0.07
Chromium	3.3
Copper	1.2
Lead	0.55
Iron	11.0
Mercury	0.001
Nickel	1.5
Silver	6.6
Zinc	2.5
Chloride	1.2 *
TDS *	580
TTO *	.....
pH	5.5-9.5

## Reasons for Change

- State and EPA audit identified needs to update program (Ordinance, ERP, local wastewater limitations, etc.) as part of a pending program approval process
- Changes in contributions of wastewater from Industrial Users
- To comply with State & Federal Program Requirements
- Proposed changes in the Wastewater Treatment Plant and recycled water use

## Fee Resolution

- All fees are based upon average cost to the City for performing a pre-defined task
- Fees proposed for Permits based by classification and minimal oversight (inspections and monitoring)
- Non-compliance fees cover additional time to resolve a wide range of issues

## Permit Fees

CITY/SERVICE	FEES (\$)	NOTES
30 Permit Fees		
Class I Permit /Significant (U)	\$750+	1 Laboratory Fees
Class II Permit (New, Significant (U))	\$350	Annual Fee includes four on-site inspections per year. Laboratory fees \$200*, a minimum of annual City sampling is required.
Class III Permit (Temporary) (U)	\$350	Annual Fee includes two on-site inspections per year. Routine City sampling is not required but may be performed and will be needed to verify compliance.
Class IV Permit (Liquid Waste Hauler)	\$300	Annual Fee includes four on-site inspections per year. Routine City sampling is not required but may be performed and will be needed to verify compliance.
Annual Fee includes field sampling of waste for indicator parameters (H and D/C) and liquid waste hauler number accounting and control.		Annual Fee includes field sampling of waste for indicator parameters (H and D/C) and liquid waste hauler number accounting and control.

## Other Program Fees

Non-Compliance Fees		
Notice of Violation	\$150	Fee covers the cost of additional inspection to verify a return to compliance and the corrected enforcement. Fee assessed for each additional inspection performed.
Order to Implement a Non-Compliance Monitoring Program (NACP)	\$150	Fee to cover the cost of issuing the Order and tracking additional monitoring data. Fee assessed for each additional monitoring site.
Compliance Meeting/Consent Order/Compliance Order	\$300	Fee to prepare the Order, consent meeting, assessment findings, and required actions. This fee is assessed for each meeting.
Administrative Conference	\$1,000	Fee to prepare and prosecute the compliance conference.
Consent and Denial Order	\$250	Fee to prepare the CPO and follow-up inspection and documentation actions.
Plan Check Fees		
Plan Review, Rough Drawing and Wastewater Treatment and Spill Containment System Inspections	\$850per	Fee to review blueprints, verify functionality, with "as-built" plans, and document compliance with permit requirements.

## Questions



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MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

09/13/2011  
JOINT MEETING

A joint meeting of the Banning City Council and the Community Redevelopment Agency was called to order by Mayor Hanna on September 13, 2011 at 4:00 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

**COUNCIL MEMBERS PRESENT:**

Councilmember Botts  
Councilmember Franklin  
Councilmember Machisic  
Councilmember Robinson  
Mayor Hanna

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Andrew Takata, City Manager/Executive Director  
Lona N. Laymon, Assistant City Attorney/Agency Counsel  
June Overholt, Administrative Services Director  
Duane Burk, Public Works Director  
Zai Abu Bakar, Community Development Director  
Marie A. Calderon, City Clerk/Secretary

**CLOSED SESSION**

Assistant City Attorney/Agency Counsel said that the Agency Board will now convene into closed session on two items with the first being a matter of potential litigation pursuant to the provisions of Government Code Section 54956.9., and the second matter is in regards to real property negotiations with Andrew Takata, Executive Director and negotiator with respect to the property at 128-130 N. San Gorgonio.

Mayor Hanna opened the items for public comments. There were none. Meeting went into closed session at 4:03 p.m. Meeting recessed at 5:00 p.m.

## ADJOURNMENT

By common consent the meeting adjourned at 5:17 p.m.

Marie A. Calderon, City Clerk

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MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

09/13/11  
REGULAR MEETING

A regular meeting of the Banning City Council was called to order by Mayor Hanna on September 13, 2011 at 5:12 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Botts  
Councilmember Franklin  
Councilmember Machisic  
Councilmember Robinson  
Mayor Hanna

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Andrew Takata, City Manager  
Lona N. Laymon, Assistant City Attorney  
Duane Burk, Public Works Director  
June Overholt, Administrative Services Director  
Zai Abu Bakar, Community Development Director  
Fred Mason, Electric Utility  
Leonard Purvis, Police Chief  
Phil Holder, Lieutenant  
Marie A. Calderon, City Clerk

The invocation was given by Council Member Debbie Franklin. Council Member Botts invited the audience to join him in the Pledge of Allegiance to the Flag.

## REPORT ON CLOSED SESSION

Assistant City Attorney/Agency Counsel reported that the Agency Board met in closed session pursuant to a potential litigation matter under Government Code Section 54956.9. and staff was provided with direction and there was no further reportable action. The Agency Board also met on a second matter in regards to real property negotiations pursuant to the provisions of Government Code Section 53956.8 to confer with its real property negotiator Andrew Takata with regard to 128-130 N. San Gorgonio property and the Board provided staff with direction and there was no further reportable action.

## PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS

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

Robin Lunt, 1148 Silver Star Drive addressed the Council regarding a problem in their neighborhood with a home operated business and request that the Council do something about it (see Exhibit "A").

Dorothy Familetti-McLean addressed the Council stating that the Pass Area Supporting Soldiers won an award for the Stagecoach Days parade. They had a volunteer who loaned them his fire truck and at least 8 to 9 veterans were on the truck and they received the Parade Chair Award and they do accept the award with great gratitude and are excited. She thanked the people from Stagecoach Days and the people who came out.

Bryanna Irizarry, Senior Class President at Banning High School said that she was very excited to announce that they are bringing back an old tradition; a homecoming parade. They would like to invite local businesses and clubs to be a part of the parade and encourage you to join together and build floats to show off your pride for Banning, the high school and its students. This year's theme is the "Wonderful World of Disney" and if you are interested in being part of the parade which will be held on the afternoon of October 21<sup>st</sup>, please contact the Activities Director of Banning High School, Natalie Crine.

Betty McMillion, 5549 W. Pinehurst Dr. addressed the Council as the spokesperson for the Concern Citizens Committee for a Better Banning. She said that the Committee organized in 2010 and has now reformed and the Steering Committee is here tonight in protest the actions taken by the City Council on August 23, 2011. The following letter has been drafted by the Steering Committee and it expresses their concerns and is being presented to you for your consideration and future action (see Exhibit "B").

Henry Reyes Jr. addressed the Council stating that he was a realtor and lives about a block behind the civic center. Before he was a realtor he was an international marketing sales manager and got to go around the world and meet a lot of people. He moved to Banning about two years ago because he liked the town, it's clean and the people but the only thing he sees missing are jobs. He would like to put a proposal together for those 59 acres that Banning has sitting by the race track. He has already talked to people from China with whom he has connections and has convinced them to come over here and look at Banning to put factories here so that we can have people employed here and have things made in the U.S.A. He said right now they have a joint venture with Australia and they are actually building small, little towns over there and that is what he is trying to get here. It won't cost the city any money and he has already told China that there is no money here and that you need to bring your own money.

Gary Hironimus said that two weeks ago he was here and made some comments on redevelopment on what it was and what it was not and obviously at least three of you disagreed with his statements. Specifically Barbara Hanna disagreed stating that events in her opinion were redevelopment. He is here tonight to say that believing something does not make it true. He asked the Council do some research and he assumes that hasn't occurred so he did it for the Council. He said he was going to hand it over to the Council and it is directly from California's Redevelopment Agency website regarding what is redevelopment. He said that Barbara Hanna also claims that she used to work for the City of Riverside for 8 years and they spent a ton of

money on the arts and you are right; they did. He said that he currently works for the City of Riverside going on 9 years and that is a true statement however, it is not the whole truth. Not one dime of that is from redevelopment funds because it is not redevelopment. Also, for your reading pleasure is the City of Riverside's Five-Year Redevelopment Implementation Plan which he handed over to the Council and they don't spend redevelopment on events because it is not redevelopment. When he was here he asked the Council not to fund the Alliance with redevelopment money because it is not redevelopment and also asked them not to fund it through the General Fund because we are broke and are in a deficit situation. In essence, three of you did both. You funded it with the General Fund with the idea that you would reimburse it with redevelopment funds if they got released. He believes that the spouses of Mr. Botts and Mr. Robinson still sit on the Board of the Cultural Alliance and he would kind of like to know how the City Attorney or City Manager does not recognize that as a conflict of interest when it comes to \$1.5 million dollars given to the Alliance over the past five years.

Councilmember Botts said that he wife does not sit on the Board of the Alliance.

Doug Hammer of Fire Memories, Inc. stated that he now believes that he lives at 5261 W. Wilson Street or at least he thinks he does. They had an opening this weekend and it was very successful. They had a lot of people there Friday night with more people on Saturday and even more on Sunday. From Fire Memories he would like to thank the Council and staff. He thanked Councilmember Franklin with helping them with their business plan. Councilmember Botts and been behind them from the very beginning. Mayor Hanna has been behind them all the way. Councilmember Machisic liked their business plan. He said Councilmember Robinson forgot to check out the other night. He said that in 14 days of working on the building Councilmember Robinson has put in 99 hours and thank you very much for all you have done. He said that they are open Thursday, Friday and Saturday from 10 a.m. to 4:30 p.m. They are open by appointment and have had three teachers call for appointments and one senior housing center. They have received donations from the community not only in funds but in fire department memorabilia and a couple of them have been just outstanding. They received a piece of equipment on loan yesterday and it is a late 1800's ladder apparatus that is completely restored. They have also received the Bud Mathewson Spirit Award.

Don Smith said the economy is in a terrible shape and people are in bad moods, people are having financial problems and maybe he is in a good mood because he just got off from his vacation but after he came back from vacation a series of things happened that make him really happy, proud and hopeful about the city of Banning. Last Thursday he went to the grand opening of the new sports facilities at the high school and we have as good a sports facility and as nice a high school as anybody any where and Banning should be proud. Hopefully we will have a joint use facility so that we will be able to use that in a more year-round and full-day capacity. The next day he went to the opening of the Fire Memories Museum and we have an amazing museum in the city of Banning that has many interesting things and education items that will bring people from out of town and he sort of knows this because he went back to their 911 Memorial on Sunday and sat and ate hot dogs with 20 people that were from out of town that came to the museum. Then on Saturday he went to Stagecoach Days and he has never seen the grounds look better. Between the committee and the City they have a lot to be proud of for how it looked down there. The events were wonderful and entertaining. We had our

Pass Has Talent there on Saturday night and 12 amazingly talented people performed to a not-a-seat-left audience. Banning, despite the economy, is making amazing progress forward.

City Manager at this time introduced some new employees and stated for the record that they are replacing other employees that have left and we are not hiring additional employees. In fact, we downgraded one of the actual positions and we are saving money in regard to that position. He introduced Jim Steffens, Management Analyst with the Electric Department; Laura Benge, Public Safety Dispatcher; and Jack Lorea, Police Officer-Tribal Administrator with the Morongo Band of Mission Indians.

Freeman Stokes, 879 E. Indian School Lane submitted a letter to be read during public comments because he could not attend the meeting this evening. The City Clerk read the letter into the record (see Exhibit "C").

CORRESPONDENCE: There was none.

CONSENT ITEMS

Councilmember Franklin said that she will be abstaining on Item No. 6 because this has to do with funding for the San Gorgonio Child Care Consortium and she does have a relationship with that organization.

1. Approval of Minutes – Special Meeting – 08/23/11 (Study Session)

Recommendation: That the minutes of the Special Meeting of August 23, 2011 be approved.

2. Approval of Minutes – Joint Meeting – 08/23/11 (Closed Session)

Recommendation: That the minutes of the Joint Meeting of August 23, 2011 be approved.

3. Approval of Minutes – Regular Council Meeting – 08/23/11

Recommendation: That the minutes of the Regular Meeting of August 23, 2011 be approved.

4. Ordinance No. 1439 – 2<sup>nd</sup> Reading: An Ordinance of the City Council of the City of Banning, California, Approving Zoning Text Amendment No. 11-97501 Amending the Review Requirements for Accessory Structures.

