AGENDA
REGULAR MEETING
CITY OF BANNING
BANNING, CALIFORNIA

October 27, 2009
6:30 p.m.

Banning Civic Center
Council Chambers
99 E. Ramsey St.

Per City Council Resolution No. 1997-33 matters taken up by the Council before 10:00 p.m. may be concluded, but no new matters shall be taken up after 10:00 p.m. except upon a unanimous vote of the council members present and voting.

I. CALL TO ORDER
   • Invocation
   • Pledge of Allegiance
   • Roll Call – Council Members Franklin, Hanna, Machisic, Robinson, Mayor Botts

II. PUBLIC COMMENTS/CORRESPONDENCE/APPOINTMENTS/PRESENTATIONS/ANNOUNCEMENTS

   Report by City Attorney

   Report by City Manager

   PUBLIC COMMENTS – On Items Not on the Agenda

A three-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her three minutes with any other member of the public. (Usually, any items received under this heading are referred to staff or future study, research, completion and/or future Council Action.) (See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

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

The City of Banning promotes and supports a high quality of life that ensures a safe and friendly environment, fosters new opportunities and provides responsive, fair treatment to all and is the pride of its citizens.
APPOINTMENTS:
1. City Council Appointment to the Park & Recreation Advisory Committee. ..... 1
2. Appointment of City Council Ad Hoc Committee to Review Fiscal Year 2010/ 2011 Community Development Block Grant (CDBG) Program Applications. ... 9

ANNOUNCEMENTS/COUNCIL REPORTS: (Upcoming Events/Other Items and Report if any)

PRESENTATIONS:
1. Update on Highland Springs Interchange (ORAL) 
   Presentation by: Pardee Homes, Developer

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

Motion: That the City Council approve Consent Item 1 through 9
Items to be pulled ________ for discussion.
(Resolutions require a recorded majority vote of the total membership of the City Council)

1. Approval of Minutes – Regular Meeting – 10/13/09 ................................. 10
2. Approval of Accounts Payable and Payroll Warrants for Month of September 2009 ................................................................. 22
3. Resolution No. 2009-85, Authorizing the Police Department to Enter Into An Agreement with the California Office of Traffic Safety to Receive $15,815.52 in Overtime funds to be Used for Officers Participating in the 2010 California Sobriety Checkpoint Program ................................. 24
4. Resolution No. 2009-86, Authorizing the Police Department to Enter Into an Agreement with the California Office of Traffic Safety to Receive $13,102.00 in Overtime Funds to be Used for Officers Participating in the 2010 California “Next Generation” Click It or Ticket Campaign .... 27
5. Resolution No. 2009-87, Approving the Amendment to the Maintenance Services Agreement with Pascal & Ludwig Constructors for Emergency Repairs at the Wastewater Treatment Plant to include an additional $14,840.00 for a total agreement amount of $36,795.00 ...................... 31
7. Resolution No. 2009-89, Authorizing the Installation of Stop Sign at the Intersection of Livingston Street and 6th Street Controlling Westbound Traffic Turning North Onto 6th Street .............................. 41
8. Notice of Completion for Phase II Enhanced Vapor Recovery System Upgrade to the City Yard Fueling Station ................................. 46
IV. REPORTS OF OFFICERS

1. Kirby Warner, Interim Finance Director
   A. Resolution No. 2009-84, Approving the Form of and Authorizing the Execution and Delivery of a Purchase and Sale Agreement and Related Documents with Respect to the Sale of the Seller’s Proposition 1A Receivable from the State; and Directing and Authorizing Certain Other Actions in Connection Therewith .......... 53

1. Zaiton Abu-Bakar, Community Development Director
   A. Regulations of Golf Carts on City Streets. ................................. 85
   Recommendation: That the Council instruct staff to seek request for proposals to complete a comprehensive transportation plan.

V. ITEMS FOR FUTURE AGENDAS

New Items –

Pending Items –

1. Schedule Meetings with Our State and County Elected Officials
2. Set New Date for Joint Meeting with Banning School Board (Date to be determined)
3. Additional Splash Pad at Repplier Park Aquatics Center (ETA 11/10/09)
4. Budget Study Session on balancing the budget (ETA 12/8/09)
5. TOT Ordinance Implementation, i.e. 105 going to 12% (in the future) (ETA 11/10/09)
7. How AB 920 dealing with Electric Energy will affect City (ETA 12/8/09)

VI. 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 Friday, 8 a.m. to 5 p.m.
NOTICE: Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor and Council. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public.

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

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

Name of Committee or Board on which you would like to serve:  PARK & RECREATION ADVISORY COMMITTEE

Name:  Phil Thompson

Address:  4133 W. Wilson 5P51

Telephone Numbers:  Home (951) 849-7515  Office

If employed, where you work and position  SELF EMPLOYED AND RETIRED

Length of residence in Banning  57 YEARS

Are you a registered voter in Banning?  Yes  X  No

Requested below is information that will be used by the City Council as a screening process to determine membership on City committees. Ample space is provided; please do not submit supplemental materials.

Provide a Biographical sketch, including education, work experience, civic involvement and other background relevant to duties of the position you seek:

I attended schools in Banning since the age of 9 yrs old. I played football, baseball and baseball at Banning High School. I graduated in 1962. I retired from General Telephone as a supervisor after 30 yrs of Service. I have my own lawn business for the past 12 yrs. I coached football at Banning for 11 yrs and now coach at San Jacinto High School. I have coached Little League baseball for about 12 yrs. and I have volunteered coaching basketball at the Banning Recreational Leagues for 30 yrs.
What types of major issues does should this committee or board deal with?

I AM NOT TO FAMILIAR WITH AL-L THE PROGRAMS THAT EXIST NOW, BUT I THINK THEY ARE GOOD, BUT I ALSO FEEL THEY CAN BE IMPROVED UP ON. I THINK WE NEED SOME BETTER PROGRAMS THAT WILL HELP KIDS AGE OUT.

Please identify specific problems facing the committee or board on which you would like to serve and explain how you feel they might be resolved:

I REALLY AM NOT FAMILIAR WITH THE CURRENT BOARD OR THEIR PROBLEMS. I JUST WANT TO TRY TO HELP THE KIDS AGE OUT.

Your name will be considered by the City Council upon receipt of your application.

Please return to: City Clerk’s Office/ City of Banning
99 E. Ramsey Street
P. O. Box 998
Banning, CA 92220

RETURN BY: October 15, 2009 by 5:00 p.m.

10-12-09A09:26 RCVD
City Clerk's Office

Thank you for your willingness to serve your local government.

Date: 10/14/09 Signed: Phil Thompson

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COMMITTEE/BOARD APPLICATION FORM

Name of Committee or Board on which you would like to serve: **PARK & RECREATION ADVISORY COMMITTEE**

Name: **Timothy D. Smith**
Address: **5095 Meadow Way**
Telephone Numbers: Home **951-767-6928** Office **760-641-0382**
If employed, where you work and position: **Freelance Writer & PR Consultant**
Length of residence in Banning: **Four Years**
Are you a registered voter in Banning? Yes [X] No ___

Requested below is information that will be used by the City Council as a screening process to determine membership on City committees. Ample space is provided; please do not submit supplemental materials.

Provide a Biographical sketch, including education, work experience, civic involvement and other background relevant to duties of the position you seek:

I have a B.A. in Communications from Cal State Fullerton. In recent years I've worked as a public information officer and as a writer for the local paper. I shot video of the 2009 Stagecoach Days Parade to be shown on local TV in October. I attend City Council and Planning Commission meetings in Banning.
What types of major issues does should this committee or board deal with?

I would like to see a Sports Park built on the west side of town. Sanchez Park is the only park from Highland Springs to Sunset and it's small.

Please identify specific problems facing the committee or board on which you would like to serve and explain how you feel they might be resolved:

The main problem for the committee is probably funding like all city programs at this time. Helping the committee to exercise the most efficient use of those funds to benefit our citizens is my goal.

Your name will be considered by the City Council upon receipt of your application.

Please return to: City Clerk's Office/ City of Banning
99 E. Ramsey Street
P. O. Box 998
Banning, CA 92220

RETURN BY: October 15, 2009 by 5:00 p.m.

Thank you for your willingness to serve your local government.

Signed: 

Date: 10/15/09

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COMMITTEE/BOARD APPLICATION FORM

Name of Committee or Board on which you would like to serve:  PARK & RECREATION ADVISORY COMMITTEE

Name: Robert K. Naves Sr.
Address: 419 Torrey Pines Rd
Telephone Numbers: Home 849-8804 Office
If employed, where you work and position: Comm. Eng. Die Maker
28 yrs
Length of residence in Banning: 35 yrs
Are you a registered voter in Banning? Yes ✓ No

Requested below is information that will be used by the City Council as a screening process to determine membership on City committees. Ample space is provided; please do not submit supplemental materials.

Provide a Biographical sketch, including education, work experience, civic involvement and other background relevant to duties of the position you seek:

What types of major issues does this committee or board deal with?

We need more Astroturf for the kids in town.

We need soccer fields, better maintenance & more parks.

Please identify specific problems facing the committee or board on which you would like to serve and explain how you feel they might be resolved:

Your name will be considered by the City Council upon receipt of your application.

Please return to: City Clerk’s Office/ City of Banning
99 E. Ramsey Street
P. O. Box 998
Banning, CA 92220

RETURN BY: October 15, 2009 by 5:00 p.m.

City Clerk’s Office
10-15-09 02:27 RCV

Thank you for your willingness to serve your local government.

Date: 10-15-09 Signed: [Signature]
COMMITTEE/BOARD APPLICATION FORM

Name of Committee or Board on which you would like to serve: PARK & RECREATION ADVISORY COMMITTEE

Name: Jan Wages

Address: 1098 Silver Star Drive Banning, CA 92220

Telephone Numbers: Home (951) 849-8402 Office (909) 384-5233

If employed, where you work and position: City of San Bernardino Parks, Recreation and Community Services Department - Senior Administrative Analyst*

Length of residence in Banning: 40 years

Are you a registered voter in Banning? Yes X No

Requested below is information that will be used by the City Council as a screening process to determine membership on City committees. Amply space is provided; please do not submit supplemental materials.

Provide a Biographical sketch, including education, work experience, civic involvement and other background relevant to duties of the position you seek:

• Education: BA Business Administration - Finance CSUSB 1988
  Master of Public Administration - CSUSB 1991

  Twelve years - Admin. Analyst II - City Manager's Office

• Civic Involvement: member Soroptimist International of Beaumont/Banning; director San Gorgonio Memorial Hospital Foundation; member San Gorgonio Memorial Hospital Measure "A" Community Oversight Committee; former member Laura Mae Stewart Committee; and, former City Council appointee (2002-2004).

*I will be retiring from my "day-job" at the end of October 2009.

Page 1 of 2
What types of major issues does should this committee or board deal with?

Assessment of opportunities for potential new parks, as well as enhancements to existing parks/amenities. Evaluate available grant funding opportunities, such as Prop 84 and KaBOOM! If desired, assist in garnering community support (frequently required for grant eligibility).

Please identify specific problems facing the committee or board on which you would like to serve and explain how you feel they might be resolved:

I am not aware of/familiar with any specific issues that the Parks and Recreation Advisory Committee is facing at this time. However, I would consider it an honor to serve on the Committee, and to assist in addressing/resolving any Parks and Recreation issues that may arise.

Your name will be considered by the City Council upon receipt of your application.

Please return to: City Clerk's Office/ City of Banning
99 E. Ramsey Street
P. O. Box 998
Banning, CA 92220

RETURN BY: October 15, 2009
by 5:00 p.m.

Thank you for your willingness to serve your local government.

Date: Oct 15, 2009  Signed: 

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CITY OF BANNING

MEMORANDUM

DATE: October 14, 2009
TO: City Council
CC: Marie Calderon, City Clerk
FROM: Duane Burk, Director of Public Works
RE: AD-HOC Committee Request

The Engineering Division requests the City Council to appoint a committee at the October 27, 2009 meeting, consisting of at least two members from the City Council, to review and recommend FY 2010/11 Community Development Block Grant (CDBG) program applications. Below is a schedule of important dates that are necessary in order to ensure that the City meets Riverside County Economic Development Agency’s application deadline.

October 22, 2009 – Community Development Block Applications due to the City.
October 27, 2009 – Council to appoint a committee.
October 28, 2009 – November 19, 2009 – Committee to meet within the provided dates.
December 8, 2009 – Resolution to be taken to Council requesting approval of projects.
December 11, 2009 – City approved applications, minutes and resolution due to the EDA.

Our Mission as a City is to provide citizens a safe, pleasant and prosperous community in which to live, work and play. We will achieve this in a cost effective, citizen friendly and open manner.
A regular meeting of the Banning City Council was called to order by Mayor Botts on October 13, 2009 at 6:30 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street Banning, California.

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

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Sam Racadio, Interim City Manager
David Aleshire, City Attorney
Kirby Warner, Interim Finance Director
Duane Burk, Public Works Director
Zaiton Abu-Bakar, Community Development Dir.
Leonard Purvis, Police Chief
Heidi Meraz, Community Services Director
Fred Mason, Electric Utility Director
Jeff Stowells, Battalion Chief
Hoyl Belt, Human Resources Director
Kahono Oei, City Engineer
Marie A. Calderon, City Clerk

The invocation was given by City Manager Racadio and Councilmember Machisic invited the audience to join him in the Pledge of Allegiance to the Flag.

PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS/ANNOUNCEMENTS

Report by City Attorney – There was none at this time.

Report by City Manager
• City Manager introduced Kirby Warner who will be serving as the Interim Finance Director.

PUBLIC COMMENTS – On Items Not on the Agenda

Bill Dickson addressed the Council thanking everyone for their attendance and their help during Stagecoach Days even though there were some days of bad weather. He also
commended everyone on a fantastic parade. He hopes that they can all get together and get a general consensus to move this event into September so that we are not dealing with the weather that we have had during the last three to four years. He thanked the public for attending and especially everyone who volunteered it was success in spite of the weather.

There was some discussion on “The Pass Has Talent” event that was a great success.

Don Smith, Co-Chairman of the “L” Yes Committee addressed the Council stating that he wanted to share the same things that Mr. Dickson said in regards to Stagecoach Days and certainly “The Pass Has Talent” was a great event and we should also congratlate Linda Escandel and her committee who put on the parade and they did an excellent job. Now if we could do that every year that would be great and every year you add something it will get bigger and better. He said that on the November 3rd ballot there are two things for the city to vote on and one is Measure L and one is the school board and he would encourage everyone to exercise their rights in being involved in the government and voting on November 3rd. He is sure that everyone who approves of and wants to keep our fire department and paramedic service will join him in saying “L” Yes. He is sure that everyone who when they call the police and 911 and want a response will join him in saying “L” Yes. He is sure that everyone who uses our parks, participates in our recreational activities, and uses our new wonderful swimming pool will also join him in saying “L” Yes. He is sure that people who want the money that is paid in Banning to stay locally and not be sent to Sacramento to be spent on state issues but to be spent right here on what we need in Banning will also join him in saying “L” yes. He is sure that everyone that wants revenue for the City without having to dig in their pockets and pay more in taxes will join him on November 3rd in voting “L” Yes.

Fred Sakurai, 43000 Dillon Road addressed the Councils stating that the police volunteers still need volunteers for the police station for patrolling around the city streets. If anyone is interested they can contact the Human Resources Department at city hall. He said this next item was touched on last October or November by then Public Utility Director Jim Earhart and he was directed to form a Citizen Advisory Panel on Renewable Energy. At that time he put his name in to become a part of that panel but since then as far as he knows nothing has been done and there have been changes in the department and in the City Manager Department and so on. He said that Fred Mason at the last meeting clarified many items but he still thinks that the City of Banning should have an advisory committee or panel on renewable energy so that we can put things out in the open and let the citizens know that there are ways that they can conserve energy and also help the City.

Charlene Sakurai, 43000 Dillon Road announced that there is a wonderful exhibit at the Banning Center for the Arts featuring paintings by Robert French – “Shadows & Light”. Since his death last year his daughters have taken on the task of showing their father’s work and sharing it with the public via website, as well as, at the gallery. It is a short exhibit and will be there for another ten days. The gallery is open from Wednesday through Saturday from 10 a.m. to 4 p.m. located at 130 N. San Gorgonio.

Chuck Katz, 1101 N. First Street addressed the Council stating that on September 22nd he came and presented some information regarding the City of Banning bond debt and he was
reading the minutes and it said one million dollars which is a mistake or typo and that fact is that the bond debt is over $100 million dollars. Unfortunately this came about in 2005 when our current Councilmembers John Machisic and Barbara Hanna, who seconded the motion, without the voter’s knowledge created the Banning Utility Authority and signed away the complete income stream from our utility. We own the utility and now are stream is gone for thirty years making our public utility worthless. Now we have to pay interest and even at the lowest amount of interest possibility on $100 million plus, that debt would be $6 million dollars a year that we have to come up with. How does a small town such as Banning with approximately 30,000 people recover such an immense cost? It seems like a lot of money because it is a lot of money. But 30,000 people if you take it one man, one child, one woman for a family of four it works out to $3,800 hundred dollars per person for that 30 year period and would cost a family of four $15,200 for that 30 year period plus the interest. In the economic situation that we are in very few of us can support an extra $500, $600 or $700 hundred dollars a year to pay off a thirty year debt. That is like buying a brand new car and most of us are not out buying brand new cars right now. So our Council has made us debt slaves to Wall Street and he is not saying the Council that is in existence here but basically the Council in 2005 without the knowledge of the voters created this Banning Utility Authority. So we need to take some kind of action. How can we straighten out this problem? We are in debt and we have shortchanged our employees who are downsized and the City of Banning has made the most efficient way that they can do to run the City and provide services so we need to take some kind of action. It seems to him that the property that was purchased by the City of Banning would do better by being non-taxed based by auctioning it off to the highest bidder that wants to created a business in our town then it becomes tax-based property.

CORRESPONDENCE:

Mayor Botts said he received a letter from Sun Lakes General Manager and the Board of Directors in regards to unlicensed golf cart use on Sun Lakes Blvd.

City Manager said that there is a presentation planned for the next meeting in regards to this item.

ANNOUNCEMENTS/COUNCIL REPORTS: (Upcoming Events/Other Items and Report if any)

Mayor Botts –

• In last week’s Press Enterprise there was a drastic mistake but he is finding out that people didn’t see the clarification so he needs to bring this up. Our neighbors to the west, our good friends in Beaumont, have had on-going discussions and challenges with Western Riverside Council of Governments (WRCOG) which we all voluntary join (16 cities). There is what is called the “TUMF” fee (Transportation Unified Mitigation Fee) which is charged to developers and that money is passed on the County and then apportioned back to us. Beaumont has had some issues with WROCG and WRCOG is suing Beaumont and it was also voted 16 to 0 to have them be removed from WRCOG. Unfortunately the Press Enterprise wrote the story correctly but the headline stated that it was Banning that got kicked out of WRCOG and not Beaumont. It is important that the Banning residents understand that Banning is paying our TUMF fees and we are in good standing with
WRCOG and with Riverside County Transportation Commission and every other organization and that we voluntarily choose to belong to and participate.

- There will be a household hazardous waste event in a new location at the Lambs Canyon Landfill on October 17 with other events in December, March and May. Those dates will be posted on the City’s website.
- Bring your bulky items to Dysart Park on Saturday, October 24th from 8 a.m. to 1 p.m. (furniture, mattresses, appliances, electronic, etc.).

Councilmember Robinson –

- On September 25th some of the Council attended the Nicolet Middle School Back to School Event to see all the things that have done and re-done to that school. It is quite a facility and they have quite a program going on there. The tour was led by the students and they did a great job of introducing the Council to their school. All of the counselors and teachers were giving presentations along with their principal. It was very enlightening and they are doing an awful lot of good work there.
- He went to 29 Palms to attend a ceremony where the Governor signed Assembly Bill 717 introduced by Assemblyman Paul Cook calling for March 30th of each year to be known as “Welcome Home Vietnam Veterans Day”.

Mayor Pro Tem Hanna –

- Invited everyone in the community to consider attending the Community Parks and Recreation Master Plan Workshop to be held on Thursday, October 15th at 6:00 p.m. at the Banning Senior Nutrition Site, 769 N. San Gorgonio. Please consider coming because this is an opportunity for you to come and talk about your interest and concerns about the parks and will also address open space, trails and facilities.
- The City is putting on a Halloween Fest community event on Saturday, Oct. 24th at the Community Center, 769 N. San Gorgonio from 4 to 9 p.m. There will be all sorts of activities for children.
- Saturday, October 31st there will be events going on at churches as alternatives to Halloween celebrations. The Banning Chamber of Commerce wants to provide a safe opportunity for children and that will be right in front of the Chamber building on Ramsey. At the Banning Women’s Club and across the street at the former Episcopal Church the Youth Center will have a haunted house and all kinds of funs things.
- There will be a benefit concert on Nov, 7th at Grace Lutheran Church on Williams Street at 4 p.m. They will have a Pipe Organ Concert and tickets are $10 in advance and $12 at the door and all proceeds will go to benefit our local organization H.E.L.P. who provides a lot of assistance to low income folks in terms of food, clothing and other types of assistance.

Councilmember Machisic –

- The Regional Conservation Authority (RCA) each year puts out a report indicating how much property they have bought and they are trying to conserve both land, as well as, species. He said that he has reported several times that they have accumulated approximately 44,000 acres for conservation in Western Riverside County. He will leave copies of the report with the City Clerk. Also the RCA has brought suit against the City of Beaumont because of fees. As you know there are multiple species fees on every
house that is built in Western Riverside County and these deals with funds that were paid by Empire Homes and given to the City of Beaumont and the RCA is bringing the lawsuit against them to recovery those funds. The funds amount to $1.5 million dollars.

