



**City Council
Successor Redevelopment Agency
Financing Authority
Housing Authority**

AGENDA

Wednesday

Regular

**Closed Session 5:30 p.m.
Regular Session 6:00 p.m.**

October 21, 2015

**City Hall
100 West California Avenue
Ridgecrest CA 93555**

(760) 499-5000

**Peggy Breeden, Mayor
James Sanders, Mayor Pro Tempore
Lori Acton, Vice Mayor
Eddie B. Thomas, Council Member
Mike Mower, Council Member**

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LAST ORDINANCE NO. 15-04
LAST RESOLUTION CITY COUNCIL NO. 15-98

CITY OF RIDGECREST

CITY COUNCIL REDEVELOPMENT SUCCESSOR AGENCY HOUSING AUTHORITY FINANCING AUTHORITY

AGENDA

Regular Council
Wednesday October 21, 2015

CITY COUNCIL CHAMBERS CITY HALL

100 West California Avenue
Ridgecrest, CA 93555

Closed Session – 5:30 p.m.
Regular Session – 6:00 p.m.

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

In compliance with SB 343. City Council Agenda and corresponding writings of open session items are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENT – CLOSED SESSION

CLOSED SESSION – 5:30 p.m.

GC54956.9 (d) (4) Conference with Legal Counsel – Existing Litigation –
Cameron Rainwater v. City of Ridgecrest

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
- Other

PRESENTATIONS

1. Presentation By Sergeant Marrone Regarding The Donation Of 25 Automated External Defibrillator (AED) Devices From Liberty Ambulance
Strand

PUBLIC COMMENT

COUNCIL ANNOUNCEMENTS

CONSENT CALENDAR

2. Adopt A Resolution To Approve The Agreement With Willdan To Provide Assessment Engineering Services To The City Of Ridgecrest For The Annexation Of Properties Within Tracts 6700 And 6775 To The Existing Landscaping And Lighting District No. 2012-01 And To Form A Storm Drain Benefit Assessment District For A Fee Of Twenty-One Thousand Dollars
Speer
3. Resolution Of The City Council Establishing The City-Wide Enterprise Resource Planning Systems Project And Budget Of \$782,672 From Unallocated Tab Funds And Authorizing The City Manager To Execute The Contract With New World Systems For The Financial, Payroll And Human Resources Systems And Authorize The Finance Director To Make The Necessary Accounting And Budgetary Entries
Staheli
4. Approval Of Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Minutes Dated October 7, 2015
Ford

DISCUSSION AND OTHER ACTION ITEMS

5. Nomination And Appointment To Measure ‘L’ Citizens Advisory Committee
Breedon

6. **Adopt A Resolution Of The Ridgecrest City Council Supporting The N. China Lake Blvd. / E. Ridgecrest Blvd. Median Art Project Event As A Signature Event Of The City, Authorizing Special Event Insurance Coverage And Authorizing The City Manager To Approve A Transportation Art Maintenance Agreement With Caltrans** Alexander
7. **Presentation And Discussion Of The Quarterly Financial Report** Staheli
8. **Presentation And Discussion Of The Wastewater Plant Study** Speer

COMMITTEE REPORTS

(Committee Meeting dates are subject to change and will be announced on the City website)

City Organization and Services Committee

Members: Lori Acton; Mike Mower
Meeting: 4th Wednesday each month at 5:00 p.m. as needed
Location: Council Conference Room B

Infrastructure Committee

Members: Jim Sanders; Mike Mower
Meeting: 3rd Thursday each month at 5:00 p.m. as needed
Location: Council Conference Room B

❖ Ad Hoc Water Conservation Committee

Members: Jim Sanders; Peggy Breeden
Meeting: 3rd Monday each month at 5:00 p.m. as needed
Location: Conference Room B

Parks, Recreation, and Quality of Life Committee

Members: Eddie Thomas; Lori Acton
Meeting: 1st Tuesday each month at 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

❖ Ad Hoc Youth Advisory Council

Members: Eddie Thomas
Meeting: 2nd Wednesday of each month, 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Eddie Thomas; Lori Acton
Meeting: Quarterly on the 3rd Tuesday of the month at 4:00 p.m. as needed
Location: Kerr McGee Center Meeting Rooms

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Lori Acton and Eddie Thomas
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: To Be Announced

AGENDA - CITY COUNCIL - REGULAR

October 21, 2015

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OTHER COMMITTEES, BOARDS, OR COMMISSIONS

CITY MANAGER REPORT

MAYOR AND COUNCIL COMMENTS

ADJOURNMENT

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT: A Resolution To Approve The Agreement With Willdan Engineering To Provide Assessment Engineering Services To The City Of Ridgecrest For The Annexation Of Properties Within Tracts 6700 And 6775 To The Existing Landscaping And Lighting District No. 2012-01 And To Form A Storm Drain Benefit Assessment District For A Fee Of Twenty-One Thousand Dollars

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The Willdan Financial Services Agreement will provide assessment engineering services to the City Of Ridgecrest for the annexation of properties within tracts 6700 and 6775 to the existing Landscaping And Lighting District No.2012-01 (LLD No .2012-01) and to form a storm drain benefit assessment district under the provisions of the 1982 Act for properties with Tracts 6700 and 6755 and select parcels with Tract 6740.

It is important to recognize how assessments are structured and a profound impact and must be carefully considered for the establishment of any new or increased assessment on how they are being presented to property owners. Even simple assessment for local improvements requires a more extensive evaluation of general benefit and support of the special benefit findings than may have been necessary in the past.

Although proceedings for an annexation of a new district formation would typically focus on the parcels and developments being annexed or being established as a new district, in this particular situation, the improvement being proposed (namely the addition of two pocket parks and a drainage basin) benefit some if not all of the parcels currently in the LLD No. 2012-01. As a result, the proceedings to annex properties to the District and to form a drainage maintenance district will likely include balloting for some existing residential property owners of new or increased assessments and may require some re-engineering of the existing district.

All fees for the Annexation/Engineering are being paid for by the developer and the new district costs will be placed on the tax rolls after the proper 218 hearings are noticed and balloted.

Staff recommends that the City Council approves the agreement and authorize the City Manager, Dennis Speer, to execute the agreement with the engineering firm Willdan upon the City Attorney's review and approval.

FISCAL IMPACT: \$21,000.00

Reviewed by Finance Director

ACTION REQUESTED:

Adopt The A Resolution To Approve The Agreement To Provide Assessment Engineering Services To The City Of Ridgecrest For The Annexation Of Properties Within Tracts 6700 And 6775 To The Existing Landscaping And Lighting District No. 2012-01 And To Form A Storm Drain Benefit Assessment District For A Fee Of Twenty-One Thousand Dollars

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Karen Harker
(Rev. 02/13/12)

Action Date: October 21, 2015

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RESOLUTION NO. 15-xx

A RESOLUTION TO APPROVE THE AGREEMENT WITH WILLDAN TO PROVIDE ASSESSMENT ENGINEERING SERVICES TO THE CITY OF RIDGECREST FOR THE ANNEXATION OF PROPERTIES WITHIN TRACTS 6700 AND 6775 TO THE EXISTING LANDSCAPING AND LIGHTING DISTRICT NO. 2012-01 AND TO FORM A STORM DRAIN BENEFIT ASSESSMENT DISTRICT FOR A FEE OF TWENTY-ONE THOUSAND DOLLARS

WHEREAS, The Willdan Financial Services Agreement will provide assessment engineering services to the City Of Ridgecrest for the annexation of properties within tracts 6700 and 6775 to the existing Landscaping And Lighting District No.2012-01 (LLD No .2012-01); and

WHEREAS, Willdan Financial Services will also assess the potential to form a storm drain benefit assessment district under the provisions of the 1982 Act for properties with Tracts 6700 and 6755 and select parcels with Tract 6740; and

WHEREAS, It is important to recognize that assessments are structured and have a profound impact and must be carefully considered for the establishment of any new or increased assessment on how they are being presented to property owners; and

WHEREAS, simple assessment for local improvements requires a more extensive evaluation of general benefit and support of the special benefit findings than may have been necessary in the past; and

WHEREAS, proceedings for an annexation of a new district formation would typically focus on the parcels and developments being annexed or being established as a new district, in this particular situation, the improvement being proposed (namely the addition of two pocket parks and a drainage basin) benefit some if not all of the parcels currently in the LLD No. 2012-01, and

WHEREAS, the proceedings to annex properties to the District and to form a drainage maintenance district will likely include balloting for some existing residential property owners of new or increased assessments and may require some engineering of the existing district; and

WHEREAS, All fees for the Annexation/Engineering are being paid for by the developer and the new district costs will be placed on the tax rolls after the proper 218 hearings are noticed and balloted

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest hereby:

1. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts.
2. Authorizes the City Manager, Dennis Speer, to execute the contract

APPROVED AND ADOPTED this 21th day of October 2015 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Peggy Breeden, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT: Establishment of the City-Wide Enterprise Resource Planning (ERP) System Project with a budget of \$782,672 of unallocated TAB funds and authorizes the City Manager to execute an agreement with New World Systems for the replacement of the city-wide Finance, Human Resources and Payroll system.

PRESENTED BY:

Tyrell Staheli, Finance Director

SUMMARY:

Background

An effective and efficient financial management system is essential to the mission of the City of Ridgecrest. The City currently runs the SunGard HTE system, including modules for accounting, payroll, human resources, and reporting. This system is the essential tool staff uses to execute the City's business and provide information to Council.

The existing HTE system was implemented approximately 30 years ago. Although the system has been upgraded, the software is cumbersome for staff and makes it difficult for staff to provide transparent information as requested by Council. The system's outdated technology platform and limited functionality has prevented the City from implementing industry best practices in finance and HR management. Over the past several years, the City has also experienced vendor support issues and declining customer support. Most concerning is SunGard's lack of product improvement. Instead of investing in HTE, SunGard developed an entirely new product line, One Solution, and is phasing out HTE. We anticipate that the City's HTE system will no longer be supported by SunGard in the near future and the City will be forced to move to a new software system.

Given Council's priority for using cutting edge technology to increase efficiency, staff took a proactive approach to address issues with this aging technology. First, City staff conducted a needs assessment, which found that staff throughout the City track significant amounts of data in excel or paper form as the HTE system does not meet their analysis and reporting needs. In some instances, the spreadsheets contain duplicate information that conflicts with HTE data. Often times, departments must use spreadsheets for tracking budget and expenditures. The reporting solution that came with the HTE system is difficult for most users to use and often times requires checking with the system for data validation.

A new enterprise resource planning (ERP) system would allow Ridgecrest to keep up with industry best practices, including employee, vendor and customer self-service functionality, improved workflow through a significant reduction in manual processes and increased reporting and analysis tools. These efficiencies would be realized throughout the organization and falls in line with Council's priority for using technology to improve efficiency and transparency.

Discussion

City staff used the information compiled from the needs assessment to develop a request for proposals (RFP). Staff solicited proposals to replace the City’s financial, payroll, and human resources management software. The City sent RFP requests to numerous software companies and received three responses.

Company	Proposed Solution
New World Systems	Logos.NET
Tyler Technologies, Inc.	Munis
SunGard Public Sector	Not Interested

An interdepartmental selection committee comprised of staff from all City departments evaluated each proposal using the following criteria:

Evaluation Criteria	Weighted Value
Level of Service	7%
Design, Capability, Functionality	51%
Level of Integration Between Applications	18%
Feasibility of Implementation/Meeting Milestones	9%
Reliability	15%
Total = 68 Points	100%

SunGard, who maintains our current THE system, was eliminated from further consideration subsequent receipt of notice of non-submittal.

The two remaining vendors, Tyler Technologies and New World Systems, were then invited to do an onsite demonstration of the capabilities of their software system. Each vendor was given a full day to demonstrate the software. Staff was invited to attend and score these demonstrations and staff from all departments participated.

Next, interviews of cities using the two software proposals were conducted. Key stockholder staff interviewed the Cities of Seaside, Huron, and Sierra Madre to assess implemented Tyler Munis software in action. Staff also interviewed the Cities of Turlock and Dinuba to assess New World System’s Logos.NET. These interviews and reference checks were scored based on ease of implementation, customer support, IT support, functionality, reporting, and the extent to which modules have been fully implemented.

After fully vetting both finalists, staff requested best and final offers (BAFOs) from both vendors. The BAFOs resulted in significant price reductions from the original proposals. Based upon the RFP submission, onsite demonstration, reference checks and BAFO price, staff determined that New World System's Logos.NET solution best meets the City's needs.

Proven Product. There are over 400 communities that are on the current version of the New World software, which has essentially been around 10 years. In addition, New World has tighter integration as their product was developed from the ground up. Tyler has purchased modules from third parties and integrated into their existing software package. In addition, Tyler version 10 is a major revamp of the previous software and has yet to be fully implemented and vetted by its California clients.

Implementation Timeline. New World Systems is confident that they can meet our goal of going live with the software January 1, 2017 as they have met similar aggressive implementation timelines in other cities.

Superior Customer Service. New World has consistently demonstrated their commitment to customer service from thoroughly preparing for the demonstration process to making the necessary concessions during the contract negotiation process. We heard concerns about customer service related to the implementation process and IT support from Tyler clients.

Strong Network of Like Users. The Cities of Turlock, Manteca, Dinuba, and Capitola are currently using the New World System. Staff connected with key staff members at Turlock and Dinuba that were involved in their implementation. They demonstrated how the software works in their city and offered their expertise to us as we undertake our implementation.

Demonstrated Software Functionality. As previously mentioned, part of the vetting process for both vendors entailed an onsite demonstration of their software. Of the two vendors, New World was able to demonstrate almost all of the items on the City's script while Tyler only showed a portion of the required functionality.

Good Value. While the New World system is more expensive than the Tyler system, New World's shorter implementation timeframe will save time and staff resources. In addition, staff is more confident in the New World product can meet most of its functionality requirements based on the demonstration of the software.

In the initial five years New World is projecting average cost of \$47,750 annually. Comparing like services, HTE currently costs \$48,011 annually.

Workstation Replacement / Upgrades

The current employee workstations are 8 1/2 years old and are struggling stay running properly. Age coupled with the demands of a new financial system required that staff evaluate the ability of our current workstation setup. The evaluation results showed what staff had already anticipated, the need for a newer, more capable workstation. We hope to replace every workstation with a thin client that will connect to a virtual environment. The new virtual environment will drastically improve the user's experience. Users will no longer be limited to the workstation at their desk. They will be able to log into any system within City Hall and get their exact workstation setup. The new environment will also allow IT to upgrade, install, and deploy systems or software quickly with minimal down time and reduced cost. Much of the installation and setup will be done in-house to both correctly assess and address the City's needs and to reduce funding requirements.

Phone System

The City needs to replace its outdated and failure-prone internal phone system to continue providing essential services to the community. This system not only provides phone service for the City's employees but also the crucial Reverse 911 system. The replacement system will be a VoIP system. With this replacement system we anticipate the ability to lower our monthly phone service costs by utilizing Digital 395 and Sessional Initiation Protocol (SIP) trunking. The new system will also allow for greater integration with city email services, and increase conferencing capacity along with many more features.

Cost

ERP System Project Costs	
ONE-TIME	
New World Software	
-ERP Project Cost	424,520
System Hardware Upgrades	176,000
Phone System Upgrade	111,000
10% Contingency	71,152
TOTAL	782,672
ONGOING MAINTENANCE(5 year annual average)	
Maintenance (current year included in the project cost)	47,750

FISCAL IMPACT:

\$782,672 of unallocated TAB funds

Reviewed by Finance Director:

ACTION REQUESTED: Approve attached Resolution establishing the City-Wide Enterprise Resource Planning System Project with a budget of \$782,672 from unallocated TAB funds and authorizing the City Manager to execute an agreement with New World Systems for the replacement of the HTE system in the amount of \$424,520. Authorize the Director of Finance to issue any necessary change orders to complete additional work within contract authority.