Recommendation: That Ordinance No. 1439 pass its second reading and be adopted.

5. Ordinance No. 1441 – 2<sup>nd</sup> Reading: An Ordinance of the City Council of the City of Banning, California, Determining It Will Comply with the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in Order to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Banning.

Recommendation: That Ordinance No. 1441 pass its second reading and be adopted.

6. Resolution No. 2011-77, Accepting Community Development Block Grant Program Funds for Fiscal Year 2011-2012.

Recommendation: That the City Council adopt Resolution No. 2011-77.

7. Resolution No. 2011-78, Approving the Airport Improvement Program Grant Agreement Offer from the Federal Aviation Administration for AIP Project No. 3-06-0018-11-2011(D), Taxiway "A" Relocation.

Recommendation: That the City Council adopt Resolution No. 2011-78 and authorize the City Manager to execute the Grant Agreement Offer and subsequent Grant Agreement with the Federal Aviation Administration.

8. Resolution No. 2011-79, Awarding a Professional Services Agreement to C&S Engineers, Inc. of San Diego, California in an amount "Not to Exceed" \$200,128.00 for Design of the Taxiway "A" Relocation at the Banning Municipal Airport.

Recommendation: That the City Council adopt Resolution No. 2011-79 and authorize the Administrative Services Director to make necessary budget adjustments and appropriations from the Airport Fund to Account No. 600-5100-435.33-11 in the amount of \$200,128.00.

9. Resolution No. 2011-80, Authorizing the Acceptance and Expenditure of FY 2011 State Homeland Security Grant Program Funds in the Amount of \$150,000 for the Purchase of Multi-Band Vehicle Radio Through ComSerCo Communications.

Recommendation: That the City Council adopt Resolution No. 2011-80, authorizing the acceptance and expenditure of \$150,000 received from the Riverside County Fire Department Office of Emergency Services, under the FY 11 State Homeland Security Grant (SHSGP), for the purchase of state-of-the-art APX 7500 Motorola Tri-Band Vehicle Radios. Additionally, approve the Police Department's request to purchase the radios from ComSerCo Communications, as a sole source provider in the amount of the grant.

**Motion Botts/Robinson that the City Council approve Consent Items 1 through 9.** Mayor Hanna opened the item for public comments. There were none. **Motion carried, with Councilmember Franklin abstaining on Consent Item No. 6.**

#### REPORTS OF OFFICERS

1. Resolution No. 2011-65, Adopting the 2011-2016 Strategic Plan  
(Staff Report – Andy Takata, City Manager)

City Manager addressed the Council stating that as you know we had a work session about a month ago in regard to the strategic plan and wanted to go over some of things discussed. At this time the City Manager started his power-point presentation. He said that they are trying to

put this together as far as an actual document so that the public can receive this document as we go along and it does include the Mission Statement and Vision Statement, includes historical information in which there have been some minor changes made to that page. He said that the City of Banning Goals include Fiscal Stability, Public Safety, Infrastructure and City Facilities, Economic Development, Quality of Life, Community Relations and Regional Cooperation and Regional Cooperation and Partnerships. He said that this was done in a two-day workshop with the Council in January and staff did then work on those points and it was brought back to the Council in August and it was reviewed by the Council. At this time City Manager went through the Goals and asked if the Council had any questions or corrections to any of the goals. He said that some of the Council did give him feedback and he did incorporate them into this power-point presentation of the document but not the hard copy.

- Goal #1 - Fiscal Stability

Mayor Hanna said in regards to I-1 – Revenues-Fee review she believes that we are planning to have a review of the financials for the water and wastewater. City Manager said that he did make a change and the milestone target is October 2011 to review water fees.

- Goal #2 - Public Safety

City Manager said that not on this one but we do have the Fire Inspector position some place else and he actually downgraded that from a Priority 1 to a 2 because that was inconsistent with this page because currently we have the Fire Inspector position at a 2 so it is not a high priority. He can safely say even though it says January 12 as the completion date we will not have money to fund the Fire Inspector position. But he may be bringing something back to the Council next budget year to upgrade our Assistant Fire Marshal up to a Fire Marshal which can do some of the other duties that we are lacking and concentrate more on things such as emergency preparedness which we should be doing and those types of things.

Councilmember Franklin said that she would like something added to the police because this all has to do with monies and she wanted to see something where we are actually talking about continuing to provide public safety because that is not addressed here as one of our goals and we should show that is our number 2 goal. City Manager said if the Council doesn't have a problem, he will make that I-2 and we will obviously continue to make our community as safe as possible. Mayor Hanna said possibly we can make it more specific so that it something we can hold them accountable two. There was Council consensus.

- Goal #3 Infrastructure and City Facilities – there were no changes.

City Manager said that on J-3 he did clarify that RAC Grant is "Rubberized Asphalt".

Councilmember Robinson said that in regards to H-3 he had discussed this with you in correcting that. City Manager said he did correct it and if you look at the right it does say, "2011 – Funding available. Council approval needed." City Manager said that in regards to O-3 he could not remember the acronym for SCADA. Mr. Burk said it is "Supervisory Control and Data Acquisition."

- Goal #4 – Economic Development

Mayor Hanna said that she asked about being able to locate the inventory of vacant commercial and industrial properties. City Manager said that is actually on the home page where it says real estate.

Mayor Hanna said in regards to D-4 – ICSC (International Council of Shopping Centers) in regards to membership she thought that we changed it. Councilmember Botts said that we just want membership as a City or 1 or 2 of us and that anyone could attend the conference. City Manager said that he would reduce that down and the amount also.

- Goal #5 - Quality of Life

City Manager said this is where he moved the Priority 1 for the Fund Inspector to 2 to be consistent with the other one.

Mayor Hanna said in regards to B-5 regarding the Assistant Planner wasn't this something we intend to have by January 2012. City Manager said that we should actually reduce that to a Priority #2 or #3 because we won't have any money to actually fund that position.

Councilmember Robinson said he doesn't remember where we were going to put that golf cart issue. City Manager said that staff would be coming back to the Council with a presentation from our Public Works Director to talk about the status and everything else. We do plan on bringing this back before the first of the year.

Councilmember Botts said we discussed it and it has always been in the plan and it is not there now. City Manager said that we should put that under Goal #3 - Infrastructure and City Facilities.

Mayor Hanna said that Repplier Park, K-5 is not in a redevelopment project area to her knowledge. City Manager said that he would remove that reference to redevelopment.

Councilmember Franklin said in regards to City Monuments we have that as a Priority #1 but we have no funding for it and she is not sure if it is realistic to have it at a Priority #1. City Manager said he would change the priority on that.

- Goal #6 - Community Relations and Regional Cooperation – there were no changes or corrections.
- Goal #7 – Regional Cooperation and Partnerships – there were no changes or corrections.

Councilmember Franklin said that she would like to thank staff. She knows that Daniele Savard did quite a bit of the work and with being short-staffed it is kind of hard to get a lot of information done as fast as we would like it to be but feels that she did an excellent job in putting this packet together and would like to compliment her on a job well done.

City Manager said that Daniele did an excellent job and did a Yeoman's job as far as putting all this together.

Councilmember Machisic asked when this would be available to the public. City Manager said after we make the corrections it will be sent out to the Council and we will give you a week to review it in case there is anything else that needs correction and then it will be released to the public. We will also give a card to all of our employees listing all the goals and also for the public so that they can understand the importance that the Council has put on the goals for the City. City Manager said that this is a living document so it is always going to be changed and he would be more than happy to hear from the public.

Mayor Hanna opened the item for public comments.

Ethel Lee Hughes, 3800 W. Wilson Street, Space 146 addressed the Council stating that she is blind so there is no way for her to see this and the person sitting next to her couldn't see it either and she is sighted. So the format that you are talking about making it public is there anyway it can go out with the utility bills such as a flyer format to the public. She said her accessibility is very limited but it something that she would definitely be interested in. Please remember the rest of the community.

City Manager said that what we will try to do that and also make it available in Spanish, as well as, sending it out with the utility bills.

**Motion Botts/Machisic that the City Council adopt Resolution No. 2011-65, adopting the 2011-2016 Strategic Plan. Motion carried, all in favor.**

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

City Council

Councilmember Robinson –

- He said that during the Untied Way Day of Caring he went out with a group and actually ended up in Beaumont underneath a mobile home pulling in a new electrical circuit. They replaced an exterior cord that fed the washer and dryer because it was a code infraction. They ended up fixing a reverse ground to hot problem. The owner said that she had been struggling with this for about 20 years and the group was able to fit it that day.
- The Council and staff had FEMA (Federal Emergency Management Agency) training on August 30<sup>th</sup> and we have a lot of work to do to get our emergency plan current and staff it working on that already.
- SCAG (Southern California Association of Governments) Transportation Committee is working on six-county regional transportation plan called the RTP (Regional Transportation Plan) and HSR (High Speed Rail). The problem is coming up with the \$76 billion dollar gap to do all the regional projects that have been proposed. Many of us are clear that raising taxes is not an acceptable option. This plan must be submitted by October 2012 and the High Speed Rail seems to be one of the larger problems in this package.
- He attended the Habitat for Humanity fundraiser on September 3<sup>rd</sup> and it was successful.
- At the RTA (Riverside Transit Agency) Board Meeting he requested the info on the Route 210 Commuter Link be forwarded to him so that he could get this info out to the public. The billboard is on Highway 60 just passed I-10 where they merge. There is a free pass available

and it expires on September 30, 2011. This Commuter Link will take you from Banning through Moreno Valley and into Riverside. You can also view this on [www.rta.com](http://www.rta.com) and you may have already received the mailer. The interesting part is that you can travel on this and do your work because the commuter buses are wifi.

- He attended the Spaghetti Dinner and Grandparents of the Year event on Sept. 7<sup>th</sup> which was well attended.
- The Council attended the new high school sports complex grand opening.
- He participated in Stagecoach Days with a booth for Renaissance Pet Resort and pet photos for the pet show.
- He had the Scruffiest Beard in the Whiskerino Contest. The parade was great and he sold carnival ride tickets and enjoyed all the events that he could.
- He assisted in the opening of the Fire Museum.

Councilmember Machisic –

- WRCOG (Western Riverside Council of Governments) has a program that deals with road building both regionally and locally and the sum total that they have spent in the past or allocated over the past 6 years is \$565 million dollars. It has slowed greatly because no new homes have been sold or very few. He has a workshop coming up that deals with “Plug-In Electric Vehicle (PEV)”. The workshop will be held on Sept. 28<sup>th</sup> in Wildomar and he will have the City Clerk give the Council copies of this event. On July 29, 2011 WRCOG has a workshop where we developed goals and objectives and Mayor Hanna and City Manager attended that also and he will have the City Clerk make copies for the Council.
- He said that he had talked to the Council before about AB 811 and it has been very slow in developing and in fact, it has been 2 years now and it is one of the few programs in the United States and the only one in California and it is to finance Renewable Energy Sources, Energy Efficiency, and Water Conservation. These improvements are permanently fixed to real estate property. WRCOG is in the process of securing \$320 million dollars that they will make available to residents, as well as, commercial business and if you are approved the repayment plan will be put on your county taxes. If you move, the taxes will remain on your house for as long as the 30 years. The name of the program is “Home Energy Renovation Opportunity” and the acronym is “HERO”. This program will be made functional by the end of October.
- He said that different groups in the city of Banning have done recycling and said that WRCOG puts out a copy of these events and he read a list of all the city of Banning recycling activities: 1) Boys and Girls Cleanup Event, 2) Bulky Goods Collection Events (three times), 3) Disaster Preparedness and Safety Expo, 4) Friday Night Cruise at Gramma’s Country Kitchen, 5) Business Mega-Mixer Recycling Workshop, and 6) Recycling Fair and Art Hop. Sometimes you have to put these things together to realize there is quite a bit going on.
- Mt. San Jacinto College has a campus right down on Sunset and one of the things he read in an announcement is that they are offering GED Testing and that is how you get an equivalent to a high school diploma and when we talked about the community college we talked about not only does it serve young people but for people that have not for whatever reason received their high school diploma. It is available and all these classes are free of charge. The GED is offered on Mondays and Wednesdays from 3 to 6 p.m. in Room 501; English as a Second Language is offered on Tuesdays and Thursdays from 8:30 a.m. to 12:30 p.m. in Room 501 and again it is all free.

