



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

AGENDA

Wednesday

Regular

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

August 6, 2014

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

(760) 499-5000

**Daniel O. Clark, Mayor
Marshall 'Chip' Holloway, Vice Mayor
James Sanders, Council Member
Lori Acton, Council Member
Steven P. Morgan, Council Member**

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LAST ORDINANCE NO. 14-xx
LAST RESOLUTION CITY COUNCIL NO. 14-70
LAST RESOLUTION FINANCING AUTHORITY NO. 14-xx
LAST RESOLUTION OF THE HOUSING AUTHORITY NO. 14-xx
LAST RESOLUTION OF THE SUCCESSOR REDEVELOPMENT AGENCY NO. 14-xx

CITY OF RIDGECREST

CITY COUNCIL REDEVELOPMENT SUCCESSOR AGENCY HOUSING AUTHORITY FINANCING AUTHORITY

AGENDA

Regular Council
Wednesday August 6, 2014

CITY COUNCIL CHAMBERS CITY HALL
100 West California Avenue
Ridgecrest, CA 93555

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

AGENDA - CITY COUNCIL - REGULAR

August 6, 2014

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CLOSED SESSION – 5:30 p.m.

GC54956.9(d)(4) Conference With Legal Counsel – Existing Litigation – City Of Ridgecrest v. Matasantos

GC 54959.8 Local Agency Real Property Negotiations – Negotiation For Receipt And/or Sale Or Use –APN's 396-090-29, 396-111-01,02,396-112-01-06,08-11,396-113-01 through 12,396-111-04,396-112-13,396-112-14, 396-112-15, 396-180-01 through 09, 396-190-01 through 09, 396-200-01 through 06, 396-200-10, 396-200-11, 396-210-01 Through 04, 396-210-07, 396-210-09, 396-210-11 through 13, 11 396-200-09, 396-210-15, 396-210-14, 396-210-16, 396-220-01 through 03, 396-220-07 through 11, 396-220-13, 396-220-12, 396-130-01 through 4, 396-140-10 through 14, 396-150-01, 396-150-09 & 10, 396-150-18, 396-160-02 through 16, 396-160-18, 396-160-23 through 35, and 396-160-38 - Oasis Property. Agency Negotiators Dennis Speer, City Manager And Gary Parsons, Economic Development Program Manager

GC 54959.8 Local Agency Real Property Negotiations – Negotiation for Receipt and/or sale or use – APN's 508-020-12 & 13 – Ridgecrest Sr. Housing Project. Agency Negotiators Dennis Speer, City Manager And Gary Parsons, Economic Development Program Manager.

GC 54959.8 Local Agency Real property negotiations – Negotiation for Receipt and/or sale or use –APN's 033-070-01 through 03; 033-070-05 through 12; 033-070-14 through 16; 033-070-28 through 36; 033-070-41 (24 total parcels) located within the Ridgecrest Business Park. Agency Negotiators Dennis Speer, City Manager And Gary Parsons, Economic Development Program Manager.

GC 54959.8 Local Agency Real Property Negotiations – Negotiation for Receipt and/or sale or use – APN's 033-070-47 & 033-070-44 - K Partners. Agency Negotiators Dennis Speer, City Manager And Gary Parsons, Economic Development Program Manager

GC54957.6 Labor Negotiations – UFCW Local 8 & Police Employee Association of Ridgecrest (PEAR) – Agency Negotiator City Manager Dennis Speer

REGULAR SESSION – 6:30 p.m.

- Pledge Of Allegiance
- Invocation

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CITY ATTORNEY REPORT

- Closed Session
- Other

PUBLIC COMMENT

PRESENTATIONS

1. Presentation Of A Proclamation Honoring The Desert Stars Youth Cheerleaders For Winning First Place In Two Divisions Of State Competition Clark
2. Presentation Of A Proclamation Honoring Ridgecrest Citizen Nathan Ahle For His Accomplishments As President Of The Chamber Of Commerce Holloway

CONSENT CALENDAR

3. Adopt A Resolution Of The Ridgecrest City Council Authorizing Award Of A Construction Contract To Griffith Construction Company For The Road Construction Of An Unpaved Road On South Sunland Street From Upjohn Avenue To Bowman Avenue And Authorizing The City Manager, Dennis Speer To Execute The Contract Speer
4. Adopt A Resolution Of The Ridgecrest City Council Authorizing The Adoption And Implementation Of The Ridgecrest Ridgerunner Title VI Plan Speer
5. Approve A Resolution Of The City Council Of The City Of Ridgecrest Approving A Contract Change Order Number One With The Contractor Griffith Construction Company To Provide Additional Traffic Control And Traffic Handling Required For The West Ridgecrest Boulevard Project And Authorize The City Manager, Dennis Speer To Sign The Change Order Number One Speer
6. Adopt A Resolution To Amend The Professional Services Agreement With Willdan Engineering For Continuation Of Phases 1, 2, And 3 Of The Architectural And Engineering services Of The City Corporation Yard And Transit Facility And Authorize The City Manager, Dennis Speer, To Execute This Agreement Speer
7. Adopt A Resolution Of The Ridgecrest City Council Amending And Approving The City Of Ridgecrest Classification Plan And Adopting The Job Specifications Of City Clerk & Deputy City Clerk Into The City Of Ridgecrest Classification Plan McQuiston

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8. Adopt A Resolution Of The City Council Of The City Of Ridgecrest, Correcting The FY 2013-2014 Salary Schedules For Police Employee Association Of Ridgecrest (Pear), UFCW Local 8 And Management Groups
McQuiston
9. Adopt A Resolution Of The Ridgecrest City Council Allocating Tax Allocation Bond (Tab) Funds For Code Abatement
Strand
10. Adopt Resolution Of The Ridgecrest City Council Authorizing The City Manager To Enter Into Memorandum Of Agreement With Sierra Sands Unified School District For Law Enforcement Services (School Resource Officer Program)
Strand
11. Adopt Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Meeting Of July 16, 2014
Ford

DISCUSSION AND OTHER ACTION ITEMS

12. Adopt A Resolution To Approve A Professional Services Agreement With Justin O'Neill And Authorize The Mayor, Daniel O. Clark, To Sign The Agreement
Clark
13. Appointments To Fill Two Vacancies On The Measure 'L' Committee
Clark
14. Adopt A Resolution Of The Ridgecrest City Council To Approve The Expenditure Of Economic Development Tax Allocation Bond (Tab) Funds For The Reconstruction Of A Billboard On Highway 395
Parsons

PUBLIC HEARINGS

15. Public Hearing And Adopt A Resolution Of The City Council Of The City Of Ridgecrest Approving An Economic Incentive Agreement By And Between The City Of Ridgecrest And Pertexa Health Care Technology, Inc.
Parsons
16. Public Hearing And Adopt A Resolution Of The City Council Of The City Of Ridgecrest Approving An Economic Incentive Agreement By And Between The City Of Ridgecrest And Cal UAS Inc.
Parsons
17. Public Hearing And Adopt A Resolution Of The City Council Of The City Of Ridgecrest Approving A Service Agreement By And Between The City Of Ridgecrest And World Economic Development Alliance
Parsons

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COMMITTEE REPORTS

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

Members: Jim Sanders, Dan Clark

Meetings: 3rd Tuesday of the Month at 4:00 P.M., Kerr-McGee Center

Next Meeting: To Be Announced

Veterans Advisory Committee

Members: Dan Clark

Meetings: 1st and 3rd Tuesday of the Month At 6:00 p.m., Kerr McGee Center

Next Meeting: To Be Announced

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Chip Holloway

Meetings: 1st Wednesday Of The Month, 8:00 A.M.

Next Meeting: To Be Announced

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

CITY MANAGER REPORT

MAYOR AND COUNCIL COMMENTS

ADJOURNMENT

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**A Proclamation of
The City Of Ridgecrest, California**

**HONORING
High Desert Stars Youth Cheerleading**

WHEREAS, on Sunday, May 4, 2014 the High Desert Stars Cheerleaders attended the Sharp International State Championship Competition at Knotts Berry Farm; and

WHEREAS, the High Desert Stars Varsity Squad won first place in the Senior Independent Division and the High Desert Stars Tiny Stars won first place in the Mascot Duo Division; and

WHEREAS, winning this competition is just another example of the hard work, dedication and teamwork that has become a trademark of this team; and

WHEREAS, at High Desert Stars, the motto is "My City, My Responsibility" and this group of young athletes are proud to serve as well as represent this wonderful city they live in; and

WHEREAS, the participants of the High Desert Stars Youth Cheerleading are truly "Today's youth and tomorrows leaders".

NOW THEREFORE BE IT PROCLAIMED that the City Council of the City of Ridgecrest does hereby Honor and Recognize the athletes and leaders of the High Desert Stars Youth Cheerleading squads for their outstanding representation and commitment to the community.

Proclaimed this 6th Day of August 2014


Daniel O Clark, Mayor


Marshall 'Chip' Holloway
Mayor Pro Tem


James Sanders
Council Member


Lori Acton
Council Member


Steven P. Morgan
Council Member

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**A Proclamation of
The City Of Ridgecrest, California
Honoring Ridgecrest Resident
Nathan Ahle**

WHEREAS, Nathan Ahle has served as the President/CEO of the Ridgecrest Chamber of Commerce since 2010, strongly supporting the Ridgecrest Chamber of Commerce mission to promote the business interests of the community in public, civic, and advocacy efforts; and

WHEREAS, Nathan has served as a leader in our community in his efforts to promote Ridgecrest to both public and business entities and during his tenure, Nathan has demonstrated the highest form of professionalism and dedication to Ridgecrest and to the citizens of our community; and

WHEREAS, Nathan has continued to volunteer tirelessly for community organizations including Cerro Coso College and Desert Valleys FCU and has provided assistance and guidance to numerous other community groups. He embodies the best qualities of volunteerism and community activism; and

WHEREAS, while there is nothing he loves greater than Amiee, Lucy, the Beatles or the St' Louis Cardinals, his love of Ridgecrest runs deep. Understanding his love and loyalty to our fine community we wish him well but expect he will never forget us and continue his incredible support; and

WHEREAS, Nathan is a native son graduating from Burroughs High School in 1998, attending Cal Poly then in 2002 began working at the Ridgecrest Daily Independent as a sports reporter follow by sports editor before promoting to Editor in Chief from 2005 to 2010.

NOW, THEREFORE BE IT PROCLAIMED, that we, the City Council of the City of Ridgecrest, do hereby offer appreciation to Mr. Nathan Ahle for his long standing service to this community, his business leadership and undying commitment to family, friendship and faith further declaring this day August 6th, 2014, as Nathan Ahle appreciation day in Ridgecrest.

Proclaimed this 6th Day of August 2014


Daniel O Clark, Mayor


Marshall 'Chip' Holloway
Mayor Pro Tem


Lori Acton
Council Member


James Sanders
Council Member


Steven P. Morgan
Council Member

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

SUBJECT: Authorization To Award A Construction Contract to Griffith Construction Company For The Road Construction Of An Unpaved Road On South Sunland Street from Upjohn Avenue to Bowman Avenue And Authorize The City Manager, Dennis Speer To Execute The Contract

PRESENTED BY:
Dennis Speer, Public Works Director

SUMMARY:
On Thursday July 2, 2014 bids were opened for the road construction of an unpaved road on South Sunland Street from Upjohn Avenue to Bowman Avenue. A total of four bids were received as follows:

<u>Bidder</u>	<u>Bid</u>
Griffith Construction Co.	\$519,495.00
Golden Valley	\$544,236.97
Cooley Construction	\$594,486.70
Bowman Asphalt Inc.	\$681,603.00

The bids were reviewed by the engineering firm of Quad Knopf Inc. and the Resident Engineer, David Jacobs. Based on this review, it is recommended that the contract be awarded to the lowest responsible and responsive bidder, Griffith Construction Company with the low bid of \$519,495.00. A purchase order will be issued to Griffith Construction Company in a total amount of \$519,495.00 for the construction of road construction. An amount of \$51,949.50 or ten percent (10%) is needed for contingencies. The cost of construction management is \$50,000.00 approved by Resolution No. 14-58. The total project cost is \$621,444.50. The Congestion Mitigation Air Quality Program (CMAQ) administered by Caltrans will provide a total of \$506,189.00 in funding for the construction and construction management of the project.

This unpaved road was reclassified by the Federal Highway Administration as a secondary roadway to receive the funding from the CMAQ Program. This will be the missing link in the local collector that will help with the traffic flow with the future Wal-Mart Project.

Staff is recommending that the funding for this project come from the TAB Funds that have been described as the Ridgecrest Commercial Specific Plan, Development Agreement Funds or Wal-Mart Funds since it directly benefits the traffic flow of the Wal-Mart Project. The amount of funding is \$115,255.50.

Funding for the execution of the contract shall come from account 018-4760-430-4601 ST1302.

FISCAL IMPACT: \$115,255.50

Reviewed by Finance Director

ACTION REQUESTED: Authorization To Award A Construction Contract to Griffith Construction Company For The Road Construction Of An Unpaved Road On South Sunland Street from Upjohn Avenue to Bowman Avenue And Authorize The City Manager, Dennis Speer To Execute The Contract.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Karen Harker

Action Date: August 6, 2014

(Rev. 02/13/12)

RESOLUTION NO. 14-xx

AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT TO GRIFFITH CONSTRUCTION COMPANY FOR THE ROAD CONSTRUCTION OF AN UNPAVED ROAD ON SOUTH SUNLAND STREET FROM UPJOHN AVENUE TO BOWMAN AVENUE AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER TO EXECUTE THE CONTRACT

WHEREAS, on Wednesday July 2, 2014, bids were opened for the road construction of an unpaved road on South Sunland Street from Upjohn Avenue to Bowman Avenue; and

WHEREAS, a total of four bids were received and the results are follows:

<u>Bidder</u>	<u>Bid</u>
Griffith Construction Co.	\$519,495.00
Golden Valley	\$544,236.97
Cooley Construction	\$594,486.70
Bowman Asphalt Inc.	\$681,603.00

WHEREAS, these bids were reviewed by the engineering firm Quad Knopf Inc. and Resident Engineer, David Jacobs for a determination of the lowest responsible and responsive bidder; and

WHEREAS, it was determined that Griffith Construction Company was the low bidder with the low bid of \$519,495.00; and

WHEREAS, a purchase order will be issued to Griffith Construction Company in a total amount of \$519,495.00 for the road construction of an unpaved road on South Sunland Street from Upjohn Avenue to Bowman Avenue; and

WHEREAS, an amount of \$51,949.50 or 10 percent (10%) is needed for contingencies; and

WHEREAS, the amount of \$50,000.00 is needed for construction management and was approved by City Council Resolution 14-58; and

WHEREAS, The Congestion Mitigation Air Quality Program (CMAQ) administered by Caltrans will provide a total of \$506,189.00 in funding; and

WHEREAS, matching funding for this project comes from the Ridgecrest Commercial Specific Plan, Development Agreement Funds or Wal-Mart Funds since it directly benefits the traffic flow of the Wal-Mart Project; and

WHEREAS, The amount of funding is \$115,255.50; and

WHEREAS, the funding for the execution of the contract shall come from account 018-4760-430-4601 ST1302.

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

1. Authorizes the award of the contract to Griffith Construction Company for the road construction of an unpaved road on South Sunland Street from Upjohn Avenue to Bowman Avenue described herein to the lowest responsible and responsive contractor from the bids received as determined by Quad Knopf Inc., and
2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts.
3. Authorizes the City Manager, Dennis Speer to execute the contract

APPROVED AND ADOPTED this 6th day August 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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

SUBJECT: A Resolution Of The City Council Of The City Of Ridgecrest Authorizing The Adoption And Implementation Of The Ridgecrest *Ridgerunner* Title VI Plan

PRESENTED BY:

Dennis Speer, Public Work Director

SUMMARY:

As a recipient of Federal Transit Administration (FTA) Funds, the Ridgecrest *Ridgerunner* Transit (*Ridgerunner* Transit) is required to comply with Title VI of the Civil Rights Act of 1964, and the implementing regulations which provide that no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program, activity or service that receives Federal financial assistance.

FTA in January of 2014 initiated that all agencies whether you were a recipient or a sub-recipient of FTA Funds you must comply with Title VI Plan and have a program in place by June 30, 2014 to receive funding. *Ridgerunner* Transit as a sub-recipient to funds from Caltrans is required to ensure that its programs, policies, and activities comply with the Department of Transportation (DOT) Title VI regulations.

The proposed Title VI Plan update includes provisions required for compliance with FTA Circular 4702.1B. In addition, as *Ridgerunner* Transit is a sub-recipient of Caltrans for FTA funding; Caltrans must approve the final Title VI Plan document. Staff submitted the Title VI Plan to Caltrans on June 12, 2014 and received approval to move forward for a City Council Resolution to complete the Title VI Plan.

Ridgerunner Transit staff recommends adopting the attached draft of the Title VI Plan that has been approved by Caltrans staff and approve the resolution for the implementation of the Title VI Plan.

FISCAL IMPACT: None

Reviewed by Finance Director

ACTION REQUESTED: Adopt A Resolution Authorizing The Adoption And Implementation Of The Ridgecrest *Ridgerunner* Title VI Plan

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Starla Thomas

Action Date: August 6, 2014

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RESOLUTION NO. 14-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST
AUTHORIZING THE ADOPTION AND IMPLEMENTATION OF THE
RIDGECREST RIDGERUNNER TITLE VI PLAN**

WHEREAS, the *Ridgerunner* Transit is a recipient of Federal revenues and is required to meet federal regulatory requirements for Title VI of the Civil Rights Act of 1964, established by 49 CFR part 21.7; and

WHEREAS, the *Ridgerunner* Transit has or will provide all annual certifications and assurances to the Federal Transit Administration required for the Title VI Plan; and

WHEREAS, the *Ridgerunner* Transit assures that no person or group of persons on the basis of race, color, or national origin, including limited English proficient persons are subjected to discrimination in the level and quality of transportation services, programs and activities provided, whether federally funded or not; and

WHEREAS, the *Ridgerunner* Transit assures that all residents and visitors of the Eastern Kern County Area are afforded meaningful access to our programs, activities and services; and

WHEREAS, the *Ridgerunner* Transit has submitted a Title VI Plan to Caltrans to meet current Federal Transit Administration Guidelines; and

WHEREAS, Caltrans has reviewed and approved the Title VI Plan to move forward to City Council for approval of a Resolution.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Ridgecrest Authorizes the Adoption and Implementation of the Ridgecrest *Ridgerunner* Transit Title VI Plan.

APPROVED AND ADOPTED this 6th day of August 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST

Rachel J. Ford, CMC
City Clerk

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Ridgecrest *ridgerunner* Transit

TITLE VI PROGRAM

Adopted by Ridgecrest City Council: August 6, 2014

Approved by Caltrans: June 12, 2014

**Prepared by: Ridgecrest *ridgerunner* Transit
100 W California Avenue, Ridgecrest, CA 93555
(760) 499-5041**

Title VI Program

Ridgecrest *ridgerunner* Transit

2014 CITY COUNCIL

Mayor: Daniel Clark, Ridgecrest City Council

Vice Mayor: Marshall “Chip” Holloway, Ridgecrest City Council

James Sanders, Ridgecrest City Council

Lori Acton, Ridgecrest City Council

Steven Morgan, Ridgecrest City Council

Transit Services Coordinator: Starla Thomas, Transit Coordinator

Mission Statement: *The mission of the City of Ridgecrest *ridgerunner* Transit is to provide quality bus service to the citizens of Ridgecrest and to grow the system to include select locations through a transit team dedicated to safety, efficiency and customer service for the present and into the future.*

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**SECTION 1: RIDGECREST *RIDGERUNNER* TRANSIT
TITLE VI PROGRAM POLICY AND COMPLAINT PROCEDURES**

POLICY

The City of Ridgecrest *ridgerunner* Transit is committed to ensuring that no person is excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under any of its programs, activities, or services on the basis of race, color or national origin. All persons, regardless of their citizenship, are covered under this regulation. In addition, City of Ridgecrest *ridgerunner* Transit prohibits discrimination on the basis of race, color or national origin in its employment and business opportunities.

City of Ridgecrest *ridgerunner* Transit will not condone retaliation against an individual for his/her involvement in asserting his/her rights pursuant to Title VI or because he/she filed a complaint or participated in an investigation under Title VI, and /or this regulation.

As a Federal Transit Administration (FTA) fund recipient, City of Ridgecrest *ridgerunner* Transit will ensure that its programs, policies and activities comply with the Department of Transportation (DOT) Title VI Regulations of the Civil Rights Act of 1964.

City of Ridgecrest *ridgerunner* Transit will ensure that the level and quality of its transportation service is provided without regard to race, color or national origin.

City of Ridgecrest *ridgerunner* Transit will promote the full and fair participation of all affected populations in the transportation decision-making process.

City of Ridgecrest *ridgerunner* Transit will make good faith efforts to achieve environmental justice as part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, activities, and services on minority populations and low-income populations within City of Ridgecrest *ridgerunner* Transit's service area as provided herein.

City of Ridgecrest *ridgerunner* Transit will ensure that Limited English Proficient (LEP) individuals have access to City of Ridgecrest *ridgerunner* Transit's programs, activities, and services.

The City of Ridgecrest *ridgerunner* Transit Title VI Policy will be posted on the agency website, within the administrative offices, within vehicles and at high demand stops throughout the system.

This Regulation shall be maintained in English and Spanish.

APPLICABILITY

This policy is applicable to all City of Ridgecrest *ridgerunner* Transit employees, members of the public and all contractors hired by City of Ridgecrest *ridgerunner* Transit.

Failure of a City of Ridgecrest *ridgerunner* Transit employee to follow this policy and procedure may subject such employee to disciplinary action up to and including employment termination.

DEFINITIONS

Adverse Effect means having a harmful or undesired effect.

Discrimination refers to any act or inaction, whether intentional or unintentional, in any program or activity of a Federal aid recipient, subrecipient, or contractor that results in disparate treatment, disparate impact, or perpetuates the effects of prior discrimination based on race, color, or national origin.

DOT means Department of Transportation

FTA means Federal Transit Administration

Limited English Proficient (LEP) Persons are individuals for whom English is not their primary language and who have a limited ability to speak, understand, read, or write English. It includes people who reported to the U.S. Census that they do not speak English well or do not speak English at all.

Low-Income Population means any readily identifiable groups of low-income individuals who live in geographic proximity, and if circumstances warrant, geographically dispersed transient persons (such as migrant workers or Native Americans) who will be similarly affected by a proposed DOT program, policy, or activity.

Minority Individuals

1. American Indian and Alaska Native, which refers to people having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.
2. Asian, which refers to people having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent.
3. Black or African American, which refers to people having origins in any of the Black racial groups of Africa.
4. Hispanic or Latino, which includes people of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.
5. Native Hawaiian and Other Pacific Islanders, which refers to people having origins in any of the original people of Hawaii, Guam, Samoa, or other Pacific Islands.

National Origin means the particular nation in which a person was born, or where the person's parents or ancestors were born.

Race means a group of people united or classified together on the basis of common history, nationality, or geographic distribution.

Recipient means one that has received or is receiving Federal financial assistance. The term includes subrecipients of a recipient and subrecipients in FTA State administered programs.

Retaliation Any adverse action taken against another individual because of his/her participation in the complaint, investigation, or hearing relating to this policy or the provision of federal or state law.

Vital Documents are documents that convey information that critically affects the ability of the customer to make informed decisions about his/her participation in the program (e.g., public notices, consent forms, complaint forms, eligibility rules, notices pertaining to the reduction, denial or termination of services or benefits, right to appeal, and notices informing customers of the availability of free language assistance).

GENERAL REQUIREMENTS AND GUIDELINES

City of Ridgecrest *ridgerunner* Transit will carry out its programs, activities, and services in compliance with Title VI of the Civil Rights Act of 1964. City of Ridgecrest *ridgerunner* Transit or any of its employees will not, on the grounds of race, color, national origin, age, sex, sexual orientation, or gender identity, exclude any person from participating in, deny the benefits of, or subject him/her to discrimination under any City of Ridgecrest *ridgerunner* Transit programs, services, or activities.

The City of Ridgecrest *ridgerunner* Transit nor any of its employees will not, on the grounds of race, color or national origin:

- a) Provide any service, financial aid, or benefit that is different from that provided to others;
- b) Subject an individual to segregation or separate treatment;
- c) Restrict an individual in the enjoyment of any advantage or privilege enjoyed by others;
- d) Deny any individual service, financial aid, or benefits under any City of Ridgecrest *ridgerunner* Transit programs, services, or activities;
- e) Treat individuals differently in terms of whether they satisfy admission or eligibility requirements;
- f) Deny an individual the opportunity to participate as a member of a planning or advisory body.

City of Ridgecrest *ridgerunner* Transit shall evaluate significant system-wide service and fare changes and proposed improvements at the planning and programming stages to determine

whether these changes have a discriminatory impact on low-income and Limited English Proficiency individuals. This applies to major service changes that affect 25% of service hours of a route.

City of Ridgecrest *ridgerunner* Transit schedules an unmet Transit Needs Hearing Annually to ensure that all individuals are afforded an opportunity to participate in transportation decisions. It is noticed to the public 30 days prior to the hearing.

City of Ridgecrest *ridgerunner* Transit's legal counsel will maintain a list (a minimum of four years in active status) of any Title VI investigations, complaints, or lawsuits filed which allege City of Ridgecrest *ridgerunner* Transit discriminated against a person or group on the basis of race, color, or national origin. This list will include:

- a) The date the investigation, complaint, or lawsuit was filed;
- b) A summary of the allegation(s);
- c) The status of the investigation, complaint, or lawsuit; and
- d) Any actions or corrective actions taken by City of Ridgecrest *ridgerunner* Transit in response to the investigation, complaint or lawsuit.

City of Ridgecrest *ridgerunner* Transit will keep the public informed of the protections against discrimination afforded to them by Title VI and City of Ridgecrest *ridgerunner* Transit's obligations under Title VI by posting a *Title VI Policy Statement* (Attachment A) and associated English and Spanish *Complaint Forms*, on City of Ridgecrest *ridgerunner* Transit's website at <http://ci.ridgecrest.ca.us> and at the City of Ridgecrest *ridgerunner* Transit administrative offices. City of Ridgecrest *ridgerunner* Transit will take responsible steps to ensure meaningful access to the benefits, services, information and other important portions of its programs, activities and services for individuals who are Limited English Proficient (LEP).

City of Ridgecrest *ridgerunner* Transit will provide information, upon request from FTA, in order to investigate complaints of discrimination, or to resolve concerns about possible noncompliance with Title VI.

City of Ridgecrest *ridgerunner* Transit will submit its Title VI Program to the FTA's regional civil rights officer once every three years to ensure compliance with Title VI Requirements. City of Ridgecrest *ridgerunner* Transit will ensure that minority and low-income individuals have meaningful access to City of Ridgecrest *ridgerunner* Transit programs, activities and services.

ENVIRONMENTAL JUSTICE REQUIREMENTS

City of Ridgecrest *ridgerunner* Transit shall integrate an environmental justice analysis into its National Environmental Protection Act (NEPA) documentation of construction projects. City of Ridgecrest *ridgerunner* Transit is not required to conduct environmental justice analyses of

projects where NEPA documentation is not required. City of Ridgecrest *ridgerunner* Transit will consider preparing an environmental assessment (EA) or environmental impact statement (EIS) to integrate into its documents the following components:

- a) A description of the low-income and minority population within the study area affected by the project, and a discussion of the method used to identify this population (e.g., analysis of Census data, direct observation, or a public involvement process);
- b) A discussion of all adverse effects of the project both during and after construction that would affect the identified minority and low-income populations;
- c) A discussion of all positive effects of the project that would affect the identified minority and low-income populations, such as improvements in Transit service, mobility, or accessibility;
- d) A description of all mitigation and environmental enhancement actions incorporated into the project to address the adverse effects, including, but not limited to, any special features of the relocation program that go beyond the requirements of the Uniform Relocation Act and address adverse community effects such as separation or cohesion issues; and the replacement of the community resources destroyed by the project;
- e) discussion of the remaining effects, if any, and why further mitigation is not proposed; and
- f) For projects that traverse predominantly minority and low-income and predominantly non-minority and non-low-income areas, a comparison of mitigation and environmental enhancement actions that affect predominantly low-income and minority areas with mitigation implemented in predominantly non-minority or non-low-income areas.
- g) When a facility is being considered for construction, a Title VI equity analysis will be conducted during the planning stage regarding the location and a copy of the analysis will be provided.

At this time Transit has not constructed a new facility.

