

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

January 8, 2013  
**5:00 p.m.**

Banning Civic Center  
Council Chambers  
99 E. Ramsey St.

**ADDENDUM**

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

**X. CONSENT ITEMS**

1. Due Diligence Review for the Other Redevelopment Agency Funds. . . . . **158**

**Recess meeting of Banning Successor Agency and reconvene the regular City Council  
Meeting.**

(Posted: 01/03/2013 – approx.. 4:30 p.m.)

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

January 8, 2013  
**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 Utility Authority.*

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

**I. CALL TO ORDER**

- . Pledge of Allegiance
- . Invocation – Pastor George Rosemier, Banning United Methodist Church
- . Roll Call - Councilmembers Botts, Miller, Peterson, Welch, Mayor Franklin

**II. REPORT ON CLOSED SESSION**

**III. PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS/ANNOUNCEMENTS**

**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. 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 for future study, research, and appropriate Council Action.) See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

**CORRESPONDENCE**: Items received under the 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. Riverside County Fair & National Date Festival Queen & Court	
2. Proclamation – Paul “Bear” Bradford .....	1

## **APPOINTMENTS**

1. City Council Committee Assignments .....	2
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## **IV. CONSENT ITEMS**

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

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

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

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

1. Approval of Minutes – Special Meeting – 12/11/12 (Closed Session) .....	5
2. Approval of Minutes – Regular Meeting – 12/11/12. ....	7
3. Report of Investments for November 2012 .....	15
4. Approval of Accounts Payable and Payroll Warrants for Month of October 2012 .....	25
5. Approval of Accounts Payable and Payroll Warrants for Month of November 2012 .....	27
6. Resolution No. 2013-01, Authorizing the Extension of the Abandoned Vehicle Abatement (AVA) Program and the Collection of Fees Until May 2014 .....	29
7. Resolution No. 2013-02, Approving the Professional Services Agreement with Data Ticket, Inc. ....	34
8. Resolution No. 2013-03, Approving a Memorandum of Understanding Between the Banning Police Management Association and the City of Banning. ....	74
9. Adopt Resolution No. 2013-04 and Resolution No. 2013-05, Approving Changes to the Employer Paid Member Contribution (“EPMC) of the California Public Employees’ Retirement System (“CalPERS”) for the Banning Police Officers’ Association and Banning Police Management Association .....	117
10. Resolution No. 2013-06, Authorizing the Execution of the Grant of Easements for the Southern California Edison Company Transmission Lines .....	123
11. Resolution No. 2013-07, Approving the Reprogramming of Community Development Block Grant (CDBG) Program Funding from Repplier Park Bowl Rehabilitation to Lions Park Improvements .....	143
12. Approval of City Business Permit for Premier Medical Transportation, Inc. ....	147

- Open for Public Comments
- Make Motion

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

**V. CONSENT ITEMS**

1.	Resolution No. 2013-01 UA, Awarding the Professional Services Agreement for the Whitewater Flume Restoration Project with Roy McDonald, Environmental and Regulatory Consultant of Sacramento, CA in an Amount Not to Exceed \$56,000.00 . . . . .	148
2.	Resolution No. 2013-02 UA, Approving the First Amendment to the Professional Services Agreement with Nursery Products, LLC to Include Additional Services in an Amount of \$1,300.19 for a Total Contract Amount Not to Exceed \$26,300.19 . . . . .	154

- Open for Public Comments
- Make Motion

**Recess joint meeting of Banning City Council and Banning Utility Authority and reconvene the regular City Council Meeting.**

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

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

**VII. ITEMS FOR FUTURE AGENDAS**

New Items –

Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials

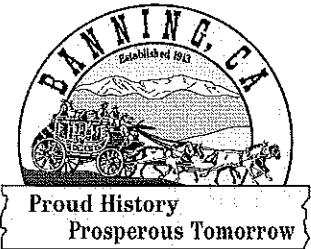
**VIII. ADJOURNMENT**

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

**NOTICE:** Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. 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. 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].



## **PROCLAMATION**

**WHEREAS**, Paul "Bear" Bradford, who moved to the City of Banning in 1999, was the founding president of PCAF (Pass Cultural Arts Foundation), and one of the founding members of AIR (Artist in Residence) creating the Old Town Arts District; and

**WHEREAS**, Paul "Bear" Bradford is honored as youth advocate who inspires youth to succeed in life and to be creative through visual arts, specifically ceramics; and

**WHEREAS**, Paul "Bear" Bradford has participated as a volunteer in numerous youth-centered community art programs since 2005 providing the opportunity to experience the joy of working with clay and learning more about the art of ceramics; and

**WHEREAS**, Paul "Bear" Bradford has personally instructed hundreds of youth over the years through no-cost art programs which were sanctioned by B.P.A.L. (Banning Police Activities League, The Boy's & Girl's Club of The San Gorgonio Pass, the G.R.E.A.T (Grant Resistance Education and Training) Program, the Banning Unified School District's GATE (Gifted and Talented Education) Program and other non-profit organizations that involve the youth in art; and

**WHEREAS**, Paul "Bear" Bradford was instrumental in creating and maintaining a no-cost after-school program called "Clubb Mudd", a fully-functional ceramics class held weekly at Nicolet Middle School for 7<sup>th</sup> and 8<sup>th</sup> grade students, which allows them to create ceramic art with their hands and encourages them to make visual arts a part of their lives.

**NOW THEREFORE**, I, Deborah Franklin, Mayor of the City of Banning, along with the City Council, gratefully appreciate the invaluable services which **PAUL "BEAR" BRADFORD** has provided to the youth of this community which enhances the quality of life for all and do hereby recognize him for his years of dedication to the arts and mentoring of the youth in Banning through the visual art of ceramics.

**IN WITNESS WHEREOF**, I have set my hand and caused the seal of the City of Banning, California to be affixed this 8<sup>th</sup> day of January, 2013.

**ATTEST:**

Marie A. Calderon, City Clerk

Deborah Franklin, Mayor

**CITY COUNCIL AGENDA  
APPOINTMENTS**

**DATE:** January 8, 2013

**TO:** Mayor and City Council Members

**FROM:** City Clerk

**SUBJECT:** City Council Committee Assignments - 2013

**RECOMMENDATION:**

That the City Council approve the attached list of City Council Committee Assignments for 2013 as recommended by Mayor Franklin.



Marie A. Calderon  
City Clerk

## **COMMITTEE ASSIGNMENTS - 2013**

### **CITY COUNCIL CITY OF BANNING**

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

(01/8/13)

## Assignments - 2013 (Continued)

Regional Conservation Authority	ECONOMIC DEVELOPMENT COMMITTEE LIAISONS <i>(as needed)</i>	GOVERNMENT ACCESS CHANNEL COMMITTEE <i>(as needed)</i>	PUBLIC UTILITY ADVISORY COMMITTEE FOR CITY OF BANNING <i>(as needed)</i>	
Franklin Welch, Alt.  <i>(receive stipend)</i>	<i>(no appointment)</i>	Peterson Welch	Miller Botts	

TUMF ZONE COMMITTEE	LEAGUE OF CALIF. CITIES - Contact and Executive Board Representative	LEAGUE OF CALIFORNIA CITIES <i>(External Group)</i>	SAN GORGONIO PASS WATER AGENCY <i>(External Group)</i>	COMMUNITY ACTION AGENCY <i>(External Group)</i>
Franklin Peterson, Alt.	Franklin (Mayor)	City Council	Franklin Miller, Alt.	Peterson Welch, Alt.

## 2 x 2 COUNCIL WORKING GROUPS

BANNING UNIFIED SCHOOL DIST.	MORONGO BAND OF MISSION INDIANS	MT. SAN JACINTO COLLEGE	AIRPORT	INTER-GOVERNMENTAL - LOBBYING
Miller Botts	Franklin Welch	Peterson Miller	Botts Peterson	Franklin Botts

(01/8/13)

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MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

12/11/12  
SPECIAL MEETING

A special meeting of the Banning City Council and a special joint meeting of the Banning City Council and the City Council Sitting In Its Capacity of a Successor Agency was called to order by Mayor Robinson on December 11, 2012 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 Hanna  
Councilmember Machisic  
Mayor Robinson

COUNCIL MEMBERS ABSENT: None

COUNCIL MEMBERS ELECT:  
Councilman Miller  
Councilman Peterson  
Councilman Welch

OTHERS PRESENT: Andrew J. Takata, City Manager  
June Overholt, Administrative Services Director  
David J. Aleshire, City Attorney  
Colin Tanner, City Attorney  
Duane Burk, Public Works Director  
Marie A. Calderon, City Clerk

CLOSED SESSION

City Attorney announced that the City Council would meet in closed session to discuss a matter of potential litigation pursuant to the provisions of Government Code Section 54956.9; City Attorney Evaluation pursuant to the provisions of Government Code Section 54957; and labor negotiations pursuant to the provisions of Government Code Section 54957.6.

Mayor Robinson opened the item for public comments. There were none. Meeting went into closed session at 4:03 p.m. to discuss the evaluation of the City Attorney and reconvened at 5:04 p.m.

The City Council returned to closed session at 7:00 p.m. with the new City Council Members to continue the discussion of the other closed session matters regarding potential litigation and labor negotiations and the added item regarding the Dill litigation matter. Meeting returned to open session at 8:26 p.m. with no reportable action.

ADJOURNMENT

By common consent the meeting adjourned at 8:27 p.m.

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Marie A. Calderon, City Clerk

MINUTES  
CITY COUNCIL  
BANNING, CALIFORNIA

12/11/12  
REGULAR MEETING

A regular meeting of the Banning City Council and a Joint Meeting of the City Council and the Banning Utility Authority and the City Council and the Banning Housing Authority was called to order by Mayor Robinson on December 11, 2012 at 5:10 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

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

COUNCIL MEMBERS ABSENT: None

COUNCIL MEMBERS ELECT: Edward Miller  
Don Peterson  
Art Welch

OTHERS PRESENT: Andrew J. Takata, City Manager  
David J. Aleshire, City Attorney  
Duane Burk, Public Works Director  
Zai Abu Bakar, Community Development Director  
Leonard Purvis, Police Chief  
Heidi Meraz, Community Services Director  
Fred Mason, Electric Utility Director  
Jeff Stowells, Fire Battalion Chief  
Marie A. Calderon, City Clerk

The invocation was given by David Marshall Kealy. Councilman Machisic invited the audience to join him in the Pledge of Allegiance to the Flag.

## PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS/ANNOUNCEMENTS

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

There were none.

CORRESPONDENCE: There was none.

## CONSENT ITEMS

1. Approval of Minutes – Special Meeting – 11/13/12 (Closed Session)

Recommendation: That the minutes of the Special Meeting of November 13, 2012 be approved.

2. Approval of Minutes – Regular Meeting – 11/13/12

Recommendation: That the minutes of the Regular Meeting of November 13, 2012 be approved.

3. Report of Investments for September 2012

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

4. Report of Investments for October 2012

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

5. Approval of Accounts Payable and Payroll Warrants for Month of September 2012

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

6. Grant of Easement from George A. Pearson, APN 537-090-063 for the Sunset Grade Separation Project.

Recommendation: Accept the Grant of Easement from George A. Pearson, Assessor's Parcel Number 537-090-063 for the Sunset Avenue Grade Separation and direct the City Clerk to accept said easement and return to the County of Riverside for further processing. The parcel is described in attachment Exhibit "A" and "B".

7. Accept Grant of Easement from Oakwood Investments, LLC, APN: 538-190-014 for Sunset Grade Separation Project.

Recommendation: Accept the Grant of Easement from Oakwood Investments, LLC, Assessor's Parcel Number 538-190-014 for Sunset Avenue Grade Separation and direct the City Clerk to accept said easement and return to the County of Riverside for further processing. The parcel is described in attachment "A" and "B".

8. Approve Share of Cost Agreement for State Route 10 Sunset Avenue Eastbound and Westbound Ramps.

Recommendation: Approve the Share of Cost Agreement for the new signals and safety lighting to be installed at State Route 10 at Sunset Avenue Eastbound and Westbound ramps as shown in Exhibit "A".

9. Resolution No. 2012-88, Adopting a Government Access TV (PEG) Administration Policy A-12 and Related Sponsorship Policy A-12(a).

Recommendation: That the City Council adopt Resolution No. 2012-88, Adopting Administrative Policy Number A-12 Pertaining to the City's Public Educational and Governmental (PEG) Channel and Related Sponsorship Policy.

10. Resolution No. 2012-94, Approving A Side Letter Agreement to the Memorandum of Understanding Between the International Brotherhood of Electrical Workers-Local 47 (IBEW) Representing Both the General Employees Unit and the Meter Reading, Electric and Water Utility Employees Unit, and the San Bernardino Public Employees Association (SBPEA) Representing the Mid-Management and Professional Unit.

Recommendation: That the City Council adopt Resolution No. 2012-94.

11. Resolution No. 2012-95, Reciting the Facts of the Consolidated Presidential General Election Held in Said City on November 6, 2012 Declaring the Result Thereof and Such Other Matters as Provided by Law.

Recommendation: That the City Council adopt Resolution No. 2012-95.

12. Resolution No. 2012-96, Awarding the Construction Contract for Project No. 2012-03, Corporate Yard Block Wall and Rejecting All Other Bids.

Recommendation: That the City Council: I) adopt Resolution No. 2012-96, Awarding the Construction Contract for Project No. 2012-03, Corporate Yard Block Wall to BW Simmons, Inc. of Calimesa, CA for an amount of \$1,099,893.00 and allowing a 10% contingency of \$109,989.30; II) Approving the Professional Services Agreement for Construction Staking Services with Albert A. Webb Associates of Riverside, CA for an amount of "not to exceed" \$25,000.00; III) Authorizing the Administrative Services Director to appropriate \$1,234,882.30 from the Electric Improvement Fund to Account No. 673-7000-473-9016 and to make the necessary budget adjustments, appropriations and transfers to fund this project; and IV) Authorizing the Administrative Services Director to approve change orders within the 10% contingency of \$109,989.30.

13. Resolution No. 2012-97, Adopting the 2012 Public Works Standard Drawings for the City of Banning.

Recommendation: That the City Council adopt Resolution No. 2012-97.

14. Resolution No. 2012-98, Approving the Second Amendment to the Professional Services Agreement with GeoTek, Inc.

Recommendation: That the City Council: I) adopt Resolution No. 2012-98, Approving the Second Amendment to the Professional Services Agreement with GeoTek, Inc. of Corona, CA

in an amount of \$4,588.48 for a total contract amount “not to exceed” \$34,011.15; and II) Authorizing the City Manager to execute the second amendment to the Professional Services Agreement with GeoTek, Inc.

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

**Motion Hanna/Machisic to approve Consent Items 1 through 14. Motion carried, all in favor.**

**REPORT ON CLOSED SESSION**

City Attorney announced that the Council met in closed session and discussed the City Attorney evaluation and no action was taken. With respect to the other items listed which are the labor negotiations and the potential litigation matter those were not discussed. There will be closed session at the end of this agenda and we do need to add item to that agenda which is the Dill litigation matter. We just became aware of the need to get some direction on this tonight and would like the Council to add that matter to the closed session agenda.

**Motion Hanna/Botts to add the Dill litigation matter to the closed session agenda. Motion carried, all in favor.**

Mayor Robinson adjourned the regular Council Meeting and called to order a joint meeting of the Banning City Council and the Banning Utility Authority.

**CONSENT ITEM**

1. Resolution No. 2012-15 UA, Approving the Purchase of Supervisory Control and Data Acquisition Radios through Steven Engineering of San Francisco, CA and Awarding a Professional Services Agreement to Prime Systems Industrial Automation, Inc. of Riverside, CA.

Recommendation: That the City Council: I) adopt Resolution No. 2012-15 UA, Approving the Purchase of Supervisory Control and Data Acquisition Radios through Steven Engineering, of South San Francisco, CA in an amount “not to exceed” \$57,310.87; II) Awarding a Professional Services Agreement to Prime Systems Industrial Automation, Inc. of Riverside, CA in an amount “not to exceed” \$16,543; and III) Authorizing the City Manager to execute the Professional Services Agreement.

Chairman Robinson opened the item for public comments. There were none.

**Motion Hanna/Machisic to approve Consent Item No. 1.** Mayor Robinson opened the item for public comments. There were none. **Motion carried, all in favor.**

Chairman Robinson recessed the joint meeting of the Banning City Council and the Banning Utility Authority and reconvened the regular City Council Meeting.

## PRESENTATIONS TO OUTGOING CITY COUNCIL MEMBERS

Mayor Pro Tem Franklin thanked Council Members Hanna, Machisic and Robinson for their years of service and to acknowledge the time that they have given to our City and wished them well on behalf of not only our remaining Council Members but also our City residents.

Steve Hernandez representing County Supervisor Marion Ashley and Tom Wilson representing Assemblyman Paul Cook made presentation to each of the outgoing Council Members recognizing them for their years of services to the City of Banning.

Mayor Pro Tem Franklin and City Manager Takata made presentations to each of the outgoing Council Members from Senator Bill Emmerson's office and Assembly Member Nestande's office with Certificates of Recognition.

Mayor Pro Tem Franklin and Councilman Botts presented to each of the outgoing Council Members a plaque from the City of Banning signifying their years of services.

City Manager Takata presented each outgoing Council Member with their own street sign.

At this time outgoing Council Members Hanna, Machisic and Robinson said a few parting words.

## SWEARING IN OF CITY CLERK

Mayor Pro Tem Franklin sworn in re-elected City Clerk Marie Calderon.

## SWEARING IN OF CITY TREASURER

City Clerk Calderon sworn in re-elected City Treasurer John McQuown.

## SWEARING IN OF COUNCILMEMBERS ELECT

City Clerk Calderon gave the Oath of Office to the new elected City Council Members Edward Miller, Don Peterson and Art Welch and had them take a seat at the dais.

## REORGANIZATION OF CITY COUNCIL, HOUSING AUTHORITY

Mayor Pro Tem Franklin said we will now have the reorganization of the City Council for Mayor and Mayor Pro Tem and the Housing Authority responsibilities and our City Manager, Andy Takata, will explain the new ordinance and the process involved.

City Clerk Calderon conducted the reorganization of the City Council and the Housing Authority. Deborah Franklin was elected as Mayor and Bob Botts as Mayor Pro Tem. Don Peterson was elected as the Housing Authority Chairman and Art Welch as the Vice Chairman.

Mayor Pro Tem Franklin asked each of the new Council Members to say a few words.

Meeting recessed to a small reception for the outgoing and incoming Council Members.

Chairperson Franklin reconvened the joint meeting of the Banning City Council and the Banning Utility Authority.

#### PUBLIC HEARING

1. Resolution No. 2012-17 UA, Adopting the Addendum to the 2010 Urban Water Management Plan.  
(Staff Report-Duane Burk, Public Works Director)

Director Burk gave the staff report as contained in the agenda packet.

There was Council and staff discussion regarding outreach, best management practices, reclaimed water and phasing, and explanation of return flow.

Chairperson Franklin opened the public hearing for comments from the public. Seeing no one coming forward Mayor Franklin closed the public hearing.

**Motion Botts/Welch that the City Council adopt Resolution No. 2012-17 UA, Adopting the Addendum to the 2010 Urban Water Management Plan. Motion carried, all in favor.**

Chairman Franklin adjourned the joint meeting of the Banning City Council and the Banning Utility Authority and reconvened the regular City Council Meeting.

#### ORDINANCE-INTRODUCTION

1. Urgency Ordinance to Amendment to CalPERS Contract for a Two Tier Plan for Miscellaneous Employees.  
(Staff Report – June Overholt, Administrative Services Director)

Director Overholt gave the staff report as contained in the agenda packet.

There was Council and staff discussion regarding outreach, best management practices, reclaimed water and phasing, and explanation of return flow.

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

A gentleman from the public addressed the Council on this matter regarding the retirement formula public versus private.

Mayor Franklin closed the item for public comments and asked if there were any Council comments.

There was some Council and staff discussion on this matter in regards to clarification of what the miscellaneous employees currently receive and are we following State guidelines.

Mayor Franklin asked the City Clerk to read the title of Ordinance No. 1459. City Clerk read: An Urgency Ordinance of the City Council of the City of Banning, California, Authorizing an Amendment to the Contract Between the City Council of the City of Banning and the Board of Administration to the California Public Employees' Retirement System.

**Motion Botts/Welch to waive further reading of Urgency Ordinance No. 1459. Motion carried, all in favor.**

**Motion Botts/Welch that Urgency Ordinance No. 1459 be adopted.**

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

City Council

Councilman Botts –

- Coyne Powersports opened at the old Dodge Dealership location last Saturday, December 8<sup>th</sup>. He said that his stomach had tightened for three years as the Council was chastised severely for this deal and most of us and the previous Council felt it was a good proposition under redevelopment and if you were at the event there were about 4,000 people in attendance. It was a very exciting event.

Councilman Welch –

- Also in regards to the Coyne Powersports opening a majority of the people in attendance were from outside our city and they came to our city and spent money while they were here. That is a real gain for us. It is his understanding that their future construction project will begin in about 90 days for another 10,000 square foot building on that same site. They are also looking for freeway signage.

Mayor Franklin –

- Reported that she attended the Ad Hoc Committee Meeting with Councilman Robinson regarding the Joshua Palmer/Highland Springs area and there will be an upcoming report after the first of the year for the whole Council to here where we are moving with that issue.

City Committee Reports – None

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

Report by City Manager

- Reported that the Oversight Committee for the Redevelopment Agency will be meeting on Thursday, December 13<sup>th</sup> at 9 a.m. regarding a Due Diligence Review.
- In regards to the power outage there were two issues that occurred and it was throughout the whole Pass area. One was the unarm broke off a 115kv line that fell down and the line ended

up pulling apart and that is what affected Cabazon and the city of Banning. This was an Edison line and unfortunately we get all of our electricity through Edison transmission lines. Beaumont had a fire which melted a substation. So believe it or not both of these happened almost simultaneously. We were up and running by 4:30 p.m.

#### ITEMS FOR FUTURE AGENDAS

City Manager gave the new Councilmembers an explanation of how we handle the items for future agendas. He said that in the future since we do have three new Councilmembers we currently have Strategic Plan and we should relook at the plan and have someone come and facilitate that in order to make sure that the new Council's philosophies are in there and what is important to them and that would take some work by the staff and by a consultant. He will be setting that up and looking at some future dates in order to do that. Also the new Councilmembers will be attending the New Mayors and Council Members Conference in Sacramento that is put on by the League of California Cities.

#### New Items –

#### Pending Items – City Council

1. Schedule Meetings with Our State and County Elected Officials

#### ADJOURNMENT

Mayor Franklin announced that the December 25, 2012 City Council Meeting will be cancelled due to the Christmas Holiday and the next Regular City Council Meeting will be held on Tuesday, January 8, 2013.

City Attorney announced that the City Council will return to Closed Session to discuss the labor negotiations with the bargaining units and also the item the Council added regarding Dill and one matter of potential litigation.

By common consent the meeting adjourned at 6:55 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.**

## CITY COUNCIL AGENDA

**Date:** January 08, 2013

**TO:** City Council

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

**SUBJECT:** Report of Investments for November 2012

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

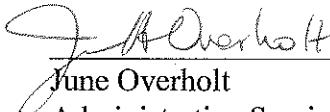
**JUSTIFICATION:** State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

**BACKGROUND:** This report includes investments on hand at the end of November 2012. As of November 30, 2012, the City's operating funds totaled \$66,168,052. Included in operating funds is \$746,745 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of November 30, 2012 approximately 48% of the City's unrestricted cash balances were invested in investments other than LAIF.

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

**FISCAL DATA:** The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 0.324% in November. The average rate for all investments in November was 0.264%.

**RECOMMENDED BY:**

  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

Andy Takata  
City Manager

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

	Interest	Amount
	Rate	Amount
Wells Fargo Bank	0.000%	8,518
Wells Fargo Bank-Investment Account	0.100%	5,448,804
Bank of America-Airport	0.300%	14,800
Bank of America-Parking Citations	0.300%	6,164
Bank of America-CNG Station	0.300%	<u>5,030</u>

*Money Market and Bank Account Sub-Total* 5,483,316

Government Pools

Account #1 Operating Amount	33,565,818
Account #1 CRA Bond Cash Bal.	746,745
Local Agency Investment Fund: Account #1	0.324% 34,312,563
Account #2 Sucessor Agency Cash Bal	348
Local Agency Investment Fund: Account #2	0.324% <u>348</u>

*Government Pool Sub-Total* 34,312,911

**Operating Cash Balance** **39,799,032**

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund 0.000% **677,394**

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2 0.197% **25,691,626**

***Operating Funds Total*** **66,168,052**

**Fiscal Agent**

US Bank Amount

36,426,795

***Fiscal Agent Total*** **36,426,795**

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium)	Amortization	Market Value
<i><u>Bank Accounts</u></i>									
8,518	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	8,518	n/a		8,518
5,448,804	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	5,448,804	n/a		5,448,804
14,800	Bank of America-Airport	n/a	0.30%	daily	varies	14,800	n/a		14,800
6,164	Bank of America-Parking Citations	n/a	0.30%	daily	varies	6,164	n/a		6,164
5,030	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,030	n/a		5,030
	Sub-total								5,483,316
<i><u>Government Pools</u></i>									
34,312,563	L.A.I.F. account #1	n/a	0.340%	daily	varies	34,312,563	n/a		34,312,563
348	L.A.I.F. account #2	n/a	0.340%	daily	varies	348	n/a		348
									34,312,911
<i><u>Investments-US Bank/Piper Jaffray</u></i>									
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000			3,004,230
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000			3,005,580
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000			2,002,280
17,679,536	Money Market	n/a	0.020%	daily	varies	17,679,536	0		17,679,536
	US Bank/Piper Jaffray Average Rate:=		0.197%						25,691,626
	Average Rate All=								0.264%

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 28, 2012. 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 106 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

November 30, 2012

Individual Investments with Fiscal Agent							11/30/2012
TRUSTEE	Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Market Value
<b>COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A</b>							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 5-Ct		0.040%	daily	188,943	6.37
<b>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003</b>							
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill		4.61%	7/28/2011	971,763	13,271.65
		US Bank Mmkt 5-Ct		0.040%	daily		0.70
		US Bank Mmkt 5-Ct		0.050%	daily		34,597
		US Bank Mmkt 5-Ct		0.000%	daily		22
		Surplus Fund					8
<b>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007</b>							
Redevelop Fund	2037	US Bank Mmkt 5-Ct		0.040%	daily	282,11	8,327,180
Reserve Fund		US Bank Mmkt 5-Ct		0.040%	daily	1,880,751	1,875,414
Special Fund		US Bank Mmkt 5-Ct		0.030%	daily		37
Surplus Fund		US Bank Mmkt 5-Ct		0.000%	daily		9
<b>BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Interest Account		US Bank Mmkt 5-Ct		0.000%	daily	3.01	3
Reserve Fund		US Bank Mmkt 5-Ct		0.000%	daily	2.37	5
Special Fund		US Bank Mmkt 5-Ct		0.040%	daily	125.01	3,302,928
Surplus Fund							
<b>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Interest Account		US Bank Mmkt 5-Ct		0.060%	daily	17.63	18
Principal Account		US Bank Mmkt 5-Ct		0.040%	daily	12.54	25
Reserve Fund		US Bank Mmkt 5-Ct		0.040%	daily	2,310,710	2,310,892
Project Fund		US Bank Mmkt 5-Ct		0.040%	daily	142.26	1,601,132
<b>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</b>							
Acquisition & Construction		US Bank Mmkt 5-Ct		0.040%	daily	2,672,050	90.55
		US Bank Mmkt 5-Ct		0.040%	daily	521.23	14,224,611

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

	Interest	Amount
	Rate	Amount
Wells Fargo Bank	0.000%	94,804
Wells Fargo Bank-Investment Account	0.100%	3,792,089
Bank of America-Airport	0.300%	16,977
Bank of America-Parking Citations	0.300%	7,838
Bank of America-CNG Station	0.300%	5,990

*Money Market and Bank Account Sub-Total*3,917,699Government Pools

Account #1 Operating Amount	33,566,425
Account #1 CRA Bond Cash Bal.	746,138
Local Agency Investment Fund: Account #1	0.340% 34,312,563
Account #2 Sucessor Agency Cash Bal	348
Local Agency Investment Fund: Account #2	0.340% <u>348</u>

*Government Pool Sub-Total*34,312,911**Operating Cash Balance****38,233,415**Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	<b><u>611,282</u></b>
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.197%	<b><u>25,673,756</u></b>
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***Operating Funds Total*****64,518,453****Fiscal Agent**

	Amount
US Bank	<u>41,442,677</u>

***Fiscal Agent Total*****41,442,677**

## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or (Premium) Amortization	Market Value
<u><i>Bank Accounts</i></u>								
94,804	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	94,804	n/a	94,804
3,792,089	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	3,792,089	n/a	3,792,089
16,977	Bank of America-Airport	n/a	0.30%	daily	varies	16,977	n/a	16,977
7,838	Bank of America-Parking Citations	n/a	0.30%	daily	varies	7,838	n/a	7,838
5,990	Bank of America-Parking Citations	n/a	0.30%	daily	varies	5,990	n/a	5,990
	Sub-total							3,917,699
<u><i>Government Pools</i></u>								
34,312,563	L.A.I.F. account #1	n/a	0.340%	daily	varies	34,312,563	n/a	34,312,563
348	L.A.I.F. account #2	n/a	0.340%	daily	varies	348	n/a	348
								34,312,911
<u><i>Investments-US Bank/Piper Jaffray</i></u>								
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,004,200
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000		3,006,000
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		2,002,260
17,661,296	Money Market	n/a	0.020%	daily	varies	17,661,296	0	17,661,296
	US Bank/Piper Jaffray Average Rate=		0.197%					25,673,756
	Average Rate All=							0.268%

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 28, 2012. 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 113 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

October 31, 2012

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

	Amount
	2,805

Bank Accounts

Wells Fargo Bank	0.000%	26,741
Wells Fargo Bank-Investment Account	0.100%	4,467,240
Bank of America-Airport	0.300%	4,320
Bank of America-Parking Citations	0.300%	3,134
Bank of America-CNG Station	0.300%	<u>3,418</u>

<i>Money Market and Bank Account Sub-Total</i>	4,504,853
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Government Pools

Account #1 Operating Amount	33,498,330
Account #1 CRA Bond Cash Bal.	783,494
Local Agency Investment Fund: Account #1	0.348% 34,281,824
Account #2 Sucessor Agency Cash Bal	348
Local Agency Investment Fund: Account #2	0.348% <u>348</u>

<i>Government Pool Sub-Total</i>	<u>34,282,172</u>
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<b>Operating Cash Balance</b>	<b>38,789,829</b>
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.000%	659,452
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	0.197%	25,674,584
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<b>Operating Funds Total</b>	<b><u>65,123,865</u></b>
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**Fiscal Agent**

US Bank	Amount
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	40,092,174
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<b>Fiscal Agent Total</b>	<b><u>40,092,174</u></b>
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## Operational Portfolio Individual Investments

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Date	Discount or Premium)	Market Value
<u>Bank Accounts</u>								
26,741	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	26/741	n/a	26,741
4,467,240	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	4,467,240	n/a	4,467,240
4,320	Bank of America-Airport	n/a	0.30%	daily	varies	4,320	n/a	4,320
3,134	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,134	n/a	3,134
3,418	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,418	n/a	3,418
	Sub-total							4,504,853
<u>Government Pools</u>								
34,281,824	L.A.I.F. account #1	n/a	0.348%	daily	varies	34,281,824	n/a	34,281,824
348	L.A.I.F. account #2	n/a	0.348%	daily	varies	348	n/a	348
								34,282,172
<u>Investments-US Bank/Piper Jaffray</u>								
3,000,000	FNMA Deb	n/a	0.600%	5/29/2015	5/16/2012	3,000,000		3,004,470
3,000,000	Federal Farm Credits Bks	n/a	0.600%	5/22/2015	5/16/2012	3,000,000		3,006,420
2,000,000	FNMA MTN	n/a	0.550%	12/4/2014	6/27/2012	2,000,000		2,002,620
17,661,074	Money Market	n/a	0.020%	daily	varies	17,661,074	0	17,661,074
	US Bank/Piper Jaffray Average Rate=		0.197%					25,674,584
								Average Rate All= 0.271%

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 28, 2012. 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 115 days and does not include Bond Reserve Fund Investments.

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City of Banning Investment Report

September 30, 2012

Individual Investments with Fiscal Agent							9/30/2012
TRUSTEE	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve	Minimum Reserve Requirement	Interest Sep-12	Market Value
<b>COB IMPROVEMENT DISTRICT LIMITED OBLIGATION BONDS SERIES 2005A</b>							
2005 Fair Oaks Ranch Estates	2035	US Bank Mmkt 4-Ct	0.040%	daily	188,943	7.59	188,032
<b>COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION, SERIES 2003</b>							
2003 CRA Tax Allocation Bonds	2028	US Treasury Bill	4.61%	7/28/2011	971,763	0.70	984,892
		US Bank Mmkt 4-Ct	0.040%	daily			20,706
		US Bank Mmkt 4-Ct	0.050%	daily			22
		US Bank Mmkt 4-Ct	0.000%	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	0.040%	daily	282.09		
		US Bank Mmkt 4-Ct	0.040%	daily	63.53		
		US Bank Mmkt 4-Ct	0.030%	daily			37
		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			
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily			9
		US Bank Mmkt 4-Ct	0.040%	daily			70,009
<b>BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES</b>							
Interest Account		US Bank Mmkt 4-Ct	0.050%	daily			
Principal Account		US Bank Mmkt 4-Ct	0.040%	daily			19
		US Bank Mmkt 4-Ct	0.040%	daily			370,050
		US Bank Mmkt 4-Ct	0.040%	daily			2,311,202
		US Bank Mmkt 4-Ct	0.040%	daily			4,199,092
<b>BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES</b>							
Acquisition & Construction		US Bank Mmkt 4-Ct	0.040%	daily			25
		US Bank Mmkt 4-Ct	0.040%	daily			2,672,517
		US Bank Mmkt 4-Ct	0.040%	daily			15,384,089
Total					1,326,11		40,092,174

## CITY COUNCIL AGENDA

**Date:** January 8, 2013

**TO:** City Council

**FROM:** June Overholt, Administrative Services Director

**SUBJECT:** Approval of Accounts Payable and Payroll Warrants for Month of October 2012

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

**FISCAL DATA:** The reports in your agenda packet cover "Expenditure Disbursements" and "Payroll Expenses" for the month of October 2012.

The reports are:

Expenditure approval lists	
October 1, 2012	833,981.73
October 4, 2012	423,286.34
October 11, 2012	140,972.98
October 18, 2012	649,604.62
October 26, 2012	268,701.16
January 2, 2013	4,048,250.15 (October Month End)
Payroll check registers	
October 5, 2012	5,878.83
October 19, 2012	4,924.84
Payroll direct deposits*	
October 5, 2012	290,555.43
October 19, 2012	270,585.95

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

Report Prepared by: Jenna Harrell, Accounts Payable

**RECOMMENDED BY:**

  
June Overholt  
Administrative Services Director

**APPROVED BY:**

  
Andy Takata  
City Manager

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## CITY COUNCIL AGENDA

**Date:** January 8, 2013

**TO:** City Council

**FROM:** June Overholt, Administrative Services Director

**SUBJECT:** Approval of Accounts Payable and Payroll Warrants for Month of November 2012

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

**FISCAL DATA:** The reports in your agenda packet cover "Expenditure Disbursements" and "Payroll Expenses" for the month of November 2012.