Councilmember Botts –

- He said in regards to Mt. San Jacinto College last week their classes started and they were absolutely packed and he was told they now have to park on the street because the parking lot is full. This is exciting times for the Pass to have that college open and running.
- In regards to United Way most of us have participated in United Way in some fashion and it is now United Way time in the Pass and for those of us who are working or retired and have some income coming in we are asking you to open your hearts and pocketbooks as we look around and see so many in need in the Pass. We had a wonderful kickoff with the United Way Day of Caring and 250 came out to Life Point Church and worked on 23 projects that benefitted non-profits, senior citizens and others that needed help. It was an outstanding event and as the Co-Chairman of the United Way Drive this year he wanted to thank everyone who participated. He asked that all of you who are working United Way works through coming to a company, a city or the school districts and simply making a presentation of where our funds go if you will contribute a dollar a week or five dollars a week or something out of your paycheck. It is a wonderful way to help others and as we all know times are tough and we need to try to continue our efforts over the past years. He would encourage you to be open to help others in need.
- Said in regards to the Boys and Girls Club they are doing a wonderful job in the Pass serving about 700 or our young people everyday after school providing and alternatives for them in training, mentoring and doing homework. They are having a fundraiser this Thursday, September 15<sup>th</sup> at Morongo Casino along the Lazy River where there will be thousands of small ducks racing down the Lazy River and there are a number of prizes for the winning ducks. Ducks are \$5.00 a piece and he would be happy to take a call from anyone that is interested in buying a duck or attending the event.

Councilmember Franklin –

- She and Mayor Hanna recently met in regards to the Banning Unified School District 2 by 2 meeting and we have three areas that we are working: 1) Superintendent of Schools and the City Manager will work on use of facilities and how can we work on a cooperative agreement for being able to utilize the new school facilities at the high school, 2) Mayor Hanna and Amy Herr will work on the Centennial, and 3) she will be working with Deborah Dukes regarding the “Let’s Move, Our Healthy Children” in trying to get a program together to encourage healthy living for our young people.
- The Water Ad Hoc Committee met and she and Council Member Botts attending the meeting in Yucaipa a couple of weeks ago and there was a presentation made very similar to the one made at the Council Meeting by Jeff Davis. The San Gorgonio Pass Water Agency did postpone voting on a new fee for new residences for bringing more water in. There will be more meetings held. She said at the last meeting there was a lot of discussion about the capacity that we already have from Yucaipa all the way through Cabazon so she is hoping at the last next meeting we will be able to address whether or not all agencies are willing to have a regional approach, as well as, an understanding of what capacity we do have currently and what the need is going to be based on future growth for the whole area.
- She and the Mayor both attend an Energy Summit last week and a lot of things were discussed about energy and the HERO program were covered that day, as well as,

presentations from several people regarding the Small Business Administration and what kind of monies are available to people.

- At the Passcom Meeting they had a presentation by the Burn Institute and they offered quite a bit of information not only educational but also support for people who know of people who have burn injuries that need more information in that area and all their information is free also. They are affiliated with the San Diego Burn Institute and they are located at the Arrowhead Regional Center in Colton.
- She thanked the Stagecoach Days Committee and all the people that worked on it because even though the weather did its thing again you could see that a lot of people were involved in it and there was a lot of work put into it and she had the opportunity to work on the gate for a couple of days and a lot of people were happy with not only the parade but also with what they saw at the festival. She thanked everybody that worked so hard to make that happen for us.
- She explained the picture that everyone saw of the young ladies and they are from the Central School Mandarin Chinese class (see Exhibit "D"). These are our students doing good.

Mayor Pro Tem Machisic said he thought these young girls did an outstanding job and why don't we invite them to a Council meeting and present them with some type of recognition.

Mayor Hanna said that we are always happy to recognize anyone who has achieved any significant goal or accomplishment so please bring them to us so that we can recognize them.

Councilmember Franklin said that they will be receiving their trophies and they gave one trophy for each school so the Booster Club made arrangements that each student will get their own trophy and it will be presented to them at the School Board Meeting on the 22<sup>nd</sup> of September. Mayor Pro Tem Machisic said let's make sure they bring their trophy with them.

Mayor Hanna –

- Added that in regards to the HERO Program she would really like to see that we reach out in Banning especially to any general contractors and anyone that could qualify to be trained to do the installations for the HERO Program. That we really make an effort that they get the information that they need for training and how to sign up for it so that our people can get the jobs as much as possible in Banning. They are figuring that 50% of the households in Western Riverside County could qualify and probably 10% will actually be involved in the program but that is a significant improvement for someone's utility bills and water consumption and so forth if they can make these improvements.

Mayor Pro Tem Machisic said in regards to contractors I am sure that you have read some horror stories about contractors and how they take advantage of people and not all of them but one of the things that the County has indicated is that they will process the contractors and they have to have a State license and be bonded, etc. and they also must have a license to do business in the city. So there is going to be a screening process so you can be rest assured that the people you are dealing with are reputable.

City Committee Reports – There were none.

Report by City Attorney – Nothing to report at this time.

Report by City Manager

- He said over the weekend Fire Memories had their opening and it is a beautiful museum if you haven't seen it and Councilmember Robinson did a wonderful job and put in a lot of hours.
- Stagecoach Days had the "Pass Has Talent" event and there were some very talented people in the Pass and he was very impressed with the talent. There was a gentleman who had a voice who could be in the Phantom of the Opera and he was absolutely wonderful and he will also be appearing at the State of the City and will be singing the Star Spangled Banner. Mayor Hanna said his name was Ulises Espinoza.
- Chuck Thurman from the Electric Department will be leaving us and there will be a potluck luncheon at the City Yard from 11 a.m. to 1 p.m. on Tuesday, Sept. 20<sup>th</sup>.
- City Manager asked that we adjourn the meeting in memory of Louis Robertson.

ITEMS FOR FUTURE AGENDAS

New Items –

Councilmember Franklin said that we have just had a presentation regarding industrial pretreatment and we have had a lot of information about water and water is one of the most important issues that we are going to be dealing with and she was talking with Duane Burk and we have a large portfolio about water and she thought it would be nice, if we were in agreement, to have a presentation for the whole public to see what our water portfolio is. Not dealing with the dollar side but dealing with the supply side.

Mayor Hanna said essentially it is our Five Year Water Plan that we just agreed to.

Councilmember Franklin said that we agreed to it but she doesn't think that everyone understands everything about the flume because she has heard people asking what the flume is and she is still hearing people ask what it means having water in the basin. This would be to give people a little bit more information so that they understand that when we are talking about our Five-Year Water Plan this is everything that is encompassed in it. **There was Council consensus to have this on an agenda.**

Mayor Hanna said that this is drinking water that we are talking about and not wastewater. She thinks the biggest dilemma always is how to get the word out and we need to give enough notice in advance.

Councilmember Botts said shouldn't we deal with irrigation water. If we go forward with that project, that is 2500 acre feet of potable water which goes in and he thinks that is in our Urban Water Management Plan.

City Manager said that he would assume that would be part of the discussion on the water supply.

Mayor Hanna said that in regards to the recycle water facility that is being considered there will be a presentation at Sun Lakes on Wednesday, October 12<sup>th</sup> at 6:00 p.m. in the main ballroom and there will be other presentations scheduled around the community in the next month or so.

Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials
2. Review of Fees and Rates
3. Policy Discussion Re. Code Enforcement (*study session*)
4. General Management of Council Meetings (*Sept. 27, 2011*)
5. Update on Loans
6. Polices & Procedures for Applicant re. Projects and Applicants for Commissions & Committees

Councilmember Robinson in regards to the pending items some of these things we have discussed recently and some of them have dates now according to our planning sheets so we can kind of give people a heads up on when these things are coming up such as the Update on Loans. City Manager said the Update on Loans report will be given on October 11<sup>th</sup>.

ADJOURNMENT

By common consent the meeting adjourned at 6:30 p.m. in memory of Louis Robertson.

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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.**

*and all the city council*

Mayor Hanna, My name is Robyn Lunt. I have lived in Banning for the past thirteen years at 1148 Silver Star Drive in the Tract known as Snow Creek. My home was chosen, in part, due to the fact that it was in a cul de sac, at the end of the neighborhood. Because of the previous statement, I knew that there would be minimal traffic. With only one neighbor situated behind my house and the way the cul de sac is designed, I figured that it would be a quiet peaceful location. This has indeed been the case until the past year when the neighborhood literally turned into a nightmare. I was aware of a house above the neighborhood, but since it is only an access road allowing the resident a means to come and go to the house there seemed to be no problem....that is until the past year. When I looked at the city's web site under What is a Violation, I quickly noted that a Home Operated Business (which I don't believe the BWH does not qualify as since it is a commercial enterprise operating through a residential neighborhood) was not allowed to generate more traffic or noise, not to mention trash. The people who come through our neighborhood do not follow the law regarding a 25mph in a residential neighborhood. They also do not abide by the noise code, coming down from the BWH with radios blaring well past the 10pm. Noise curfew. It has been noted that they leave the BHW at hours from 1-5am! Because the 1298 Silver Star Dr. address does not exist according to the Banning Post Office, where I inquired about it, many people attempting to reach the BHW ask local residents how to reach the house. They can be noted using their cell phones while speeding up and down the neighborhood trying to find the access road, which again is not a city road, but an access road. There have been several near misses of what can only be termed a tragedy waiting to happen. The customers (they are referred as that because I know of no one who charges friends to visit them or has a contract that may be filled out if these customers wish to rent the facility). We, the residents, once loved our quiet peaceful neighborhood. We watched for cars and people who did not belong in the neighborhood as a means of protecting our families, especially the children. We now no longer know who belongs in the neighborhood or for what purpose. The dynamics

of our neighborhood has completely changed, for the worse. Calling local law enforcement is a joke, as we are treated as the offenders, not the law abiding tax payers that we are. It appears that the police have been trained how to respond no matter the reason they have been called. I refer to a recent event at the BHW when, on video a customer was taped issueing a threat of violence against a resident. Upon the arrival of the officer the first words out of his mouth were the "facts " that the BHW did not need a license to operate and that they did not sell alcohol, but simply gave it away. ( the event was the birthday for a sixteen year old girl). When asked for a DUI checkpoint of cars coming down from the residence I was informed that manpower prohibited that option. I requested that at least some cars be checked, but the police were not seen again that evening, even though the verbal threat was documented. We, the residents of Snow Creek, want our neighborhood back! Just because the caretaker of the BHW knows people who hold office in the City Hall is no reason to allow laws to go unenforced. We are deeply concerned in regard of the flagrant violations such as using an ACCESS road ,NOT a city street ,as a commercial road for a commercial site and failure to be in compliance with fire safety laws, to name just a couple of the problems. We believe that this residential house should be closed down until it meets ALL requirements and finds an alternative street for their business besides using our residential neighborhood for commercial purposes. What is it going to take Mayor Hanna to correct this situation, a real tragedy?

Sincerely,

Robyn Lunt  
September 15, 2011

Representing the residents  
of Snow Creek Phase 2

## CONCERNED CITIZENS FOR A BETTER BANNING (CCBB)

September 12, 2011

Banning City Council:

The City of Banning is in a deficit situation. There have been 55 workers laid off, cuts in customer service, cut back on code enforcement, cut back on the Police Department and City Hall is now closed on Fridays as a cost savings. The City even considered closing the pool this summer. When closing the pool is even a consideration, it is obvious there is no money in the funds to give away to anyone.

Recently, against the advice of the City Manager and Staff, the City Council, with the exception of John Machisic and Debbie Franklin, awarded \$75,000 to the Cultural Alliance and \$12,000 to the Chamber of Commerce from the General Fund. These agencies do not provide the City with any essential services. Further, the Grand Jury actually recommended that the city give no more money to the Cultural Alliance and, in fact, recommended that the Alliance pay back \$162,000 that it was given in the past. The Council has refused to follow either of the Grand Jury's recommendations.

The Council meeting was packed with people that supported the Cultural Alliance. These people did not represent the majority of the citizens of Banning. People want the city cleaned up, activities for the youth of Banning, and more effort to bring businesses to Banning. We have long standing service organizations such as Rotary, Soroptimist, and Kiwanis Clubs who have contributed to the development of our youth, not to mention all the church contributions. They have not been funded by city coffers. Dedicated programs with dedicated volunteers make a way for their programs without relying on the city to prop them up year after year. Why do you continue to ignore the needs of the people of the City of Banning?