CITY MANAGER 'S RECOMMENDATION:

Action as requested:

Submitted by: Tyrell Staheli

Action Date: Oct 21, 2015

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RESOLUTION NO. 15-XX

RESOLUTION OF THE CITY COUNCIL ESTABLISHING THE CITY-WIDE ENTERPRISE RESOURCE PLANNING SYSTEMS PROJECT AND BUDGET OF \$782,672 FROM UNALLOCATED TAB FUNDS AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT WITH NEW WORLD SYSTEMS FOR THE FINANCIAL, PAYROLL AND HUMAN RESOURCES SYSTEMS AND AUTHORIZE THE FINANCE DIRECTOR TO MAKE THE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES

WHEREAS, the City's current financial system, SunGard HTE, has been installed and in use since the 1980's; and HTE has significant problems including but not limited to security, reliability, accessibility, functionality and vendor customer support; and

WHEREAS, the City Council expressed a desire for the replacement of the financial system; and

WHEREAS, a Request For Proposal (RFP) was released to identify, select and implement a proven public sector systems vendor to replace the City's existing HTE system, and three (3) vendors responded to the RFP; and

WHEREAS, in the last year, staff members from the various departments participated in the vendor reviews, onsite demonstrations and Staff unanimously preferred the New World system over the other systems; and

WHEREAS, an evaluation of the current workstations and infrastructure showed the need for a newer, more capable workstation and infrastructure to both efficiently access the financial software and lower maintenance costs; and

WHEREAS, the City's internal phone system is outdated and failure prone; and

WHEREAS, the phone system not only provides phone service for the City's employees but also the crucial Reverse 911 system; and

WHEREAS, under this overall cost-effective strategic plan, the project would include the payroll and human resources information systems, system hardware upgrades, and phone system upgrade for a total of \$782,672, which may be financed by unallocated TAB bonds proceeds.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest does hereby

1. Authorize the City Manager to execute the contract with New World Systems for the financial, payroll and human resources systems [EXHIBIT A],
2. Approve unallocated TAB bond proceeds in the amount of \$782,672, to fund the City-Wide Enterprise Resource Planning System Project
3. Authorize the Finance Director to make the necessary accounting and budgetary entries

APPROVED AND ADOPTED this 21st day of October, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Peggy Breeden, Mayor

Rachel J. Ford, CMC
City Clerk

STANDARD SOFTWARE LICENSE AND SERVICES AGREEMENT

October 14, 2015

This *Standard Software License and Services Agreement* which includes the attached Exhibits (“this **Agreement**”) is between **New World Systems[®] Corporation** (“**New World**”), a Michigan Corporation and **City of Ridgecrest, CA** (“**Customer**”). This **Agreement** sets forth the terms and conditions under which **New World** will furnish the Licensed Products and will provide certain services described herein to **Customer**.

The attached Exhibits include:

- Exhibit AA..... TOTAL COST SUMMARY AND PAYMENT SCHEDULE**
- Exhibit A LICENSED STANDARD SOFTWARE AND FEES**
- Exhibit B..... IMPLEMENTATION AND TRAINING SUPPORT SERVICES**
- Exhibit C STANDARD SOFTWARE MAINTENANCE AGREEMENT**
- Exhibit D NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES**
- Exhibit E..... DEMONSTRATION SITE DISCOUNT**
- Exhibit F DATA FILE CONVERSION ASSISTANCE**
- Exhibit G INTENTIONALLY LEFT BLANK**
- Exhibit H INCORPORATION BY REFERENCE OF NEW WORLD’S RESPONSE TO CUSTOMER’S RFP SOFTWARE SPECIFICATIONS**

By signing below, each of us agrees to the terms and conditions of this Agreement together with the attached Exhibits. This Agreement contains the complete and exclusive statement of the agreement between us relating to the matters referenced herein and replaces any prior oral or written representations or communications between us. Each individual signing below represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met. If the individual is not so authorized then (s)he assumes personal liability for compliance under this Agreement.

ACKNOWLEDGED AND AGREED TO BY:

NEW WORLD SYSTEMS[®] CORPORATION
(New World)

CITY OF RIDGECREST, CALIFORNIA
(Customer)

By: _____
Larry D. Leinweber, President

By: _____
Authorized Signature Title

Resolution#: _____

Date: _____

Date: _____

The “Effective Date” of this **Agreement** is the latter of the two dates in the above signature block.

DEFINITIONS

The following terms as defined below are used throughout this **Agreement**:

1. **“Authorized Copies”**:
Except as provided in subparagraph 1.3, the only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined in this Paragraph. They are:
 - (i) the single copy of the Licensed Software and the related Licensed Documentation delivered by **New World** under this **Agreement**; and
 - (ii) any additional copies made by **Customer** as authorized in subparagraph 1.2.
2. **“An Authorized User/Workstation”**:
Subject to the number of users specified in Exhibit A, any PC workstation that is connected to access the Licensed Software resident on Computer and that may be logged on to access the programs, interfaces, data, or files created and/or maintained by the Licensed Software.
3. **“Computer”**:
The .NET Server(s) to be located at:
*City of Ridgecrest
100 W. California
Ridgecrest, CA 93555*
Customer shall identify in writing the serial number of the Computer within ten (10) days of receipt of the Computer or within ten (10) days of the Effective Date, whichever is later. If the Computer is to be relocated, **Customer** shall notify **New World** of the new location in writing prior to the relocation.
4. **“Confidential Information”**:
Information disclosed or obtained by one party in connection with, and during the term of, this **Agreement** and designated as “Confidential” by the party claiming confidentiality at the time of disclosure. Confidential Information does not include any information which was previously known to the other party without obligation of confidence or without breach of this **Agreement**, is publicly disclosed either prior or subsequent to the other party’s receipt of such information, or is rightfully received by the other party from a third party without obligation of confidence.
5. **“Customer Liaison”**:
A **Customer** employee assigned to act as liaison between **Customer** and **New World** for the duration of this **Agreement**. Within ten (10) days of the Effective Date, **Customer** shall notify **New World** of the name of the Customer Liaison.
6. **“Daily Rate”**:
As described in this **Agreement**, **New World** shall provide services to **Customer** at the rate of \$1,200/day. The daily rate covers all hours worked by a **New World** employee per day on this project. The daily rate is protected for 12 months after the Effective Date, at which time the daily rate shall be the then-current **New World** daily rate.
7. **“Delivery of Licensed Standard Software”**:
Licensed Standard Software will be delivered in a machine readable form to Customer via an agreed upon network connection, or on appropriate media if requested, as soon as the software is available after the Effective Date.
8. **“Development Software”**:
Standard application software currently under development by **New World** which, if applicable, will be completed and delivered to **Customer** as Licensed Standard Software when available.
9. **“Installation of Licensed Standard Software”**:
Installation of the Licensed Standard Software shall be deemed to occur, for all billings or other events described herein, upon the earlier of:
 - (a) the transfer or loading of the Licensed Standard Software onto a **Customer** server or computer, or
 - (b) thirty (30) days after delivery of the Licensed Standard Software.
10. **“Licensed Custom Software”**:
Any software (programs or portions of programs) developed by **New World** specifically for **Customer’s** own use.
11. **“Licensed Documentation”**:
New World User Manuals which includes the current specifications for the Licensed Standard Software and other written instructions relating to the Licensed Software (such as Product Bulletins, installation instructions, and training materials).
12. **“Licensed Products”**:
The Licensed Software, the related Licensed Documentation, and the Authorized Copies of the foregoing.
13. **“Licensed Software”**:
The Licensed Standard Software, Development Software, Upgrades, and Licensed Custom Software provided under this **Agreement**.
14. **“Licensed Standard Software”**:
The current version of **New World** standard and development application software package(s) (in machine readable code) listed in Exhibit A.
15. **“SSMA”**:
The **New World** Standard Software Maintenance Agreement as set forth in Exhibit C.
16. **“Travel Expenses”**:
All actual and reasonable travel expenses incurred by **New World** for trips relating to this project, including but not limited to, airfare, rental car, lodging, mileage, parking/tolls, and daily per diem expenses.
17. **“Travel Time”**:
Actual **New World** employee travel time billed at the Hourly Rate of \$150/hour, up to, but not exceeding, four (4) hours per each trip relating to this project.
18. **“Upgrades”**:
Any enhanced and/or improved versions of the Licensed Standard Software provided as Licensed Standard Software under Exhibit C of this **Agreement** and released after the execution of this **Agreement**.

GENERAL TERMS AND CONDITIONS

1.0 SINGLE USE LICENSE

- 1.1 **New World** grants **Customer** a nontransferable, nonexclusive, and non-assignable license to use the Licensed Software only on the Computer and only for its internal processing needs. **Customer** shall have the right and license to use, enhance, or modify the Licensed Software only for **Customer's** own use and only on the Computer and only on an authorized workstation. **New World** will deliver to **Customer** one copy of each application of the Licensed Software (in machine readable form compatible with the specified operating environment) and one copy of the related Licensed Documentation. If **Customer** fails to pay all license fees specified in Exhibit A and the applicable custom software fees, if any, **Customer** shall forfeit the right and license to use the Licensed Products and shall return them to **New World**.
- 1.2 In order to assist **Customer** in the event of an emergency, **Customer** is permitted to make up to two (2) back-up copies on magnetic media of each application of the Licensed Software and one back-up copy of the related Licensed Documentation. These Authorized Copies may be stored as defined above so long as they are kept in a location secure from unauthorized use. **Customer** or anyone obtaining access through **Customer** shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product, includes without limitation, copies of the following:
 - (i) Program libraries, either source or object code;
 - (ii) Operating control language;
 - (iii) Test data, sample files, or file layouts;
 - (iv) Program listings; and
 - (v) Licensed Documentation.
- 1.3 Upon written request by **Customer**, and with written permission by **New World**, additional Authorized Copies may be made for **Customer's** internal use only.

2.0 OWNERSHIP

- 2.1 The Licensed Products and all copyright, trade secrets and other proprietary rights, title and interest therein, remain the sole property of **New World** or its licensors, and **Customer** shall obtain no right, title or interest in the Licensed Products by virtue of this **Agreement** other than the nonexclusive, nontransferable, non-assignable license to use the Licensed Products as restricted herein.
- 2.2 The license to use any Licensed Custom Software provided under this **Agreement**, if any, is included in this license. **New World** shall have the right to use any data processing ideas, techniques, concepts, and/or know-how acquired by it in the performance of services under this **Agreement** including the development of Licensed Custom Software for the advancement of its own technical expertise and the performance of other Software License and Service Agreements or any other applicable agreements. **New World** shall have, without restriction, the right to use all programs, procedures, information, and techniques that are publicly available, obtained or obtainable from third parties and/or developed independently by **New World** without specific reference to **Customer's** organization.

3.0 CORRECTION AND SOFTWARE MAINTENANCE ON STANDARD SOFTWARE

- 3.1 **New World** provides software correction service and maintenance for the Licensed Standard Software during the term of **Customer's** SSMA. See Exhibit C for a description of the SSMA start date and term, the services available and the applicable fees and procedures.

4.0 WARRANTIES

- 4.1 **New World** warrants, for Customer's benefit only, that the Licensed Standard Software will perform as specified in its user manuals based on the then-current release of the Licensed Standard Software.
- 4.2 **New World** warrants, for Customer's benefit only, that it possesses the necessary intellectual rights to license to **Customer** the Licensed Standard Software provided hereunder.

The foregoing warranties do not apply if the Licensed Product(s) have been modified by any party other than **New World**. **New World** does not warrant that the features or functions of the Licensed Software will meet **Customer's** requirements or in any combination or use **Customer** selects. EXCEPT AS SPECIFICALLY PROVIDED IN THIS PARAGRAPH 4.0, AND ITS SUBSECTIONS, **NEW WORLD** EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE LICENSED

PRODUCTS, INCLUDING BUT NOT LIMITED TO, THE LICENSED PRODUCTS' CONDITION, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

5.0 *INSTALLATION AND TRAINING SUPPORT SERVICES*

5.1 As provided for in Exhibit B and concurrent with timely payments, **New World** shall make available to **Customer** qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. See Exhibit B for a description of the services provided and the applicable fees and procedures.

6.0 *CUSTOMER LIAISON AND CUSTOMER RESPONSIBILITIES*

The successful implementation of the Licensed Products into **Customer's** environment requires **Customer's** commitment to and cooperation in the implementation process. Accordingly, **Customer** hereby agrees to the following:

6.1 **Customer** understands that the Licensed Software is designed to run in a specified operating environment which includes hardware, software and related equipment not provided by **New World**. **Customer** is responsible for assuring that the appropriate hardware equipment, related components and all cabling are installed timely and are suitable for the successful installation of the Licensed Software.

6.2 **Customer** agrees to provide the management interface and support necessary to successfully complete the implementation of the Licensed Software. This support includes upper level management priority setting and timely involvement during and after a change in **Customer's** organization, **Customer's** operations and/or after changes in **Customer's** internal policies or procedures which directly affect the software implementation.

6.3 **Customer** shall assign an upper level employee to serve as the Customer Liaison for the duration of the Licensed Software implementation. If **Customer** must replace the Customer Liaison for reasons beyond its control, **Customer** will assign a new Customer Liaison as soon as reasonably possible. **New World** is not responsible for any delay caused directly or indirectly by the reassignment of the Customer Liaison. In addition to other duties and responsibilities, the Customer Liaison shall:

- (i) provide timely answers to **New World's** requests for information;
- (ii) coordinate a mutually agreeable implementation and training schedule;
- (iii) have authority to sign for and obligate **Customer** to any matters relating to service requests, design documents, performance test documents and/or delivery and service dates;
- (iv) in situations where **Customer** participation is required, provide timely input for systems definition, detail design, and use of the software system.

6.4 **Customer** is responsible for creating and maintaining its master files, tables and the like which includes accurate data entry, accurate file editing and overall file control to assure successful systems performance.

6.5 **Customer** shall provide qualified personnel with sufficient backup to be trained to use the Licensed Software and to interpret the output. Applying the output information in **Customer's** environment is **Customer's** sole responsibility.

7.0 *BILLING AND ADDITIONAL AUTHORIZED WORKSTATION CHARGES*

7.1 The attached Exhibits set forth the manner in which fees and payments shall be allocated and made under this **Agreement**. Past due amounts are subject to a service charge of 1.5% per month, which charge **Customer** agrees to pay. To the extent **Customer** imposes additional requirements on **New World** for services other than those expressly provided in this **Agreement**, **New World** retains the right to make additional price adjustments and/or any other adjustments that may be necessitated. Before performing these additional services, **New World** will notify **Customer** that the services are subject to additional charge(s).

7.2 If **Customer** wishes to add additional authorized workstations or Licensed Standard Software, **Customer** agrees to pay the additional License fees at the then current software prices in effect. SSMA fees shall be increased according to the additional Licensed Standard Software fees on the next annual billing date after the additional workstations and/or Licensed Standard software is added, or as specified in the future contract. With said payments, the license provided in Paragraph 1.0 permits **Customer's** use of the Licensed Software for the specified workstations.

- 7.3 **Customer** shall notify **New World** if additional authorized workstations need to be added to access the Licensed Software and will pay the additional authorized workstation fees promptly when invoiced.
- 7.4 Any taxes or fees imposed from the course of this **Agreement** are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by the **Customer**, an exemption certificate must be submitted to **New World**.

8.0 *NON-RECRUITMENT OF PERSONNEL*

- 8.1 During, and for a period of twenty-four (24) months after the expiration of, the Standard Software Maintenance Agreement and/or any renewal maintenance agreement, each party agrees not to solicit or hire current or former employees of the other without the other's prior written consent.

9.0 *CONFIDENTIAL INFORMATION / NON-DISCLOSURE AGREEMENT*

- 9.1 Subject to the requirements of the Freedom of Information Act (FOIA) and/or other comparable applicable state law, each party shall hold all Confidential Information in trust and confidence for the party claiming confidentiality and not use such Confidential Information absent express written consent by the party claiming confidentiality. The other party agrees not to disclose any such Confidential Information, by publication or otherwise, to any other person or organization. **Customer** agrees to timely notify **New World** of any request(s) made for disclosure of confidential information.
- 9.2 **Customer** hereby acknowledges and agrees that all Licensed Products are Confidential Information and proprietary to **New World**. In addition to the other restrictions set forth elsewhere in this **Agreement** or otherwise agreed to in writing, **Customer** agrees to implement all reasonable measures to safeguard **New World's** proprietary rights in the Licensed Products, including without limitation the following measures:
- (i) **Customer** shall only permit access to the Licensed Products to those employees who require access and only to the extent necessary to perform **Customer's** internal processing needs.
 - (ii) With respect to agents or third parties, **Customer** shall permit access to the Licensed Products only after **New World** has received, approved and returned a fully executed Non-Disclosure Agreement to **Customer** (see Exhibit D). **New World** reserves the right to reasonably refuse access to a third party after it has evaluated the request. **Customer** agrees to provide information reasonably requested by **New World** to assist **New World** in evaluating **Customer's** request to permit third party access to the Licensed Products. In addition to any other remedies, **New World** may recover from **Customer** all damages and legal fees incurred in the enforcement of this provision on third party access;
 - (iii) **Customer** shall cooperate with **New World** in the enforcement of the conditions set forth in the attached Non-Disclosure Agreement or any other reasonable restrictions **New World** may specify in writing in order to permit access;
 - (iv) **Customer** shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials; and
 - (v) **Customer** shall not attempt to disassemble, decompile or reverse engineer the Licensed Software.
- 9.3 **Customer** agrees that in addition to any other remedies that may be available at law, equity or otherwise, **New World** shall be entitled to seek and obtain a temporary restraining order, injunctive relief, or other equitable relief against the continuance of a breach or threatened breach of this paragraph 9.0 on Confidentiality and Non-Disclosure without the requirement of posting a bond or proof of injury as a condition for the relief sought.