- There was a report by Dr. Frykman who directs Riverside County Medical and she reported on the new swine flu H1N1 and she indicates that the cities can play a very important part particularly with their residents, as well as, their employees. He has a copy of her program and will make it available through the City Clerk.

- AB 811 was Chaptered in July 2008 and authorizes local governments to establish voluntary contractual assessment programs to fund an array of conservation and renewable energy projects for home and small business owners. Rather than having each of the 17 cities establish their own program they will go ahead and develop a project for all of the members of WRCOG. They have gone to Washington to request a $300 million dollar funding of this program so that we can get this thing off the ground. They will be coming shortly to the City of Banning to make a presentation. This information will be made available through the City Clerk.

- There is a report from Rose Mayes, Executive Director, Fair Housing Council of Riverside County and in this report they offer assistance to anyone who has a near foreclosure or a foreclosed home. This is a non-profit organization and they offer free counseling.

- WRCOG did a Progress Report in 2005 and one of the things that they projected was that from 2005 to 2025 Western Riverside County would grow 101%. They recently did a Nexus Study and in this study they have taken it from 2009 to 2035 and the expected growth is 62%. They have downgraded the expansion possibilities in Western Riverside County. The Nexus Study is available through the City Clerk.

- In regards to the comments made by the Mayor earlier he read a resolution passed by WRCOG last week entitled “Resolution to Remove the City of Beaumont as a Participating Jurisdiction in TUMF”.

Councilmember Franklin –

- She thanked all the volunteers who participated in the United Way Day of Caring. She said that United Way puts on a National Day of Caring and that was in September and in the Pass Area we had almost 100 people participate at locations both in Banning and Beaumont.

- She thanked everyone who participated in Stagecoach Days both as a participant, as well as, those who watched the parade. She has heard nothing but really nice compliments about all the work that was done.

- Last Friday she attending the Transportation NOW meeting and the speaker was Assemblyman Paul Cook and he gave a bird’s eye view of a lot of things and basically the biggest issue right now in the state is water. They will continue to work on this because it needs to be fixed.

- As the City’s representative for the Community Action Partnership for Riverside she had the opportunity to participate in program that is called “Guiding Coalitions” and she was selected to be on the national committee which meant that she spent last weekend in Ohio and while there they had very long sessions but they talked about how poverty has such an impact in our overall communities. They all talked about things that even if you are not talking about poverty there are issues that affect all of us. One of them had to do
with community sustainability and a lot of cities will work on maybe a 3 to 5 year plan but you really have to have a 20 to 30 year plan to work on those things that really impact your community. They gave nine points to community sustainability and she went over some of those.

- She attended the Passcom meeting this morning and there was a presentation given by the California Highway Patrol and they were told basically that the road construction in our area is going to last probably another two years and he also mentioned some of the safety measures that they are doing at the weigh station.

PRESENTATIONS:

3. Proclamation – Proclaiming October as Archives Month

Mayor Botts made a presentation to James Hofer, Archives Manager with the County of Riverside. He read the proclamation for the benefit of the audience proclaiming the month of October as Archives Month.

Mr. Hofer thanked the Mayor and Council for recommending this proclamation. He said that he is the archivist for Riverside County and they have a new facility that opened up in the spring of 2008. They have original records, property records, assessment records and early Board of Supervisors minutes in their collection and they date back to the beginning of Riverside County in 1893. He would encourage everyone to come and take a look at those. One of the interesting things that they have are original subdivision maps and tract maps for the Banning area, as well as, the entire county. If you have interest of your community, it is a great place to get some of that early information. He gave more information on what type of information/records that they have. He stated that again he appreciates the Council honoring Archives Month.

1. Sunset Grade Separation
   (Staff Report –Duane Burk, Public Works Director)

Duane Burk said that this is a presentation of where we stand today as it relates to the Sunset Grade Separation. In attendance is Dale Wintergerst, Chief Engineer for L. D. King and he been a part of a lot of the grade separations within the Banning area.

Mr. Wintergerst gave a brief presentation of where we stand with this grade separation and where we are going. This is a project to separate the railroad tracks from the roadway and get rid of the crossing gates and the best way to sum it up is that it will look pretty much identical to Highland Springs Avenue when it is completed and to some extent 8th Street. He gave a power-point presentation giving some background, project overview, current status, design activities and project funding sources. The construction cost itself will be approximately $31 million dollars and railroad and utility work is another $11 to $12 million, design and administrative cost is about $4.5 million. In regards to the project schedule – Milestone Dates – they anticipate environmental clearance by Feb. 2010, project design is to be completed by July 2011 and construction is to start in January 2012 and with estimated completion by Dec. 2013. Other agencies involved in addition to the City and Caltrans there is Riverside County
Transportation Commission, Western Riverside Council of Governments, Union Pacific Railroad, Federal Highway Administration, California Public Utilities Commission, various utility agencies, water, sewer and electrical which in this case are all City owned which helps quite a bit, and also gas, telephone and cable television.

There was some discussion in regards to funding, possible loss of funding, Caltrans involvement and signing off on project, traffic involving community college and Sun Lakes Blvd., and ramping issues.

2. Replier Park Playhouse Bowl
(Staff Report –Duane Burk, Public Works Director)

Mr. Burk said that over the past three years the Engineering Division staff obtained Community Development Block Grant money to do a retrofit of the current Replier Park Bowl. On May 26th the Evaluation Selection Committee reviewed three proposals and the City Council adopted Resolution No. 2009-40, Awarding a Professional Service Agreement with Williams Architect of Upland for this project. Staff has taken the conceptual plans to the Parks and Recreation Committee and they have made a recommendation. He said a representative from Max Williams Architects, Renee Glenn – Principal Architect will give the presentation of three conceptual plans.

Ms. Glenn addressed the Council going over the concept plans. They looked at the overall site plan relative to existing uses and the potential repositioning of the park bowl building and the existing parking and the potential for new parking. They understand that the City is currently working with another firm to master plan all of the parks in the city so they limited their scope in addressing areas immediately adjacent to their uses. The scheme that they are recommending tonight is their recommended scheme and they have presented several schemes to staff and to committee and this presentation is the outcome of those meetings. She started with the conceptual site plan, the site perspective view, concept floor plan which would be 3,333 square feet, 1,000 square feet of stage area, and 1,100 square feet of multipurpose room and restroom and kitchen to support that function. Using the same basic floor plan they generated three concepts: 1) Pioneer Theme; 2) Modernistic Butterfly Theme; and 3) Historical Traditional Approach – Art Deco. She went over each of those and stated that they developed concept number three as their recommended approach and gave more information in regards to that concept and stated that this is the one that the Parks and Recreation Advisory Committee recommended.

There was some discussion in regards to seating, seating material, lighting in the plan, solar lighting, cost, demolition of existing building, multipurpose area and phasing plan.

Mayor Botts opened the item for public comments.

Bill Dickson said he was involved in making the choice and in the recommended concept if you see just under the glass line that will provide a lot of lighting for the multipurpose room. They thought that this multipurpose room was really essential and should continue and be expanded to provide more services.
Carol Newkirk, 905 Twin Hills Dr. addressed the Council stating that one of things that the Park and Recreation Advisory Committee was very cognizant of was the fact that they wanted the facility used to a greater extent than what it is now. For her it is not just a playhouse bowl location. It is a facility that as she looked at it she was thinking primarily from a problematic point of view that it should be used for many other activities on the stage throughout the year and also if we are going to put in all that money, whatever it is, to changing the interior, then we need to change the interior so that we have the greatest capacity for the children, for the adults and for whomever is using it because to go back and try to change it at a later date would be much more expensive so that was really a part of their thinking in working with the group on this recommendation.

CONSENT ITEMS

Councilmember Franklin pulled Consent Items 4 and 5 and Mayor Pro Tem Hanna pulled Consent Item 8 for discussion.

1. Approval of Minutes – Regular Meeting – 09/22/09

Recommendation: That the minutes of the regular meeting of September 22, 2009 be approved.

2. Report of Investments for August 2009

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

3. Award Contract to Lance, Soll and Lunghard, LLP for Annual Audit Services.

Recommendation: That the City Council award a contract to Lance, Soll and Lunghard, LLP for Annual audit services for the fiscal years ending June 30, 2010 through June 30, 2012 with an option to extend through 2014 and authorize the City Manager to execute the related contract.


Recommendation: That the City Council adopt Resolution No. 2009-83.


Recommendation: Accept the Project entitled “Emergency Overhaul of Process Pump 9-P-2 at the Wastewater Treatment Plant” as complete and direct the City Clerk to record the Notice of Completion.
Motion Robinson/Franklin to approve Consent Items 1, 2, 3, 6 and 7. Mayor Botts opened the item for public comments. There were none. Motion carried, all in favor.

Mayor Botts opened the item for public comments. There were none. Motion carried, all in favor.


Councilmember Franklin said in reading the staff report it talks about $869,000 and she would like to have a report.

Fred Mason, Electric Utility Director gave the staff report stating that this is the item that he talked about in regards to the insurance policy that we are required to have with the ISO. We get basically no energy from this. The actually cost dropped from last year because with our load dropping from 25 megawatts last year to 23 megawatts this year it dropped from $1,060,000 to $869,000. This is what we are required to have for the local capacity because the imports that we have do not meet the ISO’s insurance requirements.

Councilmember Franklin asked if this kind of purchase subject to any kind of bid process. Mr. Mason said no. But actually SCAPPA went through a bid process back when this requirement was first invoked three years ago.

Motion Franklin/Hanna to approve Consent Item No. 4 to adopt Resolution No. 2009-81, Approving the Local and System Resource Adequacy Capacity Purchase Agreement with RRI Energy Services, Inc. for the Calendar Year 2010. Mayor Botts opened the item for public comments. There were none. Motion carried, all in favor.

5. Resolution No. 2009-82, Awarding an Agreement to Allsup Corporation of Upland, CA in an amount of $25,000.00 for CNG Fueling Station Monthly Maintenance and Repair Services as Needed.

Councilmember Franklin said if we are talking $25,000 for maintenance for a year does that include if it breaks down because in the report you are saying that it is worn out. Is it cost effective just to have maintenance or is it better to replace.

Mr. Burk recently he brought before the Council an emergency repair for evaporation and recovery system through AQMD. This company was one of the companies that did the work. The facility is no longer just four or five pumps and has expanded. The technology there is kind of sophisticated and specialized so what they are entering into now is an annual contract to pay attention to these parts so it doesn’t become an emergency at a later date and there will be more demand on these pumps as it gets more use.

Councilmember Franklin asked if there was any kind of grant funding to help in these areas and was this subject to the bid process also. Mr. Burk said actually this is grant money and is
from the AQMD fund where we get the franchise tax money to sell natural gas and no impact to the General Fund. In regards to the bid process Allsup was the original contractor for the equipment and this was not bid out because they installed this equipment.

Councilmember Machisic said that a number of agencies use our fueling station. Don’t we put a slight surcharge on their service and couldn’t this $25,000 be incorporated within our budget. Mr. Burk said yes.

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

Motion Hanna/Machisic to approve Consent Item No. 5 to adopt Resolution No. 2009-82, Awarding an Agreement to Allsup Corporation of Upland, CA in an amount of $25,000 for CNG Fueling Station Monthly Maintenance and Repair Services as Needed and Authorizing the Director of Finance to make necessary budget adjustments and appropriations from the Air Quality Management Fund to Account No. 132-4900-446.90-77 (Alternate Fueling System) in the amount of $25,000. Motion carried, all in favor.

8. Cooperative Agreement between the City of Banning, the City of Beaumont, and the County of Riverside to Share the Cost of a Fire Engine Company 20.

Mayor Pro Tem Hanna said this was a terrible kind of thing that we had to go through during the budget process and we could not afford to maintain it on our own any longer and it does serve the Beaumont and County so they reasonably and wonderfully stepped forward and she thought it would be a good thing to draw the public’s attention that they have stepped forward and they are agreeing to pay essentially close to 1/3rd of the cost for each party.

Councilmember Robinson said that there are no signatures on the agreement so he doesn’t know where this has been through the process so where are we at.

City Attorney said it did take some period of time to get this into the draft process and as you noted there was a discussion as to whether it should be a 2 two-party agreement or 1 three-party agreement and it took a little bit of time to sort that through. Chief Stowells was very cooperative in trying to get the County forces together and we actually managed to have a meeting last week on it and worked out all the problems. This document has been revised in accordance with all the changes that were agreed to at the meeting. Obviously it has to go to the Board of Supervisors and it is a little bit of a longer process and they prefer to get the signatures on the part of the two cities to get that underway. It is his understanding that they will have something within 30 days.

Chief Stowells said that it is in the hands of the City of Beaumont right now and they have four copies and it is on the City Manager’s desk for signature along with the appropriate documents where the City Council approved the funding.

Mayor Botts opened the item for public comments.
Chuck Katz, 1101 N. First Street addressed the Council stating that he was glad this was happening but if Measure L passes what assurance will be made for the citizens of Banning that the funds that we receive from the TOT are earmarked specifically for services in Banning. Not to take away from Beaumont but seriously specifically minimizes the future cuts in our services and personnel, etc. will be used for the purpose and no other programs and that the way it has been shown in all the paraphernalia for Measure L. It says that it is going to be used for cutting Banning costs and future costs. Is that correct?

Mayor Botts send the answer is that the City’s position is that this goes in with the General Fund and anything that is paid out of the General Fund could in fact be funded by this additional TOT tax and that can be police, fire, paramedics, streets, roads, tree trimming and anything that comes out of the General Fund. This is our money and not Beaumont’s or anyone else.

Mr. Katz asked if this money could also go to the Community Redevelopment Agency or the Banning Cultural Alliance or any outside interest groups or it is just going to be for services.

Mayor Botts said no. It goes into the General Fund and is expended on anything we spend out of the General Fund. The Alliance is a separate issue through redevelopment.

Mr. Katz said the reason he is saying this is because City employees have been laid off and there is a shortfall of participation in the offices. Under the circumstances he does have a question in regards to the cut in staff.

Mayor Botts said it is not relevant to this issue. Mr. Katz said it is relevant to cost.

Don Smith said he would like to join the Council on behalf of the citizens of Banning thanking the County and the City of Beaumont in realizing that Fire Station 20 was being used by all three entities and therefore was in all three entities best interest to keep that fire station open. He is glad to see that the cities have gotten to the cooperation level that they are able to negotiate with each party paying their fair share based on their use of the station. On behalf of the Measure L Committee he is excited because one of the things that Measure L is for is to raise money to keep our services and even though the City was able to lower the amount they were spending on fire as a result of this they were able to keep the exact same service as we current have as fire goes in having both fire stations stay open with the same staffing we had last year. The budget still does have a shortfall which we all know and this will help. Measure L by law has to go into the General Fund and it is no secret that 70% of the General Fund is spent on police and fire. It is also no secret that when any government agency goes to see what they are going to cut the last thing they try to cut is police and fire. So any funds that we can get into the General Fund such as Measure L guarantees that we will have the funding to spend on police and fire and once again he would urge everyone “L” Yes.

**Motion Hanna/Robinson to approve Consent Item No. 8, approving the proposed cooperative agreement for continued funding of Fire Engine 20.** Motion carried, all in favor.
ITEMS FOR FUTURE AGENDAS

New Items –
Councilmember Machisic said that the Governor signed a number of bills and one of those deals with energy, AB 920, and he would like to know how it will affect us from an electricity point of view.

Councilmember Franklin said she would like to echo what Mr. Sakurai said in regards to having an Advisory Committee on renewable energy and we should move forward with that committee.

Mayor Pro Tem Hanna agreed that we need to move forward with renewable energy committee and said we need a whole program on sustainability and that should come back.

Pending Items –
1. Local Economic Stimulus Program (ETA 10/27/09)
2. Golf Cart Lane Policy for City of Banning (ETA 10/27/09) Pending Beaumont Policy Development
3. Schedule Meetings with Our State and County Elected Officials
4. Set New Date for Joint Meeting with Banning School Board (Date to be determined)
5. Update on the Highland Springs Interchange.
6. Additional Splash Pad at Repplier Park Aquatics Center (ETA 10/27/09)
7. Budget Study Session on balancing the budget (ETA 12/8/09)
8. TOT Ordinance Implementation, i.e. 10% going to 12% (in the future) (ETA 11/10/09)

CLOSED SESSION

City Attorney said that the City Council would go into closed session pursuant to Government Code Section 54957.6 labor negotiations with BPOA; pursuant to Government Code Section 54957 with regard to city manager recruitment; and potential litigation pursuant to Government Code Section 54956.9.

Meeting went into closed session at 8:05 p.m. and returned to regular session at 8:45 p.m.

City Attorney said the Council met in closed session and went over labor negotiations, city manager recruitment and a litigation matter and no reportable action was taken.

ADJOURNMENT

By common consent the meeting adjourned at 8:47 p.m.

Maric A. Calderon, City Clerk

THE ACTION MINUTES ARE A SUMMARY OF 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
CONSENT ITEM

Date: October 27, 2009

TO: City Council

FROM: Kirby J. Warner, Interim Finance Director

SUBJECT: Approval of Accounts Payable and Payroll Warrants for Month of September 2009

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 September 2009.

The reports are:

Expenditure approval lists
September 3, 2009 234,643.20
September 10, 2010 655,979.04
September 10, 2010 22,114.34
September 17, 2009 596,940.38
September 24, 2009 1,030,810.08
September 24, 2009 33,553.90
September 30, 2009 629,545.02
October 12, 2009 4,889,060.81 (September Month End)

Payroll check registers
September 11, 2009 7,225.81
September 24, 2009 Manual Check 1,240.39
September 24, 2009 Manual Check 3,026.41
September 25, 2009 7,059.02

Payroll direct deposits*
September 10, 2009 306,781.14
September 24, 2009 302,949.64
As you review the reports, if you have any questions please contact the Finance Department so that we can gather the information from the source documents and provide a response.

* Included on the August month end expenditure approval list of 10/12/09.

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

Report Prepared by: Robin Anderson, Accounts Payable

RECOMMENDED BY:  

Kirby J. Warner  
Interim Finance Director

APPROVED BY:  

Sam Racadio  
Interim City Manager
CITY COUNCIL AGENDA
CONSENT ITEM

Date: October 27, 2009
TO: City Council
FROM: Leonard Purvis, Chief of Police
SUBJECT: Resolution No. 2009-85 Accepting and authorizing expenditures under the 2010 California Sobriety Checkpoint Program Mini-Grant in the amount of $15,815.52.

RECOMMENDATIONS: “Adopt Resolution No. 2009-85 accepting and authorizing the expenditure of $15,815.52 from the California Office of Traffic Safety (OTS) for the California Sobriety Checkpoint Program in the City of Banning.”

JUSTIFICATION: Utilizing funds from the 2010 California Office of Traffic Safety Sobriety Checkpoint Grant to pay overtime for officers participating in the 2010 California Sobriety Checkpoint Program will enhance the police department’s ability to proactively seek out and arrest persons driving under the influence of alcohol and/or drugs. This program will also help educate the public on the importance of not driving a motor vehicle while intoxicated.

BACKGROUND: The California Office of Traffic Safety has notified the Banning Police Department that $15,815.52 is available in overtime for Banning Police Officers to participate in the 2010 California Sobriety Checkpoint Program beginning October 1, 2009. The checkpoints will also be used to ensure motorists are driving with valid licenses and children are securely fastened in their child seats.

STRATEGIC PLAN INTEGRATION: Approval of this request will enhance the City’s image and provide the Citizens of Banning a safe, pleasant, and prosperous community in which to live, work, and play, while remaining cost effective.

FISCAL DATA: This grant requires the City Council to authorize an upfront appropriation in the amount of $15,815.52 from the City’s General Fund to the police department’s overtime account (001-2200-421-1030), which will be reimbursed to the City’s General Fund on a quarterly basis by the California Office of Traffic Safety.

RECOMMENDED BY:  
Leonard Purvis
Chief of Police

Kirby Warner
Interim Finance Director

Sam Racadio
Interim City Manager

APPROVED BY:
RESOLUTION NO. 2009-85

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE POLICE DEPARTMENT TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA OFFICE OF TRAFFIC SAFETY TO RECEIVE $15,815.52 IN OVERTIME FUNDS TO BE USED FOR OFFICERS PARTICIPATING IN THE 2010 CALIFORNIA SOBRIETY CHECKPOINT PROGRAM.

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

WHEREAS, the City of Banning Police Department is committed to better traffic safety measures in the City of Banning; and

WHEREAS, the City of Banning Police Department is committed to educating the public on traffic safety issues; and

WHEREAS, the City of Banning Police Department is committed to participating in the California Sobriety Checkpoint Program; and

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

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning authorizes the Banning Police Department to enter into an agreement with the California Office of Traffic Safety accepting overtime funds from the California Sobriety Checkpoint Program Grant in the amount of $15,815.52. Additionally, the Banning City Council authorizes the appropriation of $15,815.52 from the City’s General Fund into the Banning Police Department Overtime Account (001-2200-421-1030), which will be reimbursed into the general fund as funds are received from the California Office of Traffic Safety on a quarterly basis. The Finance Department is authorized to make the necessary budget adjustments related to these funds.

PASSED, APPROVED, AND ADOPTED this 27th day of October, 2009.