It was also stated that the Courthouse is coming to Banning because of the Alliance. Where is this written or proven? Could the new Courthouse possibly be coming because of its inexpensive downtown location and the fact that there is already a county courthouse here that has been in operation for years? Another contributing factor is the jail right down the street. How can you rationally connect the "Contracted Services" of the Banning Cultural Alliance and Downtown Beautification projects to the selection of Banning as a site for a yet to be built Court House.

We cannot continue to dilute accountability with vague, subjective benchmarks, used as rationale to continue funding efforts that are touted to be effective but where there is not any real evidence of cause and effect. No statistical numerical data measurements were provided at the August 23 Council meeting when the award to the Alliance was so vigorously defended. All remarks were entirely subjective.

We as citizens must insist that every City investment be measured, monitored and compared to other investments to ensure that our money is being spent wisely. We must insist that every request for taxpayer funds be accompanied by measurable goals and an analysis of the potential for a **Return on Investment (ROI)** of those funds. Adding measurement of **(ROI)** will provide us with much stronger accountability standards.

A simple formula for **ROI** is:

$$\frac{(\text{Return} - \text{Investment})}{\text{Investment}}$$

It is typically expressed as a percentage. Just multiply the result by 100.

This Committee looks forward to the implementation of sound business practices by the City Council which includes the use of an analysis of the return on investment the citizens can expect on every dollar expended.

Thank you,

Concerned Citizens for a Better Banning  
Steering Committee

Jackie Atwood	Roy Azarnoff
Alice Evans	Sylvia Gilon
Sheila Huerta	Nathan Johns
Marion Johnson	Debbie Lewin
Dorothy McLean	Betty McMillion
Dorothy Richter	Camille Smith
Joanne Thielen	Alice Sobel

September 2011

To the Mayor and Banning City Council

My health does not permit me to travel much, but your recent actions have caused me to write this letter.

Over the last few years, three of you have consistently voted to spend money on questionable at best projects. These projects have not increased employment or the number of new businesses in Banning. The city has steadily been spending reserves to balance the budget.

Now you have given away \$87,000 from the general fund... I must ask you why? If you must spend our tax dollars, why not spend them on making our city look better and draw in more businesses?

You laid off city employees, cut back on services, and our city looks bad with the growing weeds and empty buildings. You just gave money away after your staff recommended against it.

I may not have a fancy college degree or be a business professional, but I do know that when I do not have enough money coming in to cover my expenses I cannot spend more money. Why are you doing this with our tax dollars?

Please explain to the citizens of Banning how you can justify your actions.

A frustrated long term city resident

Freeman Stokes  
*Freeman S. Stokes*

879 East Indian School Lane, Banning 92220

Cc: the Record Gazette

## Hotmail

## Inbox (1626)

Folders

## Junk (43)

Drafts (12)

Sent

## Deleted (50)

**bpal** (1)

bprc

**cap riverside** (1)

church info

college

**committee info** (1)

computer info

**council info** (26)

democrats

**disaster expo** (1)

Guiding Coalition

happy faces

holiday wish

key club

kiwanis

liberty energy

love connection

pass armory

pastor info

personal

police info

resident comments

**sgcc** (1)

sportsmans club

support group

transit

New folder

Quick views

Flagged (1)

## Central Chinese Poetry Contest

1 attachment (537.7 KB)


[Download](#)
[View slide show \(1\)](#) | [Download as zip](#)

Central School Mandarin Chinese class participated in a Chinese Poetry contest in Baldwin Park Performing Arts Center on July 24, 2011. The students continued to practice during summer with Dr. Tina Tian and Teacher Lupita Girard. Central students were the only non-chinese students to participate. They competed against 20 Chinese Academies. Central School won 1st place and 3rd place. They were only given 1 trophy for each place. The mother of Brianna Topete, Veronica Topete, who is in Boosters at Central School requested trophies for each students. Boosters at Central School are proud to purchase trophies for each student. The trophies will be presented to the students by the School Board at the meeting on 9/22/11. I attached a picture.

Names of students: Katherine Farfan-Magana, Savanna Douglas, GisselleFarfan-Magana, Lynda Salgado, Ana Celina Girard, Brianna Topete, Jerrilyn Campos, Jessica Ramirez, Gabriela Sandoval, Chaise Jordan, Isabella Renteria-Manzanilla, Jasani Seymour, and Teacher Lupita Girard,

## CITY COUNCIL AGENDA

**Date:** September 27, 2011

**TO:** City Council

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

**SUBJECT:** Report of Investments for July 2011

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

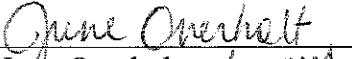
**JUSTIFICATION:** State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

**BACKGROUND:** This report includes investments on hand at the end of July 2011. As of July 31, 2011, the City's operating funds totaled \$62,809,101. Included in operating funds is \$1,718,414 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of July 31, 2011 approximately 46% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. July is a first issue, while May and June 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 0.381 % in July. The average rate for all investments in July was 0.493%.

**RECOMMENDED BY:**

  
June Overholt *by my*  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

  
Andy Takata  
City Manager

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

Wells Fargo Bank

Wells Fargo Bank-Investment Account

Bank of America-Airport

Bank of America-Parking Citations

Bank of America-CNG Station

Amount

2,305

InterestRate      Amount

0.000% 126,446

0.100% 2,239,511

0.300% 21,211

0.300% 3,054

0.300% 3,358Money Market and Bank Account Sub-Total      2,393,581Government Pools

Local Agency Investment Fund: Account #1      0.381% 31,483,553

Account #2 Operating Amount      751,554

Account #2 CRA Bond Cash Bal      1,718,414

Local Agency Investment Fund: Account #2      0.381% 2,469,967Government Pool Sub-Total      33,953,520**Operating Cash Balance**      **36,349,406**Restricted Operating Funds at Riverside Public UtilitiesHighmark U.S. Government Money Market Fund      0.010%      **926,722**Other InvestmentsInvestments-US Bank/Piper Jaffray - See Page 2      0.680%      **25,532,973****Operating Funds Total**      **62,809,101****Fiscal Agent**

US Bank

Amount

46,135,794

**Fiscal Agent Total**      **46,135,794**

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City of Banning Investment Report

## Operational Portfolio Individual Investments

July 31, 2011

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 August 23, 2011. 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 216 days and does not include Bond Reserve Fund Investments.

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# City of Banning Investment Report

July 31, 2011

## Individual Investments with Fiscal Agent

TRUSTEE	Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Jul-11	Market Value	7/31/2011
<b>BNY WESTERN TRUST COMPANY</b>									
US BANK			Federated U.S. Treasury Money Mkt	0.000%	daily	0	0	0	0
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market	0.200%	daily	265,580	4.50	265,609	265,609	265,609
		US Bank Mmkt 4-Ct	0.400%	daily		4.62		112,545	112,545
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.500%	daily	188,943	11.55	219,309	219,309	219,309
2003 CRA Tax Allocation Bonds	2028	U S Treasury Bill	0.500%	7/28/2011	971,763	21,021.68			
		US Bank Mmkt 4-Ct	0.500%	daily		0.88		1,013,368	1,013,368
		US Bank Mmkt 4-Ct	0.000%	daily				675,933	675,933
<b>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007</b>									
Redevelop Fund	2037	US Bank Mmkt 4-Ct	0.500%	daily		490.25	11,929,847	11,929,847	11,929,847
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily		77.12	1,876,771	1,876,771	1,876,771
Special Fund		US Bank Mmkt 4-Ct	0.500%	daily		0.00	1,113,714	1,113,714	1,113,714
Surplus Fund		US Bank Mmkt 4-Ct	0.000%	daily					9
<b>BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>									
Interest Account		US Bank Mmkt 4-Ct	0.000%	daily					8
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		2.77	67,508	67,508	67,508
Special Fund		US Bank Mmkt 4-Ct	0.500%	daily		151.54	3,687,635	3,687,635	3,687,635
Surplus Fund									
<b>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>									
Interest Account		US Bank Mmkt 4-Ct	0.400%	daily					44
Principal Account		US Bank Mmkt 4-Ct	0.500%	daily		14.69	357,544	357,544	357,544
Reserve Fund		US Bank Mmkt 4-Ct	0.500%	daily		94.98	2,311,263	2,311,263	2,311,263
Project Fund		US Bank Mmkt 4-Ct	0.500%	daily		172.47	4,196,921	4,196,921	4,196,921
<b>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</b>									
Reserve Fund		US Bank Mmkt 4-Ct	0.600%	daily					90
Reliance Trust Company # 9AMGGBEZ7			3.650%	11/17/2011	2,961,500			2,931,509	2,931,509
Acquisition & Construction		US Bank Mmkt 4-Ct	0.400%	daily				26	26
		US Bank Mmkt 4-Ct	0.500%	daily		631.87	15,376,132	15,376,132	15,376,132
<b>Total</b>								<b>22,678.92</b>	<b>46,135,794</b>
<i>* Paid Semi-Annually-Deposited into Money Mkt Account</i>									

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

	Interest	Amount
	Rate	Amount
Wells Fargo Bank	0.100%	5,403,105
Bank of America-Airport	0.300%	18,159
Bank of America-Parking Citations	0.300%	4,258
Bank of America-CNG Station	0.300%	5,808

*Money Market and Bank Account Sub-Total* 5,466,418

**Government Pools**

Local Agency Investment Fund: Account #1 0.413% 31,446,232

Account #2 Operating Amount 663,598

Account #2 CRA Bond Cash Bal 1,801,664

Local Agency Investment Fund: Account #2 0.413% 2,465,262

*Government Pool Sub-Total* 33,911,494

**Operating Cash Balance** **39,380,217**

**Restricted Operating Funds at Riverside Public Utilities**

Highmark U.S. Government Money Market Fund 0.010% **1,011,348**

**Other Investments**

Investments-US Bank/Piper Jaffray - See Page 2 **25,501,257**

***Operating Funds Total*** **65,892,822**

**Fiscal Agent**

	Amount
BNY Western Trust Company	11,026
US Bank	<u>46,068,888</u>

***Fiscal Agent Total*** **46,079,914**

City of Banning Investment Report

May 31, 2011

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Amortization	Discount or Premium	Market Value
<b>Bank Accounts</b>									
5403105.46	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	5,403,105	n/a	5,403,105	
18,159	Bank of America-Airport	n/a	0.30%	daily	varies	18,159	n/a	18,159	
4,258	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,258	n/a	4,258	
5,808	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,808	n/a	5,808	
	Sub-total							5,466,418	
<b>Government Pools</b>									
31,446,232	L.A.I.F. account #1	n/a	0.413%	daily	varies	31,446,232	n/a	31,446,232	
2,465,262	L.A.I.F. account #2	n/a	0.413%	daily	varies	2,465,262	n/a	2,465,262	
								33,911,494	
<b>Investments-US Bank/Piper Jaffray</b>									
2,000,000	Federal Home Loan Banks	n/a	0.750%	4/23/2013	10/5/2010	2,000,000		2,000,000	
3,000,000	Federal Home Loan Banks	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,992,080	
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,004,980	
4,000,000	FHLMC MTN	n/a	1.150%	9/3/2013	9/3/2010	4,000,000		4,000,200	
3,000,000	FNMA MTN	n/a	1.100%	12/9/2013	12/9/2010	3,000,000		3,000,540	
4,000,000	FHLMC MTN	n/a	1.375%	2/3/2014	2/3/2014	4,000,000		4,006,280	

LIS Bank/Điều Trình: Aussensee Boston

Average Rate All = 0.556%

It has been verified that this investment portfolio is in conformity with 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 230 days and does not include Bond Reserve Fund Investments.