The reports are:

Expenditure approval lists	
November 2, 2012	838,099.87
November 8, 2012	209,758.88
November 15, 2012	418,385.11
November 21, 2012	132,103.16
November 29, 2012	84,227.06
January 2, 2013	5,840,466.55 (November Month End)
Payroll check registers	
November 2, 2012	6,216.88
November 16, 2012	6,719.48
November 30, 2012	6,439.95
Payroll direct deposits*	
November 2, 2012	282,376.46
November 16, 2012	286,142.50
November 30, 2012	364,126.46

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

Report Prepared by: Jenna Harrell, Accounts Payable

**RECOMMENDED BY:**

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

**APPROVED BY:**

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

**CITY COUNCIL MEETING  
CONSENT ITEM**

**DATE:** January 8, 2013

**TO:** City Council

**FROM:** Zai Abu Bakar, Community Development Director

**SUBJECT:** Adoption of Resolution No. 2013-01, "Authorizing the Extension of the Abandoned Vehicle Abatement (AVA) Program and the Collection of Fees until May of 2024"

**RECOMMENDATION:** That the City Council adopt Resolution No. 2013-01, "Authorizing the Extension of the Abandoned Vehicle Abatement Program and Collection of Fees until May of 2024".

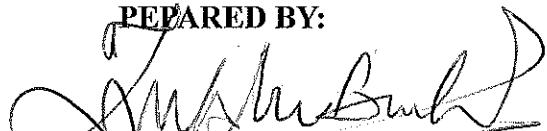
**BACKGROUND:** In 1990, the California State Legislature enacted legislation allowing for the creation of county-based vehicle service authorities, pursuant to the provision of §§ 9250.7 and 22710. On or about June 1, 1994, the Riverside County Abandoned Vehicle Abatement Service Authority (AVASA) was formed and imposed a one dollar annual vehicle registration fee on vehicles registered to owners with an address in the County of Riverside.

Vehicle registration fees are collected by the Department of Motor Vehicles and allocated to participating entities on the basis of percentage of vehicles abated in relation to the total vehicles abated by the County as a whole. The current participating entities are the County of Riverside and the cities of Banning, Beaumont, Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Desert Hot Springs, Hemet, Indio, La Quinta, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Palm Desert, Palm Springs, Perris, Riverside, San Jacinto, and Temecula.

The current program is set to expire May 31, 2013. New legislation allows the AVASA to extend the program every ten (10) years with the approval of the County and a majority of the cities comprising a majority of the population of the incorporated areas. The City receives revenue by participating in and implementing the AVA program.

**FISCAL DATA:** The estimated revenue that the City of Banning will receive from this allocation is \$40,000.00 based on FY 2012.

**PREPARED BY:**



Zai Abu Bakar  
Community Development Director

**REVIEWED BY:**



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June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

Andy Takata  
Andrew J. Takata  
City Manager

Attachment: Resolution No. 2013-01

**RESOLUTION NO. 2013-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,  
AUTHORIZING THE EXTENSION OF THE ABANDONED VEHICLE ABATEMENT  
(AVA) PROGRAM AND THE COLLECTION OF FEES UNTIL MAY OF 2024**

**WHEREAS**, the Riverside County Abandoned Vehicle Abatement Service Authority was formed on or about June 1, 1994, pursuant to the provisions of California Vehicle Code §§ 9250.7 and 22710 enacted by the Legislature in 1990, which authorize the establishment of a service authority and imposition of a service fee on all registered motor vehicles located within a county; and

**WHEREAS**, beginning in June 1994 and continuing to the present, the Riverside County Abandoned Vehicle Abatement Service Authority has been the recipient of service fees collected on its behalf by the California Department of Motor Vehicles; and

**WHEREAS**, the service fees received by the Riverside County Abandoned Vehicle Abatement Service Authority are used to reimburse local governmental agencies for a portion of their costs incurred as a result of the abatement, removal and disposal as public nuisances of any abandoned, wrecked, dismantled, or inoperative vehicles or parts thereof; and

**WHEREAS**, the Riverside County Abandoned Vehicle Abatement Service Authority apportions and distributes service fee proceeds to each member agency according to the formula set forth in California Vehicle Code § 22710; and

**WHEREAS**, since the establishment of the Abandoned Vehicle Abatement program in June 1994 it has disbursed \$22,952,216 in service fee proceeds to member agencies and caused the abatement of approximately 146,561 abandoned, wrecked, dismantled, or inoperative vehicles located in various cities and the unincorporated area of Riverside County; and

**WHEREAS**, the service fee collected as part of the Abandoned Vehicle Abatement program is set to expire in May 2014; and

**WHEREAS**, the Legislature recently amended California Vehicle Code § 9250.7 to allow for an extension of the service fee collected as part of the Abandoned Vehicle Abatement program in increments of up to 10 years each if the Board of Supervisors of the County of Riverside, by a two-thirds vote, and a majority of the cities comprising a majority of the population of the incorporated areas within the county adopt resolutions providing for the extension of the service fee; and

**WHEREAS**, a majority of the cities comprising a majority of the population of the incorporated areas within the county to wit: the cities of Banning, Beaumont, Blythe, Calimesa, Canyon Lake, Cathedral City, Coachella, Corona, Desert Hot Springs, Hemet, Indio, La Quinta, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Palm Desert, Palm Springs, Perris, Riverside, San Jacinto and Temecula have adopted resolutions providing for the extension of the service fee; and

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

**SECTION 1.** City Council approves Resolution No. 2013-01, approving and authorizing the extension of the Abandoned Vehicle Abatement (AVA) program and the collection of fees until May of 2024.

**PASSED, APPROVED and ADOPTED** this 8<sup>th</sup> day of January, 2013.

---

Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

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

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

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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. 2013-01 was duly adopted by the City Council of the City of Banning at a regular meeting thereof held on the 1<sup>st</sup> day of January, 2013 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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

**CITY COUNCIL MEETING  
CONSENT**

**DATE:** **January 8, 2013**

**TO:** **City Council**

**FROM:** **Zai Abu Bakar, Community Development Director**

**SUBJECT:** **Professional Services Agreement between the City of Banning and Data Ticket Inc. for the Collection Agency and Hearing Officer Services Agreement to Implement the City's Administrative Citation Program**

**RECOMMENDATION:** That the City Council adopt Resolution No. 2013-02:

- I.** Awarding a Contract Services Agreement to Data Ticket Inc. for a Collection and Hearing Officer Services Administrative Citation Agreement.
- II.** Authorizing the Administrative Services Director to make necessary budget adjustments, appropriations and transfers related to this agreement.

**JUSTIFICATION:** By reactivating this program as part of Code Enforcement, the City can recover costs of enforcement sooner than the current Code Enforcement cost recovery process. The City currently liens the property when nuisances are not abated. The City recoups the costs of abatement at the time the property is sold, which could take years. The collection agency has the ability to work with the Internal Revenue Service and collect the nuisance abatement costs through income tax.

**BACKGROUND:** Staff released a Request for Proposal (RFP) for a Collection and Hearing Officer Services Administrative Citation Contract on June 5, 2012 and proposals were due on June 28, 2012. The RFP was sent to two companies, Data Ticket Inc. dba Revenue Experts and TurboData Systems. Staff received two proposals from these two businesses. Staff reviewed and selected Data Tickets based on their proposal, costs, and positive recommendations from other cities that utilize their services.

**FISCAL DATA:** Funding for this contract will be offset by the revenue received from the issuance of citations/fines. A copy of the Agreement is attached in Attachment 1. Exhibit "C" of the Agreement provides detail costs for the services provided by Data Ticket, Inc.

**PREPARED BY:**

  
Zai Abu Bakar  
Community Development Director

**REVIEWED BY:**

  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

Andy Takata  
Andy Takata  
City Manager

Attachments:

1. City Council Resolution No. 2013-02
2. Contract Services Agreement between the City of Banning and Data Ticket, Inc.

**RESOLUTION NO. 2013-02**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,  
CALIFORNIA, APPROVING THE PROFESSIONAL SERVICES AGREEMENT WITH  
DATA TICKET, INC.**

**WHEREAS**, the City of Banning Municipal Code Chapter 1.20 provides the City with authority to use administrative citations as a tool to remedy violations of the Municipal Code and/or Zoning Code; and

**WHEREAS**, Chapter 8.48 of the Banning Municipal Code provides definitions of various public nuisances and the administrative process to abate public nuisances for violation of the Municipal and/or Zoning Code; and

**WHEREAS**, the City Council of the City of Banning desire to recover the cost of enforcement to abate nuisances sooner than the current cost recovery process; and

**WHEREAS**, staff released a Request for Proposal (RFP) for a Collection and Hearing Officer Services Administrative Citation Contract on June 5, 2012 and proposals were due on June 28, 2012; and

**WHEREAS**, the RFP was advertised on the City's website and staff sent two companies the RFP including Data Ticket Inc. and TurboData Systems which were the two companies that submitted proposals; and

**WHEREAS**, staff reviewed the proposals, the costs, and contacted the cities whom these businesses provide services and determined that Data Ticket, Inc. would best provide the collection agency and hearing officer services for the City.

**NOW, THEREFORE, BE IT RESOLVED** that City Council desires to enter into an Agreement with Data Ticket, Inc. to perform the services.

**SECTION 1.** Recitals. The foregoing Recitals are true and correct and are incorporated herein.

**SECTION 2.** Approved Agreement. The City Council hereby approves the agreement between the City and Data Ticket, Inc. and directs the City Manager to execute the contract. This authorization will be rescinded if the contract agreement is not executed by both parties within forty-five (45) days of the date of this resolution.

**SECTION 3.** Adjustments. The Administrative Services Director is authorized to make necessary budget adjustments, appropriations and transfers related to this agreement.

**PASSED, APPROVED AND ADOPTED** this January 8, 2012

---

Deborah Franklin, Mayor  
City of Banning

**ATTEST:**

---

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

**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. 2013-02 was duly adopted by the City Council of the City of Banning at a regular meeting thereof held on the 8th day of January, 2013 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

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

# **CONTRACT SERVICES AGREEMENT**

**By and Between**

**THE CITY OF BANNING,  
A MUNICIPAL CORPORATION**

**and**

**Data Ticket, Inc.**

**AGREEMENT FOR CONTRACT SERVICES  
BETWEEN  
THE CITY OF BANNING, CALIFORNIA  
AND  
DATA TICKET, Inc. dba REVENUE EXPERTS**

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this 10<sup>th</sup> day of October, 2012 by and between the City of Banning, a municipal corporation ("City") and Data Ticket, Inc. ("Consultant" or "Contractor"). City and Contractor are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties." (The term Contractor includes professionals performing in a consulting capacity.)

**RECITALS**

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Section 1 of this Agreement.

B. Contractor, following submission of a proposal or bid for the performance of the services defined and described particularly in Section 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Banning's Municipal Code, City has authority to enter into this Agreement Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Contractor for performance of those services defined and described particularly in Section 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

**OPERATIVE PROVISIONS**

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

**ARTICLE 1. SERVICES OF CONTRACTOR**

**1.1 Scope of Services.**

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services

contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

#### 1.2 Contractor's Proposal.

The Scope of Service shall include the Contractor's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

#### 1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

#### 1.4 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

#### 1.5 Familiarity with Work.

By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at City's risk until written instructions are received from the Contract Officer.

#### 1.6 Care of Work.

The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Warranty.

Contractor warrants all Work under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Agreement, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at his sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand. This provision may be waived in Exhibit "B" if the services hereunder do not include construction of any improvements or the supplying of equipment or materials.

1.8 Prevailing Wages.

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for

each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

**1.9     Further Responsibilities of Parties.**

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

**1.10    Additional Services.**

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Agreement Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Agreement Sum or \$25,000, whichever is less; or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor.

**1.11    Special Requirements.**

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

**ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.**

**2.1     Contract Sum.**

Subject to any limitations set forth in this Agreement, City agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed charges described in Exhibit "C" unless approved pursuant to Section 1.10.

## 2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with specified tasks or the percentage of completion of the services, (iii) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation.

## 2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses if an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

## 2.4 Invoices.

Each month Contractor shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories.

City shall independently review each invoice submitted by the Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by City, or as provided in Section 7.3. City will use its best efforts to cause Contractor to be paid within forty-five (45) days of receipt of Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Contractor for correction and resubmission.

## 2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

# **ARTICLE 3. PERFORMANCE SCHEDULE**

## 3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

### 3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

### 3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

### 3.4 Inspection and Final Acceptance.

City may inspect and accept or reject any of Contractor's work under this Agreement, either during performance or when completed. City shall reject or finally accept Contractor's work within forth five (45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section X, pertaining to indemnification and insurance, respectively.

### 3.5 Term.

Unless earlier terminated in accordance with Article 8 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding three (3) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

## ARTICLE 4. COORDINATION OF WORK

### 4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (Principals) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

<u>Marjorie A. Fleming</u> (Name)	<u>President</u> (Title)
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It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City. Additionally, Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify City of any changes in Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

### 4.2 Status of Contractor.

Contractor shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Contractor expressly waives any claim Contractor may have to any such rights.

### 4.3 Contract Officer.

The Contract Officer shall be such person as may be designated by the City Manager of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

#### 4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

#### 4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

### **ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS**

#### 5.1 Insurance Coverages.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Comprehensive General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, either the general aggregate limit shall apply separately to this contract/location, or the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Contractor and the City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker

employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Professional Liability. Professional liability insurance appropriate to the Contractor's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Contractor's services or the termination of this Agreement. During this additional 5-year period, Contractor shall annually and upon request of the City submit written evidence of this continuous coverage.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

## 5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents shall apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

### CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

[to be initialed]

\_\_\_\_\_  
Agent Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Contractor performs; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible nor shall it limit the Contractor's indemnification liabilities as provided in Section 5.3. .

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

### 5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable ("indemnors"), or arising from Contractor's reckless or willful misconduct, or arising from Contractor's indemnors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Contractor shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

#### 5.4 Performance Bond.

Concurrently with execution of this Agreement, and if required in Exhibit "B", Contractor shall deliver to City performance bond in the sum of the amount of this Agreement, in the form provided by the City Clerk, which secures the faithful performance of this Agreement. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement.

#### 5.5 Sufficiency of Insurer or Surety.

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager of City ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by Section 5.4 may be changed accordingly upon receipt of written

notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of City within 10 days of receipt of notice from the Risk Manager.

## **ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION**

### **6.1 Records.**

Contractor shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the books and records may be given to City, and access shall be provided by Contractor's successor in interest.

### **6.2 Reports.**

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

### **6.3 Ownership of Documents.**

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, revise or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts

embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

#### 6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Contractor's conduct.

(d) Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

### **ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION**

#### 7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

#### 7.2 Disputes; Default.

In the event that Contractor is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Contractor for any work performed

after the date of default. Instead, the City may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

#### **7.3     Retention of Funds.**

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party with respect to the Work provided hereunder against Contractor or City, and the amount or validity of such claim is disputed or may become the basis for a claim of lien, then the City may withhold from any payment due to Contractor an amount sufficient to cover such claim, without liability for interest because of such withholding. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

#### **7.4     Waiver.**

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

#### **7.5     Rights and Remedies are Cumulative.**

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

#### 7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

#### 7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of N/A (\$) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

#### 7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

#### 7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

#### 7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

### **ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION**

#### 8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

#### 8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

#### 8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

#### 8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

### **ARTICLE 9. MISCELLANEOUS PROVISIONS**

#### 9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, CITY OF BANNING, 99 East Ramsey Street, Banning, CA 92220 and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

#### 9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

#### 9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

#### 9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

#### 9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid

judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the date and year first-above written.

**CITY:**

CITY OF BANNING, a municipal corporation

---

Andrew J. Takata, City Manager

ATTEST:

---

Marie A. Calderon, City Clerk

**APPROVED AS TO FORM:**

ALESHIRE & WYNDER, LLP

---

Lona N. Laymon, Asst. City Attorney

**CONTRACTOR:**

DATA TICKET, INC

By: \_\_\_\_\_

Name: Marjorie A. Fleming  
Title: President

By: \_\_\_\_\_

Name:  
Title:

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Two signatures are required if a corporation.

**NOTE: CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.**

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF

On \_\_\_\_\_, \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

### OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL  
 CORPORATE OFFICER

\_\_\_\_\_

TITLE OR TYPE OF DOCUMENT

PARTNER(S)  LIMITED  
  GENERAL

\_\_\_\_\_

ATTORNEY-IN-FACT

TRUSTEE(S)

GUARDIAN/CONSERVATOR

OTHER \_\_\_\_\_

NUMBER OF PAGES

\_\_\_\_\_

#### SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

## CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF

On \_\_\_\_\_, before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL  
 CORPORATE OFFICER

\_\_\_\_\_

TITLE OR TYPE OF DOCUMENT

TITLE(S)

PARTNER(S)  LIMITED  
  GENERAL

\_\_\_\_\_

NUMBER OF PAGES

ATTORNEY-IN-FACT

TRUSTEE(S)

GUARDIAN/CONSERVATOR

OTHER \_\_\_\_\_

\_\_\_\_\_

DATE OF DOCUMENT

#### SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

\_\_\_\_\_

SIGNER(S) OTHER THAN NAMED ABOVE

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**I. Contractor will perform the following Services:**

A. Provide Citation Management Software for parking and administrative citations (“Software”)

1. The software shall be a web-based system with a SQL back-end that will provide the City and its citizens with the ability to manage, access and respond to citations online.
2. No software is to be installed on any of the computers used by the City. All that is required is Internet access and a username and password.
3. The Citation Management Software system shall hold each client's bail schedule, penalty structure, officer badge numbers and names, and other client specific information. The contractor's system is to handle each citation individually and shall not be a batched system.
4. As citations are entered into the system, either manually or electronically, they are to be placed in the processing queue where each citation is handled individually. When each citation is due to have a notice sent, a penalty added, or to have action related to adjudication, the citation is handled individually.

B. Citation Entry

Data Ticket is to accept both manual written citations and electronically written citations.

1. Contractor will enter manually written citations into its system by the Contractor's Data Entry Department. Each citation is to be verified by its Quality Assurance team against the handwritten citation provided by the City's code enforcement officer, which may include references to Municipal and Zoning Code sections before being written to the database.
2. Contractor is to accept electronically transmitted citations via the contractor's FTP Site or alternative method approved by the Contractor and City and automatically loaded into the system. Information to only be retrieved through and obtaining an access code unless otherwise approved by the City. Once the electronic citations are loaded into its system, the contractor will send a confirmation email to the City's sender confirming the number of citations entered into the system and whether any error occurred during the transmission.

C. Provide Online Citation Management for the City's Personnel

1. The Contractor shall provide City Staff with usernames and passwords to manage each citation and to generate real-time reports.
2. The Contractor's Citation Management Software shall provide access to the City and its citizens to search for Administrative Citations using the citation number, notice number, case number, citizen's name, location of violation, or date of the violation.

Once valid search criteria are used, the system shall provide any and all of the following to the City's citizens/patrons:

- Current status of the citation
- All citation level information that was entered on the citation
- Citation images, if they have been taken and sent to Data Ticket
- Amount owed on a particular citation for the responsible party
- Total number of citations issued to the responsible party
- Responsible Party information and history (in the event the responsible party has been modified at some point during the citation lifecycle)
- Violation Information, including violation code number, description and amount owed per violation
- Fee History, including all fees added per the City's municipal code, the type of fee and the date the fee was added
- Payment History, including the date of the payment, the date the payment was received, the type of payment entered, the amount received, any reversals and payee's information including the name, address, and contact information
- Notice History, including the notice number, the date of the notice, the amount due when the notice was sent, the due date of the notice, and responsible party's information including name, address and contact information.
- Appeal History, including the appellant's name and address, the date of the appeal, the actual appeal wording and any applicable attachments (if the appellant appealed online) and the outcome of any appeals, including the reason and date of the letter
- Responsible Party History, including any changes that may have occurred during the citation lifecycle
- Citation History, providing an audit trail of every transaction that took place for each individual citation
- All phone notes as entered by Contractor's Customer Service Representatives and any other personnel who have a username and password

The contractor's systems should provide the capability for the City personnel to:

- View a citation online, including any images that may have been taken
- Process voids, dismissals and balance adjustments, if desired
- Process payments and partial payments, if desired
- Enter custom notes at the citation level that are available for Data Ticket and the City's personnel to view

- Place holds or extensions on citations and enter a hold date and a reason for the hold
- Enter refunds performed at the City
- Enter Non-Sufficient Funds received by the City

The contractor, as part of its regular services, shall provide the above-mentioned services at no cost to the City.

#### *Online Citation Management for Citizens*

1. The contractor shall provide the City's citizens with the ability to manage their citation(s) online, 24/7, via the Contractor's website.
2. The City's citizens will be able to view their citation(s), pay for their citation(s), get citation specific information about their citation(s), and get general information about their citation(s) and the adjudication process.
3. The City's citizens will be able to appeal their citation online and attach up to three supporting documents to be reviewed during the adjudication process.

#### *Online Payment Options*

Contractor shall be Payment Card Industry (PCI) certified and submit quarterly, scheduled scans of its database, as well as, unscheduled scans, thus providing the ultimate security for its clients as well as its patrons.

1. Contractor shall provide real-time authorization and processing of credit cards online via the web, via its Interactive Voice Response System, via its Customer Service Representatives and via its mail-in process.
2. Contractor is to accept Visa, MasterCard, American Express, and Discover cards.
3. Credit and debit card payments shall be immediately updated to the citation records and receipts can be printed by the payer to verify the payment.
4. The contractor shall have the reports available online so that the City can reconcile, real-time, each payment and deposit that has been made to the City's bank.
5. The contractor shall make monthly reports available online to the City to reconcile daily and monthly deposit activity.
6. In addition to the acceptance of credit cards for payment, Contractor shall provide a PO Box in the City of Banning's name to receive all payments.

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7. A bonded courier shall pick up mail Monday through Friday by 10:00 AM and deliver it to the Contractor within one hour of pick up time.
8. All mail received shall be sorted and batched by Contractor's in-house mail department who does not perform any other shared duties. Their job is to accurately open and batch mail as it is received and distribute it to the correct department for processing.
9. As payments are received, they are opened, batched, and provided to Contractor's Data Entry Department for processing.
10. After payments are keyed, they are moved to Contractor's Quality Assurance personnel who verify that each check has been keyed accurately. Upon passing this step, each batch is provided to Contractor's Accounting Department where daily deposit slips are completed. The deposit slips are provided to a bonded courier who goes to the City's bank Monday through Friday. This process shall be completed within one (1) business day, (24 hours) for each payment as it is received.
11. Upon completion of the quality assurance process, the Contractor shall make deposits available to the City for viewing on Contractor's website on the same day as received. The City shall have access to view the entire deposit, as well as each citation paid within that deposit including each check, check number, money order, money order number, cash payment credit card or debit transaction that make up the deposit.
12. Upon the completion of the payment keying process, each item received by the Contractor as backup, such as the notice stub, envelope the payment came in, etc. is to be stored onsite for a minimum of two (2) years. At the conclusion of that period of time, the documentation is shredded, unless otherwise requested by the City.

#### ***Customer Service***

1. Contractor shall provide to each of the City's clients an in-house, bi-lingual Customer Service Department that is available Monday – Friday from 8:00 am – 5:00 pm Pacific Time.
2. Contractor shall also offer a bi-lingual Interactive Voice Response System that is available 24/7 for citizens to get general and citation specific information, as well as, to pay for their citation.
3. The contractor shall record each call received or made via Contractors Customer Service Representatives and each call, upon request from the City, can be sent to the City for review.
4. Contractor is to provide a toll-free bi-lingual line directly to its Adjudication Department to handle all adjudication questions from the City or its clients.

## **Hearing Officer Services**

1. In addition to providing Administrative Citation Processing, Revenue Collection and Customer Service services, Contractor shall provide independent, certified Hearing Officers to perform Administrative Hearings.
2. Contractor's Adjudication Department shall fully support this function by receiving Administrative Hearing Requests, scheduling Administrative Hearings, sending out a notification of an Administrative Hearing to the Appellant and providing a Hearing packet to the Hearing Officer for each Administrative Hearing.
3. Upon conclusion of each Hearing, the Hearing Officer simply enters a disposition directly into Contractor's Citation Management System's website and Contractor shall print and send the Disposition letter, either via Certified Mail or via First Class Mail.

## **Noticing**

1. Contractor is to send Administrative Citation notices on double sided, laser printed 8 1/2 by 11" paper. Each notice allows for the City's specific, customized text and each notice has color font to differentiate the notice types. All notices include citation information, a toll free phone number, contractor's website for payment and appeal information, and a PO Box for payment and appeal information. All notices are formatted using Custom #10 window envelopes with a return address.
2. Contractor shall send all notices daily, Monday through Friday dependent upon the event and/or the timeframe provided by the City. Each citation is treated independently so that as each citation fulfills the requirements set forth by the City. All notices sent by Contractor have the citation number, citation date, violation code, violation description, location of violation, notice date, amount due and responsible party's information prominently positioned on them. In addition, each notice identifies the due date and dollar amount owed when penalties (if applicable) are applied, so the recipient is clear on what is owed and when amounts are due. In addition, all notices define how to pay for the citation, appeal the citation and inquire about the citation. All of Contractor's notices shall include a website address that allows the City's clients to pay for and appeal their citation online, including submitting their explanation and supporting documentation online, without having to submit anything via the mail or email. Additional notices to the responsible party shall be the obligation of the contractor.
3. Contractor shall provide the necessary first class postage, correspondence and ability to track forms to meet all applicable State and local laws regarding citation processing and adjudication. All tracking of forms and letters will be available on Contractor's website.

## **Franchise Tax Board Services**

1. Contractor is to offer a comprehensive Franchise Tax Board (FTB) interface for the Interagency Intercept Program for advanced collections of the unpaid administrative citation, including a software system that automatically identifies citations that are eligible for FTB collections and provide a comprehensive audit trail to the City that includes all transactions related to FTB. Contractor shall provide a weekly update via a secure username and password setup specifically for each Client. The City's data will not be commingled with any other Client's data.
2. Contractor shall obtain Social Security Numbers (SSN) for those citations eligible to be sent to FTB. This task is performed after it sends a notice to the individual regarding the FTB process. This notice is required by FTB to be sent to any individual who will be placed in the program and it allows the individual 30 days from the date of the notice to pay all citations for the program at the time the notice is sent.
3. Contractor shall submit citations to FTB weekly from December through October as the citations become eligible. Submittals by the contractor shall meet the FTB deadlines.
4. Once a citation's FTB Notice has been sent and the citation has not been paid 30 days after the FTB Notice was sent, Contractor shall ensure that the software system automatically marks the citation as eligible to obtain a SSN. Contractor shall perform this process weekly so that it coincides with its weekly transmissions to FTB unless the City request differs.
5. Upon receipt of the FTB payment information from the City, contractor will update its system with the payment record. A complete audit trail of each transaction will be provided on the Contractor's website. In addition, Contractor is to provide a FTB Report that details all payments made at FTB and all refunds that were issued as a result of a payment made at FTB or elsewhere. This report is available online for the City to generate at any time.

### ***Electronic Ticketing Handhelds***

This is an optional item that the City may consider at a future date.

### ***Escrow Banking:***

The Contractor shall establish an Escrow Bank account with the City of Banning. The general guidelines for an Escrow Account are as follows:

- a. Contractor will open a bank account between it and the City. The Contractor shall provide username and password access to this online bank account to the City's Deputy City Manager to be accessed by his or her designee.
- b. Contractor shall make daily deposits into the account via a bonded courier who will take all payments keyed at the Contractor's place of business to the bank.
- c. All payments received by Contractor will be sorted, opened, batched and keyed. The keying process will include a double 10-key entry for taping purposes, followed by a double-blind entry into the Citation Processing System for accuracy. At the end of the keying process, Contractor's Quality Assurance Department will review each payment batch and provide it to its Accounting Department to prepare a deposit slip. Each payment keyed will be available online on a Written/Deposited Report for the City to view each citation paid. This report will match the bank statement on a daily basis.
- d. The Written/Deposited Report shall be available online for the City to generate. This report is provided real-time, as well as at month-end, so the City can track in summary and in detail each payment received, the type of payment received, the amount of each payment, the corresponding citation number and the responsible party or payee's information.
- e. The Written/Deposited Report shall match the Bank Statement daily.
- f. In addition to having access to the bank account online, the City shall receive a copy of the reconciliation and the bank statement at the end of each month.
- g. At month-end, Contractor shall perform all reconciliation, balancing and check generations, and issue checks due to the City and payments due to Contractor. In addition, Contractor shall issue refund checks to patrons who are due refunds on a weekly basis as part of the Contractor's escrow banking service package.

### **Retention of Documents and Backup Requirements**

Contractor is required to retain electronic documents for a two year period from the closing date of each case and to provide information to the City upon request. The Contractor is also required to back-up the electronic files on an hourly, daily and monthly basis to ensure electronic files are maintained and able to be retrieved for minimally a two year period.

### **II. As part of the Services, Contractor will prepare and deliver the following tangible work products to the City:**

- A. Contractor shall meet with City staff that implement the administration citation program and bring them up to speed on the software and all aspects of the collection system to ensure that the process will go smoothly at the initial start-up and to be

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continued on an on-going basis as necessary and determined by the City or Contractor.

- B. Contractor will send a confirmation email to the sender at the City confirming the number of citations entered into the system and whether any error occurred during the transmission on a daily basis.
- C. Contractor is to provide necessary user name and password to staff to access the on-line citation management system software and on-line banking. Contractor shall provide information to the Administrative Services Director or other personnel designated by the City.
- D. The contractor shall provide reconciliation of all account and make the reports available to the City at the end of every month.
- E. Contractor shall maintain hardcopy records of payments received via the mail and provide documentation upon the request of the City.

**III. In addition to the requirements of Section 6.2, during performance of the Services, Contractor will keep the City apprised of the status of performance by delivering the following status reports:**

- A. Monthly reports of account reconciliations and revenue collected and submitted to the City.

**IV. All work product is subject to review and acceptance by the City, and must be revised by the Contractor without additional charge to the City until found satisfactory and accepted by City.**

**V. Contractor will utilize the following personnel to accomplish the Services:**

- A. All of the services indicated in the scope of work shall be provided by the Contractor and approved by the City.

**EXHIBIT "B"**  
**SPECIAL REQUIREMENTS**  
**(Superseding Contract Boilerplate)**

The following sentence in Section 2.4 is hereby amended as follows: "City will use its best efforts to cause Contractor to be paid within thirty (30) days of receipt of Contractor's correct and undisputed invoice." The remaining sentences in Section 2.4 remain the same.

The following sentence in Section 3.4 is hereby amended as follows: "City shall reject or finally accept Contractor's work within thirty (30) days after submitted to City." The remaining sentences in Section 2.4 remain the same.

The following subsection (d) is hereby added to Section 5.3 of the Agreement: "(d)The duty to indemnify and defend the Indemnified Parties stated in Section 5.3 shall extend, without limitation, to any claims or liabilities relating to, or arising from, any judicial writ or appeal of a citation processed by Contractor, and/or challenges pertaining to rights of privacy, due process, other constitutional defects, or Vehicle Code violations committed by Contractor in the course of its work hereunder."

Section 5.4 is hereby deleted in its entirety.

Section 7.7 is hereby deleted in its entirety.

**EXHIBIT "C"**  
**COMPENSATION**

**I. Contractor shall provide the following services as listed:**

**II.**

**MANDATORY SERVICES**

**Manual Administrative Citation Processing:** **\$22.00\*** per citation

**Electronic Administrative Citation Processing:** **\$15.00\*\*** per citation

*Services for the above-mentioned item include:*

- Citation entry into Data Ticket's Citation Management System
- Keying of responsible party information into the Citation Management System
- Payment processing of checks, cash, money orders, and credit / debit cards
- In-house, bi-lingual Customer Service staff
- Call recording of all inbound and outbound customer service calls
- Interactive Voice Response System available 24/7
- Semi-custom 1<sup>st</sup> Notice of Delinquency to be sent to the responsible party
- In addition to the 1<sup>st</sup> Notice of Delinquency, two additional notices will be sent to the responsible party, at a time frame to be defined by the City
- Notices will include a return envelope in which the responsible party may submit payment
- Notices will be sent via 1<sup>st</sup> Class Mail, for which Data Ticket will be responsible
- All adjudication services, including placing citations on a hearing hold, scheduling each hearing, and sending a scheduling letter to the Appellant
- Custom judgment letter will be sent to the Appellant via Certified Mail
- All letters will be available on the web for City personnel to view and/or re-print at anytime

**Franchise Tax Board Processing**

**SSN Look-up** **\$3.00** per SSN

- This fee will be assessed to lookup a social security number ("SSN") associated with a particular responsible party and address. This charge is charged per unique SSN, not per citation

**FTB Collections** **15% of revenue collected**

- This fee is charged if a citation is paid at the Franchise Tax Board. This charge is not combined with any other charge. For example if a citation is rolled to delinquent status and paid at FTB, only the 15% of revenue collected will be charged.

\*Should the City opt to use both Parking and Administrative Citation processing services at some point in the future, the fee for manual administrative citation processing will be **\$19.00**

\*\**Electronic File Transmission*

## MANDATORY SERVICES

### Administrative Hearings

\$40.00 per hearing

- Data Ticket's independent, certified, insured hearing officers will be provided to the City to perform in-person, phone, and written hearings.
- Each hearing request will be reviewed, heard or read, and all required research will be performed. The Hearing Officer will enter a judgment into the Citation Processing System for viewing by the City, Appellant and Data Ticket.
- Hearings will be scheduled at 2 citations per hour unless the City requires an alternate arrangement.
- Data Ticket will work with the City to arrange for the use of a conference room at a City location or the City may elect to have citations heard at a centralized location within the County – Data Ticket will supply all appeal and citation information to the court.

### Third Party Collections

#### Legal Action Not Required

30% of revenue collected

- This fee is charged if a citation is paid at the Third Party Collections. This charge is not combined with any other charge. For example if a citation is rolled to delinquent status and paid at Third Party Collections, only the 30% of revenue collected will be charged.

### Refunds

\$5.00 per issued refund

- Issuance of all refunds to citizen who are due a refund via 1<sup>st</sup> Class Mail

## MANDATORY SERVICES FOR WHICH THERE ARE NO FEES

### Online Access:

\$0.00

#### *Services for the above-mentioned item include:*

- Access via the Internet for the City's citizens and visitors to perform as many functions as the City desires.

## MANDATORY FEES CHARGED TO THE CITIZEN

Credit/Debit Card Transaction Fee charged to Citizen \$3.50

Credit/Debit Card Chargeback Fee charged to Citizen \$30.00

Fee for Payment Plan Initiated by Citizen \$15.00

#### **OPTIONAL - HANDHELD UNIT PRICING**

**Casio IT 9000 Handheld Ticket unit & integrated printer & scanner, power adapter, carrying case, screen protectors, 4 GB SD memory card and battery**

##### **Acquisition Options**

<b>1 Year Lease with a \$1.00 Buyout</b>	<b>\$262.00/Month/Unit</b>
<b>2 Year Lease with a \$1.00 Buyout</b>	<b>\$151.00/Month/Unit</b>
<b>3 Year Lease with a \$1.00 Buyout</b>	<b>\$114.00/Month/Unit</b>
<b>Purchase Option</b>	<b>\$2,600.00/Unit</b>

##### **Transmission Options**

###### **Wireless Solution**

This solution wirelessly transmits citations from the field and requires the following peripherals:

<b>SDIO 802.11 Card</b>	<b>\$55.00/Unit</b>
<b>Monthly Data Plan for MiFi from Preferred Carrier</b>	<b>Actual rate charged by carrier</b>

or

###### **Docked Solution**

**\$150.00/Cradle**

This solution requires the unit to be placed in cradle at the end of each shift or period. Transmission occurs through the cradle to a networked pc where citations are then send to Data Ticket's FTP site. \*Please note that a cradle is necessary for each desktop that will be transmitting citations to Data Ticket

##### **Software Fees**

<b>License Fee per Unit</b>	<b>\$500.00/Unit</b>
This is a one-time software fee due at the inception of a lease or purchase	

<b>Annual License Fee Cost per Unit</b>	<b>\$150.00/Year/Unit</b>
Begins the 2 <sup>nd</sup> year of Handheld use	

##### **Support Contract**

**\$50.00/Month/Unit**

Phone Support M-F, 8AM – 5PM, remote repair and software updates

##### **Training**

<b>Installation and training</b>	<b>\$1,199.00</b>
Includes 2 days on-site training and support and is a one-time cost, plus actual travel costs	

##### **Supplies**

<b>Casio IT 9000 Ticket Stock (21,250 Tickets)</b>	<b>\$1,900.00</b>
85 ticket per roll / 250 poly thermal ticket stock – 2 color	

- II. Payments will be made based upon the satisfactory completion of the task.**
- III. The City will compensate Contractor for the Services performed upon submission of a valid invoice.**
- VI. The total compensation for the Services are described in Exhibit "C" and Section 2.1 of this Agreement.**
- V. The Contractor's billing rates for all personnel are attached as Exhibit C. The personnel billing rate does not apply as the billing rates are based on the tasks as described in Exhibit C.**

**EXHIBIT "D"**  
**SCHEDULE OF PERFORMANCE**

I. The Schedule of Performance shall be as fully described in the Scope of Work in Exhibit "A".

## CITY COUNCIL AGENDA

**DATE:** January 8, 2013

**TO:** Mayor and City Council

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

**SUBJECT:** Adopt Resolution No. 2013-03, the Memorandum of Understanding (MOU) between the Banning Management Association (BPMA) and the City of Banning.