10.0 *LIMITATION OF LIABILITY AND RECOVERABLE DAMAGES*

New World's entire liability and **Customer's** exclusive remedies are set forth below:

- 10.1 For any claim relating to the non-conformance or imperfection of any licensed software provided under this **Agreement**, **New World** will correct the defect so that it conforms to the warranties set forth in subparagraph 4.1; or if after repeated attempts to correct the non-conformity, **New World** is unable to correct the non-conformity, then **Customer** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below. For any other claim arising under or in connection with this **Agreement**, **Customer** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below.

- 10.2 **New World's** total liability to **Customer** for all claims relating to the Licensed Products and this **Agreement**, including any action based upon contract, tort, strict liability, or other legal theory, shall be limited to **Customer's** actual damages and in no event shall **New World's** liability exceed the Exhibit A Licensed Standard Software fees paid to **New World**.
- 10.3 **New World** shall not be liable for any special, indirect, incidental, punitive, exemplary, or consequential damages, including loss of profits or costs of cover, arising from or related to a breach of this **Agreement** or any order or the operation or use of the Licensed Products including such damages, without limitation, as damages arising from loss of data or programming, loss of revenue or profits, failure to realize savings or other benefits, damage to equipment, and claims against **Customer** by any third person, even if **New World** has been advised of the possibility of such damages. **New World's** liability for any form of action shall only apply after any and all appropriate insurance coverage has been exhausted.
- 10.4 If it is determined that a limitation of liability or a remedy contained herein fails of its essential purpose, then the parties agree that the exclusion of incidental, consequential, special, indirect, punitive, and/or exemplary damages is still effective.

11.0 INTEGRATION WITH U.S. COPYRIGHT ACT

- 11.1 In addition to all other provisions provided under this **Agreement**, **Customer** agrees to be bound by and to comply with any and all provisions of the U.S. Copyright Act (*The Copyright Act of 1976, U.S.C. Sections 101-810 (1976) as amended*). If a provision of the U.S. Copyright Act and this **Agreement** conflict, the more restrictive of the two applies. If it cannot be determined which is the more restrictive, then the provision within this **Agreement** shall apply.

12.0 INDEPENDENT CONTRACTOR

- 12.1 **New World** is an independent contractor. The personnel of one party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each party shall be responsible for the acts of its own employees.
- 12.2 Each party shall be responsible for Workers' Compensation coverage for its own personnel.

13.0 INSURANCE REQUIREMENTS

New World shall not commence work under this **Agreement** until it has obtained the insurance required under this paragraph.

- 13.1 **Workers' Compensation Insurance:** **New World** shall procure and maintain during the term of this **Agreement**, Workers' Compensation Insurance for all of its employees who engage in the work to be performed.
- 13.2 **Liability and Property Insurance – Comprehensive Form:** **New World** shall procure and maintain during the term of this **Agreement**, Liability and Property Damage Insurance in an amount not less than \$1,000,000 on account for each accident; and in an amount not less than \$1,000,000 for each accident for damage to property.
- 13.3 **Automobile Liability Insurance:** **New World** shall procure and maintain during the term of this **Agreement**, Hired and Non-Ownership Motor Vehicle Bodily Injury and Property Damage Insurance in an amount not less than \$1,000,000 for injuries, including accidental death, to each person; and, subject to the same limit for each person, in an amount not less than \$1,000,000 for each accident; and in an amount not less than \$1,000,000 on account for each accident for damage to property, provided however that the combined single limit for all automotive related claims shall not exceed \$1,000,000. General Aggregate Amount \$2,000,000.

14.0 DISPUTE RESOLUTION BY ARBITRATION

- 14.1 Any controversy or claim arising out of or relating to this **Agreement**, or breach thereof, shall be settled in arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- 14.2 Before a demand for arbitration may be filed by either party, the management of both parties shall have met at least two times in face-to-face meetings in a good-faith effort to resolve any dispute or controversy through normal business management practices. Unless otherwise agreed to in writing, a minimum of one meeting shall take place at each party's home office location.

- 14.3 The arbitrator(s) shall have no power or authority to add to or detract from this **Agreement**. The arbitrator(s) shall have no authority to award damages over and above those provided for in this **Agreement** and in any event shall not exceed the limitations set forth in subparagraph 10.2, even if the remedy or limitation of liability provisions set forth in this **Agreement** shall for any reason whatsoever be held unenforceable or inapplicable.
- 14.4 Neither party nor the arbitrator(s) may disclose the existence or results of any arbitration hereunder, except if the arbitration results in a Court imposed judgment, the non-disclosure restriction shall not be effective to the extent the matter becomes a public record.
- 14.5 Each party shall bear its own costs in preparing for and conducting arbitration, except that the joint costs, if any, of the actual arbitration proceeding shall be shared equally by the parties.
- 14.6 In the event that a controversy or claim arising out of or relating to this **Agreement**, or breach thereof, is heard or otherwise prosecuted in court, the parties hereby unconditionally waive their respective rights to a jury trial of any such controversy or claim.

15.0 TERMINATION

- 15.1 **By Customer:** If **New World** fails to provide the Licensed Software as warranted in accordance with the terms of this **Agreement**, **Customer** may at its option terminate this **Agreement** with ninety (90) days written notice as follows:
 - (i) The termination notice shall provide a detailed description (with examples) of any warranty defects claimed;
 - (ii) **New World** shall have ninety (90) days from receipt of said notice to correct any warranty defects in order to satisfy the terms of this **Agreement**;
 - (iii) During the ninety (90) day cure period, **Customer** shall apply sound management practices and use its best efforts to resolve any issues or obstacles – including cooperating with **New World** and reassigning personnel if necessary to improve the working relationship;
 - (iv) At the end of ninety (90) days unless the termination has been revoked in writing by **Customer**, the **Agreement** terminates.
- 15.2 **By New World:** If **Customer** fails to make prompt payments to **New World** when invoiced, or if **Customer** fails to fulfill its responsibilities under this **Agreement**, including but not limited to those outlined in Paragraph 6.0, then **New World** may at its option terminate this **Agreement** with written notice as follows:
 - (i) The termination notice shall define the reason for termination;
 - (ii) If the cited reason for termination is **Customer's** failure to make prompt payment, **Customer** shall have ten (10) days from receipt of said notice to make payment in full for all outstanding invoiced payments due;
 - (iii) If the cited reason for termination is **Customer's** failure to fulfill its responsibilities, **Customer** shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this **Agreement**;
 - (iv) During the applicable cure period, **New World** will use sound management practices and its best efforts to resolve any issues or obstacles – including the reassignment of personnel if necessary to improve the working relationship;
 - (v) At the end of the applicable cure period, unless the termination has been revoked in writing by **New World**, the **Agreement** terminates.
- 15.3 In the event of termination by either party, **New World** shall continue to provide its services, as previously scheduled, through the termination date and the **Customer** shall continue to pay all fees and charges incurred through the termination date as provided in the attached Exhibits.
- 15.4 Upon termination, **Customer** shall return to **New World** all Licensed Products, including any copies provided to or created by **Customer** under this **Agreement**.
- 15.5 Nothing in this paragraph on termination is intended to infer that either party has or does not have a claim for damages.
- 15.6 The Terms and Conditions relating to ownership, warranties, non-recruitment of personnel, confidentiality and non-disclosure, limitation of liability and recoverable damages, Copyright Act, dispute resolution and the General provisions (18.0), survive termination.

16.0 PATENT AND TRADEMARK INDEMNIFICATION

New World agrees to indemnify and save the **Customer** harmless from and against any and all judgments, suits, costs, and expenses subject to the limits set forth in this **Agreement** resulting from any alleged infringement of any patent or copyright arising from the licensing of the Licensed Standard Software pursuant to this **Agreement**, provided that **Customer** has notified **New World** in writing of such allegation within thirty (30) days of the date upon which the **Customer** first receives notice thereof. **New World's** obligation to indemnify and save **Customer** harmless under this paragraph is void if the claim of infringement arises out of or in connection with any modification made to the Licensed Standard Software or any use of the Licensed Standard Software not specifically authorized in writing by **New World**.

17.0 NOTICES

- 17.1 Notices to **Customer** shall be deemed effective when sent by Registered or Certified U.S. Mail to the business address of the **Customer**.
- 17.2 Notices to **New World** shall be deemed effective when sent by Registered or Certified U.S. Mail to the following address (or to any other address so specified by **New World**):
- New World Systems Corporation
888 West Big Beaver, Suite 600
Troy, Michigan 48084
Attention: President

18.0 GENERAL

- 18.1 This **Agreement** is the entire agreement between the parties superseding all other communications, written or oral, between the parties relating to the subject matter of this **Agreement**. **This Agreement may be amended or modified only in writing signed by both parties.**
- 18.2 This **Agreement** is governed by the laws of the State of California and it shall be binding on the successors and assigns of the parties.
- 18.3 Failure to enforce any provision of this **Agreement** shall not be deemed a waiver of that provision or any other provision of this **Agreement**.
- 18.4 No action, regardless of form, arising out of the services performed or Licensed Products delivered hereunder, may be brought by either party more than two (2) years after the cause of action has accrued.
- 18.5 The paragraph headings which appear herein are included solely for convenience and shall not be used in the interpretation of this **Agreement**. Any provision of this **Agreement** determined to be invalid or otherwise unenforceable shall not affect the other provisions, which other provisions remain in full force and effect.
- 18.6 This **Agreement** is entered into solely for the benefit of **New World** and **Customer**. No third party shall have the right to make any claim or assert any right under it, and no third party shall be deemed a beneficiary of this **Agreement**.
- 18.7 Notwithstanding anything contained herein to the contrary, these terms and conditions may be extended to other public entities for purchase of the license and/or services described under this **Agreement**. To the extent they are required, the parties shall execute any requisite cooperative agreements authorizing such extension of terms and conditions. If this is done, **Customer** assumes no authority, liability, or obligation on behalf of any other public entity that may use this **Agreement** for any such purchase.
- 18.8 Other integrated licensed software and services from **New World** may be purchased by **Customer** under the terms and conditions of this **Agreement**.

EXHIBIT AA
TOTAL COST SUMMARY AND PAYMENT SCHEDULE

I. Total Cost Summary: Licensed Standard Software and Implementation Services

<u>DESCRIPTION OF COST</u>	<u>COST</u>
A. LICENSED STANDARD SOFTWARE as further described in Exhibit A	\$175,140
1. Licensed Standard Software	\$318,000
2. Less Demonstration Site Discount	(142,860)
B. IMPLEMENTATION SERVICES	199,380
1. PROJECT MANAGEMENT as further described in Exhibit B	
2. INTERFACE INSTALLATION SERVICES as further described in Exhibit B	
3. IMPLEMENTATION AND TRAINING SERVICES as further described in Exhibit B	
4. OTHER IMPLEMENTATION SERVICES as further described in Exhibit B	
5. DATA FILE CONVERSION ASSISTANCE SERVICES as further described in Exhibit F	
ONE TIME PROJECT COST:	<u>\$374,520</u>
C. TRAVEL EXPENSES (Estimate) – billed as incurred	\$50,000
D. STANDARD SOFTWARE MAINTENANCE SERVICES – as further described in Exhibit C.	

PRICING ASSUMES CONTRACT EXECUTION BY DECEMBER 4, 2015.

Exhibit AA / COST SUMMARY AND PAYMENT SCHEDULE

II. Payments for Licensed Standard Software and Implementation Services

<u>DESCRIPTION OF PAYMENT</u>	<u>PAYMENT</u>
A. LICENSED STANDARD SOFTWARE	\$175,140
1. Amount invoiced upon Effective Date (50%)	\$87,570
2. Amount invoiced upon delivery of Licensed Standard Software (50%)	87,570
B. IMPLEMENTATION SERVICES	199,380
1. Amount invoiced upon Effective Date	\$39,876
2. Amount invoiced upon software installation and operation verification as defined in Exhibit B, Step 4	39,876
3. Amount invoiced upon Go-Live of Financial Management Base Suite	39,876
4. Amount invoiced upon Go-Live of Payroll/Human Resources Management Base Suite	39,876
5. Amount invoiced upon Go-Live of Community Development Base Suite	39,876
	ONE TIME PAYMENTS:
	<u>\$374,520</u>
C. TRAVEL EXPENSES (Estimate) (These expenses are billed as incurred)	\$50,000*
1. 25 Trips are anticipated	
*Estimate	
D. STANDARD SOFTWARE MAINTENANCE SERVICES – as further described in Exhibit C	

ALL PAYMENTS ARE DUE WITHIN THIRTY (30) DAYS FROM RECEIPT OF INVOICE.

Billings are applied ratably to each deliverable included under the total one-time cost. If any deliverable is subject to sales tax, the tax will be calculated and added as applicable to each billing.

EXHIBIT A
LICENSED STANDARD SOFTWARE AND FEES

License Fee for Licensed Standard Software And Documentation Selected By Customer:

LOGOS.NET STANDARD APPLICATION SOFTWARE ^{1,2,3}		
ITEM	DESCRIPTION	INVESTMENT
	<u>FINANCIAL MANAGEMENT</u>	(Users included - 20)⁴
1.	Logos.NET Financial Management Base Suite	\$35,000
	- General Ledger	
	- Budget Management	
	- Annual Budget Preparation	
	- Accounts Payable	
	- Revenue/Cash Receipting	
2.	Logos.NET Additional Financial Management Software	
	- Asset Management	6,000
	- Project Accounting	6,000
	- Misc. Billing & Receivables	6,000
	- Government (GASB) Reporting	11,000
	- Bank Reconciliation	4,000
3.	Expanded Revenue Collections	
	- PC Cash Register Interface	6,000
	<i>supports Epson TM-H6000IV Receipt/Validation/Slip Printer</i>	
4.	Logos.NET Procurement Management Suite	
	- Purchasing Base	11,000
	- Requisition Processing	6,000
	- Contract Accounting	6,000
SUB-TOTAL FINANCIAL MANAGEMENT MODULES		\$97,000

Exhibit A / LICENSED STANDARD SOFTWARE AND FEES

PAYROLL & HUMAN RESOURCES SUITE

(Users included - 10)⁴

5. Logos.NET Human Resources Management Base Suite	\$30,000
- Payroll Processing	
- Personnel Management	
- Position Control	
6. Logos.NET Human Resources	
- Employee Event Tracking	6,000
- Personnel Action Processing	6,000
7. Logos.NET Benefits Management	
- Benefits Administration	5,000
- Leave Management	7,000
8. Logos.NET Additional Payroll & HR Modules	
- Position Budgeting	6,000

SUB-TOTAL PAYROLL/HUMAN RESOURCES MODULES	\$60,000
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COMMUNITY DEVELOPMENT SUITE

(Users included - 10)⁴

9. Logos.NET Community Development Software	
- Business Licensing	9,000
- Parcel Management	6,000
- Permits	11,000
- Municipal Inspections	11,000
- Code Enforcement	7,000

SUB-TOTAL COMMUNITY DEVELOPMENT MODULES	\$44,000
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eSUITE

10. eSuite Base Software	\$11,000
11. eFinance	
- eSupplier	6,000
- ePayments	6,000

Exhibit A / LICENSED STANDARD SOFTWARE AND FEES

12. eHR

- eEmployee	16,000
- eTimesheets	8,000
- eBenefits Administration	8,000

13. eCommunity

- ePermits	6,000
- eLicense	6,000

SUB-TOTAL eSUITE SOFTWARE MODULES	\$67,000
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DECISION SUPPORT SOFTWARE