LIMITED ENGLISH PROFICIENT (LEP) INDIVIDUALS AND PUBLIC PARTICIPATION REQUIREMENTS

City of Ridgecrest *ridgerunner* Transit will seek out and consider the viewpoints of minority, low-income and Limited English Proficient (LEP) populations in the course of conducting public outreach and involvement activities. City of Ridgecrest *ridgerunner* Transit's public participation strategy will offer early and continuous opportunities for the public to be involved in the identification of social, economic and environmental impacts of proposed

transportation decisions.

City of Ridgecrest *ridgerunner* Transit will ensure that individuals have access to its programs, activities and services by developing and carrying out the language plan herein. City of Ridgecrest *ridgerunner* Transit will continually assess the language assistance needs of the population to be served.

City of Ridgecrest *ridgerunner* Transit will use the following four (4) factors to determine what measures must be undertaken to provide reasonable and meaningful access to LEP individuals.

- a) Languages likely to be encountered and the number or proportion of LEP persons in the eligible service population likely to be affected by the program, activity, or service.
- b) Frequency with which LEP individuals come into contact with City of Ridgecrest *ridgerunner* Transit programs, activities, and services.
- c) Importance of the program, activity, or service provided by City of Ridgecrest *ridgerunner* Transit to LEP individual's lives.
- d) Resources needed to provide effective language assistance and resulting costs.

ORAL LANGUAGE ASSISTANCE

City of Ridgecrest *ridgerunner* Transit will make every effort to employ bilingual staff to provide Spanish-speaking interpretation at its Administrative office and within its Customer Service for basic Transit questions and trip planning assistance.

COMPLAINTS/LAWSUITS AND APPEALS

How to File a Title VI Complaint with City of Ridgecrest *ridgerunner* Transit : Any person who believes that he/she, or as a member of any specific class of individuals, has been subjected to discrimination on the basis of race, color, national origin, age sex, sexual orientation, or gender identity with respect to City of Ridgecrest *ridgerunner Transit* programs, activities, services, or other Transit related benefits, may file a written Complaint with City of Ridgecrest *ridgerunner* Transit . A Complaint may be filed by the individual or by a representative. A Complaint must be filed within 180 days after the date of the alleged discrimination, but complainants are encouraged to submit complaints as soon as possible. City of Ridgecrest *ridgerunner* Transit will promptly investigate all Complaints filed under Title VI, pursuant to this Regulation.

Complaint must include the following information:

- a) A Complaint must be in writing, signed, and dated by the Complainant or his/her representative before any action can be taken.
- b) A Complaint shall state, as fully as possible, the facts and circumstances surrounding

the alleged discrimination, including the name and address of the complainant, the date, time and location of the incident. The Complaint shall include a description of the program, activity or service on which the alleged discrimination occurred.

A *Complaint Form* (Attachment B) can be used to file a Title VI complaint with City of Ridgecrest *ridgerunner* Transit. A *Complaint Form* will be made in an accessible format upon request. A *Complaint Form* can be obtained at:

- a) City of Ridgecrest *ridgerunner* Transit's website <http://ci.ridgecrest.ca.us>
- b) By calling City of Ridgecrest *ridgerunner* Transit at (760) 499-5041 a complaint form can be mailed.
- c) By picking up a complaint form at 100 W. California Ave. Ridgecrest CA. 93555

If the Complaint is received by anyone besides the City of Ridgecrest *ridgerunner* Transit's Services Coordinator, the individual in receipt of the Complaint shall forward it to the Transit Services Coordinator or his/her designee as soon as practicable but no later than two (2) business days of receipt. The Transit Services Coordinator shall immediately provide a copy of the Complaint to the City of Ridgecrest's Council regarding the program, activity or service that is identified as being out of compliance.

Procedures for Investigating Complaints

The Transit Services Coordinator or his/her designee shall promptly investigate the alleged complaint and shall prepare a written response as soon as practicable, but no later than ten (10) business days of his/her receipt of the complaint. The Transit Services Coordinator or his/her designee may consult with appropriate staff in the preparation of his/her response to the complaint.

Efforts to Contact Complainant

The Transit Services Coordinator or his/her designee shall make every effort to speak (meeting or telephone conversation) with the complainant, at which time the complainant may give written or oral evidence supporting the allegation that his/her rights under Title VI have been violated. The Transit Services Coordinator or his/her designee shall review and consider all the information provided by the complainant, if any, and any other evidence available regarding the allegations of the complaint. The Transit Services Coordinator or his/her designee shall prepare a written report of his/her findings and if corrective action is required, a timetable for the completion of such action.

Completion of Investigation

As soon as it is practicable, but no later than twenty (20) business days following receipt of the initial complaint, the Transit Services Coordinator or his/her designee shall inform the complainant of his/her findings and any corrective action to be taken as a result of the complaint together with the timetable for completion of such action.

Appeal to Chair

If the complainant is not satisfied with the findings and/or action of City of Ridgecrest's Transit Services Coordinator or his/her designee, then the complainant may file his/her Complaint with the City of Ridgecrest's Council or with the FTA's Office of Civil Rights.

Appeal Process

If the complainant chooses to file his/her Complaint with the City of Ridgecrest's Council, then the complaint and any supporting documentation should be submitted within five (5) business days of his/her receipt of the results of the Transit Services Coordinator's investigation with the City of Ridgecrest's Council. Provide your request to Transit Services Coordinator at City of Ridgecrest *ridgerunner* Transit facility. Upon review of the file, the City of Ridgecrest's Council shall notify the complainant of what actions, if any, will be taken as a result of the review by the Chair within ten (10) business days of the Chair's notification that the complainant is not satisfied with the results of the Transit Services Coordinator's investigation. The decision of the City of Ridgecrest *ridgerunner* Transit's Council shall be final.

Timeline Waiver

The Transit Services Coordinator upon a showing of good cause may extend any timeline set forth herein.

How to File a Title VI Complaint with the FTA Office of Civil Rights

Any person who believes that he/she or as a member of any specific class of individuals, has been subjected to discrimination on the basis of race, color, national origin, age, sex, sexual orientation, or gender identity, with respect to City of Ridgecrest's *ridgerunner* Transit's programs, activities, or services, or other Transit related benefits, may file a written Complaint with the FTA. A Complaint may be filed by the individual or by a representative. A Complaint must be filed within 180 days after the date of the alleged discrimination. FTA will promptly investigate all Complaints filed under Title VI in accordance with DOT regulations *49 CFR 21.11(b) and 21.11 (c)*.

FTA Civil Rights Office Address:

Federal Transit Administration Office of Civil Rights

Attn: Title VI Program Coordinator

East Building, 5th Floor – TCR

1200 New Jersey Avenue, S.E.

Washington, DC 20590

TTY: 1-800-877-8339

Voice: 1-866-377-8642

FTA.ADAAssistance@dot.gov

A Complaint must include the following information:

- A. A Complaint must be in writing and signed and dated by the Complainant or his/her representative before any action can be taken. In cases where a Complainant is unable or incapable of providing a written statement, but wishes FTA or DOT to investigate alleged discrimination, a verbal Complaint of discrimination may be made to the FTA Director, Office of Civil Rights. If necessary, the Civil Rights Official will assist the person in converting the verbal Complaint into writing. All Complaints must, however, be signed by the Complainant or his/her representative.
- B. A Complaint shall state, as fully as possible, the facts and circumstances surrounding the alleged discrimination, including the date, time and location of the incident. The Complaint shall include a description of the program, activity or service on which the alleged discrimination occurred.

Complaint Acceptance

Once a Complaint has been accepted, FTA will notify City of Ridgecrest *ridgerunner* Transit that it has been subject to a Title VI Complaint and ask City of Ridgecrest *ridgerunner* Transit to respond in writing to the Complainant's allegations. Once the Complainant agrees to release the Complaint to City of Ridgecrest *ridgerunner* Transit, FTA will provide City of Ridgecrest *ridgerunner* Transit with the Complaint. FTA may choose to close a Complaint if the Complainant does not agree to release the Complaint to City of Ridgecrest *ridgerunner* Transit. FTA strives to complete a Title VI Complaint investigation within 180 days of the acceptance date of a Complaint.

Investigations

FTA will make a prompt investigation whenever a compliance review, report, Complaint or any other information indicates a possible failure to comply with Title VI Regulations. FTA's investigation will include a review of the pertinent practices and policies of City of Ridgecrest *ridgerunner* Transit, the circumstances under which the possible noncompliance occurred, and other factors relevant to a determination as to whether City of Ridgecrest *ridgerunner* Transit has failed to comply with Title VI regulations.

Following the investigation, FTA's Office of Civil Rights will transmit to the Complainant and City of Ridgecrest *ridgerunner* Transit one of the following three letters based on its finding:

- a) *Letter of Resolution*: explains the steps that City of Ridgecrest *ridgerunner* Transit has taken or promises to take to come into compliance with Title VI.
- b) *Letter of Finding (Compliance)*: explains that City of Ridgecrest *ridgerunner* Transit is found to be in compliance with Title VI. This letter will include an explanation of why City of Ridgecrest *ridgerunner* Transit was found to be in compliance, and provide notification of the Complainant's appeal rights.

- c) *Letter of Finding (Noncompliance)*: which explains that City of Ridgecrest *ridgerunner* Transit is found to be in noncompliance. This letter will include each violation referenced, the applicable regulations, a brief description of proposed remedies, notice of the time limit on the conciliation process, the consequences for failure to achieve voluntary compliance, and an offer of assistance to the City of Ridgecrest *ridgerunner* Transit in devising a remedial plan for compliance.

Appeals Process

The letters of finding and resolution will offer the Complainant and the City of Ridgecrest *ridgerunner* Transit the opportunity to provide additional information that would lead FTA to reconsider its conclusions. FTA requests that the parties in the Complaint provide this additional information within 60 days of the date of the FTA letter of finding. FTA's Office of Civil Rights will respond to an appeal either by issuing a revised letter of resolution or finding to the appealing party, or by informing the appealing party that the original letter of resolution or finding remains in force.

DEFICIENCIES WITH TITLE VI COMPLIANCE

Compliance Reviews will be conducted periodically by FTA, as part of its ongoing responsibility pursuant to its authority under 49 CFR 21.11(a).

If FTA determines that City of Ridgecrest *ridgerunner* Transit is in noncompliance with Title VI, it will transmit a *Letter of Finding* that describes FTA's determination and request that City of Ridgecrest *ridgerunner* Transit voluntarily take corrective actions (which FTA deems necessary and appropriate).

City of Ridgecrest *ridgerunner* Transit will submit a remedial action plan including a list of planned corrective actions and, if necessary, sufficient reasons and justification for FTA to reconsider any of its findings or recommendations within 30 days of receipt of FTA's *Letter of Finding*.

ADMINISTRATION OF REGULATION

City of Ridgecrest *ridgerunner* Transit will integrate the provisions within its Title VI Program into all programs, activities, and services provided by City of Ridgecrest *ridgerunner* Transit.

City of Ridgecrest *ridgerunner* Transit will integrate the Title VI Program into its policies and procedures.

SECTION 2: LIMITED ENGLISH PROFICIENCY (LEP) PLAN

INTRODUCTION

This Limited English Proficiency (LEP) Plan has been prepared to address the City of Ridgecrest *ridgerunner* Transit's responsibilities as a recipient of federal financial assistance as they relate to the needs of individuals with limited English language skills. The plan has been prepared in accordance with Title VI of the Civil Rights Act of 1964; Federal Transit Administration Circular 4702.1A dated May 13, 2007, which states that no person shall be subjected to discrimination on the basis of race, color or national origin.

Executive Order 13166, titled Improving Access to Services for Persons with Limited English Proficiency, indicates that differential treatment based upon a person's inability to speak, read, write or understands English is a type of national origin discrimination. It directs each federal agency to publish guidance for its respective recipients clarifying their obligation to ensure that such discrimination does not take place. This order applies to all state and local agencies, which receive federal funds.

PLAN SUMMARY

The City of Ridgecrest *ridgerunner* Transit is the public Transit operator for the Eastern Kern County area and has developed this LEP Plan to help identify reasonable steps for providing language assistance to persons with limited English proficiency who wish to access services provided by City of Ridgecrest *ridgerunner* Transit. As defined in Executive Order 13166, LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write or understand English.

This plan outlines how to identify a person who may need language assistance, the ways in which assistance may be provided, train staff that may be required, and how to notify LEP persons that assistance is available.

In order to prepare this plan, City of Ridgecrest *ridgerunner* Transit undertook the U.S. Department of Transportation (U.S. DOT) four-factor LEP analysis, which considers the following factors:

1. The number or proportion of LEP persons in the service area who may be served or are likely to encounter City of Ridgecrest, *ridgerunner* Transit program, activity or service.
2. The frequency with which LEP persons come in contact with City of

Ridgecrest *ridgerunner* Transit programs, activities or services.

3. The nature and importance of programs, activities or services provided by City of Ridgecrest *ridgerunner* Transit to the LEP population.
4. The resources available to City of Ridgecrest *ridgerunner* Transit and overall costs to provide LEP assistance.

A summary of the results of the City of Ridgecrest *ridgerunner* Transit four-factor analysis is in the following section.

Four-Factor Analysis

1. The number or proportion of LEP persons in the service area who may be served or are likely to encounter the City of Ridgecrest *ridgerunner* Transit, activity or service.

The City of Ridgecrest *ridgerunner* Transit staff reviewed the 2010 U.S. Census Language Survey Report and determined that 3445 persons in the City of Ridgecrest [13.5 % of the population] speak a language other than English. In the City of Ridgecrest 1,100 persons [4.3 %] indicate having limited English proficiency, that is, they speak English “not very well”.

In the City of Ridgecrest, of those persons with limited English proficiency, 821 (2.38% of the total population) speak Spanish; the remaining 279 respondents speak approximately 16 different languages, each accounting for less than 1% of the population.

2. The frequency with which LEP persons come in contact with City of Ridgecrest *ridgerunner* Transit programs, activities or services.

The City of Ridgecrest *ridgerunner* Transit assessed the frequency with which staff and drivers have, or could have, contact with LEP persons. This includes documenting phone inquiries and surveying vehicle operators for requests for interpreters and translated documents. To date, the most frequent contact between LEP persons is with bus drivers and administrative staff. Administrative staff took approximately 2 calls over a six (6) month survey period, with typical calls being;

- Deviated service stop requests (0)
- General service calls (2)

What is notable, in this instance, is that dispatch staff indicates taking only two similar calls during the same survey period. Based on this information, the City of Ridgecrest *ridgerunner* Transit will continue to incorporate bilingual staff as much as practicable, work with local community service agencies identified as having high LEP person traffic and ensure that language assistance information is posted in high volume areas, such as; buses, website and administrative offices.

3. The nature and importance of programs, activities or services provided by the City of Ridgecrest *ridgerunner* Transit to the LEP population.

The largest geographic concentration of LEP individuals in the City of Ridgecrest *ridgerunner* Transit service area is Spanish. Services provided by City of Ridgecrest *ridgerunner* Transit that are most likely to encounter LEP individuals are the fixed route system, which serves the general public.

It is also likely that the City of Ridgecrest *ridgerunner* Transit will encounter LEP individuals at the City of Ridgecrest *ridgerunner* Transit offices where passes are sold, at community outreach events and posters are displayed relating to Transit events.

4. The resources available to City of Ridgecrest *ridgerunner* Transit and overall costs to provide LEP assistance.

City of Ridgecrest *ridgerunner* Transit assessed its available resources that could be used for providing LEP assistance, including determining the cost of a professional interpreter and translation service on an as-needed basis and which of its documents would be the most valuable to be translated if the need should arise. In addition, City of Ridgecrest *ridgerunner* Transit took an inventory of available organizations that could be collaborated with for outreach and translation efforts. The amount of staff and vehicle operating training that might be needed was also considered. Based on the four-factor analysis, the City of Ridgecrest *ridgerunner* Transit developed its LEP Plan as outlined in the following section.

LIMITED ENGLISH PROFICIENCY (LEP) PLAN OUTLINE

How City of Ridgecrest *ridgerunner* Transit and staff have identified an LEP person who needs language assistance:

1. Examine records to see if requests for language assistance have been received in the past, either at meetings or over the phone, to determine whether language assistance might be needed at future events or meetings.
2. Have a staff person greet participants as they arrive to the City of Ridgecrest *ridgerunner* Transit sponsored events. By informally engaging participants in conversation, it is possible to gauge each attendee's ability to speak and understand English.
3. Have Census Bureau Language Identification Flashcards available at the City of Ridgecrest *ridgerunner* Transit meetings. This will assist the City of Ridgecrest *ridgerunner* Transit in identifying language assistance needs for future events and meetings.
4. Have Census Bureau Language Identification Flashcards on all Transit vehicles to assist vehicle operators in identifying specific language assistance needs of passengers. If such individuals are encountered, vehicle operators will be instructed to try to obtain contact information to give to the City of Ridgecrest *ridgerunner* Transit

management for follow-up.

5. Vehicle operators and other front-line staff, like dispatchers and service development planners, will be surveyed on their experience concerning any contacts with LEP persons during the previous year.

LANGUAGE ASSISTANCE MEASURES

There are numerous language assistance measures available to LEP persons, including both oral and written language services. There are also various ways in which the City of Ridgecrest *ridgerunner* Transit staff responds to LEP persons, whether in person, by telephone or in writing.

- Provide bilingual staffing to provide Spanish-speaking interpretation at its Administrative offices and within its Customer Service Transit questions and trip planning;
- Network with local human service organizations that provide services to LEP individuals and seek opportunities to provide information on the City of Ridgecrest *ridgerunner* Transit programs and services;
- Placement of statements in notices and publications that interpreter services are available for these meetings, with seven (7) day advance notice;
- Survey bus drivers and other front-line staff, like dispatchers and service development planners, annually on their experience concerning any contacts with LEP persons during the previous year;
- Provide Language Identification Flashcards at the Transit Center, onboard the City of Ridgecrest *ridgerunner* Transit fleet, in Road Supervisor vehicles and at Transit systems administrative offices;
- Post the City of Ridgecrest *ridgerunner* Transit Title VI Program and LEP Plan on the agency website, www.ridgecrest.ca.us, and at the administrative offices;
- Provide local travel training to LEP persons with the assistance of bilingual staff;
- Include language “Spanish a plus” on bus driver recruitment flyers and onboard recruitment posters;
- When an interpreter is needed, for a language other than Spanish, in person or on the telephone, staff will utilize a professional interpreter services.

STAFF TRAINING

The following training has been provided to the City of Ridgecrest *ridgerunner* Transit staff:

1. Information on the City of Ridgecrest *ridgerunner* Transit Title VI Procedures and LEP responsibilities;
2. Description of language assistance services offered to the public;
3. Use of Language Identification Flashcards (used to identify language preference);
4. Documentation of language assistance requests;
5. Use of professional interpreter services (over the phone interpretation provider);
6. How to handle a potential Title VI/LEP complaint.

OUTREACH TECHNIQUES

In order to ensure that LEP individuals are aware of the City of Ridgecrest *ridgerunner* Transit's language assistance measures, the City of Ridgecrest *ridgerunner* Transit provides the following:

- Local schedules include Spanish translation;
- Spanish language contact information, phone and email, is posted on the City of Ridgecrest *ridgerunner* Transit website home page;
- Bilingual staff are present most service hours for in-person or phone customer service at the administrative offices.

Additionally, when staff prepares a document or schedules a meeting, for which the target audience is expected to include LEP individuals, then documents, meeting notices, flyers, and agendas will be printed and posted in an alternative language based on the known LEP population. These notices will be posted in the following locations:

- City of Ridgecrest *ridgerunner* Transit Administrative offices;
- City of Ridgecrest *ridgerunner* Transit buses;
- City of Ridgecrest *ridgerunner* Transit website.

Such notices may also be posted or announced with local stakeholders, community centers and effected route major transfer points. Interpreters will be available as needed.

MONITORING AND UPDATING THE LEP PLAN

The City of Ridgecrest *ridgerunner* Transit will update the LEP plan as required by U.S. DOT. At a minimum, the plan will be reviewed and updated every three (3) years in conjunction with the Title VI submission, or when data from the 2020 U.S. Census is available, or when it is clear that higher concentrations of LEP individuals are present in the City of Ridgecrest *ridgerunner* Transit service area. Updates will include the following:

- The number of documented LEP person contacts encountered annually;
- How the needs of LEP persons have been addressed;
- Determination of the current LEP population in the service area;
- Determination as to whether the need for translation services has changed;
- Determine whether local language assistance programs have been effective and sufficient to meet the need;
- Determine whether the City of Ridgecrest *ridgerunner* Transit financial resources are sufficient to fund language assistance resources needed;

- Determine whether the City of Ridgecrest *ridgerunner* Transit has fully complied with the goals of this LEP Plan;
- Determine whether complaints have been received concerning the City of Ridgecrest *ridgerunner* Transit's failure to meet the needs of LEP individuals.

DISSEMINATION OF THE CITY OF RIDGECREST RIDGERUNNER TRANSIT LEP PLAN

A link to the [City of Ridgecrest *ridgerunner* Transit LEP Plan](#) and the [Title VI Program](#) is included on the City of Ridgecrest *ridgerunner* Transit website at www.ridgecrest.ca.us.

Any person or agency with internet access will be able to access and download the plan from the City of Ridgecrest *ridgerunner* Transit website. Alternatively, any person or agency may request a copy of the plan via telephone, mail, or in person and shall be provided a copy of the plan at no cost. LEP individuals may request copies of the plan in translation, which the City of Ridgecrest *ridgerunner* Transit will provide, if feasible.

Questions or comments regarding the LEP Plan may be submitted to the City of Ridgecrest *ridgerunner* Transit, Transit Services Coordinator:

City of Ridgecrest *ridgerunner* Transit
Transit Services Coordinator
100 W. California Avenue
Ridgecrest, CA 93555

Phone: 760-499-5041
Email: stthomas@ridgecrest-ca.gov

Notifying the Public of Rights Under Title VI

THE CITY OF RIDGECREST

The City of Ridgecrest operates its programs and services without regard to race, color, and national origin in accordance with Title VI of the Civil Rights Act. Any person who believes she or he has been aggrieved by any unlawful discriminatory practice under Title VI may file a complaint with the City of Ridgecrest.

For more information on the City of Ridgecrest's civil rights program and the procedures to file a complaint, contact 760-499-5041; email stthomas@ridgecrest-ca.gov or visit our administrative office at 100 W. California Avenue, Ridgecrest, CA 93555. For More Information visit, www.ci.ridgecrest.ca.us

A complainant may file a complaint directly with the Federal Transit Administration by filing a complaint with the Office of Civil Rights, Attention: Title VI Program Coordination, East Building, 5th Floor-TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590

Notificando Al publico De Sus Derechos Bajo El Titulo VI

La Ciudad De RIDGECREST

La Ciudad De Ridgecrest opera sus servicios sin distincion de raza, color, nacionalidad o origen de acuerdo al titulo VI de los derechos civiles. Toda persona que cree que el o ella han sido ofendidos por cual quier practica discriminatoria ilegal bajo el titulo VI, puede presentar una queja con la Ciudad de Ridgecrest.

Para mas informacion del programa de los derechos civiles de la ciudad de Ridgecrest, y el procedimiento de como presentar una queja, contactar 760-499-5041; o al Correo electronico stthomas@ridgecrest-ca.gov o visite nuestras oficinas en el 100 W California Avenue, Ridgecrest, CA 93555.

Para mas informacion visite www.ci.ridgecrest.ca.us

Cualquier queja debe hacerse directamente con la oficina federal de administracion de transito presentando una una queja con la oficina de los derechos civiles, Atencion: El Programa de Cordinacion del Titulo VI , Edificio Este , 5 Piso-TCR, 1200 New Jersey Avenue, SE, Washington, DC 20590

Notice of Title VI is posted as follows:

Information boards at City Hall, 100 W. Calif. Ave, Ridgecrest

Ridgerunner Dispatch office, 100 W. Calif. Ave, Ridgecrest

On all buses

On all bus benches and/or bus shelters

On City Website, www.ci.ridgecrest.ca.us

La Notificacion del Titulo VI esta puesta en:

La tabla de informacion en el Centro Civico, 100 W. Calif. Ave, Ridgecrest

La Oficina de Despacho de Ridgerunner , 100 W. Calif. Ave, Ridgecrest

En todos los camiones

En todas las bancas en las paradas de los camiones/y en todas las casetas

En el correo electronico de la ciudad, www.ci.ridgecrest.ca.us

Attachment A

POLICY STATEMENT

The City of Ridgecrest *ridgerunner* Transit is committed to providing public transportation in an environment that is free from discrimination on the basis of race, color or national origin. The City of Ridgecrest *ridgerunner* Transit operates its programs, activities and services without regard to race, color or national origin.

As a Federal Transit Administration (FTA) fund recipient, City of Ridgecrest *ridgerunner* Transit will ensure that its programs, policies and activities comply with Title VI of the Civil Rights Act of 1964, as amended, and Department of Transportation regulations.

Any person, who believes that he/she, has been subjected to discrimination on the basis of race, color or national origin, with respect to City of Ridgecrest *ridgerunner* Transit programs, activities, services, or other Transit related benefits, may file a Title VI complaint. Complaints must be filed in writing and signed by the complainant, or a representative, and should include the complainants name, address, and telephone number or other means by which the complainant can be contacted. Complaints must be filed within 180 days of the date of the alleged discriminatory act.

To request additional information on City of Ridgecrest *ridgerunner* Transit's non-discrimination obligations or to file a Title VI Complaint, please submit your request or complaint in writing to:

City of Ridgecrest *ridgerunner* Transit
Attn: Transit Coordinator
100 W. California Avenue
Ridgecrest, CA 93555

Complaint Forms can also be obtained at www.ridgecrest-ca.us.com

Federal Transit Administration (FTA) Title VI Complaints may be filed directly to:

Federal Transit Administration Office of Civil Rights
Title VI Program Coordinator
East Building, 5th Floor – TCR
1200 New Jersey
Avenue, SE Washington,
DC 20590

Attachment B

City of Ridgecrest *ridgerunner* Transit TITLE VI DISCRIMINATION COMPLAINT FORM

100 W California Avenue, Ridgecrest, CA 93555

Complainant's Name: _____

Street Address: _____

City/State/Zip: _____

Phone: _____ E-Mail Address: _____

Date of Violation: _____ Time of Violation: _____

Date of Complaint: _____ Place of Violation: _____

Bus Number: _____ Bus Route: _____

Discrimination because of: Race Color National Origin

Please provide the name(s) of the City of Ridgecrest *ridgerunner* Transit employees who allegedly discriminated against you, including their job titles (if known).

Identify what City of Ridgecrest *ridgerunner* Transit service, program, or activity did not comply with Title V of the Civil Rights Act of 1964.

Identify individuals by name, address and phone number that has information relating to the violation.

Explain as clearly as possible what happened, how you feel you were discriminated against and who was involved. Please include how other individuals were treated differently from you.

Signature of Complainant: _____ Date: _____

Attachment B Spanish

City of Ridgecrest *ridgerunner* Transit

**FORMULARIO DE QUEJA POR DISCRIMINACIÓN CONFORME
AL TÍTULO VI
100 W. California Avenue, Ridgecrest, CA 93555**

Nombre del que presenta la queja: _____
Dirección (calle): _____
Ciudad/Estado/Código postal: _____
Teléfono: _____ Correo electrónico: _____
Fecha del incidente: _____ Hora del incidente: _____
Fecha de la queja: _____ Lugar del incidente: _____
Número del bus: _____ Ruta del bus: _____

Causa de la discriminación: Raza Color Origen nacional

Sírvase suministrar el/los nombre(s) de los empleados de City of Ridgecrest *ridgerunner* Transit que supuestamente le discriminaron, inclusive los cargos que ocupan (si se saben).

Identifique cuál servicio, programa o actividad de City of Ridgecrest *ridgerunner* Transit no cumplió con el Título VI del Acta de Derechos Civiles de 1964.

Proporcione los nombres, direcciones y números de teléfono de los individuos que poseen información relacionada con el incidente.

Explique lo más claramente posible lo que ocurrió, cómo usted siente que le discriminaron y quién estuvo involucrado. Por favor incluya cómo otras personas fueron tratadas de manera diferente a usted.

Firma del que presenta la queja: _____ *Fecha:* _____

Attachment C

**LIST OF TRANSIT-RELATED TITLE VI INVESTIGATIONS, COMPLAINTS,
AND LAWSUITS (GENERAL REQUIREMENT)**

City of Ridgecrest *ridgerunner* Transit does not have any past, current or pending Title VI complaints

Attachment D

CITY OF RIDGECREST *RIDGERUNNER* TRANSIT FARE AND SERVICE CHANGE PUBLIC NOTIFICATION

POLICY

The City of Ridgecrest *ridgerunner* Transit shall maintain an open and participative process including the consideration of public comment before a fare increase or major service reduction. Public input is solicited while proposals are under consideration. Customers are notified before the implementation of any major service changes or fare increases.