**RECOMMENDATION:** Adopt Resolution No. 2013-03 approving the Memorandum of Understanding (MOU) between the Banning Police Management Association (BPMA) and the City of Banning setting forth the complete negotiated terms and conditions of employment for the BPMA represented employees.

**JUSTIFICATION:** Section 3505.1 of the Meyers-Milias-Brown Act ("MMBA") (Gov't Code Sections 3500-3511) provides that: "If agreement is reached by the representatives of the public agency and a recognized employee organization or recognized employee organizations, they shall jointly prepare a written memorandum of such understanding, which shall not be binding, and present it to the governing body or its statutory representative for determination." Once approved by the governing body of the local agency, a Memorandum of Understanding between the City and its recognized employee organizations regarding changes in terms and conditions of employment becomes a binding agreement between the employee organizations and the local government. *Thus, City Council approval of the signed Memorandum of Understanding between the parties is required by the MMBA in order to be binding on the parties.*

**BACKGROUND:** The Lieutenants have been working without a formal Memorandum of Understanding for many years. They petitioned to create their own bargaining unit and requested recognition of the Banning Police Management Association as its exclusive representative employee organization. The City accepted their Petition for Recognition May 10, 2010. The City has since been negotiating with the Banning Police Management Association to establish a Memorandum of Understanding that sets forth terms and conditions of employment. Resolution No. 2013-03 is the product of those efforts.

**FISCAL DATA:** The Unit and the City made several concessions during negotiations that have been incorporated into the attached Memorandum of Understanding. The MOU results in a nominal fiscal impact to the General Fund. However, the long term benefit for the City is that the employees will begin to pay the full employee rate of the CalPERS retirement plan

along with two tiered retirement for new legacy members and other salary changes to make their compensation more transparent.

**RECOMMENDED BY:**

*J. A. Overholt*  
\_\_\_\_\_  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

\_\_\_\_\_  
Andy J. Takata  
City Manager

Attachments:

1. Resolution No. 2012-03 – Approval of Memorandum of Understanding between the BPMA and City of Banning

**RESOLUTION NO. 2013-03**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING  
APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE BANNING  
POLICE MANAGEMENT ASSOCIATION AND THE CITY OF BANNING**

WHEREAS, the City of Banning has recognized the Banning Police Management Association (BPMA) as the recognized employee organization for the Police Management Unit; and

WHEREAS, the City labor relations representatives and the BPMA representatives have successfully met and conferred to negotiate a written Memorandum of Understanding pursuant to the Meyers-Milias-Brown Act ("MMBA") (Gov't Code Sections 3500-3511) and the City's Employer-Employee Relations Resolution No. 2010-45; and

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

**SECTION 1:**

1. That the City Council approves and adopts the BPMA MOU 2013, a copy of which is attached hereto and by this reference made a part hereof; and
2. That the Mayor is authorized to execute the original document.

PASSED, APPROVED AND ADOPTED this 8th day of January, 2013 at Banning, California.

---

Deborah Franklin, Mayor  
City of Banning, California

APPROVED AS TO FORM AND  
LEGAL CONTENT

---

David Aleshire, Attorney  
Aleshire & Wynder, LLP

ATTEST:

---

Marie A. Calderon  
City Clerk of the City of Banning

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2013-03 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 8th day of January, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

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

~~DRAFT~~

MEMORANDUM OF UNDERSTANDING BETWEEN

THE CITY OF BANNING,

AND

THE CITY OF BANNING POLICE MANAGEMENT ASSOCIATION

January, 2013 – December 31, 2013

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## ARTICLE 1 PREAMBLE.

1.1 Introduction. This Memorandum of Understanding (hereinafter referred to as the "MOU") is entered into between the City of Banning, a California municipal corporation (hereinafter referred to as the "City") and the authorized representatives of the Banning Police Management Association (hereinafter referred to as the "BPMA"), a California unincorporated nonprofit labor association, as the exclusively recognized employee organization for the Police Management Unit (hereinafter referred to as the "Unit") relative to wages, hours, and other terms and conditions of employment as provided by Sections 3500 - 3511 of the California Government Code, otherwise known as the Meyers-Milias-Brown Act (hereinafter referred to as the "MMBA").

1.2 Recognition. The City hereby formally recognizes the BPMA as the only recognized employee organization representing Unit employees presently or hereafter employed by the City and eligible for inclusion in the Unit. It is understood that this MOU shall constitute a bar to any petition or request for recognition of any employee organization to represent any other employee bargaining unit which includes classifications of employees covered by this MOU or such petitions to represent such employees at any time during the term hereof except for express "window periods" set forth in the City's Employer-Employee Relations Resolution. This provision shall not preclude employees from otherwise exercising their rights as may be provided by the MMBA or the City's Employer-Employee Relations Resolution.

1.3 Term. Except as otherwise provided herein, this MOU between the City and the BPMA relative to wages, hours, and other terms and conditions of employment shall become effective upon City Council adoption and thereafter shall remain in full force and effect until its term expires at close of business on December 31, 2013.

1.4 Represented Classifications. This MOU covers Unit employees in the classification of Police Lieutenant and Police Captain.

## ARTICLE 2 CONTINUATION OF RULES & POLICIES.

2.1 Other Written Policies. Subject to the terms of this MOU, all City ordinances, resolutions, rules and regulations, including the City's Employer-Employee Relations Resolution (currently Resolution No. 2010-45), the City's Employees Handbook covering the Rules and Regulations of the Personnel System, the City's Administrative Policies, and the Banning Police Department Policy Manual shall continue to apply during the term of this MOU.

2.2 Meet and Confer. The City and the BPMA agree to meet and confer during the term of this MOU over the adoption, amendment or revision, including repeal, of all City ordinances, resolutions, rules and regulations, including the City's Employer-Employee Relations Resolution (currently Resolution No. 2010-45), the City's Employees Handbook covering the Rules and Regulations of the Personnel System, the City's Administrative Policies, and the Banning Police Department Policy Manual, to the extent that such documents contain mandatory subjects of bargaining pursuant to the

MMBA. Should an impasse be reached following such meet and confer sessions, the provisions of the Employer- Employee Relations Resolution (Resolution 2010-45) shall apply to resolve the impasse.

2.3 Past Practice. For purposes of this MOU, a "past practice" shall be defined as an unwritten policy, procedure or work rule, whether or not it affects a mandatory subject of bargaining, and upon which the City, the BPMA and the Unit employees may have relied through a course of conduct. As of the effective date of this MOU, all past practices are void, and of no further force or effect.

### ARTICLE 3 EMPLOYEE RIGHTS.

3.1 Non-Discrimination. The provisions of this MOU shall apply to Unit employees without illegal discrimination based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex (including pregnancy, childbirth and related medical condition), sexual orientation, age, citizenship status, or any other basis protected by applicable law, nor will there be any discrimination with respect to hiring, retention or any condition of employment because of membership or non-membership in the BPMA, or because of any activities or refraining from activities on behalf of the BPMA.

3.2 BPMA Membership. The BPMA will accept into membership all eligible persons who are members of the Unit without regard to, race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex (including pregnancy, childbirth and related medical condition), sexual orientation, age, or any other basis protected by applicable law.

3.3 Rights Granted by State and Federal Law. Except as otherwise provided in this MOU, Unit employees shall have all rights which may be exercised in accordance with State and Federal Law, and applicable ordinances, resolutions, rules and regulations. However, Unit employees shall not have the right to grieve a violation of any such law, ordinance, resolution or rule, except as specifically set forth herein.

### ARTICLE 4 MANAGEMENT RIGHTS.

The BPMA recognizes and agrees that the City and its representatives have the responsibility and the authority to manage and direct all operations and activities of the City including, but not limited to, the exclusive right to determine the mission of its constituent departments, commissions and boards and the processes and the materials to be employed; the right to subcontract any work or operation; to expand or diminish services; to determine the procedures and standards of selection for employment and promotion; determine classifications; direct its employees; take disciplinary action; relieve its employees of duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted and to assign work to employees and to establish and change work schedules and assignments and to determine the days and hours when the employees shall work; take all necessary actions to carry out

its mission in emergencies; and, exercise complete control and discretion over its organization and work performance technology.

## ARTICLE 5 DUES DEDUCTION.

5.1 Dues Deduction. The City shall deduct one month's current and periodic BPMA dues from the wages and/or leave benefits of each Unit employee who voluntarily executes and delivers to the City a payroll deduction authorization form.

5.2 Sufficient Earnings. The Unit employee's earnings must be regularly sufficient after other legal and required deductions are made to cover the amount of the dues deduction authorized. When a Unit employee is in a non-pay status for an entire pay period, no withholding will be made to cover that pay period from future earnings.

5.3 Non-Pay Status. In the case of a Unit employee who is in a non-pay status during only part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other legal and required deductions have priority over BPMA dues.

5.4 Cancellation. A Unit employee's authorization for deduction of dues may be canceled at any time by written notice from the employee to the City with a copy to the BPMA. A Unit employee's deduction authorization shall automatically be canceled if the employee leaves the employ of the City or is transferred out of the Unit.

5.5 Funds Transmission. The aggregate amount of such deductions by the City shall be transmitted monthly to the BPMA President or his or her designee. The City shall provide the BPMA President or his or her designee with a list each month indicating the dues deducted from the pay of any represented Unit employee and those Unit employees for whom no deduction was made pursuant to the provisions of Sections 5.2 and 5.3. The BPMA shall notify the City of the names of its President and other officers and designees each year following election of the board and appointment of members to committees to which the BPMA is entitled to appoint members under this MOU.

5.6 Indemnification. The BPMA shall indemnify, defend, and hold the City harmless against any and all claims made, and against any suit instituted against, the City arising from or otherwise in any way involving deduction of employee organization dues. In addition, the BPMA shall refund to the City any amounts paid to it in error upon presentation of supporting evidence.

## ARTICLE 6 BPMA REPRESENTATIVES.

Two (2) employees selected by the BPMA may attend scheduled meetings with City management during regular hours without loss of pay, provided that such employees shall not leave their work station or assignment without first providing twenty-four (24) hour notice to the Department Head. Additional employees who are not on duty may participate at no additional cost to the City. Such meetings shall be scheduled in a manner consistent with the City's operating requirements and work schedules. Nothing

herein shall be deemed to preclude the scheduling of such meetings at hours other than such employee's regular working hours, in which event attendance shall be without pay.

## **ARTICLE 7 BULLETIN BOARDS.**

7.1 Authorized Postings. The City will furnish adequate bulletin board space where currently available. The Department Head shall designate the bulletin boards to be used for posting notices. Bulletin boards may be used for the following notices:

- (a) Scheduled BPMA Meetings, Agenda and Minutes.
- (b) Information on BPMA Elections and the Results.
- (c) Posting of BPMA special, recreational, and related bulletins.
- (d) Reports of Official Business of BPMA, including Reports of Committees or the Board of Directors
- (e) MOU, Pay Scales, Job Announcements, Promotion Lists, Etc.
- (f) Such other items as may be approved by the Department Head upon request of the BPMA.

7.2 Posted Notices. Posted notices shall not be defamatory or violate any of the City's policies, nor shall they advocate election or defeat of candidates for public office. All notices to be posted may be dated and signed by an authorized representative of the BPMA. The BPMA may give notices to Unit employees through the use of the City mail system and/or the City computer e-mail system.

## **ARTICLE 8 MEMORANDUM OF UNDERSTANDING COPIES.**

The City shall provide the BPMA with one (1) original and one (1) copy of this MOU after it has been fully executed by the parties. The City shall also provide a copy of the executed MOU to any Unit employee hired or promoted into the Unit after the effective date of the MOU. The City may charge for any additional copies. The BPMA shall be responsible for providing copies of this MOU to represented employees at BPMA expense.

## **ARTICLE 9 MEETINGS.**

9.1 Items of Mutual Concern. Upon mutual agreement of both the City and the BPMA, the parties may meet to discuss and consult on items of mutual concern. A meeting conducted under this section shall not constitute a meet and confer or hearing under any grievance procedure.

9.2 Use of City Facilities. The BPMA may be granted permission to use City facilities for the purpose of meeting with employees to conduct BPMA business provided space for such meetings can be made available without interfering with City needs. The BPMA shall be held fully responsible for any damages to and security of any facility that is used by the BPMA.

## **ARTICLE 10 HOURS OF WORK.**

10.1 Schedules. Unless modified by the Department Head as set forth in section 10.2 and 10.4 below, Unit employees shall have a work schedule as assigned by the Department Head.

10.2 Department Head Discretion. Unit employees may be assigned to a work schedule consisting of the days and hours as determined by the Department Head.

10.3 Schedule Changes. The Department Head in the exercise of his or her discretion may change the work schedule and/or work period of Unit employees. Accordingly, work schedule and work period changes are not subject to meet and confer requirements. The Department Head shall notify the BPMA regarding any change in work schedule and/or work period no later than thirty (30) days before the date the change is implemented.

10.4 Outside Employment. Prior to any Unit employee accepting outside employment, he or she shall request and receive authorization from the Department Head and Administrative Services Director. Authorization for outside employment shall be made according to the policies and procedures in place at the time of request.

## **ARTICLE 11 SALARIES, PERFORMANCE EVALUATIONS, & PROBATIONARY PERIOD.**

11.1 Assignment to Ranges. Effective the first full pay period beginning after adoption of this MOU, all Unit employees will be placed on ranges with defined steps as shown on the attached salary schedule. The position of Police Lieutenant shall be moved from a range of 82 to that of 87, with existing member No. 3434 moving to Step 13 and member No. 9003 moving to Step 12 therein. The final step increase for member No. 9003 will be postponed to January 2014. The salary table is calibrated in approximate 2.5% increments. Unit employees will stay at their assigned Step until the next anniversary date that comes after July 1, 2013. Unit members will be evaluated using an evaluation form agreed to by the parties.

- (a) No Unit employee shall be granted a step increase unless and until such employee has obtained an overall meets requirements evaluation rating consistent with the applicable administrative policies of City.
- (b) A first denial of a step increase shall not be an allowable subject of the exercise of employee rights under any grievance procedure afforded by the City or this MOU.

- (c) A Unit employee denied a step increase for failing to achieve an overall meets requirements performance rating shall be entitled to be re-evaluated in six (6) months from the date of the performance evaluation which led to the denial of the step increase. If the employee's overall performance is rated meets requirements, then the employee shall be granted the appropriate step increase effective the first pay period following the six month re-evaluation period. Such step increase shall not be retroactive.
- (d) If the employee's performance continues to fail to achieve an overall meets requirements performance rating after the six (6) month re-evaluation period, then the employee shall be given a final denial of a step increase for the remainder of the regular evaluation period. Denial of a step increase under this subsection may, at the employee's option, be subject to the non-binding grievance procedure provided for in this MOU.

11.2 Salary Survey. In the event that the City conducts a salary survey for members of the mid-management and professionals unit during the term of this MOU, then the City shall also include all Unit employee positions in such survey or study and report the results thereof to the BPMA within 60 days of its completion. The City agrees to conduct a classification study within eighteen (18) months of City Council adoption of this MOU.

11.3 Probation Period. All employees appointed to a position represented by the BPMA shall serve a twelve (12) month probationary period. The probationary period shall be considered a part of the examination and selection process and shall not include any time served under any limited service or provisional appointment but shall date from the time of appointment to a regular position. After serving six (6) months in the probationary period, the Unit employee shall be eligible for a six (6) month merit increase based upon a satisfactory performance evaluation. This will be the employee's new anniversary date for future performance evaluations/merit increases. Unit employees will also receive a probationary review at the completion of their probationary period. City employees who have previously successfully completed a probationary period and who are subsequently promoted into or within the Unit, shall serve a six (6) month probationary period in the new position. Any BPMA Unit employee promoted from the Banning Police Officers Association (BPOA) unit, who fails to pass probation, may return to the position previously held, with BPOA approval.

## ARTICLE 12 OVERTIME.

12.1 Exempt Status. All Unit employees covered by this MOU are qualified exempt management employees under the FLSA and as such are not eligible for overtime pay, except as authorized by City Policy A-32. When overtime is funded by revenue sources outside the City (i.e. grants and/or contracts for services by other law enforcement agencies) the overtime rate will be equivalent to the top-step premium rate for a Staff Sergeant. Any assigned hours which are not worked shall be accounted through a reduction in accrued leave. Accruals, and reductions in accruals, are based on an eighty (80) hour pay period.

12.2 Hours Worked. "Hours worked" means time spent in required court appearances as set forth in Article 14, and time paid for vacation, holidays, personal leave and administrative leave for officer involved shooting or other non-disciplinary leave.

## **ARTICLE 13 ACTING PAY AND PROMOTION PAY.**

13.1 A Unit employee temporarily assigned by management to fill a vacancy in a higher classification, when the vacancy is created by a departure, or when the incumbent is absent in excess of twenty (20) work days, shall be compensated from the first day working such assignment, and consecutive days worked thereafter, at the lowest pay range of the incumbent which is at least five percent (5%) above the acting employee's normal rate of compensation while working in the higher classification. The conditions of this subsection are a prerequisite to the receipt of any higher acting pay. At such time as an employee is no longer performing work out of his permanent classification, he/she shall be compensated at his/her regular rate of pay for his/her permanent classification.

13.2 Unit employees promoted to work in a higher classification shall be paid five percent (5%) more than the employee received in the lower classification.

13.3 Unit employees assigned to temporary assignments to perform work out of an employee's permanent classification shall be limited in duration to six (6) months in any one (1) year. A time extension to the temporary assignment beyond the initial six months may be made with the concurrence of the BPMA in writing.

## **ARTICLE 14 PAY FOR JURY DUTY: COURT APPEARANCES, "ON CALL" DUTY.**

Any Unit employee who shall be summoned for attendance to any court for jury duty during his or her normal working hours shall be deemed to be on duty and there shall be no loss of salary, but any jury fees received by him or her shall be paid into the City treasury. Any employee who shall be called as a witness arising out of and in the course of his or her City employment shall be deemed to be on duty and there shall be no loss of salary, but any witness fees received by him or her shall be paid into the City treasury. An employee absent from work due to being a witness, plaintiff or defendant in a non-work related matter shall not be entitled to be paid during such absence, except that he or she may, however, use Vacation Leave, Holiday Leave and Personal Leave for such absence. In no event shall an employee be compensated for time in court as a defendant in a criminal case.

## **ARTICLE 15 EQUIPMENT & UNIFORM ALLOWANCE.**

15.1 The City will provide Unit employees safety equipment in accordance with California state law. Said safety devices and safeguards shall remain the property of the City and their use may be required and regulated by the Department Head or his or her designee.

15.2 The City agrees to pay a uniform allowance of \$110 per month to Unit employees. Payment of the uniform allowance will be paid equally between the first two pay periods each month. Such money shall be used for the purpose of purchasing and maintaining uniforms in order that employees who wear regulation uniforms may maintain a professional appearance.

15.3 The City shall reimburse Unit employees the reasonable replacement value of personal property, not including uniforms for which the above uniform allowance is paid, which is destroyed in the course and scope of their employment. The employee shall make application for reimbursement by presenting to the Department Head the damaged or destroyed article. Personal property subject to this provision consists of personal property necessary to fulfill the employee's job duties and that is approved in advance for use on the job. Replacement for prescription eyewear is limited to \$200 per pair. Replacement for watches is limited to \$50. Sums paid hereunder shall be secondary to any applicable insurance. If an individual pays a sum of money to the City pursuant to a court order as restitution for damaging the uniform of a Unit employee, then the City will reimburse that amount to the Unit employee.

15.4 The Department Head or his designee may at his or her discretion authorize Unit employees to carry optional weapons. Nothing in this MOU shall require the Chief of Police to approve the use of any specific weapon or ammunition.

## **ARTICLE 16 MILEAGE, MEALS AND OTHER TRAVEL REIMBURSEMENT.**

16.1 The City will reimburse expenses for meals, lodging and tuition when a Unit employee attends a City directed educational program. Reimbursement shall be equal to but not exceed the amount permitted under applicable P.O.S.T. standards. If the Unit employee's meals and lodging expenses exceed reimbursement provided by P.O.S.T., then the Unit employee may be required to demonstrate that such expenses are reasonable by providing receipts for all expenses and written justification. Only reasonable expenses will be reimbursed.

16.2 Accommodation arrangements for attendance at a City directed educational program shall be made by the Unit employee. The City agrees to provide any accompanying information concerning available lodging arrangements for the program to the Unit employee as soon as it becomes available to the City.

16.3 Upon request, a Unit employee attending a City directed educational program shall receive an advance up to the P.O.S.T. established limits established for the particular educational program.

16.4 At the conclusion of the educational program, the Unit employee shall show by certificate awarded or some other manner that the program was attended and completed.

16.5 Except as otherwise set forth in this MOU, the scheduling of training/educational programs shall be done in accordance with Departmental procedures.

## **ARTICLE 17 TUITION AND BOOKS REIMBURSEMENT & TRAINING**

17.1 Tuition Reimbursement. Tuition actually paid reimbursements shall be limited to \$3,500 per fiscal year and will be reimbursed to all permanent Unit employees, including for professional and technical courses approved by the Administrative Services Director and taken in an accredited educational institution provided that:

- (a) The subject matter of the course relates directly to and contributes toward the employee's position with the City.
- (b) The employee has received at least a competent proficiency rating on their last evaluation report.
- (c) The employee has furnished evidence that the course has been completed with at least a "C" or "pass" grade.
- (d) Requests for reimbursement must be completed and returned to the Human Resources Department within three (3) weeks after receipt of course completion documentation. (No reimbursement will be made without bona fide receipts or documentation).
- (e) Reimbursements will be made only after proof of completion of course with 'C' average or "pass" and satisfactory receipts of payment for tuition are approved by the Human Resources Department.

17.2 Training. The City agrees to pay, as outlined herein, the travel and subsistence expenses of Unit employees for professional and official travel, meetings, and occasions required to continue the professional development of employee and to adequately pursue necessary official and other functions of employer, and such national, regional, state and local governmental groups provided it is budgeted in the annual operations budget and approved by the Department Head. Time spent in City required and approved training or conferences, including travel time shall be included as time worked. The City shall not pay for the costs incurred to meet minimum job requirements.

## **ARTICLE 18 EDUCATION INCENTIVE PAY.**

18.1 Education Incentive Pay. Educational incentive pay for Unit employees shall be earned as follows:

- (a) Possession of an Intermediate POST Certificate entitles the employee to \$200 a month; and possession of a Regular or Specialized Advanced Certificate, Regular or Specialized Supervisory Certificate, Regular or Specialized Management Certificate, Regular or Specialized Executive Certificate, entitles the employee to \$300 a month.
- (b) Possession of an Associate of Arts/Science Degree in any academic field entitles the employee to \$75 per month.

- (c) Possession of a Bachelors of Arts/Science Degree in any academic field entitles the employee to \$150 per month.
- (d) Possession of a Masters of Arts/Science Degree in any academic field entitles the employee to \$225 per month.
- (e) Possession of a Ph.D. in any academic field entitles the employee to \$300 per month.
- (f) Possession of an Intermediate POST Certificate and an Associate of Arts/Science Degree in any academic field entitles the employee to \$275 per month; Possession of an Intermediate POST Certificate and a Bachelors of Arts/Science Degree in any academic field entitles the employee to \$350 per month; Possession of an Intermediate POST Certificate and a Masters of Arts/Science Degree in any academic field entitles the employee to \$425 per month; Possession of an Intermediate POST Certificate, and a Ph.D. in any academic field entitles the employee to \$500 per month.
- (g) Possession of the Regular or Specialized Advanced Certificate, Regular or Specialized Supervisory Certificate, Regular or Specialized Management Certificate, Regular or Specialized Executive Certificate and an Associate of Arts/Science Degree in any academic field entitles the employee to \$375 per month; Possession of the Regular or Specialized Advanced Certificate, Regular or Specialized Supervisory Certificate, Regular or Specialized Management Certificate, Regular or Specialized Executive Certificate, and a Bachelors of Arts/Science Degree in any academic field entitles the employee to \$450 per month; Possession of the Regular or Specialized Advanced Certificate, Regular or Specialized Supervisory Certificate, Regular or Specialized Management Certificate, Regular or Specialized Executive Certificate, and a Masters of Arts/Science Degree in any academic field entitles the employee to \$525 per month; Possession of the Regular or Specialized Advanced Certificate, Regular or Specialized Supervisory Certificate, Regular or Specialized Management Certificate, Regular or Specialized Executive Certificate, and a Ph.D. in any academic field entitles the employee to \$600 per month.
- (h) For all Police Management Unit members who are employed with the City at the time of the execution of this MOU, possession of 60 semester units from an accredited college with a minimum of 39 units being in an occupationally related field (i.e. Police Science, Social Science, Political Science, Public Administration, etc.) shall entitle the employee to receive pay of \$100 per month. Determination as to whether courses are occupationally related will be made by the Department Head with right of appeal to the City Manager.

(i) The amounts in this article shall not be pyramided except as set forth above.

## ARTICLE 19 SICK AND BEREAVEMENT LEAVE.

19.1 Sick Leave Accrual. Unit employees shall accrue ninety-six (96) hours of Sick Leave per fiscal year, which shall be accrued pro-rata per pay period in amounts of three and sixty-nine hundredth (3.69) hours until the ninety-six hours are met. Sick Leave shall accrue up to a cap of three hundred-twenty (320) hours. Effective the first full pay period after adoption by City Council, excess hours above 224 will be moved to a unique leave account. Excess leave balances account may be used for time off or cashed out per MOU or City policy.

19.2 Sick Leave Use. Sick Leave, shall be granted only where consistent with the City's Sick Leave and Family Leave policy (currently AP-1 and AP-02).

19.3 Sick Leave Cash Out. All sick leave shall accrue in a "Bank. Any Unit employee may cash out or convert to Deferred Compensation hours from the "Bank," to a maximum of ninety-six (96) hours, at straight time at the current rate of pay, but will not be allowed to cash out of the "Bank" below forty (40) hours. Any sick leave cash out request must be made no later than November 1st of each year and the payment shall be made in the last check issued in November of each year while employed.

19.4 Sick Leave Payment Upon Separation. Upon separation, service retirement, disability retirement, or termination, a Unit employee shall be eligible to receive a cash payment for accrued sick leave in the "Bank" in an amount equivalent to straight time, to a maximum of ninety-six (96) hours. In addition, beginning the tenth (10) year of continuous City service, all hours accrued in the "Bank" shall be eligible for conversion to cash in an amount equivalent to thirty percent (30%) of such unused sick leave or beginning with the 11th year of City service, unit members may convert fifty (50%) percent of the value of the total amount of their sick leave bank, minus forty (40) hours, to either Deferred Compensation, or the Retiree Health Savings, if available. Such reimbursement to be computed based upon the employees' final compensation rate and shall be paid within one payroll period of the effective date of separation. Public Safety employees are currently eligible for Sick Leave conversion up to 90% of the sick leave bank to CalPERS credit as members of CalPERS safety pool.

19.5 Use of Other Leave. Unit employees who have exhausted all accumulated Sick Leave while on Sick Leave may utilize accrued Vacation, Holiday or Personal leave.

19.6 Bereavement Leave. All Unit employees who have passed their probation are granted bereavement leave. In the event of the death of a member of their family, including spouse, domestic partner, mother, father, brother, sister, child, stepchild, grandchild, or grandparent of the employee or any one of the same relatives of the employee's spouse or domestic partner, the employee shall be allowed twenty-four (24) hours of bereavement leave for each death of a family member. In the event of the death

of a spouse or domestic partner or multiple family deaths occurring within a twenty-four (24) hour period, the employee shall be allowed forty (40) hours of bereavement leave.

In addition to the foregoing bereavement leave, the employee may also utilize up to sixteen (16) hours from accrued sick leave, if there is a death of a family member and up to forty (40) hours from accrued sick leave in the event of the death of a spouse, domestic partner or multiple family deaths. If the employee has insufficient accumulated sick leave to exercise this option, the employee may utilize accrued vacation, or personal leave for the additional bereavement leave.

## **ARTICLE 20 VACATION, HOLIDAY AND PERSONAL LEAVE.**

**20.1 Vacation Leave Accrual.** Unit employees shall accrue Vacation Leave in accordance with the following schedules:

- (a) One (1) through four (4) years service: ten (10) eight (8) hour days per year = three and eight-hundredth (3.08) hours per pay period
- (b) Beginning the fifth (5th) year through the ninth (9th) year: fifteen (15) eight (8) hour days per year = four and sixty-two hundredth (4.62) hours per pay period
- (c) Beginning the tenth (10th) year & thereafter: twenty (20) eight (8) hour days per year = six and fifteen hundredth (6.15) hours per pay period

**20.2 Vacation Leave Maximum Accrual.** Vacation Leave may be accrued to a maximum of three-hundred twenty (320) hours for Unit employees. Effective the first full pay period in July 2013, excess hours above 160 will be moved to a unique leave account. If an employee has accumulated the maximum allowed under this Article, said employee will receive no further vacation leave accruals until said employee uses a portion of his/her vacation leave and his/her vacation leave accruals have been reduced below the maximum. There shall be no retroactive receipt of any vacation leave which does not accrue as a result of the caps set forth in this Article.

**20.3 Vacation Leave Approval Required.** Vacation leave may be taken with approval of the Unit employee's supervisor, and as otherwise consistent with the policies of the City. Vacation leave may be taken at any time following the completion of a six (6) month probationary period for lateral hires. No probationary period will be required for internally promoted Unit employees. Vacation leave taken shall not be in excess of that actually accrued at the time such vacation leave is taken. Vacation leave must be approved a minimum of fourteen (14) days in advance of the first (1st) day of such vacation. Exceptions may be made to the fourteen (14) day notice requirement for emergencies or at the discretion of the employee's supervisor.

**20.4 Vacation Leave Payment Upon Termination.** Any Unit employee whose employment is terminated and who has accrued, has earned and vested vacation leave shall be paid for such vacation leave within one payroll period of the effective date of such termination.

20.5 Vacation Leave Excess Hours Payment. Unused vacation accrual in excess of eighty (80) hours may be paid off at the option of the employee up to a maximum of eighty (80) hours per fiscal year.

20.6 Holiday Leave. If, during the term of this MOU, the City Council recognizes an additional holiday for City employees, the accrual rate for Unit employees shall be adjusted accordingly. Holiday leave other than City recognized holidays (City Hall closed) must be approved a minimum of fourteen (14) days in advance of the first day of such leave. Exceptions may be made to the fourteen (14) day notice requirement for emergencies or at the discretion of the employee's supervisor. City recognized Holidays are as follows:

New Year's Day  
Martin Luther King Day  
President's Day  
Memorial Day  
Fourth of July  
Labor Day  
Veteran's Day  
Thanksgiving  
Day after Thanksgiving  
Christmas

20.7 Holiday Leave Accrual. Unit employees shall accrue Holiday leave at the rate of three and sixty-nine hundredths (3.69) hours per pay period. Holiday leave may be accrued to a maximum of ninety-six (96) hours per unit member. Effective the first full pay period in July 2013, one hundred percent (100%) of the existing leave balance will be moved to a unique leave account. During fiscal year 2014 and thereafter, any hours that exceed the regular cap of ninety-six (96) hours will not be accrued.

20.8 Holiday Leave Approval Required. Holiday Leave must be approved a minimum of fourteen (14) days in advance by the Department Head or his or her designee of the first day of such Holiday leave. Exceptions may be made to the fourteen (14) day notice requirement for emergencies or at the discretion of the City by the Department Head.

20.9 Holiday Leave Payment Upon Termination. Any Unit employee, who is about to terminate his/her employment, and has earned Holiday leave to his/her credit, shall be paid for such holiday leave within one payroll period of the effective date of such termination at the employee's then current rate of pay.

20.10 Personal Leave Time. Unit employees shall receive paid personal leave time accrued at a rate of three and seven-seven hundredths (3.77) hours per pay period, to compensate for time spent in excess of normal working hours in completing their responsibilities. This personal leave time shall be capped at a total of ninety-eight (98) hours, at which time accrual shall cease until the unused balance of accrued time drops below the ninety-eight (98) hour cap. In the event an employee terminates his or her employment with the City, the employee shall be compensated for all remaining and

accrued executive leave time at his or her then current rate of pay. Unit employees may exercise the option to cash out a maximum of sixty (60) hours per fiscal year. Effective the first full pay period in July 2013, one hundred percent (100%) of the existing personal leave balance will be moved to a unique leave account

20.11 Promotional Pay Outs of Leave. Prior to implementation of a promotion to a different bargaining unit, the City shall be entitled to cash out at the employee's current pay rate all vacation, holiday and personal leave banks in excess of one hundred (100) hours per each leave bank.

## ARTICLE 21 MEDICAL AND DENTAL INSURANCE.

21.1 Cafeteria Plan City Contributions. The City agrees to the following contribution to each Unit employee's cafeteria account: the City shall contribute \$947.00 per month and up to \$20.00 per month towards the California Law Enforcement Association disability policy. Said contribution shall first be used to provide for health insurance for the employee. Employee shall be covered by health insurance with a City approved health plan unless the employee provides proof to the City that employee is covered by another acceptable health plan as determined by the City's Human Resources Department. The balance may be used for any of the following or any combination thereof:

- (a) Health insurance for employee's spouse and/or dependents.
- (b) Dental Plan for employee, spouse and/or dependents.
- (c) Eye care plan for employee, spouse and/or dependents.
- (d) Term life insurance on employee's life.
- (e) Deferred compensation programs.
- (f) Supplemental insurance options.

21.2 Cash In Lieu. Unit employees may elect to receive ninety-two and five-tenth percent (92.5%) of the balance of the Cafeteria Plan in cash as CalPERS non-includable taxable income.

21.3 Flexible Spending Account. During the term of this Agreement, the City shall maintain an Internal Revenue Section 125 program which will allow employees to allocate specified amounts of monthly pre-tax salary or wages for the reimbursement of medical care expenses or dependent care expenses or both, as well as health and welfare insurance premiums, with the exception of the City's disability insurance premiums.

21.4 Eye Wear Reimbursement. The City will reimburse Unit employee and/or employee's dependents a maximum of \$250 for eyewear every two (2) years.

## ARTICLE 22 RETIREMENT AND MEDICARE.

### 22.1 Contributions to CalPERS.

(a) Prior to adoption of this MOU, the City has paid each Unit employee's employee contribution to the California Public Employees Retirement System (CalPERS), which is nine percent (9%) of the Public Safety (sworn personnel) employees' regular and special compensation as defined by CalPERS.