Bob Botts, Mayor
City of Banning

APPROVED AS TO FORM
AND LEGAL CONTENT

Aleshire & Wynder, LLP
City Attorney

ATTEST

Marie A. Calderon, City Clerk
City of Banning
CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2009-85 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 27th day of October 2009, by the following to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California
CITY COUNCIL AGENDA
CONSENT ITEM

Date: October 27, 2009

TO: City Council

FROM: Leonard Purvis, Chief of Police

SUBJECT: Resolution No. 2009-86, accepting the California “Next Generation” Click-It-or-Ticket Mini-Grant

RECOMMENDATIONS: “The City Council adopt Resolution No. 2009-86 appropriating $13,102 into police department account (001 2200 421 1030) to fund the Banning Police Department’s grant agreement with the California Office of Traffic Safety (OTS) for the California (Next Generation) Click-It-or-Ticket Campaign in the City of Banning.”

JUSTIFICATION: Utilizing funds from the “Next Generation” Click-It-Or-Ticket Mini-Grant to pay overtime for officers participating in the 2010 California Seat Belt Compliance Campaign will enhance the police department’s ability to proactively educate the public on the importance of wearing seat belts and seek out seat belt violators during the year long campaign. This year’s seat belt campaign will include intensified enforcement during day/night time periods on a monthly basis.

BACKGROUND: The California Office of Traffic Safety has notified the Banning Police Department that $13,102 is available in overtime for Banning Police Officers to participate in the California “Next Generation” Click-It-Or-Ticket 2010 Campaign. During the campaign, officers will conduct surveys to determine seat belt usage in the City of Banning and proactively patrol and ticket seat belt violators in support of the “Click It or Ticket” national campaign.

ACTION PLAN:

1. Obtain City Council approval to complete and submit an agreement between the Banning Police Department and the California Office of Traffic Safety to participate in the California “Next Generation” Click-It-Or-Ticket Mini-Grant.

2. Participate in campaign and submit required reports to California OTS.

3. At conclusion of campaign, submit appropriate paperwork for reimbursement of OT funds.

STRATEGIC PLAN INTEGRATION: Approval of this request will enhance the City’s image and provide the Citizens of Banning a safe, pleasant, and prosperous community in which to live, work, and play, while remaining cost effective.
FISCAL DATA: This grant will require the City Council to authorize an appropriation in the amount of $13,102 to the police department's overtime account (001 2200 421 1030), which will be reimbursed to the City's General Fund upon completion of the grant by the California Office of Traffic Safety.

RECOMMENDED BY:

Leonard Parvis
Chief of Police

Kirby Warner
Interim Finance Director

APPROVED BY:

Sam Racadio
Interim City Manager
RESOLUTION NO. 2009-86

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE POLICE DEPARTMENT TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA OFFICE OF TRAFFIC SAFETY TO RECEIVE $13,102 IN OVERTIME FUNDS TO BE USED FOR OFFICERS PARTICIPATING IN THE 2010 CALIFORNIA "NEXT GENERATION" CLICK IT OR TICKET CAMPAIGN.

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

WHEREAS, the City of Banning Police Department is committed to better traffic safety measures in the City of Banning; and

WHEREAS, the City of Banning Police Department is committed to educating the public on traffic safety issues; and

WHEREAS, the City of Banning Police Department is committed to participating in the national "Click It or Ticket" campaign; and

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

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning authorizes the Banning Police Department to enter into an agreement with the California Office of Traffic Safety accepting overtime funds from the 2010 California "Next Generation" Click-It-Or-Ticket Grant in the amount of $13,102. Additionally, the City Council of Banning authorizes the appropriation of $13,102 into the Banning Police Department Overtime Account (001-2200-421-1030), which will be reimbursed into the general fund when funds are received from the California Office of Traffic Safety. The Finance Department is authorized to make necessary budget adjustments related to these funds.

PASSED, APPROVED, AND ADOPTED this 27th day of October, 2009.

Bob Boits, Mayor
City of Banning

APPROVED AS TO FORM
AND LEGAL CONTENT

Aleshire & Wynder, LLP
City Attorney

ATTEST

Marie A. Calderon, City Clerk
City of Banning
CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2009-86 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 27th day of October 2009, by the following to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California
DATE: October 27, 2009

TO: City Council

FROM: Duane Burk, Director of Public Works

SUBJECT: Resolution No. 2009-87, “Approving the Amendment to the Maintenance Services Agreement with Pascal & Ludwig Constructors for Emergency Repairs at the Wastewater Treatment Plant”

RECOMMENDATION: The City Council adopt Resolution No. 2009-87, “Approving the Amendment to the Maintenance Services Agreement with Pascal & Ludwig Constructors for Emergency Repairs at the Wastewater Treatment Plant” to include an additional $14,840.00 for a total agreement amount of $36,795.00.

JUSTIFICATION: City Council approval is required in order to amend the contract and to include additional funding for repair of the center column of the West Trickling Filter Basin.

BACKGROUND: The City of Banning owns and contracts the operation of the Wastewater Treatment Plant that services all City of Banning commercial and residential customers. Recently staff discovered that the water seals on the rotary distribution arm of the West Trickling Filter Basin were leaking resulting in a short circuiting of the treatment process. It was deemed necessary to replace the seals to prevent poor water quality from being discharged from the percolation ponds.

Per Public Contract Code Section 22050, the City of Banning is authorized to take corrective actions necessary to respond to an emergency situation without giving a formal bid notice. Staff requested bids in accordance with the informal bid procedures (BMC § 3.24.080) from contractors qualified to perform the repairs. Section 2.24.040 of the Code defines an emergency as a situation where immediate procurement is essential to protect the public health, safety, or to avoid interruption in service. Staff believes the abovementioned repairs were necessary and needed to be addressed, as expeditiously as possible, in order to protect public health and safety and to avoid an interruption in service.

As a result, on April 28, 2009 the City Council awarded an Emergency Maintenance Services Agreement to Pascal & Ludwig Constructors for the repair of equipment at the Wastewater Treatment Plant in the amount of $21,955.00. The original scope of work included the following: disassemble the existing 110’ rotary distributor; replace the oils seals, center column bearing and white felt seal; reassemble the existing 110’ rotary distributor.

When performing the repairs it was discovered that the center column of the West Trickling Filter Basin needed rebuilding which was not detected during the initial investigation. Upon review of the revised scope of work, Pascal & Ludwig submitted a proposal for the additional work in the amount of $14,840.00. At this time, staff requests City Council approval for an amendment to include an additional $14,840.00 for a total contract amount of $36,795.00.

Resolution No. 2009-87
FISCAL DATA: The additional funds for the repairs to the West Trickling Filter Basin are available in the FY 2009-2010 Wastewater Division Operation Budget, in Account No. 680-8000-454,95-12 in the amount of $14,840.00.

RECOMMENDED BY:

Duane Burk
Director of Public Works

REVIEWED BY:

Kirby Warner
Interim Finance Director

APPROVED BY:

Sam Racadio
Interim City Manager
RESOLUTION NO. 2009-87

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA, APPROVING THE AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH PASCAL & LUDWIG CONSTRUCTORS FOR EMERGENCY REPAIRS AT THE WASTEWATER TREATMENT PLANT

WHEREAS, recently staff discovered that the water seals on the rotary distribution arm of the West Trickling Filter Basin were leaking resulting in a short circuiting of the treatment process and it was deemed necessary to replace the seals to prevent poor water quality from being discharged from the percolation ponds; and

WHEREAS, Section 2.24.040 of the Public Contract Code defines an emergency as a situation where immediate procurement is essential to protect the public health, safety, or to avoid interruption in service and staff believes the abovementioned repairs are necessary and needed to be addressed, as expeditiously as possible, in order to protect public health and safety and to avoid such an interruption in service; and

WHEREAS, on April 28, 2009 the City Council awarded an Emergency Maintenance Services Agreement to Pascal & Ludwig Constructors for the repair of equipment at the Wastewater Treatment Plant in the amount of $21,955.00 and the original scope of work included the following: disassemble the existing 110’ rotary distributor; replace the oils seals, center column bearing and white felt seal; reassemble the existing 110’ rotary distributor; and

WHEREAS, when performing the repairs it was discovered that the center column of the West Trickling Filter Basin needed rebuilding which was not detected during the initial investigation; and

WHEREAS, upon review of the revised scope of work, Pascal & Ludwig submitted a proposal for the additional work in the amount of $14,840.00 for a total contract amount of $36,795.00;

WHEREAS, the additional funds for the repairs to the West Trickling Filter Basin are available in the FY 2009-2010 Wastewater Division Operation Budget, in Account No. 680-8000-454.95-12 in the amount of $14,840.00.

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

Section I. The City Council hereby approves the Amendment to the Maintenance Services Agreement with Pascal & Ludwig Constructors for Emergency Repairs at the Wastewater Treatment Plant in the amount of $14,840.00 for a total contract amount of $36,795.00.

Section II. The City Manager is hereby authorized to execute the Amendment to the Maintenance Services Agreement for Emergency Repairs at the Wastewater Plant. This authorization will be rescinded if the parties do not execute the contract agreement within sixty (60) days of the date of this resolution.
PASSED, ADOPTED AND APPROVED this 27th day October, 2009.

__________________________
Robert E. Botts, Mayor

ATTEST:

__________________________
Marie A. Calderon,
City Clerk of the 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. 2009-87 was adopted by the City Council of the City of Banning at a Regular Meeting thereof held on the 27th day of October, 2009.

AYES:
NOES:

ABSENT:

ABSTAIN:

__________________________
Marie A. Calderon
City Clerk of the
City of Banning

Resolution No. 2009-87
CITY COUNCIL AGENDA
CONSENT ITEM

Date: October 27, 2009

TO: City Council

FROM: Phil Holder, Lieutenant

SUBJECT: Resolution No. 2009-88 approving recommendations to better control vehicle stopping and parking issues on city streets adjacent to Central Elementary School.

RECOMMENDATIONS: “The City Council adopt Resolution No. 2009-88 approving the addition of parking signage and curb markings to better control vehicle parking and stopping issues on city streets adjacent to Central Elementary School.”

BACKGROUND: On August 25, 2009, the Banning Police Department received a request from Banning Unified School District’s Interim Assistant Superintendent, Christine Wallace, Ed. D., to review traffic safety issues on city streets adjacent to Central Elementary before, during, and after school hours.

The Banning Police Department Traffic Bureau monitored the traffic conditions during drop-off and pick-up times at Central Elementary School, located at 295 N. San Gorgonio Avenue, and the impacted areas around the school. The impacted areas included 2nd Street between Williams Street and Nicolet Street, Williams Street between 2nd Street and San Gorgonio Avenue, and San Gorgonio Avenue between Williams Street and Nicolet Street.

Drop-off times were not a real concern, because traffic is constantly moving and is not stagnant. During pick-up, traffic becomes very congested because vehicles are parking and waiting to receive the children being released from school.

The following three problems in the impacted areas were identified:

1. Parents crossing outside the crosswalks on 2nd Street and on San Gorgonio Avenue.

2. Vehicles parking on the west curb of 2nd Street, which brings this road down to one lane.

3. Vehicles parking on the north curb on Williams Street near San Gorgonio Avenue, which brings this road down to one lane.

The following action plan identifies a solution to these problems under the authority of Banning Municipal Code Section 10.12.010. See addendum A for municipal code definitions.
ACTION PLAN:

San Gorgonio Avenue

1. Eliminate parking on the east curb of San Gorgonio Avenue, across from the school, by posting "No Parking" signs, 10.12.020 BMC. No parking would start at Nicolet Street and extend to the end of the property of Banning Village Market (266 North San Gorgonio Avenue). Parking would still be allowed on San Gorgonio Avenue for Ortega's Furniture (200 North San Gorgonio Avenue).

2. Paint the west curb of San Gorgonio Avenue, from Nicolet Street to Williams Street, yellow and designate this area a designated freight and passenger loading zone, 10.12.110 BMC.

Williams Street

1. Paint the north curb of Williams Street from 2nd Street to the businesses that extends west from L.J.&L Party Supplies (191 North San Gorgonio Avenue) yellow and designate this area a designated freight and passenger loading zone, 10.12.110 BMC. The remainder of Williams Street would be posted with "No Parking" signs, per 10.12.020 BMC.

2. The south side of Williams Street is currently red, except for the businesses that extend west from L.J.&L Party Supplies, which is painted green to allow customer parking. This would remain unchanged.

2nd Street

1. Paint the entire east curb of 2nd Street yellow, 10.12.110 BMC.

Based on an assessment by the Banning Police Department Traffic Bureau, the identified changes would make it safer for parents and children to travel to and from Central Elementary School.

Upon implementation of the action plan, there will be an educational campaign to parents and students through the school, which will be done in the form e-mails, flyers, and law enforcement presence.

STRATEGIC PLAN INTEGRATION: Implementation of this plan will enhance the City's image and appearance, as well as, improve the quality of properties in the community through a comprehensive code compliance program.

FISCAL DATA: Cost of adding the requested signage and curb markings to be determined by the Public Works Department.
RESOLUTION NO. 2009-88

A RESOLUTION BY THE CITY COUNCIL OF THE CITY, OF BANNING
AUTHORIZING THE IMPLEMENTATION OF PARKING SIGNAGE AND CURB
MARKINGS ON CITY STREETS ADJACENT TO CENTRAL ELEMENTARY
SCHOOL.

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

WHEREAS, the City of Banning Police Department is committed to better traffic safety
measures in the City of Banning; and

WHEREAS, the City of Banning Police Department is committed to working with the
Banning Unified School District to increase student safety; and

WHEREAS, the City’s procedures requires the City Council to adopt a resolution
authorizing the city engineer to place and maintain appropriate signs or markings prohibiting
stopping, parking, or standing of vehicles indicating the time and place during which the
provisions are applicable.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning
authorizes the city engineer to place and maintain appropriate signs and markings prohibiting
stopping, parking, or standing of vehicles at the following locations:

On San Gorgonio Avenue

Eliminate parking on the east curb of San Gorgonio Avenue, across from the school, by
posting “No Parking” signs, 10.12.020 BMC. No parking will start at Nicolet Street and
extend to the end of the property of Banning Village Market (266 North San Gorgonio
Avenue). Parking will be allowed on San Gorgonio Avenue for Ortega’s Furniture (200
North San Gorgonio Avenue).

Paint the west curb of San Gorgonio Avenue, from Nicolet Street to Williams Street,
yellow and designate this area a designated freight and passenger loading zone, 10.12.110
BMC.

Williams Street

Paint the north curb of Williams Street from 2nd Street to the businesses that extend west
from LJ&L Party Supplies (191 North San Gorgonio Avenue) yellow and designate this
area a designated freight and passenger loading zone, 10.12.110 BMC. The remainder of
Williams Street will be posted with “No Parking” signs, per 10.12.020 BMC.
Paint the entire east curb of 2nd Street yellow, 10.12.110 BMC.

The Finance Department is authorized to make necessary budget adjustments related to these funds.

PASSED, APPROVED, AND ADOPTED this 27th day of October, 2009.

Bob Botts, Mayor
City of Banning

APPROVED AS TO FORM AND LEGAL CONTENT

Aleshire & Wynder, LLP
City Attorney

ATTEST

Marie A. Calderon, City Clerk
City of Banning

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2009-88 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 27th day of October 2009, by the following to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

10.12.010 No stopping zones and no parking areas.

The city engineer as authorized by resolution of the city council prohibiting stopping, parking, or standing of vehicles shall place and maintain appropriate signs or markings indicating the time and place during which the provisions of the resolution are applicable. (Code 1965, § 13-21.)

10.12.020 Prohibited stopping or parking.

No person shall stop, park, or leave standing any vehicle, whether attended or unattended, except when necessary to avoid conflict with other traffic or in compliance with the directions of a peace officer or official traffic control device, in any of the following places:

A. In any area established by resolution of the city council as a "No Parking" area when such place is indicated by appropriate signs or markings except that a bus may stop at a designated bus stop. (Code 1965, § 13-22.)

10.12.090 Time limit parking zones.

Time limit parking zones for less than one hour shall be indicated by green paint upon all curbs in said zones. The time limit in minutes shall be stenciled on the curb with white paint or signs may be posted designating the parking zone and time limit. (Code 1965, § 13-29.)

10.12.110 Designated freight and passenger loading zones.

A. The city engineer may determine the location of loading zones and passenger loading zones and shall place and maintain appropriate signs or markings indicating the same and stating the hours during which the provisions of this chapter are applicable.

B. Yellow curb paint indicates stopping only for the purpose of loading or unloading passengers or freight. (Code 1965, § 13-31.)

10.12.120 Time limits to load and unload.

A. Permission herein granted to stop a vehicle in a yellow curb zone for purposes allowed by the Vehicle Code and this chapter shall not extend beyond the time necessary therefor, and in no event for more than twenty minutes. (Code 1965, § 13-32.)
CITY COUNCIL AGENDA
CONSENT ITEM

Date: October 27, 2009

TO: City Council

FROM: Phil Holder, Lieutenant

SUBJECT: Resolution No. 2009-89 approving recommendation to install a stop sign at the intersection of Livingston Street and 6th Street.

RECOMMENDATIONS: "The City Council adopt Resolution No. 2009-89 approving the installation of a stop sign at the intersection of Livingston Street and 6th Street to better control vehicle traffic turning onto northbound 6th street from westbound Livingston Street."

BACKGROUND:

On September 21, 2009, an unknown vehicle failed to safely negotiate the northbound turn at the intersection of Livingston Street and 6th Street. The vehicle jumped the west curb and struck a chain-link-fence at Help Inc., located at 53 South 6th Street, causing extensive damage to the fence. The vehicle fled the location and there was no information to identify the vehicle or driver.

This is not the first time a vehicle has caused damage at the location. On October 29, 2007, a vehicle struck the chain-link-fence causing damage and on March 30, 2006, another vehicle damaged the chain-link-fence and struck part of the building.

Reflective traffic signage is posted at the intersection in several locations to warn westbound drivers' of the upcoming northbound turn. However, this has not prevented the noted accidents.

The following action plan identifies a solution to this problem under the authority of Banning Municipal Code Section 10.08.010. See addendum A for municipal code definitions.

ACTION PLAN:

1. Add a stop sign at the intersection of Livingston Street and 6th Street, which would require all westbound traffic on Livingston Street to come to a complete stop before turning right onto northbound 6th Street. The specific location to be determined by the Banning's Public Works Department, 10.08.100 BMC.

STRATEGIC PLAN INTEGRATION: Implementation of this plan will enhance traffic safety measures within the City of Banning for residents and visitors alike.
FISCAL DATA: Cost of adding the requested stop sign to be determined by the Public Works Department.

RECOMMEND BY:

Phil Holder
Lieutenant

Leonard Purvis
Chief of Police

APPROVED BY:

Sam Racadio
Interim City Manager
RESOLUTION NO. 2009-89

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BANNING AUTHORIZING THE INSTALLATION OF A STOP SIGN AT THE INTERSECTION OF LIVINGSTON STREET AND 6TH STREET CONTROLLING WESTBOUND TRAFFIC TURNING NORTH ONTO 6TH STREET.

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

WHEREAS, the City of Banning Police Department is committed to better traffic safety measures in the City of Banning; and

WHEREAS, the City of Banning Police Department is committed to working with local businesses to increase public safety; and

WHEREAS, the City’s procedures requires the City Council to adopt a resolution designating intersections at which vehicular traffic shall stop or yield before entering the intersection and authorize the city engineer to install and maintain such stop or yield signs.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Banning authorizes the city engineer to install and maintain a stop sign at the intersection of Livingston Street and 6th Street, which would require all westbound traffic on Livingston Street to come to a complete stop before turning right onto northbound 6th Street. The Finance Department is authorized to make necessary budget adjustments related to costs associated with the installation of the stop sign.

PASSED, APPROVED, AND ADOPTED this 27th day of October, 2009.

Bob Botts, Mayor
City of Banning

APPROVED AS TO FORM
AND LEGAL CONTENT

Aleshire & Wynder, LLP
City Attorney

ATTEST

Marie A. Calderon, City Clerk
City of Banning
CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 2009-89 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 27th day of October 2009, by the following to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

10.08.010 Authority to install official traffic control devices.

The city engineer shall cause to be placed and maintained official traffic control devices upon streets and highways as required by the Vehicle Code or this title. (Code 1965, § 13-9.)

10.08.100 Authority for stop signs and yield signs.

The city engineer shall determine, in accordance with the Manual of Uniform Traffic Control Devices and California D.O.T. Traffic Manual whether circumstances warrant and justify installation of stop signs and yield signs, and by resolution, in the city council shall designate through streets, intersections, R.R. grade crossings (subject to California Public Utilities Commission approval) at which vehicular traffic shall stop or yield before entering the intersection. The city engineer shall place and maintain official traffic control devices giving notice thereof and no such designations shall be effective until such devices are in place. (Code 1965, § 13-17.)
CITY COUNCIL AGENDA
CONSENT ITEM

DATE: October 27, 2009

TO: Honorable Mayor and City Council

FROM: Duane Burk, Director of Public Works

SUBJECT: Notice of Completion for the Phase II Enhanced Vapor Recovery System Upgrade to the City Yard Fueling Station

RECOMMENDATION: That the City Council accept the Phase II Enhanced Vapor Recovery System Upgrade to the City Yard Fueling Station as complete and direct the City Clerk to record the Notice of Completion.

JUSTIFICATION: The contractor has completed the work as per the approved specifications.

BACKGROUND: On June 23, 2009 the City Council awarded a contract to Packham & Toomey, Inc., of Hemet, California in an amount of $35,550.00 for an emergency upgrade to the City Yard Fueling Station under Resolution No. 2009-50.