It is the intent of City of Ridgecrest *ridgerunner* Transit to comply with the Federal Public Comment on Service Change and Fare Change policy cited in Federal Transit Administration Section C. 9030.1C.

DEFINITION

For the purpose of the FTA C. 9030.1C comment requirement, City of Ridgecrest *ridgerunner* Transit's definition of a service change is as follows:

Service Change: A change in service area equal to more than 25% total system square mile service area.

Fare Chang: A change of any amount compared to existing fare.

PROCEDURES

In order to insure maximum opportunity for community input and involvement in the decision-making process, City of Ridgecrest *ridgerunner* Transit adheres to the following:

1. Provide a thirty (30) day advance notice of a public hearing to consider the proposal in appropriate local and/regional publications as appropriate;
2. Provide customer information regarding the fare change and service reduction proposal and process for public comment on board service vehicles;
3. Before finalizing recommendations, the City of Ridgecrest *ridgerunner* Transit staff will review proposed fare changes and/or reductions in service and the merits of such proposals with the City of Ridgecrest Council and the Kern Council of Government

(KernCog);

4. Conduct at least one (1) formal public hearing to solicit public input and consider recommendations to the proposed service changes. The hearing includes a staff presentation of proposed service changes and the opportunity for testimony from any interested individual in attendance. Minutes of the hearing are recorded;
5. Following the conclusion of the Public Hearing, the City of Ridgecrest Council will consider both the staff recommendations and the public comment and make the final decision regarding the service change by a simple majority vote. The effective date of any fare or service change shall be at least sixty (60) days after the date noticing the public hearing.

Attachment E

TABLE DEPICTING MINORITY REPRESENTATION ON NON-ELECTED TRANSIT ADVISORY COMMITTEE

Ridgerunner Transit does not operate under a non-elected board as City Council of the City of Ridgecrest acts as Ridgerunner Transit's oversight board.

Attachment F

THE CITY OF RIDGECREST RIDGERUNNER TRANSIT SYSTEM PERFORMANCE STANDARDS

The City of Ridgecrest *ridgerunner* Transit currently reports the following Transit Development Act (TDA) mandated Key Performance Measures:

Passenger Fares
Operating Expenses
Farebox Recovery Ratio (FBR)
Operating Cost/Passenger
Operating Cost/Revenue Hour
Operating Cost/Revenue Mile
Passenger Trips/Revenue Hour
Road Calls
Average Fare Per Passenger
Employees/Full-Time Equivalent (FTE)

VEHICLE LOAD STANDARDS BY MODE

The average of all loads during the peak operating period should not exceed vehicles' achievable capacities, which are 18 passengers for a 22-foot cut-away bus, 30-33 passengers for a 30-foot cut-away bus.

VEHICLE LOAD STANDARDS BY MODE

Vehicle Type	Average Passenger Capacities			Maximum Load Factor
	Seated	Standing	Total	
22' Cut-away	12	6	18	1.5
30' Cut-away	20	10	30	1.5
30' Cut-away	22	11	33	1.5

HEADWAYS AND PERIODS OF OPERATION

Local

Service operates on four local lines every 60 minutes beginning at approximately 07:00 am until approximately 5:00 pm on weekdays.

- Service operates on three local lines every 60 minutes beginning at approximately 07:00 am until approximately 5:00 pm on weekdays.
- Service operates one local Mid-Day Express line every 60 minutes beginning at approximately 11:00 am until approximately 1:00 pm on weekdays

HEADWAYS AND PERIODS OF OPERATION (continued)

Commuter

Service is provided between City of Ridgecrest and surrounding County areas under contract with Kern County Regional Authority. Service area includes Inyokern, Johannesburg, Ransburg and all surrounding County areas. Service operates as a Dial-a-Ride beginning at approximately 07:00am until approximately 5:00 pm on weekdays.

Routing and scheduling involves the consideration of a number of factors including ridership productivity, transit/pedestrian friendly streets, density of transit-dependent population and activities, relationship to the Regional Transportation Plan, relationship to major transportation developments, land use connectivity, and transportation demand management.

WEEKDAY	PEAK	BASE	EVENING
Local (07:00 am - 5:00 pm)	60'	60'	60'
Mid-Day Express (07:00am -5:00pm)	60'	60'	60'
Commuter (07:00 am - 5:00 pm)	Dial-a-Ride, request only	Dial-a-Ride, request only	Dial-a-Ride, request only

ON-TIME PERFORMANCE STANDARDS

Local: Eighty (80%) percent of all deviated fixed-route trips should be operated “on-time,” defined as not early, and no more than five (5) minutes late in comparison to the established time points.

Commuter: Ninety five (95 %) percent of all trips should be operated “on-time,” defined as not early, and no more than five (5) minutes late in comparison to the established request times.

The above On-time Performance definitions are based upon those definitions as found in the Ridgecrest Transportation Development Plan, June 12, 2007.

Local Fixed Route (Deviated): 90%
Mid-Day Express: 90%
Commuter/Demand Response: 95%

SERVICE AVAILABILITY (continued)

It is the goal to provide Transit service to residential areas, major medical, shopping, government, employment centers, and activity centers that can support those route services. The local route system has been designed such that 85 percent of the population cluster areas is within one-fourth (1/4) mile of the service area of a deviated fixed route.

Vehicle Assignment

All vehicles within the City of Ridgecrest *ridgerunner* Transit fleet are lift-equipped, have bicycle racks and heat/air conditioning. Vehicles are assigned based on operating characteristics of the routes. Local routes typically operate 30-foot cut-away buses while our Commuter/Demand Response service typically operates 22-foot cut-away buses as to cut operating cost. We operate five buses daily of a ten-bus fleet and rotate in other vehicles approximately every 45 days as PM's are performed as to try to keep mileage level across the fleet.

Transit Amenities

Installation of Transit amenities are based on passenger boarding's along the routes. Typically, for local or commuter routes; amenities should be installed where passenger boarding's number 5 or more persons (benches) and 10 or more persons (shelters).

5

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

SUBJECT: A Resolution Of The City Council Of The City Of Ridgecrest Approving A Contract Change Order Number One With The Contractor Griffith Construction Company To Provide Additional Traffic Control and Traffic Handling For The West Ridgecrest Boulevard Project And Authorize The City Manager, Dennis Speer To Sign The Change Order Number One

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

As work on the West Ridgecrest Boulevard Project began, and it is apparent that the planned traffic control and traffic handling strategy cannot be implemented. This Change Order Number One will allow for Griffith Company to set up, have implementation, maintenance, and removals associated with changes to the specified traffic control and traffic handling plan by additional changeable message signs, signage, delineation, flagmen, and detours.

The estimated time and materials monthly sum is \$58,580.98 and shall constitute full payment for all time, labor, materials, equipment, required for the change in traffic control and traffic handling. The scope of work may require adjustments as traffic control needs dictate throughout the project duration. Extra work is to be billed on a time and materials basis.

The Federal Highway Administration and Caltrans who is funding this project requires that the City of Ridgecrest provide significant traffic control based on the size of this project and will monitor the project accordingly.

The Change Order One is for time and materials estimated at \$58,580.98 per month. The City could possibly accrue these costs for up to four (4) months for a total of \$234,323.92. These funds will come from the contingencies set aside within the project that were allocated to the construction costs for the West Ridgecrest Boulevard Project.

Funds would be transferred from 018-4760-430-2999-ST0101 to 018-4760-430-4601 ST0101.

The Funding Source for this project would come from 018-4760-430-4601 ST0101.

FISCAL IMPACT: \$58,580.98 Monthly or for 4 Months \$234,323.92

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution Of The City Council Of The City Of Ridgecrest Approving A Contract Change Order Number One With The Contractor Griffith Construction Company To Provide Additional Traffic Control And Traffic Handling Required For The West Ridgecrest Boulevard Project And Authorize The City Manager, Dennis Speer To Sign The Change Order Number One

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

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RESOLUTION NO. 14-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING A CONTRACT CHANGE ORDER NUMBER ONE WITH THE CONTRACTOR GRIFFITH CONSTRUCTION COMPANY TO PROVIDE ADDITIONAL TRAFFIC CONTROL AND TRAFFIC HANDLING REQUIRED FOR THE WEST RIDGECREST BOULEVARD PROJECT AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER TO SIGN THE CHANGE ORDER NUMBER ONE

WHEREAS, Work on the West Ridgecrest Boulevard Project began and it is apparent that the planned traffic control and traffic handling strategy could not be implemented; and

WHEREAS, This Change Order Number One will allow for Griffith Construction Company to set up, have implementation, maintenance, and removals associated with changes to the specified traffic control and traffic handling plan with changeable message signs, signage, delineation, flagmen, and detours; and

WHEREAS, The estimated time and materials monthly sum is \$58,580.98 and shall constitute full payment for all labor, materials, equipment, required for traffic control and traffic handling; and

WHEREAS, The scope of work may require adjustments as traffic control needs dictate throughout the project duration and extra work is to be billed on a time and materials basis; and

WHEREAS, The Change Order One time and materials estimate is \$58,580.98 per month and the City could possibly accrue these costs for up to four (4) months for a total of \$234,323.92; and

WHEREAS, These funds need to come from the Contingencies set aside within the project that were allocated to the Construction Costs for the West Ridgecrest Boulevard Project; and

WHEREAS, Funds would be transferred from 018-4760-430-2999-ST0101 to 018-4760-430-4601 ST0101; and

WHEREAS, The Funding Source for this project would come from 01-4760-430-4601 ST0101.

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

1. Authorizes the Change Order Number One to Griffith Construction Company to provide Additional Traffic Control and Traffic Handling for a time and materials estimated at \$58,580.98 per month for up to four (4) months or a total of \$234,323.92 and
2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts.
3. Authorizes the City Manager, Dennis Speer to execute the Change Order Number One

APPROVED AND ADOPTED this 6th day of August 2014 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Daniel O. Clark, Mayor

ATTEST

Rachel J. Ford, CMC, City Clerk

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CITY OF RIDGECREST

CONTRACT CHANGE ORDER No.

1

DATE:

7/7/14

Project Name: West Ridgecrest Blvd Reconstruction Project, RPSTPL-5385(048)

Willdan Project #: 102225

Purchase Order No.:

Contractor: Griffith Company

You are hereby directed to make the described changes from the plans and specifications or do the following described work not included in the plans and specifications on this contract.

As directed by the City of Ridgecrest, Griffith Company is to provide all traffic control and quality control required for change order work.	Cost	(calendar days)
Original contract amount:	\$ 5,484,474.00	210
Previous Change Order No(s). amount(s) to:	\$ -	0
Current Change Order No. (1) amounts to:	\$ 58,580.98	0
Total increase to contract to date:	\$ 58,580.98	0
Revised contract amount:	\$ 5,543,054.98	210
Percentage of total increase to contract amount to date:	1.07%	

DESCRIPTION OF WORK TO BE DONE, ESTIMATE OF QUANTITIES, AND PRICES TO BE PAID:

Item	Description	Contract Qty	Change Order Qty.	Adjusted Contract Quantity	Unit	Unit Cost	Change order Cost	Time Ext. Calendar Days
1	Setup, implementation, maintenance, and removals associated with changes to the specified traffic control system, including changeable message signs, flagmen, and detours. This estimated monthly sum shall constitute full payment for all labor, materials, equipment, overhead, and applicable markups, required to complete the extra work. Scope of work may require adjustments as traffic control needs dictate throughout the project duration. Extra work is to be billed on a time and materials basis.	0.00	1.00	1.00	LS	\$58,580.98	\$ 58,580.98	0

TOTAL THIS CHANGE ORDER: \$ 58,580.98 0

Requested: [Signature]
Construction Manager/Resident Engineer

Date: 7/14/14

Approved: [Signature]
City Engineer

Date: 7/15/14

Approved: _____
Public Works Director

Date: _____

We the undersigned Contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may be otherwise noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the prices shown above.

Accepted: [Signature] **GRIFFITH COMPANY**
Contractor

Date: 7/11/14

By: [Signature] **LUCAS J. WALKER**
REGIONAL MANAGER

Title: _____

GRIFFITH COMPANY

1128 Carrier Parkway Avenue
Bakersfield, CA 93308

Phone: 661: 392 - 6640
Fax: 661: 393 - 9525

Building in Quality since 1902

To: City Of Ridgecrest Address: Ridgecrest, CA	Contact: Phone: Fax:
Project Name: City Of Ridgecrest, China Lake Reconstruct CCO Traffic Control Project Location: West Ridgecrest Blvd. No. Mahan To China Lake Blvd., Ridgecrest, CA Addendum #: 1&2	Bid Number: Bid Date: 2/27/2014

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
1	Revised Monthly Traffic Control	20.00	DDAY	\$3,135.96	\$62,719.20

Total Bid Price: ~~\$62,719.20~~

Notes:

- This price is based upon approximately 1 month of traffic control as per the revised Traffic Control Plan. It is the for the purpose of estimateing the traffic control change order only.

Price represents the following:
5ea CMS boards
4Ea laborer Flagmen
Misc. Traffic Control signs

\$58,580.98 per
detailed cost
breakdown

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED: GRIFFITH COMPANY</p> <p>Authorized Signature: _____</p> <p>Estimator: Eric Eucce eeucce@griffithcompany.net</p>
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CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM

SUBJECT: A Resolution To Amend The Professional Services Agreement With Willdan Engineering For Continuation Of Phases 1, 2, And 3 Of The Architectural And Engineering Services Of The City Corporation Yard And Transit Facility And Authorize The City Manager, Dennis Speer, To Execute This Agreement

PRESENTED BY:
Dennis Speer, Director Public Works

SUMMARY:
The “design and construction of a Corporate City Yards Facility” is identified in the official statement for the use of TAB funds. The City of Ridgecrest now requires preliminary design engineering services for the facilities. Willdan Engineering submitted a proposal in the amount of \$44,640.00 for Preliminary Phase 1 Design Engineering Services for the Transit Bus Garage funded by Proposition 1B Funds. The City is now ready to move forward with the architectural and engineering of the City Corporation Yard and has received from Willdan Engineering and revised proposal.

There are three projects that will be design/build projects: 1) new storage building 2) new equipment storage shed 3) new carports with an option for a solar power system. There are two projects that will be with the design/bid/build projects: 1) remodeling the existing Public Works Maintenance Facility 2) the site improvements.

These Continuations of Phases 1, 2, and 3 of the Architectural and Engineering Services at the Corporation Yard have a fee of Not to Exceed of \$120,000.00.

Phase 4 will be for Construction Management Services and the scope and timing will be determined at the end of Phase 3.

Funds for these services will be expended from the TAB Funding allocated by a Minute Order on July 18, 2012.

Staff recommends that the City Council approve the amended Professional Services Agreement with Willdan Engineering and Authorize the City Manager, Dennis Speer, to Execute the Agreement.

FISCAL IMPACT: \$120,000.000 TAB Funding
Reviewed by Finance Director:

ACTION REQUESTED:
Adopt A Resolution To Amend The Professional Services Agreement With Willdan Engineering For Continuation Of Phases 1, 2, And 3 Of The Architectural And Engineering Services Of The City Corporation Yard And Transit Facility And Authorize The City Manager, Dennis Speer, To Execute This Agreement

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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

Action Date: August 6, 2014

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RESOLUTION NO. 14-XX

A RESOLUTION TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN ENGINEERING FOR CONTINUATION OF PHASES 1, 2, AND 3 OF THE ARCHITECTURAL AND ENGINEERING SERVICES OF THE CITY CORPORATION YARD AND TRANSIT FACILITY AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER, TO EXECUTE THIS AGREEMENT

WHEREAS, the official statement for TAB projects identifies the “design and construction for City Corporate Yards Facility” as a project; and

WHEREAS, as a result, the City of Ridgecrest requires the services of an engineering firm to provide preliminary engineering services for the project; and

WHEREAS, Willdan Engineering submitted a proposal in the amount of \$44,640.00 for Preliminary Phase 1 Design Engineering Services for the Transit Bus Garage funded by Proposition 1B Funds; and

WHEREAS, The City is now ready to move forward with the architectural and engineering of the City Corporation Yard and has received from Willdan Engineering revised proposal; and

WHEREAS, There are three projects that will be design/build projects: 1) new storage building 2) new equipment storage shed 3) new carports with an option for a solar power system; and

WHEREAS, There are two projects that will be design/bid/build projects: 1) remodeling the existing Public Works Maintenance Facility 2) the site improvements; and

WHEREAS, These Continuations of Phases 1, 2, and 3 of the Architectural and Engineering Services at the Corporation Yard have a fee of Not to Exceed of \$120,000.00

WHEREAS, Funds for these services will be expended from the TAB Funding allocated by a Minute Order on July 18, 2012.

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

1. Adopt A Resolution To Amend The Professional Services Agreement With Willdan Engineering For Continuation Of Phases 1, 2, And 3 Of The Architectural And Engineering Services Of The City Corporation Yard And Transit Facility; and
2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts; and
3. Authorizes the City Manager, Dennis Speer, to execute the Agreement With Willdan Engineering

APPROVED AND ADOPTED this 6th day of August 2014 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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July 17, 2014

Mr. Loren Culp, P.E.
City Engineer
City of Ridgecrest
Public Works Department
100 West California Avenue
Ridgecrest, California 93555

Subject: *Revised Proposal for AECM Services for the Design and Construction of a Bus Maintenance Facility at a Renovated and Expanded City Corporate Yard*

Reference: Letter: T. Broz to L. Culp, Dated: September 17, 2013, Subject: Same

Dear Mr. Culp:

Towards the end of last year you authorized the Willdan team to initially prepare an overall conceptual plan for a renovated Corporate Yard and then prepare bridging documents consisting of Design Development drawings and specifications which were to be used to solicit proposals from design/build contractors for the design and construction of a new bus maintenance facility to be located at the City's Corporate Yard. This direction was based on the fact that the City only had the Kern Council of Governments Transit Fund Grant of approximately \$830,000 to design and build this vehicle maintenance building. At that time these funds were absolutely all that was available and were required to cover all hard and soft costs associated with the project. We now understand that the City has acquired/made available approximately \$2M in additional funding and would like to proceed with not only the design and construction of a new vehicle maintenance building but also the other renovations to the Corporate Yard which include: remodeling the existing Public Works maintenance building; constructing a new storage building for general storage of furniture, office equipment, etc.; constructing a new equipment shed which will provide an open but covered area (three sides plus roof) for parking equipment; constructing a new carport which will provide covered parking for 14 buses; potentially adding solar photovoltaic panels to the carport roof; relocating and modifying the existing fueling facility for multiple fuels (gasoline and diesel); and constructing site improvements including pavement and utility upgrades and relocation of materials storage bins and integration of the recently acquired property immediately adjacent to the Corporate Yard's East property line.

As I discussed with you in our telephone conversation on May 6 and then detailed in my email to you on May 7 we are proposing to now implement the design and construction of these various improvements to the Corporate Yard using a combination of two types of project delivery methods, design/bid/build and design/build. The **design/build project delivery method** will be used for the new bus maintenance facility, the new storage building, the new equipment storage shed, the new carports, and the solar power system. The **design/bid/build project delivery method** will be used for remodeling the existing Public Works maintenance building and the site improvements.

Mr. Loren Culp, P.E.
City of Ridgecrest
July 17, 2014
Page 2

Our original proposal of September 17, 2013 (Reference 1) provided our project approach. That approach still stands for those components of the facility being delivered by the design/build project delivery method. For those components of the facility being delivered by the design/bid/build project delivery method the project approach is different in that our team will advance the design to completion and produce 100% construction drawings.

Our understanding and phasing of the project remains unchanged from our original proposal other than as stated above for the components of the facility being delivered by the design/bid/build project delivery method where we will complete those components design.

Our original proposal provided Willdan's Not-To-Exceed (NTE) AECM Fees for Phases 1, 2, and 3 for the design and construction of the new bus maintenance facility. Our scope has now expanded to include seven other components as described earlier and in more detail in my email of May 7. Our proposed total NTE fees to provide the required AECM services for Phases 1, 2, and 3 for the design and construction for the original new bus maintenance facility and the seven additional components are as follows:

<u>Component</u>	<u>Delivery Method</u>	<u>NTE AECM Fees (Phases 1, 2, & 3)</u>
Bus Maintenance Facility	D/B	\$45,000
Remodel PW Building	D/B/B	\$21,000
Storage Building	D/B	\$15,000
Equipment Shed	D/B	\$9,000
Carports (Solar Option)	D/B	\$11,000
Site	D/B/B	
Master Plan		\$16,000
Survey		\$12,910
Civil		\$35,000
<hr/>		
Total		\$165,000

Willdan's Not-To-Exceed Fees for Phase 4 will be a function of what level of construction management services the City desires and will be determined at the completion of Phase 3.

Willdan looks forward to the opportunity to continue to assist the City of Ridgecrest on this very important project. Should you have any questions regarding our proposal, please do not hesitate to contact me at (714) 978-8251.

Sincerely,
Willdan Engineer



Thomas A. Broz, P.E., S.E., F.ASCE
Director, Program and Construction Management Services



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

SUBJECT:

A Resolution amending the City of Ridgecrest Classification Plan and adopting the City Clerk and Deputy City Clerk job specifications.

PRESENTED BY:

Rachelle McQuiston, Director of Finance

SUMMARY:

This resolution formally amends the City's Classification Plan and adopts the job specifications for the positions of City Clerk classified as Mid-Management and Deputy City Clerk classified as Confidential into the City of Ridgecrest Classification Plan.

The City's Classification Plan was formally approved and adopted by Resolution No. 01-94 on September 19, 2001.

Currently the essential functions of these specifications are being performed by the City Clerk classified as a Department Head. This resolution will reclassify these positions to conform to the City ordinance and the rules governing non-exempt employees. Job specific tasks and special certifications required for this classification are outlined in the specification.

FISCAL IMPACT:

None

Reviewed by Director of Finance

ACTION REQUESTED:

Approve Resolution amending class specifications

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve Resolution as submitted

Submitted by: Patricia Rockwell
(Rev. 2-14-07)

Action Date: August 6, 2014

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RESOLUTION NO. 14-XX

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
AMENDING AND APPROVING THE CITY OF RIDGECREST
CLASSIFICATION PLAN AND ADOPTING THE JOB
SPECIFICATIONS OF CITY CLERK & DEPUTY CITY CLERK
INTO THE CITY OF RIDGECREST CLASSIFICATION PLAN**

WHEREAS, the City of Ridgecrest has formally adopted a Classification Plan with job specifications which are compliant with the Americans with Disabilities Act (ADA), by Resolution No. 01-94 on September 19, 2001; and

WHEREAS, new or revised job specifications must be submitted for adoption by City Council into the Classification Plan; and

WHEREAS, adopting new or revised job specification into the Classification Plan does not create new budgeted positions or adjust salaries.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Ridgecrest does hereby approve amendments to the City of Ridgecrest Classification Plan, a copy of said amendments being attached hereto, as "Attachment A" and by this reference made a part hereof.

APPROVED AND ADOPTED this 6th day of August 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O Clark, Mayor

ATTEST

Rachel J. Ford, CMC
City Clerk

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CITY CLERK

DEFINITION:

Plans, directs, supervises, coordinates and participates in all activities of the City Clerk's Office; provides highly responsible and technical staff assistance to the City Manager and City Council; serves as City archivist and records manager; may serve as Clerk Of The Board to the Ridgecrest Redevelopment Agency; and other related duties as assigned.

CLASS CHARACTERISTICS

Subject to administrative direction by the City Manager.

Responsibilities include the direct supervision of clerical staff assigned to the City Clerk's Office or as assigned by the City Manager.

ESSENTIAL FUNCTIONS

Duties may include, but are not limited to the following:

Develop and implement goals, objectives, policies, and priorities regarding City records, and communicate changes in municipal law to appropriate offices, departments, and agencies.

Serve as Clerk to the City Council; directing, coordinating and participating in all activities required by state and local law.

Serve as custodian of the City seal.

Attend City Council meetings and prepares minutes.

Prepare the City Council agenda and supervise and participate in the preparation of the agenda packets.

Arrange for and oversee codification of City ordinances.

Prepare indexing of City Council minutes.

Plan and direct safekeeping, microfilming, and digitizing of the City's permanent records.

Supervise recording, publication and maintenance of official documents as needed.

Plan and direct municipal elections.

Serve as filing officer for required disclosures as required by state law.

May administer Oaths of Office to elected officials, department heads, and other City employees as required.

Receive claims and suits against the City for money or damages.

Administer the City Clerk's budget.

Serve as a notary public.

Respond to complaints and requests for information.

Develop and implement appropriate systems and procedures.

Select, supervise, train, and evaluate assigned staff.

Perform related duties as assigned.

QUALIFICATIONS GUIDELINES

Education and/or Experience

Any combination equivalent to experience and education that could likely provide the required knowledge and abilities would be qualifying. Five years of progressively responsible office management and graduation from an accredited college of university with a bachelors degree in public administration is desired. Computer literacy is required. Certification by the City Clerk's Association is desired.

Knowledge, Skill and Abilities

Applicable federal, state and municipal laws and procedures, including election laws and political reform requirements.

Functions and services performed by a municipal government.

Parliamentary procedures for the conduct of public and special meetings.

Principles of supervision, training, and performance evaluation.

Principles of records management.

Plan, direct, and administer municipal elections.

Document, record, and maintain official records and files of municipal activities.

Communicate with and provide information to the City Council, the staff, and the general public.

Plan, assign, and coordinate the activities of the City Clerk's office.

Serve as a notary public.

Select, supervise, train, and evaluate assigned staff.

Special Requirements

Possession or ability to possess a Class "C" driver's license is required.

PHYSICAL PROFILE: I, 4, 7, 12

SALARY GRADE: 636

CITY OF RIDGECREST

Date Adopted:

DEPUTY CITY CLERK

DEFINITION

Under general supervision, attends and takes minutes of City Council and Redevelopment Agency meetings; maintains a filing system for records of city Council and Redevelopment Agency actions and related official documents; performs secretarial and routine administrative tasks; compiles and sends out information for City Council; conducts certain official activities of the City Clerk's office; performs related duties as required.

CLASS CHARACTERISTICS

This single-position class is characterized by varied secretarial, clerical, and routine administrative tasks normally performed with a relatively high level of independence. The Deputy City Clerk performs the duties and responsibilities of the City Clerk as assigned by the Director of Administrative Services.

ESSENTIAL FUNCTIONS

These functions may not be present in all positions in multiple position classes. When a position is to be filled, the essential functions will be noted in the announcement of position availability.

Assembles and distributes City Council and Redevelopment Agency agenda packets; notifies parties of scheduled hearing dates; as assigned, records actions at Council and Redevelopment Agency meetings, workshops, or other committee meetings, and prepares minutes.

Provides assistance to the City Council, the Public, City committees and other agencies; responds to inquiries and provides information regarding City policies and procedures.

Researches, retrieves, and provides information pertaining to minutes, ordinances, resolutions, and history of the City to citizens, Council, the Mayor, City employees, and other entities; or directs such activity.

Retains, maintains, distributes and files records and documents related to transactions of the City, Redevelopment Agency and its employees including Ordinances, Resolutions, Deeds, Contracts, Agreements and other documents, notices, minutes, reports and related papers; maintains and updates the Ridgcrest Municipal Codes and California Codes; maintains indexing and filing systems for records of City Council and Redevelopment Agency actions, documents, and a variety of other related records.

Coordinates with the County in the conduct of municipal elections; prepares appropriate resolutions and ordinances in conjunction with requirements for and results of the election; schedules and prepares necessary documentation for City Council to certify elections; and posts election results.

Accepts, verifies and maintains FPPC filings from candidates for office; provides information to candidates about City, responsibilities of the Council or Mayor, extent of authority, election signs, and requirements for filing campaign expenditures and donations; transmits information on candidates to County for printing of ballots; processes the filing of Conflict of Interest and election campaign statements.

Screens telephone and office callers by furnishing the information requested, taking messages, referring the caller, or when appropriate, resolving the problem or complaint.

Types, compiles, and copies documents, reports, and other materials; prepares routine correspondence.

Operates a variety of standard office equipment and word processing equipment in completion of assigned tasks.

Performs some official duties of the Office of City Clerk in his/her absence; assists others in the performance of related tasks.

QUALIFICATIONS GUIDELINES

Education and/or Experience

Any combination of education and/or experience that has provided the knowledge, skills, and abilities necessary for satisfactory job performance. Example combinations include graduation from high school or equivalent and four years of progressively responsible clerical and secretarial experience, including some experience in a municipal setting, supplemented by specialized training in the clerical occupational field.

Knowledge, Skills, and Abilities

Thorough knowledge of secretarial and office methods and techniques, including office equipment operation; records processing and maintenance procedures and systems; preparation of complicated documents requiring specialized typing; business correspondence, receptionist techniques, and correct English usage. Working knowledge of the administrative structure of municipal government.