(b) Effective the first full pay period after City Council adoption of this MOU and the adoption of any additional necessary resolutions, the City will pay only half of each Unit member's employee contribution to the California Public Employees Retirement System (CalPERS) until the first full pay period that includes June 30th, 2013. Thus, the City shall pay four and one-half percent (4.5%) of the Public Safety (sworn personnel) employees' regular and special compensation as defined by CalPERS during this period and the employee will pay the remaining four and one-half percent (4.5%).

(c) Effective the first full pay period after July 1, 2013, each Unit member shall pay their own full employee contribution to the California Public Employees Retirement System (CalPERS). Thus, these employees shall pay all nine percent (9%) of the Public Safety (sworn personnel) employees' regular and special compensation as defined by CalPERS during this period.

(d) All Unit employees hired by the City on or after January 1, 2013 shall pay their full member contribution for their CalPERS retirement plan, currently at nine percent (9%) of compensation, which previously was being paid by the City. In addition, per AB340, new (non CalPERS vested) employees will be subject to paying at least fifty percent (50%) of the City's normal costs for the Public Safety Plan.

(e) CalPERS shall determine which retirement plan new employees are eligible to receive based on CalPERS regulations. For instance, a BPOA City employee that is in the 3% @ 50 retirement formula plan will continue in that plan if promoted to the BPMA. Likewise, CalPERS shall determine which retirement plan new employees are eligible for whether for the previously implemented "Two Percent at Fifty" (2% @ 50) retirement formula with final compensation defined as the highest average annual final compensation during a consecutive thirty-six (36) month period or shall only be eligible for the newly created retirement plan known as "the safety Option Plan Two Formula" (2.7% @ 57) with final compensation defined as the highest average annual final compensation during a consecutive thirty-six (36) month period.

(f) Per AB340, the bargaining unit and City agree to meet and confer during 2013 on the impacts of implementing equal sharing of "normal costs" by December 31, 2017. To the extent AB340 imposes any other changes, the City and BPMA agree to meet and confer over such changes.

22.2 CalPERS Formulas.

(a) The City agrees to continue to pay the employer's portion of the "Three Percent at Fifty" (3% @ 50) Public Safety CalPERS Retirement for Public Safety (sworn personnel) employees, including the "single highest year" benefit, for all Unit employees hired on or before December 20, 2012.

(b) City Council has been authorized to adopt and implement resolutions providing for two tiered retirement for Unit employees hired on or after such resolution adoption, which took place December 20, 2012, providing for the retirement plan known as 2% @ 50 retirement formula. All new employees hired after December 20, 2012 and vested in CalPERS shall receive the 2% @ 50 retirement formula. All Unit employees hired by the City on or before December 20, 2012 shall remain at the current existing 3% @ 50 retirement formula

(c) Per AB340, new employees hired by the City on or after January 1, 2013 shall receive the retirement plan known as "The Safety Option Plan Two Formula (2% @ 57) for safety employees if not eligible for the City's 2@50% retirement formula.

(d) All new employees hired by the City on or after January 1, 2013 shall also be required to have their final compensation defined as the highest average annual final compensation during a consecutive 36 month period, subject to the statutory cap imposed by AB340. Current employees, hired before December 20, 2012 will maintain the "single highest year" benefit

(e) CalPERS shall determine which retirement plan the new employees are eligible to receive based on CalPERS regulations. For instance, a BPOA employee that is in the 3% @ 50 retirement formula plan will continue in that plan if promoted to the BPMA. Likewise, CalPERS shall determine which retirement plan new employees are eligible for whether for the previously implemented "Two Percent at Fifty" (2% @ 50) retirement formula with final compensation defined as the highest average annual final compensation during a consecutive thirty-six (36) month period or shall only be eligible for the newly created retirement plan known as "the safety Option Plan Two Formula" (2.7% @ 57) with final compensation defined as the highest average annual final compensation during a consecutive thirty-six (36) month period.

22.3 F.I.C.A. Unit employees shall pay the employee portion of FICA and the City shall be responsible for payment of the employer's portion.

**ARTICLE 23 MISCELLANEOUS BENEFITS.**

23.1 Life Insurance. The City will pay for life insurance in the amount of \$150,000 and Unit employees will pay the taxes on the portion of the premium attributable to coverage above \$50,000.

23.2 Direct Deposit. All Unit employees shall be paid by direct deposit of their payroll check into an account of their choice, except those employees who either do not hold an account with a financial institution that offers direct deposit or who do not hold

an account of any type and such employees will be required to pay a \$10 administration fee per payroll. It shall be the responsibility of the employee to establish and maintain such account.

23.3 Utility Allowance. Any Unit employee who resides within the City shall receive \$150 per month as a discount against the cost of electric and water service during the period of such residency.

23.4 Deferred Compensation Plan. The City has established a deferred compensation plan under Section 457 of the IRS code. Unit employees may participate in this plan at their own expense and at their option. Employees may opt to deposit into their established deferred compensation account, any funds paid to them under any leave pay out provisions in this MOU. Deposits into deferred compensation accounts shall be subject to IRS rules and regulations.

23.5 Gun Loan. The City has established a loan program for those public safety members approved by the Chief of Police who wish to purchase a weapon. Repayment of the loan shall be through payroll deduction. Proof of registration of the gun with the State of California will be provided to Human Resources within three (3) months of purchase. The complete policy is established in Resolution 2005-66.

23.6 Tools/Equipment. The City hereby agrees to finance at no interest the purchase of any job-related tools or equipment, including personal computers that serve the professional development of any Unit employee over the term of this MOU. Such tools and equipment shall be approved in advance by the Department Head and Administrative Services Director. Repayment to the City by the Unit employee shall be made by payroll deductions until the amount loaned is completely repaid. The maximum period for repayment shall be two years.

23.7 City Cell Phone. Unit Members are in essential management positions within the Banning Police Department. It is imperative they have the ability to immediately communicate with on-duty employees of the department 24/7. Subsequently, the City issues a cell phone (smartphone or tablet device) to each member to accomplish this necessity. The BPMA has requested permission to use their City issued devices for personal use in order to eliminate the need for Unit employees to carry two cell phones, one for City business and one for personal use, as they conduct their daily activities both on and off-duty. Unit employees shall elect in writing at the beginning of each fiscal year whether they want to be allowed to use their City issued cell phone for personal use. In return, each Unit employee who voluntarily participates in this program will be authorized to use their City issued devices for both business and personal use and waive any right or expectation of privacy for such personal use. Unit employees who elect to participate in this program shall be required to pay twenty (\$20) dollars each month towards a City cell phone plan that will cover both business and personal use of the City issued cell phone. Payment shall be made through a payroll deduction. Should a Unit employee not want to participate in this program, his/her use of the City provided cell phone/device will continue to be governed by the appropriate City and/or departmental policies and procedures. Understanding that City issued cell phones are the

property of the City, each Unit employee participating in this program understands and agrees that the City shall retain the right to audit all City owned cell phones at any given time without notice, including text messages, and that all City issued cell phone records may be subject to public disclosure regardless of public or personal use thereof. All other rules and regulations shall apply except that personal use shall be permitted. Review of the phone records shall be coordinated with the Chief of Police to ensure records related to confidential investigations remain protected. Unit employees shall always conduct themselves professionally when using the City provided cell phone, so as not to embarrass themselves or the City of Banning. Unit members may elect to keep the phone number upon separation from the City and will pay any porting costs prior to separation.

23.8 City Vehicle. The City shall issue a City vehicle to Unit employees to use in their official duties.

## ARTICLE 24 LAYOFFS AND RE-EMPLOYMENT.

24.1 Layoff Provision Statement of Purpose. The purpose of this Article is to provide a fair and equitable basis for the reduction in force of permanent employees due to insufficient work or lack of funds.

24.2 Layoff Reasons. The City of Banning retains the right to determine when a lack of work or lack of funds condition exists. Lack of work means that a category of work effort within the City can be fulfilled with fewer employees at a level of service acceptable to the City. Lack of funds means that the City in its sole discretion has determined that it cannot sustain operations at the current level of employment within the funding available. For the purpose of this subsection, the determination of the City shall be binding.

24.3 Layoff Notice. Any layoff initiated under the provisions of this MOU can take place at any time during the year. The City shall notify the affected Unit employees in writing at least twenty (20) working days prior to the employee's last day of work. The City reserves the right to pay the employee for such twenty (20) day period or any remaining portion thereof, and to require the employee to immediately vacate City property. A copy of any notice will be forwarded to the appropriate BPMA representative. Any notice of layoff shall specify the reason for the layoff and the effective date. The form, timing and procedure of any such notice shall be subject to the established grievance procedure for due process purposes, provided however, the City's decision to layoff is not subject to the grievance procedure except to the extent of any alleged illegal basis. The date of the layoff shall not be delayed by the pendency of a grievance.

24.4 Layoff Order. Any layoff shall be effective within the job classification or job classifications selected by the City. Once the City has determined which classification or classifications will be affected by the layoff, the order of layoff shall be based on seniority among employees in the classification with "satisfactory job performance" except where layoff is for economic reasons which shall follow the seniority rule. "Satisfactory job performance" as used in this section shall be established

when an employee has not more than two (2) overall less than satisfactory evaluations within the past five (5) years. For purposes of this Article, seniority is defined as the length of uninterrupted service within the classification of employees to be laid off as measured from the date of the layoff notice.

24.5 Reduction of Class. Any Unit employee who has been designated to be laid off may choose to be reduced in class and compensation to a lower class or position within the Unit, but only if the employee has greater seniority in that lower class or position than those employees currently in the lower class or position. In the event a reduction in class occurs, the Unit employee will be placed at the top step of the range established in the lower classification in the job series that the employee has previously held. In the event the classification is covered by the BPOA MOU, then the designated employee will be subject to the provisions outlined in the BPOA MOU. Seniority for purposes of layoff shall be determined by the total continuous time served by an employee in his/her current position in addition to any time served by the employee in a position in the same job series. If an employee leaves the service of the City for any period of time the employee's prior service shall not be considered as service for the purpose of calculating the employee's seniority for any purpose.

24.6 Equal Seniority. If two (2) or more employees subject to layoff have equal class seniority, then the determination as to who has greater seniority shall be based upon total length of uninterrupted service with the City.

24.7 Reemployment Rights. Laid off employees will be eligible for reemployment under the provisions of the Personnel Rules.

24.8 Reduction in Workweek. The Personnel Rules authorize the City Council to change or alter the work week by resolution.

## **ARTICLE 25 GRIEVANCE AND DISCIPLINE APPEALS PROCEDURE.**

25.1 Procedure. Subject to the provisions of this MOU, any permanent Unit employee who has a grievance, as defined below, or has been disciplined, as defined below, shall be entitled to have the matter reviewed through the procedures outlined in this Article. This Article shall also include and satisfy all rights which a permanent Unit employee may have under California Government Code Section 3304(b).

### **25.2 Definitions:**

(a) For the purposes of, and subject to the terms, provisions and conditions of, this MOU, "grievance" is defined as a dispute between an employee and the City, or the BPMA and the City, over the interpretation or application of this MOU, or the second denial of a step increase to an employee or a contested layoff where the employee contends that due process was not followed or some MOU provision or law has been violated in reaching the layoff decision. The decision to layoff remains within the sole discretion of the City and is not subject to meet and confer. The term "grievance" does not include "discipline" as defined herein.

(b) For the purposes of, and subject to the terms, provisions and conditions of, this MOU, "discipline" is limited to any action taken by the City against a permanent Unit member which is punishment or recognized discipline of the employee and which includes but is not limited to (i) an involuntary termination from City employment (ii) involuntary suspension from employment without pay or reduction in pay, (iii) involuntary move from one job classification to another job classification where the second job classification has a lower rate of pay at the top step than the top step of the job classification from which the employee was moved, or (iv) involuntary reduction in step within a job classification.

25.3 Informal Step. An attempt shall be made to ascertain all facts and adjust any grievance on an informal basis between the employee and, if he or she desires, the employee's representative, on the one hand, and the Police Chief, on the other hand. Presentation of such grievance shall be in writing and made within fourteen (14) calendar days of the incident causing the grievance, or the date on which the employee first became aware of it.

25.4 Step One. If a grievance or discipline dispute is not adjusted to the satisfaction of the employee and the BPMA under the procedures set forth immediately above, the employee or his/her representative may submit written notice to the City Manager of his/her intent to submit the matter to mediation. Such written notice must be delivered to the City Manager within fourteen (14) calendar days after the date of the Chief of Police's written decision on discipline or oral response to written grievances. The BPMA agrees that submission of any matter to mediation must be by mutual agreement of the BPMA and the City, with each party to bear their own costs. If the parties mutually agree to mediation, the following procedures apply:

(a) Within seven (7) calendar days of receipt of the written notice from the BPMA requesting mediation, the BPMA and the City shall request a list of seven (7) local mediators from the Federal Mediation and Conciliation Service.

(b) Within fourteen (14) calendar days of receipt of the list of local mediators, the City and the BPMA shall attempt to agree on a mediator to preside at the mediation. If the parties do not agree on a mediator, the City and the BPMA shall take turns striking the names of mediators from the FMCS list until one (1) name remains. The BPMA shall strike the first name.

(c) The parties shall contact the mediator to arrange for a mutually convenient time and date for the mediation.

(d) The parties shall split equally the costs of the mediation.

25.5 Grievances Related to MOU Interpretation. On grievances pertaining to the interpretation or administration of this MOU, the BPMA agrees that after mediation, if the parties have not reached a successful resolution, then the matter is referred to the City Manager for final decision after a hearing and the City Manager's decision shall be final. On disputes related to discipline, the procedure set forth below shall apply.

25.6 Grievances Related to Discipline. On grievances related to discipline, the written notice in Step One above shall set forth in detail the employee's and/or BPMA's view of the basis for the disciplinary dispute and shall separately set forth the issue or issues to be submitted to an advisory arbitrator, instead of a mediator. The procedures set forth below shall then be followed thereafter.

(a) Within seven (7) calendar days of receipt of the written notice of appeal of discipline, the City and the BPMA shall request a list of seven (7) local arbitrators from the Federal Mediation and Conciliation Service.

(b) Within fourteen (14) calendar days of receipt of the list of arbitrators, the City and the BPMA shall attempt to agree on an arbitrator to preside at the advisory arbitration hearing. If the parties do not agree on an arbitrator, the BPMA and the City shall take turns striking the names of arbitrators from the FMCS list until one (1) name remains. The BPMA shall strike the first name.

(c) The parties shall contact the arbitrator to arrange for a mutually convenient time and date for the advisory arbitration hearing.

(d) The City shall pay for the costs of the advisory arbitrator.

25.7 Step Two. Within seven (7) calendar days after the BPMA and City receive the advisory arbitrator's recommendation on the dispute related to discipline, either the BPMA or the Police Chief may submit written argument to the City Manager as to whether the arbitrator's opinion should be accepted, rejected or modified. Within fourteen (14) calendar days after the seven (7) day-period above has expired, the City Manager shall advise the BPMA and the Police Chief whether the City Manager is accepting, rejecting, or modifying the advisory arbitrator's recommended decision. The decision of the City Manager shall be final and binding.

25.8 Modification of Time Limits. The above time limits may be modified by mutual agreement of the City and the employee and/or the BPMA.

## **ARTICLE 26 SEVERABILITY CLAUSE.**

26.1 Severability. If any of the provisions contained in this MOU are determined to be unlawful, then only such provision(s) shall be deleted from this MOU with the remainder of this MOU remaining in force and effect. Upon the issuance of a decision by a court of competent jurisdiction declaring any section of this MOU to be unlawful, unenforceable, unconstitutional, or not applicable, the parties agree to meet and confer as soon as possible concerning only those sections.

## **ARTICLE 27 COMPLETE AGREEMENT.**

27.1 Entire Agreement. This MOU is the entire agreement between the parties, terminating all prior agreements, whether written or oral, arrangements and practices, and, except as otherwise provided herein, shall conclude all meetings and conferences during the term of this MOU.

27.2 Items Not Covered. All terms and conditions of employment not covered by this MOU shall continue to be subject to the City's direction and control.

## **ARTICLE 28 INVESTIGATION DOCUMENTS AND MATERIALS.**

The City shall continue to maintain investigation documents and material in accordance with the City's Records Management Program as set forth in Administrative Policy No. A-28, which was adopted by Resolution No. 2003-26.

## **ARTICLE 29 RE-OPENERS.**

During the term of this MOU, unless otherwise provided, the parties shall not meet and confer with respect to any subject or matter whether or not referred to in this MOU, unless mutually agreed to otherwise.

The parties agree, however, to the following re-opener:

In the event that the City General Fund reserves are reduced to less than \$1 million, the parties agree to re-open their contract to negotiate additional cost saving measures. In the event the City General Fund reserves are reestablished at \$3 million and ongoing revenues exceed expenditures in the proposed two year budget, the parties agree to re-open the contract to negotiate potential increases in compensation or benefits."

## **ARTICLE 30 RATIFICATION AND EXECUTION.**

This MOU has been developed as a result of meet and confer sessions between authorized representatives of the City and the BPMA regarding issues related to wages, hours and other terms and conditions of employment. The City's representatives and the BPMA have reached an understanding as to certain recommendations to be made to the City Council for the City of Banning and have agreed that the parties hereto will jointly urge said Council to adopt a new wage and benefit resolution which will provide for the changes contained in said joint recommendation. The parties hereto acknowledge that this MOU shall not be in full force and effect until adoption by the Banning City Council.

In witness whereof, the parties have caused their signatures to be affixed this  
\_\_\_\_ day of January, 2013.

City of Banning

Banning Police Management Association

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Andy Takata  
City Manager

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Mike West  
President

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June Overholt  
Administrative Services Director/  
Deputy City Manager

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Phil Holder  
Board Member

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Rita Chapparosa,  
Deputy HR Director/Employee  
Relations Officer

**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>
01	Hourly Biweekly Annual	5,1500 412.00 10,712.00	5,2814 422.51 10,985.22	5,4461 433.28 11,265.41	5,5542 444.34 11,552.74	5,6595 455.67 11,847.41	5,8411 467.29 12,149.59	5,9901 479.21 12,459.48	6,1429 491.43 12,777.27	6,2936 503.97 13,103.16	6,4603 516.82 13,437.37	6,6251 530.00 13,780.11	6,7940 543.52 14,131.58
02	Hourly Biweekly Annual	5,2784 422.27 10,979.00	5,4130 433.04 11,259.03	5,5511 444.08 11,546.20	5,6926 455.41 11,840.70	5,8378 467.03 12,142.71	5,9867 478.94 12,452.42	6,1394 491.16 12,770.03	6,2960 503.46 13,095.75	6,4566 516.53 13,429.77	6,6213 529.70 13,772.31	6,7902 543.21 14,123.58	6,9634 557.07 14,483.82
03	Hourly Biweekly Annual	5,4106 452.85 11,254.00	5,5486 443.89 11,541.04	5,6901 465.21 11,895.41	5,8352 466.82 12,137.28	5,9841 478.73 12,446.86	6,1367 490.94 12,764.38	6,2932 503.46 13,089.59	6,4537 516.30 13,423.77	6,6183 529.47 13,766.15	6,7871 542.97 14,117.27	6,9603 556.82 14,477.35	7,1378 571.02 14,846.61
04	Hourly Biweekly Annual	5,5457 443.65 11,555.00	5,6871 454.97 11,829.21	5,8322 466.57 12,440.34	5,9809 478.47 12,757.64	6,1335 490.68 13,083.04	6,2899 503.19 13,416.73	6,4504 516.03 13,758.94	6,6149 529.19 14,109.88	6,7836 542.69 14,469.76	6,9566 556.53 14,838.83	7,1341 570.72 15,489.76	7,3160 585.28 15,217.31
05	Hourly Biweekly Annual	5,6846 454.77 11,824.00	5,8296 466.37 12,125.58	5,9783 478.26 12,452.02	6,1308 490.46 13,077.27	6,2872 502.97 13,410.82	6,4475 515.80 13,752.88	6,6120 528.96 14,103.66	6,7806 542.45 14,463.39	6,9536 556.28 14,852.29	7,1309 570.47 15,210.60	7,3128 585.02 15,210.60	7,4993 599.94 15,598.57
06	Hourly Biweekly Annual	5,8264 466.12 12,119.00	5,9751 478.00 12,428.11	6,1275 502.45 12,745.10	6,2837 515.27 13,070.17	6,4440 515.52 13,403.54	6,6084 528.67 13,745.41	6,7769 542.15 14,096.00	6,9498 555.98 14,455.54	7,1270 570.16 14,824.24	7,3088 584.71 15,202.35	7,4952 599.62 15,590.10	7,6864 614.91 15,937.74
07	Hourly Biweekly Annual	5,9721 477.77 12,422.00	6,1244 489.96 12,738.84	6,2807 502.45 13,063.75	6,4408 515.27 13,396.96	6,6051 515.52 13,738.66	6,7736 541.89 14,089.08	6,9464 555.71 14,448.43	7,1235 569.88 14,816.96	7,3052 584.42 15,194.88	7,4916 599.32 15,582.44	7,6826 614.61 15,979.88	7,8786 630.29 16,337.47
08	Hourly Biweekly Annual	6,1216 489.73 12,733.00	6,2778 502.22 13,057.77	6,4379 515.03 13,390.82	6,6021 528.17 13,732.37	6,7705 541.64 14,082.82	6,9432 555.45 14,441.81	7,1203 569.33 14,802.49	7,3019 583.95 15,180.04	7,4842 598.74 15,567.23	7,6791 614.01 15,575.30	7,8750 614.33 15,972.56	8,0795 630.00 16,379.96
09	Hourly Biweekly Annual	6,2745 501.96 13,051.00	6,4346 514.76 13,383.88	6,5987 527.89 13,725.25	6,7670 541.36 14,075.32	6,9360 555.7 14,434.53	7,1166 568.03 14,794.88	7,2981 583.55 15,172.24	7,4804 598.43 15,559.22	7,6482 613.70 15,956.08	7,8669 629.35 16,363.05	8,0675 645.40 16,363.05	8,2775 661.36 16,789.04
10	Hourly Biweekly Annual	6,4313 514.50 13,377.00	6,5953 527.62 13,718.19	6,7655 541.08 14,068.09	6,9365 554.88 14,426.91	7,1097 568.78 15,168.39	7,2911 583.28 15,552.20	7,4770 598.16 15,948.87	7,6677 613.42 16,355.67	7,8633 629.06 16,772.83	8,0639 645.11 17,200.64	8,2695 661.56 17,208.41	8,4843 678.44 17,217.26
11	Hourly Biweekly Annual	6,5923 527.38 13,712.00	6,7605 541.74 14,420.40	6,9329 554.53 14,788.20	7,1063 568.50 15,158.12	7,2911 583.00 15,544.75	7,4776 597.87 15,941.23	7,6641 613.12 16,347.88	7,8595 628.76 16,764.80	8,0600 644.80 17,192.40	8,2656 661.25 17,680.91	8,4764 678.11 17,680.91	8,6968 695.41 18,080.60
12	Hourly Biweekly Annual	6,7572 540.58 14,055.00	6,9296 554.36 14,413.49	7,1063 568.12 14,781.12	7,2876 583.00 15,158.12	7,4784 597.87 15,544.75	7,6641 613.12 15,941.23	7,8595 628.76 16,347.88	8,0600 644.80 17,192.40	8,2656 661.25 17,680.91	8,4764 678.11 17,680.91	8,6968 695.41 18,080.60	8,9186 695.74 18,541.77

**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>		
13	Hourly Biweekly Annual	6,9260 554,08 14,406.00	7,1026 568,21 14,773,44	7,2938 582,70 15,150,25	7,4696 597,56 15,536,67	7,6601 612,81 15,932,95	7,8555 628,44 16,339,44	8,0518 644,14 16,755,09	8,2571 660,57 17,183,47	8,4677 677,42 17,621,75	8,6837 694,70 18,071,21	8,9052 712,42 18,532,14	8,9097 712,77 19,004,82	9,1569 730,95 19,489,55	
14	Hourly Biweekly Annual	7,0990 567,92 14,766,00	7,2801 582,41 15,142,62	7,4688 587,26 15,528,85	7,6562 612,50 15,924,93	7,8515 628,12 16,331,11	8,0518 644,14 16,747,65	8,2530 660,24 17,174,82	8,4635 677,08 17,612,88	8,6793 694,35 18,062,11	8,9007 712,06 18,522,80	9,1323 730,59 18,995,25	9,3653 749,22 19,479,74	9,6041 768,33 19,976,59	
15	Hourly Biweekly Annual	7,22764 552,12 15,155,00	7,4620 596,96 15,521,03	7,6524 612,19 15,916,91	7,8475 632,89 16,322,89	8,0477 645,82 16,739,22	8,2530 660,24 17,166,17	8,4635 677,08 17,604,01	8,6793 694,35 18,053,02	8,9007 712,06 18,513,48	9,1277 730,22 18,955,59	9,3605 748,84 19,469,93	9,5993 767,94 19,956,53	9,8441 787,53 20,475,80	
16	Hourly Biweekly Annual	7,45857 556,69 15,514,00	7,6489 611,91 15,908,70	7,8440 627,52 16,315,49	8,0441 643,52 16,731,64	8,2482 659,94 17,158,39	8,4596 676,77 17,596,03	8,6754 694,03 18,044,84	8,8867 711,73 18,505,09	9,1236 729,89 18,977,08	9,3563 748,50 19,461,11	9,5949 767,60 19,957,49	9,8397 787,17 20,466,52	10,0906 807,25 20,988,54	
17	Hourly Biweekly Annual	7,6452 611,62 15,902,00	7,8402 627,22 16,307,60	8,0402 643,21 16,723,54	8,2452 659,62 17,150,09	8,4555 676,44 17,587,52	8,6712 693,70 18,036,11	8,8924 711,39 18,496,13	9,1192 729,53 18,967,90	9,3518 748,14 19,451,69	9,5903 767,22 19,947,83	9,8349 786,79 20,456,62	10,0858 806,96 20,978,38	10,3430 827,44 21,513,46	
18	Hourly Biweekly Annual	7,8381 626,88 16,299,00	8,0359 642,87 16,714,72	8,2409 659,27 17,141,05	8,4511 676,09 17,578,25	8,6626 693,33 18,026,80	8,8666 711,01 18,486,38	9,0877 729,15 18,957,90	9,1144 747,75 19,441,44	9,3468 766,47 19,928,10	9,5852 786,01 20,436,39	9,8297 806,06 20,957,64	10,0804 826,62 21,492,18	10,3376 847,71 22,040,36	10,6012 848,10 22,050,55
19	Hourly Biweekly Annual	8,0322 632,58 16,707,00	8,2371 658,97 17,138,13	8,4472 675,77 17,570,13	8,6626 693,01 18,018,27	8,8836 710,99 18,477,84	9,1102 728,81 18,949,14	9,3425 747,40 19,432,46	9,5608 766,47 19,928,10	9,8200 786,01 20,436,39	10,0758 806,06 20,957,64	10,3328 826,62 21,492,18	10,5963 847,71 22,040,36	10,8666 869,33 22,602,52	
20	Hourly Biweekly Annual	8,2327 638,62 17,124,00	8,4427 657,41 17,560,76	8,6680 682,64 18,004,67	8,8788 710,31 18,468,00	9,1053 728,42 18,939,04	9,3375 747,00 19,422,10	9,5757 765,67 19,907,54	9,8200 785,60 20,425,50	10,0704 805,63 20,946,47	10,3273 826,18 21,470,01	10,5907 847,25 22,028,62	10,8608 868,86 22,590,48	11,1378 889,03 23,166,67	
21	Hourly Biweekly Annual	8,4355 675,08 17,552,00	8,6537 692,30 17,998,68	8,8744 709,95 18,455,78	9,1008 728,06 18,929,59	9,3329 746,63 19,412,41	9,5709 765,67 19,907,54	9,8150 785,20 20,415,30	10,0554 805,23 20,936,02	10,3221 825,77 21,459,66	10,5854 846,42 21,470,01	10,8554 866,01 22,007,01	11,1323 886,32 22,579,62	11,1323 905,58 23,155,11	
22	Hourly Biweekly Annual	8,6495 705,27 17,991,00	8,8701 709,61 18,449,88	9,0964 745,91 18,921,46	9,3284 746,27 19,403,05	9,5617 765,31 19,897,94	9,8056 784,45 20,395,64	9,9813 804,46 20,915,85	10,0605 804,84 21,449,33	10,3122 824,97 21,996,42	10,8449 846,02 22,557,46	11,1269 867,17 23,132,81	11,1269 889,72 23,143,94	11,1323 912,86 23,734,25	
23	Hourly Biweekly Annual	8,8659 727,36 18,441,00	9,0920 745,54 18,911,36	9,3239 764,94 19,398,71	9,5617 784,06 19,888,37	9,8007 804,06 20,385,55	9,9856 824,57 20,905,50	10,0557 845,60 21,438,72	10,3122 845,60 21,985,53	10,5752 867,17 22,546,30	10,8449 889,28 23,121,36	11,1269 911,97 23,711,09	11,1269 935,59 24,315,87	11,1323 936,14 24,339,62	
24	Hourly Biweekly Annual	9,0875 727,00 18,902,00	9,3193 745,54 19,384,11	9,5570 764,56 19,878,53	9,8007 784,06 20,385,55	10,0507 804,06 20,905,50	10,3071 824,57 21,438,72	10,5700 845,60 21,985,53	10,8396 867,17 22,546,30	11,1160 889,28 23,121,36	11,3996 911,97 23,711,09	11,6961 935,59 24,315,87	11,9885 959,08 24,936,07	12,2943 983,54 25,572,09	

**City of Banning**  
**Salary Schedule**  
**2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>
25	Hourly	9,314.9	9,552.5	9,796.1	10,046.0	10,302.2	10,565.0	10,834.5	11,110.8	11,394.2	11,684.8	12,288.5	12,601.9
	Biweekly	745.19	764.20	783.69	803.68	824.18	845.20	866.76	888.86	911.54	934.79	958.63	983.08
	Annual	19,375.00	19,869.18	20,357.96	20,895.67	21,428.64	21,975.20	22,535.69	23,110.49	23,698.95	24,304.44	24,924.35	25,560.07
26	Hourly	9,547.6	9,791.1	10,040.8	10,297.0	10,559.6	10,828.9	11,105.1	11,388.4	11,675.8	11,976.7	12,282.2	12,595.5
	Biweekly	763.81	783.29	803.27	823.76	844.77	866.31	888.41	911.07	934.31	958.14	982.88	1,007.64
	Annual	19,889.00	20,365.52	20,884.97	21,417.66	21,963.94	22,524.15	23,088.65	23,687.80	24,291.99	24,911.58	25,546.97	26,198.57
27	Hourly	9,786.1	10,0357	10,2216	10,554.1	10,823.3	11,099.4	11,382.5	11,672.8	11,970.5	12,275.9	12,589.0	12,910.1
	Biweekly	782.88	802.85	823.33	844.33	865.87	887.95	910.60	933.82	957.64	982.07	1,007.12	1,032.80
	Annual	20,385.00	20,874.17	21,406.59	21,952.59	22,512.51	23,086.71	23,675.56	24,279.43	24,898.70	25,533.77	26,185.04	26,822.91
28	Hourly	10,0308	10,2866	10,5490	10,8180	11,094.0	11,376.9	11,657.1	11,964.7	12,269.9	12,592.8	12,903.8	13,222.9
	Biweekly	802.46	822.93	843.92	865.44	887.52	910.15	933.37	957.18	981.59	1,006.63	1,032.30	1,058.63
	Annual	20,884.00	21,396.16	21,941.89	22,501.54	23,075.46	23,664.02	24,267.60	24,886.57	25,521.33	26,172.27	26,839.82	27,524.40
29	Hourly	10,2817	10,5440	10,8129	11,0887	11,3715	11,6616	11,9550	12,2640	12,576.8	12,887.6	13,226.6	13,570.4
	Biweekly	822.54	843.52	865.03	887.10	909.72	932.93	956.72	981.12	1,006.15	1,031.81	1,058.13	1,085.63
	Annual	21,386.00	21,931.47	22,480.86	23,064.51	23,632.79	24,256.03	24,874.75	25,509.21	26,159.85	26,827.08	27,511.33	28,213.04
30	Hourly	10,5389	10,8077	11,0834	11,3681	11,6560	11,9533	12,2582	12,5708	12,8915	13,2203	13,5575	13,9033
	Biweekly	843.12	864.62	886.67	908.29	932.48	956.26	980.66	1,005.67	1,031.32	1,057.62	1,084.60	1,112.26
	Annual	21,921.00	22,480.12	23,053.49	23,641.50	24,244.50	24,862.88	25,497.03	26,147.36	26,814.27	27,498.20	28,199.57	28,918.82
31	Hourly	10,8024	11,0779	11,3605	11,6502	11,9474	12,2521	12,5646	12,8851	13,2137	13,5508	13,8964	14,2579
	Biweekly	864.19	886.23	908.84	932.02	955.79	980.17	1,005.17	1,030.81	1,057.10	1,084.06	1,111.71	1,140.63
	Annual	22,469.00	23,042.09	23,629.81	24,232.51	24,850.58	25,484.42	26,134.43	26,801.01	27,484.60	28,185.62	28,904.52	29,656.43
32	Hourly	11,0721	11,3545	11,6441	11,9411	12,2457	12,5580	12,8783	13,2068	13,5437	13,8891	14,2434	14,6143
	Biweekly	885.77	908.36	931.53	955.29	979.56	1,004.64	1,030.27	1,056.55	1,083.49	1,111.13	1,139.47	1,169.15
	Annual	23,030.00	23,617.40	24,219.79	24,837.54	25,471.04	26,120.71	26,786.34	27,470.17	28,170.83	28,899.35	29,626.20	30,397.80
33	Hourly	11,3490	11,6385	11,9354	12,2398	12,5520	12,8721	13,2004	13,5371	13,8824	14,2365	14,5996	14,9720
	Biweekly	907.92	931.08	954.63	979.18	1,004.16	1,029.77	1,056.03	1,082.97	1,110.59	1,138.92	1,167.97	1,197.76
	Annual	23,606.00	24,208.09	24,822.55	25,458.75	26,108.10	26,774.01	27,456.91	28,157.22	28,875.40	29,611.90	30,367.18	31,141.72
34	Hourly	11,6327	11,9294	12,2337	12,5457	12,8657	13,1938	13,5304	13,8755	14,2294	14,5923	14,9645	15,3432
	Biweekly	930.62	954.35	978.69	1,003.66	1,028.26	1,055.51	1,082.43	1,110.04	1,138.35	1,167.38	1,197.16	1,227.70
	Annual	24,196.00	24,813.14	25,446.03	26,095.05	26,760.63	27,443.19	28,143.16	28,860.98	29,597.10	30,342.01	31,126.17	31,920.07
35	Hourly	11,9236	12,2277	12,5386	12,8594	13,1874	13,5237	13,8687	14,2224	14,5852	14,9572	15,3387	15,7289
	Biweekly	953.88	978.21	1,003.16	1,028.75	1,054.99	1,081.90	1,109.49	1,137.79	1,166.81	1,195.57	1,227.09	1,259.01
	Annual	24,801.00	25,433.57	26,082.28	26,747.54	27,429.76	28,129.38	28,846.85	29,562.62	30,337.15	31,110.93	31,904.45	32,718.20
36	Hourly	12,2216	12,5334	12,8590	13,1809	13,5171	13,8618	14,2154	14,5780	14,9498	15,3311	15,7221	16,1311
	Biweekly	977.73	1,002.67	1,028.24	1,054.47	1,081.36	1,108.95	1,137.25	1,166.24	1,195.98	1,226.49	1,257.77	1,289.85
	Annual	25,421.00	26,069.39	26,734.31	27,416.20	28,115.48	28,832.59	29,567.99	30,322.16	31,095.55	31,886.66	32,702.03	33,556.13