Maturity Length	*Reduce	Par Value	Maturity Length	X Par Value
Interest Rate	by 30 Days	Par Value	Interest Rate	X Par Value
X Par Value	each Month	Value	X Par Value	Value
5403.11	1	5,403,105	5403.105	5403105
54.48	1	18,159	18159.4	18159.4
12.77	1	4,258	4258.26	4258.26
17.42	1	5,808	5807.86	5807.86
129872.940	1	31,446,232	31446232.44	31446232.44
10181.532	1	2,465,262	2465262.03	2465262.03
15000,000	708	2,000,000	1416000000	4/22/2011
30000,000	889	3,000,000	2667000000	4/23/2013
36000,000	779	3,000,000	2337000000	10/21/2013
46000,000	809	4,000,000	3236000000	8/5/2013
33000,000	899	3,000,000	2697000000	9/13/2010
55000,000	630	4,000,000	2520000000	12/9/2013
0.000	1	6,497,077	6,497,076.60	2/3/2014
64,874,989		14,918,874,989	25,497,077	Duration
360,542		25,9634		Purchase Cost Total =
0.556%	Average Rate	Length/		Par value

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# City of Banning Investment Report

May 31, 2011

## Individual Investments with Fiscal Agent

TRUSTEE	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest May-11	Market Value	5/31/2011
<b>BOND ISSUE DESCRIPTION</b>								
BNY WESTERN TRUST COMPANY		Federated U.S. Treasury Money Mkt	0.000%	daily				11,026
1997 Admin Building COP's Refunding								
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market US Bank Mmkt 4-Ct	0.200%	daily	265,580	4.50	265,598	
			0.200%	daily		11.40	112,531	
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.120%	daily	188,943	22.22	219,281	
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill US Bank Mmkt 4-Ct US Bank Mmkt 4-Ct	0.040%	7/28/2011	97,763		991,960	
Surplus Fund			0.120%	daily		2.17	21,366	
			0.130%	daily		0.01	39	
			0.130%	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	0.120%	daily		1,209.02	11,928,344	
Reserve Fund		US Bank Mmkt 4-Ct	0.120%	daily		1,920.20	1,876,534	
Special Fund		US Bank Mmkt 4-Ct	0.120%	daily		0.02	93	
Surplus Fund		US Bank Mmkt 4-Ct	0.110%	daily				9
<b>BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>								
Interest Account		US Bank Mmkt 4-Ct	0.140%	daily		7.00	7	
Principal Account		US Bank Mmkt 4-Ct	0.120%	daily		0.01	67,500	
		US Bank Mmkt 4-Ct	0.120%	daily		373.72	3,687,170	
<b>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>								
Interest Account		US Bank Mmkt 4-Ct	0.120%	daily		41.03	41	
Principal Account		US Bank Mmkt 4-Ct	0.120%	daily		0.01	357,500	
Reserve Fund		US Bank Mmkt 4-Ct	1.200%	daily		234.51	2,310,972	
Project Fund		US Bank Mmkt 4-Ct	0.120%	daily		425.33	4,196,392	
<b>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</b>								
Reserve Fund		US Bank Mmkt 4-Ct	0.120%	daily		5.60	1,586,512	
Reliance Trust Company # 9AMGGBEZ7			3.650%	11/17/2011	2,961,500	0.00	2,931,509	
US Bank Mmkt 4-Ct			0.120%	daily		14.32	141,327	
Acquisition & Construction		US Bank Mmkt 4-Ct	0.120%	daily		1,558.28	15,374,194	
<b>Total</b>							<b>5,829.35</b>	<b>46,079,914</b>
*Paid Semi-Annually-Deposited into Money Mkt Account								

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

	Interest	Amount
	Rate	Amount
Wells Fargo Bank	0.000%	71,357
Wells Fargo Bank-Investment Account	0.100%	6,455,842
Bank of America-Airport	0.300%	19,370
Bank of America-Parking Citations	0.300%	5,302
Bank of America-CNG Station	0.300%	<u>6,110</u>

<i>Money Market and Bank Account Sub-Total</i>	<u>6,557,981</u>	*
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Government Pools

Local Agency Investment Fund: Account #1	0.448%	<u>31,446,232</u>
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Account #2 Operating Amount	680,612	
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Account #2 CRA Bond Cash Bal	1,784,650	
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Local Agency Investment Fund: Account #2	0.448%	<u>2,465,262</u>
--	--------	------------------

<i>Government Pool Sub-Total</i>	<u>33,911,494</u>
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<b>Operating Cash Balance</b>	<b>40,471,781</b>
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.010%	<b>819,966</b>
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.625%	<b>25,518,593</b>
--	--------	-------------------

<b><i>Operating Funds Total</i></b>	<b><u>66,810,340</u></b>
-------------------------------------	--------------------------

**Fiscal Agent**

US Bank	Amount
	<u>44,344,599</u>

<b><i>Fiscal Agent Total</i></b>	<b><u>44,344,599</u></b>
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## City of Banning Investment Report

June 30, 2011

### Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase 40,695	Discount or (Premium)	6/30/2011
Market Value								
<i><u>Bank Accounts</u></i>								
71,357	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	71,357	n/a	71,357
6,455,842	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	6,455,842	n/a	6,455,842
19,370	Bank of America-Airport	n/a	0.30%	daily	varies	19,370	n/a	19,370
5,302	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,302	n/a	5,302
6,110	Bank of America-Parking Citations	n/a	0.30%	daily	varies	6,110	n/a	6,110
	Sub-total							6,557,981
<i><u>Government Pools</u></i>								
31,446,232	L.A.I.F. account #1	n/a	0.448%	daily	varies	31,446,232	n/a	31,446,232
2,465,262	L.A.I.F. account #2	n/a	0.448%	daily	varies	2,465,262	n/a	2,465,262
								33,911,494
<i><u>Investments-US Bank/Piper Jaffray</u></i>								
3,000,000	Federal Home Loan Banks	n/a	1.000%	10/21/2013	10/5/2010	3,000,000		2,996,430
3,000,000	Federal Home Loan Banks	n/a	1.200%	8/5/2013	8/5/2010	3,000,000		3,002,730
4,000,000	FHLMC MTN	n/a	1.375%	2/3/2014	2/3/2014	4,000,000		4,003,480
1,000,000	FHLMC MTN	n/a	0.600%	6/28/2013	6/16/2011	1,000,000		997,850
1,000,000	Federal Home Loan Banks	n/a	1.000%	6/27/2014	6/16/2011	1,000,000		999,170
2,000,000	Federal Home Loan Banks	n/a	1.125%	6/30/2014	6/16/2011	2,000,000		1,991,440
11,527,493	Money Market	n/a	0.000%	daily	varies	11,527,493	0	11,527,493
	US Bank/Piper Jaffray Average Rate=							0.625%
								25,518,593
								<b>Average Rate All= 0.482%</b>

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 171 days and does not include Bond Reserve Fund Investments.

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Maturity Length	Interest Rate X Par Value	by 30 Days each Month	Par Value	Maturity Length X Par Value
* Reduce	0.00	1	71,357	71357
	6455.84	1	6,455,842	6455842
	58.11	1	19,370	19370.34
	15.91	1	5,302	5302.44
	18.33	1	6,110	6109.54
	140879.121	1	31,446,232	31446232.44
	11044.374	1	2,465,262	2465262.03
	30000.000	859	3,000,000	2577000000
	36000.000	749	3,000,000	2247000000
	55000.000	600	4,000,000	2400000000
	60000.000	729	1,000,000	7290000000
	10000.000	1086	1,000,000	1086000000
	22500.000	1091	2,000,000	2182000000
	0.000	1	11,527,493	#####
			65,996,969	11,272,996,969
	317,972			
	0.482%	Average Rate		

Purchase Cost Total = 25,527,493

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City of Banning Investment Report

June 30, 2011

## CITY COUNCIL AGENDA

**Date:** September 27, 2011  
**To:** Honorable Mayor and City Council  
**From:** Fred Mason, Electric Utility Director  
**Subject:** Resolution No. 2011-82, Approving the Banning Electric Utility Power Content Label

**RECOMMENDATION:** Adopt Resolution No. 2011-82, approving the Banning Electric Utility ("Utility") Power Content Label, attached herewith as Exhibit "A".

**JUSTIFICATION:** California State Assembly Bill 162 (AB 162) requires that all load serving electric utilities develop and provide to its customers on an annual basis a Power Content Label ("Label").

**BACKGROUND:** On October 11, 2009 the Governor signed AB 162, which amended the Power Content Label reporting requirements originally set forth in Senate Bill 1305. The amendments changed the reporting requirements from quarterly to annual, and require that utilities report actual power content information instead of projected.

The information must be provided to the utility's customers through either printed or electronic means, including posting it on the City's website. The Utility will provide it in both formats by including a hardcopy of the Label in the October utility statements, and also posting an electronic copy of it on the City's website.

The California Energy Commission (CEC), which has oversight authority for this requirement, has stated that the governing body of each locally owned public utility must approve the annual Power Content Label for the utility(s) under its jurisdiction. Therefore, Staff is requesting that the City Council approve Resolution 2011-82, accepting the Utility's Power Content Label, attached herewith as Exhibit "A".

**FISCAL DATA:** There are no fiscal impacts.

**RECOMMENDED BY:**

  
\_\_\_\_\_  
Fred Mason  
Electric Utility Director

**APPROVED BY:**

  
\_\_\_\_\_  
Andy Takata  
City Manager

**RESOLUTION NO. 2011-82**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING APPROVING THE BANNING ELECTRIC UTILITY POWER CONTENT LABEL**

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

**WHEREAS**, California State Senate Bill 1305 and Assembly Bill 162 have certain reporting requirements pertaining to electric utility Power Content Labels; and

**WHEREAS**, the Banning Electric Utility is subject to these reporting requirements; and

**WHEREAS**, the California Energy Commission which has oversight authority for this requirement, has stated that the governing body of each locally owned public utility must approve the annual Power Content Label for the utility(s) under its jurisdiction;

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

**SECTION 1.** Adopt Resolution No. 2011-82, approving the Banning Electric Utility's Power Content Label.

**SECTION 2.** Authorize the Electric Utility Director, or his designee, to disseminate the information included on the Power Content Label to the Utility's customers in compliance with the requirements of Senate Bill 1305 and Assembly Bill 162.

**PASSED, ADOPTED AND APPROVED** this 27<sup>th</sup> day of September 2011.

---

Barbara Hanna, Mayor  
City of Banning

**ATTEST:**

---

Marie A. Calderon, City Clerk

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

---

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

CERTIFICATION

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-86 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 27th day of September 2011 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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



Proud History  
Prosperous Tomorrow

EXHIBIT "A"

## City of Banning Electric Department

October 2011

The State of California passed legislation in the form of Assembly Bill 162, which requires load serving electric utilities to provide customers with a copy of the Power Content Label on an annual basis. Below is the current Label for the Banning Electric Utility, which represents its actual Power Mix for 2010. The CA Power Mix shows the breakdown for the State overall, and is shown for comparison. Please contact the Banning Electric Utility at (951) 922-3260 if you have any questions regarding this information.

POWER CONTENT LABEL		
ENERGY RESOURCES	BANNING POWER MIX (2010 Actual)	2010 CA POWER MIX**
Eligible Renewable	25%	14%
-- Biomass & waste	0%	2%
-- Geothermal	25%	5%
-- Small hydroelectric	0%	2%
-- Solar	0%	0%
-- Wind	0%	5%
Coal	46%	7%
Large Hydroelectric	1%	11%
Natural Gas	0%	42%
Nuclear	14%	14%
Other	0%	0%
Unspecified sources of power*	14%	12%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

\* "Unspecified sources of power" means electricity from transactions that are not traceable to specific generation sources.

\*\* Percentages are estimated annually by the California Energy Commission based on the electricity sold to California consumers during the previous year.

For specific information about this electricity product, contact the City of Banning. For general information about the Power Content Label, contact the California Energy Commission at 1-800-555-7794 or [www.energy.ca.gov/consumer](http://www.energy.ca.gov/consumer).

## CITY COUNCIL AGENDA

**Date:** September 27, 2011  
**TO:** Honorable Mayor and City Council  
**FROM:** Fred Mason, Electric Utility Director  
**SUBJECT:** Resolution No. 2011-86 Approving the Local and System Resource Adequacy Capacity Purchase Agreement with Shell Energy North America for Calendar Year 2012

**RECOMMENDATION:** The City Council approve the local and system resource adequacy capacity purchase with Shell Energy North America ("Shell") for calendar year 2012, attached herewith as Exhibit "A".

**JUSTIFICATION:** It is a requirement of all California Independent System Operator ("CAISO") participants to have a minimum of fifteen percent (15%) capacity reserves. Additionally, the CAISO requires that a specified amount of each participant's total capacity be from local generating resources, as defined by the CAISO. Banning is a Participating Transmission Owner ("PTO") with the CAISO.