14. Decision Support Base Datamart⁶ \$11,000

15. Finance Analytics

- Includes 2 users	6,000
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16. Dashboards for Financial Management 7,000

17. Human Resource/Payroll Analytics

- Includes 2 users	6,000
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18. Dashboards for Human Resources 7,000

19. Community Development Analytics

- Includes 2 users	6,000
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20. Dashboards for Community Development 7,000

SUB-TOTAL DECISION SUPPORT SOFTWARE MODULES	\$50,000
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NEW WORLD STANDARD SOFTWARE LICENSE FEE **318,000**

LESS DEMONSTRATION SITE DISCOUNT **(142,860)**

TOTAL SOFTWARE LICENSE FEE ^{7,8}	<u>\$175,140</u>
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Exhibit A / LICENSED STANDARD SOFTWARE AND FEES

ENDNOTES

- ¹ *Personal Computers must meet the minimum hardware requirements for New World Systems' Logos.NET product. Microsoft Windows XP or greater with IE 7.0 or greater is the required operating systems for all client machines. Windows 2008 Server is required for the Application Server(s), Web Server(s) and Database Server. Microsoft SQL Server 2008 is required for the Database Server.*
- ² *New World Systems' Logos.NET product requires Microsoft Windows 2008 Server and Microsoft SQL Server 2008 including required Client Access Licenses (CALs) and Windows Server 2008 External Connector (EC) licenses for applicable Microsoft products. Servers must meet minimum hardware requirements provided by New World Systems.*
- ³ *Suggested minimum: 100MB Ethernet Network. 10MB CAT5 Ethernet Network may have less than adequate response time. Further consultation would be required to assess your network.*
- ⁴ *Additional cost per group of 5 for authorized users is \$5,000.*
- ⁵ *New World supports SQL Server Reporting Services (SSRS) for server-based report generation and ad hoc reporting. SSRS utilizes a web services interface to support the development of custom reporting applications. SSRS is included in the Express, Workgroup, Standard, and Enterprise editions of Microsoft SQL Server. Customers may elect to use other third-party report generation tools including Crystal Reports however New World does not provide support for these tools and cannot guarantee compatibility.*
- ⁶ *Prices assume that all software proposed is licensed.*
- ⁷ *Licensed Software, and third party software embedded therein, if any, will be delivered in a machine readable form to Customer via an agreed upon network connection. Any taxes or fees imposed are the responsibility of the purchaser and will be remitted when imposed.*

EXHIBIT B
PROJECT MANAGEMENT, IMPLEMENTATION AND
TRAINING SUPPORT SERVICES

1. Project Management Services

New World shall act as Project Manager to assist **Customer's** management in implementing the Exhibit A software. This responsibility will include documenting, coordinating and managing the overall Implementation Plan with **Customer's** management and the Customer Liaison. Project Management Services include:

- a) a summary level Implementation Plan;
- b) a detail level Implementation Plan;
- c) revised Implementation Plans (if required);
- d) monthly project status reports; and
- e) project status meetings
 - a project review (kickoff) meeting at **Customer's** location
 - progress status meeting(s) will occur during implementation via telephone conference or at **Customer's** location; and
 - a project close-out meeting at **Customer's** location to conclude the project.

The implementation services fees described in Exhibit AA include Project Management fees for a period up to 12 months after the Effective Date.

2. Implementation and Training Support Services

Based on the Licensed Standard Software listed on Exhibit A, up to **99** days of **New World** implementation and training support services have been allocated for this project. Excess services requested shall be billed at the Daily Rate. Avoiding or minimizing custom or modified features will aid in keeping the support costs to the amount allocated. **Customer** agrees to reimburse **New World** for support trips canceled by **Customer** less than ten (10) days before the scheduled start date to cover **New World's** out-of-pocket costs and lost revenues. The recommended implementation and training support services include:

- a) implementation of each package of Licensed Standard Software; and
- b) **Customer** training and/or assistance in testing for each package of Licensed Standard Software.

The project management, implementation and training support services provided by **New World** may be performed at **Customer's** premises and/or at **New World** national headquarters in Troy, Michigan (e.g., portions of project management are performed in Troy).

3. Interface Installation Service

New World shall provide interface installation services as described in this paragraph below. These services do not include hardware and/or third party product costs which shall be **Customer's** responsibility, if required. Whenever possible, these services will be done remotely, resulting in savings in Travel Expenses and Time. If on-site installation and training is required, **Customer** will be responsible for the actual Travel Expenses and Time. The services include the following interfaces.

- a) Payment Processing Interface: includes 1 Positive Pay and 1 ACH/Direct Deposit Transmittal Export, and 1 Payment (Check/EFT) Reconciliation Transmittal Import
- b) Parcel Import

Exhibit B / PROJECT MANAGEMENT, IMPLEMENTATION AND TRAINING SUPPORT SERVICES

4. Hardware Quality Assurance Service

New World shall provide Hardware Systems Assurance of **Customer's** Logos.NET server(s). These services do not include hardware and/or third party product costs which shall be **Customer's** responsibility, if required. Whenever possible, these services will be provided remotely, resulting in savings in travel expenses and time. If on-site installation is required, **Customer** will be responsible for the actual travel expenses and time.

- a) Hardware Quality Assurance Services (Standard Environment):
Hardware Systems Assurance and Software Installation:
- Assist with High Level System Design/Layout
 - Validate Hardware Configuration and System Specifications
 - Validate Network Requirements, including Windows Domain
 - Physical Installation of **New World** Application Servers
 - Install Operating System and Apply Updates
 - Install SQL Server and Apply Updates
 - Install New World Applications Software and Apply Updates
 - Establish Base SQL Database Structure
 - Install Anti-Virus Software and Configure Exclusions
 - Install Automated Backup Software and Configure Backup Routines
 - Configure System for Electronic Customer Support (i.e. NetMeeting)
 - Tune System Performance Including Operating System and SQL Resources
 - Test High Availability/Disaster Recovery Scenarios (if applicable)
 - Provide Basic System Administrator Training and Knowledge Transfer
 - Document Installation Process and System Configuration

5. Additional Services Available

Other **New World** services may be required or requested for the following:

- a) additional software training;
- b) tailoring of Licensed Standard Software by **New World** technical staff and/or consultation with **New World** technical staff;
- c) **New World** consultation with other vendors or third parties;
- d) modifying the Licensed Standard Software;
- e) designing and programming Licensed Custom Software; and
- f) maintaining modified Licensed Standard Software and/or custom software.

Customer may request these additional services in writing using **New World's** Request For Service (RFS) procedure (or other appropriate procedures mutually agreed upon by **Customer** and **New World** and will be provided at the Daily Rate).

EXHIBIT C
STANDARD SOFTWARE MAINTENANCE AGREEMENT (SSMA)

This Standard Software Maintenance Agreement (SSMA) between **New World** and **Customer** sets forth the standard software maintenance support services provided by **New World**.

1. SSMA Period

This SSMA shall remain in effect for a term of five (5) years (the SSMA term) beginning on the delivery of Licensed Standard Software (“Start Date”) and ending on the same calendar date at the conclusion of the SSMA term. **New World** shall provide **Customer** no-charge SSMA for a period of 365 days from the Start Date.

2. Services Included

New World shall provide the following services during the SSMA term.

- a) upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**);
- b) temporary fixes to Licensed Standard Software (see paragraph 6 below);
- c) revisions to Licensed Documentation;
- d) reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone); and
- e) invitation to and participation in user group meetings.

Items a, b, and c above will be distributed to **Customer** by electronic means.

Additional support services are available as requested by **Customer** at the Daily Rate.

3. Maintenance for Modified Licensed Standard Software and Custom Software

Customer is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If **New World** agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at **Customer’s** request, or for prior releases of **New World’s** software, then the additional **New World** maintenance or support services provided shall be billed at the Daily Rate.

Exhibit C / STANDARD SOFTWARE MAINTENANCE AGREEMENT

4. Billing

Maintenance costs will be billed annually.

5. Additions of Software to Maintenance Agreement

Additional Licensed Standard Software licensed from **New World** will be added to the SSMA ninety (90) days after delivery. Costs for the maintenance for the additional software will be billed to **Customer** on a pro rata basis for the remainder of the maintenance year and on a full year basis thereafter.

6. Requests for Software Correction on Licensed Standard Software

At any time during the SSMA term, if **Customer** believes that the Licensed Standard Software does not conform to the warranties provided under this **Agreement**, **Customer** must notify **New World** in writing that there is a claimed defect and specify which feature and/or report it believes to be defective. Before any notice is sent to **New World**, it must be reviewed and approved by the Customer Liaison. Documented examples of the claimed defect must accompany each notice. **New World** will review the documented notice and when a feature or report does not conform to the published specifications, **New World** will provide software correction service at no charge. A non-warranty request is handled as a billable Request For Service (RFS) provided at the Daily Rate.

The no-charge software correction service does not apply to any of the following:

- a) situations where the Licensed Standard Software has been changed by anyone other than **New World** personnel;
- b) situations where **Customer's** use or operations error causes incorrect information or reports to be generated; and
- c) requests that go beyond the scope of the specifications set forth in the current User Manuals.

7. Maintenance Costs for Licensed Standard Software Packages Covered for .NET Server(s)

New World agrees to provide software maintenance at the costs listed below for the **New World** Licensed Standard Software packages described in Exhibit A.

<u>Annual Maintenance Cost</u>	
Year 1	No charge
Year 2	\$45,500
Year 3	47,000
Year 4	48,500
Year 5	50,000

EXHIBIT D
NEW WORLD SYSTEMS CORPORATION
NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES

This **Agreement**, when accepted and executed by **New World**, grants the undersigned the permission to use and/or have limited access to certain **New World Systems® Corporation (New World)** proprietary and/or confidential information.

Installed At: **City of Ridgecrest**
Customer Name

Located At: **100 W. California**
Ridgecrest, CA 93555

Authorized Signature of Customer:

Name (Please Print or Type)	Title	Signature

In exchange for the permission to use or have access to **New World** proprietary and/or confidential information, including without limitation, **New World** software and/or documentation, the organization and individual whose names appear below, agree to the following:

1. No copies in any form will be made of **New World** proprietary or confidential information without the expressed written consent of **New World's** President, including without limitation, the following:
 - a) Program Libraries, whether source code or object code;
 - b) Operating Control Language;
 - c) Test or Sample Files;
 - d) Program Listings;
 - e) Record Layouts;
 - f) All written confidential or proprietary information originating from **New World** including without limitation, documentation, such as user manuals and/or system manuals; and/or
 - g) All **New World** Product Bulletins and/or other **New World** Product related materials.

2. **New World** software, **New World** documentation, or other proprietary or confidential information shall not be used for any purpose other than processing the records of the **Customer** identified above as permitted in the **Customer's Standard Software License and Services Agreement** with **New World**.

3. The undersigned agree(s) that this **Agreement** may be enforced by injunction in addition to any other appropriate remedies available to **New World**. If it is determined that the money damages caused by the undersigned's failure to comply with the foregoing terms are difficult to ascertain, they are hereby estimated at liquidated damages of no less than three times the then-current License Fees for the License Software provided to **Customer** under the *Standard Software License and Service Agreement* between **Customer** and **New World**.

Agreed and Accepted by Third Party (Organization)

Agreed and Accepted by Third Party (Individual)

Organization: _____

Individual: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Accepted and Approved by New World Systems Corp.

By: _____

Title: _____

Date: _____

EXHIBIT E
DEMONSTRATION SITE DISCOUNT

New World has provided **Customer** a significant discount in exchange for the privilege of using **Customer's** site for demonstration purposes. Accordingly, after the Licensed Software has been delivered and installed, **Customer** agrees to act as a demonstration site for prospective **New World** customers. **Customer** also agrees to serve as a reference or remote demonstration site on the telephone for prospective **New World** customers. By agreeing to be a demonstration site, **Customer** is not necessarily endorsing the **New World** software and **Customer** will not actively participate in any type of marketing and advertising campaign for or on behalf of **New World**.

Demonstrations will be coordinated with the appropriate **Customer** personnel and will be scheduled to minimize the interruption to **Customer's** operations. **New World** will provide **Customer** reasonable notice for preparation.

EXHIBIT F
DATA FILE CONVERSION ASSISTANCE

New World will provide conversion assistance to **Customer** to help convert the existing data files specified below. If additional files are identified after the contract execution, estimates will be provided to **Customer** prior to **New World** beginning work on those newly identified files.

1. General

- a) This conversion effort includes data coming from one unique data source, not multiple sources.
- b) No data cleansing, consolidation of records, or editing of data will be part of the data conversion effort. Data cleansing, removal of duplicate records, and editing must take place by **Customer** prior to providing the data to **New World**

2. New World Responsibilities

- a) **New World** will provide **Customer** with a conversion design document for signoff prior to beginning development work on the data conversion. No conversion programming by **New World** will commence until **Customer** approves this document.
- b) **New World** will provide the data conversion programs to convert **Customer's** data from a single data source to the **New World Licensed Standard Software** for the specified files that contain 500 or more records.
- c) As provided in the approved project plan for conversions, **New World** will schedule a conversion analysis trip and a separate data conversion testing trip to **Customer's** location. The conversion testing trip for each application is a billable support trip, using standard Exhibit B daily billable rates, which is scheduled in conjunction with the delivery of the converted data to the **Customer**.
- d) **New World** will provide the **Customer** up to 3 test sets of the converted data. Additional test sets requested may/will require additional conversion costs.
- e) **New World** will provide the standard conversion record layouts to the **Customer** and convert the available data elements defined in the standard conversion record layouts.
- f) Up to seven years of historic data will be converted by **New World**.

3. Customer Responsibilities

- a) **Customer** will provide data in standard conversion record layouts as provided by **New World**. Submitted data files must include an accurate count of records contained in the files.
- b) Data will be submitted to **New World** in one of the following formats: AS/400 files, Microsoft SQL Server database, Microsoft Access database, Microsoft Excel Spreadsheet, or an ASCII-format delimited text file. Data and databases will be transferred using the New World ftp site.
- c) **Customer** understands that files or tables containing less than 500 records or table entries will not be converted.
- d) As provided in the project plan for conversions, **Customer** will provide a dedicated resource in each application area to focus on conversion mapping and testing. This includes dedicating a support person(s) whenever **New World** staff is on site regarding conversions. Roughly a one to one commitment exists for **Customer** commitment and **New World** commitment. **Customer** understands that thorough and timely testing of the converted data by **Customer** personnel is a key part of a successful data conversion.
- e) **Customer** agrees to promptly review conversion deliveries and signoff on both the conversion design document and on the final conversion after the appropriate review. Applying the converted data to the production (Live) environment will constitute conversion acceptance by **Customer**.
- f) If the **Customer** cannot provide data in the format defined in New World's standard conversion record layouts then **New World** will map the data to New World's standard conversion record layout at the Daily Rate. The **Customer** must provide complete file and field definitions for **New World** to map the data.

Exhibit F / DATA FILE CONVERSION ASSISTANCE

Only one data source for each of the following files to be converted:

Financial

- Vendor Information (includes PO and AP)
- General Ledger/Budget History

Payroll

- Employee, Detailed Earnings History, Position Master

EXHIBIT G
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EXHIBIT H
INCORPORATION BY REFERENCE OF NEW WORLD'S RESPONSE TO CUSTOMER'S RFP
SOFTWARE SPECIFICATIONS

For the applications licensed on Exhibit A, the **New World** Detail Response to the software specifications of **Customer's** RFP is incorporated in this **Agreement** by reference.

All items coded "Yes" (as qualified) in the **New World** Detail Response to **Customer's** RFP Questionnaire will be provided to **Customer** through currently existing Exhibit A software capabilities, **Customer's** use of 3rd Party software, custom programming provided by **New World** and/or future enhancements to Exhibit A software provided under Exhibit C. Items that are qualified, or coded as requiring modification, may be provided using Exhibit B support services at the then current daily rates.

If the terms and conditions of the **New World** Detail Response to the specifications of the RFP and this **Agreement** are in conflict, the governing terms and conditions shall be this **Agreement**.

If **Customer** has not licensed the software on Exhibit A to meet a software specification, then that specification shall not apply in any acceptance test and/or to fulfill the above criteria.