The scope of work under the project included the phase II recovery balance system upgrade to an Enhanced Vapor Recovery (EVR) Healy system including the following: obtain Air Quality Management District (AQMD) permits; remove existing balance system; install new Healy system with nozzles, pumps and tank; startup system and perform AQMD testing; notify AQMD of systems completion and testing.

FISCAL DATA: The original contract amount for this project was $35,550.00 with a final contract amount of $36,082.81. Due to unforeseen conditions, a change order was necessary in the amount of $532.81, which is approximately 1.5% of an increase from the original contract amount. This upgrade was funded by the Air Quality Management Fund, Account No. 132-4900-446.30-06.

RECOMMENDED BY: Duane Burk Director of Public Works

REVIEWED BY: Kirby Warner Interim Finance Director

APPROVED BY: Sam Racadio Interim City Manager
NOTICE OF COMPLETION

PHASE II ENHANCED VAPOR RECOVERY SYSTEM UPGRADE TO THE CITY YARD FUELING STATION

THIS NOTICE OF COMPLETION IS HEREBY GIVEN by the OWNER, the City of Banning, a municipal corporation, pursuant to the provisions of Section 3093 of the Civil Code of the State of California, and is hereby accepted by the OWNER, the City of Banning, pursuant to authority conferred by the City Council this October 27, 2009, and the grantees consent to recordation thereof by its duly authorized agent.

That the OWNER, the City of Banning, and Packham & Toomey, Inc., of Hemet, California, the vendee, entered into an agreement on June 24, 2009, for the Phase II Enhanced Vapor Recovery System Upgrade to the City Yard Fueling System. The scope of work under the project included the phase II recovery balance system upgrade to an Enhanced Vapor Recovery (EVR) Healy system including the following: obtain Air Quality Management District (AQMD) permits; remove existing balance system; install new Healy system with nozzles, pumps and tank; startup system and perform AQMD testing; notify AQMD of systems completion and testing

(1) That the work of improvement was completed on September 18, 2009, for the Phase II Enhanced Vapor Recovery System Upgrade to the City Yard Fueling Station.

(2) That the City of Banning, a municipal corporation, whose address is Banning City Hall, 99 E. Ramsey Street, Banning, California 92220, is completing work of improvement.
(3) That the said work of improvement was performed to the City Yard Fueling Station located at 176 E. Lincoln Street.

(4) That the original contractor for said improvement was Packham & Toomey, Inc., State Contractor's License No. 403363.

Dated: October 27, 2009

THE CITY OF BANNING
A Municipal Corporation

By__________________________
Sam Racadio
Interim City Manager

APPROVED AS TO FORM:

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

JURAT

State of California
County of Riverside

Subscribed and sworn to (or affirmed) before me on this ______ day of _______________, 2009 by ____________________ proved to me on this basis of satisfactory evidence to be the person(s) who appeared before me.

(S e a l) Notary Public in and for said County and State
STATE OF CALIFORNIA)
 ) ss
COUNTY OF RIVERSIDE)

MARIE A. CALDERON, being duly sworn, deposes and says:

That I am the City Clerk of the City of Banning, which City caused the work to be performed on the real property hereinabove described, and is authorized to execute this Notice of Completion on behalf of said City; that I have read the foregoing Notice and know the contents thereof, and that the facts stated therein are true based upon information available to the City of Banning, and that I make this verification on behalf of said City of Banning. I declare under perjury that the forgoing is true and correct.

Executed on _____________, 2009 at Banning, California.

City Clerk of the City of Banning
CITY COUNCIL
CONSENT ITEM

DATE: October 27, 2009
TO: City Council
FROM: Sam Racadio, Interim City Manager
SUBJECT: Banning Economic Stimulus Efforts

RECOMMENDATION:
That the City Council receive and file this report on economic stimulus initiatives intended to support the Banning business community during the current economic crisis.

JUSTIFICATION:
Economic development and support of the local business community is a high priority for the City Council. This report will describe recent efforts to support the local business community during this global economic crisis.

BACKGROUND:
Beginning in late 2008, the City began exploring ideas on how to assist or “stimulate” the local economy. In March of 2009, the previous City Manager brought forward information to the Council to introduce ideas by which the City could assist local businesses by modeling economic stimulus efforts enacted in other communities.

Following review and comment by the Council the matter was presented to the Banning Chamber of Commerce. The City Manager responded to questions from the Chamber with a June 16, 2009 memo to the Council that was presented at the June 23, 2009 Council Meeting. In July 2009, a refined version of the plan was discussed with the Council, but was never formally adopted.

The main component of the plan discussed was a “rebate” program whereby area merchants could offer customers a 10% rebate on purchases made in the City and the “rebate would be paid for by the City. Two major issues arose from this idea that contributed to it not being formally adopted.

First, this program was originally considered for funding with redevelopment funds. The City Manager determined that he could not recommended use of redevelopment funds to fund this program. To compound the problem of funding, given the City’s general fund deficit, budget cuts and layoffs, there were no funds available to fund this program from the general fund.

Second, the program discussed hinged upon city staff administering the “rebate” component including reconciliation and verification of merchant/customer receipts, fraud
prevention and payout of rebates to consumers or merchants. Given the recent and pending staff reductions and layoffs, executive staff felt that the City did not have the capacity to administer such a labor intensive program. After recognizing these difficulties and reaching this impasse, the suggested program was not pursued any further.

In the meantime, the City of Banning and the Community Redevelopment Agency did undertake several other initiatives designed to assist and support the local business community and the local economy.

DISCUSSION:
To date, the City of Banning, the Community Redevelopment Agency, and the Office of Economic Development have initiated and are conducting several programs and initiatives designed to assist and support the local business community and the local economy. These efforts include:

- "Buy local" City purchasing preference policy update
- Increased use of local vendors
- Banning radio advertising campaign
- Advertising Advantage campaign with Associated Desert Shoppers (Green Sheet)
- Extension of deferral of residential development fees policy
- Extension of deferral of commercial development fees policy
- Funding Fox Theater renovation (supports local sub-contractors)
- Approved new downtown façade program (local architects and contractors)
- Continued support of rehabilitation and tenanting the Oddfellows building
- Partnership with Banning Chamber of Commerce for economic development
- Partnership with Banning Cultural Alliance to support economic vitality
- Furtherance of Mid-County Justice Center project
- Predevelopment of the The Village at Paso San Gorgonio
- Construction of new Public Safety Center in Downtown
- Approval of digital reader board marketing sign
- Print campaign for business recruitment to Banning
- Participation in Riverside County EDA business recruitment program
- Participation in Riverside County EDA trade show program

While no single effort can counter the effects on the local economy resulting from the global economic crisis, the programs listed above have been implemented to support the Banning business community and support local businesses.

CONCLUSION:
It is recommended that the City Council receive and file this report describing efforts made to support the Banning business community.

FISCAL DATA:
There is no financial impact associated with receiving and filing this report.
APPROVED BY:

Sari Racadio  
Interim Executive Director

RECOMMENDED BY:

Zaf Abu Bakar  
Community Development Director

PREPARED BY:

John Jansons  
Redevelopment Manager
DATE: October 26, 2009

TO: City Council

FROM: Kirby Warner, Interim Finance Director

SUBJECT: Adoption of Resolution approving the form of and Authorizing the Execution and Delivery of a Purchase and Sale Agreement with Respect to the Sale of the City of Banning’s Proposition 1A Receivable from the State of California, and Directing and Authorizing Certain Other Actions in Connection Therewith.

RECOMMENDATION: That the City Council approve Resolution No. 2009-84, which will provide for the sale of the City’s Proposition 1A receivable, of approximately $437,325, from the State of California.

BACKGROUND:

Proposition 1A Suspension: Proposition 1A was passed by California voters in 2004 to ensure local property tax and sales tax revenues remain with local government thereby safeguarding funding for public safety, health, libraries, parks, and other local services. Provisions can only be suspended if the Governor declares a fiscal necessity and two-thirds of the Legislature concur.

The emergency suspension of Proposition 1A was passed by the Legislature and signed by the Governor as ABX4 14 and ABX4 15 as part of the 2009-10 budget package on July 28, 2009. Under the provision, the State will borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts. The state will be required to repay those obligations plus interest by June 30, 2013.

The legislature is currently reviewing a clean-up bill, SB67 which would provide for a few critical changes to the enacted legislation, including but not limited to providing for: financing to occur in November; county auditor certification of amount of Prop 1A receivable; tax-exempt structure; California Communities as the only issuer; more flexibility on bond structure (interest payments, state payment date and redemption features); sales among local agencies; and revision to the hardship mechanism. While SB 67 has not yet been passed and signed into law, California Communities expects that to occur prior to funding the Program. If for any reason SB 67 is not enacted and the bonds cannot be sold by December 31, 2009, all approved documents placed in escrow with Transaction counsel will be of no force and effect and will be destroyed.
Proposition 1A Securitization Program: Authorized under ABX4 14 and ABX4 15, the Proposition 1A Securitization Program was instituted by California Communities to enable Local Agencies to sell their respective Proposition 1A Receivables to California Communities. Currently, SB67 is being considered to clarify specific aspects of ABX4 14 and ABX4 15. Under the Securitization Program, California Communities will simultaneously purchase the Proposition 1A Receivables, issue bonds (“Prop 1A Bonds”) and provide each local agency with the cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010 (to coincide with the dates that the State will be shifting property tax from local agencies). The purchase price paid to the local agencies will equal 100% of the amount of the property tax reduction. All transaction costs of issuance and interest will be paid by the State of California. Participating local agencies will have no obligation on the bonds and no credit exposure to the State.

If the City of Banning sells its Proposition 1A Receivable under the Proposition 1A Securitization Program, California Communities will pledge the City of Banning's Proposition 1A Receivable to secure the repayment of a corresponding amount of the Prop 1A Bonds. The City of Banning’s sale of its Proposition 1A Receivable will be irrevocable. Bondholders will have no recourse to the City of Banning if the State does not make the Proposition 1A Repayment.

Proposition 1A Program Sponsor: California Statewide Communities Development Authority (“California Communities”) is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. The member agencies of California Communities include approximately 230 cities and 54 counties throughout California.

Benefits of Participation in the Proposition 1A Securitization Program:

The benefits to the City of Banning of participation in the Proposition 1A Securitization Program include:

- **Immediate cash relief** – the sale of the City of Banning's Proposition 1A Receivable will provide the City of Banning with 100% of its Proposition 1A Receivable in two equal installments, on January 15, 2010 and May 3, 2010. The total has been estimated to be $437,325 by the Riverside Auditor-Controller.

- **Mitigates impact of 8% property tax withholding in January and May** – Per ABX4 14 and ABX4 15 and the proposed clean-up legislation SB 67, the State will withhold 8% of property tax receivables due to Cities, Counties, and Special Districts under Proposition 1A. The financing outlines bond proceeds to be distributed to coincide with the dates that the State will be shifting property tax from local agencies.

- **All costs of financing borne by the State of California**. The City of Banning will not have to pay any interest cost or costs of issuance in connection with it participation.

- **No obligation on Bonds**. The City of Banning has no obligation with respect to the payment of the bonds, nor any reporting, disclosure or other compliance obligations associated with the bonds.
Proceeds of the Sale of the City of Banning's Proposition 1A Receivable:

Upon delivery of the Proposition 1A Bonds, California Communities will make available to the City its fixed purchase price, which will equal 100% of the local agency’s Proposition 1A Receivable. These funds may be used for any lawful purpose of the City and are not restricted by the program.

Proposed Proposition 1A Receivables Sale Resolution:

The proposed Proposition 1A Receivables Sale Resolution:

1) Authorizes the sale of the City of Banning's Proposition 1A Receivable to California Communities for 100% of its receivable;

2) Approves the form, and directs the execution and delivery, of the Purchase and Sale Agreement with California Communities and related documents;

3) Authorizes and directs any Authorized Officer to send, or to cause to be sent, an irrevocable written instruction required by statute to the State Controller notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement of the Proposition 1A Receivable to the Proposition 1A Bond Trustee;

4) Appoints certain City officers and officials as Authorized Officers for purposes of signing documents; and

5) Authorizes miscellaneous related actions and makes certain ratifications, findings and determinations required by law.

Proposed Purchase and Sale Agreement

The proposed Purchase and Sale Agreement:

1) Provides for the sale of the Proposition 1A Receivable to California Communities;

2) Contains representations and warranties of the City to assure California Communities that the Proposition 1A Receivable has not been previously sold, is not encumbered, that no litigation or other actions is pending or threatened to disrupt the transaction and the this is an arm's length "true sale" of the Proposition 1A Receivable.

3) Provides mechanics for payment of the Purchase Price

4) Contains other miscellaneous provisions.

Proposed Purchase and Sale Agreement Exhibits:

The proposed Proposition 1A Purchase and Sale Agreement Exhibits:

(B1) Opinion of Counsel: This is an opinion of the counsel to the local agency (which may be an in-house counsel or an outside counsel) covering basic approval of the document. 55
litigation, and enforceability of the document against the Seller. It will be dated as of the Pricing date of the bonds (currently expected to be November 10, 2009).

(B2) Bringdown Opinion: This simply "brings down" the opinions to the closing date (currently expected to be November 19, 2009).

(C1) Certificate of the Clerk of the Local Agency: A certificate of the Clerk confirming that the resolution was duly adopted and is in full force and effect.

(C2) Seller Certificate: A certification of the Seller dated as of the Pricing Date confirming that the representations and warranties of the Seller are true as of the Pricing Date, confirming authority to sign, confirming due approval of the resolution and providing payment instructions.

(C3) Bill of Sale and Bringdown Certificate: Certificate that brings the certifications of C2 down to the Closing Date and confirms the sale of the Proposition 1A Receivable as of the Closing Date.

(D) Irrevocable Instructions to the Controller: Required in order to let the State Controller know that the Proposition 1A Receivable has been sold and directing the State to make payment of the receivable to the Trustee on behalf of the Purchaser.

(E) Escrow Instruction Letter: Instructs Transaction Counsel (Orrick) to hold all documents in escrow until closing, and if closing does not occur by December 31, 2009 for any reason, to destroy all documents.

**FISCAL DATA:** This action will secure the receipt of the 8% Proposition 1A property tax to be withheld by the State of California for the FY 2009-2010. This amount has been estimated by the Riverside County Auditor Controller's Office to be approximately $437,325.

**RECOMMENDED BY:**

Kirby Warner  
Interim Finance Director

**APPROVED BY:**

Sam Racadio  
Interim City Manager
RESOLUTION NO. 2009-84

CITY COUNCIL
OF THE
CITY OF BANNING

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Section 25.5 of Article XIII of the California Constitution and Chapter 14 of the California Statutes of 2009 (Assembly Bill No. 15), as amended (the "Act"), certain local agencies within the State of California (the "State") are entitled to receive certain payments to be made by the State on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year (the "Reimbursement Payments"), which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code;

WHEREAS, the City of Banning, a local agency within the meaning of Section 6585(f) of the California Government Code (the "Seller"), is entitled to and has determined to sell all right, title and interest of the Seller in and to its "Proposition 1A receivable", as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund public capital improvements or working capital;

WHEREAS, the Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require;

WHEREAS, the California Statewide Communities Development Authority, a joint exercise of powers authority organized and existing under the laws of the State (the "Purchaser"), has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable;

WHEREAS, the Purchaser desires to purchase the Proposition 1A Receivable and the Seller desires to sell the Proposition 1A Receivable pursuant to a purchase and sale agreement by and between the Seller and the Purchaser in the form presented to this City Council (the "Sale Agreement") for the purposes set forth herein;

WHEREAS, in order to finance the purchase price of the Proposition 1A Receivable from the Seller and the purchase price of other Proposition 1A Receivables from other local agencies, the Purchaser will issue its bonds (the "Bonds") pursuant to Section 6590 of the California Government Code and an Indenture (the "Indenture"), by and between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), which Bonds will be payable solely
from the proceeds of the Seller’s Proposition 1A Receivable and other Proposition 1A Receivables sold to the Purchaser by local agencies in connection with the issuance of the Bonds;

WHEREAS, the Seller acknowledges that (i) any transfer of its Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement shall be treated as an absolute sale and transfer of the property so transferred and not as a pledge or grant of a security interest by City of Banning to secure a borrowing, (ii) any such sale of its Proposition 1A Receivable to the Purchaser shall automatically be perfected without the need for physical delivery, recordation, filing or further act, (iii) the provisions of Division 9 (commencing with Section 9101) of the California Commercial Code and Sections 954.5 to 955.1 of the California Civil Code, inclusive, shall not apply to the sale of its Proposition 1A Receivable, and (iv) after such transfer, the Seller shall have no right, title, or interest in or to the Proposition 1A Receivable sold to the Purchaser and the Proposition 1A Receivable will thereafter be owned, received, held and disbursed only by the Purchaser or a trustee or agent appointed by the Purchaser;

WHEREAS, the Seller acknowledges that the Purchaser will grant a security interest in the Proposition 1A Receivable to the Trustee and any credit enhancer to secure payment of the Bonds;

WHEREAS, a portion of the proceeds of the Bonds will be used by the Purchaser to, among other things, pay the purchase price of the Proposition 1A Receivable;

WHEREAS, the Seller will use the proceeds received from the sale of the Proposition 1A Receivable for any lawful purpose as permitted under the applicable laws of the State;

NOW THEREFORE, the City Council of the City of Banning hereby resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and this City Council hereby so finds and determines.

Section 2. The Seller hereby authorizes the sale of the Proposition 1A Receivable to the Purchaser for a price equal to the amount certified as the Initial Amount (as defined in the Sale Agreement) by the County auditor pursuant to the Act. The form of Sale Agreement presented to the City Council is hereby approved. An Authorized Officer (as set forth in Appendix A of this Resolution, attached hereto and by this reference incorporated herein) is hereby authorized and directed to execute and deliver the Sale Agreement on behalf of the Seller, which shall be in the form presented at this meeting.

Section 3. Any Authorized Officer is hereby authorized and directed to send, or to cause to be sent, an irrevocable written instruction to the State Controller (the “Irrevocable Written Instruction”) notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement pursuant to Section 6588.6(c) of California Government Code of the Proposition 1A Receivable to the Trustee, on behalf of the Purchaser, which Irrevocable Written Instruction shall be in the form presented at this meeting.

Section 4. The Authorized Officers and such other Seller officers, as appropriate, are hereby authorized and directed, jointly and severally, to do any and all things and to execute
and deliver any and all documents, including but not limited to, if required, appropriate escrow instructions relating to the delivery into escrow of executed documents prior to the closing of the Bonds, and such other documents mentioned in the Sale Agreement or the Indenture, which any of them may deem necessary or desirable in order to implement the Sale Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution; and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the sale of the Proposition 1A Receivable or the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, may be given or taken by an Authorized Officer without further authorization by this City Council, and each Authorized Officer is hereby authorized and directed to give any such consent, approval, notice, order or request, to execute any necessary or appropriate documents or amendments, and to take any such action that such Authorized Officer may deem necessary or desirable to further the purposes of this Resolution.

Section 6. The City Council acknowledges that, upon execution and delivery of the Sale Agreement, the Seller is contractually obligated to sell the Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement and the Seller shall not have any option to revoke its approval of the Sale Agreement or to determine not to perform its obligations thereunder.
Section 7. This Resolution shall take effect from and after its adoption and approval.

PASSED AND ADOPTED by the City Council of the City of Banning, State of California, this _____ day of ______________, 2009, by the following vote:

AYES:

NOES:

ABSENT:

________________________
Mayor

Attest:

________________________
City Clerk

Approved as to form:

SELLER'S COUNSEL

By_____________________

Dated:___________________
APPENDIX A
CITY OF BANNING

Authorized Officers:  Robert E. Botts, Mayor
                     Sam Racadio, Interim City Manager

any designee of any of them, as appointed in a written certificate of such Authorized Officer delivered to the Trustee.
CITY OF BANNING, CALIFORNIA,
as Seller

and

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY,
as Purchaser

PURCHASE AND SALE AGREEMENT

Dated as of November 1, 2009
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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, dated as of November 1, 2009 (this “Agreement”), is entered into by and between:

(1) CITY OF BANNING, a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code (the “Seller”); and

(2) CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the “Purchaser”).

RECITALS

A. Pursuant to Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, local agencies within the meaning of Section 6585(f) of the California Government Code are entitled to receive certain payments to be made by the State of California (the “State”) on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State’s 2009-10 fiscal year, which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code.

B. The Seller is the owner of the Proposition 1A Receivable (as defined below) and is entitled to and has determined to sell all right, title and interest in and to the Proposition 1A receivable, namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund any lawful purpose as permitted under the applicable laws of the State.

C. The Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require.

D. The Purchaser, a joint exercise of powers authority organized and existing under the laws of the State, has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable.

E. The Seller is willing to sell, and the Purchaser is willing to purchase, the Proposition 1A Receivable upon the terms specified in this Agreement.

F. Pursuant to its Proposition 1A Receivable Financing Program (the “Program”), the Purchaser will issue its bonds (the “Bonds”) pursuant to an Indenture (the “Indenture”), between the Purchaser and Wells Fargo Bank, National Association, as trustee (the “Trustee”), and will use a portion of the proceeds thereof to purchase the Proposition 1A Receivable from the Seller.

G. The Purchaser will grant a security interest in such Proposition 1A Receivable to the Trustee and each Credit Enhancer to secure the Bonds.
AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Definitions and Interpretation.

(a) For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in Exhibit A attached hereto and which is incorporated by reference herein.