Skill in office equipment operation, including a typing skill of 60 wpm, or operation of word processing equipment/computer at a comparable rate; and transcription of recorded tapes at a comparable rate.

Ability to learn, interpret, explain, and apply laws, rules, and regulations with respect to City Clerk's office activity; operate a computer and/or word processing equipment; edit for correct English grammar, punctuation, and spelling; compose correspondence independently; communicate effectively both verbally and in writing; meet the public in situations requiring diplomacy and tact; understand and follow written and verbal directions; establish and maintain effective working relationships; utilize a computer and a variety of software programs.

Special Requirements

Possession of or ability to obtain Notary Public Appointment.

PHYSICAL PROFILE: Category I; 4, 7, 12.

SALARY GRADE: 555

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

SUBJECT:

Resolution to correct previously adopted salary schedules for Mid-Management

PRESENTED BY:

Rachelle McQuiston, Director of Finance

SUMMARY:

On June 18, 2014, Resolution 14-50 was passed to adopt salary schedules for all council approved positions in compliance with Title 2, Section 570.5 of the California Code of Regulations. These positions were separated by bargaining group hence five salary schedules were presented. The groups are Management (including City Council), Mid-Management, Confidential, Police Employee Association of Ridgecrest (PEAR), and UFCW Local 8.

The salary schedules for Management (including City Council), Confidential, Police Employee Association of Ridgecrest (PEAR), and UFCW Local 8 groups are correct. However, the one for Mid-Management is not correct. The salary schedule for Mid-Management was incorrectly presented with one grade incorrectly listed, one obsolete grade listed and another grade did not correspond to Naviline were the step table was incorrect. This resolution is to present and adopt the correct schedules for July 1, 2013 to June 30, 2014 and adding the Finance Director position.

The positions and compensations listed on these schedules were included in the approved annual budget for FY 2013-2014. Compensation is adjusted based on approved cost of living adjustments if there is such provision on the city council approved MOUs.

FISCAL IMPACT:

None

Reviewed by Director of Finance

ACTION REQUESTED:

Approve resolution to correct the salary schedules Mid-Management

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve to adopt the corrected salary schedules

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RESOLUTION NO. 14-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST, CORRECTING THE FY 2013-2014 SALARY SCHEDULES FOR POLICE EMPLOYEE ASSOCIATION OF RIDGECREST (PEAR), UFCW LOCAL 8 AND MANAGEMENT GROUPS

WHEREAS, Title 2, Section 570.5 of the California Code of Regulations requires the City of Ridgecrest Salary Schedule be approved by the governing body in accordance with the requirement of the applicable public meeting laws; and

WHEREAS, on June 18, 2014 resolution 14-61 was approved by the Council adopting the salary schedules for July 1, 2013 to June 30, 2014; and

WHEREAS, One of the five salary schedules that was attached to resolution 14-61 was incorrectly presented with one grade incorrectly listed, one obsolete grade listed and another grade did not correspond to Naviline were the step table was incorrect; and

WHEREAS, the incorrect schedule was for positions that belong to Mid-Management; and

WHEREAS, the salary schedule for Mid-Management has been updated to correct the Police Captain's grade, the Administrative Analyst III has been corrected in Naviline and the City Clerk job title was deleted from this schedule as it is on the Management Salary Schedule.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Ridgecrest hereby adopts the attached corrected salary schedules as required by Title 2, Section 570.5 of the California Code of Regulations.

APPROVED AND ADOPTED, this 6th day of August 2014 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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Salary Schedule for Mid-Management for FY 2013-2014

Effective on July 1, 2013 to June 30, 2014

corrected 7/21/2014

JOB TITLE		GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11
Accounting Manager	635	Hourly Monthly	31.40 5,443.22	32.97 5,715.38	34.62 6,001.15	36.35 6,301.21	38.17 6,616.27	40.08 6,947.08	41.08 7,120.76	42.11 7,298.78	43.16 7,481.25	44.24 7,668.28	45.35 7,859.99
Administrative Analyst III	665	Hourly Monthly	28.96 5,020.37	30.41 5,271.39	31.93 5,534.96	33.53 5,811.71	35.21 6,102.30	36.97 6,407.41	37.89 6,567.60	38.84 6,731.79	39.81 6,900.08	40.80 7,072.58	41.82 7,249.40
Assistant Finance Director	636	Hourly Monthly	34.62 6,001.16	36.35 6,301.22	38.17 6,616.28	40.08 6,947.10	42.08 7,294.45	44.19 7,659.17	45.29 7,850.65	46.42 8,046.92	47.59 8,248.09	48.77 8,454.30	49.99 8,665.65
Chief Plant Operator	593	Hourly Monthly	25.29 4,383.01	26.55 4,602.16	27.88 4,832.27	29.27 5,073.88	30.74 5,327.58	32.27 5,593.96	33.08 5,733.80	33.91 5,877.15	34.75 6,024.08	35.62 6,174.68	36.51 6,329.05
City Clerk	905	Hourly Monthly	37.91 6,571.34	39.81 6,899.91	41.80 7,244.91	43.89 7,607.15	46.08 7,987.51	48.39 8,386.89	49.60 8,596.56	50.84 8,811.47	52.11 9,031.76	53.41 9,257.55	54.74 9,488.99
City Engineer	653	Hourly Monthly	33.88 5,873.33	35.58 6,167.00	37.36 6,475.35	39.23 6,799.11	41.19 7,139.07	43.25 7,496.02	44.33 7,683.42	45.44 7,875.51	46.57 8,072.40	47.74 8,274.21	48.93 8,481.06
City Planner	653	Hourly Monthly	33.88 5,873.33	35.58 6,167.00	37.36 6,475.35	39.23 6,799.11	41.19 7,139.07	43.25 7,496.02	44.33 7,683.42	45.44 7,875.51	46.57 8,072.40	47.74 8,274.21	48.93 8,481.06
Economic Dev. Project Manager	653	Hourly Monthly	33.88 5,873.33	35.58 6,167.00	37.36 6,475.35	39.23 6,799.11	41.19 7,139.07	43.25 7,496.02	44.33 7,683.42	45.44 7,875.51	46.57 8,072.40	47.74 8,274.21	48.93 8,481.06
Information Systems Manager	653	Hourly Monthly	33.88 5,873.33	35.58 6,167.00	37.36 6,475.35	39.23 6,799.11	41.19 7,139.07	43.25 7,496.02	44.33 7,683.42	45.44 7,875.51	46.57 8,072.40	47.74 8,274.21	48.93 8,481.06
Parks Maintenance Supervisor	598	Hourly Monthly	25.89 4,488.35	27.19 4,712.76	28.55 4,948.40	29.98 5,195.82	31.47 5,455.61	33.05 5,728.39	33.87 5,871.60	34.72 6,018.39	35.59 6,168.85	36.48 6,323.07	37.39 6,481.15
Police Captain	877	Hourly Monthly	37.11 6,431.88	38.96 6,753.47	40.91 7,091.15	42.96 7,445.71	45.10 7,817.99	47.36 8,208.89	48.54 8,414.11	49.76 8,624.46	51.00 8,840.08	52.28 9,061.08	53.58 9,287.61
Public Works Maint. Coordinator	220	Hourly Monthly	20.72 3,590.65	21.75 3,770.18	22.84 3,958.69	23.98 4,156.63	25.18 4,364.46	26.44 4,582.68	27.10 4,697.25	27.78 4,814.68	28.47 4,935.05	29.18 5,058.42	29.91 5,184.89
Public Works Supervisor	598	Hourly Monthly	25.89 4,488.35	27.19 4,712.76	28.55 4,948.40	29.98 5,195.82	31.47 5,455.61	33.05 5,728.39	33.87 5,871.60	34.72 6,018.39	35.59 6,168.85	36.48 6,323.07	37.39 6,481.15
Recreation Supervisor	598	Hourly Monthly	25.89 4,488.35	27.19 4,712.76	28.55 4,948.40	29.98 5,195.82	31.47 5,455.61	33.05 5,728.39	33.87 5,871.60	34.72 6,018.39	35.59 6,168.85	36.48 6,323.07	37.39 6,481.15
Transit Services Coordinator	667	Hourly Monthly	33.31 5,773.44	34.97 6,062.11	36.72 6,365.22	38.56 6,683.48	40.49 7,017.65	42.51 7,368.53	43.57 7,552.75	44.66 7,741.57	45.78 7,935.10	46.92 8,133.48	48.10 8,336.82
Transit Supervisor	555	Hourly Monthly	21.01 3,641.49	22.06 3,823.57	23.16 4,014.74	24.32 4,215.48	25.54 4,426.25	26.81 4,647.57	27.48 4,763.76	28.17 4,882.85	28.87 5,004.92	29.60 5,130.04	30.34 5,258.30
Assistant PW Dir/ City Engineer	660	Hourly Monthly	40.09 6,948.92	42.09 7,296.36	44.20 7,661.18	46.41 8,044.24	48.73 8,446.45	51.17 8,868.77	52.45 9,090.49	53.76 9,317.76	55.10 9,550.70	56.48 9,789.47	57.89 10,034.20

Most current compensation agreement for this group expired on July 01, 2011

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

SUBJECT: A RESOLUTION OF THE RIDGECREST CITY COUNCIL ALLOCATING TAX ALLOCATION BOND (TAB) FUNDS FOR CODE ABATEMENT

PRESENTED BY:

Ronald Strand, Chief of Police

SUMMARY:

On July 16, 2014, the Ridgecrest City Council approved the expenditure of \$150,000 in Tax Allocation Bond (TAB) funds for code abatement.

Currently, there are several structures in the city that are dilapidated and need to be abated and removed. The police department intends to use these TAB funds for this purpose.

Therefore, the police department requests City Council authorize the Finance Director to increase the FY15 expenditures in the amount of \$150,000 in account #001-4210-421-29-09 20TAB.

FISCAL IMPACT:

Allocation and expenditure of \$150,000 in Tax Allocation Bond Funds.

Reviewed by Administrative Services Director:

ACTION REQUESTED:

Approval of Resolution.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested.

Submitted by: Ronald Strand

Action Date: August 6, 2014

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RESOLUTION NO. 14-xx

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL ALLOCATING
TAX ALLOCATION BOND FUNDS FOR CODE ABATEMENT**

WHEREAS, On July 16, 2014, the Ridgecrest City Council approved the expenditure of \$150,000 in Tax Allocation Bond (TAB) funds for code abatement, and;

WHEREAS, there are several structures in the city that are dilapidated and need to be abated and removed, and;

WHEREAS, the police department intends to use these TAB funds for this purpose.

NOW THEREFORE, BE IT RESOLVED

1. That City Council authorizes the Finance Director to increase the FY15 expenditures in the amount of \$150,000 in TAB funds to account #001-4210-421-29-09 20TAB.
2. That City Council authorizes the Ridgecrest Police Department Code Enforcement unit to utilize the available \$150,000 in TAB funds for property abatement.

APPROVED AND ADOPTED THIS 6th day of August, 2014, by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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

SUBJECT:

A RESOLUTION OF THE RIDGECREST CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF AGREEMENT WITH SIERRA SANDS UNIFIED SCHOOL DISTRICT FOR LAW ENFORCEMENT SERVICES (SCHOOL RESOURCE OFFICER PROGRAM)

PRESENTED BY:

Ronald Strand, Chief of Police

SUMMARY:

For several years, the Ridgecrest Police Department has been providing law enforcement services to the Sierra Sands Unified School District – School Resource Officer Program. Each year, the Memorandum of Agreement (MOA) for this program is reviewed and approved by the governing bodies.

The agreement for this school year (2014 – 2015) remains unchanged from the previous year.

The agreement is attached to the resolution for your review as **Exhibits A.**

FISCAL IMPACT:

There are no changes in the reimbursement amounts from the previous year.

School Resource Officer – Reimbursed at 50% actual cost (an estimated \$70,000)

Reviewed by Administrative Services Director:

ACTION REQUESTED:

Recommend approval by City Council authorizing the City Manager, or his designee, to enter into an agreement with the SSUSD for law enforcement services (School Resource Officer Program).

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Ronald Strand

Action Date: August 6, 2014

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RESOLUTION NO. 14-XX

RESOLUTION OF THE RIDGECREST CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO MEMORANDUM OF AGREEMENT WITH SIERRA SANDS UNIFIED SCHOOL DISTRICT FOR LAW ENFORCEMENT SERVICES (School Resource Officer Program)

WHEREAS, the Sierra Sands Unified School District (SSUSD) and the City of Ridgecrest have agreed to enter into Memorandum of Agreement for the police department to continue to provide School Resource Officer services in the school district, and;

WHEREAS, the School Resource Officer Program provides law enforcement services to the district helping ensure there is a safe learning environment at the middle and high schools for the students, faculty and staff, and;

WHEREAS, it is beneficial to both the City and the school district that this program continue to function, and;

WHEREAS, SSUSD agrees to reimburse the City 50% of actual costs of the School Resource Officer Program (an estimated \$70,000).

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest authorize the City Manager, or his designee, to enter into an agreement with the Sierra Sands Unified School District to provide law enforcement services (School Resource Officer Program).

APPROVED AND ADOPTED THIS 6th day of August 2014, by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Ridgecrest, a Municipal Corporation, hereinafter referred to as "CITY," and the Sierra Sands Unified School District, a public entity, hereinafter referred to as "DISTRICT."

WHEREAS, DISTRICT does not maintain a school law enforcement agency pursuant to Section 38000(a) of the California Education Code, and DISTRICT wishes to acquire the services of a sworn peace officer, and

WHEREAS, CITY, through the Ridgecrest Police Department, hereinafter referred to as "RPD," is willing to provide the service of one sworn peace officer.

NOW, THEREFORE, the parties hereto agree as follows:

1. CITY agrees to provide the services of one sworn peace officer to serve the DISTRICT at secondary schools within the Ridgecrest city limits, specifically Monroe Middle School, Mesquite High School, and Burroughs High School.
2. CITY shall supervise the officer through the command structure of the RPD.
3. DISTRICT shall appoint a designated individual to interface with RPD regarding activities of the officer and to interface with such officer in accordance with a joint operating protocol developed between RPD and DISTRICT.
4. At all times during the term of this AGREEMENT, the officer shall be an employee of the CITY, under supervision and control of CITY, and not an employee or agent of DISTRICT; and CITY shall assume responsibility and liability for the activities of the officer.
5. During the term of this AGREEMENT, DISTRICT agrees to reimburse CITY one-half actual cost incurred by CITY in employing the officer. For purpose of this AGREEMENT, actual cost shall be defined as officer's salary and benefits, including, but not limited to, health insurance, life insurance, dental insurance, vision insurance, PERS, educational incentive pay, uniform allowance, officer safety equipment, and overtime.
6. DISTRICT shall, at its expense, provide CITY with a vehicle suitable for performing the duties of the officer equal to that provided to other RPD officers. In the event that this AGREEMENT is terminated, CITY shall reimburse DISTRICT on a pro rata basis, based on a five-year vehicle life expectancy.

7. THIS AGREEMENT shall be effective September 1, 2014, and remain in full force and effect for a 12-month period ending August 31, 2015. Either party may terminate this AGREEMENT prior to August 31, 2015, by giving ninety (90) days notice to the other party. Notice to CITY shall be in writing, and mailed to or delivered to:

City Manager
City of Ridgecrest
100 E. California Avenue, Ridgecrest, CA 93555

Notice to DISTRICT shall be in writing, and mailed or delivered to:

Superintendent
Sierra Sands Unified School District
113 Felspar Ave.
Ridgecrest, CA 93555

8. Each party to this AGREEMENT hereby holds the other harmless from all claims or lawsuits for damages to property and for injuries to persons arising from each party's performance of its obligations under this AGREEMENT. This obligation will include providing a defense to lawsuits and related services.
9. In the event any dispute arises between the parties concerning the interpretation or enforcement of the Terms and Conditions of this AGREEMENT, the parties hereto agree to submit any such dispute to arbitration pursuant to rules of the American Arbitration Association. Any decision of the American Arbitration Association shall be binding on the parties hereto. In the event that any matter is submitted to arbitration or if legal action or proceeding is taken in connection with the interpretation or enforcement of this AGREEMENT, whether or not such action is arbitrated or litigated, the prevailing party of any such action, proceeding, or arbitration shall be awarded, in addition to its actual costs incurred, its actual attorneys' fees incurred. Actual attorneys' fees means all attorneys' fees incurred by the prevailing party whether or not such attorneys' fees are deemed to be "reasonable" by a court of competent jurisdiction or an arbitrator. Furthermore, the sole and exclusive remedy for the resolution of disputes concerning the enforcement and interpretation of this AGREEMENT shall be arbitration.

10. This AGREEMENT constitutes the sole and only agreement between the parties hereto. Any prior discussions, agreements or understandings, whether written or oral, are of no force and effect. This AGREEMENT may be modified only by a written agreement executed by both parties hereto.

FOR THE CITY OF RIDGECREST

Dan Clark, Mayor

Dennis Speer, City Manager

FOR THE SIERRA SANDS UNIFIED SCHOOL DISTRICT

Kurt Rockwell, Board President

Ernie Bell, Superintendent

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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 July 16, 2014

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of July 16, 2014

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

July 16, 2014
5:30 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

ROLL CALL

Council Present: Mayor Dan Clark, Council Members Jim Sanders, and Lori Acton

Council Absent: Council Members Marshall 'Chip' Holloway and Steven P. Morgan

Staff Present: City Manager Dennis Speer, City Clerk Rachel J. Ford, City Attorney Keith Lemieux, and other staff

APPROVAL OF AGENDA

Motion To Approve Agenda Made By Council Member Acton, Second By Council Member Sanders. Motion Carried By Voice Vote Of 3 Ayes (Mayor Clark, Council Members Acton And Sanders); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway And Morgan)

PUBLIC COMMENT – CLOSED SESSION

- None presented

CLOSED SESSION

GC54956.9 (d) (4) Conference With Legal Counsel – Existing Litigation - Squillacote v. Frid, S-1500-CV-276362

GC54956.9 (d) (4) Conference With Legal Counsel – Existing Litigation - Balfour v. Ridgecrest, S-1500-CV-280015

GC54957 Personnel Matters – Public Employee Discipline/Dismissal/Release

AGENDA - CITY COUNCIL - REGULAR

July 16, 2014

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REGULAR SESSION – 6:13 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
 - Conference With Legal Counsel – Existing Litigation - Squillacote v. Frid, S-1500-CV-276362, report received, no reportable action
 - Conference With Legal Counsel – Existing Litigation - Balfour v. Ridgecrest, S-1500-CV-280015, report received, no reportable action
 - Personnel Matters – Public Employee Discipline/Dismissal/Release, no reportable action
- Other
 - Attorney opinion (**Attachment A**) presented regarding term limits initiative effect on sitting council. Conclusions reviewed. State law is controlling and pre-empting ruled by the state. GC36502 allows term limits by with a limitation. Read the government code and compared to initiative. Portion of initiative is unenforceable and allows council seated at time of adoption have no restrictions and allows them to run for office. Secondly the legal effect of appointment with regards to term limits, conclusion is members sitting on council at time of initiative adoption are allowed to run for office.
 - Dan Clark – copies of opinion are provided for the public
 - Jim Sanders – requested clarification of terms served since the initiative was adopted
 - Keith Lemieux - Clarified limits.
 - Lori Acton – elected after the ordinance became effective so are currently in the first term.

PUBLIC COMMENT opened at 6:25 p.m.

Dave Matthews

- Ridgecrest has lost good citizen and volunteer. John Cline. Funeral at St. Ann's. Volunteered at the front desk at City Hall and was a founding member of the front desk volunteer organization.
- Pleased with construction information and weekly updates. Every one of the updates requests citizens to slow for the cone zone. Requested addition of urging motorists to observe speed limits on the detours. Motorists are exceeding the speed limits.

AGENDA - CITY COUNCIL - REGULAR

July 16, 2014

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Tom Wiknich

- Updated KCGN-TV. Open house tomorrow at 7:00pm with live on-air production during the open house. Three stations running and staff have been hired and working. Live news weather and sports starting August 4 along with interview program. Progressing and encouraged with local reaction. Channel 21 and 322 and 323. On air at 21.1, 21.2, 21.3. not on satellite. Open house located at guns4us building 417 e. Ridgecrest Blvd. upstairs.

Sophia Merck

- Don't live in a vacuum. Interface with different agencies and here together, intertwined.
- Encouraged people to go to various meetings both local and state to find out what is happening.
- Gain a different perspective
- Invited council to attend July 31 air quality meeting in California City. Will look at the air in several counties
- Invited representatives to attend RAV meeting which deals with waste. Agenda available and round table meetings 4th Thursday each month at BLM building. (Attachment B)

Jerry Taylor

- Recommended a staff report about where the state is headed and city compliance for waste to stay ahead on planning. In terms of diversion would like update.
- Suggested city engage waste management to make sure everyone has a blue can which is free. Noticed neighbors that don't have blue cans but might be a good idea to get a listing of those who do not have blue cans.
- Regarding the PCI condition of roads. Update of PMS in 5 years which will cost the city. Reviewed statistics from the PMS report. Referenced previous work on calculations and costs per square foot. Exampled Kerr McGee Sports Complex and requested a reasonable balance of funds allocated between streets and parks.

Christina Witt

- Supported Mr. Taylor's comments and referenced recent motorcycle purchase and close relationship with the road. Commented on slurry at her residential street which now has ruts.
- Not against parks but does support preventative maintenance Measures for streets. Exampled preventative maintenance for personal vehicles.
- Asked what city will do to maintain the roads being constructed and those that are already deteriorating. Asked council to invest for proper maintenance for the future.

AGENDA - CITY COUNCIL - REGULAR

July 16, 2014

Page 4 of 19

Mike Neel

- Initiative for ballot to divide California into 6 smaller states. We would be in the central California region. Provided copies for public ([Attachment C](#))
- Informed council of the SWAT team coming to Ridgecrest. Claimed Chief Strand has confirmed however chief strand publicly denied.
- Commented on a raid in Illinois which used large arsenals to raid a suspected child pornography and also another mother who had SWAT raid her home because she did not want to have her child vaccinated. Commented on use of SWAT teams for serving warrants and drug dealers. Asked citizens to pay attention to the larger use of SWAT teams and if going to use one then need to use in the right way.

Closed Public Comment at 6:44 p.m.

CONSENT CALENDAR

1. Adopt A Resolution To Approve The Proposal With The Engineering Firm Of Willdan Engineering To Provide Environmental, Design Engineering, And Construction Management For A Regional Surface Transportation Project (RSTP) Project South China Lake Boulevard From Bowman Avenue To College Heights Avenue And Authorize The City Manager, Dennis Speer, To Sign The Agreement Upon The City Attorney's Review Speer
2. Adopt A Resolution To Approve The Proposal With The Engineering Firm Of Quad Knopf To Provide Environmental, Design Engineering, And Construction Management For The Congestion Mitigation Air Quality (CMAQ) Project North Warner Avenue From Drummond Avenue To West Howell Avenue And Authorize The City Manager, Dennis Speer, To Sign The Agreement Upon The City Attorney's Review Speer
3. Adopt A Resolution To Amend The Professional Services Agreement With Willdan Engineering For The Additional Design, Right Of Way And Environmental Services Of The Drummond Avenue Widening Project Between Downs Street And Inyo Street And Authorize The City Manager, Dennis Speer, To Execute This Agreement Speer
4. Adopt A Resolution To Amend The Professional Service Agreement With Willdan Engineering For The Additional Design Services For The Upgrade Of 12 Intersection Signs And Street Striping Project To Include Norma Street Between Drummond Avenue And Inyokern Road And Authorize The City Manager, Dennis Speer, To Execute This Agreement Speer
5. Receive And File The Financial Report Of Measure 'L' Funds For Fiscal Year 2012-2013 McQuiston

AGENDA - CITY COUNCIL - REGULAR

July 16, 2014

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6. Approval Of Draft Minutes Of The Regular City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Minutes Dated July 2, 2014 Ford

Items pulled from consent calendar

- No's 2, 4, and 5

Motion To Approve Consent Calendar Item Nos. 1, 3, And 6, Made By Council Member Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Clark, Council Members Sanders And Acton); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway And Morgan).

Item No. 2 Discussion

Dave Matthews

- Commented on the section of street near compassionate doctors. Section of warner between Howe and Felspar and asked about the condition of that road and should it be included. Also asked how this project came forward so quickly as does not remember this street being part of previous discussions. Concerned as to whether this money could more useful somewhere else.
 - Dennis Speer – separate source of funds, CMAQ and is the same money being used for Sunland. When last call for projects occurred this project was proposed and met the criteria for funding. There are other dirt streets in town but this is the one the funding was allocated for.

Item No. 4 Discussion

Jerry Taylor

- Again talking about striping for bicycling. Commented on sections of Norma Street having no parking. Referenced a conversation with state and read the code.
 - Dennis Speer – referenced bicycle workshop for district 6 which is larger than district 9. Same information will not be received by district 6. Reviewed the regulations for striping.
- Not asking this to be designated as a bicycle line. Every state highway must have a white edge line. Mandated on state routes.
 - Dennis Speer – clarified that sections that do not have curb and gutter must have a stripe, need an engineer report to make determination where striping is required.
- Caltrans delegates to locals to know what is best for their community. Public works director has the ability.
 - We are in district 6, not district 9.

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Jerry Taylor *(continued)*

- Requested contact information for district 6
 - Dennis Speer – will provide the presentation from the workshop. Exemplified observations of bicyclists swerving into the lanes to avoid obstructions in the bicycle lane. Bicyclists have the right to use travel lanes and vehicles have to share the road.
- Talking about areas where people are not parking. Asked council to look at this. Commented on shared lane bicycle emblems.
 - Dennis Speer – all striping and lanes have to be done based on an engineering and traffic study.
- Asked if not doing the white line, will the symbolism be done? 9 people killed in this area.

Item No. 5 discussion

Stan Rajtora

- Commented on handout presented on the agenda and transfer numbers. Assumed this would be reserve for following year. Commented on a handout from Measure 'L' meeting which shows a carry over. Reviewed the numbers and assumptions of spending for this fiscal year. Encouraged Rachelle to put something together to explain why only a \$244k carry over from fund 2 when she shows a larger transfer into fund 2. Would appreciate this being put on paper for better understanding. Understand these are interim numbers but the number in questions was closed out from June 2013. Commented on understanding of zero dollars spent on roads the first year.
 - Rachelle McQuiston – broke down where money was spent in FY12-13 from fund 2. Will do a spreadsheet to identify expenditures. Will also itemize expenses for FY13-14. No streets were paved but there are costs incurred before a street can be paved. Will show in an itemized report. FY 12-13 put both gas tax and Measure 'L' into one pot for streets. FY13-14 began itemizing the fund.
- Public needs to understand the itemized.
 - Rachelle McQuiston – can bring back a more detailed report at the next council meeting.

Mike Neel

- Money spent on Las Flores was Measure 'L' funds, however sign was removed.
 - Dennis Speer - Signs were taken down because of need to place in another location. Need more signs.
- So in FY12-13 there was Measure 'L' funds spent on that street.
 - Rachelle McQuiston – clarified amount brought in and approximately 1/3 spent on street.
- Commented on police department getting the lion's share of Measure 'L' and supports Jerry Taylors request to fund future maintenance.

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Mike Neel *(continued)*

- Asked about expenditure for legal fees for Jones and Myers.
 - Rachelle McQuiston – that is for police to initiate prosecution of cases.
- Jones and Myers is only attorney working on Dale Howard case. Protest using Measure 'L' funds to prosecute an old man instead of streets. Asked council to stop prosecuting and leave the old man alone and put the money toward streets.

Motion To Approve Consent Calendar Item Nos. 2 & 4, Made By Council Member Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Clark, Council Members Sanders And Acton); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway And Morgan).

Motion To Table Item No. 5 To Next Meeting Made By Council Member Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Clark, Council Members Sanders And Acton); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway And Morgan)

DISCUSSION AND OTHER ACTION ITEMS

7. **Adopt A Resolution To Approve a Professional Services Agreement with Justin O'Neill and authorize the Mayor, Daniel O. Clark, To Sign The Agreement** **Clark**

Dan Clark

- Requested adding 'city manager will review proposed services and assignments' to ensure the assignments are legal and within the provisions of the contract.

Jim Sanders

- When first came to council there were discussion of scope of work and whether this is appropriate for sole source. Do not feel this qualifies as sole source and feel this needs to be taken to bid. What was put out previously was with a different scope of work.

Lori Acton

- Asked attorney to discuss sole source and also feel this should run thru Mr. Speer.

Keith Lemieux

- Resolution 02-134 requires bid except sole source reviewed resolution requirements. Council needs to find these things are true. There was some effort to obtain bids and understand Mr. Sander's concerns of scope of work changing. Also cost effective consistency is another finding council has to make.