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
HOUSING AUTHORITY/FINANCING AUTHORITY AGENDA ITEM**

SUBJECT:

Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of October 7, 2015

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of October 7, 2015

FISCAL IMPACT:

None

Reviewed by Finance Director:

ACTION REQUESTED:

Approve minutes

CITY MANAGER 'S RECOMMENDATION:

Action as requested: Approve Draft Minutes

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**MINUTES OF THE REGULAR MEETING OF THE
RIDGECREST CITY SUCCESSOR AGENCY,
FINANCING AUTHORITY, AND HOUSING AUTHORITY**

**City Council Chambers
100 West California Avenue
Ridgecrest, California 93555**

**October 7, 2015
5:00 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

CALL TO ORDER – 5:00 p.m.

ROLL CALL

Council Present: Mayor Peggy Breeden; Mayor Pro Tempore James Sanders; Vice Mayor Lori Acton; Council Members Eddie B. Thomas, and Mike Mower

Council Absent: None

Staff Present: City Manager Dennis Speer; City Clerk Rachel J. Ford; City Attorney Michael Silander, and other staff

APPROVAL OF AGENDA

- City Manager Dennis Speer requested a change to closed session by moving the order of items to be reviewed to accommodate a teleconference with participating attorneys.

Motion To Approve Agenda As Amended Made By Council Member Mower, Second By Council Member Sanders. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.

PUBLIC COMMENT (Closed Session)

- None Presented

CLOSED SESSION

- GC54956.8 Local Agency Real Property Negotiations – Negotiation for sale – Parcel Map No. 10819 Lots 1, 2, 3, 34, 35, and 36 – Agency Negotiators City Manager Dennis Speer and Economic Development Project Manager Gary Parsons
- GC54956.9 (d) (4) Conference With Legal Counsel – Existing Litigation – City Of Ridgecrest v. William Dale Howard
- GC54956.9 (d) (4) Conference With Legal Counsel – Existing Litigation – Cohen v. City Of Ridgecrest
- GC 54956.9 (d) (4) Conference With Legal Counsel – Existing Litigation – City Of Ridgecrest v. Matasantos

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
 - Conference With Legal Counsel – City Of Ridgecrest v. Matasantos – report received, direction given to staff, no reportable action
 - Conference With Legal Counsel – Cohen v. City Of Ridgecrest – report received, direction given to staff, no reportable action
 - Conference With Legal Counsel – City Of Ridgecrest v. William Dale Howard – report received, direction given to staff, no reportable action
 - Local Agency Real Property Negotiation – report received, direction given to staff, no reportable action
- Other
 - None

PRESENTATIONS

1. **Presentation Of A Proclamation Honoring The 125th Anniversary Of The Daughters Of The American Revolution** Council
- Council presented a proclamation to representatives of the Daughters of the American Revolution

PUBLIC COMMENT *(Regular Session)*

David Milam

- Past president of sons of the American Revolution would like to second and honor the proclamation given to the daughters of the American Revolution.
- Spoke on the services of the daughters of the American Revolution.
- Gave background of the sons of the American Revolution.
- Encouraged citizens to not neglect the women of this community
- Complemented Mayor and Council for roadwork and drainage on Ridgecrest Blvd.

Barbara Lueck

- Requested a crosswalk at the post office on Coso Street and near Stater Brothers.
- Safety issue on Ridgecrest Blvd. Lights installed in the center of the sidewalk which does not allow wheelchairs to pass.
- Near Sage Clinic on China Lake Blvd, almost hit by car while riding a bike. Vehicle was in the bike lane to make the turn. Suggested signage to prevent this action.
 - Dennis Speer – that portion of China Lake Blvd is under the control of Caltrans so will pass information along to them.
 - Peggy Breeden – commented on experiment of getting around on Ridgecrest Blvd. in a wheelchair. Is doable.
- Persons in a wide wheelchair had a problem.

Dave Matthews

- Commented on the Sons of the American Revolution. Just recently heard of the organization so Mr. Milam's comments confirm the existence of the organization. Interested in joining the organization
 - Peggy Breeden – will provide contact information.

Mike Neel

- Distributed copies of court records pertaining to the William Dale Howard case. Highlighted paragraphs 11 and 12.
- Commented on property being cleared and fences being removed. Everything has been removed except receiver who wants the money.
- Commented on the destruction of the home in the amount of \$60,000
- Stated the lender will foreclose on the properties including the house which sits on one of the properties.
- Commented on additional orders making Mr. Howard personally liable for other expenses in the amount of \$315,000.
- Asked Council if this was fair and just.
- Commented on elderly couple being left homeless and penniless
- Grieved and angry about the actions and holds City Manager, Chief of Police, and Council responsible.

Mrs. Neel

- Read quote from Patrick Henry and commented on Mr. Howard not having opportunity for trial by jury.
- Quote referenced the right of trial by jury of peers which include neighbors.
- Commented on being livid when discussed the situation with her husband.
- Commented on Halloween and Christianity not being people of darkness.
- Asked how many people met with Mr. Howard to find out the situation.
- Commented on Mr. Howard living in the location for 60+ years, before incorporation and asked what would happen to your property in future when things change.

COUNCIL ANNOUNCEMENTS

Mike Mower

- Water is main concern and proposed changes to City manager and parks. Not proposing parks be let go but the lands east of City hall and grass east of tennis courts. Streets are full of water daily. Most of the water near the tennis courts is flowing from the soccer fields and draining into the road so suggested cutting back some watering at these locations. Hope citizens took advantage of the rain and turned off their sprinklers.
- Median art committee has been working to get things done on China Lake Blvd. Caltrans has required another resolution making the artwork a signature event and insuring the structures. Asked this be added to the agenda for next meeting.

Eddie Thomas

- Encouraged citizens to support the petroglyph festival
- Announced Walmart groundbreaking

Lori Acton

- October 15 Building Permit Workshop with Kern County Inspector in City Council Chambers
- Trona Gem and Mineral show this weekend
- Military Banner Program is now back up and running.
- USO event October 17

Peggy Breeden

- November 13 groundbreaking for Murray Middle School with Congressman McCarthy. Encouraged citizens to think of things they want to discuss with him while he is visiting.
- Call from resident asking about pumping water in the skateboard park.
- RidgeProject cleanup has been changed to October 31 in the morning. Encouraged all citizens participate in cleaning the town before the petroglyph festival. If cannot provide labor, perhaps donate funds to purchase supplies.

CONSENT CALENDAR

2. Adopt A Resolution To Amend The Professional Service Agreement In The Amount Of Six Thousand One Hundred Eight-Four Dollars (\$6,184.00) With The Engineer Of Record, Mark Thomas & Company, For Additional Construction Support and Survey Work On The Closeout Of The West Ridgcrest Boulevard Project And Authorize The City Manager, Dennis Speer, To Execute The Amended Agreement Speer
3. Adopt A Resolution To Amend The Professional Service Agreement With Quad Knopf Inc., For Additional Service Of Right-Of-Way Acquisition In The Amount Of Twenty-Four Thousand Four Hundred And Fifty Dollars (\$24,450.00) And Authorize The City Manager, Dennis Speer, To Execute The Amended Agreement Speer
4. Adopt A Resolution To Approve The Purchase Of A Trimble R10 Survey Grade GPS Rover Unit In The Amount Of Thirty Five Thousand Six Hundred Ninety Two Dollars And Thirty Five Cents (\$35,692.35), For The Use Of Locating Underground Utilities For The Wastewater Treatment Facility Speer
5. Adopt A Resolution Of The City Council Of The City Of Ridgcrest Accepting The Other Post-Employment Benefits (OPEB) Actuarial Study As Of June 30, 2015 Prepared By Nyhart Company Staheli
6. Adopt A Resolution Of The Ridgcrest City Council Authorizing The City Manager To Enter Into A Land Lease Agreement And An MOU With WEPCO Inc. To Develop A Solar Project At The Ridgcrest Animal Shelter Strand
7. Adopt A Resolution Amending Resolution No. 15-77 And Authorizing Tax Allocation Bond (TAB) Funds From Parks And Recreation Allocation Be Expended For Capital Improvements To The Concession Stand Construction Project Patin
8. Adopt A Resolution Authorizing A Proclamation For Freedom From Workplace Bullying 2015 And Approving Delivery By Mail To The Requestor Ford
9. Approve Draft Minutes Of The Ridgcrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Meeting Dated September 16, 2015 Ford

Items Pulled From Consent Calendar

- Item Nos. 4, 5, 6, and 7

Motion To Approve Consent Calendar Item Nos. 2, 3, 8, and 9, Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.

Item No. 4 Discussion

Dave Matthews

- What type of device is being purchased
 - Dennis Speer – a sophisticated unit that will allow us to locate utilities

Motion To Approve Consent Calendar Item No.4 Made By Council Member Acton, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.

Item No. 5 Discussion

Jim Sanders

- Asked if we were only approving the report, ok with this but would like to understand it better.
 - Tyrell Staheli – report only, Council welcome to stop by any time for more in-depth discussion

Peggy Breeden

- Requested a brief synopsis and the impact
 - Tyrell Staheli – government code requires we provide a minimum reserve to cover retirees who receive health insurance. We are prefunding this unfunded expense so we do not run short of funds to cover the cost of health benefits. Reviewed current costs. Actuarial gives estimate based on expected employee retirements. Cost is already in the budget.
- There have been emails sent out thru the League asking how we are funding the unfunded mandates.
 - Tyrell Staheli – this study tells us how much to allocate. There is a large portion from general fund and others from wastewater and transit.
- Requested a report on the unfunded mandates. Would like to know where we stand before we have someone come talk to us about this.
- Want to understand the actual impact
 - Tyrell Staheli – gave the impact based on current employees.

Eddie Thomas

- Questioned discount rate on page 10
 - Tyrell Staheli – these are different assumptions we could take. We went with the higher in anticipation of this being the right rate for our employee pool.

Jim Sanders

- Wondered why everyone else is struggling with this.
 - Tyrell Staheli – we began pre-funding right from the start to avoid the impact later.

Chip Holloway

- Great study by miserable read. Very contradictory
- 40% excise tax on employee health coverage
- Page 2 asked if the valuation change was positive or negative.
- All assumptions are based on 7.28% rate but may not get this return on investment.
- We pay minimum to CalPERS and is capped on the health side. But important to explain this to citizens when trying to renew measure 'I'.
- Report is very confusing and asked for it to be narrowed down to nice PowerPoint.
 - Tyrell Staheli – actuary who did the report will come and review it with us.

Mayor Breedon and Council Member Sanders expressed their concern about voting for the item without full understanding

Council Member Acton assured Council this vote was for receive for filing only, not approval of the document, and the Actuary could attend at a later date to fully explain the report.

Motion To Approve Consent Calendar Item No. 5 Made By Council Member Acton, Second By Council Member Mower. Motion Does Not Carry By Roll Call Vote Of 2 Ayes (Council Members Acton, And Mower); 3 Noes (Breedon, Thomas, And Sanders); 0 Abstain; And 0 Absent.

Item No. 6 Discussion

Jim Sanders

- Wanted to make sure this land would not be used for future wastewater development
 - Ron Strand – have reviewed with wastewater and City Manager, and assured this portion would not be used for wastewater plant or tertiary plant.

Motion To Approve Consent Calendar Item No. 6 Made By Council Member Sanders, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.

Item No. 7 Discussion

Dave Matthews

- Questioned why the insurance portion of project is so low.
 - Jason Patin – amount seen is not the entire amount received, part has been used for demolition and other needs resulting from the loss of the facility.
- Is new building bigger and why does it cost more.
 - Jason Patin – cost of construction has gone up and ADA Code has changed.
- Wasn't this an arson case and were the persons found.
 - Ron Strand – Confirmed this was vandalism and the persons have not been caught.

Tom Wiknich

- Asked Council who has seen the plan for the concession stand. Seems like a lot of money and can't comprehend the expenditure without seeing the plan.

Peggy Breeden

- Asked Jason to come back with a full presentation of the concession stand with the bells and whistles.

Jason Patin

- The project has already been approved; this is only changing the funding source from impact fees to TAB funds.

Mike Mower

- Commented on paying prevailing wages.

Item No. 7 *(continued)*

- Correction made to total of \$348,500.00 due to typographical error.

Motion To Approve Consent Calendar Item No. 7 Made By Council Member Mower, Second By Council Member Sanders. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.

DISCUSSION AND OTHER ACTION ITEMS

10. Appointment To Measure ‘L’ Citizens Advisory Committee **Council**

Jim Sanders

- Applications received from Nellavan Jeglum, Jacque Walters, and Richard Martin. Spoke with each and all are top notch citizens. Very impressed with each of the applicants.
- Felt Jacque Walters would add a lot to the committee with her experience and commitment to this community.
- Nominated Jacque Walters as member of Measure ‘L’ Citizens Advisory Committee

Peggy Breeden

- Agrees with the nomination however suggested delaying to the next Council meeting because have received letter of resignation from Robert Gould for the end of the month.

Mike Mower

- volunteered to make next appointment.

Motion To Approve Nomination Of Jacque Walters To The Measure ‘L’ Citizens Advisory Committee Made By Council Member Sanders, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.

ORDINANCES

11. Introduction And First Reading, An Ordinance Of The City Council Of The City Of Ridgecrest Amending The Municipal Code As It Relates To Animal Keeping **Alexander**

- Mike Mower recused himself from the item due to conflict and left the Council Chambers.

Matthew Alexander

- Presented Staff Report
- Reviewed the history of ordinance preparation and planning commission involvement.
- Reviewed specific points of the ordinance.

Mary Stage – Animal Control Supervisor and Candice Robbs – Animal Control Officer

- Reason this was drafted is because there was not clarity in certain animals and there was some residents interested in housing poultry and fowl.

Peggy Breeden

- Asked for approximate number of calls received monthly on chickens or other fowl.
 - Mary Stage – depends on the neighborhood and multiple calls have been received. Depends also on time of year and the neighbor's tolerance. Sometimes is 4 or more and sometimes is less.
- Asked the amount of time spent to process 20 permits.
 - Mary Stage – once paperwork is submitted approximately 4-6 hours per permit. Have to instruct persons with construction of pens and coops, inspect the property, review location and try to mitigate impact on neighbors, instruct on proper way to construct the pens. Ordinance covers all poultry that will now be in yards next to dogs or cats. Then have to go inspect after the pen is constructed.

Lori Acton

- Asked about cat or dog inspections
 - Mary Stage – those inspections take between ½ hour and 1 hour for fencing and homes. Not having to deal with construction of pens.
- Asked if the information will be accessible online and with handouts.
 - Mary Stage – will have these things available but sometimes people need additional guidance. Don't want something constructed incorrectly and then have to be redone. We will work with individuals in all phases of the construction.
- Asked if there will be an influx of poultry
 - Mary Stage – will see an influx. Most people who currently have poultry are keeping it quiet and once permits are available believe people will come forward. Also will have some people who don't understand and won't come forward for a permit which we will have to enforce. May be impounding more chickens because some people may not want to pay the permit fee or helping people go about this the proper way.

Eddie Thomas

- Will the pens or coops help eliminate the smell and roaches that result from the poultry?
 - Mary Stage – the coops will be to protect the animals from getting into the neighbor's yard or loose in the neighborhood. Rodents will still come depending on how the person cleans and stores the food.
- Would there be potential lawsuits for dogs attacking others animals and would we be liable.
 - Michael Silander – as long as reasonable ordinance is adopted the City would not be liable.
 - Mary Stage – this would be a civil matter between the neighbors. Don't see how City would be impinged. Dogs and cats are currently allowed and we are just allowing a broader range of animals. Owners would be responsible for damages.
- Will there be a rotation inspection for permit holders or will you have to wait for a call.
 - Mary Stage – will probably inspect on a rotation basis but if we get a call we have to respond right away for every call. Sometimes we don't find a problem but most of the time we do find health hazards to both animals and the owners. If you don't clean up from any animal you will have a lot of insects and rodents. Persons who do get permits will be more responsible, those who get poultry without the permit are the ones we typically have problems with. Many of these are selling the eggs and running a business out of the house. Chickens are quieter than geese or ducks so we will have additional calls for noise.

Jim Sanders

- For calls currently received for chickens, typically how many chickens are you seeing?
 - Mary Stage – 4 to 12 chickens per call.
- Thanked staff for their hard work in putting this together.