**BACKGROUND:** After the California energy crisis the CAISO has been developing market modifications to ensure that all Load Serving Entities ("LSE") have acquired sufficient electricity / capacity to serve their peak demand. The CAISO has determined that each LSE must maintain capacity reserves of at least 15% above its projected peak demand, and has implemented policy changes to that affect. Additionally, the CAISO requires that a specified amount of each participant's total capacity be from local generating resources, as defined by the CAISO.

Banning has negotiated a capacity reserve deal with Shell that fulfills both the CAISO RA and LAR requirements for calendar year 2012. Staff recommends the approval of this agreement by the City Council.

**FISCAL DATA:** The cost of this transaction is \$3.25/kilowatt month, for a total cost of \$390,000 over the twelve month contract period. Funds have been allocated in the FY 2011-12 Budget to cover the cost of this expense.

**RECOMMENDED BY:**

  
Fred Mason  
Electric Utility Director

**APPROVED BY:**

  
for Andrew J. Takata  
City Manager

**RESOLUTION NO. 2011-86**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING APPROVING THE LOCAL AND SYSTEM RESOURCE ADEQUACY CAPACITY PURCHASE AGREEMENT WITH SHELL ENERGY NORTH AMERICA FOR CALENDAR YEAR 2012**

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

**WHEREAS**, the City is a Participating Transmission Owner (“PTO”) with the California Independent System Operator (“CAISO”); and

**WHEREAS**, the CAISO has implemented Resource Adequacy (“RA”) requirements of 115% requiring a minimum of 15% reserves for all Load Serving Entities (“LSE”); and

**WHEREAS**, the CAISO requires that a specified amount of each participant’s total capacity be from local generating resources, as defined by the CAISO; and

**WHEREAS**, the City has negotiated an agreement with Shell Energy North America to supply energy capacity to meet the CAISO Local Area Reliability (“LAR”) and RA requirements, attached herewith as Exhibit “A”;

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

**SECTION 1.** Adopt Resolution No. 2011-86 approving the energy capacity agreement between the City of Banning and Shell Energy North America, and authorize the City Manager or his designee to execute and administer said agreement.

**SECTION 2.** Authorize the Mayor to execute Resolution No. 2011-86. Said authorization shall become void if not executed within 30 days of the effective date of this resolution.

**PASSED, ADOPTED AND APPROVED** this 27<sup>th</sup> day of September 2011.

---

Barbara Hanna, Mayor  
City of Banning

**ATTEST:**

---

Marie A. Calderon, City Clerk

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

---

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

**CERTIFICATION**

I, MARIE A. CALDERON, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-86 was duly adopted by the City Council of the City of Banning, California at a regular meeting thereof held on the 27th day of September 2011 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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

## **Exhibit “A”**

*Forthcoming*

# EXHIBIT "A"



Shell Energy North America (US), L.P.  
909 Farmin, Plaza Level 1  
Houston, TX 77010  
713.767.5400

September 21, 2011

Deal No. 458772

City of Banning  
176 East Lincoln Street  
Banning, CA 92220  
Attn: Fred Mason  
Electric Utility Director  
Phone#: 951.922.3265  
Fax #: 951.849.1550

## CONFIRMATION AGREEMENT (Standard Capacity Product Confirmation)

This Confirmation Agreement ("Confirmation") is entered into as of September 21, 2011 ("Effective Date") and shall provide the terms and conditions representing the negotiated transaction ("Transaction") between Shell Energy North America (US), L.P. ("Shell") City of Banning ("Banning"), either one a "Party" or together the "Parties", in which the Seller agrees to sell to Buyer the product described below ("Capacity"). The definitions and provisions contained in the tariffs and/or protocols of the California Independent System Operator ("CAISO") as amended from time to time ("Tariff") shall apply to this Confirmation and are incorporated by reference.

<i>Master Agreement:</i>	Western System Power Pool Agreement dated January 19, 2011 as amended from time to time (the "WSPP Agreement"). Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the WSPP Agreement.
<i>Buyer:</i>	Banning
<i>Seller:</i>	Shell
<i>Product:</i>	A resource-adequacy product, also known as "Capacity", defined as the qualified and deliverable capacity from the Specific Resource(s) identified below which, up to the Contract Quantity, can be counted toward meeting Buyer's local resource-adequacy requirements ("LAR") as described in Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064 and 06-07-031 of the California Public Utilities Commission ("CPUC") in effect as of the Effective Date of this Confirmation. LAR means local area reliability, which is any program of localized resource adequacy requirements established by the CPUC pursuant to CPUC decisions. This Confirmation does not confer to Buyer any right to delivery of the Contract Quantity of energy associated with the Capacity except that Buyer may include such Contract Quantity in Buyer's resource-adequacy demonstrations as Capacity during the Delivery Period. Specifically, unless otherwise agreed as between the Parties in writing, Buyer shall have no rights under this Confirmation to purchase energy and/or ancillary services in the Contract Quantity from the Specific Resource.
<i>Specific Resource:</i>	Century Generating Plant, CENTRY_6 PLIX4; provided, however, that if capacity from such unit(s) will not be counted toward meeting resource adequacy requirements in a given month during the Delivery Period due to a scheduled outage, Seller shall designate a substitute resource that is capable of providing such capacity no later than ten (10) Business Days before Buyer's month-ahead showing for such month is due to the CPUC.
<i>Delivery Period:</i>	January 1, 2012, through and including, December 31, 2012
<i>Contract Price:</i>	\$3.25 per kW-Month
<i>Existing CAISO Zone</i>	SP15 LA-Basin

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<i>LAR Region (if any, as of Confirmation Effective date)</i>	LA Basin
<i>Contract Quantity:</i>	10MW
<i>Seller's Additional Covenants &amp; Warranties:</i>	<p>Seller makes the following additional covenants, warranties and representations:</p> <ul style="list-style-type: none"> <li>a. Seller is duly licensed and certificated by all applicable jurisdictional regulatory agencies and bodies, and as such holds the necessary authorities, to participate in the CAISO markets.</li> <li>b. Seller meets the credit requirements necessary to participate in the CAISO market.</li> <li>c. The Contract Quantity is owned or controlled by Seller for each Specific Resource specified above.</li> <li>d. The Specific Resource has been registered with and/or certified by the CAISO as qualifying capacity to the Delivery Location(s); <i>provided</i>, that if the Specific Resource(s) is (are) not so registered and/or certified, Seller will take all reasonable steps to assure that the Specific Resource(s) is (are) registered and/or certified prior to the commencement of the Delivery Period in the amount no less than the Contract Quantity of Capacity sold under this Confirmation.</li> <li>e. The amount of the Capacity sold under this Confirmation is unencumbered by any other sale, any assignment, or any rights conferred to any party other than the Buyer.</li> <li>f. Unless the Specific Resource is out of service due to a forced outage as defined in the definition of Unit Firm in the Confirmation, or is out for planned maintenance as approved by the CAISO, or conditions constituting force majeure arise, Seller will: <ul style="list-style-type: none"> <li>i. Make the Contract Quantity available, to the extent required by the CAISO to the CAISO consistent with the terms of the CAISO tariff for every hour of the Delivery Period, <i>provided</i>, that prior to the implementation of the CAISO's Market Redesign and Technology Update proposal, if the CAISO denies Seller's request for a waiver of any commitment of the unit for the next operating day, Seller shall commit the Specific Resource for each hour of the next operating day and self-schedule or submit bids in an amount no less than the Contract Quantity into the CAISO's markets as required by the CAISO during that next operating day; and,</li> <li>ii. Dispatch the Specific Resource in an amount not less than the Contract Quantity of megawatts in the CAISO's market for energy and / or ancillary services pursuant to any schedules and instructions of the CAISO issued in accordance with the terms of the CAISO tariff.</li> <li>iii. Comply with the Must Offer Obligations as specified in the CAISO tariff as amended from time to time during the term of this Confirmation.</li> </ul> </li> <li>g. Seller shall not commit any portion of the Contract Quantity, including but not limited to the sale or scheduling of firm energy to any party outside the CAISO control area, until all obligations to Buyer and/or CAISO under the contract and/or the CAISO tariff have been met or are extinguished.</li> </ul> <p>Seller will maintain or cause to have maintained the Specific Resource using "Good Utility Practice" as defined in the CAISO tariff.</p>

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<i>Buyer's Additional Covenants &amp; Warranties</i>	Buyer makes the following additional covenants, warranties and representations: (a) Buyer holds the necessary authorities to participate in the CAISO markets; and (b) Buyer meets the credit requirements necessary to participate in the CAISO markets.
<i>Meeting Resource-Adequacy Requirements:</i>	Seller will make all commercially reasonable efforts to ensure the Product meets the resource-adequacy requirements of the CAISO; <i>provided</i> , that such commercially reasonable actions shall not include any obligation that the Seller, or Seller's supplier, undertake capital improvements, facility enhancements, or the construction of new facilities unless otherwise agreed in writing. The Parties agree that under the CAISO Tariff RA Standard Capacity Product terms, any Availability Incentive Payments are for the benefit of the Seller and for Seller's account and that any Non-Availability Charges are the responsibility of the Seller and for Seller's account.
<i>Mutual Cooperation to Preserve the Benefits of the Bargain</i>	Where necessary to modify this Confirmation to conform its terms and conditions to changes in circumstances or regulations affecting the benefits of the bargain struck by the Parties, the Parties agree to negotiate in good faith to modify this Confirmation so as to address such circumstances or regulations while preserving the benefits of the bargain struck by the Parties.
<i>Indemnity against Penalties:</i>	Seller agrees to indemnify Buyer for any monetary penalties assessed by the CAISO against the Buyer for Buyer's failure to meet the requirements of the CAISO related to the Buyer's obligation to submit an approved resource-adequacy demonstration to the extent any such penalties were the direct result of Seller not fulfilling any of its obligations under this Confirmation; <i>provided</i> , where Buyer is in breach of this Confirmation, Seller's obligations to perform under this Confirmation and/or to indemnify the Buyer for any monetary penalties are waived.
<i>Notices:</i>	All written notices under this Confirmation shall be deemed properly sent if delivered in person or sent by fax, or by registered or certified mail, postage prepaid to the persons specified below:
<b>For notices other than Confirmations:</b>	
<b>To Banning: City of Banning</b>	<b>To Shell: Shell Energy North America (US), L.P.</b>
176 East Lincoln Street	4445 EastGate Mall, Ste. 100
Banning, CA 92220	San Diego, California 92121
Attn: Fred Mason	Attn: Joseph Valatka, Senior Commercial Advisor
Phone: 951-922-3265; Fax: 951-849-1550	Phone: 858-526-2151; Fax: 858-320-1570
<b>For Confirmations: To Banning: Phone: 951-922-3265 To Shell: Phone: 858-526-2102</b>	
<b>Payments: All payments shall be made by electronic wire transfer as follows:</b>	
To Banning: Union Bank of California	To Shell: Citibank
ABA Routing No. 122000496	ABA No. 021000089
Account No. 24200939001	Account No. 30603873
Attn:	Attn:
<i>Choice of Law:</i>	THIS CONFIRMATION SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS.
<i>Assignment:</i>	Shell shall have the right to assign this Confirmation to an affiliate of equal or greater creditworthiness.
<i>Buyers Resale:</i>	Buyer may re-sell all or a portion of the Product delivered to Buyer hereunder. In case of re-sell by Buyer of the Product to a third party, Seller shall cooperate with Buyer at no later than fifteen (15) Business Days before the relevant deadline for any applicable RAR Showing, that the third party Buyer is re-selling the Product to will be credited with the RA Capacity hereunder for the Delivery Period in Seller's Supply Plan.

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<i>Mobile-Sierra Provision:</i>	Absent the agreement of all Parties to the proposed change, the standard of review for changes to any portion of this Confirmation or any transaction entered into hereunder proposed by a Party, a non-party or the Federal Energy Regulatory Commission acting <i>sua sponte</i> shall be the "public interest" standard of review set forth in <i>United Gas Pipeline Line Co. v. Mobile Gas Service Corp.</i> , 350 U.S. 332 (1956) and <i>Federal Power Commission v. Sierra Pacific Power Co.</i> , 350 U.S. 348 (1956) ("Mobile-Sierra" doctrine).
<i>No Challenge/ Defense of Agreement:</i>	Neither Party will exercise any of its respective rights under Section 205 or Section 206 of the Federal Power Acts to challenge or seek to modify any of the rates or other terms and conditions of this Confirmation or any transactions entered into hereunder.