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Dennis Speer

- Reviewed the legal reasons why the contractor cannot take directly from city manager. Independent contractor directed, reports to, or work is controlled then they become an employee.

Lori Acton

- Initially we did go out and did not find anything that was affordable or fit our needs. Now I am confused because we met the sole source requirements and created an ad hoc to work on the contract.

Jim Sanders

- When scope of work is vague then contractors will overprice to account for the unexpected so believe that with this scope of work more clearly defined then would receive different bids. Do not feel a bid will slow things down.

Dennis Speer

- RFP normally allows 3-4 weeks for responses and publication time so 2-3 months to come back to council.

Jim Sanders

- With military sole source takes longer so what is the timeline for the City
 - Dennis Speer – have not done enough to have that information

Dan Clark

- Commented on the original process and the ongoing move to sole source. Want to ensure that new council members who may not have the knowledge just want to have city manager review council directions before it is given to the contractor.

Jim Sanders

- Comfortable with the contract but feel it needs to go out to bid. Can't in good conscious support this as a sole source tonight. Willing to table till all council are present.

Motion To Table Item No. 7 Made By Council Member Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Clark, Council Members Sanders And Acton); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway And Morgan)

Keith Lemieux – stated there is a legal requirement to find alternative bidders and the scope of what was originally sent was different and it looks like legal counsel needs to look at this and report back at the next council meeting.

8. Discussion And Selection Of Appointments To The Measure 'L' Committee
Speer

Dan Clark

- Reviewed application process done and only one application received. Two present members are unsure of whether they will fill out an application. Suggested extending application process for two weeks and see if additional applications are received. Bring back to next council and review with possible appointments.

Lori Acton

- Would need to read the Measure of whether appointment was allowed.
 - Keith Lemieux – ordinance just says they will be appointed, presumably by a majority of city council.
- Just want to make sure we are not changing something. Ok with trying to get more applications and then if we don't get enough then make appointments.

Jim Sanders

- Measure 'L' oversight committee is just that and like the application process. Hand picking people defeats the purpose but if we don't have people apply then what is the purpose of having the committee if people are not applying.
 - Keith – required to appoint by law.
- More of a message to the community, council wants to have the committee but if community does not want to serve then what is the point of having the committee. Preference is application

Public Comment

Christina Witt

- Requested the names of committee members whose term is up.
- Asked about advertisement. Commented on term dates.

Mike Neel

- Suggested spending more of the money on streets to generate interest in participation on the committee.
 - Dan Clark – asked for preferences between application or appointment.

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Gwen Jenson

- 94 years old and likes to go to senior center. Has walked to the center and freedom park. Commented on the white lines and no cross walks across China Lake Blvd. so has to go down to other blocks to cross. Would like to have something legal to get across the street. Commented on driving and electric cart. Commented on Balsam Street not having cross walks between French and Ridgecrest Blvd. Commented car parks near McDonalds and children having to run across the road. Referenced son's observation of women and children stepping out from behind cars to go across the street.
 - Dan Clark – clarified location of cross walks on Ridgecrest Blvd.
- Gwen Jenson – at Alvord
 - Dan Clark – plan do include a cross walk at Alvord

Jerry Taylor

- Commented on white lines and edge lines
- Commented on oversight committee developed to create credibility for the public
- Asked council when considering the applicant that they be credible.
- Commented on possibility of not having the Measure passed again
- Asked council to consider how the Measure 'L' members were treated when they presented their report to council which may keep people from wanting to serve on the committee
- Commented on the committee members having credibility with the public.

Motion To Extend The Application Process For Two Weeks And Bring Back To Council Meeting Dated August 6, 2014 For Appointments Made By Sanders, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Clark, Council Members Sanders And Acton); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway And Morgan)

9. Discussion And Approval By Minute Motion A Memorandum Of Understanding Between California Innovation Hub For Defense, Energy And Aerospace And City Of Ridgecrest Speer

Dennis Speer

- Presented staff report

Dr. Bill Hogan

- Presented PowerPoint presentation (Attachment D)

Jim Sanders

- Thanked Dr. Hogan. Very excited about going forward

Lori Acton

- Thanked the volunteers including Eileen Shibley who is very involved.

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Dr. Hogan

- Spoke on requirement to look for grants moving forward

Dan Clark

- Asked what makes an iHub successful in a community

Dr Hogan

- Of 12 iHub, 6 have been successful and those were backed by the Cities.
- Commented on reports to be provided to the governor outlining new jobs, dollars brought into a community, grants applied for and obtained; and the participation level from other agencies and communities.
- iHub qualifies for matching funds from the governor's office.
- Charter for the iHub requires they seek manufacturing opportunities for California

Public Comment

Dave Matthews

- Heard that certain things have to be reported to the governor. Hope the governor will also accept suggestions to allow or get rid of some of the regulations that currently burden industry and take productivity out of innovation to stay in this state.
- Commented on combination of two aerospace industries which merged, Northrup/Grumman which is now leaving the state because the manufacturing climate is not good or friendly for the businesses.

Dr. Hogan

- Governor has provided an annual opportunity for iHub to go to Sacramento and represent the business concerns and interests of the community.

Dave Matthew

- Asked what the memorandum of understanding entails
 - Dan Clark – in brief, it is to provide an office at City Hall. Read the provisions of the memorandum of understanding.

Motion To Approve By Minute Motion A Memorandum Of Understanding Between California Innovation Hub For Defense, Energy And Aerospace And The City Of Ridgecrest Subject To City Attorney Approval, Made By Council Member Acton , Second By Council Member Sanders . Motion Carried By Roll Call Vote Of 3 Ayes (Mayor Clark, Council Members Sanders and Acton); 0 Noes; 0 Abstain; And 2 Absent (Council Members Holloway and Morgan).

**10. Council Informational Discussion Of The Expectations And Impacts Of
Being An Elected Official Clark**

Dan Clark

- Presented staff report. Discussion of initiative passed in open dialogue. If public wants to talk about Mr. Clark's experience as elected Mayor and whether the decision of 2 year term was the right decision. I love this community and want to see what is best for this community. Not my intent to change things.
- Experience as mayor, I promised the public that I would have an office and I have found it is critical to communication to be available. Found it to be beneficial. Suggesting we reconsider the 2-year term to a 4-year term to mirror the terms of the other council members. Know the community voted to limit the terms for 2-years, but concerned about the future of the community if there is a new mayor every 2 years. Want to hear the opinions that we re-assess the 2 year versus a 4 year term. Want us to think about how effective this council can be when they have equal terms.
- Secondly want to talk about is do we need a full or part time mayor and consistency of leadership. Perhaps paying that mayor. Will a new council have the unity like this one? Please don't make accusations like what has been put on Facebook. Need to have discussion like this and ok with hearing that someone does not agree with me. This is not about Dan Clark but is about the future cohesiveness and collaboration of the council.
- Asked for public comment about 2 or 4 year terms.

Christina Witt

- Read staff report which does not discuss term limits. In honesty took this as a slap in the face, a lot of things has impact to life and everything has commitment. Commented on 15 year marriage. When you go to being a parent, commitments change. Was offended because I am fully aware that this is going to take as much time away from my family as getting my master's degree.
- Regards to term limits, same thing should be done as what Tom Wiknich did, get the signatures and put on a ballot and let the people vote. Am open if someone decides it isn't working but honestly thinks someone needs to rock the boat. Commented on people sitting and not getting to the meat of decisions. Going along to get along does more harm than good. If it comes to someone that passionate feeling it needs changed then I support them but not appropriate for this council. Feel it is disrespectful to try to change what was done. I did not vote for elected mayor or term limits but support the public's ability to put it on the ballot.

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Stan Rajtora

- Heard comments about consistency, leadership, and paid mayor. Feel the consistency and leadership should come from the city manager. Right now have a part time city manager. Personally feel we have not had the 2 year mayor long enough to make a determination of how it is working. Need a full time city manager. Up until the last few years we have had a full time city manager but now have a city manager that is doing half a dozen jobs. If city council would do the overall direction and let the city manager do the leading and consistency then would be better off.

Jerry Taylor

- This council should be thankful that Tom didn't put the term for council members also. There are a lot of angry people in this community. Commented on perception issues with Measure 'L'. this city council and mayor is a part time job. What I have seen is the city is so short staffed that council members think they should be part of the staff rather than giving guidance and letting staff do what they are supposed to do. Right now you are border line of violating the city manager's job. City manager needs to be able to do his job and staff should know they have to go to the city manager. Only person who works for the council is the city manager. City attorney works for the city to keep the city out of legal trouble. City attorney is not the council's personal employee. People have spoken. I did not vote for elected mayor or term limits because I understand the impact of having a new mayor every two years. This is supposed to be a part time job. This is to set guidelines for staff.
 - Dan Clark – commented on city of Flagstaff. Is it supposed to be or are you flexible enough to change if needed.
- Education level and income level of Ridgecrest is fairly high. To have an elected mayor, it is scary to think of who might be put in there and all employees would have to work for this part time elected strong mayor. I have seen other cities with problems of people being elected who has an ax to grind against certain employees. Believe this town is too small with too small a budget to support a strong mayor government. To change now would dilute the little bit of budget that Mr. Speer has been able to reserve.
- Mr. Speer should be speaking up about what Mr. Clark is trying to do.
- Strongly believe this should not be a strong mayor and hard to see if the term limits should be changed since this is only the first time we have had an elected mayor. Measure was overwhelmingly passed but use caution. If you put this on the ballot would bring plastic jars for you.

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Tom Wiknich

- Agree with what has been said. One thing to consider and would appreciate the attorney's opinion. At the same time there is so much concern about the term limits, Mayors can take a break and then come back.
- On term limits we have just started seeing how this works and are in the early stage. Nothing has happened to hurt the city. Not much change to the election. Experience level; always have to learn when someone is elected. Not much change from the old system.
- Regarding full time mayor, feel city needs to stay away from this.
- Cost factor is up to the candidate on how much they want to spend for their election.

Robert Eierman

- Need to think about why Tom did this. It was because he repeatedly surveyed the community and twice he had $\frac{3}{4}$ of the people who agreed we needed term limits and an elected mayor. Used to have a new mayor selected annually but the council. If council were doing the right thing then none would serve more than one term.
- Strongly disagree with the campaign costs, Mr. Sanders came in first and didn't spend anywhere near \$5000. If you are perceived that you are doing the right job then don't have to spend a lot of money. Understand if you are in a heated battle but would be nicer if you can say you stand on your convictions.
- 2 year time limit, have not given enough time.
- Relative to full time mayor, you do not understand your job. It is to relay the council decision to city manager. Be guidance and let the city manager take it.
- As for working together with rest of council. Would rather see the 5 member's debate issues passionately. The more interchange of ideas the better off the community is. People on council won't speak up, have no central core or passionate believe about things. Just go along to get along. Have seen people who seem to have a core change once they are on the council. Don't want the council to agree.

Michael Witt

- Voted for term limits for state, here, and elected mayor. Think we should leave it alone. Voted for them and want them to stay.

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Jim Sanders

- Appreciate the comments. Very helpful
- Full time Mayor, sincerely appreciate the time you have put into being an elected mayor. I can't because of a full time job and children. Would like to see for Ridgecrest, if we had the money, is a full-time city manager. Mr. Speer has done an impeccable job with the many hats he wears. First thing I want to fund is a public works director, full time city manager, and deputy city manager. Grateful for the hours Mayor Clark has put in but wants to see the position of Mayor take several steps down on the number of hours put in. Feel council is the role of oversight for government. We don't make the day to day decisions. This is why we went away from committees because too many of the daily decisions were being discussed.
- Regarding term limits, I did not vote for term limits or the elected mayor. I understand the arguments for term limits. We see congressmen who live there the rest of their lives which is not what was intended. When we do term limits we are excluding people we could vote for. Understand the argument and respect what the people voted for. Think we need to revisit this in a few years. One idea I would like to see in the future is an initiative that would change the elected mayor, we are a small town and until recently have not had a lot of interest in persons running for office so not a lot of competition and want to see as many upstanding citizens as possible. With elected mayor we may have two great candidates and I would like to see both on the council and can't do that now.
- Would like to see provision that allows the highest vote getter to be the mayor. Not right now but in a couple of years.

Lori Acton

- Did not vote for elected mayor because expectation in community. Mayor has no more power than other council members and if there are two good candidates can't vote for both.
- Term limits did not vote for because if you have a really good council member they have to go away.
- Problem with two year mayor is a new person who has never been a council member, they have to learn quickly. Prefer that an elected mayor have to serve on either planning commission or council before they are eligible.
- Elected mayor implies they have more power. Two year term does not provide the consistency that the 4 year term allows.
- Chose to live here and serve the people.
- Heated debate issue, I could scream and yell at any time but don't feel this gets us anywhere. We have times when items are a 3-2 vote of the council but there are also times when we actually agree with each other. Don't think we have to have a heated debate over every topic. Don't know if heated debate is appropriate for every decision. We can be diverse without fighting.

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Dan Clark

- Don't have heartburn either way. Just want to share that I think cost factor is a consideration that should be considered, to run every two years is an economic advantage. Related story of another election experience and Kevin McCarthy statements on signs and name recognition. City council seat isn't about your ethics and platform, unfortunately it is name recognition.
- We have had fractionated councils in the past and it was ineffective. They didn't like each other, was counterproductive. That is not the kind of council we need. Commented on disagreeing with Mr. Sanders on a vote but still respect him. Fighting is counterproductive. Feel we are passionate but without yelling and screaming.
- Having an office and working hours does not mean you are trying to subvert the city managers authority. Began with 2 hours per day and found it wasn't enough. Do not see Mr. Speer but maybe a couple times per week, he is very busy. Surprising the number of people who drop in and want to talk about the city. I would like to see the Mayor give 4 hours per day. It is critical in terms of transparency. Council member Acton has an office. I ran on the promise of working part time and was elected on this. Think it is critical to have a mayor put in 4 hours per day. Understand some can't do this because they have a full time job.
- Appreciate the comments and input. Understand timing is not right and wait a few years and re-evaluate in the future. If not ready for possible decision in this area then I'm fine with this. We have been very successful the past two years. Streets being repaired, economic development and will be putting money into parks. Feel this has been a very successful council. Very proud to be a part of this council. May re-evaluate in a few years. Respect the decision to have term limits and think it needs re-evaluated.

COMMITTEE REPORTS

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

Members: Jim Sanders, Dan Clark

Meetings: 3rd Tuesday of the Month at 4:00 P.M., Kerr-McGee Center

Next Meeting: To Be Announced

Jim Sanders

- No report

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Veterans Advisory Committee

Members: Dan Clark

Meetings: 1st and 3rd Tuesday of the Month At 6:00 p.m., Kerr McGee Center

Next Meeting: To Be Announced

Dan Clark

- No report.

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Chip Holloway

Meetings: 1st Wednesday Of The Month, 8:00 A.M.

Next Meeting: To Be Announced

No Report

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

None

CITY MANAGER REPORT

Dennis Speer

- none

MAYOR AND COUNCIL COMMENTS

Jim Sanders

- Regarding maintaining of roads. There is a wide misconception of what Measure 'L' was originally intended for which is street maintenance at a high level index to we are not having to reconstruct. Maintenance is coming from Measure 'L'.
- These are my opinions and not the opinion of the council. Thanked Mike Neel for bringing up the 6 California's. I like the idea of having our own state, we would be the poorest of the 6 and taxes would be less. Interested to see how this plays out.
- Enjoyed the July 4th events and thanked the lions club. My children had a great time.
- Commented on Shannon grove statements referencing a letter from John Adams hoping Independence Day would be a celebration of reverence and introspection. As I watch my children enjoy the fireworks, what we accomplished as a government was amazing. Freedom is just a speck of what we have as a government and country. God is happy.
- As we go thru election time, hope candidates will be respectful of other candidates and keep remarks in proper perspective.

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Lori Acton

- Apologize to Mr. Neel.
- Asked Mr. Patton to provide an update of what is happening in parks and recreation.
- Road maintenance and prevention. We voted for the industrial proposals to help build revenue to support road maintenance.
- At 18 years old there was a push to divide California into 2 states, north and south. Think this is a good idea to change us around and maybe we could become more business friendly.
- Sophia Merck mentioned meetings. I am on the steering committee which meets regularly. We do have council members on several other boards and keep in touch with the community
- Grandchildren are the reward for not killing your children
- Want to end with quote from Tolstoy; everyone thinks of changing the world but no one thinks of changing himself.

Dan Clark

- Had the pleasure of hosting cultural exchange students from China. Fed them peanut butter and jelly sandwiches. They asked what the American dream was. Used to be out goal to get a job and make more money. Today the goal has changed, homes are more expensive. Don't know if the dream is the same anymore. My students don't share the same dream that I had as a young man.
- Petroglyph festival updated. Posters are out, tickets for concert and tickets for a signed poster by R. Carlos Nikai to help fund the festival. Talking about a VIP tour for the petroglyphs. Sending out business letter to restaurants and hotels who will be invited to the city to share the ramifications of several thousand people coming into the community. Also if they have promotional packets they want to put out. Will have our professional marketer available to answer questions. Meeting is August 11 at 2:00pm in city hall. Will put information on the website.
- Received email about California adopting \$500 criminal penalty for wasting water. Read the new law. Mandatory restrictions for agency that do not already have regulations in place. Requires watering restriction of 2 days per week.
- Election civility, hope there are a lot of people running for both. Ask that we raise the level of elections. It hurts the community when we bash the council and committees. We raise the bar and have a better community conscious when we do not bash each other. Hope we enjoy the election process, support our candidates and be civil with each other. Civility needs to be the Ridgecrest vision for the election.
- Thanked everyone for the discussion of term limits. Opens the door that we can discuss controversial issues without hurting each other.
- Thanked the community for attending and colleagues for their time.

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ADJOURNMENT at 9:24 p.m.

Rachel J. Ford, CMC
City Clerk

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ATTACHMENT A



4165 East Thousand Oaks Blvd. • Suite 350 • Westlake Village • California 91362 • Tel: 805-495-4770 • Fax: 805-495-2787

July 8, 2014

Dennis Speer, City Manager
City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555-4054

Re: Term Limit Issues

EXECUTIVE SUMMARY

We have been asked as to whether or not Council Members Holloway or Morgan can run for either direct-elect mayor or city council member in the next election. Based on our analysis described below, we believe either member can run for either office. The following letter harmonizes the City's local ordinance with the State Law of Elections and provides general instruction on this topic.

STATE LAW

Under the doctrine of preemption, state laws are controlling over laws of the City where the state legislature has intended its laws to be controlling. (See Cal. Const. art. XI, § 7.) Because of the need for fairness, and because of the constitutional issues involved, state law is preemptive on the topic of elections. (*Pope v. Superior Court* (2006) 136 Cal. App. 4th 871, 876 (2006).) In other words, in most cases, state law controls all aspects of a party's candidacy. (See Cal. Elec. Code §§ 10101, 10200.) A separate body of state law controls the powers and limitation of public office once a party has been elected. (See Cal. Gov't Code § 36501 et seq.) The only exception to this preemption is where state law has specifically permitted a local entity to adopt local rules on a particular subject. (*Pope v. Superior Court, supra*, 136 Cal. App. 4th at p. 876.) In such cases, the local rules that are adopted must be read narrowly so that they are consistent with state law. (See *Ibid.* at 875.)

Government Code section 36502 permits the residents of a general law city to adopt term limits by initiative. This section was invoked when the City passed the initiative described above. Government Code section 36502 indicates the residents may "adopt...[a] limit...on the number of terms a member of the city council may serve on the city council, or the number of terms an elected mayor may serve." This section also places an important limitation on the initiative: "any proposal to limit the number of terms a member of the city council may serve on the city council, or the number of terms an elected mayor may serve, shall apply *prospectively only*..." (Emphasis added.)

THE TERM LIMIT ORDINANCE

The applicable code sections read as follows:

“(e) Any person who has held the office of member of the City Council for eight (8) consecutive years shall not be eligible to hold such office until at least two (2) years have passed since such person last held such office. In no event shall any person be eligible to serve as a member of the City Council for more than eight (8) consecutive years.

(f) In the event that the office of Mayor is separately elected from the City Council, any person who has held any combination of the offices of member of the City Council and Mayor for eight (8) consecutive years shall no longer be eligible to hold either the office of member of the City Council or the office of Mayor until at least two (2) years have passed since such person last served in either capacity. In no event shall any person be eligible to serve in any combination of member of the City Council and Mayor for more than eight (8) consecutive years.

(g) Any sitting Mayor or member of the City Council already in office at the time of the adoption of the limitations described in Sections 2-2.101(e) and 2-2.101(f), or elected at any election concurrent with the adoption of the limitations described in Sections 2-2.101(e) and 2-2.101(f), shall be considered to be in their first four-year term for the purpose of computing years of consecutive service.”
(Section 2-2.101)

The City’s initiative is partially inconsistent with the state law. The state law allows the citizens to put a limitation on the number of *terms*. The initiative does not expressly limit the number of terms, but instead limits the number of *years served*. (This creates an ambiguity described more fully below.) The City’s ordinance also includes a provision that it be applied retroactively. That is, the ordinance provides that any city council member serving at the time of adoption of the ordinance shall be deemed to be serving their first four years. We believe this provision is not permitted under state law.

ANALYSIS

The ordinance should be interpreted in a way that best gives effect to the intention of the voters. It is clear from the language of the ordinance that the purpose of the ordinance was to limit the number of consecutive terms served by city council members. Unfortunately, the ordinance refers to years served rather than terms served. The ordinance describes the total number of years served as eight. In order to effect the purpose of the ordinance, we will read this to be a limitation on the number of terms so that a party becomes ineligible for office if any combination of terms served totals eight years (or more).

Further, the portion of the ordinance that attempts to apply the term limits retroactively is void as inconsistent with state law. Under California law, the ordinance can apply prospectively only to terms commencing on or after the effective date of the ordinance. In other words, no previous term of office for any council member elected prior to 2012 counts toward the term limitation (despite the language in the ordinance to the contrary). Term limits come into effect for the first time to those council members elected to the city council (or re-elected) in the November 2012 regular election.

In the case of Council Member Holloway, he has not run for election since the adoption of the ordinance. Therefore, he is eligible to run for office on a going forward basis until he has served terms in office for eight years or more.

Mr. Morgan presents a more complicated case. He was appointed to office after adoption of the ordinance. At the time of the next election he will have served approximately one and one-half years in office. In examining this issue, California courts have concluded that fractions of terms caused by appointment do not count against term limits. (See *Pope v. Superior Court, supra*, 136 Cal. App. at p. 877.) Therefore, Council Member Morgan is in essentially the same position as Council Member Holloway. He is also eligible to run for office until he has served terms in office totaling eight years or more. The time he has served as an appointee does not count towards this total.

CONCLUSION

We are aware that the conclusions raised in our letter will be a matter of public interest. We will be happy to address this matter and answer questions during the city attorney portion of the next regular meeting.

Very truly yours,

LEMIEUX & O'NEILL



W. Keith Lemieux

KL/mdd

cc: City Council, City of Ridgecrest

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ATTACHMENT B

INDIAN WELLS VALLEY COOPERATIVE GROUNDWATER MANAGEMENT GROUP

July 17, 2014 – 1:00 P.M.

Indian Wells Valley Water District
500 W. Ridgecrest Blvd., Ridgecrest, California 93555

AGENDA

1. Call to Order
2. Approval of Discussion Notes dated June 19, 2014
3. Public Comment for Items on the Agenda
4. Groundwater Management Plan Update
Description: Tim Parker to provide an update to the Group on the Groundwater Management Plan.
5. Kern County Resource Opportunity Plan
Description: Ongoing discussion on the Resource Opportunity Plan from the Kern County Planning and Community Development Department.
6. Salt/Nutrient Management Plans
Description: The State Water Resources Control Board adopted Resolution No. 2009-011 in February 2009, which establishes a statewide Recycled Water Policy that requires the State Board and the Regional Water Quality Control Boards to encourage the use of recycled water, consistent with state and federal water quality laws.
7. Legislative Impacts on Groundwater Management Plans
Description: Ongoing discussion on the legislative impacts of groundwater management.
8. State Water Board to Consider Proposed Emergency Water Conservation Regulations
Description: Discussion on the proposed Emergency Water Conservation Regulations.
9. Articles on Water for Publication in Local Media
Description: Group to consider topics of articles to be written on Water for Public Use and make available to all media publications.
10. Inyo-Mono Regional Water Management Group
Description: Report from Director Corlett on the comprehensive voluntary and non-regulatory region-wide planning document that identifies broadly-supported goals and objectives pertaining to water resources management of the Inyo-Mono Regional Water Management Group.

**NAVAL AIR WEAPONS STATION, CHINA LAKE
RESTORATION ADVISORY BOARD MEETING
AGENDA
Tuesday, July 22, 2014
IWV Water District, 500 W. Ridgecrest Blvd., Ridgecrest, Calif.**

- | | |
|-----------|--|
| 4:00 p.m. | Handouts/Sign-In |
| 4:30 p.m. | Call To Order
Introductions
Administrative Announcements
Review of Past Minutes |
| 4:35 p.m. | Site Management Plan
- Michael Bloom, NAVFAC SW and Mark Colzman, KCH |
| 5:15 p.m. | Response to Comments Discussion |
| 5:30 p.m. | Break |
| 5:45 p.m. | Site 6 Post Closure Maintenance Plan and Site 6 and 12 Inspection
Reports
- Michael Bloom, NAVFAC SW and Mark Colzman, KCH |
| 6:00 p.m. | RPM Meeting/Schedule Review
- Michael Bloom, NAVFAC SW |
| 6:20 p.m. | New Business
Review of Action Items
Public Comments |
| 6:30 p.m. | Adjourn |

11. Reports:
 - A. Project Review
Description: A report to the Group on new building projects in the Indian Wells Valley.
 - B. Technical Advisory Committee
Description: A report will be provided to the Group from a member of the Technical Advisory Committee on State Water Policies, CASGEM, the Groundwater Model Update, and any other informational topics.
12. Review Action Register
13. Items for August Agenda
14. Agency Reports and Member Comments
15. General Public Comment
16. Open Discussion: Members are requested to hold the discussion to matters of interest to the Working Group.
17. Adjournment

Next Scheduled Meeting: August 21, 2014

RESTORATION ADVISORY BOARD



MEMBERSHIP APPLICATION

NAVAL AIR WEAPONS STATION

CHINA LAKE



The Restoration Advisory Board, RAB, provides a forum through which the local community, Naval Air Weapons Station China Lake, and regulatory and cooperating agencies work together in an atmosphere that encourages discussion and exchange of information. The purpose is to effectively and efficiently clean up environmental contamination onboard NAWS China Lake that might be present as a result of past operations and waste disposal practices. The board meets on the second Wednesday of every month in an open, public meeting. Additional information about the RAB, including the times of the meeting, which vary, is available by calling the RAB coordinator, Peggy Shoaf, at 939-1683, or by contacting one of the RAB members.

Conditions for Membership

1. Members should be willing to communicate with local community members and interest groups concerned with specific base cleanup issues. To help introduce RAB members to the community and to make them more accessible to community members, names, phone numbers and brief biographies of RAB members will be published periodically in fact sheets and news articles.
2. Members will be expected to review and comment on draft or final documents related to RAB cleanup work.
3. The RAB will meet as often as the majority of its members thinks is necessary, but generally once a month. Members are expected to attend all RAB meetings. If a member fails to attend three consecutive meetings, the RAB Membership Committee may ask the member to relinquish his or her membership.
4. Community members or individuals representing organizations must reside in or serve communities in or around the Indian Wells Valley.

Name: _____

Address: _____

Place of Employment: _____

Phone: (_____) _____ (_____) _____
Home Work

FAX: (_____) _____ E-Mail Address: _____

Briefly state why you would like to be a member of the Restoration Advisory Board.

Members of the RAB include, but are not limited to, local residents, local government officials and agencies, business community members, local reuse/recycle committees, school district employees, installation employees and residents, local environmental groups, civic interest organizations, religious community members, homeowners organizations, medical community members, and Native American tribe members.

Are you associated with any of the above community activities? If so, which one(s), and how are you associated with the activity?

Do you feel you have specific knowledge, interests or experience that you could offer to the RAB that may assist in the cleanup program? If so, please describe.

Applicant Signature

Date

Send applications to:

Naval Air Weapons Station
Environmental Public Involvement (Code 750000D)
Attn: Peggy Shoaf
1 Administration Circle
China Lake, CA 93555-6100

Desert Mountain RC&D Council Quarterly Meeting
July 31, 2014

The Low-Down on D.I.R.T.T.

Dust Issues and Regulations Today and Tomorrow



JOIN US

for discussion with leaders and experts on the region's dust issues, mitigation, regulations and solutions.