Peggy Breeden

- Asked if the poultry listed is the only ones allowed and asked for language that clarifies this.
- Do we grandfather chickens already housed
 - Michael Silander – ordinance does not have a grandfather clause. Must have permit unless we put in a grandfather clause

Public Comment

Dave Matthews

- Apologized because intended to have written outline to all Council and media about why the ordinance is chicken crap
- Asked if this was a new ordinance or amending an ordinance.
 - Matthew – adding a section to zoning and animal control sections of the municipal code.
- Are dogs required to be in a pen like the poultry
 - Mary Stage – required being in a secure fence.
- There are properties where I could not build a pen 20 feet from adjacent parcel because my house is bigger than what was intended for the lot.
- Animals we owned in the past were for children to have pets and to have offspring.
- Animals tend to multiply, so if you have a family of 6 children and they want a pet for each child then already above the limit of 4.
- Regarding poultry and fowl, this was missing from previous ordinance and should be addressed however there are still questions.
- Not clear that peacocks are limited, need to change the ordinance for this.
- Don't agree the animal control people should be allowed to issue the animal fanciers permit. They are the enforcers and in the concept of separation of powers, someone else should issue the permit. Suggested a planning commissioner, Council member and zoning department. Animal control input would be helpful and appreciated but should not be issuing the permits.
- Suggested fee is outrageous at \$150.00. a lot of people cannot afford this.
- Constitution amendment 5 specifically prohibits passing laws ex post facto. Would like to see the grandfather clause included. Do not pass a law to do away with something that is already in existence. That is why the forefathers came to the America's. Want to see the clause in this ordinance.

Gavin Swanson

- Looking for clarification for pricing of the permit. Justification was initial time expense for the first permit but renewals and other animals that do not require this time will they have a different price.
 - Matthew – permit fees have not been set and will be set by resolution
- Asked about time limit for permit
 - Matthew – proposed for 5 years.
- Regarding retroactive, am in favor of enforcing limits retroactively.

Dan Wright

- Regarding CC&R's, is it the intention of the Council and this ordinance to override existing CC&R's. need some explicitness in the ordinance that addresses whether this ordinance will override these CC&R's
- All houses owned in the City have prohibited poultry and pigs.
- Don't expect City to know the CC&R's that exist on every property, but do expect this as part of the permitting process. Would like to have these addressed in the wording of the ordinance and if the Council proceeds then need to have a way to verify the CC&R's are in compliance to prevent lawsuits in court. City has a stake in these because they approved them at some point.
 - Typically CC&R's can be more restrictive than municipal code which is implied. Would not hurt to have language added to address this.
- Trying to avoid the kind of mess that might result.

Steve Morgan

- Provided a printed statement (*Attachment A*)
- Stated he is anti-chicken
- Commented this is Mr. Sander's third attempt to get this ordinance passed.
- No objections to further defining of animals other than the poultry and fowl.
- Applaud staff members, who have serious concerns and objections to this with regard to the fowl. They still put forth a balanced ordinance.
- Have not addressed the noise Fowl produce. Going to exacerbate the problem for staff. So much discretion staff will have to deal with is not fair to them. No definition of 'what is a chicken coop'. Temperatures have a lot to do with it.
- How does this ordinance deal with pigmy goats? 4-H is mentioned. If going to allow certain 4-H then have to allow all including cows. This is not a level playing field. Bakersfield allows pigmy goats same as dogs and cats.
- Section 20.33.3 - No enclosure requirement and specification exist so should not move forward until this is defined for the citizens in the community.
- Section 5.17.d (c) – how do you define the terms suffering, neglect, cruelty or abuse. Reviewed heat and temperature effects on chickens. Where are coop requirements going to be specified? Will have to require some type of cooling system for the chickens to prevent heat stress.
- Commented on permit section. \$150 for five year permit. If the animal control persons are spending their time to do inspections and calls then City is not collecting enough money.
- Commented on predators. Besides house cats, bobcats and coyotes have a strong sense of smell. Council is inviting predators into the community if you allow poultry. Drought conditions and lack of food in the desert will bring predators into town for the chickens. Related story of seeing coyote in daylight with no fear of traffic.
- Will have bugs and vermin. Responsible people will make sure it is picture perfect for inspections, what about the rest of the year.

Steve Morgan (*continued*)

- Other communities allow chickens. Bakersfield only allows chickens in agricultural and residential suburbs with larger lots. Minimum of 15,000 square feet lots.
- Regarding economics, average chicken lays 300 eggs per year and we are allowing 2 per household. At a cost of \$3.00 per dozen is \$150. 200 families equal a \$30,000 lost revenue per year. The more hens the more lost revenue. If this is passed, you are affecting the bottom line for stores such as Wal-Mart. It all adds up and needs to be considered.
- Council has every right to not approve this and let it die tonight.
- Appreciate the thought behind it but there is only a small group of people who want this. At last Council meeting there were more people against it than for it. Not even the 4-H members were in favor.
- This is a backyard, not a barnyard.

Tom Zurn

- Spoke on the history of the City. Reason I don't want to live next to farm animals is why I bought my home in town.
- Have petitions with 180 signatures of residents who don't want this. The majority of people do not want this. The minority does not take vote here and Council needs to take note of this.
- 7 people disagreed, 2 people like chickens and the majority were against this ordinance.
- If Council has not taken a survey then they have not heard the majority.

Claudette Zurn

- Appreciate the gentleman who talked about CC&R's. I did bring this up at the planning commission meeting and it was ignored.
- City is broke and understaffed.
- Currently have ongoing litigation with Dale Howard
- If you give people an inch they will take a mile. Let the police do their job and not check on chickens
- R-1 neighborhood is designed for a quiet quality of life for residents. People buying this property did so with the understanding they would not have to live next to the noise and smell of agriculture.
- Chickens bring poultry parasites, rodents, roaches, and other insects.
- Chickens are not cheaper than buying at the store. If you want to raise chicken then should have bought property zoned as such.
- Many citizens have not received written notice because they do not take the newspaper. Should have the opportunity to disapprove.
- Commented on avian diseases.
- Community is better served by passing rules and fines for people taking their pets out to relieve themselves on private and public property. Walk down Downs street.

Tina Warren

- Live on property currently zoned for chickens.
- Thanked Steve for bring up the heat impact on chickens.
- Used to have a dog that loved chicken as a prize and could not be stopped from killing neighbors chickens.
- How will we deal with neighbors who have holes in their fences and what if a child is in the yard when a dog goes after the chickens?

Tom Wiknich

- Referenced some of the calls received as volunteer code enforcement officer.
- Citizens have called and complained about odor and noise at night and the inability to open their windows.
- Have seen the bugs and rats with neighbors putting traps in their yards because the neighbor has chickens.
- Bobcats do go into yards and should talk to Mary Stage about what is left behind when they are done.
- What will happen when a Bobcat or Coyote gets into the yard and can't get to the chickens but can get to the Chihuahua.
- If people want chickens then they should move to areas that allow chickens and not subject their neighbors to the odor and noise just because you want chickens.
- Do not this it is worth the problems caused by the rest of the neighborhood.
- This needs to be tuned in certain areas and not allow any poultry or fowl in the neighborhoods.

Greg Boske

- Asked Council to reject this fowl business. We live inside City limits to avoid this.
- Attended a planning commission committee and opposed having farm animals in our fair City.
- I like living in a residential area with normal pets like dogs and cats.
- Used to live on a farm and they do smell and bring in rodents and bugs.
- There are some people in the neighborhood who currently own chickens and they want the ordinance passed because they are already breaking the law.
- Worst thing you can do in a neighborhood is have to address a neighbor about their pets. Dogs and cats defecate on your yard and the owners won't clean it up.
- Asked Council to reject this and not have another meeting on the subject.

Mike Neel

- The way this is set up for poultry is ridiculous. People want chickens for the eggs, not as pets. Two chickens aren't enough for eggs.
- If you want to pass a pet ordinance then either says you can have them or not. This Animal Fancier's Permit is just a tickler. Decide whether you want a chicken free City or not.

Loren Culp

- Council might want to consider the possibility of public health issue.
- Is a victim of histo plasmosis which was acquired at a young age around poultry. Very prevalent in the Midwestern states and Ohio valley
- Condition is where virus attacks soft tissues of the retina of the eye and lungs. I have active scaring in both eyes and lungs.
- Caution Council to look at this and consider it when making their decision.

Chip Holloway

- Executive director of Antelope Valley Fair and Event Center.
- Fairground is struggling since state took away funds.
- Driving through Lucerne Valley and they have prosperous eggs.
- Plugged the fair in October.
- Exploring having a chicken coop on the fairgrounds as a way of raising revenue for the fairgrounds.
- As a former Council member, why would you create any new problems?

Warren Cox

- Never owned chickens or intended to.
- The ordinance is much wider than chickens.
- To do nothing leave loopholes so may need to go back to staff and is redesigned to close the loopholes.
- Have lost pets on our street to predators. Have seen wild pheasants and dove.
- Concern is to close the loophole for the animal control officers who have to respond to the calls.
- Do not think this ordinance will cause an influx of chickens.
- There are holes in the ordinance that need to be closed and to do nothing is the same as approving it because there are chickens in town today and animal control cannot enforce the current ordinance.
- Not sure if chickens are any more attracting than any other small animal.
- Need to close the loopholes even if it goes back to staff.

Marilyn Neel

- Seeing signs on the highway that say pets are children too. I love my pet. Asked what will happen later on when things change. Later they may say you can't have more than 4 children. Look at China.
- Government has the ability to hold up liberty or to play God and tell people what to do.
- Think people have a lot of common sense in this town and you can appeal to their capacity to love their neighbor.

Speaker

- Anti-chicken in the R-1 areas
- Asked for clarification on animal tethering.
- If I go to a park would like to tie my dog off to a tree or bench and same in the front yard. Need more clarification like 'unattended tethering'

Dennis Speer

- Suggested clarification under household pets. Exemplified his Golden Bearded Dragon requirements. Need an exception for exercise and cannot have definitive language that requires continuous cage.

Jim Sanders

- Gave background of how this ordinance came about. On planning commission had people questioning why they can't have chickens and that the municipal code was vague. Staff has a lot of problems to take care of and need to keep control on this problem.
- Anybody who reviews the municipal code is the type of person who will take care of their chickens. There are people who cause problems by ignoring the code and having too many chickens, and these are the people animal control needs the ability to take care of.
- If we start listing all animals that should be banned based on noise, smell, and need for space it would be the dog.
- Society is changing and more cities are accepting chickens. But we have to establish regulations.
- A small number of chickens have no impact on the neighborhood. Who are we to say 'No'? In small populations chickens are very amenable in residential neighborhoods.
- It is government's responsibility to prohibit activities that affect the freedom of other people. There is no justification to prohibit this.
- Property line issue has been raised, 20 feet from any other property versus parcels.
 - Problem with the term 'dwelling' is there are empty lots that may someday have a house added so went with property lines. The lot size does allow room for a coop in almost any situation.
- CC&R's is a valid point and should include language.

Jim Sanders (*continued*)

- Matthew Alexander – we have one zoning ordinance the City planner is responsible for and would have to be responsible for each and every CC&R. Perhaps in the Animal Fanciers Permit. We cannot enforce CC&R.
- Is there a permit sunset.
 - Matthew Alexander – the latest revision shows 5 years.
- This has only been voted on twice. It is a long time project.
- Predators are a valid concern but the truth of the matter is any pet owned will attract predators. Have to be consistent.
- Either we allow pets and justify on a consistent basis or we don't allow pets.
- Bugs and vermin, depends on how you take care of them.
- A democracy imposes their will on the majority and the reason for having representation is to be the voice of the minority.
- We have to do something, either we prohibit fowl all together or we allow in a limited fashion and I think this law is a very good fit for this town.

Lori Acton

- Have listened to both sides and all cases made against chickens are also for them.
- This is about animals in general.
- We have to regulate so animal control can enforce when they receive calls.
- Sorry you don't like chicken and I don't care if my neighbor has 2 or 3 but I do care if they have 12.
- Do think we need to do some word smithing. Animal Control has worked hard to make this fair.
 - Mary Stage – something needs to be done. As long as I have been here chickens were not allowed. In conversion somewhere along the line it disappeared. We are trying to enforce things that aren't there and need something in writing that I can show someone. Whether the poultry goes or not I still need something regarding household pets.
- Under household pets, are there other animals that need to be listed to make it clear? Want to make sure we are giving you the teeth to do your job.
 - Mary Stage – these listed are the most common household pets.
- Does this take care of dog and cat breeders?
 - Mary Stage – kennels are not allowed in City limits. This covers pets 4 months of age or older. If you have a litter, then the owner needs to either get rid of them before 4 months or get a permit.
- Asked about fees for adoption and inspections.
- Would prefer we table the Fowl and at least give animal control something to enforce.

Eddie Thomas

- No disrespect, but disagree with Mr. Sanders on the smell. Raised chickens and they smell regardless of what you do.
- Lean toward removing poultry within City limits. Burnt out on chicken.

Peggy Breeden

- Think we do have dog and cat issue and we have focused on poultry. Do we need a home in City limits that need 10 or 15 dogs?
- How do you enforce how many mice, birds, or chinchillas inside my house? I don't think these are enforceable things. I don't want someone coming into my home to tell me I have 10 guinea pigs.
 - Mary Stage – the reason there is a limit on household pets is not to go door to door but a lot of people in homes we have gone to on a complaint they collect animals. When I get a call for odor and I get there I see a lot of unkempt bird cages with no water or food and abused animals. The purpose of this ordinance is to give a limit that gives us the ability to control the abusers. Without this ordinance, when I go to a house that has 15 birds or cats we can then get it in control, not going door to door.
- Don't want to list animals but define household pets.
- I don't want to see poultry or fowl inside City limits. Remove item 3, rewrite and define household pets and leave dogs and cats.
- We have to come up with answers on how to deal with it when someone next door has 12 pets they aren't taking care of.
- Want this to go back to staff and be redone and then brought back to us.
- Staff has done a wonderful job but is not good enough.

Jim Sanders

- Would be helpful to define a rationale of why poultry would not be allowed.

Lori Acton

- Am torn, don't want to tell people what they can or can't have. There are loopholes we need to tighten up. At this time the dog and cat and household pets is fine but having a problem with poultry.

Peggy Breeden

- You said it. My ability to do something until it infringes on someone else. I don't want to put up with my neighbors chickens or ducks. I think the need and wants stops when it infringes on my needs and wants.
 - Jim Sanders – you feel it infringes on the neighbors rights?
- Yes, in addition to the enforcement issues dealing with complaints from the neighbors. Don't want to spend that kind of money to enforce.

Item No. 11 (continued)

Motion To Waive Reading In Full Of An Ordinance Of The City Council Of The City Of Ridgecrest Amending The Municipal Code As It Relates To Animal Keeping Made By Council Member Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas,); 0 Noes; 1 Abstain (Council Member Mower); And 0 Absent.

Requires A Second

- *No motion to introduce by title only was made therefore item does not pass first reading.*
- *Direction given to send back to staff for revision and return as a draft discussion prior to first reading.*

Council Member Mower returned to the meeting

COMMITTEE REPORTS

(Committee Meeting dates are subject to change and will be announced on the City website)

City Organization and Services Committee

Members: Lori Acton; Mike Mower
Meeting: 4th Wednesday each month at 5:00 p.m. as needed
Location: Council Conference Room B

Lori Acton

- October 15 Kern County will be holding a Building Permit Workshop, asking people with questions to get those to us early so we can have them answered specifically. Request this be televised.

Infrastructure Committee

Members: Jim Sanders; Mike Mower
Meeting: 3rd Thursday each month at 5:00 p.m. as needed
Location: Council Conference Room B

Warren Cox

- Discussed SCE and the new Murray Middle School
- Recommendation has been put forth to Sierra Sands and they will be meeting to discuss. Those who attended and expressed their concerns were thoughtful and well placed. Our school is the only one not built with grant money given due to environmental issues
- Downs Street discussion. SCE poles are not in their current easement and they have been asked to move the poles into the easement.

❖ **Ad Hoc Water Conservation Committee**

Members: Jim Sanders; Peggy Breeden
Meeting: 3rd Monday each month at 5:00 p.m. as needed
Location: Conference Room B

Jim Sanders

- Next meeting on the 19th at 5:00 p.m.

Peggy Breeden

- Would like to discuss the areas brought up by Council member Mower
- Attended water district meeting regarding their new ordinances and they want our ordinance and theirs to be as close as possible. They want to come back with their ordinance and compare the two ordinances.

Parks, Recreation, and Quality of Life Committee

Members: Eddie Thomas; Lori Acton
Meeting: 1st Tuesday each month at 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

Lori Acton

- We asked for a meeting and I forgot to contact Jason Patin.
- Asked City Clerk to review minutes for meeting topic.