(b) The words “hereof,” “herein,” “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; section and exhibits references contained in this Agreement are references to sections and exhibits in or to this Agreement unless otherwise specified; and the term “including” shall mean “including without limitation.”

(c) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time may be amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments and exhibits thereto and instruments incorporated therein; and any references to a Person are also to its permitted successors and assigns.

2. Agreement to Sell and Purchase; Conditions Precedent.

(a) The Seller agrees to sell, and the Purchaser agrees to purchase, on the Closing Date, for an amount equal to the Purchase Price, all right, title and interest of the Seller in and to the “Proposition 1A receivable” as defined in Section 6585(g) of the California Government Code (the “Proposition 1A Receivable”), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code. The Purchase Price shall be paid by the Purchaser to the Seller in two equal cash installment payments, without interest (each, an “Installment Payment” and, collectively, the “Installment Payments”), on January 15, 2010, and May 3, 2010 (each a “Payment Date” and, collectively, the “Payment Dates”). The Purchaser shall pay the Purchase Price by wire transfer pursuant to wire instructions provided by the Seller to the Trustee by e-mail to john.deleray@wellsfargo.com or by facsimile to 213-614-3355, Attention: John Deleray. If wire instructions are not provided to the Trustee (or if such wire instructions are invalid) payment will be made by check mailed to the Seller’s Principal Place of Business.

(b) The performance by the Purchaser of its obligations hereunder shall be conditioned upon:

(i) Transaction Counsel receiving on or before the date the Bonds are sold (the “Pricing Date”), to be held in escrow until the Closing Date and then delivered to the Purchaser on the Closing Date, the following documents
duly executed by the Seller or its counsel, as applicable: (1) an opinion of counsel to the Seller dated the Pricing Date in substantially the form attached hereto as Exhibit B1, (2) certificates dated the Pricing Date in substantially the forms attached hereto as Exhibit C1 and Exhibit C2, (3) irrevocable instructions to the Controller dated as of the Closing Date in substantially the form attached hereto as Exhibit D, (4) this Agreement, (5) a certified copy of the resolution of the Seller's City Council approving this Agreement, the transactions contemplated hereby and the documents attached hereto as exhibits, and (6) an escrow instruction letter in substantially the form attached hereto as Exhibit E;

(ii) Transaction Counsel receiving on or before the Pricing Date, (1) a bringdown opinion of counsel to the Seller dated as of the Closing Date in substantially the form attached hereto as Exhibit B2, and (2) a bill of sale and bringdown certificate of the Seller (the "Bill of Sale") in substantially the form attached hereto as Exhibit C3; provided that the Purchaser may waive, in its sole discretion, the requirements of Section 2(b)(ii)(1);

(iii) the Purchaser issuing Bonds in an amount which will be sufficient to pay the Purchase Price; and

(iv) the receipt by the Purchaser of a certification of the County Auditor confirming the Initial Amount of the Proposition 1A Receivable pursuant to the Act.

(c) The performance by the Seller of its obligations hereunder shall be conditioned solely upon the Purchaser's issuance of the Bonds its execution and delivery of this Agreement, pursuant to which it is legally obligated to pay the Installment Payments to the Seller on the Payment Dates as set forth in this Agreement, and no other act or omission on the part of the Purchaser or any other party shall excuse the Seller from performing its obligations hereunder. Seller specifically disclaims any right to rescind this Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make Installment Payments in the requisite amounts on the Payment Dates.

3. Purchase Price, Conveyance of Proposition 1A Receivable and Payment of Purchase Price.

(a) Upon pricing of the Bonds by the Purchaser, the Purchaser will inform the Seller that it will pay the Purchase Price in Installment Payments on the Payment Dates.

(b) In consideration of the Purchaser's agreement to pay and deliver to the Seller the Installment Payments on the Payment Dates, the Seller agrees to (i) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided herein, and the Purchaser agrees to purchase, accept and receive, the Proposition 1A Receivable, and (ii) assign to the Purchaser, to the extent permitted by law, all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other
applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. This is the statement referred to in Sections 6588.6(b) and (c) of the California Government Code.

4. **Representations and Warranties of the Purchaser.** The Purchaser represents and warrants to the Seller, as of the date hereof, as follows:

(a) The Purchaser is duly organized, validly existing and in good standing under the laws of the State of California.

(b) The Purchaser has full power and authority to enter into this Agreement and to perform its obligations hereunder and has duly authorized such purchase and assignment of the Proposition 1A Receivable by the Purchaser by all necessary action.

(c) Neither the execution and delivery by the Purchaser of this Agreement, nor the performance by the Purchaser of its obligations hereunder, shall conflict with or result in a breach or default under any of its organizational documents, any law, rule, regulation, judgment, order or decree to which it is subject or any agreement or instrument to which it is a party.

(d) To the best of the knowledge of the Purchaser, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Purchaser affecting the existence of the Purchaser or the titles of its commissioners or officers, or seeking to restrain or to enjoin the purchase of the Proposition 1A Receivable or to direct the application of the proceeds of the purchase thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Purchaser contemplated by any of said documents, or in any way contesting the powers of the Purchaser or its authority with respect to the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Purchaser contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Purchaser from purchasing the Proposition 1A Receivable or which if determined adversely to the Purchaser would have an adverse effect upon the Purchaser’s ability to purchase the Proposition 1A Receivable, nor to the knowledge of the Purchaser is there any basis therefor.

(e) This Agreement, and its execution, delivery and performance hereof have been duly authorized by it, and this Agreement has been duly executed and delivered by it and constitutes its valid and binding obligation enforceable against it in accordance with the terms hereof, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors’ rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(f) The Purchaser is a separate legal entity, acting solely through its authorized representatives, from the Seller, maintaining separate records, books of account, assets, bank accounts and funds, which are not and have not been commingled with those of the Seller.
(g) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the purchase by the Purchaser of the Proposition 1A Receivable or the performance by the Purchaser of its obligations under the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(h) Insofar as it would materially adversely affect the Purchaser's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Purchaser is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Purchaser, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the execution and delivery by the Purchaser of the Transaction Documents to which it is a party, and compliance by the Purchaser with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Purchaser a breach of or default under any agreement or other instrument to which the Purchaser is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Purchaser is subject.

5. **Representations and Warranties of the Seller.** The Seller hereby represents and warrants to the Purchaser, as of the date hereof, as follows:

   (a) The Seller is a local agency within the meaning of Section 6585(f) of the California Government Code, with full power and authority to execute and deliver this Agreement and to carry out its terms.

   (b) The Seller has full power, authority and legal right to sell and assign the Proposition 1A Receivable to the Purchaser and has duly authorized such sale and assignment to the Purchaser by all necessary action; and the execution, delivery and performance by the Seller of this Agreement has been duly authorized by the Seller by all necessary action.

   (c) This Agreement has been, and as of the Closing Date the Bill of Sale will have been, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery of this Agreement by the Purchaser, each of this Agreement and the Bill of Sale constitutes a legal, valid and binding obligation of the Seller enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

   (d) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the sale by the Seller of the Proposition 1A Receivable or the performance by the Seller of its
obligations under the Resolution and the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(e) Insofar as it would materially adversely affect the Seller’s ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Seller is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Seller, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the adoption of the Resolution and the execution and delivery by the Seller of the Transaction Documents to which it is a party, and compliance by the Seller with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Seller a breach of or default under any agreement or other instrument to which the Seller is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Seller is subject.

(f) To the best of the knowledge of the Seller, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller affecting the existence of the Seller or the titles of its City Council members or officers to their respective offices, or seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents, or in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Seller contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Seller from selling the Proposition 1A Receivable or which if determined adversely to the Seller would have an adverse effect upon the Seller’s ability to sell the Proposition 1A Receivable, nor to the knowledge of the Seller is there any basis therefor.

(g) Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller was the sole owner of the Proposition 1A Receivable, and has such right, title and interest to the Proposition 1A Receivable as provided in the Act. From and after the conveyance of the Proposition 1A Receivable by the Seller to Purchaser on the Closing Date, the Seller shall have no right, title or interest in or to the Proposition 1A Receivable. Except as provided in this Agreement, the Seller has not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor has the Seller created, or to the best knowledge of the Seller permitted the creation of, any lien, pledge, security interest or any other encumbrance (a “Lien”) thereon. Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller held title to the Proposition 1A Receivable free and clear of any Liens. As of the Closing Date, this Agreement, together with the Bill of Sale, constitutes a valid and absolute sale to the Buyer of all of the Seller’s right, title and interest in and to the Proposition 1A Receivable.
(h) The Seller acts solely through its authorized officers or agents.

(i) The Seller maintains records and books of account separate from those of the Purchaser.

(j) The Seller maintains its respective assets separately from the assets of the Purchaser (including through the maintenance of separate bank accounts); the Seller’s funds and assets, and records relating thereto, have not been and are not commingled with those of the Purchaser.

(k) The Seller’s principal place of business and chief executive office is located at 99 East Ramsey Street, Banning, California 92220.

(l) The aggregate amount of the Installment Payments is reasonably equivalent value for the Proposition 1A Receivable. The Seller acknowledges that the amount payable to or on behalf of the Purchaser by the State with respect to the Proposition 1A Receivable will be in excess of the Purchase Price and the Initial Amount of the Proposition 1A Receivable and confirms that it has no claim to any such excess amount whatsoever.

(m) The Seller does not act as an agent of the Purchaser in any capacity, but instead presents itself to the public as an entity separate from the Purchaser.

(n) The Seller has not guaranteed and shall not guarantee the obligations of the Purchaser, nor shall it hold itself out or permit itself to be held out as having agreed to pay or as being liable for the debts of the Purchaser; and the Seller has not received nor shall the Seller accept any credit or financing from any Person who is relying upon the availability of the assets of the Purchaser in extending such credit or financing. The Seller has not purchased and shall not purchase any of the Bonds or any interest therein.

(o) All transactions between or among the Seller, on the one hand, and the Purchaser on the other hand (including, without limitation, transactions governed by contracts for services and facilities, such as payroll, purchasing, accounting, legal and personnel services and office space), whether existing on the date hereof or entered into after the date hereof, shall be on terms and conditions (including, without limitation, terms relating to amounts to be paid thereunder) which are believed by each such party thereto to be both fair and reasonable and comparable to those available on an arms-length basis from Persons who are not affiliates.

(p) The Seller has not, under the provisions of Section 100.06(b) of the California Revenue and Taxation Code, received a reduction for hardship or otherwise, nor has it requested, made arrangements for, or completed a reallocation or exchange with any other local agency, of the total amount of the ad valorem property tax revenue reduction allocated to the Seller pursuant to Section 100.06(a) of the California Revenue and Taxation Code.

6. Covenants of the Seller.

(a) The Seller shall not take any action or omit to take any action which adversely affects the interests of the Purchaser in the Proposition 1A Receivable and in the proceeds thereof. The Seller shall not take any action or omit to take any action that shall adversely affect
the ability of the Purchaser, and any assignee of the Purchaser, to receive payments of the Proposition 1A Receivable.

(b) The Seller shall not take any action or omit to take any action that would impair the validity or effectiveness of the Act, nor, without the prior written consent of the Purchaser or its assignees, agree to any amendment, modification, termination, waiver or surrender of, the terms of the Act, or waive timely performance or observance under the Act. Nothing in this agreement shall impose a duty on the Seller to seek to enforce the Act or to seek enforcement thereof by others, or to prevent others from modifying, terminating, discharging or impairing the validity or effectiveness of the Act.

(c) Upon request of the Purchaser or its assignee, (i) the Seller shall execute and deliver such further instruments and do such further acts (including being named as a plaintiff in an appropriate proceeding) as may be reasonably necessary or proper to carry out more effectively the purposes and intent of this Agreement and the Act, and (ii) the Seller shall take all actions necessary to preserve, maintain and protect the title of the Purchaser to the Proposition 1A Receivable.

(d) On or before the Closing Date, the Seller shall send (or cause to be sent) an irrevocable instruction to the Controller pursuant to Section 6588.6(c) of California Government Code to cause the Controller to disburse all payments of the Proposition 1A Receivable to the Trustee, together with notice of the sale of the Proposition 1A Receivable to the Purchaser and the assignment of all or a portion of such assets by the Purchaser to the Trustee. Such notice and instructions shall be in the form of Exhibit D hereto. The Seller shall not take any action to revoke or which would have the effect of revoking, in whole or in part, such instructions to the Controller. Upon sending such irrevocable instruction, the Seller shall have relinquished and waived any control over the Proposition 1A Receivable, any authority to collect the Proposition 1A Receivable, and any power to revoke or amend the instructions to the Controller contemplated by this paragraph. Except as provided in Section 2(c) of this Agreement, the Seller shall not rescind, amend or modify the instruction described in the first sentence of this paragraph. The Seller shall cooperate with the Purchaser or its assignee in giving instructions to the Controller if the Purchaser or its assignee transfers the Proposition 1A Receivable. In the event that the Seller receives any proceeds of the Proposition 1A Receivable, the Seller shall hold the same in trust for the benefit of the Purchaser and the Trustee and each Credit Enhancer, as assignees of the Purchaser, and shall promptly remit the same to the Trustee.

(e) The Seller hereby covenants and agrees that it will not at any time institute against the Purchaser, or join in instituting against the Purchaser, any bankruptcy, reorganization, arrangement, insolvency, liquidation, or similar proceeding under any United States or state bankruptcy or similar law.

(f) The financial statements and books and records of the Seller prepared after the Closing Date shall reflect the separate existence of the Purchaser and the sale to the Purchaser of the Proposition 1A Receivable.

(g) The Seller shall treat the sale of the Proposition 1A Receivable as a sale for regulatory and accounting purposes.
(h) From and after the date of this Agreement, the Seller shall not sell, transfer, assign, set over or otherwise convey any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor shall the Seller create, or to the knowledge of the Seller permit the creation of, any Lien thereon.

7. The Purchaser's Acknowledgment. The Purchaser acknowledges that the Proposition 1A Receivable is not a debt or liability of the Seller, and that the Proposition 1A Receivable is payable solely by the State from the funds of the State provided therefor. Consequently, neither the taxing power of the Seller, nor the full faith and credit thereof is pledged to the payment of the Proposition 1A Receivable. No representation is made by the Seller concerning the obligation or ability of the State to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any representation made with respect to the ability of the State to enact any change in the law applicable to the Transaction Documents (including without limitation Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). The Purchaser acknowledges that the Seller has no obligation with respect to any offering document or disclosure related to the Bonds.


(a) Upon discovery by the Seller or the Purchaser that the Seller or Purchaser has breached any of its covenants or that any of the representations or warranties of the Seller or the Purchaser are materially false or misleading, in a manner that materially and adversely affects the value of the Proposition 1A Receivable or the Purchase Price thereof, the discovering party shall give prompt written notice thereof to the other party and to the Trustee, as assignee of the Purchaser, who shall, pursuant to the Indenture, promptly thereafter notify each Credit Enhancer and the Rating Agencies.

(b) The Seller shall not be liable to the Purchaser, the Trustee, the holders of the Bonds, or any Credit Enhancer for any loss, cost or expense resulting from the failure of the Trustee, any Credit Enhancer or the Purchaser to promptly notify the Seller upon the discovery by an authorized officer of the Trustee, any Credit Enhancer or the Purchaser of a breach of any covenant or any materially false or misleading representation or warranty contained herein.

9. Liability of Seller; Indemnification. The Seller shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Seller under this Agreement. The Seller shall indemnify, defend and hold harmless the Purchaser, the Trustee and each Credit Enhancer, as assignees of the Purchaser, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person by the Seller’s breach of any of its covenants contained herein or any materially false or misleading representation or warranty of the Seller contained herein. Notwithstanding anything to the contrary herein, the Seller shall have no liability for the payment of the principal of or interest on the Bonds issued by the Purchaser.
10. Limitation on Liability.

(a) The Seller and any officer or employee or agent of the Seller may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Seller shall not be under any obligation to appear in, prosecute or defend any legal action regarding the Act that is unrelated to its specific obligations under this Agreement.

(b) No officer or employee of the Seller shall have any liability for the representations, warranties, covenants, agreements or other obligations of the Seller hereunder or in any of the certificates, notices or agreements delivered pursuant hereto, as to all of which recourse shall be had solely to the assets of the Seller.

11. The Seller’s Acknowledgment. The Seller hereby agrees and acknowledges that the Purchaser intends to assign and grant a security interest in all or a portion of (a) its rights hereunder and (b) the Proposition 1A Receivable, to the Trustee and each Credit Enhancer pursuant to the Indenture. The Seller further agrees and acknowledges that the Trustee, the holders of the Bonds, and each Credit Enhancer have relied and shall continue to rely upon each of the foregoing representations, warranties and covenants, and further agrees that such Persons are entitled so to rely thereon. Each of the above representations, warranties and covenants shall survive any assignment and grant of a security interest in all or a portion of this Agreement or the Proposition 1A Receivable to the Trustee and each Credit Enhancer and shall continue in full force and effect, notwithstanding any subsequent termination of this Agreement and the other Transaction Documents. The above representations, warranties and covenants shall inure to the benefit of the Trustee and each Credit Enhancer.

12. Notices. All demands upon or, notices and communications to, the Seller, the Purchaser, the Trustee or the Rating Agencies under this Agreement shall be in writing, personally delivered or mailed by certified mail, return receipt requested, to such party at the appropriate notice address, and shall be deemed to have been duly given upon receipt.

13. Amendments. This Agreement may be amended by the Seller and the Purchaser, with (a) the consent of the Trustee, (b) the consent of each Credit Enhancer, and (c) a Rating Agency Confirmation, but without the consent of any of the holders of the Bonds, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement.

Promptly after the execution of any such amendment, the Purchaser shall furnish written notification of the substance of such amendment to the Trustee and to the Rating Agencies.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Seller, the Purchaser and their respective successors and permitted assigns. The Seller may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Purchaser. Except as specified herein, the Purchaser may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Seller.
15. Third Party Rights. The Trustee and each Credit Enhancer are express and intended third party beneficiaries under this Agreement. Nothing expressed in or to be implied from this Agreement is intended to give, or shall be construed to give, any Person, other than the parties hereto, the Trustee, and each Credit Enhancer, and their permitted successors and assigns hereunder, any benefit or legal or equitable right, remedy or claim under or by virtue of this Agreement or under or by virtue of any provision herein.

16. Partial Invalidity. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

17. Counterparts. This Agreement may be executed in any number of identical counterparts, any set of which signed by all the parties hereto shall be deemed to constitute a complete, executed original for all purposes.

18. Entire Agreement. This Agreement sets forth the entire understanding and agreement of the parties with respect to the subject matter hereof and supersedes any and all oral or written agreements or understandings between the parties as to the subject matter hereof.
19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Seller and the Purchaser have caused this Agreement to be duly executed as of the date first written above.

CITY OF BANNING, as Seller

By: ___________________________
   Authorized Officer

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, as Purchaser

By: ___________________________
   Authorized Signatory
EXHIBIT A
DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings set forth below.

"Act" means Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended.

"Bill of Sale" has the meaning given to that term in Section 2(b)(ii) hereof.

"Closing Date" means the date on which the Bonds are issued. The Closing Date is expected to be November 19, 2009, but the Purchaser may change the Closing Date by providing e-mail notification to kwarnerr@ci.banning.ca.us not later than one day prior to the Closing Date.

"Controller" means the Controller of the State.

"County Auditor" means the auditor or auditor-controller of the county within which the Seller is located.

"Credit Enhancer" means any municipal bond insurance company, bank or other financial institution or organization which is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Bonds.

"Credit Support Instrument" means a policy of insurance, a letter of credit, a stand-by purchase agreement, a revolving credit agreement or other credit arrangement pursuant to which a Credit Enhancer provides credit or liquidity support with respect to the payment of interest, principal or purchase price of the Bonds.

"Initial Amount" means, with respect to the Proposition 1A Receivable, the amount of property tax revenue reallocated away from the Seller pursuant to the provisions of Section 100.06 of the Revenue and Taxation Code, as certified by the County Auditor pursuant to the Act.

"Installment Payments" have the meaning set forth in Section 2(a).

"Payment Dates" have the meaning set forth in Section 2(a).

"Pricing Date" means the date on which the Bonds are sold. The Pricing Date is expected to be November 10, 2009, but the Purchaser may change the Pricing Date by providing e-mail notification to kwarnerr@ci.banning.ca.us not later than one day prior to the Pricing Date.

"Principal Place of Business" means, with respect to the Seller, the location of the Seller’s principal place of business and chief executive office located at 99 East Ramsey Street, Banning, California 92220.
“Proposition 1A Receivable” has the meaning set forth in Section 2(a).

“Purchase Price” means an amount equal to the Initial Amount.

“Rating Agency” means any nationally recognized rating agency then providing or maintaining a rating on the Bonds at the request of the Purchaser.

“Rating Agency Confirmation” means written confirmation from each Rating Agency that any proposed action will not, in and of itself, cause the Rating Agency to lower, suspend or withdraw the rating then assigned by such Rating Agency to any Bonds.

“Resolution” means the resolution adopted by the City Council approving the sale of the Proposition 1A Receivable.

“State” means the State of California.

“Transaction Counsel” means Orrick, Herrington & Sutcliffe LLP.