July 31, 2014

California City Community Center
10400 Heather Ave
California City, CA 93505
760-373-3530

Registration: \$10.00 (includes lunch)
Catering by Gloria's Mexican
Restaurant

Please Register Online

<https://escrib.webconnex.com/DMRCandDQuarterly>

DRAFT AGENDA - Subject to change

- 9:30 am Meet and Greet, Coffee
- 10:00 am Call to Order, Deborah Hess, Desert Mountain RC&D President
Pledge of Allegiance
Welcome and Opening Comments –
Tom Weil, California City Manager
- 10:15 am *A Regional Approach to D.I.R.T.T. – Codes and Regulations*
Panel and Discussion - Moderator Chip Holloway
Lorelei Oviatt, Kern Co. Planning and Development
L.A. County Planning
Mojave Desert Air Quality District
- 11:45 am Lunch
- 12:15 pm *Exploring Solutions* - Presentations - Moderator: Deborah Hess
1. Fugitive Dust in the Mojave Desert – Dustbusters
Dr. Rob Farber (Confirmed)
 2. Mojave Dust Control Demonstration -
Recurrent Energy/Environ International Corp. (Tent.)
 3. Keeler Dunes Restoration
- 2:15 pm Wrap Up
- 2:30 pm Adjourn

Desert Mountain RC&D Council 760-446-1974
dmrcandd@iwvisp.com

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FOR IMMEDIATE RELEASE
July 15, 2014

1.3 Million Signatures Submitted for Six Californias Initiative **Measure Should Qualify for the November 2016 Statewide Ballot**

SACRAMENTO, CA -- Supporters of the **Six Californias** Initiative today submitted 1.3 million signatures in counties around the state, more than enough to qualify the measure for the November 2016 statewide ballot.

“Today, we turn in 1.3 million signatures that say we are ready to make a change,” said Six Californias proponent Timothy C. Draper. “Six Californias gives us an opportunity to reboot and refresh our state government. We are ready to create six more responsive, representative governments, more sympathetic governments, more modern governments, more service oriented governments.”

Six Californias is an initiative to create six states with responsive, local governments. The initiative takes California into new territory, one where Californians can choose not only their own representatives, but also their own government.

“Californians understand the current structure doesn’t work,” Draper added. “California, this is your opportunity to get a better government. We understand that kind of change can be hard for people to imagine. We pushed this initiative to November 2016 because wrapping your mind around this kind of fundamental change takes time and it is worth having an extended conversation.”

Draper noted, “When the people and their state are no longer in sync, when large populations feel that they are not being represented, and when the state fails to provide the services that it promises to its citizens, we lose our democracy. Our state government, in forty short years, has gone from the best to the worst. In K-12 education, we have gone from first to 47th, we have high unemployment, nearly 1 in 5 of us is living below the poverty line, our prison population has quadrupled, recidivism is at an all time high, we are ranked 50th out of 50 states as the worst state in which to do business, our state's technology lives in the 1980s, and our roads and waterways are starting to crack. Our state needs our help. Six Californias is our opportunity to solve the many problems we face today. Six Californias gives us an opportunity to improve our schools, our roads, our waterways, our business and jobs climate, our prison system and our economy. It gives us the opportunity to live in this glorious state and have great government services too.”

###

For More Information, visit: www.SixCalifornias.com

Paid for by Six Californias, with major funding by Timothy C. Draper
455 Capitol Mall, Suite 600
Sacramento, CA 95814

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ATTACHMENT D

REGIONAL LOCATIONS OF THE INNOVATION HUB INITIATIVE



Originally launched in 2010

<http://business.ca.gov/Programs/Innovation>



On October 4, 2013 Governor Edmund G. “Jerry” Brown Jr. approved Assembly Bill No. 250 (“AB 250”), creating the California Innovation Hub (IHub) Program within the Governor’s Office of Business and Economic Development (“GO-Biz”) and the iDEA Hub was designated an official iHub on October 8, 2013.



California Innovation Hub for Defense, Energy and Aerospace



Mission:

Foster entrepreneurship and encourage start-up businesses in Kern and Ventura Counties and the Antelope Valley through innovation mentoring, providing accessibility to subject matter experts and technology transfer know-how, providing flexible space to accommodate research, development, testing and evaluation and affording access to a network of resources designed to accelerate their success, and create jobs and revenue for the regions.

iDEA Hub Goals and Objectives

- **Performing nationwide promotion of the region's innovation ecosystem**
- **Facilitating partnerships between Government, Industry and Academia**
- **Providing business incubation services and facilities for entrepreneurs and start-up companies**
- **Connecting private sector capital with technology commercialization opportunities**
- **Pursuing funded research opportunities to strengthen the regional technology base**
- **Hosting training and networking events to act as catalysts for idea exchange, collaboration, and knowledge sharing across Defense, Energy and Aerospace industries**



China Lake High Tech Consortium

SERVING SINCE 2009

A unique partnership universities, industry, government, non-profits and equity investors working collaboratively to find innovative solutions for both the military and commercial marketplace. Now have over 500 participants in 87 organizations from 19 States.





Government

Military

Non-Profit

Universities



Colleges

Research Institutions

High Tech Companies





CONTACT INFO

Dr. Bill Hogan, Advisor



California iDEA Hub

China Lake High Tech Consortium

bill.hogan@CLHTC.com

408-828-1698

www.CLHTC.com

www.iDEAiHub.org



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

SUBJECT:

A Resolution To Approve a Professional Services Agreement with Justin O'Neill and authorize the Mayor, Daniel O. Clark, To Sign The Agreement.

PRESENTED BY:

Daniel O. Clark, Mayor

SUMMARY:

The City Council expressed a desire to enter into an agreement with Justin O'Neill. The purpose of the agreement is for Mr. O'Neill to assist the Council with special projects. In that regard, to date, Mr. O'Neill already has provided voluntary assistance with several projects. These projects include the 50th anniversary event, the strategic plan development; and the annual Petro glyph event.

On May 7, 2014, the City Attorney provided the legal basis for sole sourcing, the public policy rationale, and the guidelines that must be followed to enter in to a sole source agreement.

Council selected an Ad Hoc committee to review the scope of work, gather public input and bring back to Council a more comprehensive agreement. The draft agreement presented has been reviewed by the City Attorney and approved for further discussion and adoption.

The funding source for this agreement will be determined by the City Council.

FISCAL IMPACT: \$26,000 annually

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution That Approves a Professional Service Agreement with Justin O'Neill; Authorizes the Mayor, Daniel O. Clark, To Sign The Agreement upon review and the approval of the City Attorney; and directs the Finance Director to make the necessary budget adjustments.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Submitted by: Staff

Action Date: August 6, 2014

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RESOLUTION NO. 14-XX

A RESOLUTION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH JUSTIN O'NEILL AND AUTHORIZE THE MAYOR, DANIEL O. CLARK, TO SIGN THE AGREEMENT.

WHEREAS, The City Council expressed a desire to enter into an agreement with Justin O'Neill to assist with special projects; and

WHEREAS, Mr. O'Neill has demonstrated a proficiency in providing such unique services; and

WHEREAS, The City Attorney provided the legal basis for sole sourcing, the public policy rationale, and the guidelines that must be followed to enter in to a sole source agreement; and

WHEREAS, the City Council determined that this agreement meets the sole source guidelines; and

WHEREAS, the City Council determined the source of funding for this agreement.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest Hereby Approves A Professional Service Agreement with Justin O'Neill ; and authorizes the Mayor, Daniel O. Clark, To Sign The Agreement upon review and the approval of the City Attorney; and directs the Finance Director to make the necessary budget adjustments..

APPROVED AND ADOPTED this 6th day of August 2014 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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SPECIAL CONSULTANT AGREEMENT

As of August ____, 2014, the City of Ridgecrest, hereinafter called "Agency," and Justin O'Neill, hereinafter called "Consultant," agree as follows:

1. Purpose, Services, and Findings.

(a) Pursuant to this agreement, Consultant will provide Agency in general, and Agency's City Council in particular, with special administrative services for upcoming projects, including but not limited to cultural events and the promotion of Agency. Specifically, Consultant shall perform services in accordance with the instructions set forth in the document entitled SPECIAL PROJECTS CONSULTANT - Scope, Duties, and Approach – attached hereto as Exhibit "A" and incorporated herein by this reference.

(b) The Consultant shall, in good workmanlike and professional manner, furnish the special, technical, administrative, professional, and other labor, supplies and materials, equipment, printing, vehicles, transportation, office space and facilities necessary to perform and complete the work and provide the services as set forth in this Agreement.

(c) Agency finds that (1) the nature of the work to be provided qualifies as special services for purposes of Government Code section 53060, (2) Consultant has the necessary qualifications required of a person furnishing the special services, and (3) due to the nature of the services provided and the unique qualifications of Consultant, Agency cannot provide these services without the assistance of Consultant. Agency further finds that the services to be provided service are specifically desired for the purpose of maintaining a cost effective system consistency, as to be available from only one source.

2. Consideration.

(a) In consideration for Consultant's work for Agency, as described within this Agreement, Agency shall compensate Consultant \$26,000 annually. Agency shall be afforded a minimum of thirty (30) days to pay each of the above-referenced invoices.

3. Term.

This Agreement shall commence on the date above written. Either party may terminate this agreement on thirty (30) days' written notice. If this contract is terminated by Agency without cause, Agency shall pay Consultant for work performed prior to the date the notice of termination is received by Consultant. If the contract is terminated by Consultant without cause, Consultant shall reimburse Agency for additional costs to be incurred by Agency in obtaining the work from another consultant.

4. Ownership of Data, Reports, and Documents.

The Consultant shall deliver to Agency on demand or termination of this Agreement data, notes, reports, studies, and other materials and documents pertaining to Consultant's work for Agency, which shall be the property of the Agency. If the Agency uses any of the data, notes, reports, studies, and other materials and documents furnished or prepared by the Consultant for projects other than the project described in paragraph 1 above, the Consultant shall be released from responsibility to third parties concerning the use of the data, notes, reports, studies, and other materials and documents. The Consultant may retain copies of the materials. The Agency may use or reuse the materials prepared by Consultant without additional compensation to Consultant.

5. Subcontracts.

The Consultant shall not subcontract or assign responsibility for performance of any portion of this Agreement without the prior written consent of the Agency. Except as otherwise specifically approved by Agency, Consultant shall include appropriate provisions of this Agreement in subcontracts so rights conferred to Agency by this Agreement shall not be affected or diminished by subcontract. There shall be no contractual relationship intended, implied, or created between Agency and any subcontractor with respect to services under this Agreement.

6. Independent Contractor.

The Consultant is an independent contractor, and not an employee of Agency.

7. Indemnification.

Consultant shall defend, indemnify, and hold harmless Agency, its officers, employees and agents, from and against loss, injury, liability, or damages arising from any act or omission to act, including any negligent act or omission to act by Consultant or Consultant's officers, employees, or agents. Consultant's duty to indemnify and defend does not extend to the damages or liability caused by the Agency's sole negligence, active negligence, or willful misconduct.

8. Miscellaneous.

(a) Neither party hereto shall assign, sublet, or transfer interests hereunder without first obtaining written consent from the other party.

(b) The waiver by either party of any breach of this agreement shall not bar the other party from enforcing any subsequent breach thereof.

(c) Notices shall be deemed received when deposited in the U.S. Mail with postage prepaid and registered or certified addressed as follows unless advising in writing to the contrary:

City of Ridgecrest
ATTN: Mayor
100 W. California Ave.
Ridgecrest, CA 93555-4054

Justin O'Neill

(d) If an action at law or in equity is brought to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs.

9. Integration.

This Agreement represents the entire understanding of Agency and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties.

10. Governing Law.

This Agreement shall be interpreted and construed under, and the rights of the parties will be governed by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed the date first above written.

APPROVED:
Agency

APPROVED:
Consultant

By: _____
Dan Clark, Mayor

By: _____
Justin O'Neill

Attest:

By: _____
Rachel J. Ford, CMC, City Clerk

Approved as to Form:

By: _____
Michael Silander, Esq., Deputy City Counsel

Exhibit A

SPECIAL PROJECTS CONSULTANT *Scope, Duties, and Approach*

SPECIAL CONSULTANT AGREEMENT

This document, entitled Special Projects Consultant - Scope, Duties, and Approach - is attached to the underlying Special Services Agreement and outlines the scope, duties, and approach of Consultant under that Agreement. If this document or anything herein conflicts with the Special Consultant Agreement, the language of that Agreement will take precedence.

PROJECT SCOPE

To create a position wherein special projects necessary to the growth, balance, and vitality of the Ridgecrest community are explored, researched, and developed. It will be the function of the Consultant to use his expertise to prioritize and prudently utilize resources in the completion of a task list to be created by the City Council.

DUTIES OF SPECIAL PROJECTS CONSULTANT

The Consultant will assist the City in development and execution of a Communications Plan for effective, timely communication with the public. At the direction of the City Council, the Consultant will provide support services in a uniform, non-discriminatory manner. The work of the Consultant shall include, but not be limited to the following:

1. Explore revenue producing opportunities submitted by the City Council or proposed by Consultant. Develop plans, proposals, or presentations as requested by City Council pertaining to revenue producing projects, programs, and potentials.
2. Research projects with potential for further development submitted by the City Council or proposed by Consultant. Develop plans, proposals, or presentations as requested by City Council pertaining to the impact of projects or programs.
3. Create surveys, research reports, or other mechanisms that test the viability of potential programs and projects.
4. Develop a Communications Plan for consistent, informative communication from the City to the public regarding actions of the City Council and staff, and regarding City programs, services, and initiatives. The Consultant should initiate ideas on when and how to inform the public.

5. Review existing policies and draft new communication and media policies relating to City communications, and develop and execute a strategy to improve all forms of communication available to the City with the public which includes the City's government access channel (K41GO/Cable Channel 6), web site, Facebook, Twitter, and other forms of communication as recommended by the Consultant.
6. Arrange for, and coordinate, media coverage of issues before the City, including organizing press conferences and interviews and arranging appearances on appropriate media outlets. Provide guidance to City representatives in advance of public appearance and media coverage events, as directed by the City.
7. Make recommendations to the City for more timely, transparent and effective communication with residents, businesses, and guests of the City.
8. Review areas of opportunity and develop a comprehensive marketing plan for targeted areas of the City.
9. Research and evaluate potential grants, community events, signatures events, and community projects.
10. Assist and or supervise the set-up, running, and break down of the City sponsored events, identifying and resolving problems.
11. Meet with appropriate Councilmember, City staff and other responsible parties to plan events, logistics, press releases, and estimate event budgets.
12. Plan and manage the logistics of an event, including press releases, venue, guests, programs, catering, and marketing.
13. With City Council direction, perform the tasks of negotiating pricing, pre-selecting options and maintaining budget oversight for the event.

Methodology for project approach

1. The City Council shall discuss and determine the services to be performed by the Consultant in open sessions at regularly or specially noticed council meetings. The Consultant will thereafter submit a concise but detailed monthly narrative to the City Council indicating the proposed approach to providing the required services. The City Manager will review direction by Council for legality and relevance per the contract. The Consultant's methodology should be included, describing how the Consultant will approach each task and initiative and what will be included in the billing to the City. Consultant will also include a description of the types of services to be provided and a budget for a typical month, showing

estimated number of hours and hourly billing rate. All fees are limited pursuant to the cap established in the Special Consultant Agreement.

2. The proposal should include an hourly cost of service and a rate based on assignments by project. If Consultant performs special services exceeding 20 hours per week, any additional hours must be approved by the City Council at an open session council meeting.
3. Consultant will provide timely progress reports and performance measurements as needed towards the completion of specific long term projects.
4. The consultant's proposed budget should assume that the printing and distribution of printed documents will be performed in house and at the cost of the City.
5. Any staff involvement will be at the direction of the City Manager.

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

SUBJECT:

Appointments to the Measure 'L' Citizens Advisory Committee

PRESENTED BY:

Dennis Speer – City Manager

SUMMARY:

Measure 'L', a ¾ cent sales tax increase, was approved by voters on June 5th, 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.

On July 17, 2012, the City Council made appointments of five citizens to the advisory board. Of these initial appointments, two will expire on July 16, 2014. At the regular meeting of June 18, 2014, the City Council directed staff to open a solicitation period for prospective committee members to fill the upcoming vacancies. An insufficient number of applications was received therefore on July 16 Council extended the application period an additional two weeks. City Clerk's office received 4 applications (**Attachment A**) which Council have been forwarded to Council for review.

Council is requested to appoint two positions to fill vacancies on the Measure 'L' Committee. These vacancies will be appointed for a term of four years as per the Ordinance.

FISCAL IMPACT:

No Fiscal Impact

Reviewed by Finance Director

ACTION REQUESTED:

Staff recommends the City Council select 2 members to serve on the Measure L advisory committee for four (4) year terms

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Staff recommends the City Council select 2 members to serve on the Measure 'L' Advisory Committee

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MEASURE 'L' CITIZENS OVERSIGHT COMMITTEE APPOINTMENT HISTORY

Ordinance 12-02

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.

- b) Should a member of the committee fail to attend three consecutive meetings, unless excused for cause by the chairperson, that member's office shall be deemed vacant and the member's term ended. The committee secretary shall immediately notify the City Council and City Clerk of such termination.

MEASURE 'L' COMMITTEE APPOINTMENTS 2012

- Steve Morgan – 1 year appointment (July 18, 2012) – George 'Andy' Anderson (Expires July 2013)
- Jason Patin – 1 year appointment (July 18, 2012) – Lance 'Scott' Garver (Expires July 2013)
- Jerry Taylor – 2 year appointment (July 18, 2012) – Mike Peterson (Expires July 2014)
- Chip Holloway – 2 year appointment (July 18, 2012) – Phil Salvatore (Expires July 2014)
- Ron Carter – 3 year appointment (July 18, 2012) – Eddie Thomas (Expires July 2015)

MEASURE 'L' COMMITTEE APPOINTMENTS 2013

- Council – 4 year appointment (July 17, 2013) – George 'Andy' Anderson (Expires July 2017)
- Council – 4 year appointment (July 17, 2013) – Lance 'Scott' Garver (Expires July 2017)
- Jerry Taylor – 2 year appointment (July 18, 2012) – Mike Peterson (Expires July 2014)
- Chip Holloway – 2 year appointment (July 18, 2012) – Phil Salvatore (Expires July 2014)
- Ron Carter – 3 year appointment (July 18, 2012) – Eddie Thomas (Expires July 2015)

MEASURE 'L' COMMITTEE APPOINTMENTS 2014

- Council – 4 year appointment (July 17, 2013) – George 'Andy' Anderson (Expires July 2017)
- Council – 4 year appointment (July 17, 2013) – Lance 'Scott' Garver (Expires July 2017)
- _____ – 4 year appointment (July 16, 2014) – _____ (Expires July 2018)
- _____ – 4 year appointment (July 16, 2014) – _____ (Expires July 2018)
- Ron Carter – 3 year appointment (July 18, 2012) – Eddie Thomas (Expires July 2015)

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ATTACHMENT A

CITY OF RIDGECREST Application for Citizen Service

As a member of:

Planning Commission
 Handicap Access Appeals Board
 Measure 'L' Advisory Committee
 Personnel Commission
 Construction Appeals Board
 Other _____

SPECIAL QUALIFICATION REQUIREMENT

Are you representative of any of the following categories:

Physically Disabled
 Architect
 Lay Member of the Public
 Specialty Contractor (other than one from a trade regulated by the codes)
 Structural Engineer
 General Contractor

Date: 7-17-2014 Home Phone: 760-446-7475 Work Phone: _____

E-mail: r.gould@mchsi.com Cell Phone: 760-608-9831

Name: Robert A. Gould

Address: 1051 North Inyo Street

Occupation: Retired Aerospace Engineer

Why are you interested in this position? I have plenty of time and I would like to help .
serve our community

What do you consider to be your major qualification(s)? I have been a resident of Ridgecrest for 54
years and am very aware of the street conditions in the city.

Are there any days or work day evenings you could NOT meet? If so, please list: I could not
serve on Thursday evenings or the third Tuesday evening of each month.

Please list any additional information you feel would be useful to the City Council I have had
very responsible jobs for the Navy as a project engineer on many propulsion and aircraft gun projects.

Please return completed form to:

City Clerk
City of Ridgecrest
100 W California Ave
Ridgecrest, CA 93555



Applicant's Signature

CITY OF RIDGECREST
Application for Citizen Service

As a Member of the Measure 'L' Citizens Oversight Committee if approved by voters

SPECIAL QUALIFICATION REQUIREMENTS

Are you representative of any of the following categories:

- Lay Member of the Public
- Financial/Investment/Accounting
- Business Owner
- Retired

Date: July 28, 2014 Home Phone: 760-428-9314 Work Phone: 760-939-2308

E-Mail: MICHAEL.L.PETERSEN.RIDGECREST@GMAIL.COM Cell Phone: 760-428-9314

Name: Michael L. Petersen

Address: 1233 W Tamarisk Ave., Ridgecrest, CA 93555

Occupation: Aerospace Engineer, Acting Branch Head

Why are you interested in this position? I am interested in helping this community be financially successful. I believe that my leadership, technical, and communication skills, combined with my love for this community, will provide a perspective that is both objective and caring.

What do you consider to be you major qualifications? I have served as the Chair of the Measure L Citizen's Oversight Committee for the past year and as a member for the past two years, during which time I was the primary author of our final report, presentation, and other documents. I have served as a team lead for many federal and volunteer projects. I have a Master of Science in Systems Engineering and a Bachelor of Science in Aerospace Engineering.

Are there any days or work day evening you could **not** meet? If so, please list: I am generally unavailable on Sundays. Also, I am the Technical Director for the RMES production of "Joseph and the Amazing Technicolor Dreamcoat" and will not be available Saturdays through October of this year.

Please list any additional information you feel would be useful to the City Council My 17-month old daughter was born while I was on the Committee.

I want to do all that I can to help make this community a wonderful place for my family to grow and thrive.

Please return completed form to:

Rachel J. Ford, CMC
City Clerk
100 W. California Ave.
Ridgecrest, CA 93555


Applicant's Signature

CITY OF RIDGECREST
Application for Citizen Service

As a member of:

<input type="checkbox"/> Planning Commission	<input type="checkbox"/> Personnel Commission
<input type="checkbox"/> Handicap Access Appeals Board	<input type="checkbox"/> Construction Appeals Board
<input checked="" type="checkbox"/> Measure 'L' Advisory Committee	<input type="checkbox"/> Other _____

SPECIAL QUALIFICATION REQUIREMENT

Are you representative of any of the following categories:

<input type="checkbox"/> Physically Disabled	<input type="checkbox"/> Structural Engineer
<input type="checkbox"/> Architect	<input type="checkbox"/> General Contractor
<input checked="" type="checkbox"/> Lay Member of the Public	
<input type="checkbox"/> Specialty Contractor (other than one from a trade regulated by the codes)	

Date: 7-23-14 Home Phone: 760-371-3152 Work Phone: _____

E-mail: mayor.ron.carter@att.net Cell Phone: 760-371-3152

Name: Ron Carter

Address: 1225 N. Mayflower Circle

Occupation: retired educator/elected official

Why are you interested in this position? I want to continue to volunteer to help the city and community

What do you consider to be your major qualification(s)? 40 years as an educator and 16 years as elected official. I have been a site administrator at the elementary, middle school, high school and college.

Are there any days or work day evenings you could NOT meet? If so, please list: _____

I can meet any day and time.

Please list any additional information you feel would be useful to the City Council _____

I've served on several service clubs and non-profits as a board member

I have recieved many honors/awards including Site Administrator of the year for Kern and San Diego

Please return completed form to:

City Clerk
City of Ridgecrest
100 W California Ave
Ridgecrest, CA 93555



Applicant's Signature

CITY OF RIDGECREST
Application for Citizen Service

As a member of:

- | | |
|--|---|
| <input type="checkbox"/> Planning Commission | <input type="checkbox"/> Personnel Commission |
| <input type="checkbox"/> Handicap Access Appeals Board | <input type="checkbox"/> Construction Appeals Board |
| <input checked="" type="checkbox"/> Measure 'L' Advisory Committee | <input type="checkbox"/> Other _____ |

SPECIAL QUALIFICATION REQUIREMENT

Are you representative of any of the following categories:

- | | |
|--|--|
| <input type="checkbox"/> Physically Disabled | <input type="checkbox"/> Structural Engineer |
| <input type="checkbox"/> Architect | <input type="checkbox"/> General Contractor |
| <input checked="" type="checkbox"/> Lay Member of the Public | |
| <input type="checkbox"/> Specialty Contractor (other than one from a trade regulated by the codes) | |

Date: 7/3/2014 Home Phone: 661-475-3268 Work Phone: 661-475-2764

E-mail: gloria@ridgencet.net Cell Phone: —

Name: Gloria R. Long

Address: Box 817, Ridgecrest CA 93556

Occupation: Editor, The Inland Adventurer

Why are you interested in this position? Resident since June 26, 1968

In business serving the community since Nov. 1981

What do you consider to be your major qualification(s)? A successful business person!

All my vehicles, 99 44/100% of my shopping is done here!

Are there any days or work day evenings you could NOT meet? If so, please list: _____

No Sunday, please

Please list any additional information you feel would be useful to the City Council _____

I can converse with anyone, any time. This is a skill honed over decades of retail service.

Please return completed form to:

City Clerk
City of Ridgecrest
100 W California Ave
Ridgecrest, CA 93555

Gloria R. Long
Applicant's Signature

CITY OF RIDGECREST
Application for Citizen Service

As a member of:

<input type="checkbox"/> Planning Commission	<input type="checkbox"/> Personnel Commission
<input type="checkbox"/> Handicap Access Appeals Board	<input type="checkbox"/> Construction Appeals Board
<input checked="" type="checkbox"/> Measure 'L' Advisory Committee	<input type="checkbox"/> Other _____

SPECIAL QUALIFICATION REQUIREMENT

Are you representative of any of the following categories:

<input type="checkbox"/> Physically Disabled	<input type="checkbox"/> Structural Engineer
<input type="checkbox"/> Architect	<input type="checkbox"/> General Contractor
<input checked="" type="checkbox"/> Lay Member of the Public	
<input type="checkbox"/> Specialty Contractor (other than one from a trade regulated by the codes)	

Date: 7/30/2014 Home Phone: _____ Work Phone: 760-371-7167

E-mail: carter_pope@verizon.net Cell Phone: 760-793-9053

Name: Carter Pope

Address: 525 Randall St, Ridgecrest, CA 93555

Occupation: Assistant Vice President

Why are you interested in this position? I work in the finance industry and feel that my work experience and education makes me a great fit for this role. I am always looking for ways to serve my community.

What do you consider to be your major qualification(s)? I have over 11 years in the financial industry and I have an MBA. I believe these qualifications make me the ideal member of this committee.

Are there any days or work day evenings you could **NOT** meet? If so, please list: I am pretty open
At times, I have to go on travel for my company, when this comes up, I would be unavailable for meetings

Please list any additional information you feel would be useful to the City Council. I am a former
member of the City of Ridgecrest Planning Commission and have close ties to the community.

I believe that my skill sets and my ability to comprehend complex issues would be a valuable asset.

Please return completed form to:

City Clerk
City of Ridgecrest
100 W California Ave
Ridgecrest, CA 93555



Applicant's Signature

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

SUBJECT:

Approve A Resolution Of The Ridgecrest City Council To Support The Expenditure Of Economic Development Tax Allocation Bond (TAB) Funds For The Reconstruction Of A Billboard on Highway 395

PRESENTED BY:

Gary Parsons

SUMMARY:

The Ridgecrest Area Convention and Visitors Bureau (RACVB) was established in 1992 as a non-profit organization committed to helping tourists get the most out of their desert adventures and visit to the Ridgecrest area.

The RACVB has obtained a quote to reconstruct the 14' X 48' single face outdoor billboard currently located on Highway 395 at the China Lake Blvd turnoff. The billboard was originally built in May 1992 and has had no repairs since.

The City Council previously allocated \$2 million dollars of the 2010 TAB funds for the purpose of utilizing these funds for Economic Development within the city and gave direction to staff to come back to council with the planned uses of these funds. At the May 21, 2014 Council meeting staff developed a proposed budget (attachment "A") for Economic Development general areas of interest.

Total costs for the sign reconstruction would be \$67,300.00, of this amount \$12,300 is to be covered by the RACVB with a request for the additional \$55,000 to be covered by the City of Ridgecrest.

Quote from RACVB & Russo Construction attached (attachment "B").