❖ **Ad Hoc Youth Advisory Council**

Members: Eddie Thomas
Meeting: 2nd Wednesday of each month, 12:00 p.m. as needed
Location: Kerr-McGee Center Meeting Rooms

- No report

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Eddie Thomas; Lori Acton
Meeting: 3rd Tuesday every other month at 4:00 p.m. as needed
Location: Kerr McGee Center Meeting Rooms

- No report

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Lori Acton and Eddie Thomas
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: To Be Announced

Lori Acton

- Read directors report (*Attachment B*)

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

Jim Sanders

- Attended League of California Cities meeting last week in San Jose
- Approved Resolution to Governor to address zoning for rehabilitation centers, want them in residential neighborhoods for integration in society but finding the neighborhood is becoming only rehabilitation.
- Approved Resolution regarding the growing trend to rent out houses short term like hotels but not paying TOT or following zoning codes. Supporting SB593. Parking requirements addressed
- Did not take action on resolution requiring SCE abide by same standards for claims as PG&E. Referred back to committee to review all utilities
- Attended seminar on New Age communication. Exemplified interactive websites, e-newsletters, town hall meetings, text alerts, social media and guidelines
- Attended seminar regarding Redevelopment financing. Exemplified infrastructure financing districts, community revitalization investment authority

Peggy Breeden

- October 26 6:00 p.m. at Clarion Inn Kern County Mayors and City Managers meeting. No cost to the City. Cities exchange information and have a presentation.
- City was asked if we want a booth at the Petroglyph Festival. Not staff's job to man a booth, is Council interested in manning a booth?
 - Lori Acton – think this is a good time for Council to interact with constituents. We are trying to be as open as we can and this is in a forum that is relaxed and hear what public wants.
- Council will man the booth in two man teams for 2 hours each on Saturday
- November 12 East Kern Air Pollution Control District meeting.
- Median Art project will be coming back with a resolution to cover the art. Would like to see this on the October 21 agenda.

Jim Sanders

- Potential discussion item for agenda. Membership in the Quad State Local Government Authority. Meetings are out of state and have not been able to attend. \$1000 renewal annually. Need to discuss whether it is worth continuing. It is a good thing and policies influence the desert region but need to think about this.
 - Lori Acton – asked Steve Morgan to attend and could give a briefing.

Lori Acton

- BLM report – renewable energy transmission and emissions has been pushed back. Listed membership represented in the group. This group is to save the deserts and the activities we enjoy such as off-road activities, hunting, camping, etc. Commented on Solar projects.
- Governor Brown's office will be here on December 11 in the Council Chambers to discuss Economic Development.

Peggy Breeden

- Would like us to have Facebook utilized for announcements such as road closures.

CITY MANAGER REPORT

Dennis Speer

- Building permit workshop October 15 at 4:00 p.m.
- Walmart groundbreaking this Friday
- Drummond Avenue closed Monday the 12th for paving project
- Three projects completed by Griffith construction and now gold canyon is completed. Thanked staff, street crews and contractors for completing the projects.

MAYOR AND COUNCIL COMMENTS

Mike Mower

- Concerned about signage for Bowman Road construction. Would like to clarify that Bowman Road is closed
- Will be out of State from October 20-27 and miss the next Council meeting and Infrastructure meeting.

Eddie Thomas

- Used to be a crosswalk at Coso Street on China Lake Blvd.
 - Dennis Speer – area controlled by Caltrans and will pass information to them.
- Shout out to Police Chief and Mayor who have instituted a program for youth, the officers have come by and visited youth at the church and some youths have expressed interest in becoming a police officer. Mayor had root beer floats and rubbed elbows with the youth. Thank you both.

Lori Acton

- Kudos to the new officers on how they handled the recent tragedy on China Lake Blvd. at Coso Street.
- Four Square Church is offering laundry mat change for people who can't afford to pay for laundry at the end of the month.

- October 20 is ‘Shine the Light on Domestic Violence’. 30 minute walk scheduled. Appreciate our community stepping up and saying we will not accept this here.

Jim Sanders

- No comments

Peggy Breeden

- Commend Police Department for how they handled the situation on China Lake Blvd. Yesterday was an awful incident and our Officers showed they really cared. Thank you.

ADJOURNMENT at 10:19 p.m.

Rachel J. Ford, CMC
City Clerk

Have no objection to “further define” the limits for animal ownership, except for the inclusion of chickens, ducks, and geese.

I applaud the Staff for working on this, even though there are reservations and disapproval of including fowl in this ordinance. Staff, you did your job and my comments are more directed at my own objections, and those objections for which I have received calls and personal comments on that we should not include fowl in this ordinance in residential areas at all.

Chickens, ducks, and geese are not “pets” – on a decibel scale you must consider from a noise level from low to high first chickens, second ducks, third geese.

How does this ordinance pertain to pigmy goats, goats in general, and sheep? All serviceable 4-H projects in their own right, but there’s only an “inference” to fowl, i.e. chickens

20.33.3 – (C) “additional enclosure requirements and specifications may be obtained from the City of Ridgecrest Planning Department or Animal Control Department

(D) The owner or poultry and/or other fowl shall at all times keep the animal enclosures in a clean and sanitary condition

5.17.2 (C) The premises and enclosure where the animal is to be kept are in clean and sanitary condition, and the animal will not be subject to suffering, neglect, cruelty or abuse

HEAT – Where are the conditions stated for a pen/coup/enclosure? Where are proper ventilation standards, misting or fans, shade, point of interest – bare ground can reflect heat and it is recommended in my research that each chicken be allowed a minimum of 4 square feet each. The ordinance as written allows “any resident wishing to exceed the two poultry or fowl maximum” - so that would mean a bigger coup?

What I’m getting at here is that you are setting up your Animal Control Officers for failure. This is unenforceable and cannot be properly regulated.

Look to the Animal Fancier’s Permit – 20.33.2 Household Pets (excluding dogs and cats)

(E) Any resident wishing to exceed the four household pet maximum must obtain an Animal Fancier’s Permit through City’s Animal Control Department

5.17 -Animal Fancier’s Permit Required No person shall own or keep poultry and other fowl, as defined in this chapter or Chapter 20, without first applying for and obtaining from the Animal Control Officer an Animal Fancier’s Permit. Fees for the keeping of animals for which an Animal Fancier’s permit is required shall be established by resolution of the City Council. (do you have that?)

Each Animal Fancier’s Permit shall be valid for a period of five years from the date of issuance, unless revoked pursuant to this Chapter or Chapter 20 (how is this fee established, and what is the service cost estimate for each “inspection” – are inspections on a yearly basis? Semi-annually? When time and personnel are available???)

There are no specifications for the pen/coup/roost – is it up to the Animal Control Officers discretion? Does the City expect our Staff to be Chicken welfare experts???? That’s not fair at all.

Chickens (which is mostly what is being “promoted” here – have an average body temperature of 104-107 degrees, for which it is not difficult for them to dissipate heat when air temperatures are 10-15 degrees below that. Looking at our average temperatures that means that chicken “heat stress” can occur in Ridgecrest from May through September. So I as an average citizen concerned with cruelty to animals (chickens) can call out Animal Control on my neighbor to check out the poor chickens??? If anyone laughed there, I didn’t mean it to be a joke, but we’re putting our Animal Control Officers in that position if this passes with the fowl portion included.

5.17.8 Impoundment – Just where does the City put the chickens when this occurs? We do not have proper facilities for this, and does the Council have the funds to expand the Animal Control Budget to purchase such facilities/cages/etc??? I hope I’m convincing you this just can’t work.

Predators – You invite the increase of coyotes, bobcats (who have a keen sense of smell) into our Community. You may argue this cannot be substantiated, but you cannot deny increasing the “food source” won’t increase the predator presence. We have seen in the past predators on the campus of Burroughs High, the golf course, on our very streets (especially the outskirts of town) Just last month driving in to work, early morning daylight, I passed a coyote on Inyokern Road retrieving a road kill. Drought and lack of natural water sources drive predators toward town. You shall increase that with the fowl portion of this ordinance, and I ask you eliminate it completely.

Bugs/Vermin - sources of food for chickens, scratch, their waste, etc. will increase both. No matter how much you “clean” it. Keeping up with pest control right now is difficult at best on individual properties. Allowing coups/pens/roosts shall increase bugs and vermin outside the pens themselves – it can be argued that bugs are eaten inside the pens, I acknowledge that, but outside the pens bugs and vermin will increase. Has anyone tried to keep dog food in their garages without first putting it in a storage container? Mice “flock” to such food sources – and seed for chickens shall attract these vermin. You increase the possibilities of bugs and vermin in adjoining properties near these coups/pens. I do not wish to have that possibility.

This is Ridgecrest, it does not matter to me what other communities are doing in this regard, however, I will say I did contact several communities on their “chicken ordinances”, and they are all over the map. Two I will mention – Hayward in Bakersfield Planning said chickens are regulated by Zone only – Agricultural and Residential Suburban only: minimum lot size of 24,000 sq. ft, and Chris in Lancaster said chickens are only allowed on lots 15,000 sq. ft or larger..... We need to follow these examples if you insist on allowing chickens at all, which again, I do not agree with. I am in the no chicken camp.

Economics –

Let's just run some numbers: A chicken generally lays 300 eggs a year (25 dz)

2 chickens = approx. 600 eggs or 50 dz per year

\$3 dz store cost 3 x 50 = \$150

200 families 200 x \$150 = \$30,000 lost revenue

If 4 chickens \$60,000 lost revenue

In the world that we live in, that lost revenue is something you need to think about as you make this decision as well. Consider as well that those who “share” their eggs, or sell their excess eggs will raise the number of people who will not be purchasing eggs from our stores..... I’m being serious here, you must that that into consideration in a well rounded decision that we, the community expect you to make.

It is clear to me to just eliminate fowl from this ordinance – you cannot enforce it, your Staff even has great concerns as well as Animal Control stating outright at the August 25th Planning Commission meeting they were not in favor of permitting chickens within R-1 Zone Districts, and my understanding is that the objection is for any residential areas, an increase for the chance of predators looking for a quick meal, bugs and vermin increases to adjoining properties, and the possible economic losses at our stores, all make this not justifiable to enact the fowl portion of this ordinance.

My final words, unless you have any questions of me:

In my view – It is a backyard, not a Barnyard.

Thank You for your time and consideration

Monthly Director's Report for RACVB

For September 2015

Held at Kerr McGee Center

October 7, 2015

- ❖ September 19, 2015 - RACVB helped with promoting the “Randsburg Days” event by asking B.C. Corbin of KZIQ radio station to have a “remote” broadcast live from Randsburg Days.
- ❖ September 23, 2015 – Doug Lueck and RACVB team spoke at the Rotary Club of China Lake Luncheon and gave update on the upcoming 2015 2nd Annual Petroglyph Festival and the events for that weekend. Also speaking on Ridgecrest Film Commission and informing on types of productions filmed.
- ❖ Mike Thomas gave Group Recruitment Manager Report, which included:
 - September 1, 2015** - Attended IWV Collaborative meeting.
 - Christmas tree lights are here for the Balsam Street Fair and are to be put up on the week of October 26th, 2015 for the upcoming 2015 2nd Annual Petroglyph Festival.
- ❖ October 15, 16 & 17, 2015 – HSUMD will be celebrating their 70th ANNIVERSARY and the RACVB will be participating and helping with this event.
- ❖ 2015 Annual Edition of the “National Park Travel Guide Yosemite Journal” which Ridgecrest is featured as an “editorial”. Also part of a “Los Angeles Loop” beginning and ending in L.A. with Ridgecrest as a recommended place to stop and in a “Sea-to-Sand Cruise” beginning in San Francisco, CA ending in Las Vegas, NV., again recommending Ridgecrest as a place to stop. 100,000 copies published
- ❖ Doug Lueck advised that the RACVB will be applying for the following three grants:
 - 1) RACVB/Marketing/Billboards
 - 2) IPW Pow wow
 - 3) 2016 Petroglyph Festival
- ❖ There were 2 ads in the Los Angeles Times, first one was on September 4, 2015 from the “California Film Commission” highlighting Ridgecrest Regional Film Commission’s Cuddeback Dry Lake Bed location.
- ❖ Second an ad appearing in the 2016 “Variety 411” Directory. It reaches thousands of film, television, production houses and advertising agencies. Published annually and reaches about 110,000 active industry professionals. Coming in January 2016.

FILMING: Ridgecrest Regional Film Commission

For the month of **September**, there were a total of **2** productions for the Ridgecrest Film Commission.

At **Inyokern Airport**, there was **0** filming production.

Total for September 2015: \$ 495,000.00

Monthly Director's Report for RACVB
For **September** 2015
Held at Kerr McGee Center

Update on Highway 395 Sign

October 7, 2015

- ❖ All issues have been resolved on the pole location and has been addressed with the contractors and the RACVB. The new sign is progressing and once the BLM approves, the contractor will start the process to order sign, which takes 5 weeks to build sign and after that it will take another 2 to 3 weeks to not only to ship sign, but also have contractor install. This sign, will hopefully be completed in mid to late January 2016, taking into consideration the holidays in December 2015 and January 2016.

Next Board of Director's meeting will be Wednesday, **December 2, 2015**, location will be determined at a later date.



What is Variety 411?

Variety 411 is the nation's only qualified below-the-line resource servicing the film, television, commercial and web-based production industry. For every need from pre- to post- production, Variety 411 is your one-stop-shop.

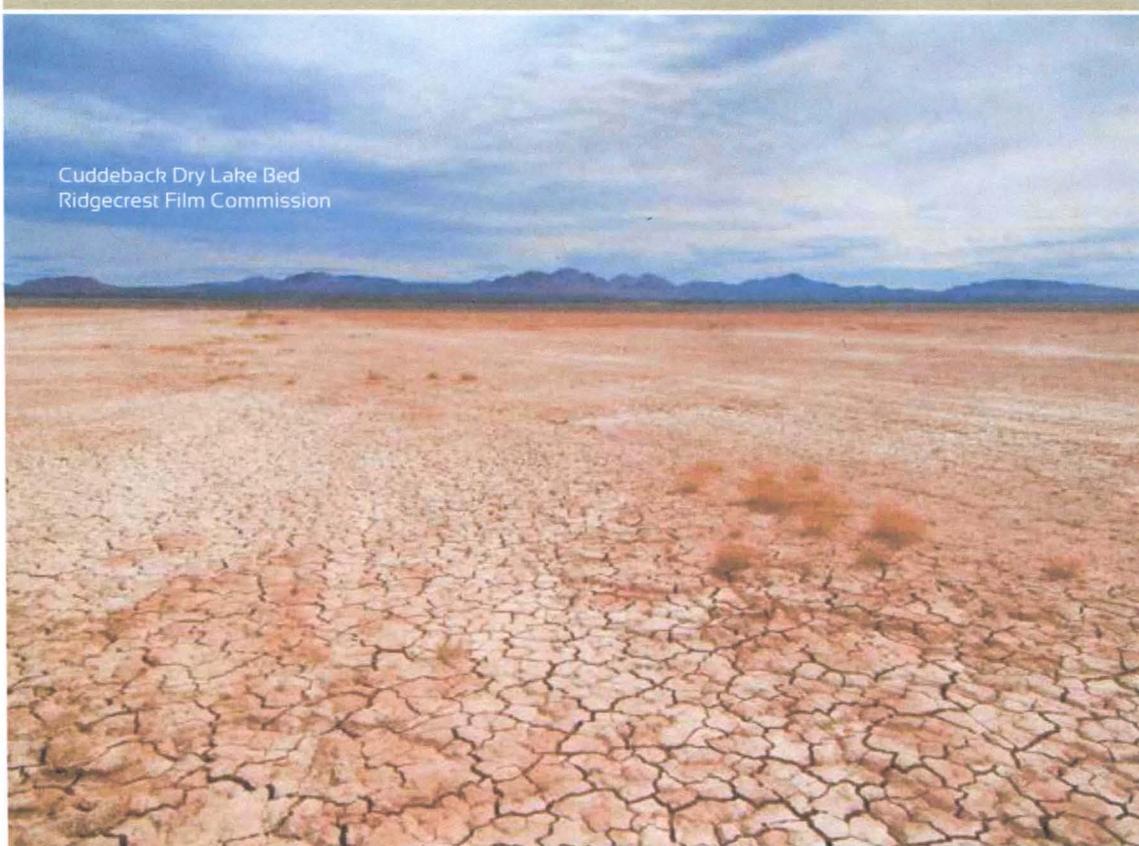
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California. The Best Just Got Better.