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**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>
37	Hourly Biweekly Annual	12,5274 1,002.19 26,057.00	12,8469 1,027.75 26,721.61	13,11746 1,053.97 27,403.17	13,5106 1,080.85 28,102.12	13,85952 1,136.42 28,818.89	14,20866 1,165.68 30,307.75	14,5710 1,195.41 31,080.78	14,9427 1,195.41 31,873.52	15,3238 1,225.90 32,552.19	15,7147 1,257.17 33,520.19	16,1155 1,289.24 34,375.16	16,5265 1,322.12 35,251.93
38	Hourly Biweekly Annual	12,8404 1,052.23 26,708.00	13,1679 1,053.43 27,389.22	13,5038 1,080.30 28,087.81	13,8482 1,107.85 28,804.21	14,2014 1,136.11 29,538.89	14,5636 1,165.09 30,292.31	14,9351 1,194.81 31,064.95	15,3160 1,225.28 31,857.29	15,7067 1,256.53 32,668.84	16,1073 1,288.58 33,503.12	16,5181 1,321.45 34,357.65	16,9394 1,355.15 35,233.98
39	Hourly Biweekly Annual	13,1615 1,052.92 27,376.00	13,4972 1,079.78 28,074.25	13,8415 1,107.32 28,780.31	14,1945 1,135.56 29,524.64	14,5566 1,164.53 30,277.70	14,9279 1,194.23 31,049.96	15,3086 1,224.69 32,654.08	15,6991 1,255.93 33,486.95	16,0995 1,287.95 34,341.07	16,5101 1,320.81 35,216.97	16,9312 1,354.50 36,115.22	17,3631 1,389.05 37,036.37
40	Hourly Biweekly Annual	13,4904 1,079.23 28,050.00	13,8345 1,106.76 28,775.70	14,1873 1,134.99 29,509.65	14,5492 1,163.94 30,262.32	14,9203 1,193.05 31,034.20	15,3008 1,224.07 31,825.75	15,6911 1,255.29 32,637.50	16,0913 1,287.31 33,469.95	16,5017 1,320.14 34,323.64	16,9226 1,353.81 35,199.10	17,3543 1,388.34 36,096.88	17,7969 1,423.75 37,017.57
41	Hourly Biweekly Annual	13,8279 1,116.23 28,752.00	14,1806 1,134.45 29,495.60	14,5423 1,163.38 30,247.92	14,9132 1,193.05 31,019.42	14,9293 1,223.48 31,810.60	15,6836 1,254.69 32,621.96	16,0837 1,286.69 33,454.02	16,4939 1,319.51 34,307.30	16,9146 1,353.17 35,182.34	17,3460 1,387.68 36,079.70	17,7884 1,423.08 36,999.95	18,2508 1,460.07 37,943.67
42	Hourly Biweekly Annual	14,1736 1,153.88 29,481.00	14,5351 1,162.81 30,232.94	14,9058 1,192.46 31,004.06	15,2860 1,222.88 31,794.85	15,6759 1,254.07 32,605.81	16,0757 1,286.06 33,437.46	16,4857 1,318.86 34,290.31	16,9062 1,352.50 35,164.92	17,3374 1,386.99 36,061.84	17,7796 1,422.37 36,981.63	18,2331 1,452.37 37,924.88	18,7074 1,496.59 38,884.18
43	Hourly Biweekly Annual	14,5279 1,182.23 30,218.00	14,9984 1,191.87 30,988.74	15,2784 1,222.27 31,779.14	15,6681 1,253.45 32,589.70	16,0678 1,285.42 33,420.93	16,4776 1,318.21 34,273.36	16,8979 1,351.83 35,147.54	17,3289 1,386.31 36,963.01	17,7708 1,421.67 36,963.35	18,2241 1,457.93 37,906.14	18,6889 1,495.11 38,872.97	19,1656 1,533.25 39,864.47
44	Hourly Biweekly Annual	14,8909 1,191.27 30,973.00	15,2707 1,221.65 31,763.00	15,6602 1,255.81 32,573.14	16,0596 1,284.77 33,387.13	16,4692 1,317.54 34,238.70	16,8893 1,351.14 35,129.69	17,3201 1,385.60 36,025.71	17,7618 1,420.95 36,944.58	18,2057 1,457.19 37,886.89	18,6794 1,484.35 38,853.23	19,1559 1,532.47 39,824.15	19,6445 1,571.56 40,860.49
45	Hourly Biweekly Annual	15,2680 1,221.04 31,747.00	15,6523 1,252.18 32,556.74	16,0515 1,284.12 33,387.13	16,4609 1,316.87 34,238.70	16,8898 1,350.48 35,112.00	17,3113 1,384.91 36,007.56	17,7529 1,420.23 36,925.97	18,2057 1,456.45 37,887.80	18,6700 1,493.60 38,833.66	19,1462 1,531.70 39,824.15	19,6346 1,570.77 40,839.91	20,1354 1,610.83 41,881.57
46	Hourly Biweekly Annual	15,6447 1,251.58 32,541.00	16,0437 1,283.50 33,37.99	16,4530 1,316.24 34,222.15	16,8726 1,349.81 35,095.02	17,3030 1,384.24 35,990.16	17,7443 1,419.54 36,908.12	18,1969 1,455.75 37,849.50	18,6610 1,492.16 38,814.89	19,1370 1,530.96 39,804.90	19,6251 1,570.01 40,820.16	20,1256 1,610.05 41,861.32	20,1455 1,651.12 42,929.04
47	Hourly Biweekly Annual	16,0361 1,315.61 33,355.00	16,4451 1,348.16 34,205.75	16,8645 1,383.57 35,078.20	17,2947 1,418.86 35,972.91	17,7358 1,458.34 36,890.43	18,1882 1,491.43 37,831.36	18,6521 1,529.47 38,796.29	19,1278 1,568.49 39,755.83	19,6157 1,590.22 39,804.90	20,1160 1,609.28 40,800.60	20,6291 1,650.33 41,841.26	21,1552 1,692.42 42,908.47
48	Hourly Biweekly Annual	16,4370 1,314.96 34,119.00	16,8563 1,348.50 35,061.02	17,2862 1,382.90 35,955.29	17,7271 1,418.17 36,872.37	18,1792 1,453.34 37,812.83	18,6429 1,491.43 38,777.29	19,1184 1,529.47 39,766.34	19,6061 1,568.49 39,720.77	20,1061 1,608.49 40,780.62	20,6190 1,649.52 41,820.77	21,1449 1,691.59 42,887.45	21,6842 1,734.74 43,981.34

**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>		
49	Hourly Biweekly Annual	16,847.66 1,347.81 35,043.00	17,227.73 1,382.18 35,936.81	18,169.99 1,417.44 36,853.41	18,633.33 1,453.59 37,793.39	19,108.66 1,480.67 38,757.35	19,596.0 1,528.69 39,745.90	20,085.8 1,567.68 40,739.66	20,598.2 1,607.66 41,799.27	20,608.4 1,648.67 42,865.40	21,673.0 1,690.72 43,958.73	22,2258 1,733.84 45,079.94	22,7927 1,778.07 46,229.75		
50	Hourly Biweekly Annual	17,268.88 1,381.50 35,919.00	17,7092 1,416.74 36,835.15	18,160.9 1,452.87 37,774.67	18,624.41 1,489.33 38,738.15	19,099.1 1,527.93 39,726.20	19,586.3 1,566.90 40,738.46	20,085.8 1,605.87 41,778.56	20,598.2 1,647.85 42,844.16	21,625 1,685.88 43,936.95	21,682.3 1,732.98 45,057.60	22,7814 1,777.19 46,206.84	23,3625 1,822.52 47,395.39	23,9466 1,869.00 48,594.01	
51	Hourly Biweekly Annual	17,7005 1,416.04 36,817.00	18,151.9 1,452.16 37,756.05	18,614.9 1,489.19 38,719.06	19,0897 1,527.18 39,706.63	19,576.6 1,566.13 40,719.39	20,0759 1,606.06 41,757.97	20,5880 1,647.04 42,823.05	21,1131 1,689.05 43,915.30	21,6516 1,732.13 45,035.40	22,2039 1,776.31 46,184.07	22,7702 1,821.62 47,362.05	23,3510 1,868.08 48,570.06	23,9466 1,915.73 49,808.89	
52	Hourly Biweekly Annual	18,1433 1,451.46 37,738.00	18,6060 1,483.48 38,700.55	19,0006 1,526.45 39,637.64	19,5673 1,565.38 40,699.91	20,0663 1,605.31 41,738.01	20,5782 1,645.25 42,802.58	21,1030 1,688.24 43,894.30	21,6413 1,731.30 45,013.87	22,1933 1,775.46 46,161.99	22,7593 1,820.75 47,339.40	23,3398 1,867.19 48,546.84	23,9351 1,914.81 49,785.07	24,5456 1,963.65 51,054.89	
53	Hourly Biweekly Annual	18,5966 1,487.73 38,651.00	19,0710 1,525.68 39,667.60	19,5574 1,564.59 40,679.36	20,0562 1,604.50 41,716.93	20,5678 1,645.42 42,760.96	21,0924 1,687.39 43,872.13	21,6304 1,730.43 44,991.13	22,1821 1,774.56 46,138.68	22,7478 1,819.83 47,315.49	23,3280 1,866.24 48,522.32	23,9230 1,913.84 49,759.93	24,5332 1,962.66 51,029.11	25,1590 2,012.72 52,330.65	
54	Hourly Biweekly Annual	19,0615 1,524.92 39,648.00	19,5477 1,563.82 40,659.26	20,0463 1,603.70 41,666.32	20,5576 1,644.61 42,759.82	21,0819 1,685.56 43,850.46	21,6197 1,729.57 44,968.91	22,1711 1,773.69 46,115.88	22,7366 1,818.93 47,292.11	23,3165 1,865.32 48,498.35	23,9112 1,912.90 49,753.35	24,5211 1,961.69 51,003.89	25,1465 2,011.72 52,304.80	25,7879 2,063.03 53,638.89	
55	Hourly Biweekly Annual	19,5380 1,563.04 40,639.00	20,0363 1,602.91 41,675.54	20,5474 1,643.79 42,738.51	21,0714 1,685.72 43,828.60	21,6089 1,728.71 44,946.50	22,1600 1,772.80 46,092.90	22,7253 1,818.02 47,268.55	23,3049 1,864.39 48,474.18	23,8993 1,911.94 49,710.56	24,5089 1,960.71 50,978.48	25,1340 2,010.72 52,278.73	25,7751 2,052.01 53,612.16	26,4325 2,114.60 54,979.59	
56	Hourly Biweekly Annual	20,0264 1,602.12 41,635.00	20,5372 1,642.98 42,717.45	21,0611 1,684.88 43,807.00	21,5982 1,727.86 44,924.35	22,1491 1,771.93 46,070.19	22,7141 1,817.13 47,245.25	23,2934 1,863.47 48,450.59	23,8875 1,911.00 49,866.06	24,4988 1,959.74 50,953.35	25,1216 2,009.73 52,227.95	25,7624 2,060.99 53,585.74	26,4195 2,113.56 54,952.49	27,0933 2,167.47 56,354.11	
57	Hourly Biweekly Annual	20,5274 1,662.19 42,637.00	21,0510 1,684.08 43,786.03	21,5879 1,727.03 44,902.84	22,1385 1,771.08 46,048.13	22,7032 1,816.26 47,222.63	23,2823 1,862.58 48,427.09	23,8761 1,910.09 49,662.27	24,4851 1,968.81 50,928.96	25,1096 2,008.77 52,227.95	25,7371 2,067.76 53,533.13	25,7500 2,060.00 53,550.08	26,4068 2,112.55 54,926.18	27,0804 2,166.43 56,327.13	27,7711 2,220.57 57,734.75
58	Hourly Biweekly Annual	21,0404 1,663.23 43,764.00	21,5770 1,726.16 44,880.24	22,1274 1,770.19 46,024.96	22,6918 1,815.34 47,198.87	23,2705 1,861.64 48,402.73	23,3641 1,909.13 49,637.29	24,4728 1,957.82 50,903.34	25,0970 2,007.76 52,201.68	25,7371 2,056.97 53,533.13	26,3935 2,057.76 54,898.55	26,4067 2,111.48 56,270.89	27,7571 2,165.34 56,298.79	28,4651 2,277.21 57,734.75	
59	Hourly Biweekly Annual	21,5663 1,725.31 44,888.00	22,1164 1,769.31 46,002.15	22,6805 1,814.44 47,175.48	23,2590 1,860.72 48,378.74	23,8523 1,905.18 49,612.68	24,4606 1,956.85 50,878.11	25,0845 2,006.76 52,175.80	25,7243 2,057.95 53,506.60	26,3805 2,058.77 54,871.34	27,0533 2,110.44 56,270.89	27,7433 2,164.26 57,706.13	28,4510 2,219.47 59,177.98	29,1766 2,276.08 60,687.38	
60	Hourly Biweekly Annual	22,1058 1,758.46 45,980.00	22,6696 1,813.57 47,152.77	23,2478 1,855.82 48,355.44	23,8408 1,907.26 49,588.80	24,4489 1,955.91 50,853.61	25,0724 2,005.80 52,150.68	25,7119 2,056.96 53,480.84	26,3677 2,109.42 54,844.92	27,0403 2,163.22 56,243.79	27,7300 2,184.40 57,678.35	28,4373 2,218.40 59,149.49	29,1626 2,274.98 60,658.16	29,9064 2,333.01 62,205.31	

**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<b>Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>	<b>Step 9</b>	<b>Step 10</b>	<b>Step 11</b>	<b>Step 12</b>	<b>Step 13</b>
61	Hourly Biweekly Annual	22,6382 1,812.65 47,129.00	23,2361 1,858.89 48,331.07	23,8288 1,906.30 49,563.80	24,4365 1,954.92 50,827.98	25,0598 2,004.78 52,124.40	25,6990 2,055.92 53,453.88	26,3555 2,108.36 55,215.45	27,0567 2,162.13 57,649.28	27,7160 2,217.28 59,119.68	28,4229 2,273.83 60,627.59	29,1473 2,331.83 62,173.95	29,8913 2,391.31 63,759.76
62	Hourly Biweekly Annual	23,2245 1,857.96 48,307.00	23,8169 1,903.35 49,539.12	24,4244 1,953.00 50,802.66	25,0473 2,003.79 52,098.44	25,6862 2,054.59 53,427.26	26,3413 2,107.31 54,789.97	27,0132 2,161.06 56,187.45	27,7022 2,216.18 57,620.56	28,4088 2,272.70 59,090.23	29,1334 2,330.67 60,597.39	29,8764 2,390.11 62,142.99	30,6985 2,451.08 63,728.01
63	Hourly Biweekly Annual	23,8053 1,904.42 49,515.00	24,4125 1,953.00 50,777.93	25,0351 2,002.81 52,073.97	25,6737 2,053.89 53,401.25	26,3265 2,105.28 54,763.30	27,0000 2,160.00 56,160.09	27,6887 2,215.10 57,592.51	28,3949 2,271.59 59,081.47	29,1192 2,329.53 60,567.89	29,8619 2,388.95 62,112.73	30,6235 2,449.88 63,696.98	31,4046 2,512.37 65,321.63
64	Hourly Biweekly Annual	24,4005 1,932.04 50,753.00	25,0228 2,001.83 52,047.51	25,6611 2,052.89 53,375.03	26,3156 2,105.25 54,736.41	26,9868 2,158.94 56,132.52	27,6751 2,214.01 57,564.24	28,3810 2,270.48 59,032.47	29,1049 2,328.39 60,558.15	29,8472 2,387.78 62,082.24	30,6085 2,448.68 63,685.71	31,3892 2,511.14 65,289.57	32,2056 2,576.45 66,954.84
65	Hourly Biweekly Annual	25,0106 2,000.85 52,022.00	25,6485 2,051.88 53,348.87	26,3027 2,104.21 55,105.01	26,9736 2,157.89 57,536.03	27,6616 2,212.92 59,003.54	28,3671 2,269.37 60,508.48	29,0906 2,327.25 62,051.81	29,8326 2,386.61 63,634.51	30,5985 2,447.48 65,257.57	31,3738 2,509.91 66,922.03	32,1741 2,573.92 68,225.94	32,9947 2,639.57 70,379.39
66	Hourly Biweekly Annual	25,6356 2,050.85 53,322.00	26,2894 2,103.16 54,682.03	26,9600 2,155.80 56,075.75	27,6476 2,211.81 57,507.04	28,3528 2,266.22 58,973.82	29,0760 2,326.08 60,478.01	29,8176 2,385.41 62,020.56	30,5985 2,446.25 63,602.45	31,3580 2,508.64 65,224.70	32,1578 2,572.63 66,888.32	32,9781 2,638.25 68,594.37	33,8192 2,705.54 70,343.94
67	Hourly Biweekly Annual	26,2784 2,102.12 54,655.00	26,9466 2,155.73 56,049.03	27,6340 2,210.72 57,478.62	28,3388 2,267.10 58,944.67	29,0616 2,324.93 60,448.11	29,8028 2,384.23 61,989.90	30,5630 2,445.04 63,571.01	31,3425 2,507.40 65,192.46	32,1419 2,571.36 66,855.25	32,9618 2,636.94 68,560.46	33,8025 2,704.20 70,309.17	34,6647 2,773.17 72,102.47
68	Hourly Biweekly Annual	26,9337 2,154.69 56,022.00	27,6206 2,209.65 57,450.90	28,3251 2,266.01 58,916.24	29,0476 2,323.81 60,418.96	29,7885 2,385.08 61,960.00	30,5482 2,443.86 63,540.36	31,3274 2,506.19 65,161.02	32,1264 2,570.12 66,823.01	32,9459 2,635.67 68,527.40	33,7862 2,693.67 70,275.26	34,6479 2,702.89 72,067.70	35,5317 2,771.83 73,905.86
69	Hourly Biweekly Annual	27,6067 2,208.54 57,422.00	28,3109 2,264.87 60,386.57	29,0330 2,322.64 61,928.84	29,7735 2,381.88 63,508.40	30,5329 2,442.63 66,756.96	31,3117 2,504.93 68,459.66	32,1103 2,567.58 70,205.79	32,9293 2,634.34 71,996.46	33,7692 2,701.54 73,239.91	34,6305 2,770.44 73,832.80	35,5138 2,771.83 75,752.78	36,4379 2,841.10 77,584.93
70	Hourly Biweekly Annual	28,2971 2,263.77 60,359.00	29,0189 2,321.51 61,895.75	29,7590 2,386.22 63,477.54	30,5181 2,441.44 65,064.00	31,2964 2,502.46 66,723.52	32,0847 2,566.29 68,425.37	32,9133 2,631.75 70,170.63	33,7528 2,767.71 71,960.40	34,6137 2,839.72 73,795.82	35,4985 2,912.15 75,678.06	36,4196 2,984.93 77,647.19	37,3485 2,915.03 79,587.78
71	Hourly Biweekly Annual	29,0043 2,320.35 60,329.00	29,7441 2,386.75 61,867.75	30,5028 2,445.75 63,445.75	31,2808 2,502.46 65,064.00	32,0785 2,566.29 66,732.52	32,8968 2,631.75 68,425.37	33,7359 2,698.87 70,170.63	34,5963 2,767.71 71,960.40	35,4788 2,839.72 73,795.82	36,3637 2,912.15 75,678.06	37,3117 2,984.93 77,647.19	38,2634 2,986.43 79,587.78
72	Hourly Biweekly Annual	29,7298 2,378.38 61,886.00	30,4881 2,439.05 65,415.24	31,2657 2,501.26 66,032.71	32,0632 2,565.06 66,691.43	32,8810 2,630.48 68,392.47	33,7197 2,697.57 70,136.88	34,5797 2,766.38 71,925.79	35,4617 2,836.94 73,760.33	36,3662 2,909.29 75,641.67	37,2937 2,983.50 77,570.98	38,2450 3,059.60 79,549.51	39,2204 3,137.63 81,578.50

**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>				
73	Hourly Biweekly Annual	30,473.01 2,437.85 63,384.00	31,250.03 2,500.03 65,000.67	32,047.44 2,563.79 66,658.58	32,848.03 2,622.86 68,324.41	33,656.61 2,694.89 70,067.10	34,545.33 2,763.62 71,854.23	35,426.44 2,834.11 73,686.94	36,330.00 2,905.40 75,566.40	37,256.66 2,980.53 77,493.80	38,206.69 3,056.55 79,470.35	39,181.4 3,134.51 81,497.32	40,180.8 3,214.46 83,575.99	41,180.8 3,294.45 85,707.68	40,2010 3,216.08 83,618.02	41,2263 3,298.11 85,750.79	
74	Hourly Biweekly Annual	31,234.6 2,498.77 64,968.00	32,051.3 2,562.50 66,625.07	32,848.3 2,622.86 70,067.10	33,656.1 2,694.89 71,854.23	34,545.3 2,763.62 73,686.94	35,426.4 2,834.11 75,566.40	36,330.0 2,905.40 77,493.80	37,238.1 2,980.53 79,455.33	38,167.9 3,056.55 81,456.87	39,162.0 3,132.96 83,534.51	40,160.8 3,212.87 85,665.14	41,185.2 3,294.81 87,850.11	42,235.6 3,378.85 90,090.82	42,205.6 3,296.45 87,853.74	42,256.6 3,380.53 87,883.74	
75	Hourly Biweekly Annual	32,015.4 2,561.23 66,592.00	32,832.0 2,626.56 68,290.50	33,669.4 2,693.55 70,032.81	34,528.2 2,762.25 71,818.56	35,408.8 2,832.71 73,656.36	36,312.0 2,904.96 75,528.89	37,238.1 2,979.05 77,455.33	38,167.9 3,056.03 79,430.90	39,162.0 3,132.96 81,456.87	40,160.8 3,212.87 83,534.51	41,185.2 3,294.81 85,665.14	42,235.6 3,378.85 87,850.11	43,312.9 3,465.03 90,090.82	43,312.9 3,465.03 90,090.82		
76	Hourly Biweekly Annual	32,815.9 2,625.27 68,257.00	33,652.9 2,692.23 70,032.81	34,511.2 2,760.90 71,783.33	35,391.5 2,831.32 73,514.24	36,294.2 2,903.53 75,491.34	37,219.9 2,977.59 77,417.34	38,169.2 3,053.54 79,391.94	39,142.7 3,131.42 81,416.91	40,141.1 3,211.29 83,493.53	41,145.0 3,291.60 85,623.12	42,149.4 3,372.20 87,807.02	42,214.9 3,377.19 87,807.02	42,270.6 3,375.55 90,002.94	43,291.6 3,463.33 90,046.63	44,395.8 3,551.67 92,343.36	44,395.8 3,551.67 92,343.36
77	Hourly Biweekly Annual	33,636.5 2,690.92 69,964.00	34,494.5 2,759.56 71,748.50	35,374.3 2,829.94 73,578.52	36,226.5 2,902.12 75,455.21	37,201.6 2,976.15 77,379.77	38,150.7 3,052.05 79,353.42	39,123.8 3,129.90 81,377.41	40,121.6 3,209.73 83,453.02	41,145.0 3,299.73 83,581.58	42,194.4 3,373.88 87,720.99	43,270.6 3,459.94 89,958.40	44,374.3 3,546.65 87,764.42	45,270.6 3,638.89 92,252.88	45,506.1 3,640.49 94,652.72	45,506.1 3,640.49 94,652.72	
78	Hourly Biweekly Annual	34,477.4 2,758.19 71,713.00	35,356.8 2,828.54 73,542.11	36,258.6 2,890.69 75,417.88	37,183.4 2,974.67 77,341.49	38,131.8 3,050.54 79,314.16	39,104.4 3,128.35 81,337.14	40,101.8 3,208.14 83,411.73	41,124.6 3,289.97 83,539.23	42,173.6 3,373.88 85,598.40	43,228.0 3,458.24 87,720.99	44,324.2 3,546.45 92,207.58	44,352.3 3,636.90 94,559.43	45,483.6 3,729.66 96,971.26	46,643.7 3,822.77 99,394.89	46,643.7 3,822.77 99,394.89	
79	Hourly Biweekly Annual	35,339.4 2,827.15 73,506.00	36,240.8 2,891.26 73,380.84	37,165.1 2,973.21 77,303.51	38,113.1 3,049.05 79,275.21	39,085.2 3,126.82 81,297.20	40,082.1 3,206.57 83,370.77	41,104.4 3,288.35 85,497.23	42,152.8 3,372.23 86,914.23	43,228.0 3,458.24 89,914.23	44,330.6 3,546.45 92,207.58	45,461.3 3,636.90 94,511.96	46,620.8 3,729.66 96,922.58	47,809.9 3,822.77 99,394.89	47,809.9 3,822.77 99,394.89	47,809.9 3,822.77 99,394.89	
80	Hourly Biweekly Annual	36,222.6 2,897.81 75,343.00	37,146.5 2,971.72 77,264.70	38,093.9 3,047.52 79,235.41	38,113.1 3,125.25 81,256.39	39,065.6 3,126.82 83,328.92	40,062.0 3,204.96 85,454.30	41,083.8 3,286.70 87,393.90	42,131.7 3,370.53 87,969.09	43,206.3 3,456.50 92,161.29	44,308.3 3,544.67 94,511.96	45,438.4 3,635.08 96,922.58	46,597.4 3,727.79 96,922.58	47,785.9 3,822.77 99,394.89	47,785.9 3,822.77 99,394.89	49,004.7 3,920.38 101,299.85	
81	Hourly Biweekly Annual	37,128.4 2,970.27 77,227.00	38,075.4 3,046.03 79,196.75	39,046.5 3,123.72 81,216.74	40,024.2 3,203.39 83,258.26	41,038.0 3,285.10 85,412.61	42,090.0 3,367.20 87,547.18	42,111.1 3,453.08 87,591.14	43,185.2 3,541.16 89,750.16	44,286.7 3,631.48 90,418.43	45,416.3 3,633.30 92,161.29	46,574.7 3,725.97 94,465.84	47,734.7 3,819.09 96,875.29	47,762.6 3,821.01 99,346.19	48,980.8 3,918.47 101,880.12	50,230.1 4,018.41 104,478.67	
82	Hourly Biweekly Annual	38,056.8 3,044.50 79,157.00	39,026.9 3,122.15 81,175.98	40,022.3 3,201.73 83,245.45	41,043.1 3,283.45 85,359.74	42,090.0 3,367.20 87,547.18	43,168.5 3,453.08 89,750.16	44,185.1 3,541.16 90,709.09	45,388.5 3,631.48 92,116.33	46,551.3 3,633.30 94,465.84	47,734.7 3,725.97 96,875.29	48,980.8 3,817.21 99,296.33	49,356.2 3,916.50 101,828.98	50,204.9 4,016.33 104,426.23	51,485.4 4,118.84 107,089.72	51,485.4 4,118.84 107,089.72	
83	Hourly Biweekly Annual	39,007.7 3,120.62 81,136.00	40,002.6 3,122.15 83,205.45	41,022.9 3,201.73 85,327.69	42,069.3 3,283.45 87,504.06	43,142.3 3,365.54 89,735.94	44,163.0 3,451.38 92,024.74	45,371.1 3,549.41 94,371.93	46,528.4 3,629.69 96,778.98	47,715.1 3,722.27 98,247.42	48,932.1 3,817.21 101,778.83	50,180.2 3,914.57 104,374.80	51,460.1 4,014.42 104,374.80	51,460.1 4,116.81 107,036.98	52,772.6 4,221.81 109,757.07	52,772.6 4,221.81 109,757.07	
84	Hourly Biweekly Annual	39,983.2 3,198.65 83,165.00	41,003.0 3,200.24 85,286.21	42,048.8 3,281.83 87,461.52	43,121.3 3,363.90 89,692.31	44,221.2 3,449.70 91,980.00	45,349.1 3,537.69 94,326.04	46,505.7 3,627.92 96,731.92	47,691.9 3,815.35 99,199.17	48,908.3 3,912.67 101,729.34	50,155.8 4,012.46 104,324.05	51,435.1 4,114.81 106,984.94	51,435.1 4,114.81 106,984.94	52,747.0 4,219.76 109,713.70	52,747.0 4,219.76 109,713.70	54,092.3 4,327.39 112,512.06	54,092.3 4,327.39 112,512.06

City of Banning  
Salary Schedule  
2.5506% Between Steps

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	
85	Hourly Biweekly Annual	40,982.77 3,278.62 85,244.00	42,028.00 3,382.24 87,418.23	43,100.00 3,448.00 91,647.92	44,1993 3,555.94 91,934.48	45,3266 3,626.13 94,279.36	46,4827 3,718.62 96,634.05	47,6683 3,813.46 99,150.08	48,8841 3,910.73 101,679.03	50,1310 4,010.48 104,272.42	51,4096 4,112.77 106,932.00	52,7209 4,217.67 109,659.40	54,0656 4,325.25 112,456.38	55,4446 4,425.56 115,324.69
86	Hourly Biweekly Annual	42,0072 3,360.53 87,375.00	43,0786 3,446.29 91,603.59	44,1774 3,534.19 91,889.02	45,3042 3,624.34 94,232.74	46,4597 3,716.78 96,636.24	47,6447 3,811.58 99,101.04	48,8600 3,908.80 101,628.71	50,1062 4,008.49 104,220.85	51,3842 4,110.74 106,879.11	52,6948 4,215.58 109,605.17	54,0588 4,323.11 112,400.76	55,4171 4,433.37 115,267.65	56,8306 4,546.45 118,207.67
87	Hourly Biweekly Annual	43,0572 3,444.58 89,559.00	44,1554 3,532.43 91,883.29	45,2817 3,622.53 94,185.85	46,4866 3,714.93 96,588.15	47,6210 3,809.68 99,051.73	48,8356 3,906.85 101,578.14	50,0812 4,006.50 104,168.99	51,3586 4,108.69 106,825.93	52,6686 4,213.49 109,350.63	54,0119 4,320.95 112,344.83	55,3896 4,431.17 115,210.30	56,8023 4,544.19 116,148.85	58,2511 4,660.09 121,162.35
88	Hourly Biweekly Annual	44,1337 3,530.69 91,983.00	45,2593 3,620.75 94,139.40	46,4137 3,713.10 95,540.52	47,5975 3,807.80 99,002.88	48,8116 3,904.92 101,528.05	50,0555 4,004.52 104,117.62	51,3333 4,106.66 105,773.25	52,6426 4,211.41 109,496.61	53,9553 4,318.82 112,289.43	55,3623 4,428.98 115,153.48	56,7743 4,541.95 118,090.59	58,2224 4,657.79 115,210.30	59,7074 4,776.59 121,102.60
89	Hourly Biweekly Annual	45,2370 3,618.96 94,093.00	46,3808 3,711.27 96,492.94	47,5741 3,805.93 98,954.08	48,7875 3,903.00 101,478.01	50,0319 4,002.55 104,066.31	51,3030 4,104.64 106,720.62	52,6167 4,209.38 108,442.64	53,9557 4,316.70 112,234.08	55,3850 4,426.80 115,096.72	56,7483 4,539.71 118,032.38	58,1937 4,655.50 121,042.91	59,6780 4,774.24 124,130.24	61,2001 4,896.01 127,296.30
90	Hourly Biweekly Annual	46,3683 3,709.46 96,446.00	47,5509 3,804.08 98,905.95	48,7638 3,901.10 101,428.65	50,0075 4,000.60 104,015.69	51,2830 4,102.64 106,668.71	52,5911 4,207.28 109,389.40	53,9324 4,314.60 112,179.49	55,3080 4,424.64 115,040.74	56,7187 4,537.50 117,374.97	58,1654 4,653.23 120,984.04	59,6490 4,771.92 124,069.86	61,1704 4,893.63 127,234.38	62,7306 5,018.45 130,479.62
91	Hourly Biweekly Annual	47,5274 3,802.19 98,857.00	48,7596 3,899.17 101,378.45	49,9828 3,983.62 103,964.21	51,2577 4,100.61 106,615.92	52,5650 4,205.20 109,335.26	53,9058 4,312.46 112,123.97	55,2807 4,422.45 114,983.80	56,6907 4,535.25 117,916.58	58,1366 4,650.93 120,924.16	59,6194 4,769.56 124,008.45	61,1401 4,881.21 127,171.41	62,6995 5,015.96 130,415.04	64,2988 5,143.90 133,741.41
92	Hourly Biweekly Annual	48,7154 3,897.25 101,328.00	49,9579 3,986.63 103,924.27	51,2321 4,098.57 106,562.86	52,5589 4,203.11 109,280.86	53,8789 4,310.31 112,068.17	55,2532 4,420.25 114,926.58	56,6625 4,533.00 117,557.90	58,1077 4,648.61 120,863.98	59,5598 4,767.18 123,946.74	61,1097 4,888.77 127,108.13	62,6683 5,013.47 130,350.15	64,2668 5,141.34 133,674.86	65,9059 5,272.48 137,084.37
93	Hourly Biweekly Annual	49,9332 3,994.65 103,861.00	51,2068 4,096.54 106,510.08	52,5128 4,201.03 109,226.72	53,8522 4,308.18 112,012.66	55,2258 4,418.06 114,869.66	56,6344 4,530.75 117,798.52	58,0789 4,646.31 120,804.12	59,5603 4,764.82 123,885.35	61,0794 4,886.35 127,045.17	62,6373 5,010.98 130,285.58	64,2349 5,138.79 133,608.64	65,8733 5,269.86 137,016.47	67,5535 5,404.28 140,511.21
94	Hourly Biweekly Annual	51,1817 4,094.54 106,458.00	52,4872 4,198.97 109,173.32	53,8259 4,306.07 111,957.89	55,1988 4,415.90 114,813.49	56,6067 4,528.54 117,741.92	58,0505 4,644.04 120,745.05	59,5311 4,762.49 123,824.77	61,0495 4,883.96 126,983.05	62,6067 5,008.53 130,221.88	64,2035 5,133.73 133,476.87	65,8411 5,267.29 136,989.47	67,5204 5,401.63 140,442.50	69,2426 5,539.41 140,511.21
95	Hourly Biweekly Annual	52,4611 4,196.88 109,119.00	53,7991 4,303.93 111,922.19	55,1713 4,413.71 114,756.37	56,5785 4,528.28 120,684.97	58,0216 4,641.73 123,763.16	59,5015 4,760.12 126,919.87	61,0192 4,881.53 130,092.89	62,5755 5,005.04 133,411.04	64,1716 5,131.19 136,813.83	65,8083 5,264.67 140,303.40	67,4868 5,388.95 143,881.98	69,2082 5,533.92 147,881.98	70,9734 5,677.87 151,315.29
96	Hourly Biweekly Annual	53,7726 4,301.81 111,847.00	55,1441 4,411.53 114,699.77	56,5506 4,524.05 117,625.30	57,9930 4,639.44 120,625.45	59,4722 4,757.77 123,702.13	60,9891 4,878.13 126,857.27	62,5447 5,003.57 130,092.89	64,1399 5,131.19 133,411.04	65,7759 5,282.07 136,881.33	67,4536 5,396.28 140,303.40	69,1740 5,533.92 143,881.98	70,9384 5,675.07 147,881.98	72,7477 5,819.82 151,315.29