“Transaction Documents” mean this Agreement, the Bill of Sale, the Indenture, the Bonds and the Irrevocable Instructions For Disbursement of Proposition 1A Receivable of City of Banning, dated as of the Closing Date.
OPINION OF COUNSEL
to
CITY OF BANNING

Dated: Pricing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable

Ladies & Gentlemen:

[I have/This Office has] acted as counsel for the City of Banning (the “Seller”) in connection with the adoption of that certain resolution (the “Resolution”) of the City Council of the Seller (the “Governing Body”) pursuant to which the Seller authorized the sale to the California Statewide Communities Development Authority (the “Purchaser”) of the Seller’s “Proposition 1A Receivable”, as defined in and pursuant to the Purchase and Sale Agreement dated as of November 1, 2009 (the “Sale Agreement”) between the Seller and the Purchaser. In connection with these transactions, the Seller has issued certain Irrevocable Instructions For Disbursement of the Seller’s Proposition 1A Receivable to the Controller of the State of California (the “Disbursement Instructions”) and a Bill of Sale and Bringdown Certificate of the Seller (the “Bill of Sale” and, collectively with the Sale Agreement and the Disbursement Instructions, the “Seller Documents”).

Unless the context otherwise requires, capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Sale Agreement. [I/We] have examined and are familiar with the Seller Documents and with those documents relating to the existence, organization, and operation of the Seller, the adoption of the Resolution, and the execution of the Seller Documents, and have satisfied ourselves as to such other matters as [I/we] deem necessary in order to render the following opinions. As to paragraphs numbered 3 and 4 below, [I/we] have relied as to factual matters on the representations and warranties of the Seller contained in the Sale Agreement.

Based upon the foregoing, and subject to the limitations and qualifications set forth herein, [I/we] are of the opinion that:
1. The Seller is a local agency, within the meaning of Section 6585(f) of the California Government Code. The Governing Body is the governing body of the Seller.

2. The Resolution was duly adopted at a meeting of the Governing Body, which was called and held pursuant to law and with all public notice required by law, and at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been modified, amended or rescinded since the date of its adoption.

3. To the best of [my/our] knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller (i) affecting the existence of the Seller or the titles of its Governing Body members or officers to their respective offices; (ii) seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or materially adversely affecting the sale of the Proposition 1A Receivable; (iii) in any way contesting or affecting the validity or enforceability of the Resolution, Seller Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents; or (iv) in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Seller Documents or any other applicable agreement, or any action on the part of the Seller contemplated by any of said documents.

4. To the best of [my/our] knowledge, prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller had not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Seller’s Proposition 1A Receivable, nor had the Seller created, or permitted the creation of, any Lien thereon.

5. The Seller has duly authorized and executed the Seller Documents and, assuming the due authorization execution and delivery of the Sale Agreement by the Purchaser, each Seller Document will be legal, valid and binding against the Seller and enforceable against the Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or laws relating to or affecting creditors’ rights, and the application of equitable principles and the exercise of judicial discretion in appropriate areas.

No opinion is expressed concerning the obligation or ability of the State of California to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any opinion expressed with respect to the ability of the State to enact any change in the law applicable to the Seller Documents (including, without limitation, Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). Furthermore, [I/we] express no opinion as to the value of the Proposition 1A Receivable or as to any legal or equitable remedies that may be available to any person should the Proposition 1A Receivable have little or no value. No opinion is expressed with respect to the sale of Bonds by the Purchaser.
The legal opinion set forth herein is intended for the information solely of the addressees hereof and for the purposes contemplated by the Sale Agreement. The addressees may not rely on it in connection with any transactions other than those described herein, and it is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or administrative agency other than the Purchaser or with any other person or entity for any purpose without [my/our] prior written consent. In addition to the addressees hereof, each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. [I/We] do not undertake to advise you of matters that may come to [my/our] attention subsequent to the date hereof that may affect the opinions expressed herein.

Very truly yours,

By: ______________________________________________________________________

Seller’s Counsel
OPINION OF COUNSEL
to
CITY OF BANNING

Dated: Closing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable (Bringdown Opinion)

Ladies & Gentlemen:

Pursuant to that certain Purchase and Sale Agreement dated as of November 1, 2009 (the “Sale Agreement”) between the City of Banning (the “Seller”) and the California Statewide Communities Development Authority (the “Purchaser”), this Office delivered an opinion (the “Opinion”) dated the Pricing Date as counsel for the Seller in connection with the sale of the Seller’s Proposition 1A Receivable (as defined in the Sale Agreement), the execution of documents related thereto and certain other related matters.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

I confirm that you may continue to rely upon the Opinion as if it were dated as of the date hereof. Each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. This letter is delivered to you pursuant to Section 2(b)(ii)(1) of the Sale Agreement.

Very truly yours,

By: __________________________
    Seller’s Counsel
EXHIBIT C1
CLERK’S CERTIFICATE

CERTIFICATE OF THE
CITY CLERK OF
CITY OF BANNING, CALIFORNIA

Dated: Pricing Date

The undersigned City Clerk of the City of Banning (the “Seller”), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, does hereby certify that the foregoing is a full, true and correct copy of Resolution No. _______ duly adopted at a regular meeting of the City Council of said Seller duly and legally held at the regular meeting place thereof on the _____ day of ________________, 2009, of which meeting all of the members of said City Council had due notice and at which a quorum was present and acting throughout, and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I do hereby further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office and that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes and that said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

I do hereby further certify that an agenda of said meeting was posted at least 72 hours before said meeting at a location in the City of Banning, California freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Purchase and Sale Agreement, dated as of November 1, 2009, between the Seller and the California Statewide Communities Development Authority.

WITNESS by my hand as of the Pricing Date.

By: ____________________________
   City Clerk of the City of Banning,
   California
SELLER CERTIFICATE

Dated: Pricing Date

We, the undersigned officers of the City of Banning (the “Seller”), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, holding the respective offices herein below set opposite our signatures, do hereby certify that on the date hereof the following documents (the “Seller Transaction Documents”) were officially executed and delivered by the Authorized Officer or Officers whose names appear on the executed copies thereof, to wit:

Document

1. Purchase and Sale Agreement, dated as of November 1, 2009 (the “Sale Agreement”), between the Seller and the California Statewide Communities Development Authority (the “Purchaser”).

2. Irrevocable Instructions For Disbursement of Seller’s Proposition 1A Receivable to the Controller of the State of California, dated the Closing Date.

3. Bill of Sale, dated the Closing Date.

Capitalized terms used herein and not defined herein shall have the meaning given such terms in the Sale Agreement.

We further certify as follows:

1. At the time of signing the Seller Transaction Documents and the other documents and opinions related thereto, we held said offices, respectively, and we now hold the same:

2. The representations and warranties of the Seller contained in the Seller Transaction Documents are true and correct as of the date hereof in all material respects.

3. The City Council duly adopted its resolution (the “Resolution”) approving the sale of the Seller’s Proposition 1A Receivable at a meeting of the City Council which was duly called and held pursuant to law with all public notice required by law and at which a quorum was present and acting when the Resolution was adopted, and such Resolution is in full force and effect and has not been amended, modified, supplemented or rescinded.
Name, Official Title

Robert E. Botts, Mayor

Sam Racadio, Interim City Manager

Signature

I HEREBY CERTIFY that the signatures of the officers named above are genuine.

Dated: Pricing Date

By: ____________________________
   City Clerk of the City of Banning,
   California
BILL OF SALE AND BRINGDOWN CERTIFICATE

Pursuant to terms and conditions of the Purchase and Sale Agreement (the "Sale Agreement"), dated as of November 1, 2009, between the undersigned (the "Seller") and the California Statewide Communities Development Authority (the "Purchaser"), and in consideration of the obligation of the Purchaser to pay and deliver to the Seller the Purchase Price (as defined in the Sale Agreement), in two equal installment payments to be made on January 15, 2010, and May 3, 2010 (collectively, the "Payment Dates"), the Seller does hereby (a) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided in the Sale Agreement, the Proposition 1A Receivable as defined in the Sale Agreement (the "Proposition 1A Receivable"), and (b) assign to the Purchaser, to the extent permitted by law (as to which no representation is made), all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. Seller specifically disclaims any right to rescind the Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make the installment payments in the requisite amounts on the Payment Dates.

The Seller hereby certifies that the representations and warranties of the Seller set forth in the Certificate of the City Clerk dated the Pricing Date, the Seller Certificate dated the Pricing Date and in the Transaction Documents to which the Seller is a party are true and correct in all material respects as of the date hereof (except for such representations and warranties made as of a specified date, which are true and correct as of such date). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

Dated: Closing Date

CITY OF BANNING

By: ____________________________
       Authorized Officer
EXHIBIT D
IRREVOCABLE INSTRUCTIONS TO CONTROLLER

IRREVOCABLE INSTRUCTIONS FOR DISBURSEMENT
OF PROPOSITION 1A RECEIVABLE OF
CITY OF BANNING

Dated: Closing Date

Office of the Controller
State of California
P.O. Box 942850
Sacramento, California 94250-5872

Re: Notice of Sale of Proposition 1A Receivable by the City of Banning and
Wiring Instructions Information Form

Dear Sir or Madam:

Pursuant to Section 6588.6(c) of the California Government Code, City of
Banning (the "Seller") hereby notifies you of the sale by Seller, effective as of the date of these
instructions written above, of all right, title and interest of the Seller in and to the "Proposition
1A Receivable" as defined in Section 6585(g) of the California Government Code (the
"Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to
the Seller pursuant to Section 25.5(a)(I)(B)(iii) of Article XIII of the California Constitution and
Section 100.06 of the California Revenue and Taxation Code.

By resolution, the Seller’s City Council authorized the sale of the Proposition 1A
Receivable to the California Statewide Communities Development Authority (the "Purchaser")
pursuant to a Purchase and Sale Agreement, dated as of November 1, 2009 (the "Purchase and
Sale Agreement") and a Bill of Sale, dated the Closing Date (as defined in the Purchase and Sale
Agreement). The Proposition 1A Receivable has been pledged and assigned by the Purchaser
pursuant to an Indenture, dated as of November 1, 2009 (the "Indenture") between the Purchaser
and Wells Fargo Bank, National Association, as Trustee (the "Trustee").

The Seller hereby irrevocably requests and directs that, commencing as of the
date of these instructions written above, all payments of the Proposition 1A Receivable (and
documentation related thereto) be made directly to Wells Fargo Bank, National Association, as
Trustee, in accordance with the wire instructions and bank routing information set forth below.

Please note that the sale of the Proposition 1A Receivable by the Seller is
irrevocable and that: (i) the Seller has no power to revoke or amend these instructions at any
time; (ii) the Purchaser shall have the power to revoke or amend these instructions only if
there are no notes of the Purchaser outstanding under the Indenture and the Indenture has
been discharged; and (iii) so long as the Indenture has not been discharged, these instructions
cannot be revoked or amended by the Purchaser without the consent of the Trustee. Should
the Purchaser, however, deliver a written notice to the Office of the Controller stating that:
(a) the Seller failed to meet the requirements set forth in the Purchase and Sale Agreement;
(b) the Purchaser has not waived such requirements; and (c) the Purchaser has not purchased
the Proposition 1A Receivable as a result of the circumstances described in (a) and (b) above,
then these instructions shall be automatically rescinded and the Seller shall again be entitled
to receive all payment of moneys due or to become due to the Seller pursuant to Section
25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the
California Revenue and Taxation Code.

Bank Name: Wells Fargo Bank, N.A.
Bank ABA Routing #: 121000248
Bank Account #: 0001038377
Bank Account Name: Corporate Trust Clearing
Further Credit To: CSCDA Proposition 1A Bonds
Bank Address: 707 Wilshire Blvd., 17th Floor
MAC E2818-176
Los Angeles, CA 90017
Bank Telephone #: (213) 614-3353
Bank Contact Person: Robert Schneider

Please do not hesitate to call the undersigned if you have any questions regarding
this transaction. Thank you for your assistance in this matter.

Very truly yours,

CITY OF BANNING

By: ____________________________
Authorized Officer
ESCROW INSTRUCTION LETTER

__________, 2009

California Statewide Communities Development Authority
1100 K Street
Sacramento, CA 95814

Re: Proposition 1A Receivable Financing

Dear Sir or Madam:

The City of Banning (the "Seller") hereby notifies you of its agreement to participate in the California Statewide Communities Development Authority Proposition 1A Receivable Financing. By adoption of a resolution (the "Resolution") authorizing the sale of its Proposition 1A Receivable, the Seller's City Council has agreed to sell to the California Statewide Communities Development Authority (the "Purchaser"), for a purchase price that meets the conditions set forth in the Resolution, all of its right, title and interest in the Proposition 1A Receivable.

Enclosed herewith are the following documents which have been duly approved and executed by the Seller and which are to be held in escrow by Orrick, Herrington & Sutcliffe LLP, as transaction counsel ("Transaction Counsel"), as instructed below:

1. certified copy of the Resolution, together with a certificate of the City Clerk, dated the Pricing Date;

2. the Seller Certificate, dated the Pricing Date;

3. the Opinion of Seller's Counsel, dated the Pricing Date;

4. the Opinion of Seller's Counsel (bringdown opinion), dated the Closing Date;

5. the Purchase and Sale Agreement, dated as of November 1, 2009;

6. the Bill of Sale and Bringdown Certificate, dated the Closing Date; and

7. the Irrevocable Instructions to Controller, dated the Closing Date.

The foregoing documents are to be held in escrow by Transaction Counsel and shall be delivered on the Closing Date (as defined in the Purchase and Sale Agreement), provided that such Closing Date occurs on or before December 31, 2009.
Should (i) the Closing Date not occur on or before December 31, 2009, or (ii) Transaction Counsel receive prior to the Closing Date written notification from Seller or Seller's Counsel stating, respectively and in good faith, that the representations made in the Seller's Certificate are not true and accurate, or the opinions set forth in the Opinion of Seller's Counsel are not valid, in each case as of the Closing Date and provided that the Purchaser may, in its sole discretion, choose to waive receipt of such representations or opinions, then this agreement shall terminate and Transaction Counsel shall destroy all of the enclosed documents.

Very truly yours,

CITY OF BANNING

By: __________________________
     Authorized Officer

Enclosures

cc:    Orrick, Herrington & Sutcliffe LLP
CITY COUNCIL AGENDA
REPORT OF OFFICERS

DATE: October 27, 2009

TO: City Council

FROM: Sam Racadio, Interim City Manager

SUBJECT: Regulations of Golf Carts on City Streets

RECOMMENDATION:

Staff recommends that the Council instruct staff to seek requests for proposals to complete a comprehensive transportation plan.

BACKGROUND:

There has been a continuing interest from the Sun Lakes residents to drive their golf carts on city streets to access the Albertsons' Shopping Center in Banning and other city facilities, such as the Community Center and City Hall.

On November 8, 2005, the City Council considered a staff report on this issue (copy attached). Since then, the City Council adopted a new General Plan, which provides a policy direction that states, "In order to implement a golf cart route system, the City is required to prepare and adopt a golf cart plan and associated implementing ordinances."¹

Recently, the City of Beaumont adopted a golf cart transportation plan and an ordinance regulating golf carts on their city streets. Staff has had an extensive conversation with the City of Beaumont Community Development Analyst, Mr. Kyle Warsinski, who prepared the plan in-house. Staff also reviewed their staff reports and ordinances related to the City of Beaumont's efforts. However, at this time, the City of Beaumont has not been able to execute the plan pending development of internal procedures and public education/outreach program, and more importantly conducting the speed surveys to determine if their designated streets have the maximum speed limit of 25 mph so golf carts can use their City streets.

City staff also contacted the City of Palm Desert Transportation Department, Transportation Engineer Mr. Mark Dierks, who administered their golf cart transportation plan. Palm Desert was successful in implementing their golf cart program because they completed a comprehensive transportation plan very early on so that they could incorporate the golf cart routes on- and off-roads during the development review process.

¹ City of General Plan Circulation Element, page III-66
DISCUSSION/ANALYSIS:

Currently, the California Vehicle Code prohibits golf carts (non-street legal golf carts) from traveling on public streets unless the City has an adopted golf cart transportation plan. The transportation plan is a mechanism that would allow the use of golf carts beyond the existing law provided that the City establishes golf cart lanes, minimum golf cart standards, operation requirements, permit procedures, and reporting and enforcement practices.

This is not to be confused with a golf-course community where golf carts are allowed to use the city streets that have a 25 mph speed limit or less. Golf carts are also allowed to cross the streets at a 90 degree angle to a street with a speed of up to 45 mph and the street has to be adjacent to the golf course. This is the action that the Banning Council took on March 12, 1996 (attached), when the Council approved the golf cart crossing at the intersection of Sun Lakes Boulevard and Twin Hills Drive, which is between Gates #3 and #4. This action is consistent with the California Vehicle Code since the crossing provides connection within the same golf course community. This action is not an exception to enforcement of the Vehicle Code.

Additionally, golf carts are not to be confused with Neighborhood Electric Vehicles (NEV). NEV is defined as a “vehicle” per the California Vehicle Code Section 385.5. They are allowed to travel on City streets that have 35 miles per hour speed limit or lower. Golf carts, however, are restricted by California Vehicle Code Sections 21115, 21115.1, and 21716 because of their maximum speed of 15 mph and weight limits (less than 1300 lbs). Because of their maximum speed and weight, golf carts are allowed to use city streets that have 25 mph speed limit or less and they are allowed to cross the streets at a 90 degree angle to a street with a speed of up to 45 mph and the street has to be adjacent to the golf course. If golf carts are to travel on any public streets that are outside of a golf course community, the California Vehicle Code requires that the City adopt a golf cart transportation plan. Cities that currently allow golf carts on their designated streets such as Palm Desert, Rancho Mirage and Riverside have adopted a golf cart transportation plan.

Per the California Streets and Highway Code Section 1950 et seq., the following criteria must be included in the golf cart transportation plan (see attached):

- Route selection without adverse impact on traffic safety
- Coordination with other modes of transportation
- Community involvement
- Coordination with a long-range transportation planning
- Access Points/Crossing
- Parking Facilities
- Special Paving, Road Markings, Signage and Striping
- Minimum Design Criteria for golf cart lanes
- Uniform signs and traffic control devices
- Minimum design and safety criteria for golf carts
- Permit process for golf carts
- Minimum operator standards
- Restrictions to separated golf cart lanes

The plan must be approved by a regional transportation agency, which is Riverside County Transportation Commission. Caltrans District 8 indicated that their agency will not approve golf cart lanes on streets or highways that they own within the City corporate boundaries, which could be a potential issue since Banning is split by Interstate 10.

Should the City Council direct staff to pursue the golf cart transportation plan, staff will keep in mind that Highland Springs Avenue currently has three lanes in each direction and it narrows to two lanes at the I-10 bridge. The half-block section of Highland Springs Avenue within the Banning city limits is built-out and one of the lanes cannot be eliminated because of the high traffic volumes. The posted speed limit on Highland Springs Avenue between Sun Lakes Boulevard and the I-10 Freeway is 30 mph. The posted speed limit on Sun Lakes Boulevard is 35 mph. Additionally, Sun Lakes Boulevard is an arterial street per the General Plan, and it is proposed to be connected to Sunset Avenue. These constraints will need to be evaluated as part of the transportation plan.

Since the City cannot allow golf carts to travel on city streets without the adopted transportation plan, there are a number of alternatives:

1. Petition the State to change the State law to allow golf carts on city streets.

   This alternative is an opportunity; however, there may not be an interest to legalize the golf carts to use city streets since it is a huge liability. We anticipate significant opposition from the enforcement agencies. Please note that staff has not approached our state legislators at this time to determine if they are willing to sponsor a legislation.

2. Incorporate a future golf cart path through the vacant 47-acre commercial section of the Sun Lakes Village Specific Plan to connect the Sun Lakes residential section to the Albertson’s shopping center portion of the commercial section.

The 47-acre property is privately owned. An easement must be obtained from the property owner in order to construct the golf cart path. Based on Vehicle Code Sections 21115, 21115.1, and 21716, golf carts are restricted to streets with a speed limit of 25 miles per hour or a daylight crossing area at a 90 degree angle to a street with a speed limit of 45 mph and that is immediately adjacent to the golf course. Sun Lakes Boulevard has a posted speed limit of 35 mph, which is above the allowable speed limit of 25 mph for use by golf carts. The 47-acre property is not directly adjacent to a golf course. Based on the California Vehicle Code, golf carts cannot cross Sun Lakes Boulevard to get to the shopping center because of the speed limit of the road and that the 47-acre property is not a golf course.
3. Construct a Golf Cart Bridge or Tunnel across Sun Lakes Boulevard or Change the Zoning of the 47-acre Property

This alternative is to provide a golf cart bridge or a tunnel to cross Sun Lakes Boulevard. The ballpark estimates for the construction of a bridge or a tunnel is around $1 million and it could be more. The question is who pays for the costs of design, acquisition, and construction of the bridge or tunnel.

The alternative to the construction of the tunnel or bridge on the 47-acre property is to change the general plan and its zoning designation to a golf-course community. This alternative would reduce the potential commercial development in the City to generate sales tax revenue.

4. Develop a Comprehensive Transportation Plan in accordance with the California Vehicle Code and submit it to the Regional Planning agency for review and approval.

The transportation plan is a lengthy process; however, once it is completed, it would provide a comprehensive plan that addresses golf cart uses on- and off-streets. The plan would address all the elements of the California Streets and Highway Code Section 1950. This is the only way to comply with the current State law where golf carts are not permitted on city streets. This alternative implements the City’s General Plan policy.

Under the current state laws, the study may still not allow non-street legal golf carts on streets with speed limits more than 25 miles per hour.

5. Take no action.

FISCAL IMPACT:

There would be fiscal impacts associated with alternatives 1 through 4. To accurately determine the costs for options 2 and 4, we would need competitive bids and the request for proposals.