FISCAL IMPACT:

\$55,000 of 2010 TAB funds previously allocated to Economic Development

Reviewed by Finance Director

ACTION REQUESTED:

Approve resolution and fund RACVB request in the amount of \$55,000

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Review and Comment

Submitted by: Gary Parsons

Action Date: 8-6-14

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RESOLUTION NO. 14-

A RESOLUTION OF THE RIDGECREST CITY COUNCIL TO APPROVE THE EXPENDITURE OF ECONOMIC DEVELOPMENT TAX ALLOCATION BOND (TAB) FUNDS FOR THE RECONSTRUCTION OF A BILLBOARD ON HIGHWAY 395

WHEREAS, The City Council and the Ridgecrest Area Convention and Visitors Bureau (RACVB) mission is to improve the economic health of the City of Ridgecrest; and

WHEREAS, RACVB is finding a need to repair the billboard on Highway 395; and

WHEREAS, this billboard is a key element in promoting the mission to improve the economic health of Ridgecrest; and

WHEREAS, The RACVB solicited a proposal to perform the necessary repairs, the staff reviewed and analyzed the proposal and Russo Construction was chosen at the proposed fee to complete the repairs of \$67,300; and

WHEREAS, the RACVB will cover \$12,300 and asked the City of Ridgecrest to fund \$55,000 from the allocated \$2million dollars of 2010 TAB Economic Development funds.

NOW, THEREFORE, BE IT RESOLVED,

1. The City Council does agree that the Highway 395 billboard is a necessity to the economic health of the City of Ridgecrest and in need of repair
2. The City of Ridgecrest will support the repair efforts and issue a check to RACVB in the amount of \$55,000
3. The payment of \$55,000 will be deducted from the \$2million dollars allocated to Economic Development from the 2010 TAB funds

APPROVED AND ADOPTED this 6th day of August 2014 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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Economic Development Proposed Budget for the Use of Tax Allocation Bond (TAB) Funds for 2014-2015

The City Council has previously allocated \$2 million dollars of the TAB proceeds to be used for the advancement of economic development within the city and has asked the economic development staff to bring back to them a plan and budget for the use of these funds.

Major areas of interest and investment of TAB funds:

- 1) Industrial development has the goal of bringing new industry and the expansion of existing industry within city limits. Thereby creating new jobs in the city, providing new sales and property taxes, and potentially new TOT taxes which in turn would generate new revenue to the city general fund.
- 2) Retail development has the goal of expanding and supporting existing local retailers, as well as seeking new retailers, in an effort to minimize sale tax leakage while providing more new jobs to the community.
- 3) Property abatement has the goal of abating condemned buildings under the city police department code enforcement efforts.
- 4) City signage matching funds program has the goal of working with the RACVB to provide matching funds for the development of new city entry signs as well as local directional signs within the community.
- 5) Already approved and expended by the city council - such as the chamber agreement, city banner program and downtown branding effort.

Proposed uses of funds:

1) Industrial development*	\$1,000,000.00
2) Retail development	\$ 500,000.00
3) Property abatement program	\$ 250,000.00
4) City signage matching funds program	\$ 55,000.00
5) Already approved and expended funds	<u>\$ 195,000.00</u>
Total TAB funds Allocated	\$2,000,000.00

*Note: Staff has already received over \$4,750,000 in industrial development proposed requests for funding.

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P.O. Box 1838 Ridgecrest CA 93556
760/375-8202 • 800/847-4830
Fax 760/375-9850

Your Tourism & Film Commission

QUOTE

Russo Construction

NEW 14' x 48' SINGLE FACE BILLBOARD

- ❖ 1 New 14' x 48' Single CM 30 feet Overall Height
- ❖ Sign from RMC Outdoor
- ❖ RUSSO CONSTRUCTION will Install Sign, Drill Hole, Concrete, Electricity for Lights and Crane
- ❖ Install Vinyl, Sign and Labor

TOTAL COST: \$ 55,000.00

RACVB Match on 395 South of Ridgecrest

- | | |
|--------------------------|-------------|
| ❖ Lighting | \$ 4,000.00 |
| ❖ Sign Graphics | \$ 2,000.00 |
| ❖ Remove Sign & Haul Off | \$ 2,500.00 |
| ❖ Permits | \$ 800.00 |
| ❖ Paint Pole | \$ 500.00 |
| ❖ Turtle Fencing | \$ 2,500.00 |

TOTAL COST RACVB: \$ 12,300.00

Total Cost from Russo \$ 55,000.00

Total Cost from RACVB \$ 12,300.00

Overall Total Cost: \$ 67,300.00

NOTE: Old Sign was Built in May 1992

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

SUBJECT:

Adopt A Resolution To Approve The Economic Incentive Agreement By And Between The City Of Ridgecrest And Pertexa Health Care Technology ("Pertexa") And Authorizing The City Manager To Execute To Agreement.

PRESENTED BY:

Gary Parsons

SUMMARY:

Pertexa, a Delaware corporation, was selected by the city council at the July 2, 2014 meeting to receive an industrial development grant in the amount of \$875,000. Pertexa is a developer and manufacturer of a medical software program. The proposal is also to provide for a technical support call center in the Ridgecrest area.

Attached is an Economic Incentive Agreement (the "Agreement") wherein Pertexa is willing to achieve certain employment goals and to treat their Ridgecrest site as the sole point of sale on an ongoing basis for all taxable sales of products sold in the State of California.

The City would provide assistance in the form of a grant of \$875,000.

In light of the elimination of redevelopment agencies as affected by enactments of the California Legislature in 2011 and 2012, including the former Ridgecrest Redevelopment Agency, the generation of tax revenues available to the City is important in preserving the ability of the City to provide an acceptable level of core municipal services to its residents. The City would enter into the proposed Agreement in consideration of the activities that will be undertaken by Pertexa within the City with the goal of generating both new city revenue sources and new jobs to meet its economic development objectives.

FISCAL IMPACT:

Expenditure of \$875,000 of Economic Development TAB funds

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution To Approve The Economic Incentive Agreement By And Between The City Of Ridgecrest And Pertexa And Authorize The City Manager To Execute To Agreement.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Review and Comment

Submitted by: Gary Parsons

Action Date: 8-6-14

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING AN ECONOMIC INCENTIVE AGREEMENT BY AND BETWEEN THE CITY OF RIDGECREST AND PERTEXA HEALTH CARE TECHNOLOGY, INC.

WHEREAS, the City of Ridgecrest (“City”) is a city organized and operating under the laws of the State of California; and

WHEREAS, Pertexa Healthcare Technology, Inc. (“Pertexa”) has proposed to the City an agreement substantially in the form submitted herewith (the “Economic Incentive Agreement”); and

WHEREAS, a copy of the Economic Incentive Agreement, together with a report describing the proposed transaction, has been on file with the City Clerk as a public record; and

WHEREAS, notice of a public hearing to consider the Economic Incentive Agreement, and which specifically referenced Government Code Section 53083, was published in a newspaper of general circulation serving the City and its inhabitants; and

WHEREAS, under the Economic Incentive Agreement, the City will grant certain moneys to Pertexa and Pertexa will be obligated to operate its business within the corporate limits of the City and to achieve certain thresholds as set forth in the Economic Incentive Agreement; and

WHEREAS, Pertexa is unwilling to maintain its operations within the City but for the approval of the Economic Incentive Agreement; and

WHEREAS, by retaining Pertexa within the City, the City will continue to be the beneficiary of substantial sales tax revenues over a significant period of time, all as more particularly set forth in the Economic Incentive Agreement; and

WHEREAS, particularly in light of the elimination of redevelopment agencies as effected by enactments of the California Legislature in 2011 and 2012, including the former Ridgecrest Redevelopment Agency, the generation of tax revenues available to the City is important in preserving the ability of the City to provide an acceptable level of core municipal services to its inhabitants; and

WHEREAS, the financial participation by the City under the Economic Incentive Agreement is in consideration of the activities that will be undertaken by Pertexa under the Economic Incentive Agreement; and

WHEREAS, a public meeting of the City Council on the proposed Economic Incentive Agreement was duly noticed; and

WHEREAS, the proposed Economic Incentive Agreement, and a staff report have been available for public inspection prior to the public meeting; and

WHEREAS, all actions required by all applicable law with respect to the proposed Economic Incentive Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the City Council has duly considered all of the terms and conditions of the proposed Economic Incentive Agreement and believes that the Economic Incentive Agreement is important to make available to the City for the benefit of its inhabitants an additional source of sales tax revenues and is in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGECREST DOES RESOLVE AS FOLLOWS:

Section 1. The City Council hereby finds and determines that, by generating additional revenues to the City, the Economic Incentive Agreement will benefit the City and its inhabitants.

Section 2. The City Council hereby approves the Economic Incentive Agreement in substantially the form presented to the City Council, subject to such revisions as may be made by the City Manager or his designee. The City Manager is hereby authorized to execute the Economic Incentive Agreement (including without limitation all attachments thereto) on behalf of the City. A copy of the Economic Incentive Agreement when executed by the City shall be placed on file in the office of the City Clerk.

Section 3. The City Manager is hereby authorized, on behalf of the City, to make revisions to the Economic Incentive Agreement which do not increase any amounts to be paid by the City or materially or substantially increase the City's obligations thereunder, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Economic Incentive Agreement and to administer the City's obligations, responsibilities and duties to be performed under the Economic Incentive Agreement and related documents.

PASSED and ADOPTED this 6th day of August, 2014.

By: _____
Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF KERN)
CITY OF RIDGECREST)

I, Rachel J. Ford, City Clerk of the City of Ridgecrest, do hereby certify that the foregoing Resolution No. ____ was duly and regularly adopted by vote of the City Council of the City of Ridgecrest at its regular meeting held on the 6th day of August, 2014, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

By: _____
Rachel J. Ford, CMC, City Clerk

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ECONOMIC INCENTIVE AGREEMENT

BY AND BETWEEN

CITY OF RIDGECREST

AND

PERTEXA HEALTHCARE TECHNOLOGY, INC.

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ATTACHMENT

Attachment No. 1	Participant Certificate
Attachment No. 2	Participant Note
Attachment No. 3	Guaranty
Attachment No. 4	Equipment List

ECONOMIC INCENTIVE AGREEMENT

This ECONOMIC INCENTIVE AGREEMENT (“Agreement”) is entered into as of August 6, 2014 (the “Date of Agreement”) by and between the CITY OF RIDGECREST, a municipal corporation (the “City”) and PERTEXA HEALTHCARE TECHNOLOGY, INC., a Delaware corporation (“Participant”). The City and the Participant hereby agree as follows:

1.00 SUBJECT OF AGREEMENT

1.01 Purpose of Agreement

1.01.1. The purpose of this Agreement is to promote the economic welfare of the City and enhance the wherewithal of the City to provide municipal services and to provide jobs within the City. The foregoing will be accomplished by the establishment and ongoing maintenance of business operations of Participant within the City with Participant maintaining its business within the City and continuing to conduct from Participant’s location in the City all of its sales within the State of California of “Designated Products” (as defined in Section 1.03 below). This Agreement is in the vital and best interest of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements under which the Project has been undertaken.

1.02 The Site

The Site is that certain property commonly known as _____, Ridgecrest, California 93555, which is the location at which Participant has operated within the corporate limits of the City. The Site may be changed to another site within the City subject to the concurrence of the City, which concurrence shall not be unreasonably withheld.

1.03 Definitions

The capitalized terms and words used in this Agreement shall have the following meanings:

“*Audit Condition*” has the meaning established therefor in Section 2.05.

“*Base Amount*” means an amount equal to the lesser of (i) the amount paid by Participant for the Equipment, as demonstrated by evidence reasonably satisfactory to the City Manager, or (ii) Six Hundred Thousand Dollars (\$600,000.00).

“*BOE*” means the State of California Board of Equalization.

“*Certificate Condition*” means the obligation of the Participant to execute and deliver to City for each Measuring Period a Certificate substantially in the form of Attachment No. 1 and executed by the President of the Participant, with such Certificate to be executed and delivered to City within thirty (30) days after the corresponding Measuring Period which occurs during the Operating Covenant Period.

“*City*”, as defined in the first paragraph of this Agreement, means the City of Ridgecrest, a municipal corporation.

“*City Code*” means the Ridgecrest Municipal Code as in effect as of the Date of Agreement and as such Municipal Code may be amended from time to time.

“*City Manager*” is the City Manager of the City or his designee.

“*Conforming Business Activities*” means the manufacture, assembly and sale of products serving the health care industry, the manufacture and/or assembly of similar products, sales of parts, provision of repairs and services for the foregoing or similar products.

“*Cooperation Condition*” means the undertaking by the Participant to make available to the City any such information as City may reasonably request to assess compliance with and satisfaction of the Performance Conditions by the Participant, including without limitation the Audit Condition. The Cooperation Condition shall be deemed to include, among other things, making the Site available for periodic inspection for purposes of this Agreement and making available to the City such documents as City may from time to time request for the purpose of implementing this Agreement.

“*Date of Agreement*”, as defined in the first paragraph hereof, means August 6, 2014.

“*Default*” means a breach of this Agreement or the failure to satisfy one or more of the Performance Conditions.

“*Designated Amount*” means the sum of the Base Amount, the Free Trade Zone Application Amount and the Free Trade Zone Achievement Amount.

“*Designated Business*” means a business engaged in Conforming Business Activities including the manufacture, assembly and sale of Designated Products at the Site under the trade name Pertexa Healthcare Technology, Inc. or Pertexa.

“*Designated Products*” means products used in the health care industry, including without limitation the Robo-Doc; similar products, parts and services.

“*Employment Condition*” means (i) utilizing the Site as the situs for employees hired by the Participant within the State of California, and (ii) meeting or exceeding the Employment Target corresponding to the relevant period.

“*Employment Target*” means maintaining an employment level continuously from (i) the Date of Agreement until the end of the first Measuring Period or not less than two (2) Full-Time Employees at the Site, then (ii) as of the end of the second Measuring Period and the third Measuring Period, not less than fifteen Full-Time Employees at the Site, and (iii) commencing as of the last date of the fifth Measuring Period and continuing throughout the remainder of the Operating Covenant Period, not less than five hundred (500) Full-Time Employees at the Site.

“*Equipment Condition*” means the purchase and installation at the Site of equipment included within the Equipment List.

“*Equipment List*” means Attachment No. 4.

“*Fee Condition*” means the payment in full, as such payments become due for the corresponding Measuring Period, of all (i) City business registration fee (business license taxes) and (ii) Public Entity Fees payable in respect to Participant Improvements, if any.

“*Free Trade Zone Application Amount*” means an amount equal to the lesser of (i) Fifty Thousand Dollars (\$50,000.00) or (ii) an amount equal to the application fee paid by the Participant in seeking to establish the City, or a significant portion thereof, as a free trade zone.

“*Free Trade Zone Achievement Amount*” means the sum of Two Hundred Twenty Five Thousand Dollars (\$225,000.00).

“*Full-Time Employee*” means a salaried or hourly employee who is employed at the Site by the Participant for not less than thirty-two (32) hours per week for not less than fifty-two (52) weeks [such fifty-two week calculation to be inclusive of vacations, holidays, disability, leaves required pursuant to state law, sick leave and similar benefits generally afforded employees generally deemed to be full-time employees by prevailing community standards] during the corresponding Measuring Period. An employee who is terminated during any Measuring Period, and the employee who replaces such terminated employee in such position shall be aggregated for purposes of the foregoing calculation. Independent contractors shall not be includable as Full-Time Employees, without regard to their source of income or place of business. Temporary employees and part-time employees shall not be countable as or towards Full-Time Employees.

“*Guarantor*” means Kishor Joshi.

“*Guaranty*” means a guaranty in the form of Attachment No. 3.

“*Guaranty Condition*” means the delivery by Participant to City of the Guaranty duly executed by Guarantor.

“*Indemnification Condition*” means the provision of defense, indemnification, assumption of responsibility for as required pursuant to Section 3.02 of this Agreement.

“*Maintenance Condition*” means the maintenance of the Site in conformity with all applicable laws, including without limitation the City Code. In the event the Participant leases the Site, the Maintenance Condition shall be deemed to apply as to the leasehold interest of Participant in the Site and the demised premises under the corresponding lease.

“*Measuring Period*” means a period commencing as of the Date of Agreement and ending the first day prior to the anniversary of the Date of Agreement (and each succeeding comparable period during the Operating Covenant Period).

“*Operating Covenant Period*” means a one hundred twenty (120) month period commencing with the Date of Agreement.

“*Operation Condition*” means the operation of Conforming Business Activities on the Site (including compliance with any provisions applicable in connection with the construction of improvements, should improvements be undertaken by Participant) in conformity with all applicable laws on an ongoing basis throughout the Operating Covenant Period and with no assignment by Participant contrary to Section 1.04.3 of this Agreement as Participant’s sole sales office location

within California with respect to Conforming Business Activities and satisfying every one of the Performance Conditions.

“*Ownership Condition*” means ownership by Participant (as of the Date of Agreement and as of each Participant Certificate) of (i) a fee simple interest in the Site, or (ii) a lease of the Site for a term of not less than five years with an option by Participant to extend for the remainder of the Operating Covenant Period.

“*Participant*” is defined in the introductory paragraph of this Agreement; however, at Participant’s election and upon advance written notice to the City, other entities sharing common control with Participant shall be included as a Participant in this Agreement, subject to all of the terms and conditions herein and provided that any payments made at a particular time under this Agreement by City shall be made payable to one entity.

“*Participant Certificate*” means Attachment No. 1 to this Agreement.

“*Participant Improvements*” means such improvements, if any, which the Participant elects to construct or causes to be constructed within the City.

“*Participant Note*” means a promissory note substantially in the form of Attachment No. 2.

“*Performance Conditions*” means the Audit Condition, the Certificate Condition, the Cooperation Condition, the Employment Condition, the Equipment Condition, the Guaranty Condition, the Indemnification Condition, the Operation Condition, the Ownership Condition, the Property Tax Condition, the Reasonable Efforts Condition, the Sales Tax Condition, the Sales Tax Reporting Condition, and the Site Maintenance Condition.

“*Principals*” means Kishor Joshi.

“*Property Tax Condition*” means the payment prior to delinquency of all property taxes and assessments levied against or secured by the Site if Participant owns the Site.

“*Public Entity Fees*” means all fees (but not taxes) payable to the City and any other governmental agency having regulatory authority in connection with the Participant Improvements.

“*Reasonable Efforts Condition*” means the use of reasonably diligent efforts to purchase goods from businesses having a situs and point of sale within the corporate limits of the City.

“*Sales Tax Condition*” means (i) establishing the Site as the point of sale for products sold by the Participant within the State of California, (ii) engaging in best efforts to maintain the Site as the point of sale for products sold by the Participant within the State of California, and (iii) achieving, as of the last day of the fifth Measuring Period, and each succeeding Measuring Period during the Operating Covenant Period, taxable sales of not less than Two Hundred Eighty Five Million Dollars (\$285,000,000.00) at the Site.

“*Sales Tax Reporting Condition*” is defined in Section 2.01.2(b) of this Agreement.

“*Sales Tax Reports*” is defined in Section 2.02 of this Agreement.

“*Sales Taxes*” means tax revenues attributable to up to one percent (1%) of sales price pursuant to the Bradley Burns Uniform Sales Tax Law, California Revenue and Taxation Code Section 7200, et seq., including all amendments and successor statutes thereto.

“*Site*” is defined in Sections 1.02 of this Agreement.

1.04 Parties to this Agreement

1.04.1. The City

The City is a municipal corporation, exercising governmental functions and powers of a city under the laws of the State of California. The principal office of the City is located at 100 West California Avenue, Ridgecrest, California 93555. Whenever a reference is made to the City, the City Manager is authorized to act on behalf of the City unless otherwise specifically provided or the context should otherwise require. The City shall advise the Participant in writing if there is any change pertaining to any matters set forth or referenced in the foregoing portion of this Section 1.04.1.

1.04.2. The Participant

The Participant means Pertexa Healthcare Technology, Inc., a Delaware corporation. The principal office of the Participant for the purposes of this Agreement is the Site. The Participant shall advise the City in writing if there is any change pertaining to any matters set forth or referenced in the foregoing portion of this Section 1.04.2.

1.04.3. Assignment by Participant

The Participant may undertake any of the following without the consent of the City, and no such action shall limit or otherwise affect any of the rights or benefits of the Participant (or the duties and obligations of the City) hereunder: (i) issue or transfer stock or other voting or ownership interests in the Participant (and/or assign this Agreement in connection with any such issuance or transfer), (ii) merge or consolidate with any other entity, and/or sell or transfer all or substantially all of the assets of the Participant (and/or assign this Agreement in connection with any such merger, consolidation or sale), (iii) sell or transfer all or substantially all of the Designated Products business conducted by Participant in the State of California or (iii) assign its interest in this agreement, wholly or in part, to any entity that controls, is controlled by or is under common control with the Participant.

While this Agreement shall not be construed to limit the ability of the Participant to transfer or dispose of its business activities, or any portion thereof, in the event the Participant undertakes any of the assignment or transfer provisions set forth above in this Section, Participant, as transferor, and the transferee shall execute an acknowledgement under which the transferee agrees to perform as Participant under this Agreement and, provided the original Participant has no accrued liabilities to the City under the terms of this Agreement, the original Participant shall thereafter be released from further obligations under this Agreement.

The Participant shall promptly notify the City in writing referencing this Section 1.04.3 of any and all changes referenced in this Section 1.04.3. All transferees shall be bound by this Section 1.04.3 as well as the other provisions of this Agreement.

All of the terms, covenants and conditions of this Agreement shall be binding upon and shall inure to the benefit of the Participant and the permitted successors and assigns of the Participant.

2.00 CONSIDERATION FOR AGREEMENT; DISBURSEMENT OF DESIGNATED AMOUNT; PAYMENTS BY PARTICIPANT; CREDITS

2.01 Participant Consideration.

The Participant has agreed to operate the Site with Conforming Business Activities and to satisfy the Performance Conditions throughout the Operating Covenant Period. The Participant assumes all responsibility for all costs to provide the Participant improvements, if any.

2.01.1. Within thirty (30) days after the Date of Agreement, the Participant shall execute and deliver to the City a Participate Certificate; the date upon which the initial Participant Certificate is received (which shall be deemed to be the thirtieth [30th] calendar day after the Date of Agreement) shall be referred to herein as the “Start Date.” Within thirty (30) days after receipt of the initial Participant Certificate, subject to receipt of the Participate Note and receipt of evidence reasonably satisfactory to the City Manager that Participant has purchased the Equipment or has committed to purchase the Equipment promptly upon disbursement by City of the Base Amount, and provided that upon its review the City Manager is reasonably satisfied that the Participant Certificate is true and accurate, the City shall disburse to the Participant the Base Amount. The period starting as of the Date of Agreement and ending as of the first anniversary thereof shall be deemed to constitute a “Measuring Period”, as shall each subsequent annual period which occurs during the Operating Covenant Period.

The disbursement of the Free Trade Zone Application Amount shall be accomplished in one payment which will be payable at the same time the Base Amount is disbursed.

On each anniversary of the Start Date (each a “Submittal Date”), the Participant shall deliver to City a Participate Certificate. Thereupon, City shall review each such Participate Certificate and may undertake such further review and inquiry concerning satisfaction of the Performance Conditions as it shall deem appropriate regarding the performance by Participant. The Participant shall cooperate with such review. Following the completion of such review, within thirty (30) days after receipt of the corresponding Participant Certificate, the City shall inform the Participant as to whether Participant is required to make payment under the Participant Note or whether an Annual Credit is applicable (and, hence, no payment required at such time) due to satisfaction of the conditions to receiving such Annual Credit as set forth in 2.01.2, below. The Participant may ask for reconsideration by the City, such as in the event of circumstances described in Section 2.01.2(a) of this Agreement, and may submit additional evidence in connection therewith. The City shall endeavor to conduct any further review within a thirty (30) day period after it receives such additional information, following which City shall inform Participant of the outcome.

The foregoing process shall be repeated for each Measuring Period during the Operating Covenant Period; provided that in no event shall amounts disbursed by the City to the Participant under this Agreement exceed the Designated Amount.

The disbursement of the Free Trade Zone Achievement Amount shall be made by City to Participant within thirty (30) days after the City, or a substantial portion thereof, is designated

by the relevant government agencies as a free trade zone and the Participant has engaged in diligent efforts seeking such designation and has been a percipient cause in achieving such designation. Inclusion of not less than twenty percent (20%) of the area of the City (which must include the Site) within such a free trade zone shall be deemed to constitute a substantial portion for purposes of this paragraph.

2.01.2. The performance by the Participant shall include satisfaction of each of the Performance Conditions for each Measuring Period which occurs during the Operating Covenant Period.

(a) Regarding the Operation Condition, in the event the physical facilities at the Site are damaged to the extent that it is not feasible for the Participant to operate, the Participant shall recommence operations as soon Participant determines it is practical to do so. Upon satisfaction of the foregoing Conditions, Participant shall, as set forth in Section 2.03, provide its certification in connection with the satisfaction of the Performance Conditions in the form of the Participant Certificate. The Participant Certificate shall be submitted annually and shall also be updated in the event of substantial change in circumstances (such as a cessation of operations to damage to facilities) as frequently as necessary in order for City to be fully informed as to the conduct of operations on the Site to the extent necessary or convenient for purposes of the implementation by City of its activities under this Agreement.

(b) (i) Participant shall provide the City with information concerning the amount of Sales Tax Revenues generated by Participant within the City which are payable to the State of California and which are reported to the BOE. Participant shall prepare and furnish to the City at the time it submits the Participant Certificate quarterly statements showing the amount of Sales Taxes collected and paid during each quarter by Participant in connection with Conforming Business Activities at the Site. The purpose of the submittal of such information is limited to verification that Participant has made diligent efforts to have the Site designated as its point of sale.

(ii) Participant shall maintain and have available and cause to be maintained and available for inspection by the City or its designees, copies of any and all Sales Tax Reports, defined below, submitted by Participant to the BOE. Sales Tax Reports shall mean the statements and quarterly reports (Form BOE-401-A), and any other or supplemental reports, statements or submissions, actually filed or required to be filed by Participant with the BOE relating to or in connection with the collection, remittance and/or calculation of Sales Tax Revenues from the Property. The Sales Tax Reports shall be delivered by Participant to the City together with the Participant Certificate provided that if such sales tax reports are amended by the BOE, then such amended reports shall be submitted when available. The purpose of the submittal of such information is limited to verification that Participant has made diligent efforts to have the Site designated as its point of sale.

(iii) If applicable, any and all amendments to said Sales Tax Reports shall be delivered to the City simultaneously with Participant filing said amendments with the BOE.

(iv) Subsections (b) (i)-(iii) above shall be referred to as the “Sales Tax Reporting Condition”

2.02 City Disbursement

In consideration of the undertakings of the Participant pursuant to this Agreement, the City will disburse the Disbursement Amount as provided in Section 2.01.01. Participant Certificates shall be submitted to the City to the attention of its City Manager at the address set forth in Subpart 1.04.1. The City shall not provide any payments or other assistance pursuant to this Agreement other than the payment of the Disbursement Amount as provided in Section 2.01.01. The obligation of the City to make such payment pursuant to this Agreement does not constitute a pledge of any City revenues; the obligation of the City to make payments pursuant to this Agreement is an unsecured obligation of the City.

The City shall not be liable for any real estate commissions or brokerage fees which may arise in connection with the Site, the activities of the Participant, or this Agreement. The Participant represents that it has not engaged the services of any agents, brokers, or finders in connection with this Agreement, and Participant assumes all responsibility for any remuneration payable to any agents, brokers, or finders in connection with this Agreement.

2.03 Voluntary Relocation Participant Payments

In the event the Participant shall voluntarily relocate the Designated Business, or a substantially similar business, to a situs outside the corporate limits of the City, then Participant shall immediately upon such relocation (without necessity of demand therefor by City) pay to City an amount equal to two (2) times the Designated Amount; no credits shall be deemed to apply in such event.

2.04 Equipment List

The Equipment List includes those items enumerated in Attachment No. 4. Participant shall obtain the items set forth on the Equipment List using moneys from the Base Amount. In the event the Base Amount is not sufficient to accomplish the purchase of all items listed on the Equipment List, the failure of Participant to acquire all such items shall not be deemed to constitute a default under this Agreement. The items in the Equipment List may only be modified upon the prior mutual agreement of the City Manager, acting on behalf of the City, and the Participant.

2.05 Audit Condition

Participant shall cooperate in providing City will all information necessary for the verification of performance by Participant under this Agreement. In addition, Participant agrees to cooperate with City in the event City desires to conduct an audit, using an auditor of City's choosing, to audit books and records of Participant to the extent necessary to assess Participant's performance under this Agreement, including testing the efficacy of statements made in one or more Participant Certificates. In the event the audit as commissioned by City indicates a discrepancy of five percent (5%) or greater from any matter addressed directly or indirectly in a Participant Certificate, Participant shall reimburse City for the cost of the audit within thirty (30) days of submittal by City. The matters to be provided or performed by Participant under this Section 2.05 collectively constitute the "Audit Condition."