A fax copy of either Party's signature will be considered an original for all purposes under this Confirmation, and each Party will provide its original signature upon request. Except to the extent otherwise explicitly provided in this Confirmation, no amendment to this Confirmation will be valid or given any effect unless signed by both Parties.

This Confirmation and the terms of the WSPP Agreement that are not inconsistent with this Confirmation, set forth the terms of the transaction which the Parties have entered into and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any contrary provision in the WSPP Agreement, any conflict between this Confirmation and the WSPP Agreement shall be resolved in favor of this Confirmation. This Confirmation supersedes all prior agreements and understandings (whether written or oral) regarding the subject matter of this Confirmation, and may not be contradicted by any prior or contemporaneous oral or written agreement unless explicitly authorized herein.

Notwithstanding anything contained in the WSPP Agreement to the contrary, this Confirmation shall only be effective when executed by both Parties.

IN WITNESS WHEREOF, the Parties have signed this Confirmation to be effective as of the Effective Date.

City of Banning

Shell Energy North America (US), L.P.

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

By:   
 Name: Pat Butler  
 Title: Contracts Manager  
 Date: September 21, 2011

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**CITY COUNCIL AGENDA  
PUBLIC HEARING**

**DATE:** September 27, 2011

**TO:** City Council

**FROM:** Phil Holder, Lieutenant

**SUBJECT:** City Business Permit for Pacific Ambulance

**RECOMMENDATION:** "The City Council review and consider approving a City Business Permit for Pacific Ambulance to provide medical transport services within the City Limits of Banning."

**BACKGROUND / ANALYSIS:**

Mrs. Nevea Ledesma works for Pacific Ambulance in the office of purchasing and administration and has applied for a business permit for Pacific Ambulance to operate within the City. She has indicated Pacific Ambulance would like to provide the public with 24/7 non-emergency transport to medical facilities in the Banning area.

Pacific Ambulance, a private Basic Life Support (BLS) ambulance service, began its operations in Orange County in 2000 and expanded into San Diego County in 2004. The company is presently in the process of expanding its services into the Riverside County area.

Pacific Ambulance holds a valid and current Riverside County Community Health Agency, Department of Public Health permit, which authorizes them to operate within the boundaries of Riverside County. The company has a fleet of ambulances that are painted and distinguished as ambulances, which are registered with the California Department of Motor Vehicles as required by law and they also carry the required level of insurance for the vehicles and business, as required by law. They also maintain their own web site at [www.pacificambulance.com](http://www.pacificambulance.com), which can provide you with additional details.

Pacific Ambulance will not be providing emergency response services as American Medical Response (AMR) is under contract with Riverside County to provide such services.

Presently there are three ambulance companies that provide the same service in the City of Banning.

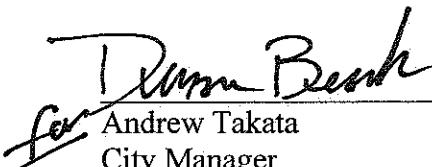
**FISCAL IMPACT:** None

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RECOMMENDED BY:

  
Leonard Purvis  
Chief of Police

APPROVED BY:

  
for Andrew Takata  
Andrew Takata  
City Manager

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**CITY COUNCIL AGENDA  
PUBLIC HEARING**

**DATE:** September 27, 2011

**TO:** City Council

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

**SUBJECT:** Resolution No. 2011-81, "Approving the Change of Street Name from Fields Road to Malki Road"

**RECOMMENDATION:** Adopt Resolution No. 2011-81, "Approving the Change of Street Name from Fields Road to Malki Road".

**JUSTIFICATION:** The Morongo Band of Mission Indians requested the street name change of Fields Road and City Council approval is necessary.

**BACKGROUND:** The Morongo Band of Mission Indians (MBMI) is currently requesting numerous street name changes throughout Riverside County and along Interstate 10 (I-10). On August 31, 2011, representatives from MBMI met with City staff to formally request the name change of Fields Road, the only street within the City of Banning impacted by their requests, to Malki Road as shown in Exhibit "A". The street name change is expected to have minimal impact to the City since there are no Banning residents or businesses located on this road.

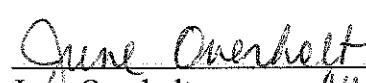
The notice of public hearing was advertised in the Record Gazette on September 16, 2011 as shown in Exhibit "B". Upon approval of the City Council all other affected agencies such as the Department of Motor Vehicles Office, Post Office, Banning Unified School District, the Gas Company, Fire Department, Police Department, County of Riverside Assessors Office and all of the utility purveyors will be officially notified.

**FISCAL DATA:** No fiscal impact.

**RECOMMENDED BY:**

  
Duane Burk  
Director of Public Works

**REVIEWED BY:**

  
June Overholt *by my*  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

  
Andy Takata  
City Manager  
Resolution No. 2011-81

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**RESOLUTION NO. 2011-81**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,  
CALIFORNIA, APPROVING THE CHANGE OF STREET NAME FROM FIELDS  
ROAD TO MALKI ROAD**

**WHEREAS**, the Morongo Band of Mission Indians (MBMI) are currently requesting numerous street name changes throughout Riverside County and along Interstate 10 (I-10); and

**WHEREAS**, on August 31, 2011, representatives from MBMI met with City staff to formally request the name change of Fields Road, the only street within the City of Banning impacted by their requests, to Malki Road; and

**WHEREAS**, the street name change is expected to have minimal impact to the City since there are no Banning residents or businesses located on this road; and

**WHEREAS**, upon approval of the City Council all other affected agencies such as the Department of Motor Vehicles Office, Post Office, Banning Unified School District, the Gas Company, Fire Department, Police Department, County of Riverside Assessors Office and all of the utility purveyors will be officially notified.

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

**SECTION 1.** Adopt Resolution No. 2011-81, Approving the Street Name Change from Fields Road to Malki Road as Shown in Exhibit "A" attached herewith to this resolution.

**PASSED, APPROVED AND ADOPTED** this 13<sup>th</sup> day of September, 2011.

---

Barbara Hanna, Mayor  
City of Banning

**ATTEST:**

---

Marie A. Calderon, City Clerk

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

---

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

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**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2011-81, was adopted by the City Council of the City of Banning at a Regular Meeting thereof held on the 13<sup>th</sup> day of September, 2011, by the following vote, to wit:

AYES:

NOES:

ABSENT:

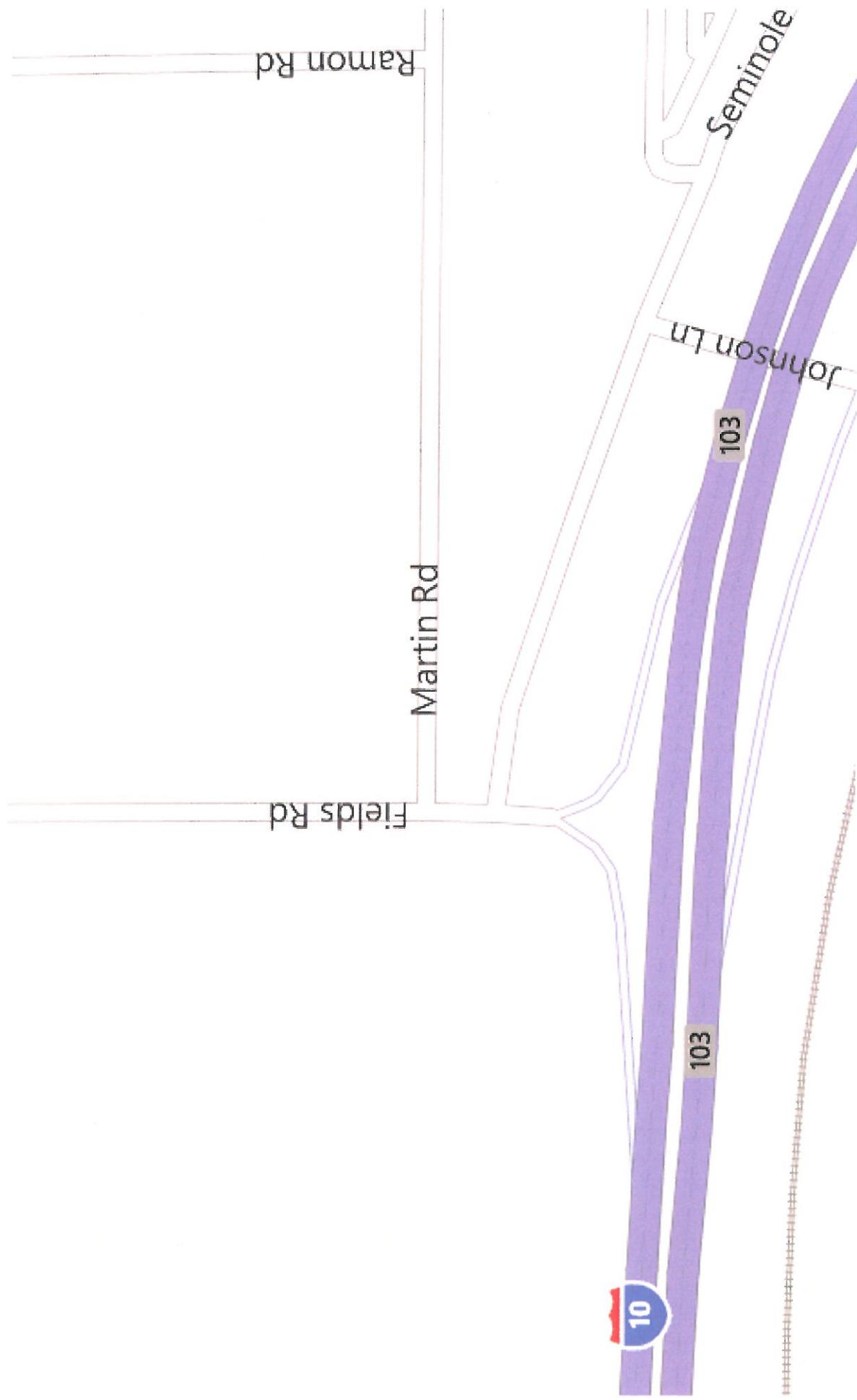
ABSTAIN:

---

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

**EXHIBIT "A"**

**STREET MAP OF FIELDS ROAD**



**EXHIBIT "A"**

**RESOLUTION NO. 2011-81**

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Proud History  
Prosperous Tomorrow

**EXHIBIT “B”**

**NOTICE OF PUBLIC HEARING**

**Record Gazette**  
218 N. Murray St.  
**Proof of Publication**  
(2015.5 C.C.P.)

RESOLUTION NO. 2011-81-55589

**State of California** )  
**County of Riverside** ) ss.

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer and publisher of Record Gazette, a newspaper published in the English language in the City of Banning, County of Riverside, and adjudicated a newspaper of general circulation as defined by the laws of the state of California by the Superior Court of the County of Riverside, under the date October 14, 1966, Case No. 54737. That the notice, of which the annexed is a copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

September 16, 2011

NOTICE OF PUBLIC HEARING

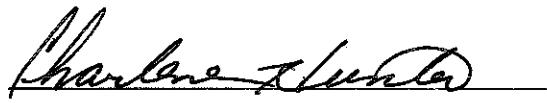
PURSUANT TO LAW, notice is hereby given of a Public Hearing before the City Council of the City of Banning, to be heard September 27, 2011 at 5:00 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey St., Banning, California, to consider Adopting Resolution No. 2011-81, "Approving the Change of Street Name from Fields Road to Malki Road". ALL INTERESTED PARTIES are invited to attend said hearing and present oral or written testimony on the matter or to send written comments to the City Clerk, P.O. Box 998, Banning, CA 92220. Only testimony received prior to the close of the public hearing will be considered. Note: If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Banning at, or prior to, the public hearing. Questions regarding this matter should be directed to City of Banning, Public Works Department at (951) 922-3130. BY ORDER OF THE CITY CLERK of the City of Banning, California.