Cuddeback Dry Lake Bed
Ridgecrest Film Commission



California Film Commission

Enhanced & Expanded Tax Credit Program
Locations / Permits / Production Assistance

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

Appointment to the Measure 'L' Citizens Advisory Committee

PRESENTED BY:

Rachel J. Ford – City Clerk

SUMMARY:

Measure 'L', a ¾ cent sales tax increase, was approved by voters on June 5, 2012. When the item was placed on the ballot, the City Council opted to create an advisory body to focus specifically on the corresponding revenues as a safeguard to ensure the appropriate expenditures of the funds. The ordinance specifies term limits for committee members. An excerpt from the ordinance reads as follows:

Sec. 3-2.115. Terms of Office.

- (a) Of the members of the committee first appointed, two shall be appointed for terms of one year, two shall be appointed for terms of two years, and one shall be appointed for a term of three years. Succeeding members shall be appointed for terms of four years. The secretary's term shall be designated by the City Manager. All members shall serve until a successor is appointed and qualified.

The following vacancy needs appointment to the Measure 'L' Committee to complete the original terms:

1. Replacement for Robert Gould (Resigned) – Term expires July 2018

Council has requested that Council Member Mike Mower submit a nomination for this vacancy.

FISCAL IMPACT:

No Fiscal Impact

Reviewed by Finance Director

ACTION REQUESTED:

Staff recommends the City Council select a member to serve on the Measure 'L' Citizens Advisory Committee for the balance of the 4 year term.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Staff recommends the City Council select a member to serve on the Measure 'L' Advisory Committee for the balance of the 4 year term

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CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM

SUBJECT:

A Resolution Of The Ridgecrest City Council Supporting The N. China Lake Blvd. / E. Ridgecrest Blvd. Median Art Project Event As A Signature Event Of The City, Authorizing Special Event Insurance Coverage And Authorizing The City Manager To Approve A Transportation Art Maintenance Agreement With Caltrans

PRESENTED BY:

Matthew Alexander, City Planner and Warren Cox, Median Art Committee Chairman

SUMMARY:

In 2014 Caltrans announced plans to construct raised medians on SR 178 including all N. China Lake Blvd. and a portion of E. Ridgecrest Blvd. Caltrans told the City staff that while they did not intend to place artwork within the medians, the State would work with the City to ensure that monuments could be erected within the new raised medians.

In order to ensure a wide spectrum of community input, last February the Planning Commission established the Median Art Committee, (MAC), to recommend policies and procedures for the placement of artwork within the City's medians. The MAC members include: Warren Cox, Chairman, Solomon Rajaratnum, Vice Chairman, Leslie O'Neill, Dan Spurgeon, Tex Hoppus, Peggy Shoaf, Debbie Benson, and Mayor Peggy Breeden.

To date, the Median Art Committee in cooperation with City staff and Caltrans staff has accomplished the following:

- Established the petrolyphic theme for N. China Lake Blvd. / E. Ridgecrest Blvd. monument art sites,
- Identified 18 monument art sites within the Caltrans R-O-W.
- Approved a Median Art Application, Review and Approval Process,
- Secured businesses, organizations and individuals to donate artwork, and

Recommended City Council support of this grass roots/community based project

FISCAL IMPACT:

No immediate fiscal impact, however there is a potential deductible of a maximum \$100,000.00 per claim filed against the City.

Reviewed by Finance Director

ACTION REQUESTED:

Adopt Resolution of the Ridgecrest City Council Supporting the N. China Lake Blvd. / E. Ridgecrest Blvd. Median Art Project Event as a Signature Event of the City, Authorizing Special Event Insurance Coverage and Authorizing the City Manager to approve a Transportation Art Maintenance Agreement with Caltrans

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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RESOLUTION NO. 15-xx

A RESOLUTION OF THE RIDGECREST CITY COUNCIL SUPPORTING THE N. CHINA LAKE BLVD. / E. RIDGECREST BLVD. MEDIAN ART PROJECT EVENT AS A SIGNATURE EVENT OF THE CITY, AUTHORIZING SPECIAL EVENT INSURANCE COVERAGE AND AUTHORIZING THE CITY MANAGER TO APPROVE A TRANSPORTATION ART MAINTENANCE AGREEMENT WITH CALTRANS

WHEREAS, the City recognizes and acknowledges the importance of public events that serve to enrich the civic, charitable, cultural, economic, athletic, and education of the community; and,

WHEREAS, the City encourages support of public events that provide the community and visitors these enrichments; and,

WHEREAS, the City desires to support the N. China Lake Blvd. / E. Ridgecrest Blvd. Median Art Project Event as a Signature Event and authorizes Special Event Insurance coverage as in-kind service to assist with costs associated with maintaining artwork within public rights-of-way in the community; and,

WHEREAS, the City Manager is authorized to approve a Transportation Art Maintenance Agreement with Caltrans in order to establish appropriate interagency responsibilities for the assignment of artwork within public rights-of-way, and

WHEREAS, the City can benefit from a successful Signature Event, with increased revenues from tourism.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Ridgecrest does hereby:

1. Declare that the N. China Lake Blvd. / E. Ridgecrest Blvd. Median Art Project is a Signature Event for the City of Ridgecrest,
2. Commits to provide Special Event Insurance coverage to assist with costs associated with this event; and,
3. Authorizes the City Manager to approve a Transportation Art Maintenance Agreement with Caltrans.

APPROVED AND ADOPTED this 21st day of October, 2015 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Peggy Breeden, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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All AGREEMENTS - Instructions

1. Refer to Maintenance Agreements Manual to ensure a complete agreement is submitted
2. If templates are not modified beyond identified variables, approval by Headquarters (HQ) and Legal is not required in which case the "Attorney," signature block shall be removed.
3. Adding new language shall require review and approval by the HQ and Legal unit prior to forwarding to CITY/COUNTY for approval or execution of agreement.
 - 3.1. Modifications requested by local agencies shall be reviewed by HQ and Legal; do not allow locals to sign the document until all approvals have been verified.
4. Use Track Changes function to allow for easy reviewing by HQ and Legal.
5. Provide brief description of proposed agreement (what's changed?) in a memo or in the MA Coversheet
6. Determine if there are any overlapping agreements within the project limits. If there are, state whether the agreement is intended to supersede the old agreement. If attempting to supersede "portions" of the existing agreements either supersede the agreement in its entirety or include language that simply states the new agreement is not intended to supersede agreement #xyz.
7. Select appropriate party, i.e., CITY, COUNTY, etc., remove highlighting; only use language appropriate to the specific agreement, i.e., remove superfluous language where variable is indicated, remove all comments.
8. Required to be included with each agreement (where applicable); Exhibits, Encroachment Permits, previous agreements, project plans, as-built plans, Right of Way maps, etc.
 - 8.1. Provide any information needed to establish boundaries between adjoining agencies (County/city or city/city limits).
9. The District Coordinator should work with the appropriate program to ensure new language addresses the specific maintenance needs covered by the agreement.
10. Forward draft agreements to Statewide Maintenance Agreement (HQ) Coordinator for submittal to HQ Legal
 - 10.1. Expect minimum 10 working days to process for standard reviews
 - 10.1.1. Complex agreements require additional time
 - 10.1.2. Changes, rejections, questions will also add time
11. Legal will notify HQ Coordinator of needed changes, make requests for further information, and/or make comments.
 - 11.1. HQ Coordinator will email the reviewed document to District Coordinator
 - 11.1.1. District Coordinator will incorporate requested changes, answer requests and submit corrected/modified agreement back to HQ Coordinator for resubmittal to Legal.
 - 11.1.2. Legal will notify HQ Coordinator when agreement is acceptable and approvable

- 11.1.3. Once Legal has signed the agreement, it is ready for signature by the Local agency
- 11.1.4. District Coordinator will obtain local agency signatures and email copy of wet-signed document to HQ Coordinator for Records Retention number.

12. Remove "Draft" watermark on final when ready for signatures.

**PROJECT SPECIFIC MAINTENANCE AGREEMENT
FOR TRANSPORTATION ART IN THE CITY OF RIDGECREST**

THIS AGREEMENT is made effective this ____ day of _____, 2015, by and between the State of California, acting by and through the Department of Transportation, hereinafter referred to as "STATE" and the CITY OF RIDGECREST; hereinafter referred to as "CITY" and collectively referred to as "PARTIES".

SECTION I

RECITALS

1. WHEREAS, PARTIES desire to work together to allocate their respective obligation relative to transportation art within STATE's right of way under Permit Number 09XX-NAP-XXXX; and
2. WHEREAS, this Agreement addresses CITY responsibility for the Transportation Art (collectively hereinafter "ARTWORK") placed within the State Highway right of way on State Route 178, at locations within the median, as shown on Exhibit A, attached to and made a part of this Agreement.

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

SECTION II

AGREEMENT

- 3.
1. In consideration of the mutual covenants and promises herein contained, CITY and STATE agree as follows:
 - 1.1. PARTIES shall allocate maintenance responsibilities that include, but are not limited to providing emergency repair and maintenance (collectively hereinafter "MAINTAIN/MAINTENANCE"), of ARTWORK at locations as shown on said Exhibit A.
 - 1.2. When a change to this agreement is necessary, PARTIES will execute a formal amendment in writing by and through their authorized representatives.

2. CITY's obligations hereunder, at CITY expense, include the following:
 - 2.1. CITY shall install, or contract authorizing artists to install and thereafter shall MAINTAIN ARTWORK conforming to those plans pre-approved by STATE.
 - 2.2. CITY shall submit the final form of the plans for ARTWORK to STATE's District Permit Engineer for review and approval and will obtain and have in place a valid necessary encroachment permit prior to the start of any work within STATE's right of way. All proposed ARTWORK must meet STATE's standards.
 - 2.3. CITY shall ensure ARTWORK is provided with adequate scheduled routine MAINTENANCE necessary to MAINTAIN a neat and attractive appearance. CITY shall coordinate said MAINTENANCE with STATE prior to the start of any work.
 - 2.4. An Encroachment Permit rider may be required for any changes to the scope of work allowed by this Agreement prior to the start of any work within STATE's right of way.
 - 2.5. CITY and CITY contractors will be required to obtain an Encroachment Permit prior to the start of any work within STATE's right of way.
 - 2.6. CITY shall replace or repair damaged ARTWORK when observed or within 30 calendar days of being notified in writing by STATE.
 - 2.7. CITY shall remove ARTWORK and restore STATE owned areas to a safe and attractive condition acceptable to STATE, in the event this Agreement is terminated as set forth herein.
 - 2.8. CITY shall expeditiously MAINTAIN, replace, repair, remove, or restore ARTWORK if it has become unsightly.
 - 2.9. CITY shall MAINTAIN all ARTWORK within the Agreement limits of the STATE highway right of way, as shown on Exhibit A, at CITY expense. MAINTENANCE includes, but is not limited to, restoration or replacement of damaged ARTWORK, and the removal of dirt, debris, graffiti, and any deleterious item or material on ARTWORK in an expeditious manner.
 - 2.10. All work by or on behalf of CITY will be done at no cost to STATE.
 - 2.11. CITY shall remove ARTWORK whenever, in the opinion of STATE, it creates a maintenance or operational concern. In the event CITY fails to remove ARTWORK in a timely manner, STATE may remove ARTWORK thirty (30) calendar days following written notification to CITY, and STATE will bill CITY for all costs of its removal and for the restoration of STATE owned areas to their original condition.
3. STATE shall have the following obligations and rights under this Agreement:
 - 3.1. Provide CITY with timely written notice of unsatisfactory conditions that require correction by the CITY. However, the non-receipt of notice does not excuse CITY from MAINTENANCE responsibilities assumed under this Agreement.

- 3.2. Issue encroachment permits to CITY and CITY contractors at no cost to them.
 - 3.3. Reserve the right to remove ARTWORK or alter parts thereof due to emergency, construction, rehabilitation, or other necessary activities affecting these transportation facilities without any obligation, compensation to, or approval of CITY.
 - 3.4. Not be responsible for the cost of any maintenance, repair, restoration, or replacement of ARTWORK, damaged by anything STATE does or does not do in the course of normal highway operations and activities, or damaged in the event of vandalism or third party accident.
4. LEGAL RELATIONS AND RESPONSIBILITIES
- 4.1. Nothing within the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or to affect the legal liability of a PARTY to the Agreement by imposing any standard of care with respect to the operation and maintenance of STATE highways and local facilities different from the standard of care imposed by law.
 - 4.2. If during the term of this Agreement, CITY should cease to MAINTAIN ARTWORK to the satisfaction of STATE as provided by this Agreement, STATE may either undertake to perform that MAINTENANCE on behalf of CITY at CITY's expense or direct CITY to remove or itself remove ARTWORK at CITY's sole expense and restore STATE's right of way to its prior condition. CITY hereby agrees to pay said STATE expenses, within thirty (30) calendar days of receipt of billing by STATE. However, prior to STATE performing any MAINTENANCE or removing ARTWORK, STATE will provide written notice to CITY to cure the default and CITY will have thirty (30) calendar days within which to affect that cure.
 - 4.3. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction conferred upon CITY under this Agreement. It is understood and agreed that CITY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including section but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this Agreement.
5. PREVAILING WAGES:
- 5.1. Labor Code Compliance- If the work performed on this Project is done under contract and falls within the Labor Code section 1720(a)(1) definition of a "public work" in that it is construction, alteration, demolition, installation, or repair; or

maintenance work under Labor Code section 1771. CITY must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. CITY agrees to include prevailing wage requirements in its contracts for public work. Work performed by CITY own forces is exempt from the Labor Code's Prevailing Wage requirements.

- 5.2. Requirements in Subcontracts - CITY shall require its contractors to include prevailing wage requirements in all subcontracts funded by this Agreement when the work to be performed by the subcontractor is a "public work" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771. Subcontracts shall include all prevailing wage requirements set forth in CITY contracts
6. INSURANCE - CITY and its contractors shall maintain in force, during the term of this agreement, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming the STATE, its officers, agents and employees as the additional insured in an amount of \$2 million per occurrence and \$2 million in aggregate and \$5 million in excess liability. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement. Comment [rg1]: If self insured use self insured article and remove this one.
- 6.1. SELF-INSURED - CITY is self insured. CITY agrees to deliver evidence of self-insured coverage in a form satisfactory to STATE, along with a signed copy of the Agreement. Comment [rg2]: Remove if not applicable.
- 6.2. SELF-INSURED using Contractor - If the work performed on this Project is done under contract CITY shall require its contractors to maintain in force, during the term of this agreement, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming the STATE, its officers, agents and employees as the additional insured in an amount of \$2 million per occurrence and \$2 million in aggregate and \$5 million in excess liability. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement. Comment [rg3]: Remove if not applicable.
7. **TERMINATION** - This Agreement may be terminated by timely mutual written consent by PARTIES, and CITY's failure to comply with the provisions of this Agreement may be grounds for a Notice of Termination by STATE.
8. **TERM OF AGREEMENT** - This Agreement shall become effective on the date first shown on its face sheet and shall remain in full force and effect until amended or terminated at any time upon mutual consent of the PARTIES or until terminated by STATE for cause.

PARTIES are empowered by Streets and Highways Code Section 114 and 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

IN WITNESS WHEREOF, the PARTIES hereto have set their hands and seals the day and year first above written.

THE CITY/COUNTY OF

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

By: _____
Dennis Speer, Director of Public Works

MALCOLM DOUGHERTY
Director of Transportation

Comment [rg4]: Do not add in a signature line for Malcolm, only his name (capitalized) and title are required.

ATTEST:

By: _____
CITY Clerk Brent Green

By: _____
District 9 Director

By: _____
CITY Attorney

As to Form and Procedure:
By: _____
Legal Attorney
Department of Transportation

Comment [rg5]: Remove entire attorney signature block if no changes to template.

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT:

Presentation of the Wastewater Treatment Plant Facility Plan by Provost & Pritchard Consultants

PRESENTED BY:

Representatives, Provost & Pritchard Consultants

SUMMARY:

Representatives from the consulting firm, Provost & Pritchard, will give a power point presentation pertaining to the Wastewater Treatment Plant Facility Plan Update for the proposed new Wastewater Treatment Facility.

FISCAL IMPACT: None

Reviewed by: Finance Director

ACTION REQUESTED: Discuss the report.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested

Submitted by: Dennis Speer
(Rev. 2-14-07)

Action Date: October 21, 2015

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