**City of Banning  
Salary Schedule  
2.550% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>	
97	Hourly Biweekly Annual	55,1173 4,499.38 114,644.00	56,3231 4,521.85 117,568.11	57,9648 4,637.18 120,566.80	59,4433 4,755.46 123,641.98	60,9594 5,001.14 130,029.64	62,5142 5,126.70 133,346.18	64,1087 5,126.16 136,747.30	65,7439 5,256.91 140,235.18	67,4208 5,380.99 143,812.02	69,1404 5,513.23 147,480.09	70,9039 5,672.31 151,241.71	72,7124 5,816.99 155,099.29	
98	Hourly Biweekly Annual	56,4952 4,519.62 117,510.00	57,9362 4,534.89 120,307.21	59,4139 4,753.11 123,580.87	60,9293 4,874.34 126,732.92	62,4834 4,998.67 129,965.37	64,0771 5,126.16 133,280.27	65,7114 5,256.91 136,679.71	67,3874 5,380.99 140,165.87	69,1062 5,528.50 143,740.94	70,8688 5,669.51 147,407.19	72,6764 5,814.11 151,166.96	74,5301 5,962.41 155,022.63	76,4311 6,114.49 158,976.63
99	Hourly Biweekly Annual	57,9072 4,632.58 120,447.00	59,3842 4,750.74 123,519.12	60,8988 4,871.91 126,669.80	62,4521 4,996.17 129,900.43	64,0450 5,123.60 133,213.85	65,6786 5,254.29 136,611.42	67,3538 5,388.30 140,095.83	69,0717 5,525.74 143,669.12	70,8334 5,666.67 147,333.54	72,6401 5,811.21 151,091.43	74,4929 5,959.43 154,945.17	76,3929 6,111.43 158,897.20	78,3414 6,267.31 162,950.03
100	Hourly Biweekly Annual	59,3553 4,748.42 123,459.00	60,3692 4,869.54 126,607.95	62,4217 4,993.74 129,837.21	64,0139 5,121.11 133,148.84	65,6466 5,251.73 136,544.93	67,3210 5,355.68 140,027.64	69,0381 5,523.05 143,599.19	70,7980 5,665.92 147,261.83	72,6048 5,808.38 151,017.89	74,4566 5,955.53 154,869.75	76,3557 6,108.46 158,819.86	78,3032 6,264.26 162,870.72	80,3004 6,424.03 167,024.90
101	Hourly Biweekly Annual	60,8389 4,867.12 126,545.00	62,3807 4,991.26 129,772.66	63,9820 5,118.56 133,082.64	65,6140 5,249.12 136,477.04	67,2875 5,383.00 139,958.03	69,0037 5,520.30 143,527.80	70,7638 5,661.10 147,188.62	72,5687 5,805.49 150,942.81	74,4196 5,953.57 155,792.76	76,3177 6,105.42 158,740.90	78,2643 6,261.14 162,789.75	80,2605 6,420.84 166,941.86	82,3076 6,584.61 171,199.88
102	Hourly Biweekly Annual	62,3601 4,988.81 129,709.00	63,9507 5,116.05 133,017.36	65,5818 5,246.54 136,410.10	67,2545 5,380.36 139,889.37	68,9699 5,517.59 143,457.39	70,7290 5,658.32 147,116.42	72,5331 5,802.64 150,868.77	74,3831 5,950.65 154,716.83	76,2803 6,102.42 158,663.03	78,2259 6,258.07 162,709.89	80,2211 6,417.69 166,859.97	82,2673 6,581.38 171,115.90	84,3556 6,749.25 175,480.39
103	Hourly Biweekly Annual	63,9188 5,113.50 132,951.00	65,5491 5,243.92 136,342.05	67,2210 5,377.68 139,819.59	68,9556 5,514.84 143,385.83	70,6938 5,655.50 147,043.03	72,4969 5,759.75 150,793.51	74,3460 5,947.68 154,639.64	76,2423 6,099.38 158,563.88	78,1869 6,254.95 162,628.72	80,1811 6,414.49 166,775.73	82,2262 6,578.10 171,030.54	84,3235 6,745.88 175,392.84	86,4742 6,917.94 179,866.41
104	Hourly Biweekly Annual	65,5168 5,241.35 136,275.00	67,1879 5,375.03 139,750.83	68,9016 5,512.13 143,315.31	70,6590 5,652.72 146,970.72	72,4612 5,796.90 150,719.35	74,3094 5,944.75 154,563.60	76,2048 6,096.38 158,427.83	78,1484 6,251.87 162,468.69	80,1022 6,408.18 166,612.62	82,1453 6,571.34 170,862.24	82,1858 6,742.56 175,306.59	84,2820 6,914.54 179,777.96	88,6362 7,090.90 184,363.38
105	Hourly Biweekly Annual	67,1548 5,372.38 139,682.00	68,8577 5,509.41 143,244.73	70,6242 5,649.94 146,898.33	72,4255 5,794.04 150,645.12	74,2728 5,941.33 154,487.47	76,1672 6,093.38 158,349.60	78,1099 6,245.71 162,358.47	80,1022 6,405.01 166,530.35	82,1453 6,571.34 170,777.87	84,1989 6,739.24 175,133.73	84,2405 6,907.72 179,600.69	86,3391 6,911.13 184,181.59	88,5926 7,087.41 184,272.53
106	Hourly Biweekly Annual	68,8337 5,506.69 143,174.00	70,5593 5,647.15 146,825.80	72,3898 5,791.18 154,411.19	74,2261 5,938.89 158,271.09	76,1296 6,090.37 162,307.96	78,0714 6,245.71 166,447.78	80,0627 6,405.01 170,693.20	82,1047 6,568.38 175,046.90	84,1989 6,739.24 179,511.65	86,3465 6,907.72 184,090.27	88,5488 7,083.91 188,879.32	90,8074 7,264.59 193,696.88	90,8522 7,446.19 193,600.85
107	Hourly Biweekly Annual	70,5543 5,644.35 146,753.00	72,3539 5,783.31 150,496.08	74,1993 5,935.95 154,334.64	76,0919 6,087.35 158,271.09	78,0327 6,242.61 162,307.96	80,0230 6,401.84 166,447.78	82,0640 6,565.12 170,693.20	84,1572 6,732.57 175,046.90	86,3037 6,904.29 179,511.65	88,5049 7,080.40 184,090.27	90,7623 7,280.99 188,785.68	93,0773 7,446.19 193,600.85	93,1235 7,636.11 198,538.83
108	Hourly Biweekly Annual	72,3183 5,785.46 150,422.00	74,1628 5,933.03 154,258.66	76,0544 6,084.35 158,193.19	77,9943 6,229.54 162,228.06	79,9836 6,398.69 166,365.85	82,0236 6,561.89 170,609.18	84,1157 6,729.26 174,960.73	86,2612 6,900.90 179,423.28	88,4614 7,076.91 183,999.65	90,7177 7,257.41 188,692.75	93,0315 7,442.52 193,505.55	95,4044 7,632.35 198,441.10	97,8378 7,827.02 203,502.54

**City of Banning  
Salary Schedule  
2.5506% Between Steps**

<u>Grade</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>	<u>Step 7</u>	<u>Step 8</u>	<u>Step 9</u>	<u>Step 10</u>	<u>Step 11</u>	<u>Step 12</u>	<u>Step 13</u>
109	Hourly	74,1264	76,0171	77,9560	79,9443	81,9364	84,0745	86,2160	88,4160	90,6732	92,9859	95,3576	97,7898
	Biweekly	5,930.12	6,081.37	6,236.48	6,395.55	6,558.67	6,725.96	6,897.51	7,073.44	7,253.85	7,438.87	7,628.61	7,823.18
	Annual	154,183.00	168,115.59	166,148.49	166,284.25	170,525.49	174,874.92	175,335.28	183,905.40	188,600.19	193,410.63	198,343.76	203,402.72
110	Hourly	75,9793	77,9173	79,9046	81,9427	84,0327	86,1760	88,3740	90,6281	92,9397	95,3102	97,7412	100,2341
	Biweekly	6,078.35	6,228.38	6,392.37	6,555.41	6,722.62	6,894.98	7,069.92	7,250.25	7,435.17	7,624.81	7,819.29	8,018.73
	Annual	158,037.00	162,057.89	166,201.60	170,440.73	174,787.99	179,246.14	183,817.99	188,506.45	193,314.50	198,245.18	203,301.62	208,487.03
111	Hourly	77,8788	79,8652	81,9023	83,9913	86,1335	88,3305	90,5834	92,8998	95,2632	97,6930	100,1847	102,7400
	Biweekly	6,230.31	6,399.22	6,552.18	6,719.30	6,890.68	7,068.44	7,246.67	7,431.51	7,621.06	7,815.44	8,014.78	8,428.84
	Annual	161,988.00	166,119.67	170,356.71	174,701.83	179,157.78	183,727.38	188,413.53	193,219.20	198,147.45	203,201.40	208,384.25	213,699.30
112	Hourly	79,8260	81,8620	83,9500	86,0912	88,2870	90,5389	92,8482	95,2164	97,6450	100,1355	102,6895	105,3087
	Biweekly	6,386.08	6,548.96	6,716.00	6,887.30	7,062.96	7,243.11	7,427.85	7,617.31	7,811.60	8,010.84	8,215.16	8,424.70
	Annual	166,038.00	170,222.97	174,615.95	179,069.70	183,637.05	188,320.90	193,124.21	198,050.04	203,101.50	208,281.81	213,594.25	219,042.18
113	Hourly	81,8216	83,9086	86,0487	88,2435	90,4942	92,8024	95,1694	97,5968	100,0861	102,6389	105,2568	107,9415
	Biweekly	6,545.73	6,712.69	6,883.90	7,059.48	7,239.54	7,424.19	7,613.55	7,807.74	8,006.89	8,211.11	8,420.54	8,635.32
	Annual	170,189.00	174,529.84	178,981.40	183,546.50	188,228.04	193,025.98	197,952.38	203,001.35	208,179.10	213,483.92	218,934.17	224,518.30
114	Hourly	83,8673	86,0064	88,2001	90,4497	92,7568	95,1226	97,5488	100,0369	102,5884	105,2050	107,8884	110,6402
	Biweekly	6,709.38	6,880.51	7,056.01	7,235.98	7,420.54	7,609.81	7,803.90	8,002.95	8,207.07	8,416.40	8,631.07	8,851.22
	Annual	174,444.00	178,893.37	183,456.22	188,155.46	192,934.04	197,855.02	202,901.51	208,076.71	213,383.92	218,826.49	224,407.87	230,131.62
115	Hourly	85,9639	88,1565	90,4051	92,7109	95,0756	97,5006	99,9875	102,5377	105,1531	107,8351	110,5855	113,4061
	Biweekly	6,877.12	7,052.52	7,232.40	7,416.87	7,606.05	7,800.05	7,999.00	8,203.02	8,412.25	8,626.81	8,846.84	9,076.98
	Annual	178,805.00	183,385.60	188,042.52	192,838.74	197,757.28	202,801.28	207,973.93	213,275.51	218,718.39	224,297.02	230,017.94	236,001.36
116	Hourly	88,1130	90,3604	92,6651	95,0286	97,4524	99,9361	102,4871	105,1011	107,7818	110,5309	113,3501	116,2412
	Biweekly	7,049.04	7,228.83	7,413.21	7,602.28	7,796.20	7,995.04	8,198.97	8,405.09	8,622.55	8,842.47	9,058.01	9,289.30
	Annual	183,275.00	187,949.61	192,743.45	197,659.57	202,701.07	207,871.17	213,173.13	218,610.32	224,186.20	229,904.29	235,768.23	241,781.74

## CITY COUNCIL AGENDA

**DATE:** January 8, 2013,

**TO:** Mayor and City Council

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

**SUBJECT:** Adopt Resolution No. 2013-04 and 2013-05, Approving an Updated Resolution for Employer Paid Member Contributions to the California Public Employees' Retirement System

**RECOMMENDATION:** Adopt Resolution No. 2013-04 and 2013-05, approving Changes to the Employer Paid Member Contribution ("EPMC") of the California Public Employees' Retirement System ("CalPERS").

**JUSTIFICATION:** The City has negotiated with the Banning Police Management Association (BPMA) and the Banning Police Officers Association (BPOA) whereby they have agreed to pay a portion or all of the CalPERS employee rate thus reducing the Employer Paid Member Contribution (EPMC) in exchange for certain salary adjustments, which provide some cost savings to the City.

**BACKGROUND:** CalPERS requires employees to contribute a percentage of their income based upon their enrolled retirement formula. Employers can choose to pick up a portion or the entire amount of the required employee contribution. This is known as Employer Paid Member Contributions or EPMC. In past negotiations, the City and bargaining units agreed that the City would pay the entire employee contribution for all employees with a CalPERS retirement plan. Recent economic conditions and the resulting structural budget deficits within the City's budget have created the need to reduce expenditures. Council directed staff to meet and confer with the Associations in good faith to negotiate necessary reductions to employee benefits and/or compensation in order to reduce on going expenditure levels both now and in the future.

Below is a summary of the changes recommended in the attached Resolutions:

1. BPMA agreed to have the Police Management Unit employees pay 4.5% of the employee rate effective the full pay period including the adoption date by City Council on January 8, 2013 and to pick up paying the remaining 4.5% of the employee rate effective the first full pay period after July 1, 2013. Effective the first full pay period after July 1, 2013, there will no longer be any City Employer Paid Member Contribution on behalf of BPMA members. These changes are conditioned upon Council's approval of the concurrently introduced BPMA MOU.
2. In a prior agreement with BPOA, employees hired on or after January 1, 2011 paid the full portion of the employee rate. Now, the BPOA has agreed that member employees hired prior to January 1, 2011 will pay the employee rate of 9% for sworn safety members and 8% for non-sworn miscellaneous members effective the full pay period including the adoption date by City Council on January 8, 2013. Effective the first full pay period after January 8, 2013, there will no longer be any City Employer Paid Member Contribution on behalf of BPOA members. These changes including a concurrent six percent (6%) salary increase and three salary range adjustment were approved in the side letter approved by Council on December 20, 2012.

The payroll period ending January 20<sup>th</sup>, 2013 should include the impacts of these changes.

**FISCAL DATA:** There will be savings to the General Fund related to the CalPERS pension costs.

**RECOMMENDED BY:**

  
\_\_\_\_\_  
June Overholt

Administrative Services Director/Deputy City Manager

**APPROVED BY:**

  
\_\_\_\_\_  
Andy J. Takata  
City Manager

Attachments:

1. Resolution No. 2013-04
2. Resolution No. 2013-05

**RESOLUTION NO. 2013-04**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING  
APPROVING AN UPDATED RESOLUTION FOR EMPLOYER PAID MEMBER  
CONTRIBUTIONS FOR BANNING POLICE OFFICERS' ASSOCIATION  
REPRESENTED EMPLOYEES TO THE CALIFORNIA PUBLIC EMPLOYEES'  
RETIREMENT SYSTEM**

WHEREAS, the governing body of the City of Banning has the authority to implement Government Code Section 20691, which allows a contracting agency to pay all or a portion of the normal contributions required by the California Public Employees' Retirement System ("CalPERS") to be paid by a member, otherwise known as Employer Paid Member Contributions ("EPMC"), and also allows a contracting agency to periodically increase, reduce, or eliminate the payment by the contracting agency of all or a portion of the normal contributions required to be paid by members;

WHEREAS, the governing body of the City of Banning has a written labor policy or agreement for Banning Police Officers' Association ("BPOA") represented employees in the Safety and Miscellaneous Groups which specifically provides for the City as the employer to pay the normal member contributions; and

WHEREAS, the last Resolution adopted by the City Council of the City of Banning was Resolution No. 2010-84 that required new hires effective on or after January 1, 2011 to pay the full the employee rate; and

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the City of Banning of a Resolution to commence said Employer Paid Member Contributions (EPMC) and presumably requires additional Resolutions relative to any changes thereto; and

WHEREAS, the governing body of the City of Banning has identified the following conditions and/or changes for the purpose of its election to pay EPMC:

- This benefit shall apply to employees in the safety group represented by the BPOA with the classification of Police Officer, Police Corporal, Police Sergeant, Police Staff Sergeant, and Police Master Sergeant hired prior to January 1, 2011.
- This benefit shall also apply to the miscellaneous employees represented by the BPOA under the Banning Police Officer Association agreement with the classification of Police Evidence Technician and Community Service Officer hired prior to January 1, 2011.
- This benefit shall consist of the City of Banning paying 0% of the normal member contribution as EPMC for all BPOA represented employees effective for the pay period ending January 20, 2013.
- All employees in the above classifications or otherwise represented by the BPOA will be required to pay their own member contributions.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the City Council of the City of Banning, California no longer elects to pay the EPMC, as set forth above.

PASSED, APPROVED AND ADOPTED this 8th day of January, 2013 at Banning, California.

---

Deborah Franklin, Mayor  
City of Banning, California

ATTEST:

---

Marie A. Calderon, City Clerk  
City of Banning

APPROVED AS TO FORM AND  
LEGAL CONTENT

---

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. 2013-04 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 8th day of January, 2013, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

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

Resolution No. 2013-04

120

## **RESOLUTION NO. 2013-05**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING APPROVING AN UPDATED RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS FOR BANNING POLICE MANAGEMENT ASSOCIATION REPRESENTED EMPLOYEES TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

WHEREAS, the governing body of the City of Banning has the authority to implement Government Code Section 20691, which allows a contracting agency to pay all or a portion of the normal contributions required by the California Public Employees' Retirement System ("CalPERS") to be paid by a member, otherwise known as Employer Paid Member Contributions ("EPMC"), and also allows a contracting agency to periodically increase, reduce, or eliminate the payment by the contracting agency of all or a portion of the normal contributions required to be paid by members;

WHEREAS, the governing body of the City of Banning has a written labor policy or agreement for all Safety Group employees represented by the Banning Police Management Association ("BPMA") which specifically provides for the City as the employer to pay the normal member contributions;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the City of Banning of a Resolution to commence said Employer Paid Member Contributions (EPMC) and presumably requires additional Resolutions relative to any changes thereto; and

WHEREAS, the governing body of the City of Banning has identified the following conditions and/or changes for the purpose of its election to pay EPMC for BPMA represented employees:

- This benefit as defined below shall apply to all current employees in the safety group with the classification of Police Lieutenant and future employees with the classification of Police Captain represented by the BPMA.
- This benefit shall consist of the City of Banning paying 4.5% of the normal member contribution as EPMC for current BPMA represented members effective for the pay period ending January 20, 2013.
- This benefit shall consist of the City of Banning will pay 0% of the normal member contribution as EPMC for all BPMA represented members effective for the pay period ending January 20, 2013.
- All employees hired after the date of this Resolution in the above classifications or otherwise covered by a memorandum of understanding or other labor agreement between the City and the BPMA will be required to pay their own member contributions.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the City Council of the City of Banning, California elects to no longer pay EPMC, as set forth above.

PASSED, APPROVED AND ADOPTED this 8th day of January, 2013 at Banning, California.

---

Deborah Franklin, Mayor  
City of Banning, California

ATTEST:

---

Marie A. Calderon, City Clerk  
City of Banning

APPROVED AS TO FORM AND  
LEGAL CONTENT

---

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. 2013-05 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 8th day of January, 2013, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

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

## CITY COUNCIL AGENDA

**DATE:** January 8, 2013

**TO:** City Council

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

**SUBJECT:** Resolution No. 2013-06, "Authorizing the Execution of the Grant of Easements for the Southern California Edison Company Transmission Lines"

**RECOMMENDATION:** Approve Resolution No. 2013-06, "Authorizing the Execution of the Grant of Easements for the Southern California Edison Company Transmission Lines".

**JUSTIFICATION:** It is essential to execute the Grant of Easements in order to provide Southern California Edison Company ("SCEC") an easement for their final transmission line alignment located on parcels 541-150-025 and 541-150-028

**BACKGROUND:** The need for the relocation of the SCEC's existing pole and overhead lines was identified during the design of the Mid County Justice Center located at 311 E. Ramsey Street. Prior to the commencement of the construction of the Mid County Justice Center SCEC relocated their transmission lines to a temporary "Shoefly" position in order to provide a safe working environment. SCEC plans to relocate the transmission lines to a final location once the construction of the Mid County Justice Center building is complete.

In order to maintain their facilities, SCEC has required that the City of Banning provide an easement encompassing the final transmission line alignment. City staff has prepared the legal description and plats of the proposed easements, as shown in Exhibit "A", and recommends the execution of the Grant of Easements.

The final transmission alignment also traverses across the State owned property, therefore SCEC has requested from the State a similar Grant of Easement. The State executed a Grant of Easement on December 13, 2012 for the portion of the easement on parcel 541-150-026 and 541-150-029, as shown in Exhibit "B".

**FISCAL DATA:** N/A

**RECOMMENDED BY:**

  
\_\_\_\_\_  
Duane Burk

Director of Public Works

**APPROVED BY:**

  
\_\_\_\_\_  
Andy Takata

City Manager

**RESOLUTION NO. 2013-06**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,  
CALIFORNIA, AUTHORIZING THE EXECUTION OF THE GRANT OF  
EASEMENTS FOR THE SOUTHERN CALIFORNIA EDISON COMPANY  
TRANSMISSION LINES**

**WHEREAS**, the need for the relocation of Southern California Edison Company's ("SCEC") transmission lines was identified during the design of the Mid County Justice Center located at 311 E. Ramsey Street; and

**WHEREAS**, SCEC plans to relocate the transmission lines to a final location once the construction of the Mid County Justice Center building is complete; and

**WHEREAS**, in order to maintain their facilities, SCEC has required that the City of Banning provide an easement encompassing the final transmission line alignment; City staff has prepared the legal description and plats of the proposed easements and recommends the execution of the Grant of Easements, as shown in Exhibit "A"; and

**WHEREAS**, the final transmission alignment also traverses across the State owned property, therefore SCEC has requested from the State a similar Grant of Easement; the State executed a Grant of Easement on December 13, 2012 for the portion of the easement on parcel 541-150-026 and 541-150-029, as shown in Exhibit "B".

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

**SECTION 1.** City Council approves Resolution No. 2013-06, "Authorizing the Execution of the Grant of Easements for the Southern California Edison Company Utilities".

**PASSED, ADOPTED AND APPROVED** this 8<sup>th</sup> day of January, 2013.

---

Debbie Franklin, 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

**CERTIFICATION:**

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2013-06, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 8<sup>th</sup> day of January, 2013.

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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

**EXHIBIT "A"**

**GRANT OF EASEMENTS**

**APN: 541-150-025**  
**AND**  
**APN: 541-150-028**

RECORDING REQUESTED BY  
SOUTHERN CALIFORNIA EDISON COMPANY

WHEN RECORDED MAIL TO  
SOUTHERN CALIFORNIA EDISON COMPANY  
2131 WALNUT GROVE AVENUE  
G03 - 2<sup>ND</sup> FLOOR  
ROSEMEAD, CA 91770  
ATTN: TITLE & REAL ESTATE SERVICES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF EASEMENT**

Location: City of Banning  
A.P.N. 541-150-025  
RP FILE: REL201255888  
SCE Doc No. 504272

DOCUMENTARY TRANSFER TAX \$ _____	Serial No. 69638A Service Order No. 800631305
COMPUTED ON FULL VALUE OF PROPERTY CONVEYED OR COMPUTED ON FULL VALUE LESS LIENS AND ENCUMBRANCES REMAINING AT TIME OF SALE SO. CALIF. EDISON CO.	Approved Real Properties Department
SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	BY LC DATE 11/1/12

CITY OF BANNING, a municipal corporation, hereinafter called "Grantor", hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns, hereinafter called "Grantee", an easement and right of way to construct, use, maintain, alter, add to, enlarge, repair, replace, inspect, and/or remove, at any time and from time to time, electric lines, consisting of poles and towers made of various materials, "H" frame structures, guy wires and anchors, crossarms, wires and other fixtures and appliances and communication circuits with necessary appurtenances, both overhead and underground, for conveying electric energy to be used for light, heat, power, telephone and/or other purposes, in, under, on, over, along and across a strip of land, varying in width, hereinafter described and designated as "Right of Way Strip," lying within that certain real property of the Grantor, situated in the City of Banning, County of Riverside, State of California, described as follows:

Parcel 2 of Lot Line Adjustment No. 08-503, recorded September 29, 2008 as Instrument No. 2008-0528526, Official records of Riverside County.

The said right of way strip is more particularly described on the Exhibit "A" and more particularly depicted on the Exhibit "B", both attached hereto and by this reference made a part hereof.

Grantor further grants, bargains, sells and conveys unto the Grantee the right of assignment, in whole or in part, to others, without limitation, and the right to apportion or divide in whatever manner Grantee deems desirable, any one or more, or all, of the easements and rights, including but not limited to all rights of access and ingress and egress granted to the Grantee by this Grant of Easement.

Grantor hereby also grants to Grantee, its successors and assigns, and its and their contractors, agents, and employees, the right to clear and to keep clear said right of way strip, free from explosives, buildings, equipment, brush, combustible material and any and all other obstructions of any kind (except for those herein provided) and the right to trim or remove any tree or shrub which in the opinion of Grantee, may endanger said electric lines or any part thereof or interfere with the exercise of the rights herein granted.

The terms, covenants and conditions of this Grant of Easement shall bind and inure to the benefit of the successors and assigns of Grantor and the successors and assigns of Grantee.

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Grant of Easement  
City of Banning to  
S.C.E.Co., a corp.  
Serial No. 69638A  
RP File No. REL201255888

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed by its officers thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF BANNING, a municipal corporation

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

Grant of Easement  
City of Banning to  
S.C.E.Co., a corp.  
Serial No. 69638A  
RP File No. REL201255888

State of California )

County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on the  
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within  
instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

EXHIBIT "A"

LEGAL DESCRIPTION

SOUTHERN CALIFORNIA EDISON EASEMENT

THAT PORTION OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 08-503 RECORDED SEPTEMBER 29, 2008 AS INSTRUMENT NO. 2008-0528526, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT, SAID POINT BEING ON THE NORTHERLY RIGHT OF WAY OF EAST RAMSEY STREET, BEING A 40 FOOT HALF WIDTH STREET RIGHT OF WAY;

THENCE LEAVING SAID RIGHT OF WAY NORTH 00°44'15" EAST ALONG THE WEST LINE OF SAID PARCEL 2, A DISTANCE OF 315.79 FEET TO A POINT ON A LINE THAT IS 355.77 FEET NORTH OF AND PARALLEL WITH THE CENTERLINE OF EAST RAMSEY STREET;

THENCE SOUTH 89°54'43" EAST ALONG SAID PARALLEL LINE, A DISTANCE OF 22.71 FEET;

THENCE LEAVING SAID PARALLEL LINE SOUTH 00°46'40" WEST, A DISTANCE OF 200.73 FEET;

THENCE SOUTH 09°56'52" WEST, A DISTANCE OF 116.78 FEET TO SAID NORTHERLY RIGHT OF WAY OF EAST RAMSEY STREET;

THENCE NORTH 89°54'43" WEST ALONG SAID RIGHT OF WAY, A DISTANCE OF 3.88 FEET TO THE POINT OF BEGINNING.

CONTAINING 6,066 SQUARE FEET OR 0.14 ACRES, MORE OR LESS.

THIS EXHIBIT IS ALSO SHOWN ON THE ATTACHED EXHIBIT "B" AND THEREBY BEING MADE A PART HEREOF.

PREPARED UNDER MY SUPERVISION

  
\_\_\_\_\_  
9/4/12  
KEVIN B. COZAD, R.C.E. NO. 26159  
REGISTRATION EXPIRES: 3/31/2014



**EXHIBIT "B"**  
**SOUTHERN CALIFORNIA EDISON EASEMENT**

**LEGAL DESCRIPTION: A PORTION OF PARCEL 2 OF LOT LINE ADJUSTMENT** **SEC. 10, T.3S, R.1E, S.B.M.**  
**NO. 08-503 RECORDED SEPTEMBER 29, 2008 AS INSTRUMENT NO.**  
**2008-0528526, OFFICIAL RECORDS OF RIVERSIDE COUNTY.**

**E. WILLIAMS**

**ST.**

**ST.**

**MARTIN**

PARCEL 1  
 LLA 08-503  
 DOC#2008-0528526

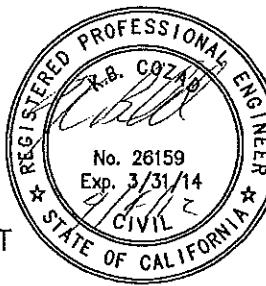
30'

40'

**LEGEND**

----- PARCEL LINES

SO. CALIFORNIA  
 EDISON EASEMENT



**E. RAMSEY**

**ST.**

S89°54'43"E  
 22.71'

PARCEL 2  
 LLA 08-503  
 DOC#2008-0528526

S00°46'40"W  
 200.73'

S09°56'52"W  
 116.78'

N00°44'15"E

315.79'

N89°54'43"W  
 3.88'

A.P.N. 541-150-025

**CITY OF BANNING**

PREPARED BY:



CIVIL / STRUCTURAL ENGINEERS  
 MUNICIPAL CONSULTANTS / PLANNERS  
 SURVEYORS / GPS  
 151 South Girard Street  
 Hemet, Ca 92544  
 TEL. (951) 652-4454  
 FAX (951) 766-8942

RECORDING REQUESTED BY  
SOUTHERN CALIFORNIA EDISON COMPANY

WHEN RECORDED MAIL TO  
SOUTHERN CALIFORNIA EDISON COMPANY  
2131 WALNUT GROVE AVENUE  
G03 - 2<sup>ND</sup> FLOOR  
ROSEMEAD, CA 91770  
ATTN: TITLE & REAL ESTATE SERVICES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF EASEMENT**

Location: City of Banning  
A.P.N. 541-150-028  
RP FILE: REL201255888  
SCE Doc No. 503804

DOCUMENTARY TRANSFER TAX \$ _____	Serial No. 69558A Service Order No. 800631305
COMPUTED ON FULL VALUE OF PROPERTY CONVEYED OR COMPUTED ON FULL VALUE LESS LIENS AND ENCUMBRANCES REMAINING AT TIME OF SALE SO. CALIF. EDISON CO.	Approved Real Properties Department BY LC DATE 11/1/12
SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	

CITY OF BANNING, a municipal corporation, hereinafter called "Grantor", hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns, hereinafter called "Grantee", an easement and right of way to construct, use, maintain, alter, add to, enlarge, repair, replace, inspect, and/or remove, at any time and from time to time, electric lines, consisting of poles and towers made of various materials, "H" frame structures, guy wires and anchors, crossarms, wires and other fixtures and appliances and communication circuits with necessary appurtenances, both overhead and underground, for conveying electric energy to be used for light, heat, power, telephone and/or other purposes, in, under, on, over, along and across a strip of land, varying in width, hereinafter described and designated as "Right of Way Strip," lying within that certain real property of the Grantor, situated in the City of Banning, County of Riverside, State of California, described as follows:

Parcel 2 of Lot Line Adjustment No. 08-503, recorded September 29, 2008 as Instrument No. 2008-0528526, Official records of Riverside County.

The said right of way strip is more particularly described on the Exhibit "A" and more particularly depicted on the Exhibit "B", both attached hereto and by this reference made a part hereof.

Grantor further grants, bargains, sells and conveys unto the Grantee the right of assignment, in whole or in part; to others, without limitation, and the right to apportion or divide in whatever manner Grantee deems desirable, any one or more, or all, of the easements and rights, including but not limited to all rights of access and ingress and egress granted to the Grantee by this Grant of Easement.

Grantor hereby also grants to Grantee, its successors and assigns, and its and their contractors, agents, and employees, the right to clear and to keep clear said right of way strip, free from explosives, buildings, equipment, brush, combustible material and any and all other obstructions of any kind (except for those herein provided) and the right to trim or remove any tree or shrub which in the opinion of Grantee, may endanger said electric lines or any part thereof or interfere with the exercise of the rights herein granted.

The terms, covenants and conditions of this Grant of Easement shall bind and inure to the benefit of the successors and assigns of Grantor and the successors and assigns of Grantee.

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Grant of Easement  
City of Banning to  
S.C.E.Co., a corp.  
Serial No. 69558A  
RP File No. REL201255888

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed by its officers thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF BANNING, a municipal corporation

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

Grant of Easement  
City of Banning to  
S.C.E.Co., a corp.  
Serial No. 69558A  
RP File No. REL201255888

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on the  
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within  
instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

EXHIBIT "A"

LEGAL DESCRIPTION

SOUTHERN CALIFORNIA EDISON EASEMENT

THAT PORTION OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 08-503 RECORDED SEPTEMBER 29, 2008 AS INSTRUMENT NO. 2008-0528526, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING AT THE NORTHEAST CORNER OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT, SAID POINT BEING ON THE SOUTHERLY RIGHT OF WAY OF EAST WILLIAMS STREET, BEING A 33 FOOT HALF WIDTH STREET RIGHT OF WAY;**

**THENCE SOUTH 89°54'47" EAST ALONG SAID RIGHT OF WAY A DISTANCE OF 22.89 FEET;**

**THENCE LEAVING SAID RIGHT OF WAY SOUTH 00°46'40" WEST, A DISTANCE OF 247.85 FEET TO A POINT ON A LINE THAT IS 355.77 FEET NORTH OF AND PARALLEL WITH THE CENTERLINE OF EAST RAMSEY STREET;**

**THENCE NORTH 89°54'43" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 22.71 FEET TO THE WEST LINE OF SAID PARCEL 2;**

**THENCE NORTH 00°44'15" EAST ALONG SAID WEST LINE, A DISTANCE OF 247.85 FEET TO THE SOUTHERLY RIGHT OF WAY OF EAST WILLIAMS STREET, BEING THE POINT OF BEGINNING.**

CONTAINING 5,651 SQUARE FEET OR 0.13 ACRES, MORE OR LESS.

THIS EXHIBIT IS ALSO SHOWN ON THE ATTACHED EXHIBIT "B" AND THEREBY BEING MADE A PART HEREOF.

PREPARED UNDER MY SUPERVISION

 6/19/14

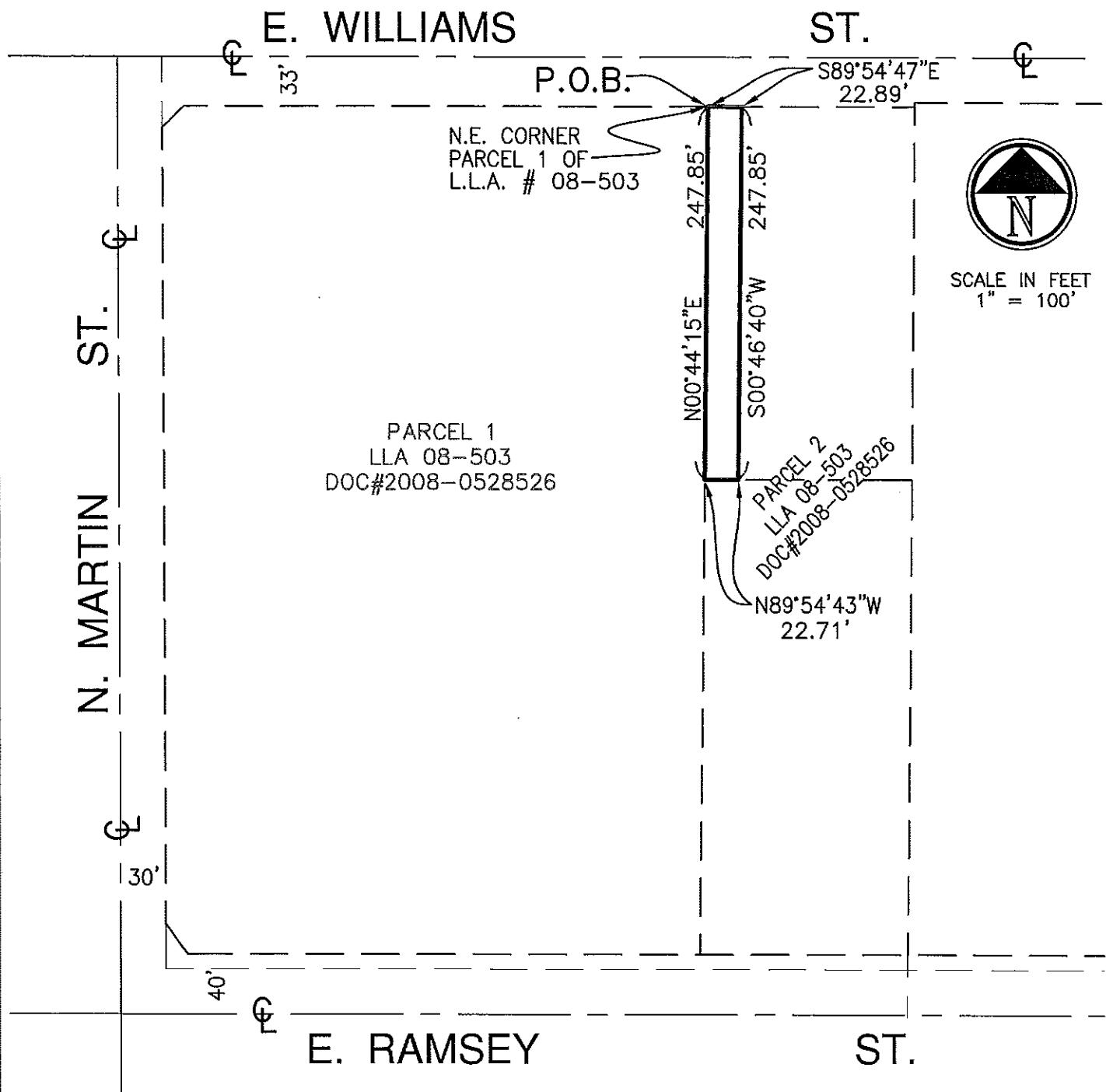
KEVIN B. COZAD, R.C.E. NO. 26159  
REGISTRATION EXPIRES: 3/31/2014



**EXHIBIT "B"**  
**SOUTHERN CALIFORNIA EDISON EASEMENT**

LEGAL DESCRIPTION: A PORTION OF PARCEL 2 OF LOT LINE ADJUSTMENT  
 NO. 08-503 RECORDED SEPTEMBER 29, 2008 AS INSTRUMENT NO.  
 2008-0528526, OFFICIAL RECORDS OF RIVERSIDE COUNTY.