CONCLUSION:

It is respectfully recommended that the City Council instruct Staff to seek requests for proposals to complete a comprehensive transportation plan.

APPROVED BY:

Sam Racadio
Interim City Manager

PREPARED AND RECOMMENDED BY:

Zai Abu Bakar
Community Development Director
Attachments:

1. Letter from Michael Bennett dated October 2, 2009
2. City Council Staff Report dated November 8, 2005
3. California Streets and Highway Code Section 1950 et seq.
4. City Council Staff Report, Resolution, and Minutes of City Council Meeting dated March 12, 1996
5. Article on “Invasion of the Golf Carts”, in the Wall Street Journal dated September 24, 2009
ATTACHMENT 1
Letter from Michael Bennett dated October 2, 2009
The Honorable Mayor,
Bob Botts
99 E. Ramsey St.
Banning, CA 92220

SUBJECT: Sun Lakes Blvd. Unlicensed Golf Cart Use, Exception Letter

Dear Mr. Mayor:

I am writing on behalf of the residents of Sun Lakes and the Board of Directors to request that the City Council consider taking the steps necessary to allow unlicensed golf carts to use a short section of Sun Lakes Blvd. for a golf cart crossing and marked cart path area, from Main Gate #1 to the entrance to the Albertson’s shopping center, and back again.

A similar precedent has been set when the City graciously allowed an exception to enforcement of the vehicle code regarding the operation of low speed vehicles and unlicensed golf carts across Sun Lakes Blvd., from Gate #3 to Gate #4, and back again.

It is the belief of the Board and residents of Sun Lakes that this exception would create a “win-win” for all parties involved, namely:

- Decreased emissions and fuel expenses from fossil fueled motor vehicles
- Increased access to the Sun Lakes Village commercial center for residents
- Increased sales tax revenue from Sun Lakes Village businesses
- Increased convenience for Sun Lakes residents

This request has the support of a broad range of homeowners and renters, as well as being endorsed by the Board of Directors and the Safety and Security Advisory Committee.

Sincerely,
By Direction of the Board of Directors

Michael Bennett
General Manager

cc: Board of Directors, Sun Lakes Country Club Homeowners Association
ATTACHMENT 2
City Council Staff report dated
November 8, 2005
CITY COUNCIL AGENDA
REPORTS OF OFFICERS

Date: November 8, 2005

TO: City Council

FROM: Thomas D. Jex, Deputy City Attorney
       Phil Holder, Lieutenant

SUBJECT: Regulation of Golf Carts on City Streets

RECOMMENDATION: “Staff respectfully requests that the City Council discuss and provide
direction to Staff regarding establishment of a program to regulate golf carts within the City.”

BACKGROUND: Some residents of Sun Lakes County Club have expressed a desire to drive
their golf carts out of the gated community onto Highland Springs Ave. and Sun Lakes Blvd,
35 mph roads, to go to an Albertson’s grocery store located at 300 S. Highland Springs Ave.
Albertson’s is located across the street from the northwest corner of the Sun Lakes gated
community.

Based on the applicable California state law, there are two options available to municipalities
with regard to the regulation of golf carts on city streets:

(1) Designate the relevant portion of a street near the golf course as combined use
    pursuant to Cal. Veh. Code § 21115; or

(2) Develop a golf cart transportation plan under Cal. Streets & Highways Code §
    1950, et seq.

There are two different types of golf carts, the difference relying on the max speed of the
vehicles. A “Golf Cart” is defined as a vehicle weighing less than 1,300 pounds unladen, with a
maximum speed of 15 miles per hour.¹ A second type of vehicle is called the “Neighborhood
Electric Vehicle,” (“NEV”) which is defined as a vehicle weighing less than 1,800 pounds
unladen, with a maximum speed of 25 miles per hour.²

The difference between the Golf Cart and the NEV is important because the maximum speed
limit of a road on which a vehicle is permitted is tied to the vehicle’s type:

¹ California Vehicle Code § 345
² California Vehicle Code § 385.5
• Golf Carts are restricted to streets with speed limits of 25 mph or a daylight crossing area at a 90 degree angle to a street with a speed limit of 45 mph and that is immediately adjacent to a golf course;¹

• NEVs are restricted to streets with speed limits of 35 mph or less, but may cross streets with higher speed limits.⁴

As Golf Carts are restricted by state law to streets of less than 25 mph and both Highland Springs Ave. and Sun Lakes Blvd. are 35 mph streets, Golf Carts would be prohibited from leaving the Sun Lakes gated community unless the second option is chosen, the preparation of a Golf Cart Transportation Plan.

However, the opposite is true with regard to NEVs, which have stricter federally regulated safety standards. NEVs would be permitted on Highland Springs Ave. and Sun Lakes Blvd. and would further be permitted to cross 1st Street / Sun Lakes Blvd. without the City enacting any further ordinance. From a law enforcement perspective, NEVs are treated as motor vehicles (e.g., seat belt laws, speed limit enforcement).

Option #1 – Designation As Combined Use

One option to allow golf carts on city streets is to designate portions of streets as combined use pursuant to California Vehicle Code § 21115(a) which states:

“If a local authority finds that a highway under its jurisdiction is located adjacent to, or provides access to, a golf course and between the golf course and the place where golf carts are parked or stored or is within or bounded by a real estate development offering golf facilities and is designed and constructed, so as to safely permit the use of regular vehicular traffic and also the driving of golf carts on the highway, the local authority may, by resolution or ordinance, designate the highway or portion of the highway for combined use and prescribe rules and regulations that shall have the force of law.”

This option, however, would not be feasible for operation of Golf Carts on Highland Springs Ave. or Sun Lakes Blvd. due to the 35 mph speed limit. Further, a Golf Cart crossing zone may only be established on a street that is immediately adjacent to a golf course with the purpose of allowing Golf Carts to travel between golf course areas, not to commercial shopping areas.

However, NEVs may operate on Highland Springs Ave. and Sun Lakes Blvd. without any special designation because state law allows NEVs to be operated on streets with a 35 mph speed limit. NEVs are subject to police regulation similar to that of motor vehicles on City streets.⁷

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¹ California Vehicle Code §§ 21115, 21115.1 and 21716

⁴ California Vehicle Code § 21260

⁶ State law also allows cities to authorize the operation of electric carts on public sidewalks by physically disabled persons or by persons over 50 years old. (Vehicle Code § 21114.5) However, electric carts are designed to be used by only one person, while Golf Carts are designed to carry golf equipment and up to two people. (Vehicle Code § 345) Thus, electric carts are not subject to the same regulations as Golf Carts.
Option #2 -- Golf Cart Transportation Plan

The second option, which will take longer to complete, is to create a Golf Cart Transportation Plan under California Streets & Highways Code § 1950 et seq. However, this alternative is far more complex.

In order to establish a Golf Cart Transportation Plan, the City would need to formulate a plan which includes all of the following:

- Route selection without adverse impact on traffic safety;
- Coordination with other modes of transportation;
- Community involvement;
- Coordination with long-range transportation planning;
- Access points / crossings;
- Parking facilities;
- Special paving, road markings, signage and striping;
- Minimum design criteria for golf cart lanes;
- Uniform signs & traffic control devices;
- Minimum design & safety criteria for golf carts;
- Permit process for golf carts;
- Minimum operator standards;
- Restrictions to separated golf cart lanes.

Developing a Golf Cart Transportation Plan is a lengthy process, but once completed provides a comprehensive plan for golf carts to access streets throughout the City. Once the plan is developed, it must be reviewed by a Regional Transportation Planning Agency. Current cities with Golf Cart Transportation Plans are Riverside, Palm Desert (California’s pilot program) and Roseville.

Under a Golf Cart Transportation Plan, carts may travel normal traffic lanes on streets with speed limits under 25 mph. On streets with faster traffic, special lanes are needed. Carts must meet certain requirements for power and equipment, and the driver must have a license.

The City of Palm Desert was the first city in California to implement a Golf Cart Transportation Plan. Utilizing the firm “RBF Consulting,”6 Palm Desert implemented a plan that connected residential neighborhoods, the civic center, parks, and educational, shopping and recreational facility. The plan consisted primarily of an engineering study which identified a golf cart circulation system, golf cart land signage and pavement marking design criteria, minimum operator safety requirement and minimum golf cart modification requirements. Palm Desert claims a significant benefit from its program in the form of encouraged golf cart use as an alternative form of transportation.

6 www.rbf.com
Conclusion

Option #1 – Designation as Combined Use

- The City may not designate Highland Springs Ave. or Sun Lakes Blvd. as combined use because Golf Carts may only operate on streets with a maximum speed limit of 25 mph and the speed limit on Highland Springs Ave. and Sun Lakes Blvd. is 35 mph.

- NEVs may operate on Highland Springs Ave. and Sun Lakes Blvd. without any special designation because state law allows NEVs to be operated on streets with a 35 mph speed limit. NEVs are subject to police regulation similar to that of motor vehicles on City streets.

Option #2 – Golf Cart Transportation Plan

- The City may go through the lengthy process of developing a Golf Cart Transportation Plan which, once completed, would provide Golf Carts with access to streets throughout the City.

STRATEGIC PLAN INTEGRATION: “Consideration of developing a program to regulate the use of golf carts within the City helps to establish the city’s commitment to Citizen Service by striving to provide citizens with responsive, effective, and quality service while providing opportunities for citizen participation and input.

FISCAL DATA: None at this time.

RECOMMENDED BY:          REVIEWED BY:          APPROVED BY:

Leonard Purvis          Bonnie Johnson          Randy Anstine
Deputy Chief of Police  Finance Director      City Manager
ATTACHMENT 3
California Streets and Highway Code
Section 1950 et seq.
STREETS AND HIGHWAYS CODE

SECTION 1950-1961

1950. It is the intent of the Legislature, in enacting this chapter, to authorize any city or county to establish a golf cart transportation plan for a plan area in the city or county. It is the further intent of the Legislature that this transportation plan be designed and developed to best serve the functional travel needs of the plan area, to have the physical safety of the golf cart driver's personal property as a major planning component, and to have the capacity to accommodate golf cart drivers of every legal age and range of skills.

1951. The following definitions apply to this chapter:
(a) "Plan area" means that territory under the jurisdiction of a city or county designated by the city or county for a golf cart transportation plan, including the privately owned land of any owner that consents to its inclusion in the plan.
(b) "Golf cart" means a motor vehicle having not less than three wheels in contact with the ground and unladen weight of less than 1,300 pounds which is designed to be and is operated at not more than 25 miles per hour and is designed to carry golf equipment and not more than two persons, including the driver.
(c) "Golf cart lanes" means all publicly owned facilities that provide for golf cart travel including roadways designated by signs or pavement markings that are shared with pedestrians, bicyclists, and other motorists in the plan area.

1953. (a) A city or county may, by ordinance or resolution, adopt a golf cart transportation plan.
(b) The transportation plan shall have received a prior review and the comments of the appropriate transportation planning agency designated under subdivision (a) or (b) of Section 26552 of the Government Code and any agency having traffic law enforcement responsibilities in that city or county.
(c) The transportation plan shall not include the use of any state highway, or any portion thereof.

1955. The transportation plan shall include, but is not limited to, all of the following elements:
(a) Route selection, which includes a finding that the route will accommodate golf carts without an adverse impact upon traffic safety, and will consider, among other things, the travel needs of commuters and other users.
(b) Transportation interfacing, which shall include, but not be limited to, coordination with other modes of transportation so that a golf cart driver may employ multiple modes of transportation in reaching a destination in the plan area.
(c) Citizens and community involvement in planning.
(d) Flexibility and coordination with long-range transportation planning.
(e) Provision for golf cart related facilities including, but not limited to, special access points and golf cart crossings.
(f) Provisions for parking facilities, including, but not limited to, community commercial centers, golf courses, public areas, parks, and other destination locations.
(g) Provisions for special paving, road markings, signage and striping for golf cart travel lanes, road crossings, parking, and circulation.
(h) No adopted transportation plan shall include the establishment of a golf cart lane along, or that cross, a state highway unless authorized by the department.

1957. (a) If a city or county adopts a golf cart transportation plan, it shall do both of the following:
(1) Establish minimum general design criteria for the development, planning, and construction of separated golf cart lanes, including, but not limited to, the design speed of the facility, the space requirements of the golf cart, and roadway design criteria.
(2) In cooperation with the department, establish uniform specifications and symbols for signs, markers, and traffic control devices to control golf cart traffic; to warn of dangers to persons, obstacles, or hazards; to designate the road of way as between golf carts, other vehicles, and bicycles; to state the nature and designation of the golf cart lane; and to warn pedestrians, bicyclists, and motorists of the presence of golf cart traffic.

(b) The construction of separated golf cart lanes, as required under paragraph (1) of subdivision (a), does not apply in a residence district, as defined in Section 515 of the Vehicle Code, located within any city containing a population of less than 50,000 residents with a geographical area of more than 20 square miles where in that city there are at least 20 golf courses, if the speed limit in that district is 25 miles per hour or less.

1959. A city or county that adopts a golf cart transportation plan may do the following:
(a) Acquire, by dedication, purchase, or condemnation, real


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property, including easements or rights-of-way, to establish golf
cart lanes.

(b) Establish a golf cart transportation plan as authorized by
this chapter.

1981. A city or county that adopts a golf cart transportation plan
shall adopt all of the following as part of the plan:

(a) Minimum design criteria for golf carts, that may include, but
not be limited to, headlights, turn signals, safety devices,
mirrors, brake lights, windshield, and other devices. The criteria
may include requirements for seatbelts and a covered passenger
compartment.

(b) A permit process for golf carts that requires permitted golf
carts to meet minimum design criteria adopted pursuant to subdivision
(a). The permit process may include, but not be limited to, permit
posting, permit renewal, operator education, and other related
matters.

(c) Minimum safety criteria for golf cart operators, including,
but not limited to, requirements relating to golf cart maintenance
and golf cart safety. Operators shall be required to possess a valid
California driver's license and to comply with the financial
responsibility requirements established pursuant to Chapter 1
(commencing with Section 16000) of division 7.

(d) (3) Restrictions limiting the operation of golf carts to
separated golf cart lanes on those roadways identified in the
transportation plan, and allowing only those golf carts that have
been retrofitted with the safety equipment specified in the plan to
be operated on separated golf cart lanes of approved roadways in the
plan area.

(2) Any person operating a golf cart in the plan area in violation
of this subdivision is guilty of an infraction punishable by a fine
not exceeding one hundred dollars ($100).
## California Vehicle Code Division 7 - Financial Responsibility Laws

### Chapter 1. Compulsory Financial Responsibility
Article 1. Accident Reports

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ATTACHMENT 4
City Council Staff Report, Resolution, and Minutes of
City Council Meeting dated March 12, 1996
March 5, 1996

TO: City Council

FROM: Paul Toor, City Engineer/Director of Public Works

SUBJECT: RESOLUTION NO. 1996-32/ESTABLISHING A GOLF CART CROSSING ZONE AT THE INTERSECTION OF SUN LAKES BOULEVARD AND TWIN HILLS DRIVE

RECOMMENDATION: Adopt Resolution No. 1996-32, Establishing a Golf Cart Crossing Zone at the intersection of Sun Lakes Boulevard and Twin Hills Drive.

JUSTIFICATION: A ordinance or resolution is required by the California Vehicle Code to establish a golf cart crossing zone on a public street.

BACKGROUND: The City Council adopted the Sun Lakes Village North Specific Plan on June 9, 1992 which provided a golf cart circulation plan designating the intersection of Sun Lakes Boulevard and Country Club Drive and Sun Lakes Boulevard and Twin Hills Drive as crossing zones where golf carts may access the golf course and retail/commercial development to the north. The Presley Company of Newport Beach, Ca., as the project proponent for the Sun Lakes Development, has submitted traffic signal improvement plans for the intersection of Sun Lakes Boulevard and Country Club Drive which provide the necessary signalized controls to allow the safe crossing of the golf carts. However, the Sun Lakes Country Club Homeowners Association has submitted a letter to the City Council requesting that the crossing be established at the east gate only and that the requirement for the cart path to the shopping center be eliminated (please see attached letter dated February 23, 1996).

Attached is a memorandum report from Peter H. Liu, the City's consulting traffic engineer, reviewing the request of the Sun Lakes County Club Homeowners Association to locate the golf cart crossing zone at the east gate. If the crossing is located at the east gate (Twin Hills Drive) the traffic engineer makes the following recommendations:

1. Install golf cart crossing warning signs 350' in advance of crossing.

2. Install flashing yellow beacons in advance of the crossing.

3. Conduct a four-way stop study six(6) months after the opening of Twin Hills Drive and the RV storage facility.
4. The intersection be evaluated for signalization before the start of the final construction phase of the North Village development.

The vehicle code places specific requirements on the golf cart crossing zone such as limiting operations to daylight hours and providing for law enforcement review of the crossing zone.

**FISCAL DATA:** As Sun Lakes Boulevard is a dedicated public street the City will operate and maintain the traffic signals and/or traffic controls upon completion of construction. No City funds will be used for the proposed capital improvements as the project will benefit a limited number of users.

**PREPARED BY:**
Brian Guillot  
Assistant Engineer

**RECOMMENDED BY:**  
Haul Ock  
City Engineer/Dir. of PW

**APPROVED BY:**  
David Weitzel  
City Manager
RESOLUTION NO. 1996-32

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING ESTABLISHING A GOLF CART CROSSING ZONE AT THE INTERSECTION OF SUN LAKES BOULEVARD AND TWIN HILLS DRIVE.

WHEREAS, the California Vehicle Code Section 21115.1 authorizes the local authority to establish crossing zones for use by golf carts, at any time other than darkness, which has a posted speed limit of 45 miles per hour or less and which is immediately adjacent to a golf course; and,

WHEREAS, the City Council adopted the Sun Lakes Village North Specific Plan on June 9, 1992, which provided a golf cart circulation plan designating the intersection of Sun Lakes Boulevard and Twin Hills Drive as a golf cart crossing; and,

WHEREAS, the City Council designates the Banning Police Department as the law enforcement agency having primary jurisdiction over Sun Lakes Boulevard and accepts the findings and determinations of the law enforcement agency as specified; and,

WHEREAS, the City Council finds and determines that preservation of the public health safety and welfare requires that certain safety conditions be met to accommodate the golf cart crossing;

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

SECTION 1: that the intersection of Sun Lakes Boulevard and Twin Hills Drive be established as a golf cart crossing zone in accordance with the California Vehicle Code.

SECTION 2: that the following safety criteria for operators are the minimum criteria set and adopted by the City Council.

(a) A golf cart operator must have a valid driver's license issued by the State of California or an acceptable foreign jurisdiction.

(b) Golf cart operators must have financial responsibility for their actions. In the event of accident on a public street, golf cart operators must show proof of financial responsibility to all parties affected.

(c) Golf cart operators must maintain golf carts in a safe manner.

(d) Golf cart operators may only cross Sun Lakes Boulevard during daylight hours.
RESOLUTION NO. 1996-32
PAGE 2 of 2

PASSED, APPROVED, AND ADOPTED this 12th day of March, 1996.

ATTEST:

___________________________
Donald E. Smith
Mayor

___________________________
Marie Calderon
City Clerk

APPROVED AS TO FORM
AND LEGAL CONTENT:

___________________________
John F. Wilson
City Attorney
CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 1996-32 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 12th day of March, 1996, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Marie Calderon, City Clerk
City of Banning, California
February 23, 1996

Banning City Council
99 E. Ramsey Street
Banning, CA 92220

Gentlemen:

The homeowners of Sun Lakes are eagerly awaiting the opening of the new executive golf course on the north side of Sun Lakes Boulevard. This is scheduled to happen in April, 1996. We have had discussions with the Presley Company about the traffic safety aspects of this occurrence. We are pleased that the Presley Company is very supportive of our safety concerns and is willing to cooperate to resolve these problems.

A prime concern is the safety of people driving golf carts to our main gate to reach the new golf course. The street within our community leading to the main gate (Country Club Drive) (please see the attached Exhibit), has a median strip that narrows the street considerably. The joint use of this thoroughfare, by both automobiles and golf carts, poses a serious safety hazard. Those vehicles having such great differences in size, weight and speed, are not compatible in such a confined and narrow traffic lane.

A more suitable location for carts to cross Sun Lakes Boulevard is at the east gate, which is about one half mile east of the main gate. Having golf carts cross at this location would require a traffic control device, but not a full traffic signal. Such an installation would not be a cost to the City of Banning and it would be paid for by those directly benefiting from this safer and more accommodating golf cart crossing location.

In the north area specific plan for Sun Lakes a cart path is indicated. It runs for about four tenths of a mile from the Kmart/Albertson shopping center to the north side main entrance. By changing the cart crossing to the east gate this cart path will not be needed and it should be eliminated from the specific plan. Its elimination would remove any reason cart drivers might have to cross Sun Lakes Boulevard at the main gate, thus providing another measure of safety.
It is for these reasons that we respectfully request the following action by the Banning City Council:

1. Provisions be made to allow golf carts to cross Sun Lakes Boulevard at our east gate only.

2. The cart path to the shopping center and north main gate be eliminated as unnecessary and a probable safety problem.

It is important that these issues be addressed as expeditiously as possible. Presley is, of course, proceeding with previously approved plans for golf carts to cross Sun Lakes Boulevard at the main gate. Because of time constraints, we would appreciate the Council addressing this matter at its March 12, 1996, meeting, if at all possible. If the City Council or its staff desires additional information or clarification, please feel free to contact the Sun Lakes Manager, Roger Work, at 845-2191.