Date: September 12, 2011  
Marie A. Calderon  
City Clerk  
Publish: Record Gazette  
September 16, 2011  
Publish The Record  
Gazette  
No. 55589  
09/16, 2011

Executed on: 09/16/2011

At Banning , CA

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

  
Signature

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**CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY  
JOINT MEETING**

**DATE:** September 27, 2011

**TO:** City Council and Community Redevelopment Agency Board

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

**SUBJECT:** Resolution No. 2011-83, "Awarding the Construction Contract for Project No. 2011-02 'Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street' and Rejecting all other Bids"

**RECOMMENDATION:** Adopt City Council Resolution No. 2011-83:

- I.** Awarding the Construction Contract for Project No. 2011-02, "Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street" to Matich Corporation of San Bernardino, California for an amount of \$596,000.00 and allowing a 10% contingency of \$59,600.00.
- II.** Approving the Professional Services Agreement for Surveying and Construction Staking Services with H.P. Engineering of Redlands, California, for an amount of "Not to Exceed" \$9,800.00 and a Professional Services Agreement for Material Testing Services with Aragon Geotechnical of Riverside, California, for an amount of "Not to Exceed" \$6,223.00.
- III.** Authorizing the Administrative Services Director to appropriate \$238,258.90 (includes a 10% contingency) from the 2007 Electric Revenue Bond Proceeds to Account No. 673-7000-473-96.29 and to make the necessary budget adjustments, appropriations and transfers to fund this project.
- IV.** Authorizing the Administrative Services Director to approve change orders within the 10% contingency of \$59,600.00.

**JUSTIFICATION:** Matich Corporation is the lowest responsive and responsible bidder to construct Project No. 2011-02, "Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street".

**BACKGROUND:** In April of 2008, the Community Redevelopment Agency (Agency) purchased three parcels (APN 541-146-003, 541-150-023 and 541-150-024) that totaled 7.68 acres of vacant land located at the northeast corner of Ramsey Street and Martin Street (311 East Ramsey Street). The intention of owning the land was to improve the City's chances of securing the location for the proposed Mid-County Justice Center. In order to meet the needs of the State, a lot line adjustment was recorded adjusting and increasing the size of APN 541-146-003 from 4.405 acres to 4.66 acres. After continual efforts made by the City, including on-site and off-site improvements, the State of California selected the downtown Banning location out of approximately 28 prospective sites for the new Mid-County Justice Center.

On September 8, 2009 the Community Redevelopment Agency Board approved CRA Resolution No. 2009-20, "Approving the Sale of Real Property (APN 541-146-003) to the State of California for the Development of the Mid-County Justice Center". As part of the sales agreement the Agency is to construct all necessary off-site improvements as required by the Justice Center project.

The Public Works staff advertised a "Notice Inviting to Bid", as shown attached as Exhibit "A", on August 12, 2011 and August 19, 2011 for Project No. 2011-02, "Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street". The scope of work of the project includes: installation of an electric conduit duct bank, vaults, transformer pads, handholes and street lights; grading, placement of a new street section including base and asphalt concrete, street signing and striping; construction of curbs and gutters, sidewalks, commercial and residential driveways, cross gutters, spandrels, handicap ramps, retaining walls and catch basins including the installation of reinforced concrete pipe; adjusting existing water meters, valve cans and manholes to finish grade on various streets all in accordance with the City of Banning, Caltrans and Riverside County Flood Control District Standard Specifications (as applicable). The installation of electrical conductors in the conduit duct bank will be performed by the City of Banning Electric Division at a later date.

On September 8, 2011 the City Clerk received eight (8) bids and publicly opened and read out loud the following results (shown as attached Exhibit "B"):

<u>Contractor</u>	<u>Total Bid</u>
1. BW Simmons, Inc. (non-responsive)	\$548,756.00
2. Matich Corporation	\$596,000.00
3. Cooley Construction, Inc.	\$631,616.31
4. All American Asphalt	\$644,644.00
5. Larry Jacinto Construction, Inc.	\$682,679.80
6. Perry C. Thomas Construction Inc.	\$695,383.76
7. TBU Inc.	\$762,723.00

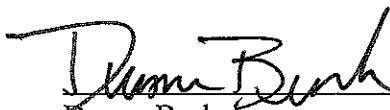
The Engineer's estimate for the project is \$560,000.00.

During the bidding process Addendum No. 1 was sent to all the prospective bidders, which revised the quantities in *Bid Schedule I* and directed the bidders to use *Bid Schedule I-Revised*. During the bid opening it was noted that all the bidders, including BW Simmons, Inc., had included in their bid a signed acknowledgement of receiving the addendum. The bid submitted by B.W. Simmons, Inc. did not include *Bid Schedule I-Revised*, listed a subcontractor with a suspended license and has been deemed non-responsive due to errors and deficiencies. As a result staff recommends Matich Corporation as the lowest responsive and responsible bidder to complete the project. If approved, the project is anticipated to be completed by January, 2012.

**FISCAL DATA:** The total project cost is equal to \$671,623.00, which includes a 10% construction contingency and the professional services costs. \$433,364.10 will be using Fiscal Year 2010/2011 carry forward budget in Account No. 855-9500-490-90.06 (Land Improvements). The remaining balance of \$238,258.90 is requested to be appropriated from the 2007 Electric Revenue Bond Proceeds to Account No. 673-7000-473-96.29 (D.T. Underground Conversion).

**SIGNATURES ON NEXT PAGE**

RECOMMENDED BY:



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Duane Burk  
Director of Public Works

RECOMMENDED BY:

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Fred Mason  
Electric Utility Director

APPROVED BY



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for 

Andy Takata  
City Manager

REVIEWED BY:



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June Overholt *by my*  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**RESOLUTION NO. 2011-83**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,  
CALIFORNIA, AWARDING THE CONSTRUCTION CONTRACT FOR PROJECT NO.  
2011-02, "STREET AND ELECTRICAL IMPROVEMENTS ON RAMSEY STREET,  
MARTIN STREET AND WILLIAMS STREET" AND REJECTING ALL OTHER BIDS**

**WHEREAS**, on September 8, 2009 the Community Redevelopment Agency Board approved CRA Resolution No. 2009-20, "Approving the Sale of Real Property (APN 541-146-003) to the State of California for the Development of the Mid-County Justice Center; and

**WHEREAS**, as part of the sales agreement the Community Redevelopment Agency is to construct all necessary off-site improvements including curbs, gutters, sidewalks, and road improvements required by the Justice Center project; and

**WHEREAS**, the Notice Inviting Bids was advertised on August 12, 2011 and August 19, 2011, as shown attached as Exhibit "A", and eight (8) bids were received and opened on September 8, 2011 (shown as Exhibit "B"); and

**WHEREAS**, Matich Corporation of San Bernardino, California is the lowest responsible bidder to construct Project No. 2011-02, "Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street"; and

**WHEREAS**, the scope of work under this project includes installation of an electric conduit duct bank, vaults, transformer pads, handholes and street lights; grading, placement of a new street section including base and asphalt concrete, street signing and striping; construction of curbs and gutters, sidewalks, commercial and residential driveways, cross gutters, spandrels, handicap ramps, retaining walls and catch basins including the installation of reinforced concrete pipe; adjusting existing water meters, valve cans and manholes to finish grade on various streets all in accordance with the City of Banning, Caltrans and Riverside County Flood Control District Standard Specifications (as applicable).

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

**SECTION 1.** City Council adopts Resolution No. 2011-83 awarding the Construction Contract for Project No. 2011-02, "Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street" to Matich Corporation of San Bernardino, California for an amount equal to \$596,000.00 and rejecting all other bids.

**SECTION 2.** City Council approves the Professional Services Agreement for Surveying and Construction Staking Services with H.P. Engineering of Redlands, California, for an amount of "Not to Exceed" \$9,800.00 and a Professional Services Agreement for Material Testing Services with Aragon Geotechnical of Riverside, California, for an amount of "Not to Exceed" \$6,223.00.

**SECTION 3.** The Administrative Services Director is authorized to make the necessary budget appropriations from the 2007 Electric Revenue Bond Proceeds to Account No. 673-7000-473-96.29 in the amount of \$238,258.90 (includes a 10% contingency) and any additional budget adjustments, appropriations and transfers related to this project including approval of change orders within the 10% contingency of \$59,600.00.

**SECTION 4.** The City Manager is authorized to execute the contract agreements for Project No. 2011-02, "Street and Electrical Improvements on Ramsey Street, Martin Street and Williams Street." This authorization will be rescinded if the contract agreements are not executed within forty-five (45) days of the date of this resolution.

**PASSED, ADOPTED AND APPROVED** this 27<sup>th</sup> day of September, 2011.

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Barbara Hanna, Mayor  
City of Banning

**ATTEST:**

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Marie A. Calderon, City Clerk

**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. 2011-83, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 27<sup>th</sup> day of September, 2011.

AYES:

NOES:

ABSTAIN:

ABSENT:

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

**EXHIBIT “A”**

**NOTICE INVITING TO BID**

NOTICE INVITING TO BID

PROJECT NO: 2011-02

"STREET

IMPROVEMENTS AND

ELECTRICAL

IMPROVEMENTS ON

RAMSEY STREET,

MARTIN STREET AND

WILLIAMS STREET"

OWNER: City of Banning

PROJECT DESCRIPTION:

The scope of work under this project includes the installation of an electrical conduit duct bank, transformer pads, vaults, street lights and manholes; grading, placing new A.C. and base per City Engineer's recommendations; constructing sidewalks, curbs, gutters, driveways, cross gutters, spandrels, handicap ramps, retaining walls and catch basins; adjusting manholes, fire hydrants, water meters, and water valve covers to grade; removing and replacing water services; water meter boxes when required by the Public Works Inspector; striping improvements; and cleaning, etc., on various streets all in accordance with the City of Banning and CALTRANS Standard Specification. The Contractor must comply with all NPDES requirements to reduce storm water run off by implementing applicable BMPs, as required by the Public Works Inspector.

PLANS & SPECS:

Full-size drawings and specifications will be made available on August 15, 2011, and may be obtained at the Public Works Department, Engineering Division, City of Banning, 99 E. Ramsey Street, Banning, California 92220, by a non-refundable deposit of Fifty Dollars (\$50.00) per set. An additional non-refundable charge of Fifteen Dollars (\$15.00) to cover the cost of wrapping, handling, and postage will be made for each set of Contract Documents mailed.

PRE-BID CONFERENCE:

August 23, 2011 at 10 a.m.

at City Hall, 99 E. Ramsey

St., Banning.

REQUIREMENTS:

Prevailing Wage,

Certified Payroll, Bid Bond,

Payment and Performance

Bond, insurance, etc., per

the approved specifications.

Pursuant to the provisions of Public Contract Code Section 3303, the City has determined that the Contractor shall possess a valid Class A license at the time that the Contract is awarded. Failure to possess the specified license shall render the bid as not responsible and/or non-responsive and shall act as a bar to award the Contract to any bidder not possessing said license at the time of award.

SEALED BIDS DUE:

September 6, 2011 and

Opened Publicly at 10 a.m.

local time, at the above City

Hall address, Attn: City

Clerk, CITY OF BANNING,

CALIFORNIA

Publication Date:

8/12/2011

Dated: 8/09/2011,

8/19/2011

Marie A. Calderon

City Clerk

Publish The Record

Gazette

No. 53371

08/12, 19, 2011

**EXHIBIT “B”**

**BID SUMMARY**

**SUMMARY OF BIDS RECEIVED  
CITY OF BANNING**

PROJECT NO.: 2011-02

DESCRIPTION: Street Improvements and Electrical Improvements on  
Ramsey Street, Martin Street and Williams Street

BID OPENING DATE: Sept 8, 2011 TIME: 3:00 p.m.

	NAME OF BIDDER:	Addendum 1	Bid Bond	TOTAL BID AMOUNT:
1	TBU, Inc. Beaumont, CA	✓	✓	\$ 762,723.00
2	Perry C. Thomas Constr. Inc. Monrovia, CA	✓	✓	\$ 695,383.76
3	BW Simmons, Inc. Calimesa, CA	✓	✓	\$ 548,756.00
4	Matich Corporation Highland, CA	✓	✓	\$ 596,000.00
5	Hillcrest Contracting Corona, CA	✓	✓	\$ 735,341.95
6	Cooley Construction, Inc. Hesperia, CA	✓	✓	\$ 431,616.31
7	All American Asphalt Corona, CA	✓	✓	\$ 444,644.00
8	Larry Jacinto Construction, Inc. Mentone, CA	✓	✓	\$ 682,679.80

VERIFIED BY:

Mari A. Callan, City Clerk

Jeff Vela