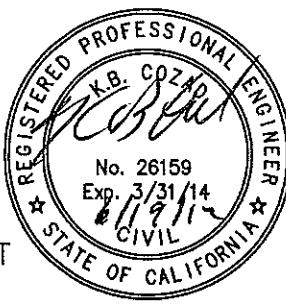
**SEC. 10, T.3S, R.1E, S.B.M.**



LEGEND

----- PARCEL LINES

SO. CALIFORNIA  
 EDISON EASEMENT



<b>CITY OF BANNING</b>	
PREPARED BY:	
<i>Cozad &amp; Fox Inc.</i>	
CIVIL / STRUCTURAL ENGINEERS MUNICIPAL CONSULTANTS / PLANNERS SURVEYORS / GPS 151 South Girard Street Hemet, Ca 92544 TEL. (951) 652-4454 FAX (951) 766-8942	
Serial # 4558A	
SHEET 1 OF 1 SHEETS	

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**EXHIBIT "B"**

**GRANT OF EASEMENT**

**APN: 541-150-026 AND 029**

RECORDING REQUESTED BY  
SOUTHERN CALIFORNIA EDISON COMPANY

WHEN RECORDED MAIL TO

SOUTHERN CALIFORNIA EDISON COMPANY  
2131 WALNUT GROVE AVENUE  
G03 - 2<sup>ND</sup> FLOOR  
ROSEMEAD, CA 91770

ATTN: TITLE & REAL ESTATE SERVICES

S	R	U	PAGE	SIZE	DA	MISC	LONG	RFD	COPY
			5						1050
M	A	L	465	426	PCOR	NCOR	SMF	NCHG	EXAM

T: CTY UNI

C  
034

GRANT OF EASEMENT

Location: City of Banning  
A.P.N. 541-150-026 and  
541-150-029  
RP FILE: REL201255888  
SCE Doc No. 504273

DOCUMENTARY TRANSFER TAX \$ <i>0</i>	Serial No. 69639A Service Order No. 800631305
COMPUTED ON FULL VALUE OF PROPERTY CONVEYED OR COMPUTED ON FULL VALUE LESS LIENS AND ENCUMBRANCES REMAINING AT TIME OF SALE SO. CALIF. EDISON CO.	Approved Real Properties Department BY LC/gs DATE 11/19/12
SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	

THE STATE OF CALIFORNIA, acting by and through THE JUDICIAL COUNCIL OF CALIFORNIA, ADMINISTRATIVE OFFICE OF THE COURTS, hereinafter called "Grantor", hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns, hereinafter called "Grantee", an easement and right of way to construct, use, maintain, alter, add to, enlarge, repair, replace, inspect, and/or remove, at any time and from time to time, electric lines, consisting of poles and towers made of various materials, "H" frame structures, guy wires and anchors, crossarms, wires and other fixtures and appliances and communication circuits with necessary appurtenances, both overhead and underground, for conveying electric energy to be used for light, heat, power, telephone and/or other purposes, in, under, on, over, along and across a strip of land, varying in width, hereinafter described and designated as "Right of Way Strip," lying within that certain real property of the Grantor, situated in the City of Banning, County of Riverside, State of California, described as follows:

Parcel 1 of Lot Line Adjustment No. 08-503, recorded September 29, 2008 as Instrument No. 2008-0528526, Official records of Riverside County.

The said right of way strip is more particularly described on the Exhibit "A" and more particularly depicted on the Exhibit "B", both attached hereto and by this reference made a part hereof.

Grantor further grants, bargains, sells and conveys unto the Grantee the right of assignment, in whole or in part, to others, without limitation, and the right to apportion or divide in whatever manner Grantee deems desirable, any one or more, or all, of the easements and rights, including but not limited to all rights of access and ingress and egress granted to the Grantee by this Grant of Easement.

Grantor hereby also grants to Grantee, its successors and assigns, and its and their contractors, agents, and employees, the right to clear and to keep clear said right of way strip, free from explosives, buildings, equipment, brush, combustible material and any and all other obstructions of any kind (except for those herein provided) and the right to trim or remove any tree or shrub which in the opinion of Grantee, may endanger said electric lines or any part thereof or interfere with the exercise of the rights herein granted.

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Grant of Easement  
State of California to  
S.C.E.Co., a corp.  
Serial No. 69639A  
RP File No. REL201255888

The terms, covenants and conditions of this Grant of Easement shall bind and inure to the benefit of the successors and assigns of Grantor and the successors and assigns of Grantee.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed by its officers thereunto duly authorized, this 13<sup>th</sup> day of DEC, 2012

THE STATE OF CALIFORNIA, acting by and through THE JUDICIAL COUNCIL OF CALIFORNIA, ADMINISTRATIVE OFFICE OF THE COURTS

By GARY SWANSON

Name GARY SWANSON

Title PROSTER MGR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

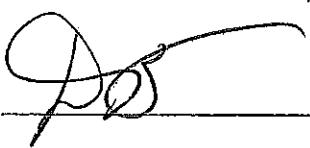
State of California )

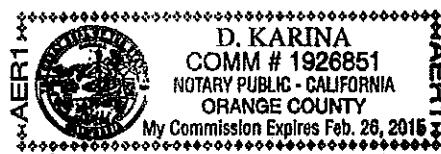
County of RIVERSIDE )

On 12.13.2012 before me, DAVID KARINA, NOTARY PUBLIC, a Notary Public, personally appeared GARY SWANSON, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 



Grant of Easement  
State of California to  
S.C.E.Co., a corp.  
Serial No. 69639A  
RP File No. REL201255888

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on the  
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within  
instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

EXHIBIT "A"  
LEGAL DESCRIPTION  
SOUTHERN CALIFORNIA EDISON EASEMENT

THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT NO. 08-503 RECORDED SEPTEMBER 29, 2008 AS INSTRUMENT NO. 2008-0528526, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT, SAID POINT BEING ON THE SOUTHERLY RIGHT OF WAY OF EAST WILLIAMS STREET, BEING A 33 FOOT HALF WIDTH STREET RIGHT OF WAY;

THENCE LEAVING SAID RIGHT OF WAY SOUTH  $00^{\circ}44'15''$  WEST ALONG THE EAST LINE OF SAID PARCEL 1 A DISTANCE OF 563.64 FEET TO THE NORTHERLY RIGHT OF WAY OF EAST RAMSEY STREET, BEING A 40 FOOT HALF WIDTH STREET RIGHT OF WAY;

THENCE NORTH  $89^{\circ}54'43''$  WEST ALONG SAID RIGHT OF WAY A DISTANCE OF 26.57 FEET;

THENCE LEAVING SAID RIGHT OF WAY NORTH  $09^{\circ}56'52''$  EAST, A DISTANCE OF 119.59 FEET;

THENCE NORTH  $00^{\circ}46'40''$  EAST, A DISTANCE OF 437.24 FEET;

THENCE NORTH  $29^{\circ}13'32''$  WEST, A DISTANCE OF 9.83 FEET TO THE SOUTHERLY RIGHT OF WAY OF EAST WILLIAMS STREET, BEING A 33 FOOT HALF WIDTH RIGHT OF WAY;

THENCE SOUTH  $89^{\circ}54'47''$  EAST ALONG SAID RIGHT OF WAY, A DISTANCE OF 12.03 FEET TO THE POINT OF BEGINNING.

CONTAINING 5,266 SQUARE FEET OR 0.12 ACRES, MORE OR LESS.

THIS EXHIBIT IS ALSO SHOWN ON THE ATTACHED EXHIBIT "B" AND THEREBY BEING MADE A PART HEREOF.

PREPARED UNDER MY SUPERVISION

  
\_\_\_\_\_  
9/4/12  
KEVIN B. COZAD, R.C.E. NO. 26159  
REGISTRATION EXPIRES: 3/31/2014



Benial 694B9A

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EXHIBIT "B"

SOUTHERN CALIFORNIA EDISON EASEMENT

LEGAL DESCRIPTION: A PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT SEC. 10, T3S, R1E, S.B.M.  
NO. 08-503 RECORDED SEPTEMBER 29, 2008 AS INSTRUMENT NO.  
2008-0528526, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

E. WILLIAMS

ST.

④

33'

S89°54'47"E  
12.03'

P.O.B.

④

N29°13'32"W  
9.83'

N.E. CORNER  
PARCEL 1 OF  
LLA # 08-503



SCALE IN FEET  
1" = 100'

N. MARTIN ST.

30'

40'

30'

40'

30'

40'

30'

40'

PARCEL 1  
LLA 08-503  
DOC#2008-0528526

E. RAMSEY

ST.

437.24'  
563.64'

N00°46'40"E  
S00°44'15"W

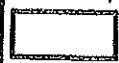
719.59'  
N09°56'52"E

N89°54'43"W  
26.57'

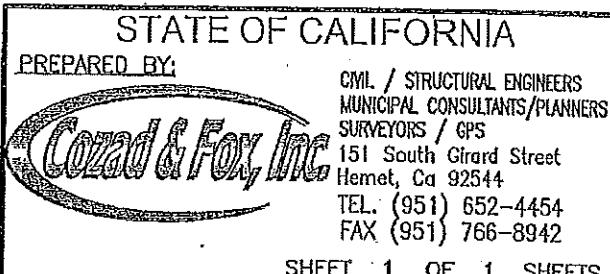
PARCEL 2  
LLA 08-503  
DOC#2008-0528526

LEGEND

PARCEL LINES



SO. CALIFORNIA  
EDISON EASEMENT



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## CITY COUNCIL AGENDA

**Date:** January 8, 2013

**TO:** City Council

**FROM:** Kahono Oei, City Engineer

**SUBJECT:** **Resolution No. 2013-07, "Reprogramming Community Development Block Grant (CDBG) Program funding from Repplier Park Bowl Rehabilitation to Lions Park Improvements"**

**RECOMMENDATION:** Adopt Resolution No. 2013-07, "Reprogramming Community Development Block Grant (CDBG) Program funding from Repplier Park Bowl Rehabilitation to Lions Park Improvements," and authorize staff to submit said application to the Riverside County Economic Development Agency for their review and approval.

**JUSTIFICATION:** The approval of this resolution is essential in order to utilize federal grant funds available through the Community Development Block Grant (CDBG) Fiscal Years 2008/2009 - 2012/2013 to rehabilitate Lions Park.

**BACKGROUND:** The City of Banning, through the Riverside County Economic Development Agency, has obtained Community Development Block Grant annually and as of December 11, 2012, has a balance of funding totaling \$394,596.98 for Repplier Park Bowl Rehabilitation from FY 2009/2010 – 2012/2013 under the CDBG program.

Repplier Park Bowl design was completed in 2010 and staff has submitted grants to the state under Prop. 84 Fund, however, the grant application has not been successful due to the competitive nature of the grant funding. The original engineering estimate for the Repplier Park Bowl is \$ 4,000,000.00 and the fund is not available at this point.

The City of Banning's relationship with Riverside County Economic Development Agency has allowed the city to not lose the funding each year. However, HUD has advised the county that the funds need to be utilized or they will revert back to the county. The Lions Park Improvement design was completed in 2007 and the scope of the project will include the construction of soccer fields, parking lot, and minor landscaping. Due to the shortage of funding this project was delayed. Reprogramming the funds from the Repplier Park Bowl to Lions Park will allow the city to utilize the CDBG funds that have been awarded thus far.

**FISCAL DATA:** The balance of funding awarded under the CDBG through Fiscal Year 2012-2013 for the Repplier Park Bowl Rehabilitation project is \$394,596.98. The Repplier Park Bowl Rehabilitation account will retain \$60,000.00 for slurry seal, striping and minor repairs of the parking lot, with the balance of \$334,596.98 being reprogrammed to the Lions Park Improvement Project. The preliminary engineering cost estimate for Lions Park Improvements is \$500,000.00. The remaining balance of the fund to cover construction costs will be obtained

from the 2013-2014 CDBG. Upon approval of the City Council, the application for reprogrammed funds will be submitted to the Riverside County Economic Development Agency and it is anticipated that final funding approval will be conveyed to the City at a later date.

**RECOMMENDED BY:**

Duane Burk

Duane Burk  
Director of Public Works

**REVIEWED BY:**

June Overholt

June Overholt  
Administrative Services Director/  
Assistant City Manager

**APPROVED BY:**

Andy Takata

Andy Takata  
City Manager

**RESOLUTION NO. 2013-07**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,  
CALIFORNIA, APPROVING THE REPROGRAMMING OF COMMUNITY  
DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FUNDING FROM REPLIER  
PARK BOWL REHABILITATION TO LIONS PARK IMPROVMENTS**

**WHEREAS**, the City of Banning has been submitting applications for projects/activities under the Community Development Block Grant (CDBG) program to the Riverside County Economic Development Agency annually and;

**WHEREAS**, the cumulative balance of funding awarded under the Community Development Block Grant (CDBG) program from the Riverside County Economic Development Agency for the Repplier Park Bowl Rehabilitation project through Fiscal Year 2012/2013 is \$394,596.98 and;

**WHEREAS**, in order to utilize Community Development Block Grant (CDBG) for the Lions Park Improvements project it is necessary to reprogram the funding in the amount of \$334,596.98 from the Repplier Park Bowl Rehabilitation project to the Lions Park Improvements Project and;

**WHEREAS**, funding in the amount of \$60,000.00 will be retained in the Repplier Park Bowl Rehabilitation project fund for slurry seal, striping, and minor repair to the parking lot and;

**WHEREAS**, the projects/activities submitted herein meet the CDBG program guidelines and/or requirements; and

**WHEREAS**, it is essential that the projects/activities be approved by the City Council through resolution in order for the City to utilize the federally funded CDBG grant funds.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

**SECTTION 1.** Resolution No. 2013-07 approving the Reprogramming of Community Development Block Grant (CDBG) Program funding from Repplier Park Bowl Rehabilitation to Lions Park Improvements in the amount of \$334,596.98 with \$60,000.00 being retained in the Repplier Park Bowl Rehabilitation fund for necessary parking lot repair, for a total of \$394,596.98 is hereby adopted.

**SECTTION 2.** Staff is authorized to submit Reprogram Community Development Block Grant program funding application to Riverside Economic Development Agency for approval by their Board.

**PASSED, ADOPTED AND APPROVED** this 8<sup>th</sup> day of January, 2013.

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Deborah Franklin, 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. 2013-07, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 8<sup>th</sup> day of January, 2013.

AYES:

NOES:

ABSTAIN:

ABSENT:

---

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

## CITY COUNCIL AGENDA

**DATE:** January 8, 2013

**TO:** City Council

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

**SUBJECT:** City Business Permit for Premier Medical Transportation, Inc

**RECOMMENDATION:** The City Council review and consider approving a City Business Permit for Premier Medical Transportation, Inc. to provide non-emergency medical transport services within the City Limits of Banning.

### **BACKGROUND / ANALYSIS:**

Per Banning Municipal Code 5.04.110 "Registration for Business tax certificate", Council approval is required for any business providing ambulance services.

Mr. Antonio Myrell is the President/CEO for Premier Medical Transportation, Inc, which is a private Basic Life Support (BLS) ambulance service that intends to provide non-emergency medical transportation for both critical and non-critical patients in the City of Banning and County of Riverside.

Premier Medical Transportation, Inc 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 vehicles that are painted and distinguished as ambulances, which are registered with the California Department of Motor Vehicles, as required by law, and have passed inspection with the California Highway Patrol.

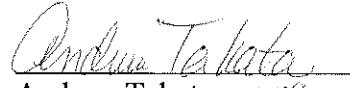
Premier Medical Transportation, Inc. will not be providing emergency response services as American Medical Response (AMR) is under contract with Riverside County to provide such services. Presently there are five ambulance companies that provide non-emergency medical transport services in the City of Banning.

**FISCAL IMPACT:** None

### **RECOMMENDED BY:**

  
June Overholt  
Administration Services Director/  
Deputy City Manager

### **APPROVED BY:**

  
Andrew Takata  
City Manager

## **CITY COUNCIL/BANNING UTILITY AUTHORITY AGENDA**

**DATE:** **January 8, 2013**

**TO:** **Banning Utility Authority**

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

**SUBJECT:** **Resolution No. 2013-01 UA, “Awarding a Professional Services Agreement for the Whitewater Flume Restoration Project with Roy McDonald, Environmental and Regulatory Consultant”**

**RECOMMENDATION:** The Banning Utility Authority adopt Resolution No. 2013-01 UA:

- I.** Awarding the Professional Services Agreement with Roy McDonald, Environmental and Regulatory Consultant of Sacramento, California in an amount of \$56,000.00 for services related to the Whitewater Flume Restoration Project for a total contract amount “Not to Exceed” \$56,000.00.
- II.** Authorizing the Administrative Services Director to make necessary adjustments and appropriations in an amount of \$56,000.00 from the Water Capital Facility Fund to Account No. 661-6300-471.33-11 (Professional Services).

**JUSTIFICATION:** It is necessary for the City to obtain an Environmental and Regulatory Consultant to assist the City with implementing its responsibilities under its Agreement with Southern California Edison (“SCE”) on the Whitewater Flume Restoration Project.

**BACKGROUND:** Southern California Edison (“SCE”) owns and previously operated hydroelectric facilities consisting of two small power plants. The water supply for the power plants comes from the South Fork and East Fork of the Whitewater River and is discharged into the Banning Heights Mutual Water Company’s (“Banning Heights”) water system as well as the Banning Water Canyon. The water that is discharged into the Banning Water Canyon replenishes the underlying groundwater sub basins, which eventually are pumped into the City of Banning’s Water System.

SCE operated the hydroelectric facilities under a permit from the Federal Energy Regulatory Commission (“FERC”) and previously notified FERC of its intention not to renew the permit after April of 2003. SCE has not operated the facilities to generate electricity since 1998 due to failure of a 900,000 gallon forbay tank and due to the failure of a portion of the canal. On October 8, 2003, FERC issued an order affirming the validity of an annual license for the water conveyance facilities and is requiring the filing of a Surrender of License.

The City has water rights to a section of the Whitewater River along with Banning Heights and it is prudent for the City to ensure continuous replenishment of the underlying groundwater sub basins in the Banning Water Canyon. The water supply from the SCE system is very valuable to the Banning Canyon watershed area.

In June of 2010, an Agreement for Transfer of the San Gorgonio Hydroelectric Project No. 344 Water Conveyance Facilities, also known as the Whitewater Flume, was fully executed between SCE, the City of Banning, Banning Heights, and San Gorgonio Pass Water Agency. The participating entities are currently evaluating the repair and replacement of the water conveyance system. Per the 1928 Agreement, the City of Banning and SCE are responsible for maintenance and repair of the flume, 10% and 90% respectively.

As part of the project, staff determined that it was necessary to obtain a consultant to assist the City in implementing its responsibilities, including but not limited to, the following: providing information and recommendations for action to be performed by the City and its partners; supporting the City in meetings with its partners, including AD Hoc Committee meetings; assisting the City by working with SCE staff and SCE consultants to review and edit portions of the SCE application for Surrender of License that are critical to protecting continued water deliveries; assisting the City by consulting on technical, regulatory, and processing issues with the U.S. Forest Service and/or other interested agencies and/or non-governmental organizations; developing a scope of work, budget and identifying a technical support team to implement necessary updates to environmental studies that are critical to protecting continued water deliveries and avoiding substantial unnecessary future costs and delays.

In August of 2010 staff awarded an Agreement to Roy McDonald, Environmental and Regulatory Consultant in the amount of \$25,000.00 to assist with and re-evaluate the project. On October 26, 2010, and August 23, 2011 the Banning Utility Authority adopted Resolution No. 2010-09 UA and No. 2011-12 UA, approving amendments to the agreement in the amount of \$ \$160,900.00 to cover a list of tasks and services to be completed for Fiscal Year 2011 and 2012.

For Fiscal Year 2013, staff has determined that additional services are necessary in the form of Task Order #4. The scope of work for the additional services includes, but is not limited to, the following: review and prepare comments on the FERC Final Environmental Assessment (“EA”) and file with FERC; review and prepare comments of Forest Service Section 4(e) terms and conditions and file with FERC; Support the City in negotiations with the US Forest Service, the U.S. Army Corps of Engineers, Regional Water Quality Control Board, and the Department of Fish and Game, and SCE to help assure acceptance of the City’s preferred project repair proposals; review and assist the City in analyzing the FERC License Surrender Order; and support the City as necessary in miscellaneous tasks associated with the Whitewater Flume Restoration to the extent such supporting services can be performed within the budget.

Staff respectfully requests for approval of the Professional Services Agreement with Roy McDonald for Environmental and Regulatory Consulting Services for a total contract amount of \$56,000.00. These services are expected to cover Fiscal Year 2013. Once completed, the project will be re-evaluated to determine if additional services are necessary. If required, staff will bring additional items to the City Council for review and approval.

**STRATEGIC PLAN INTEGRATION:** Approval of this recommendation will meet the City’s goal of providing a more reliable delivery of the water supply to the present and future customers of the Water Utility.

**FISCAL DATA:** This agreement will bring the total services cost to \$216,900.00. An appropriation in the amount of \$56,000.00 from the Water Capital Facility Fund to Account No. 661-6300-471.33-11 (Professional Services) is necessary in order to fund the Professional Services Agreement with Roy McDonald, Environmental and Regulatory Consultant. The total contract is for an amount "Not to Exceed" \$56,000.00 unless otherwise approved by City Council.

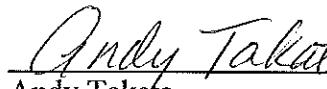
**RECOMMENDED BY:**

  
\_\_\_\_\_  
Duane Burk  
Director of Public Works

**REVIEWED BY:**

  
\_\_\_\_\_  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

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

**RESOLUTION NO. 2013-01 UA**

**A RESOLUTION OF THE BANNING UTILITY AUTHORITY OF THE CITY OF BANNING, CALIFORNIA, AWARDING A PROFESSIONAL SERVICES AGREEMENT FOR THE WHITEWATER FLUME RESTORATION PROJECT WITH ROY MCDONALD, ENVIRONMENTAL AND REGULATORY CONSULTANT**

**WHEREAS**, Southern California Edison (“SCE”) owns and previously operated hydro electrical facilities consisting of two small power plants which received its water supply for the power plants from the Whitewater River and is then discharged into the Banning Heights Mutual Water Company’s (“Banning Heights”) water system and the Banning Water Canyon; and

**WHEREAS**, SCE has not operated the facilities to generate electricity since 1998 and on October 8, 2003, Federal Energy Regulatory Commission (“FERC”) issued an order affirming the validity of an annual license for the water conveyance facilities and is requiring the filing of a Surrender of License application; and

**WHEREAS**, in June of 2010 an Agreement for Transfer of San Gorgonio Hydroelectric Project No. 344 Water Conveyance Facilities, also known as the Whitewater Flume, was fully executed between SCE, City of Banning, Banning Heights, and San Gorgonio Pass Water Agency; and

**WHEREAS**, staff has determined that it is necessary to obtain an Environmental and Regulatory Consultant to assist the City in implementing its responsibilities under its Agreement with SCE on the Whitewater Flume Restoration Project, including providing information and recommendations for actions to be performed by the City and its partners, Banning Heights Mutual Water Company, and San Gorgonio Pass Water Agency; and

**WHEREAS**, in August of 2010 staff awarded an Agreement to Roy McDonald, Environmental and Regulatory Consultant in the amount of \$25,000.00 to assist with and evaluate the project; and

**WHEREAS**, on October 26, 2010, and August 23, 2011 the Banning Utility Authority adopted Resolution No. 2010-09 UA and No. 2011-12 UA, approving amendments to the agreement in the amount of \$160,900.00 to cover a list of tasks and services to be completed for Fiscal Year 2011 and 2012; and

**WHEREAS**, staff has determined that additional services are necessary for Fiscal Year 2013 furthermore this scope of work includes, but is not limited to, the following: review and prepare comments on the FERC Final Environmental Assessment and file with FERC; review and prepare comments of Forest Service Section 4(e) terms and conditions and file with FERC; Support the City in negotiations with the US Forest Service, the U.S. Army Corps of Engineers, Regional Water Quality Control Board, and the Department of Fish and Game, and SCE to help assure acceptance of the City’s preferred project repair proposals; review and assist the City in analyzing the FERC License Surrender Order; and support the City as necessary in miscellaneous tasks associated with the Whitewater Flume Restoration to the extent such supporting services can be performed within the budget; and

**WHEREAS**, staff respectfully requests the award of the Professional Services Agreement with Roy McDonald for Environmental and Regulatory Consulting Services in the amount of "Not to Exceed" \$56,000.00; and

**WHEREAS**, these services are expected to cover the Fiscal Year 2013 period and once completed the project will be re-evaluated to determine if additional services are necessary.

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

**SECTION 1.** The Professional Services Agreement with Roy McDonald for Environmental and Regulatory Consulting Services for the Whitewater Flume Restoration project is approved in the amount of \$56,000.00 for a total contract amount "Not to Exceed" \$56,000.00.

**SECTION 2.** The Administrative Services Director is authorized to appropriate funds from the Water Capital Facility Fund to Account No. 661-6300-471.33-11 (Professional Services), in the amount of \$56,000.00 and is authorized to make necessary budget adjustments related to these funds.

**SECTION 3.** The City Manager is authorized to execute the Professional Services Agreement with Roy McDonald for the Whitewater Flume Restoration Project. This authorization will be rescinded if the parties do not execute the contract agreement within Ninety (90) days of this resolution.

**PASSED, ADOPTED AND APPROVED** this 8<sup>th</sup> day of January, 2013.

---

Deborah Franklin, Chairman  
Banning Utility Authority

**ATTEST:**

---

Marie A. Calderon, Secretary

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

---

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

**CERTIFICATION:**

I, Marie A. Calderon, Secretary to the Utility Authority of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2013-01 UA was adopted by the Banning Utility Authority of the City of Banning at its Joint Meeting thereof held on the 8th day of January, 2013.

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Marie A. Calderon, Secretary  
Banning Utility Authority

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

**DATE:** January 8, 2013

**TO:** Banning Utility Authority

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

**SUBJECT:** Banning Utility Authority Resolution No. 2013-02 UA, "Approving the First Amendment to the Professional Services Agreement with Nursery Products, LLC"

**RECOMMENDATION:** The Banning Utility Authority adopt Resolution 2013-02 UA:

- I. Approving the First Amendment to the Professional Services Agreement with Nursery Products, LLC to include additional services in an amount of \$1,300.19 for a total contract amount "Not to Exceed" \$26,300.19.
- II. Authorizing the City Manager to execute the first amendment to the Professional Services Agreement with Nursery Products, LLC.

**JUSTIFICATION:** Additional funds are necessary in order to complete the removal/hauling of bio-solids (sludge) at the wastewater treatment plant.

**BACKGROUND:** In order to prevent quarterly testing of the treated dry bio-solids (sludge) and to comply with Environmental Protection Agency ("EPA") regulations the removal of the bio-solids is necessary once the wastewater treatment plant exceeds 400 tons of bio-solids.

The City budgets an amount equal to \$25,000.00 every fiscal year for the hauling and the disposal of the bio-solids. The accumulation of the treated dry bio-solids has been greater than originally anticipated. The additional bio-solids added 42 tons of material to be removed and hauled off site and added an additional amount of \$1,300.19 to be paid to Nursery Products, LLC.

**FISCAL DATA:** The approval of the amendment in the amount of \$1,300.19 brings the total contract amount to \$26,300.19. Funds are currently available in FY 2012-13 Waste Water Division Operation Budget, Account No. 680-8000-454.23-36.

**SIGNATURES ON NEXT PAGE**

**RECOMMENDED BY:**

Duane Burk  
Duane Burk  
Director of Public Works

**REVIEWED BY:**

June Overholt  
June Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

Andy Takata  
Andy Takata  
City Manager

**BANNING UTILITY AUTHORITY RESOLUTION NO. 2013-02 UA**

**A RESOLUTION OF THE BANNING UTILITY AUTHORITY OF THE CITY OF BANNING, CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH NURSERY PRODUCTS, LLC**

**WHEREAS**, in order to prevent quarterly testing of the treated dry bio-solids (sludge) and to comply with Environmental Protection Agency (“EPA”) regulations the removal of the bio-solids is necessary once the Wastewater Treatment Plant exceeds 400 tons of bio-solids; and

**WHEREAS**, the City budgets an amount equal to \$25,000.00 every fiscal year for the hauling and the disposal of the bio-solids; and

**WHEREAS**, the accumulation of the treated dry bio-solids has been greater than originally anticipated, which added 42 tons of material to be removed and hauled off site and added an additional amount of \$1,300.19 to be paid to Nursery Products, LLC.

**WHEREAS**, an amendment is necessary in order to complete the removal of the bio-solids from the wastewater treatment plant.

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

**SECTION 1.** Banning Utility Authority adopts Resolution No. 2013-02 UA, “Approving the First Amendment to the Professional Services Agreement with Nursery Products, LLC.

**SECTION 2.** The City Manager is authorized to execute the first amendment to the Professional Services Agreement with Nursery Products, LLC. This authorization will be rescinded if the contract agreement is not executed by the parties within sixty (60) days of the date of this resolution.

**PASSED, ADOPTED AND APPROVED** this 8<sup>th</sup> day January, 2013.

---

Debbie Franklin, Chairman  
Banning Utility Authority

**ATTEST:**

---

Marie A. Calderon, Secretary

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

---

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

**CERTIFICATION:**

I, Marie A. Calderon, Secretary of the Banning Utility Authority of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2013-02 UA was adopted by the Banning Utility Authority of the City of Banning at a Regular Meeting thereof held on the 8<sup>th</sup> day of January, 2013.

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Marie A. Calderon, Secretary  
Banning Utility Authority  
City of Banning, California

**SUCCESSOR AGENCY TO THE DISOLVED  
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING  
CONSENT**

**DATE:** **January 8, 2013**

**TO:** **Chair and Successor Agency Board Members**

**FROM:** **Bill R. Manis, Economic Development Director**

**SUBJECT:** **Due Diligence Review for the Other Redevelopment Agency Funds**

**RECOMMENDATION:**

That the Successor Agency to the dissolved Community Redevelopment Agency of the City of Banning take the following action:

- (1) Receive and File the Other Redevelopment Agency Funds Due Diligence Review.

**BACKGROUND/DISCUSSION:**

Per Health and Safety Code Section 34179.5 and AB 1484, which was adopted on June 27, 2012, the Successor Agency is required to employ a licensed accountant, approved by the Riverside County Auditor-Controller, to conduct a Due Diligence Review (“DDR”) to determine the unobligated balances available for transfer to taxing entities. The low and moderate income (“LMI”) housing fund was the first of two such reviews to be performed (Attachment 1). The Other Redevelopment Agency Funds DDR is the second of the reviews to be performed (Attachment 2).

Both DDR’s must be submitted to the Oversight Board for their review and approval. In addition, the DDR must be submitted to the County Auditor-Controller’s Office, State Controller’s Office and the Department of Finance (“DOF”). The City engaged Lance, Soll & Lunghard, LLP (“LSL”) to conduct the DDR. They have been approved by the County Auditor-Controller for this assignment.

AB 1484 also requires that the Oversight Board hold a public comment session at least five business days prior to holding an approval vote. For the LMI DDR the Banning Oversight Board held a Special Meeting on Monday, October 15, 2012, to initiate the public comment session. On Monday, October 22, 2012, the Banning Oversight Board held another Special Meeting to review, consider and approve the DDR. No public comments were received on the LMI DDR. The LMI DDR indicated that the total amount of assets held by the Successor Agency in the LMI housing fund as of June 30, 2012 was \$5,879,793.00. Of this amount, \$1,822,344.00 was determined to be available for transfer to the taxing entities. The Successor Agency transmitted \$1,822,344.00 to the County Auditor-Controller for distribution to the taxing entities in accordance with Health and Safety Code Section 34179.6(b).

The Other Redevelopment Agency Funds DDR has the same requirements under AB 1484. In order to comply with the January 15, 2013 deadline to complete the second DDR, the Banning Oversight Board held a special meeting on Thursday, December 13, 2012, to initiate the public comment session. On Thursday, January 10, 2013, the Banning Oversight Board will hold another Special Meeting to review, consider, and approve the Other Redevelopment Agency Funds DDR. To date, no public

comments have been received on the second DDR. The Other Redevelopment Agency Funds DDR indicates that the total amount of assets held by the Successor Agency of non-housing funds as of June 30, 2012, was \$28,504,312 (Procedure 5). Of this amount, \$634,994 was determined to be available for transfer to taxing entities (Procedure 10).

After the Oversight Board reviews, considers, and approves the Other Redevelopment Funds DDR it is submitted to the DOF and the County Auditor-Controller for the final determination of the amount to be disbursed. The DOF must complete its determination within a specified timeline per AB 1484. If there are any items in dispute, the Successor Agency will have the opportunity to request a Meet and Confer with the DOF.

**FISCAL DATA:**

If the Other Redevelopment Agency Funds DDR is ultimately approved (as submitted) by the Oversight Board and the DOF, \$634,994.00 will be transmitted to the County Auditor-Controller and distributed to the taxing entities.

**RECOMMENDED BY:**

Bill R. Manis  
Bill R. Manis  
Economic Development Director

**REVIEWED BY:**

June A. Overholt  
June A. Overholt  
Administrative Services Director/  
Deputy City Manager

**APPROVED BY:**

Andy Takata  
Andy Takata  
City Manager

**Attachments:**

1. LMI DDR
2. Other Redevelopment Agency Funds DDR

**ATTACHMENT 1**

**LOW & MODERATE INCOME DUE DILIGENCE REVIEW**



**Successor Agency of the  
Former Banning Redevelopment Agency**

**Due Diligence Review  
of the Low and Moderate Income Housing Fund  
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(3)  
and Sections 34179.5(c)(5) through 34179.5(c)(6)  
of Assembly Bill No. 1484 of 2012**

**Lance Soll & Lunghard, LLP**

Orange County  
Silicon Valley  
Temecula Valley

[www.lsllcpas.com](http://www.lsllcpas.com)

Successor Agency of the  
Former Banning Redevelopment Agency

Due Diligence Review  
of the Low and Moderate Income Housing Fund  
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(3)  
and Sections 34179.5(c)(5) through 34179.5(c)(6)  
of Assembly Bill No. 1484 of 2012

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP  
*A Professional Corporation*
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES

To the Successor Agency of the  
Former Banning Redevelopment Agency  
City of Banning, California

We have performed the procedures enumerated in Attachment A for the Low and Moderate Housing Fund, which were agreed to by the California State Controller's Office and the State of California Department of Finance (State Agencies) solely to assist you in ensuring that the dissolved redevelopment agency is complying with Assembly Bill 1484, Chapter 26, Section 17's amendment to health and safety code 34179.5. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Management of the successor agency is responsible for providing all the information obtained in performing these procedures. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

As stated above, the scope of this engagement was limited to performing the procedures identified in Attachment A, which specified the "List of Procedures for the Due Diligence Review" obtained from the California Department of Finance Website.