You help with this matter is greatly appreciated.

Sincerely,

Jerry Burke  
Vice President

Dick Webber  
Vice President/Treasurer
MEMORANDUM REPORT

TO: PAUL TOOR, DIRECTOR OF PUBLIC WORKS
FROM: PETER H. LIU, TRAFFIC ENGINEER
DATE: FEBRUARY 27, 1996

LOCATION:
Sun Lakes Boulevard and Country Club Drive East/Twin Hills Drive.

REQUEST:
Intersection Traffic Control for Golf Cart Crossing

BACKGROUND:
Sun Lakes Boulevard is designated as the major east/west highway south of Interstate 10 and has 105 feet of right-of-way. It presently ends 1100 feet east of Sun Lakes Boulevard and Country Club Drive East/Twin Hills Drive. It is a four-lane divided facility. Its geometry is curvilinear from Highland Springs Avenue to its present eastern terminus at Highland Home Road. This roadway will eventually be linked to Westward Avenue to the east. Westward Avenue and Lincoln Avenue are anticipated to be developed as part of the Sunset Crossing I development.

The intersection of Sun Lakes Boulevard and Country Club Drive East is the eastern access to Sun Lakes development to the south, and will be for North Village to the north. The eastbound approach has three lanes, a dedicated left turn lane and two thru lanes. The eastbound number two lane functions as a combined thru/right turn lane. The westbound approach is similar in geometry. The Country Club Drive east is 58 feet wide, divided by a 14-foot wide raised median, and has two lane ingress and two lane egress. An automatic secuity card actuated gate controls access. The Twin Hills Drive will be a similar facility. It is currently closed to the public and under construction as part of the North Village development.

DISCUSSION:

Sight Distance:
Traffic entering Sun Lakes Boulevard from the north is the critical movement in this intersection due to the impaired safe stopping sight distance to the east. The approach geometry from the east limits the sight line. Sun Lakes Boulevard curves to the left east of the entrances. Sight distance is approximately 330 feet from southbound traffic vehicle exiting from Twin Hills Drive. This distance does not allow westbound traffic approaching the intersection with adequate time to perceive, react, and stop. All other approaches have adequate safe stopping sight distances.
Speed:

Speeds on a four-lane divided highway such as Sun Lakes Boulevard are anticipated to be between 40 and 50 miles per hour. The 330 feet of safe stopping sight distance for a vehicle stopped at the southbound limit line is not adequate for approach speeds over 35 miles per hour. This may create a hazard to both the entering vehicle and the approaching westbound vehicle.

Future Traffic Volumes:

Because Sun Lakes Boulevard does not serve any thru traffic, the existing traffic volumes are low at this intersection, so that while the possibility of a conflict exists, the probability of traffic collisions is low. As this facility is extended to the east, Sun Lake Boulevard will function as a major east-west thoroughfare and a truck route in the City. The traffic volumes will significantly increase and the probability of vehicular conflicts at this intersection will increase accordingly. When the North Village is fully developed, the probability will increase to the point where it will require a traffic-actuated signal to provide adequate gaps for vehicles and golf carts entering or crossing Sun Lakes Boulevard (under the Interruption of Traffic Signal Warrant).

RECOMMENDATIONS:

1. That Sun Lake Boulevard be installed with an intersectional and a golf cart crossing warning sign approximately 350 feet in advance of the Country Club Drive East/Twin Hills Drive intersection for approaching traffic in both directions.

2. That flashing yellow beacons be installed at this intersection for golf cart and pedestrian crossing. The flashing beacons should provide effective warning to the existing fast moving motorists and future traffic generated by the RV storage facility nearby.

3. That a four-way stop study be conducted six months after the opening of Twin Hills Drive and the RV storage facility to re-examine the traffic flows at this intersection.

4. That this intersection be evaluated for signalization before the start of the final construction phase of the North Village development.

Submitted by:

Peter H. Liu, Traffic Engineer

[Signature]

[Stamp: Registered Professional Engineer, State of California]
LAND USE PLAN

Sun Lakes Village North
Specific Plan
Distance from centerline, or Freeway, to intersection of Highland Home Road and Sun Lakes Boulevard is 3,000 feet.

There are several issues with respect to the current City proposal for Highland Home Road as it relates to the Sun Lakes Village North Specific Plan, including:

- The proposed alignment of Highland Home Road southerly of the Southern Pacific Transportation Company right-of-way is located 350 feet westerly of the existing centerline of Highland Home Road. This means an inordinate amount of the Sun Lakes Village North Specific Plan area will be involved in the proposed alignment. The alignment could be curved back to the existing centerline of Highland Home Road, thus minimizing the extent of the Sun Lakes Village North Specific Plan area involved in the alignment.
- The distance along the Highland Home Road centerline between the ramp terminals is too short to allow adequate length of left-turn storage. In addition, the over crossing should be wider to accommodate double left-turn lanes.
- The distance between the westbound ramps and Ramsey Street is too short to provide adequate left-turn storage.

Based on these issues, the following are two possible recommendations to rectify the tightness of the currently-proposed design:

- Realign Ramsey Street to the north to provide additional distance between the ramp terminals and Ramsey Street.

Investigate the possibility of hooking the westbound ramps into Ramsey Street.

With the construction of the new golf course on the northerly side of Sun Lakes Boulevard, it is expected that a significant number of residents on the southerly side of Sun Lakes Boulevard will use the new golf course. They are also expected to use their privately-owned golf carts to ride from their residence to the golf course and then back home.
With the implementation of the two-way golf cart path on the northerly side of Sun Lakes Boulevard, it will be possible for residents of the proposed project's retirement housing units to travel "internally," i.e., to not have to use Sun Lakes Boulevard to travel to the planned retail, office, and professional facilities within the Sun Lakes Village North Specific Plan area limits. This internal connectivity of the project retail/commercial and mixed use developments to the residential areas will reduce motor vehicle travel. Golf cart crossing of Sun Lakes Boulevard for access to the Sun Lakes Village Specific Plan area south of Sun Lakes Boulevard are also included.

A golf cart circulation plan is shown on Exhibits 11 - 14. A crossing of Sun Lakes Boulevard is planned to be at the signalized intersection of Sun Lakes Boulevard and Country Club Drive. On the northerly side of Sun Lakes Boulevard, a ten-foot wide, two-way paved, exclusive golf cart/pedestrian path is provided between Sun Lakes Village Drive and the private roadway system surrounding the new golf course.

These proposed facilities will provide separate golf cart circulation between the southerly and northerly parts of the overall Sun Lakes development as well as between the residential and retail/commercial areas within the Sun Lakes Village North Specific Plan area. All golf cart roadway crossings shall be approved by the City Engineering and police departments and meet all requirements of the California Vehicle Code.

**Concept Water Plan**

Master plan lines serving the Sun Lakes Village North Specific Plan area include a twelve-inch water line along Sun Lakes Boulevard, connecting to an eighteen-inch off-site line at the eastern edge of the project area. A twelve-inch water line also runs from Sun Lakes Boulevard north through the western portion of the Sun Lakes Village North Specific Plan area, extending off-site under the Interstate 10 Freeway. A third twelve-inch line runs through the future Residential/Executive Golf Course District to the existing well located at the northern boundary of the Sun Lakes Village North Specific Plan area.
GOLF CART PATH PLAN – SECTION/PLAN VIEW

SUN LAKES VILLAGE NORTH SPECIFIC PLAN

NOT TO SCALE

Prepared By: The Planning Associates
RESOLUTION NO. 1996-32

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING ESTABLISHING A GOLF CART CROSSING ZONE AT THE INTERSECTION OF SUN LAKES BOULEVARD AND TWIN HILLS DRIVE.

WHEREAS, the California Vehicle Code Section 21115.1 authorizes the local authority to establish crossing zones for use by golf carts, at any time other than darkness, which has a posted speed limit of 45 miles per hour or less and which is immediately adjacent to a golf course; and,

WHEREAS, the City Council adopted the Sun Lakes Village North Specific Plan on June 9, 1992, which provided a golf cart circulation plan designating the intersection of Sun Lakes Boulevard and Twin Hills Drive as a golf cart crossing; and,

WHEREAS, the City Council designates the Banning Police Department as the law enforcement agency having primary jurisdiction over Sun Lakes Boulevard and accepts the findings and determinations of the law enforcement agency as specified; and,

WHEREAS, the City Council finds and determines that preservation of the public health safety and welfare requires that certain safety conditions be met to accommodate the golf cart crossing;

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

SECTION 1: that the intersection of Sun Lakes Boulevard and Twin Hills Drive be established the only golf cart crossing zone on Sun Lakes Boulevard in accordance with the California Vehicle Code.

SECTION 2: that the following safety criteria for operators are the minimum criteria set and adopted by the City Council.

(a) A golf cart operator must have a valid driver's license issued by the State of California or an acceptable foreign jurisdiction.

(b) Golf cart operators must have financial responsibility for their actions. In the event of accident on a public street, golf cart operators must show proof of financial responsibility to all parties affected.

(c) Golf cart operators must maintain golf carts in a safe manner.

(d) Golf cart operators may only cross Sun Lakes Boulevard during daylight hours.
SECTION 3: that the intersection of Sun Lakes Boulevard and Twin Hills Drive (Country Club Drive at the east gate) be designated as a four (4) way stop intersection and that the City Engineer is directed to erect and maintain the necessary controls.

SECTION 4: that the recommendations, as made by the City's Consulting Traffic Engineer, in the report dated February 27, 1996 be included and made part of this resolution.

PASSED, APPROVED, AND ADOPTED this 12th day of March, 1996.

ATTEST:

[Signature]
Donald E. Smith
Mayor

[Signature]
Marie Calderon
City Clerk

APPROVED AS TO FORM
AND LEGAL CONTENT:

[Signature]
John F. Wilson
City Attorney
CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution No. 1996-32 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 12th day of March, 1996, by the following vote, to wit:

AYES: Councilmembers Hunt, Lewis, Williams, Mayor Smith
NOES: None
ABSENT: Councilmember Lucsko
ABSTAIN: None

[Signature]
Marie Calderon, City Clerk
City of Banning, California

Res. No. 1996-32
-3-
MEMORANDUM REPORT

TO: PAUL TOOR, DIRECTOR OF PUBLIC WORKS

FROM: PETER H. LIU, TRAFFIC ENGINEER

DATE: FEBRUARY 27, 1996

LOCATION:

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REQUEST:

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BACKGROUND:

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DISCUSSION:

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Submitted by:

[Signature]

Peter H. Liu, Traffic Engineer
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Motion Lewis/Williams that the City Council adopt Resolution No. 1996-35, as amended, Authorizing the Approval of a Lease and a License with Skyline Aviation Inc. for the Use of Tenant Space and Land Area at the Banning Municipal Airport. Motion carried, all in favor except for Councilmember Luesko who was absent.

(Staff Report - Roger Derda, Community Development Director)

Mayor Smith asked Mr. Derda if any of these four individual properties filed an appeal? Mr. Derda stated no. There was no one present who had an interest or represented any of these four properties.

Motion Williams/Lewis that the City Council adopt Resolution No. 1996-31, Adopting Resolutions of the Abatement Hearing Board. Motion carried, all in favor except for Councilmember Luesko who was absent.

(Staff Report - Paul Toor, City Engineer/Public Works Director)

Councilmember Lewis abstained from this item.

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

Motion Hunt/Williams that the City Council adopt Resolution No. 1996-30, Awarding Contract for Project No. 19955-09, Construction of Street Improvements, Wilson Street, 20th Street to Paseo Del Sol. Motion carried all in favor except for Councilmember Lewis who abstained and Councilmember Luesko who was absent.

(Staff Report - Paul Toor, City Engineer/Public Works Director)

Councilmember Hunt stated that along with the flashing warning light that is being proposed he asked for two stops to be installed. Mr. Toor stated that if that is the desire of the Council the resolution can be amended.

Mayor Smith opened the item for public comments.
Dick Webber, Sun Lakes, Vice-President of the Homeowners Association, addressed the Council regarding a safety issue of golf cart traffic going out the main gate and is in favor of the east gate golf cart crossing. Also they would like an abandonment of the responsibility of putting a golf cart path over to the shopping area. They would rather not have no access out that main gate at all.

Al Uman, Presley Companies, 22659 Old Canal Rd, Yorba Linda, addressed the Council stating that the company is in concurrence with this change and does recognize the safety element of taking golf carts out that main gate. Mayor Smith asked Mr. Uman if the company feels that should be the only location? Mr. Uman said that was correct. Mr. Uman further stated that currently the Specific Plan shows a golf cart path traversing from the shopping center all the way to the entrance of the executive golf course and that golf cart path needs to be eliminated out of that Specific Plan.

Jerry Burke, 1266 Fairway Oaks, Banning, addressed the Council at this time stating he sits on the Board of Directors as a Vice-President and he concurs with the statements made by Dick Webber and is in favor of the crossing at the east gate.

Mayor Smith closed this item for public comments.

Mayor Smith stated that the east gate is probably a safer crossing and it seems to have the support of the Homeowners Association as well as the developer. There are three things in the resolution that needs to fixed: 1) in Section 1, that the intersection of Sun Lakes Blvd. and Twin Hills Drive be established as the only golf cart crossing; 2) no objections to a four way stop and that should be added, and 3) need a Section 3 that states it is conditioned on the four items outlined in the Engineer’s report.

Councilmember Hunt said he concurs with the Boardmembers of the Homeowners Association, Mr. Uman, and the Presley Company.

Councilmember Lewis said he has no objection to the golf cart crossing and he is favor of the stop signs at the east gate. He does have a problem with making any changes to the specific plan. Why would the Sun Lakes homeowners want to close out an option that they may want ten years from now. If the path is there it can still be a pedestrian path and it also creates another ten foot of landscape along the side of the street which will make a more attractive project and if you simply don’t allow golf carts on it. That goes along with the crossing at the main entrance. It may make no sense at this time but it might ten years from now.

Roger Work, General Manager for the Sun Lakes Homeowners Association, 37202 Yucaipa, Banning stated that the elimination of the golf cart crossing at the main gate forever and the elimination of the cart path forever would be in the best safety interest of the homeowners.
Al Uman again addressed the Council stating a point of clarification. The request for the removal of the golf cart path on the north was not a request to alter the walkway on the north. The specific plan is very clear and it calls for that path to be a golf cart path he is not asking for the path to be eliminated; a path is still necessary for walking traffic. Just the elimination of the word golf cart was all that was being requested.

Councilmember Lewis said we cannot change the specific plan this evening but it would be quite a bit more than just amending this resolution and would probably have to go to the Planning Commission. He read from the Specific Plan "...the meandering ten foot wide combined public pedestrian and cart path could be renamed “meandering ten foot wide combined public pedestrian pathway” and leave the word cart out. We could change it that way and it would still leaves the option ten years from now.

Mayor Smith asked if there was any objections to the three amendments he suggested. There were none.

Motion Lewis/Hunt that the City Council adopt Resolution No. 1996-32, as amended, Establishing a Golf Cart Crossing Zone at the Intersection of Sun Lakes Boulevard and Twin Hills Drive. Motion carried, all in favor except for Councilmember Lucsko who was absent.

6. Resolution No. 1996-33, Designating Stop Intersections
   (Staff Report - Paul Toor, City Engineer/Public Works Director)

Mayor Smith opened the item for public comments.

Ken Smith, 1663 W. Westward, addressed the Council regarding the study done and recommendations of the Traffic Engineer.

Frank Connolly, 1216 W. Cottonwood, commented that he was in favor of the four way stop at 16th and Nicolet. He also asked Council to consider stop signs at 16th and Williams, Williams and Murray St., and Lincoln and San Gorgonio Avenue.

Vera Macias, 385 W. Wilson, asked the Council to consider a stop sign at Fourth and Wilson Street because there has been many accidents in that area.

Council discussed the various stop signs that were proposed and the study done by the Traffic Engineer.
ATTACHMENT 5
Article on “Invasion of the Golf Carts” in the Wall Street Journal dated September 24, 2009
 Invasion of the Golf Carts

As Electric Vehicles Migrate Onto Public Streets, Should We Be Worried?

BY JONATHAN WELSH

In a trend that has the car-safety establishment worried, golf-cart-like vehicles are leaving the confines of gated communities and invading public streets.

And most of the time, it’s perfectly legal. Dan Karleskint, a retired software developer in Lincoln, Calif., near Sacramento, bought one of these battery-powered vehicles—which are also known as “neighborhood electric vehicles,” or NEVs—to cut his fuel costs and become a greener driver. His model, a Chrysler GEM, has a top speed of 25 miles an hour, the federal limit for NEVs. Typically, state and local laws allow them on public roads with speed limits of 35 mph or lower.

“I put about 4,000 miles a year on my NEV, and my BMW never leaves the garage unless we go out of town,” says the 67-year-old Mr. Karleskint.

Shutting Children

Drivers are increasingly buying electric vehicles, typically as second or third cars, and using them for grocery shopping, short commutes and shuttling children to and from school. A growing number of municipalities in states such as Arizona, Florida and Colorado have embraced the vehicles. Some towns have built separate NEV lanes and parking spaces. Texas recently started allowing NEVs on roads with speed limits up to 45 mph.

Most NEVs cost between $8,000 and $20,000 and can travel 30 to 40 miles on a charge. Their performance varies depending on terrain, temperature, payload and other factors. They typically use lead-acid batteries that take about six to 10 hours to charge when plugged into a wall outlet. Special fast-charge systems allow charging in an hour or so. Some vehicles use other types of batteries, including lithium-ion models, that offer longer ranges and charge faster. The vehicles have been common for many years in gated communities and resorts, but more recently have begun appearing on public roads, where they have to share the pavement with faster-moving gasoline-powered cars and trucks—raising numerous concerns. The Insurance Institute for Highway Safety calls NEVs “sooped-up golf carts” and says allowing them on higher-speed roads and heavier, faster traffic represents a safety nightmare waiting to happen. The research group, which is funded by the insurance industry, says it may start running crash tests on NEVs to show how they fare in collisions with passenger cars.

Firm figures for the number of NEVs on the road and the rate of sales growth are difficult to pin down. Some people close to the industry say roughly 100,000 such vehicles are in use, while other estimates are higher. Global Electric Motorcars, the Chrysler LLC unit that builds GEM electric vehicles and is the leading manufacturer, says it has sold about 38,000 vehicles in the U.S. It says it has recorded a double-digit percentage growth in sales for the past five years. Sales grew at an especially high rate last summer as fuel prices reached $4 per gallon. Other popular models include the Think City and Think Neighbor, built by a former unit of Ford Motor Co., and such small manufacturers as Zen Motor Co. and Wheego Electric Cars Inc.

The National Highway Traffic Safety Administration says it is monitoring the growth of NEV sales and is looking into ways to more tightly regulate the vehicles. Joe Nolan, an IIHS spokesman, says the growing consumer interest in NEVs doesn’t yet represent a safety crisis, but that could change as more start to appear on public roads. The fact that the vehicles can drive no faster than 25 mph doesn’t make them safe, says Mr. Nolan, as serious injuries and fatalities occur at low speeds in conventional cars that are far more crashworthy than NEVs, which, unlike larger cars, don’t have to meet stringent crash-test standards.

High-Speed Roads

Tom Beaulieu, who drives a GEM on the streets of Santa Monica, Calif., in Los Angeles County, dismisses the safety concerns. People who drive NEVs know they have to avoid fast-moving traffic and typically choose their routes based on light traffic and low speed limits, says Mr. Beaulieu, a 56-year-old advertising agency owner. He says only “idiots” would drive NEVs on high-speed roads.

A Chrysler spokesman says its GEM vehicles meet all federal safety regulations for low-speed vehicles. Wheego spokesman Les Seagraves says buyers have to use common sense in deciding “where it is appropriate and safe” to drive the cars and which roads they should avoid. “This is your errand car or your city car. This is not a car that is going to replace your number-one vehicle,” he says.

NEV users are quick to point out the overall cost of owning an electric car can be one-third the cost of operating gasoline cars. Based on the fossil-fuel energy used to charge their batteries, makers say, the typical NEV logs an equivalent fuel economy of 150 miles per gallon.

People have been using golf carts on low-speed roads within communities built around golf courses for decades. Sometimes golf-cart drivers would venture outside their enclosed neighborhoods to run short errands, though the practice was sometimes illegal. As gated communities proliferated, manufacturers began selling golf carts with creature comforts like doors to ward off the chill, and safety features like taillights and seatbelts.

Under federal safety rules, NEVs are classified as “low-speed vehicles.” Such vehicles are exempt from almost all of the federal standards that apply to passenger cars. LSVs don’t need to have bumpers or doors and don’t have to pass tests of crashworthiness. Because they usually weigh about 1,200 pounds—roughly a third as much as many cars—safety experts say there is almost no way for vehicles to stand up to a collision with a 4,000-pound sedan or sport-utility vehicle.

The National Highway Traffic Safety Administration says it is concerned about the practicality of NEVs sharing roads with larger, faster traffic. There have also been cases where vehicles were sold without the required equipment that limits them to 25 mph, or in which owners have removed it.

Some NEV owners say such stories are overblown, and point to a less obvious feature of the vehicles: how enjoyable they are to drive. Mr. Beaulieu, of Santa Monica, says his 2002 GEM is “the most fun vehicle” he has driven, and that he rarely takes out his Range Rover SUV.

Mr. Karleskint, of Lincoln, says driving his NEV has made him more aware of his surroundings. “There’s a place in our town you come around a curve and dip down into a low-lying area where you can feel the difference in temperature,” he says. “It’s a little thing you would never notice in a car.”