The results of the procedures performed are identified in Attachment B1 through B11.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of a certified opinion as to the appropriateness of the results of the procedures performed. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to the Successor Agency.

This report is intended solely for the information and use of the Successor Agency Oversight Board, the Successor Agency and the applicable State Agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.



Brea, California  
September 21, 2012

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**List of Procedures for Due Diligence Review of the Low and Moderate Housing Fund**

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.
2. If the State Controller's Office has completed its review of transfers required under both sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
  - a. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - b. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - c. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.
3. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
  - a. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - b. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - c. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

4. Perform the following procedures:
  - a. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
  - b. Ascertain that for each period presented, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
  - c. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period.
  - d. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.
5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listing should be attached as an exhibit to the appropriate AUP report.
6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for the following purposes:
  - a. Unspent bond proceeds:
    - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.).
    - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
    - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
  - b. Grant proceeds and program income that are restricted by third parties:
    - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
    - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.

c. Other assets considered to be legally restricted:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.

d. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.

7. Perform the following:

- a. Obtain from the Successor Agency a listing of assets as of June 30, 2012 that are **not** liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.
- b. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.
- c. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.
- d. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.

8. Perform the following:

- a. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.
- i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

- ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
- iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
- iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.
- b. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:
  - i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012 and for the six month period July 1, 2012 through December 31, 2012.
  - ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
    - a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
  - iii. For the forecasted annual revenues:
    - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.
  - c. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.
    - i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
    - ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
    - iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.
  - d. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.

**List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)**

- i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations.
- ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
- iii. Include the calculation in the AUP report.
9. If the Successor Agency believes that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.
10. Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).
11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

**ATTACHMENT B1**

**Procedure 1**  
**List of Assets Transferred from the Former Redevelopment Agency to the Successor Agency**  
**Low and Moderate Housing Fund**  
**As of February 1, 2012**

---

NO ASSETS WERE TRANSFERRED FROM THE FORMER REDEVELOPMENT AGENCY TO THE SUCCESSOR AGENCY. ALL ASSETS WENT TO THE HOUSING AUTHORITY.

**Procedure 2**  
**Listing of Transfers (excluding payments for goods and services) to the City**  
**Low and Moderate Housing Fund**  
**For the Period from January 1, 2011 through June 30, 2012**

**ATTACHMENT B2**

<b>Describe Purpose of Transfer</b>	<b>Enforceable Obligation (EO)/ Other Legal Requirement (LR)</b>	<b>Amount</b>	<b>Legal Documentation Obtained? (Y/N)</b>
<b>From former Redevelopment Agency to City for January 1, 2011 through January 31, 2012:</b>			

NO TRANSFERS FOR THIS PERIOD OR THEY WERE DIMINIMUS.

**From Successor Agency to City for February 1, 2012 through June 30, 2012**

NO TRANSFERS FOR THIS PERIOD OR THEY WERE DIMINIMUS.

Procedure 3

**Listing of Transfers (excluding payments for goods and services) to other public agencies or private parties**  
**Low and Moderate Housing Fund**  
**For the Period from January 1, 2011 through June 30, 2012**

ATTACHMENT B3

Describe Purpose of Transfer	Enforceable Obligation (EO)/ Other Legal Requirement (LR)	Amount	Legal Documentation Obtained? (Y/N)
<b>From former Redevelopment Agency to other public agencies or private parties for January 1, 2011 through January 31, 2012:</b>			
NO TRANSFERS FOR THIS PERIOD OR THEY WERE DIMINIMUS.			
<b>From Successor Agency to other public agencies or private parties for February 1, 2012 through June 30, 2012</b>			
Cash	N/A	\$ 2,516,070	N a
Notes and loans receivables	N/A	1,065,290	N a
SERAFF loan receivable	N/A	2,298,433	N a
Reimbursement for Housing Authority administrative expenditures	LR	162,883	Y
	<b>Sub-total:</b>	<b><u>\$ 6,042,676</u></b>	
	<b>Total Transfers to other public agencies or private parties for 1/1/2011 through 6/30/2012:</b>	<b><u>\$ 6,042,676</u></b>	

**Footnotes:**

a) These items were not reported as transfers on the Housing Asset Transfer Form and therefore were not approved by the Department of Finance.

**Procedure 4**  
**Summary of the financial transactions of Redevelopment Agency and Successor Agency**  
**Low and Moderate Housing Fund**  
**Per schedule attached to List of Procedures for Due Diligence Review**

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**ATTACHMENT B4**

NOT APPLICABLE TO THE LOW AND MODERATE HOUSING FUND DUE DILIGENCE REVIEW.

**Procedure 5**  
**Listing of All Assets (excluding all assets held by the entity that assumed the housing function)**  
**Low and Moderate Housing Fund**  
**As of June 30, 2012**

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ATTACHMENT B5

ALL ASSETS WERE TRANSFERRED TO THE HOUSING AUTHORITY. NO LOW AND MODERATE HOUSING FUND ASSETS TO SHOW AT JUNE 30, 2012 FOR THE SUCCESSOR AGENCY.

**Procedure 6**  
**Listing of Assets that are restricted**  
**Low and Moderate Housing Fund**  
**As of June 30, 2012**

**ATTACHMENT B6**

<u>Item #</u>	<u>Description</u>	<u>Documentation Referenced</u>	<u>Amount</u>	<u>Purpose</u>	<u>Legal Documentation Obtained? (Y/N)</u>
1	Unspent bond proceeds a) 2003 TAB	857-0000-101.10-00	\$ 659,535	Housing activities	Y a, b
2	Restricted Cash a) Cash bal in Low/Mod Fund	810-0000-101.10-00	<u>1,856,535</u>	Set-aside reserve requirement.	N c
	<b>TOTAL:</b>	<b>\$ 2,516,070</b>			

**Footnotes:**

- a) Official bond statement was obtained showing restriction of bond proceeds.
- b) The unspent bond proceeds are held in a separate fund, 2003 TAB Fund.
- c) Held as pooled cash in the former redevelopment agency low and moderate 20% set-aside fund. Reserve for 2003 TAB is held in other RDA Funds with a cash with fiscal agent.

Procedure 7  
**Listing of Assets That Are Not Liquid or Otherwise Available for Distribution**  
**Low and Moderate Housing Fund**  
**As of June 30, 2012**

**ATTACHMENT B7**

Item #	Description	Reference	Amount	Value Method	Variance Noted? (Y/N)
1	Long-term receivable				
	a) Notes and loans receivables	810-0000-118.24-00	\$ 179,947	Cost	N
	b) Notes and loans receivables	857-0000-118.24-00	885,343	Cost	N
	c) SERAF loan receivable	810-0000-181.88-00	2,298,433	Cost	N
	<b>TOTAL RESTRICTIONS OF NON-CASH ITEMS</b>		<b>\$ 3,363,723</b>		

**Procedure 8a**  
**Listing of Assets (resources) that are dedicated or restricted for the funding of enforceable obligations**  
**Low and Moderate Housing Fund**  
**As of June 30, 2012**

---

NO ASSETS THAT ARE DEDICATED OR RESTRICTED FOR THE FUNDING OF ENFORCEABLE OBLIGATIONS.

NO ASSETS THAT NEED TO BE RETAINED DUE TO INSUFFICIENT FUNDING FOR THE FUNDING OF ENFORCEABLE OBLIGATIONS.

**Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for bond debt payments**  
**Low and Moderate Housing Fund**  
**As of June 30, 2012**

Item #	Project Name	Reference	Approved Obligation Amount	Estimated Future Revenues	Amount Needed to be Retained from June 30, 2012 Balance		Legal Documentation Obtained? (Y/N)
					Revenue Source	Balance	
1	2003 Tax Allocation Bonds (Low/Mod)	ROPS II, Line 1	\$ 140,920	\$ 106,728	RPTTF	\$ 34,191	Y
			<b>\$ 140,920</b>	<b>\$ 106,728</b>		<b>\$ 34,191</b>	

**Procedure 9**  
**Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for future ROPS**  
**Low and Moderate Housing Fund**  
**As of June 30, 2012**

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NO ASSETS THAT NEED TO BE RETAINED DUE TO PROJECTED INSUFFICIENT PROPERTY TAX REVENUES FOR FUTURE ROPS.

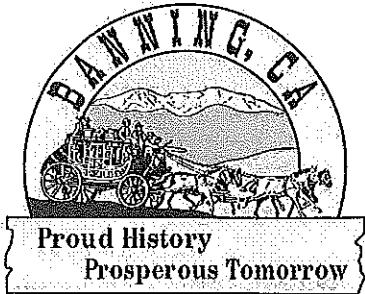
**Procedure 10**  
**Summary of Low-Mod Balances Available for Allocation to Affected Taxing Entities**

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**ATTACHMENT B10**

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Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$ -
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)	
To City	
To other parties	5,879,793
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)	(659,535)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)	(3,363,723)
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)	(34,191)
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)	
8 Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	
Amount to be remitted to county for disbursement to taxing entities	
	\$ <u>1,822,344</u>



# City of Banning

## Finance Department

September 21, 2012

Lance, Soll & Lungard, LLP  
Certified Public Accountants  
203 North Brea Boulevard, Suite 203  
Brea, CA 92821-4056

We are providing this letter in connection with your performance of the Due Diligence Review of the Low and Moderate Housing Fund in accordance with Assembly Bill 1484 for the Successor Agency of the former Redevelopment Agency of the City of Banning. We confirm that we are responsible for the complete and fair presentation of the previously mentioned review in conformity with the listed procedures of the Assembly Bill 1484 Due Diligence Review as published by the State Department of Finance on August 27, 2012. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your review:

1. We have made available to you:
  - a. In accordance with 34179.5(c)(1), the dollar value of all assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.
  - b. In accordance with 34179.5(c)(2), the dollar value of all assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer. We have also provided the documentation of any enforceable obligation that required the transfer.
  - c. In accordance with 34179.5(c)(3), the dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer. We have also provided documentation of any enforceable obligation that required the transfer.
  - d. In accordance with 34179.5(c)(4), the expenditure and revenue accounting information and have identified transfers and funding sources for the 2010–11 and 2011–12 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the Controller for the 2009–10 fiscal year.
  - e. In accordance with 34179.5(c)(5), a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012.

- f. In accordance with 34179.5(c)(5)(B), an itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.
- g. In accordance with 34179.5(c)(5)(C), an itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value.
- h. In accordance with 34179.5(c)(5)(D), an itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation. In addition, we have provided a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a projection of annual revenues available to fund those requirements.
- i. In accordance with 34179.5(c)(5)(E), an itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.

2. There are no material transactions that have not been properly recorded in the accounting records underlying this Due Diligence Review.

3. Management is not aware of any transfers (as defined by Section 34179.5) from either the former Redevelopment Agency or the Successor Agency to the City, other agencies or private parties for the period January 1, 2011 through June 30, 2012 that have not been identified in this report and related exhibits.

4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

5. We have no knowledge of any fraud or suspected fraud affecting this Due Diligence Review involving:

- a. Management,
- b. Employees who have significant roles in internal control, or
- c. Others where the fraud could have a material effect on this Due Diligence Review.

6. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

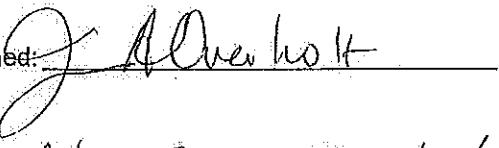
7. When applicable, we have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.

8. We have identified to you any previous audits, attestation engagements, performance audits, state controller reports or other studies related to the objectives of this Due Diligence Review and whether related recommendations have been implemented.

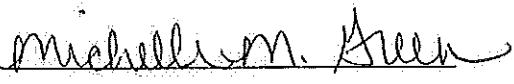
9. The Successor Agency of the former Redevelopment Agency of the City of Banning has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.

10. We are responsible for compliance with the laws, regulations, provisions of contracts and grant agreements applicable to us, and all provisions related to the dissolution of the Redevelopment Agency in accordance with ABx1 26 and AB 1484.
11. There are no known violations of:
  - a. Laws and regulations,
  - b. Provisions of contracts and grant agreements,
  - c. Provisions related to the dissolution of the Redevelopment Agency in ABx1 26 and AB 1484 whose effects should be considered for disclosure in this Due Diligence Review.
12. All bank accounts and investments associated with this review have been properly reflected in the general ledger accounting records.
13. No events, including instances of noncompliance, have occurred subsequent to the performance of this Due Diligence Review and through the date of this letter that would require adjustment to or disclosure in the aforementioned Due Diligence Review.

Signed:

  
Title: Admin. Services Director /  
Deputy City Manager

Signed:

  
Title: Deputy Finance Director

**ATTACHMENT 2**  
**OTHER REDEVELOPMENT AGENCY FUNDS**  
**DUE DILIGENCE REVIEW**



**Successor Agency  
of the Former Banning Redevelopment Agency**

**Due Diligence Review  
of the Other Redevelopment Agency Funds  
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(6)  
of Assembly Bill No. 1484 of 2012**

**Lance Soll & Lunghard, LLP**

Orange County  
Silicon Valley  
Temecula Valley

[www.lslcpas.com](http://www.lslcpas.com)

Successor Agency  
of the Former Banning Redevelopment Agency

Due Diligence Review  
of the Other Redevelopment Agency Funds  
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(6)  
of Assembly Bill No. 1484 of 2012

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP  
*A Professional Corporation*
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES

To the Successor Agency of the  
Former Banning Redevelopment Agency  
City of Banning, California

We have performed the procedures enumerated in Attachment A for the Other Redevelopment Agency Funds, which were agreed to by the California State Controller's Office and the State of California Department of Finance (State Agencies) solely to assist you in ensuring that the dissolved redevelopment agency is complying with Assembly Bill 1484, Chapter 26, Section 17's amendment to health and safety code 34179.5. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Management of the successor agency is responsible for providing all the information obtained in performing these procedures. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

As stated above, the scope of this engagement was limited to performing the procedures identified in Attachment A, which specified the "List of Procedures for the Due Diligence Review" obtained from the California Department of Finance Website.

The results of the procedures performed are identified in Attachment B1 through B11.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of a certified opinion as to the appropriateness of the results of the procedures performed. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to the Successor Agency.

This report is intended solely for the information and use of the Successor Agency Oversight Board, the Successor Agency and the applicable State Agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Lance, Soll & Lunghard, LLP*

Brea, California  
December 5, 2012

**List of Procedures for Due Diligence Review of the Other Redevelopment Agency Funds**

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.
2. If the State Controller's Office has completed its review of transfers required under both sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
  - a. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - b. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - c. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.
3. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
  - a. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - b. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.
  - c. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)

4. Perform the following procedures:
  - a. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
  - b. Ascertain that for each period presented, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
  - c. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period.
  - d. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.
5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listing should be attached as an exhibit to the appropriate AUP report.
6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for the following purposes:
  - a. Unspent bond proceeds:
    - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.).
    - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
    - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
  - b. Grant proceeds and program income that are restricted by third parties:
    - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
    - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).

**List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)**

iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.

c. Other assets considered to be legally restricted:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.

d. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.

7. Perform the following:

- a. Obtain from the Successor Agency a listing of assets as of June 30, 2012 that are **not** liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.
- b. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.
- c. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.
- d. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.

8. Perform the following:

- a. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.
  - i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.

**List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)**

- ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
- iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
- iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.

b. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:

- i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012 and for the six month period July 1, 2012 through December 31, 2012.
- ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
  - a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
- iii. For the forecasted annual revenues:
  - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.

c. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.

- i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
- ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
- iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.

d. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.

**List of Procedures for Due Diligence Review for the Other Redevelopment Agency Funds (Continued)**

- i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations.
- ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
- iii. Include the calculation in the AUP report.
9. If the Successor Agency believes that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.
10. Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).
11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

**Procedure 1**  
**List of Assets Transferred from the Former Redevelopment Agency to the Successor Agency**  
**Other Redevelopment Agency Funds**  
**As of February 1, 2012**

**ATTACHMENT B1**

<u>Asset</u>	<u>Balance at 2/1/2012</u>
Cash and investments	\$ 3,082,022
Cash with fiscal agent	14,799,305
Accounts receivable	176
Interest receivable	5,344
Loans receivable	6,995,029
Land held for resale	6,206,511
<b>Total Assets transferred:</b>	<b>\$ 31,088,387</b>

**Procedure 2**  
**Listing of Transfers (Excluding Payments for Goods and Services) to the City**  
**Other Redevelopment Agency Funds**  
**For the Period from January 1, 2011 through June 30, 2012**

**ATTACHMENT B2**

<u>Describe Purpose of Transfer</u>	<u>Enforceable Obligation (EO)/ Other Legal Requirement (LR)</u>	<u>Amount</u>	<u>Legal Documentation Obtained? (Y/N)</u>
-------------------------------------	--	---------------	--

**From former Redevelopment Agency to City for January 1, 2011 through January 31, 2012**

No transfers were made to the City during this time period or they were diminimus

**From Successor Agency to City for February 1, 2012 through June 30, 2012**

No transfers were made to the City during this time period or they were diminimus

**Procedure 3**  
**Listing of Transfers (Excluding Payments for Goods and Services) to Other Public Agencies or Private Parties**  
**Other Redevelopment Agency Funds**  
**For the Period from January 1, 2011 through June 30, 2012**

**ATTACHMENT B3**

<b>Describe Purpose of Transfer</b>	<b>Enforceable Obligation (EO)/ Other Legal Requirement (LR)</b>	<b>Amount</b>	<b>Legal Documentation Obtained? (Y/N)</b>
<b>From former Redevelopment Agency to other public agencies or private parties for January 1, 2011 through January 31, 2012</b>			
8/4/2011 pass-thru payments	EO	\$ 337,981	Y
7/1/2011 principal - 2003 TABs	EO	\$ 340,000	Y
7/1/2011 principal - 2007 TABs	EO	\$ 505,000	Y
1/4/2011 interest - 2007 TABs	EO	\$ 610,308	Y
7/1/2011 interest - 2007 TABs	EO	\$ 610,308	Y
1/5/2012 interest - 2007 TABs	EO	\$ 600,208	Y
<b>Sub-total:</b>		<b>\$ 3,003,805</b>	

**9 From Successor Agency to other public agencies or private parties for February 1, 2012 through June 30, 2012**

No transfers were made to the other public agencies or private parties during this time period or they were diminimus

**Procedure 4**  
**Summary of the Financial Transactions of Redevelopment Agency and Successor Agency**  
**All Funds**

**ATTACHMENT B4**

**Per schedule attached to List of Procedures for Due Diligence Review**

	Redevelopment Agency		Redevelopment Agency		Redevelopment Agency		<b>Successor Agency</b> 5 Months Ended 6/30/2012
	12 Months Ended 6/30/2010	12 Months Ended 6/30/2011	7 Months Ended 1/31/2012	7 Months Ended 1/31/2012	7 Months Ended 1/31/2012	7 Months Ended 1/31/2012	
<b>Assets (modified accrual basis)</b>							
Cash and investments	\$ 14,806,958	\$ 8,900,475	\$ 6,107,697	\$ 6,055,531			
Cash with fiscal agent	15,337,021	14,819,558	14,799,352	11,194,723			
Tax increment receivable	56,719	5,096	-	-			
Accounts receivable	343	572	14,152	6,484	176	4,385	
Interest receivable	29,589	8,060,319	8,060,319	6,495,029			
Loans receivable	5,211,015	-	-	-			
Lease payments receivable	4,210,000	2,298,433	2,298,433	-			
Advances to other funds	1,906,018	-	-	-			
Land held for resale	8,726,391	-	6,206,511	-			
<b>Total Assets</b>	<b>\$ 50,284,054</b>	<b>\$ 34,098,605</b>	<b>\$ 37,478,972</b>	<b>\$ 29,956,355</b>			
<b>Liabilities (modified accrual basis)</b>							
Accounts payable	\$ 792,426	\$ 868,036	\$ 153,374	\$ 494,431			
Accrued liabilities	33,305	24,064	-	4,086			
Advances from other funds	1,906,018	2,298,433	2,298,433	2,298,433			
Deposits payable	67,702	66,202	46,202	46,202			
Due to City of Banning	1,000,000	1,095,300	1,095,300	-			
Deferred revenue	8,340,487	6,979,791	6,979,791	5,414,501			
<b>Total Liabilities</b>	<b>12,139,938</b>	<b>11,331,826</b>	<b>10,573,100</b>	<b>8,257,653</b>			
	<b>38,144,116</b>	<b>22,766,779</b>	<b>26,905,872</b>	<b>21,698,702</b>			
<b>Equity</b>	<b>Total Liabilities + Equity</b>						
	<b>\$ 50,284,054</b>	<b>\$ 34,098,605</b>	<b>\$ 37,478,972</b>	<b>\$ 29,956,355</b>			
<b>Total Revenues:</b>							
<b>Total Expenditures:</b>							
<b>Total Transfers:</b>							
<b>Net change in equity</b>							
<b>Beginning Equity:</b>							
<b>Ending Equity:</b>							
Other Information (show year end balances for all four periods presented):							
Capital assets as of end of year	\$ 4,090,705	\$ 49,125,332	\$ 10,029,710	\$ 10,615,193			
Long-term debt as of end of year	54,233,235	-	41,140,882	41,092,300			
<b>Footnotes:</b>							
a) Prior period adjustments of \$6,162,998							
b) Prior period adjustments of \$3,704,781							
c) Prior period adjustments of \$6,206,511							

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Procedure 5  
**Listing of All Assets**  
**Other Redevelopment Agency Funds**  
**As of June 30, 2012**

ATTACHMENT B5

Assets	Amount
Cash and investments	
830-101.10-00	Cash in Bank
830-101.10-20	GASB 31 Adjustment
850-101.10-00	Cash in Bank
850-101.10-20	GASB 31 Adjustment
855-101.10-00	Cash in Bank
855-101.10-20	GASB 31 Adjustment
856-101.10-00	Cash in Bank
856-101.10-20	GASB 31 Adjustment
	<b>TOTAL CASH:</b>
	<u>475</u>
	\$ 4,603,794
Cash with fiscal agent	
830-102.11-00	Cash with fiscal agent
830-102.11-10	Cash with fiscal agent
830-102.13-00	Cash with fiscal agent
830-102.17-10	Cash with fiscal agent
830-102.18-00	Cash with fiscal agent
830-102.18-10	Cash with fiscal agent
855-102.15-00	Cash with fiscal agent
	<b>TOTAL CASH WITH FISCAL AGENT:</b>
	<u>8,325,788</u>
	11,194,723
Interest receivable	
830-111.00-00	Interest receivable
850-111.00-00	Interest receivable
855-111.00-00	Interest receivable
856-111.00-00	Interest receivable
	<b>TOTAL INTEREST RECEIVABLE:</b>
	<u>4,079</u>
Accounts receivable	
856-112.00-00	Accounts receivable
	<b>TOTAL ACCOUNTS RECEIVABLE:</b>
	<u>176</u>
Loans receivable	
855-118.24-00	OPA's receivable
856-118.24-00	OPA's receivable
	<b>TOTAL LOANS RECEIVABLE:</b>
	<u>2,475,216</u>
Land held for resale	
855-131.20-00	Land held for resale
	<b>TOTAL LAND HELD FOR RESALE:</b>
	<u>6,206,511</u>
	6,206,511
	<b>TOTAL ASSETS AT 6/30/2012:</b>
	<u>\$ 28,504,312</u>

**Procedure 6**  
**Listing of Assets that are Restricted**  
**Other Redevelopment Agency Funds**  
**As of June 30, 2012**

**ATTACHMENT B6**

Item #	Description	Documentation Referenced	Amount	Purpose	Legal Documentation Obtained? (Y/N)
1	Cash with fiscal Agent				
	a) Cash with fiscal agent	830-102.11-00	\$ 993,405	Held in trust by fiduciary per bond restrictions	Y
	b) Cash with fiscal agent	830-102.11-10	1,875,489	Held in trust by fiduciary per bond restrictions	Y
	c) Cash with fiscal agent	830-102.13-00	7	Held in trust by fiduciary per bond restrictions	Y
	d) Cash with fiscal agent	830-102.17-10	17	Held in trust by fiduciary per bond restrictions	Y
	e) Cash with fiscal agent	830-102.18-00	8	Held in trust by fiduciary per bond restrictions	Y
	f) Cash with fiscal agent	830-102.18-10	9	Held in trust by fiduciary per bond restrictions	Y
	g) Cash with fiscal agent	855-102.15-00	8,325,788	Held in trust by fiduciary per bond restrictions	Y
2	Unspent bond proceeds				
	a) 2007 TAPB Proceeds	855-101.10-00	922,305	Finance redevelopment activities of the Agency within or of benefit to the Project A	Y
	b) 2003 TAB Proceeds	856-101.10-00	510,970	Finance redevelopment activities of the Agency within or of benefit to the Project A	Y
	<b>TOTAL:</b>		<b>\$ 12,627,998</b>		

**Procedure 7**  
**Listing of Assets That Are Not Liquid or Otherwise Available for Distribution**  
**Other Redevelopment Agency Funds**  
**As of June 30, 2012**

Item #	Description	Reference	Amount	Value Method	Variance Noted?
					(Y/N)
1	Loans Receivable				
	a) OPA's receivable	855-118.24-00	\$ 4,019,813	Cost	N
	b) OPA's receivable	856-118.24-00	2,475,216	Cost	N
2	Land Held for Resale				
	a) Land held for resale	855-131.20-00	6,206,511	Cost	N
3	Interest Receivable				
	a) Interest receivable	830-111.00-00	16	Cost	N
	b) Interest receivable	850-111.00-00	2,737	Cost	N
	c) Interest receivable	855-111.00-00	857	Cost	N
	d) Interest receivable	856-111.00-00	469	Cost	N
4	Accounts Receivable	856-112.00-00	176	Cost	
			\$ 12,705,795		

**Procedure 8a**  
**Listing of Assets (resources) that are dedicated or restricted for the funding of enforceable obligations**  
**Other Redevelopment Agency Funds**  
**As of June 30, 2012**

**ATTACHMENT B8a**

<u>Item #</u>	<u>Project Name</u>	<u>Reference</u>	<u>Approved Obligation Amount</u>	<u>Amount Paid in Period Ending June 30, 2012</u>	<u>Amount Restricted for Obligation for June 30, 2012 Balance</u>	<u>Legal Documentation Obtained? (Y/N)</u>
1	2003 Tax Allocation Bonds	ROPS I, Form A, line 1	\$ 969,197	\$ 264,599	\$ 704,598	Y
2	2007 Tax Allocation Bonds	ROPS I, Form A, line 2	\$ 1,770,420	\$ 600,212	\$ 1,170,208	Y
3	Fiscal Consulting Services	ROPS I, Form B, line 3	\$ 28,890	\$ 3,705	\$ 25,185	Y
			<u><b>\$ 2,768,507</b></u>	<u><b>\$ 868,516</b></u>	<u><b>\$ 1,899,991</b></u>	

**Procedure 8b**  
**Listing of Assets (resources) that need to be retained due to insufficient funding for the funding of enforceable obligations**  
**Other Redevelopment Agency Funds**  
**As of June 30, 2012**

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**ATTACHMENT B8b**

NO ASSETS THAT NEED TO BE RETAINED DUE TO INSUFFICIENT FUNDING FOR THE FUNDING OF ENFORCEABLE OBLIGATIONS

**Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for bond debt payments**

Other Redevelopment Agency Funds

As of June 30, 2012

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THERE ARE NO ASSETS THAT NEED TO BE RETAINED DUE TO PROJECTED INSUFFICIENT PROPERTY TAX REVENUES FOR BOND DEBT PAYMENTS

Procedure 9  
**Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for future ROPS**  
**Other Redevelopment Agency Funds**  
**As of June 30, 2012**

Item #	Project Name	Reference	Approved Obligation Amount	Estimated Future Revenues	Revenue Source	Amount Needed to be Retained from June 30, 2012 Balance	Identified on the ROPS 2 or 3?
1	2003 Tax Allocation Bonds	ROPS 2, Form A, line 1	\$ 483,598	\$ 483,598	RPTTF	\$ -	ROPS 2
2	2007 Tax Allocation Bonds	ROPS 2, Form A, line 2	\$ 936,308	\$ 936,308	RPTTF	\$ -	ROPS 2
3	Property Acquisition	ROPS 2, Form A, line 3	\$ 36,522	\$ 31,445	RPTTF	\$ 5,077	ROPS 2
4	Bond Trustee Fees	ROPS 2, Form A, line 5	\$ 6,700	\$ -	RPTTF	\$ 6,700	ROPS 2
5	Fiscal Consulting Services	ROPS 2, Form B, line 1	\$ 12,500	\$ -	Reserves	\$ 12,500	ROPS 2
6	Pending Litigation - Huang, et al	ROPS 2, Form B, line 7	\$ 50,000	\$ -	Reserves	\$ 50,000	ROPS 2
7	Pending Litigation - Oddfellows	ROPS 2, Form B, line 8	\$ 50,000	\$ -	Reserves	\$ 50,000	ROPS 2
8	Administration Allowance	ROPS 2, Form C, line 1	\$ 125,000	\$ -	RPTTF	\$ 125,000	ROPS 2
9	2003 Tax Allocation Bonds	ROPS 3, Line 1	\$ 253,598	\$ 253,598	RPTTF	\$ -	ROPS 3
10	2007 Tax Allocation Bonds	ROPS 3, Line 2	\$ 588,808	\$ 588,808	RPTTF	\$ -	ROPS 3
11	Property Acquisition	ROPS 3, Line 3	\$ 46,523	\$ 46,523	RPTTF	\$ -	ROPS 3
13	Annual Continuing Disclosure	ROPS 3, Line 4	\$ 3,600	\$ 3,600	RPTTF	\$ -	ROPS 3
14	Bond Trustee Fees	ROPS 3, Line 5	\$ 6,700	\$ 6,700	RPTTF	\$ -	ROPS 3
15	Bond Reserve Funds	ROPS 3, Line 6	\$ 578,000	\$ 552,122	RPTTF	\$ 25,878	ROPS 3
16	Successor Agency Admin	ROPS 3, Line 12	\$ 125,000	\$ -	Admin	\$ 125,000	ROPS 3
17	RDA Audit	ROPS 3, Line 10	\$ 5,326	\$ -	Reserves	\$ 5,326	ROPS 3
18	Due Diligence Review	ROPS 3, Line 11	\$ 25,000	\$ -	Reserves	\$ 25,000	ROPS 3
19	Fiscal Consulting Services	ROPS 3, Line 13	\$ 25,000	\$ -	Reserves	\$ 25,000	ROPS 3
20	Single Family Mortgage Bonds	See note a	\$ -	\$ -	RPTTF	\$ 134,797.00	Note a
21	RBEG Grant Program	See note b	\$ -	\$ -	RPTTF	\$ 45,256.00	Note b
			<u>\$ 3,358,183</u>	<u>\$ 2,902,702</u>		<u>\$ 635,534</u>	

Footnotes:

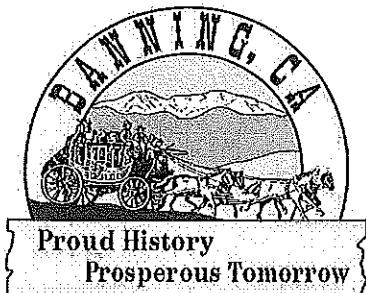
a) The Successor Agency was contacted by the FA for the Single Family Mortgage Bonds in October 2012 (after ROPS was prepared) notifying the Successor Agency of a liability of \$134,797

b) RBEG grant program is a liability of the Successor Agency from fiscal year 2000. Due to the consistent shortfall of RPTTF funds available, this is being restricted by the Successor Agency.

**Procedure 10**  
**Summary of Other Redevelopment Agency Funds Available for Allocation to Affected Taxing Entities**

**ATTACHMENT B10**

Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$ 28,504,312
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)	-
To City	-
To other parties	-
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)	(12,627,998)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)	(12,705,795)
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)	(1,899,991)
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)	(635,534)
18 Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	-
Amount to be remitted to county for disbursement to taxing entities	\$ <u>634,994</u>



# City of Banning

## Finance Department

December 5, 2012

Lance, Soll & Lunghard, LLP  
 Certified Public Accountants  
 203 North Brea Boulevard, Suite 203  
 Brea, CA 92821-4056

We are providing this letter in connection with your performance of the Due Diligence Review of the Other Redevelopment Agency Funds in accordance with Assembly Bill 1484 for the Successor Agency of the former Banning Redevelopment Agency. We confirm that we are responsible for the complete and fair presentation of the previously mentioned review in conformity with the listed procedures of the Assembly Bill 1484 Due Diligence Review as published by the State Department of Finance on August 27, 2012. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your review:

1. We have made available to you:
  - a. In accordance with 34179.5(c)(1), the dollar value of all assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.
  - b. In accordance with 34179.5(c)(2), the dollar value of all assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer. We have also provided the documentation of any enforceable obligation that required the transfer.
  - c. In accordance with 34179.5(c)(3), the dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer. We have also provided documentation of any enforceable obligation that required the transfer.
  - d. In accordance with 34179.5(c)(4), the expenditure and revenue accounting information and have identified transfers and funding sources for the 2010–11 and 2011–12 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the Controller for the 2009–10 fiscal year.
  - e. In accordance with 34179.5(c)(5), a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012.

- f. In accordance with 34179.5(c)(5)(B), an itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.
- g. In accordance with 34179.5(c)(5)(C), an itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value.
- h. In accordance with 34179.5(c)(5)(D), an itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation. In addition, we have provided a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a projection of annual revenues available to fund those requirements.
- i. In accordance with 34179.5(c)(5)(E), an itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.

2. There are no material transactions that have not been properly recorded in the accounting records underlying this Due Diligence Review.

3. Management is not aware of any transfers (as defined by Section 34179.5) from either the former Redevelopment Agency or the Successor Agency to the City, other agencies or private parties for the period January 1, 2011 through June 30, 2012 that have not been identified in this report and related exhibits.

4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

5. We have no knowledge of any fraud or suspected fraud affecting this Due Diligence Review involving:

- a. Management,
- b. Employees who have significant roles in internal control, or
- c. Others where the fraud could have a material effect on this Due Diligence Review.

6. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

7. When applicable, we have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.

8. We have identified to you any previous audits, attestation engagements, performance audits, state controller reports or other studies related to the objectives of this Due Diligence Review and whether related recommendations have been implemented.

9. The Successor Agency of the former Banning Redevelopment Agency has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.

10. We are responsible for compliance with the laws, regulations, provisions of contracts and grant agreements applicable to us, and all provisions related to the dissolution of the Redevelopment Agency in accordance with AB 1X 26 and AB 1484.

11. There are no known violations of:
  - a. Laws and regulations,
  - b. Provisions of contracts and grant agreements,
  - c. Provisions related to the dissolution of the Redevelopment Agency in AB 1X-26 and AB 1484 whose effects should be considered for disclosure in this Due Diligence Review.
12. All bank accounts and investments associated with this review have been properly reflected in the general ledger accounting records.
13. No events, including instances of noncompliance, have occurred subsequent to the performance of this Due Diligence Review and through the date of this letter that would require adjustment to or disclosure in the aforementioned Due Diligence Review.

Signed: J. A. Dierkoff

Signed: Michelle M. Green

Title: Admin Services Director /  
Deputy C.M

Title: Deputy Finance Director