3.00 REQUIREMENTS APPLICABLE TO ANY IMPROVEMENTS

3.01 Development of Improvements by the Participant

The Participant is not required by this Agreement to make any improvements to property. If Participant elects to make improvements within the corporate limits of the City, then costs for planning, designing, and constructing such improvements shall be borne exclusively by the Participant and the Participant shall construct or cause to be constructed such improvements in compliance with all the zoning, planning and design review requirements of the City, including without limitation the City Code, and all nondiscrimination, labor standard, and wage rate requirements to the extent such labor and wage requirements are applicable. The Participant shall also bear all costs related to discharging the duties of the Participant set forth in this Agreement.

In the event the Participant undertakes improvements, all costs of developing such improvements shall be borne by the Participant; the Participant shall at its expense cause to be prepared and shall pay any and all fees with respect to the review and approval thereof by the City, all required construction, planning and other documents reasonably required by governmental bodies with respect to the development of the Site hereunder including, but not limited to, specifications, drawings, plans, maps, permit applications, land use applications, zoning applications and design review documents (other than documents prepared under CEQA).

(i) The Participant shall carry out the design, construction and development of any work which may be undertaken by it on the Site, in conformity with all applicable laws, including without limitation all applicable state labor standards and state labor laws relating to payment of prevailing wages to the extent, if any, that laws relating to prevailing wages are applicable, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, et seq., Government Code Section 4450, et seq., Government Code Section 11135, et seq., and the Unruh Civil Rights Act, and Civil Code Section 51, et seq. The previous listing of certain laws is not a statement that such laws will be applicable to activities undertaken by the Participant; it is only a statement that, where such laws are applicable, the Participant will comply with them.

(ii) Labor Code Section 1720(b)(3) treats work performed under contract with certain public entities as a “public work” where the work is paid for in whole or in part with public funds, which payment may be accomplished by a transfer of an asset of value for less than a fair market value price. If and to the extent required by applicable law, the Participant and its contractors and subcontractors shall pay prevailing wages in compliance with Health and Safety Code Sections 33423 through 33426, and Labor Code Section 1770, et seq., and shall be responsible for the keeping of all records required pursuant to Labor Code Section 776, complying with the maximum hours requirements of Labor Code Sections 1810 through 1815, complying with the requirements of Labor Code Sections 1726 and 1781 (in such regard the Participant acknowledges and agrees it is and shall remain the “awarding body” for the work of construction to complete the Dealer Improvements as well as any additional or other improvements to the Site), and complying with all regulations and statutory requirements pertaining thereto. The City makes no representations or warranties whatsoever with respect to the applicability of the foregoing prevailing wage and public works requirements, and the Participant shall make its own determination as to such applicability.

Further, the Participant agrees that all public works (as defined in California Labor Code Section 1720) if any are performed pursuant to this Agreement (the “work”), if any, shall comply with the requirements of California Labor Code Sections 1770, et seq. In all bid specifications relating to public works, if any, contracts and subcontracts for the work, the Participant (or its general contractor, in the case of subcontracts) shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of worker needed to perform the work, and shall include such rates in the bid specifications, contract or subcontract. Such bid specifications, contract or subcontract must contain the following provision: It shall be mandatory for the contractor to pay not less than the said prevailing rate of wages to all workers employed by the contractor in the execution of this contract. The contractor expressly agrees to comply with the penalty provisions of California Labor Code Section 1775 and the payroll record keeping requirements of California Labor Code Section 1771.

The Participant does hereby and shall indemnify and hold each of City and City harmless from and against any and all claims, demands, causes of action, obligations, damages, liabilities, costs and expenses, including reasonable attorneys’ fees, that may be asserted against or incurred by City or City with respect to or in any way arising from the Participant’ compliance with or failure to comply with applicable laws, including all applicable federal and state labor standards including without limitation the requirements of Labor Code Section 1720.

3.02 Indemnification

The Participant agrees to and shall defend, indemnify, release, assume all responsibility for, and hold the City, its officers, employees and agents, harmless from, all claims or suits relating to the subject matter of this Agreement or the implementation hereof including, without limitation, claims for relocation assistance or benefits as may be asserted by any current or former occupant of any portion of the Site pursuant to the California Uniform Relocation Law) Government Code Section 7260 et seq., the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. Section 4601 et seq.) or any other federal, state or local enactments providing for relocation assistance or benefits in connection with the development of the Site or this Agreement, and for, and damages to, property and injuries to persons, including accidental death (including attorneys’ fees and costs), or interruption to or damage to a business or goodwill, which may be caused by any of the Participant’s activities under this Agreement, whether such activities or performance thereof be by the Participant or anyone directly or indirectly employed or contracted with by the Participant and whether such damage shall accrue or be discovered before or after termination of this Agreement. Participant shall not be liable for property damage or bodily injury occasioned by the sole active negligence of the Agency or its designated agents, or employees.

4.00 USE OF THE SITE

4.01 Uses

Participant is an experienced operator of a business consisting of: (i) the assembly and sale Designated Products and (ii) related research, manufacturing, assembling, sales and servicing. The Participant shall operate on the Site Conforming Business Activities, which shall conform in all respects to all applicable regulations of federal, state and local agencies regulating the establishment or operations of such facilities.

The Participant shall carry out all of its undertakings pursuant to this Agreement in conformity with, all applicable laws. This Agreement shall be subject to all applicable laws.

The Participant agrees that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site.

The Participant shall refrain from restricting the rental, sale or lease of the property on the basis of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry of any person.

5.00 DEFAULTS AND REMEDIES

5.01 Default

The following shall constitute a “Default” under this Agreement:

5.01.1. Default by Participant

(a) The Participant discontinues its operations at the Site or another location within the corporate limits of the City or relocates its business to another jurisdiction in California, except in connection with the sale of its business;

(b) The Participant’s failure to provide the City with one or more of the Participant Certificates, within thirty (30) days after the respective times required for submission thereof by this Agreement; or

(c) Failure to satisfy one or more of the Performance Conditions on a continuous basis throughout the Operating Covenant Period.

5.01.2. Representations and Warranties; Other Obligations

The breach of any of Participant’s representations or warranties in this Agreement, unless such breach is cured within a reasonable period of not to exceed sixty (60) days after notice by City; or

5.01.3. Default by City

The failure by the City to disburse the Designated Amount, or portion thereof, as it becomes obligated to disburse under this Agreement.

5.02 Remedies and Termination

In the event that the Participant is in Default of this Agreement as specified in Section 5.01 or upon failure of Participant to satisfy one or more of the Performance Conditions on a continuous basis throughout the Operating Covenant Period, the City may suspend payment of amounts otherwise payable pursuant to Section 2.02 of this Agreement until such default has been cured; provided that the City shall further be entitled to terminate this Agreement without making payment of amounts otherwise payable pursuant to Section 2.02 in the event such default has not been cured

by the time required pursuant to this Agreement for the cure of such default (and, if no time is specified, within sixty (60) days from the date notice of default is given by the City). If Participant defaults in accordance with Section 5.01.1(a), then in addition to terminating the Agreement, City shall be entitled to pursue all available legal remedies and equitable remedies.

The Participant shall be entitled to terminate this Agreement in the event of a Default by the City which has not been cured within sixty (60) days following receipt of written notice from the Participant which describes with particularity the default including without limitation the time at which such default is contended to have commenced. In such event, may seek legal or equitable remedies.

Notwithstanding anything to the contrary in this Agreement, neither party may terminate this Agreement without prior written notice to the other party specifically (i) stating the nature of the default and giving the other party a reasonable time of not to exceed sixty (60) days to cure said default or (ii) stating that an adjudication of a court of competent jurisdiction has occurred in California or a law has been enacted which precludes the making of payments by the City as contemplated by this Agreement. If such events occur (as referenced in items (i) or (ii) of this paragraph), a non-defaulting party may terminate this Agreement upon providing written notice of such event a reasonable time prior to termination. Alternatively, a non-defaulting party shall have the right to seek specific performance

This Agreement shall also be subject to termination at the mutual agreement of the parties hereto.

5.03 Legal Actions

5.03.1. Institution of Legal Actions

In addition to any other rights or remedies available to the parties, either party may institute legal action to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any Default, to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Kern, State of California.

If an action is brought which seeks to invalidate this Agreement, to modify this Agreement or to alter payments which would be made hereunder, neither party shall be responsible to defend against any such claims.

5.03.2. Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

5.03.3. Acceptance of Service of Process

In the event that any legal action is commenced by the Participant against the City, service of process on the City shall be made by personal service upon the City Manager or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Participant, service of process on the Participant shall be made by personal service on the Participant or any of its officers, or in such other manner as may be provided by law. Service shall be valid whether made within or without the State of California.

5.04 Rights and Remedies Are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

5.05 Inaction Not a Waiver of Default

Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

6.00 GENERAL PROVISIONS

6.01 Notices, Demands and Communications between the Parties

Written notices, demands and communications between the City and the Participant shall be sufficiently given if delivered by hand or dispatched by registered or certified mail, postage prepaid, return receipt requested, or by generally recognized overnight courier service, to the principal offices of the City and the Participant at the addresses specified in Sections 1.04.1 and 1.04.2, respectively. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 5.01.

Any written notice, demand or communication shall be deemed received immediately if delivered by hand or via overnight courier and shall be deemed received on the tenth (10th) day from the date it is postmarked if delivered by registered or certified mail.

6.02 Conflicts of Interest

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any member, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

6.03 Enforced Delay; Extension of Times of Performance

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement shall be extended, where delays or Defaults are due to: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of God; acts or omissions of the other party. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the

commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of City and Participant.

6.04 City Manager to Act for City

Whenever this Agreement provides for an action to be taken by the City, then, except to the extent that provisions of applicable law or the context may otherwise require, such action may be taken by the City Manager on behalf of the City.

6.05 Non-liability of Officials and Employees of the City

No member, official or employee of the City shall be personally liable to the Participant, or any successor in interest, in the event of any Default or breach by the City or for any amount which may become due to the Participant or its successors, or on any obligations under the terms of this Agreement.

6.06 No Third Party Beneficiaries

There shall be no third party beneficiaries of this Agreement.

6.07 Provision of Information; Inspection of Books and Records; Limitations upon Voluntary Release of Certain Information

The City shall have the right at all reasonable times during the Operating Covenant Period to inspect the books and records of the Participant pertaining to the collection and payment of Sales Taxes as reasonably necessary to determine compliance with this Agreement; the Participant agrees to make such records available to the City as deemed necessary by the City, at least annually and additional upon request therefor by the City, to verify compliance with the terms of this Agreement.

6.08 Confidentiality.

The parties acknowledge that the information contained in any tax return is confidential, proprietary to the Participant, and agree that, to the fullest extent permitted by law, no documents, including tax returns, or other information provided by the Participant to City, its agents and representatives pursuant to or with regard to the provisions of this Agreement, shall be released to or otherwise made available to any third person, corporation, organization or association unless disclosure is permitted pursuant to a written order of a court of competent jurisdiction or the prior written consent of the Participant. City shall offer the Participant the opportunity to defend any claim made by any third party against City for release of such confidential documents or information. In the event that a nonparty to this Agreement seeks disclosure of any information concerning the terms of this Agreement from City, City shall promptly, but in any event, no later than seven (7) business days after City receives such request, notify the Participant in writing of such request, identifying the party making the request and the information sought by such party. In the event that the Participant contests such disclosure request, the Participant shall pay and hold City harmless from all costs and expenses including reasonable attorneys' fees of City, the parties hereto may incur in contesting such disclosure request. All tax returns, documents and other information provided to City by the Participant shall be returned to the Participant immediately upon termination of this Agreement. The Participant acknowledges that this Agreement is a public record; in addition, Participant

acknowledges that City has provided no assurances to Participant that any materials provided to City under this Agreement would be other than public records.

6.09 Advice of Counsel. The parties, and each of them, acknowledge that in connection with the negotiation and execution of this Agreement, they have each been represented by independent counsel of their own choosing, and the parties executed this Agreement after review by such independent counsel, or, if they were not so represented, then said non-representation is and was the voluntary, intelligent and informed decision and election of the party not so represented, and prior to executing this Agreement, each party has had an adequate opportunity to conduct an independent investigation of all of the facts and circumstances with respect to the matters which are the subject of this Agreement.

7.00 ENTIRE AGREEMENT; WAIVERS; AMENDMENTS

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes pages 1 through 15, plus a signature page, and Attachments No. 1, 2, 3 and 4, which are attached hereto and incorporated herein by reference, which constitute the entire understanding and agreement of the parties.

Time is of the essence as to each and every provision of this Agreement.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes any and all negotiations, understandings, discussions, memoranda, writings or agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter of this Agreement. All waivers or modifications of the provisions of this Agreement or of any project document or Attachment hereto must be in writing by the appropriate authorities of the City and the Participant, and all amendments hereto must be in writing by the appropriate authorities of the City and the Participant.

8.00 TIME FOR ACCEPTANCE OF AGREEMENT BY CITY

This Agreement, when executed by the Participant and delivered to the City, must be authorized, executed and delivered by the City on or before ten (10) days after signing and delivery of this Agreement by Participant or this Agreement shall be void, except to the extent that the Participant shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement. The date of this Agreement shall be the date when it shall have been signed by the City.

IN WITNESS WHEREOF, the City and the Participant have signed this Agreement on the respective dates set forth below.

[SIGNATURES ON FOLLOWING PAGE]

CITY OF RIDGECREST,
a municipal corporation

By: _____
Dennis Speer
Its: City Manager

Dated: _____, 2014

PERTEXA HEALTHCARE TECHNOLOGY,
INC., a Delaware corporation

By: Kishor Joshi
Its: President

Dated: _____, 2014

By:
Its: Secretary

Dated: _____, 2014

ATTACHMENT NO. 1
PARTICIPANT CERTIFICATE

(Participant Letterhead)
City of Ridgecrest
100 West California Avenue
Ridgecrest, California 93555

Attn: City Manager

With respect to that certain Economic Incentive Agreement, dated as of _____, 201_ (the "EIA") by and between Pertexa Healthcare Technology, Inc., a Delaware corporation (the "Participant") and the City of Ridgecrest ("City"), the Participant hereby certifies to City that, for the period commencing as of _____ and ending as of _____, the Participant has satisfied each of the Performance Conditions (with all capitalized terms not defined herein having the respective meanings established therefor in the EIA)

PERTEXA HEALTHCARE TECHNOLOGY,
INC., a Delaware corporation

Dated: _____

[name]
Its: [capacity]

ATTACHMENT NO. 2

PARTICIPANT NOTE

Designated Amount: \$875,000.00

Maturity: [to come; 10th anniversary of the Date of Agreement]

Ridgecrest, California _____, 2014

1. FOR VALUE RECEIVED, the undersigned (“Maker”) promises to pay to the order of the CITY OF RIDGECREST (“Holder”), at 100 West California Avenue, Ridgecrest, California 93555 or such other place as the Holder may from time to time designate in writing, the “Note Amount” (as herein defined), in lawful money of the United States of America, together with other charges as set forth below, until fully paid.

2. This Promissory Note (“Promissory Note”) is made and delivered pursuant to and in implementation of an Economic Incentive Agreement by and between the Holder and the Maker dated as of _____, 201_ (the “EIA”), copies of which are on file as public records with the Holder and are incorporated herein by reference. The Promissory Note is made to assure payment of the Purchase Price under the EIA, and to provide security for the Holder (the “City”) as to such payment. The Maker acknowledges that but for the execution of this Promissory Note, the Holder would not enter into the EIA. Unless definitions of terms are expressly set out at length herein, each term shall have the same definition as set forth in the EIA.

3. The failure of the Maker to timely pay in full when due the “Note Amount” (as hereinafter defined) shall constitute a default of Maker under the terms of this Promissory Note. In the event the Maker fails to timely pay in full when due the Note Amount, any portion which is not timely paid in full shall accrue interest at the maximum rate permitted by Section 1(2) of Article XV of the California Constitution. The “Note Amount” means an amount equal to the Designated Amount together with such additional amounts, if any, as shall become payable to City under Section 2.03 of the EIA.

4. Pursuant to the EIA, the Maker shall pay to the Holder an amount equal to the Designated Amount in the event of a default under the EIA or the failure by Maker to satisfy each and every one of the Performance Conditions for one or more Measuring Periods during the Operating Covenant Period. Payment of the Designated Amount, together with payments, if any, which become payable by Participant under Section 2.03 of the EIA, are subject to acceleration; provided that for the period commencing as of the Date of Agreement and ending as of the first anniversary thereof (the “First Anniversary”), if the Maker has operated the Designated Business in conformity with the Operating Covenant, is not in default of the EIA and has continuously satisfied all of the Performance Conditions throughout the corresponding Measuring Period, the City shall apply a credit equal to the payment which would otherwise be due on the First Anniversary. The foregoing process shall be repeated as to each subsequent annual period (determined as of each anniversary thereof (each being a “Subsequent Anniversary Date”), with a credit being applied equal to one tenth (1/10th) of the Designated Amount in the event the Operating Covenant is being implemented, there are no defaults under the EIA and Participant has continuously satisfied all of the Performance Conditions throughout the corresponding Measuring Period (provided that no credits shall be applicable in the event of the occurrence of an event described in Section 2.03 of the EIA).

The amounts evidenced by this Promissory Note shall be subject to acceleration in the event of any default under the EIA.

5. Any amount remaining payable as the Note Amount as of _____ __, 2024 [insert date which is the tenth anniversary of the Date of Agreement], after applying such credits as shall become applicable under Section 4, shall be paid in full within thirty (30) days of _____ __, 2024 [insert date which is the tenth anniversary of the Date of Agreement].

6. Upon satisfaction in full of the Note Amount, the Holder shall return this Promissory Note to the Maker.

7. The Maker promises to pay reasonable attorneys' fees and costs and expenses incurred by the Holder hereof in connection with any default or in any action or other proceeding brought to enforce any of the provisions of this Promissory Note.

PERTEXA HEALTHCARE TECHNOLOGY,
INC., a Delaware corporation

By: _____
Its: President

By: _____
Its: Secretary

ATTACHMENT NO. 3

GUARANTY

GUARANTY AND AGREEMENT OF KISHOR JOSHI

THE CITY OF RIDGECREST (the "City") and PERTEXA HEALTHCARE TECHNOLOGY, INC., a Delaware corporation (the "Participant") have entered or will enter into a certain Economic Incentive Agreement (the "Agreement"), a copy of which is on file with the City as a public record, which Agreement provides in part that the Guarantor shall make and deliver a guaranty as provided in said Agreement. Except as expressly defined herein, all terms shall have the same meanings as used in the Agreement.

R E C I T A L S

A. The Guarantor owns beneficial interests in the Participant, including the business activity to be conducted on the "Site" (as defined in the Agreement), and each will significantly benefit by the execution by the City of the Agreement.

B. The execution by the Guarantor of this Guaranty is a condition but for which the City would not execute the Agreement.

In consideration of the execution of the Agreement, and of other valuable consideration, receipt of which is hereby acknowledged:

1. The Guarantor guarantees to each of City the full, timely and faithful performance by the Participant and the Owner of all of their obligations, duties, promises, covenants and agreements as set forth in the Agreement, including without limitation the operation of the Designated Business on the Site and the ongoing satisfaction of each and every one of the Performance Conditions throughout the Operating Covenant Period.

2. This Guaranty is unconditional and may be enforced directly against the undersigned. No extensions, modifications or changes to the Agreement shall release the undersigned or affect this Guaranty in any way, and the undersigned waives notification thereof.

3. The undersigned hereby waive all of the suretyship provisions of the California Civil Code Sections 2788 through 2855.

4. Guarantor hereby waives and agrees not to assert or take advantage of (a) any right to require City to proceed against the Participant, any person signing below, or any guarantor other than the undersigned, or to pursue any other remedy in the City's power before proceeding against the Guarantor, (b) demand, protest, and notice which the City may be required to provide to Participant under the Agreement, and (c) any duty on the part of City to disclose to Guarantor any facts City now or hereafter know about the Site, the Agreement, or the Participant regardless of whether City has reason to believe that any such facts materially increase the risks beyond that which Guarantor intend to assume or has reason to believe that such facts are unknown to Guarantor or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed that Guarantor is fully responsible for being and keeping informed of all circumstances regarding the Site,

the Agreement, the obligations of the Participant, the financial condition of the Participant and of all circumstances bearing on the risk of any obligation by Participant hereby guaranteed.

5. Guarantor shall have no right of subrogation and waives any right to enforce any remedy the City now have or may hereafter have against the Participant, and any benefit of, and any right to participate in any security now or hereafter held by City.

6. The obligations of Guarantor hereunder are independent of the obligations of Participant, and, in the event of default hereunder, a separate action or actions may be brought and prosecuted against Guarantor whether or not Participant or any other guarantor, is joined therein or a separate action or actions are brought against Participant.

7. In the event of any litigation between City and Guarantor arising out of this Guaranty, the prevailing party shall be entitled to recover its reasonable costs and attorney's fees.

8. No provisions of this Guaranty can be waived nor can Guarantor be released from the obligations hereunder except by a writing duly executed by the City Manager of the City.

9. Guarantor hereby waived notice of any demand by the City, as well as notice of any default by the Participant or any other guarantor.

10. The City may assign this Guaranty. When so assigned, Guarantor shall be bound as above to the assignees without in any manner affecting Guarantor's liability hereunder.

11. This Guaranty shall remain in effect notwithstanding any bankruptcy, reorganization or insolvency of the Participant or Guarantor, or any successor or assignee thereof or any disaffirmance by a trustee of the Participant or Kishor Joshi.

12. This Guaranty shall inure to the benefit of and bind the successors and assigns of City and Guarantor.

13. Guarantor agrees that jurisdiction and venue with respect to any matter pertaining to the Guaranty or acts or omissions hereunder shall lie exclusively with the Superior Court of the County of Los Angeles, State of California. Guarantor irrevocably waives any and all defenses based upon revenue or *forum non conveniens*.

14. The laws of the State of California shall govern the interpretation and enforcement of this Guaranty.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty this _____ day of _____, 2014.

“GUARANTOR”

Dated: _____

By: _____
Kishor Joshi

ATTACHMENT NO. 4
EQUIPMENT LIST

Asset Costs

ROBODOC				
VALUE ADDED SHOP COSTS				
BUILDING AND OFFICE SPACE				
	Units	Unit Cost	Final Cost	Notes
Production and Assembly Facilities	•	\$0.65	\$156,000	20,000 sqft, 1 yr Lease (5 Yr Lease Agreement most likely)
Conference Room and Office Facilities	1	\$0.95	\$45,600	4,000 sqft, 1 yr Lease (5 Yr Lease Agreement most likely)
Call Center Facilities	1	\$1.50	\$225,000	12,500 sqft (Capacity to 50 Employees with built in cost)
Production Cubicles	5	\$3,000	\$15,000	For Engineering
Production Furniture	5	\$2,000	\$10,000	For Engineering
Office Cubicles	8	\$3,000	\$24,000	For Sales and Support
Office Furniture	8	\$2,000	\$16,000	For Sales and Support
Call Center Installation	•	\$10,000	\$10,000	
Shop Floor Installation			\$30,000	Includes computing, Internet and Certifications
Sub-Total			\$531,600	
INTERNET & COMPUTING				
	Units	Unit Cost	Final Cost	Notes
Cable/Dsl Modem	7	\$200	\$1,400	Could be free with contract
Wireless Access Point	7	\$150	\$1,050	For wireless internet access
IP Phones+inrastructure	1	\$10,000	\$10,000	Phone system/w 20 phones
Security appliance/firewall	2	\$1,000	\$2,000	Sonicwall or Juniper
Gigabit switch 24port	2	\$300	\$600	Cisco
HP Proliant Server	2	\$2,000	\$4,000	For Domain/Fileshare
Windows Small Business Server Software	2	\$1,050	\$2,100	Server software w/5 licenses
Server 5 licenses	3	\$500	\$1,500	5x3 = 15 licenses
Battery Backup	2	\$500	\$1,000	Server Power backup
Backup Drive/s	2	\$150	\$300	Databackup
Mid End Desktop	7	\$600	\$4,200	Administrative etc workstations
High end Desktop	5	\$1,000	\$5,000	Engineering etc workstations
Monitors	15	\$150	\$2,250	Display and Control devices
Windows 7 Prof. Software	15	\$130	\$1,950	Operating system for desktops
Microsoft Office	12	\$200	\$2,400	Administrative software
Other misc software	12	\$75	\$900	Accounting, graphics etc
CAD Software	2	\$10,000	\$20,000	Does not Include Support and Maintenance
Color Laser Printer	2	\$700	\$1,400	General Office printers
Network setup costs	1	\$10,000	\$10,000	Initial Setup of equipment
Wiring	1	\$8,000	\$8,000	
Sub-Total			\$80,050	
SHOP & TEST EQUIPMENT:				
	Units	Unit Cost	Final Cost	
Robot, Kuka KR 200	2	\$75,000	\$150,000	
Robot, Kuka KR 100	2	\$50,000	\$100,000	
Conveyer Automation System	2	\$30,000	\$60,000	
Pick and Place Robot, KR90 R2700	2	\$25,000	\$50,000	
Part Feeders, Funic M-KiAT	2	\$40,000	\$80,000	
Packaging Dispenser	1	\$10,000	\$10,000	
Boxing Machine	1	\$50,000	\$50,000	
Accessory Tooling and Attachments Kits	1	\$37,500	\$37,500	
Overhead Crane	1	\$36,500	\$36,500	
Oscilloscope	2	\$1,200	\$2,400	
Signal Generator	2	\$500	\$1,000	
Hand Tools	1	\$4,000	\$4,000	
Shop Installation & Setup			\$15,000	
Scissor Lift Pallet Jack	1	\$2,500	\$2,500	
Machine Lathe	1	\$14,500	\$14,500	
Milling Machine (Bridgeport)	1	\$15,000	\$15,000	
Sub-Total			\$628,400	
EQUIPMENT & ENVIRONMENTAL CONTR				
	Units	Unit Cost	Final Cost	
Container Moving-Stacking Machine	1	\$15,000	\$15,000	
Forklift-(electric)	1	\$10,000	\$10,000	
Compressor	2	\$2,000	\$4,000	
Air Filtration System	1		\$35,000	
Clean Room Facility (300 Sqft)	1		\$110,000	
Industrial A/C Units	1		\$45,000	
Sub-Total			\$219,000	

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NOTICE OF PUBLIC HEARING RE ECONOMIC DEVELOPMENT SUBSIDY

On August 6, 2014, at 7:00 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers, located at 100 West California Avenue, Ridgecrest, California 93555, the City Council of the City of Ridgecrest (the “City”) will hold a public hearing to consider the approval of an agreement with Pertexa Healthcare Technology, Inc. (“Pertexa”) entitled “Economic Incentive Agreement” (the “Agreement”) under which the City would agree to provide various subsidy payments to Pertexa subject to the satisfaction of certain conditions set forth in the Agreement. A copy of the draft Agreement is available for public inspection with the City Clerk during normal operating hours of the City.

The purpose of the public hearing is to receive testimony from the public regarding the proposed Agreement. All interested parties are invited and encouraged to attend said meeting and express their opinions for or against this item. All operative terms as more fully described in the Agreement. This notice is provided pursuant to Government Code Section 53083.

Further information may be obtained by contacting Gary Parsons, Economic Development Director, by telephone at (760) 499-5061 or in person during the normal operating hours of the City. A copy of the proposed Agreement together with a report containing information described in Government Code Section 53083 is on file with the City Clerk.

If you challenge the item listed above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in a written correspondence delivered to the City Council at, or prior to, the public hearing. Furthermore, you must exhaust any administrative remedies prior to commencing a court challenge to City Council’s action.

Gary Parsons
Economic Development Director

(Published in a newspaper of general circulation on July 26, 2014)

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

SUBJECT:

Adopt A Resolution To Approve The Economic Incentive Agreement By And Between The City Of Ridgecrest And CalUAS And Authorizing The City Manager To Execute To Agreement.

PRESENTED BY:

Gary Parsons

SUMMARY:

CalUAS, Inc., a California corporation, was selected by the city council at the July 2, 2014 meeting to receive an industrial development grant in the amount of \$730,115. CalUAS is a developer and manufacturer of unmanned aerial systems.

Attached is an Economic Incentive Agreement (the "Agreement") wherein CalUAS is willing to achieve certain employment goals and to treat their Ridgecrest site as the sole point of sale on an ongoing basis for all taxable sales of products sold in the State of California.

The City would provide assistance in the form of a grant of \$730,115 to include rental assistance of up to \$36,565.

In light of the elimination of redevelopment agencies as affected by enactments of the California Legislature in 2011 and 2012, including the former Ridgecrest Redevelopment Agency, the generation of tax revenues available to the City is important in preserving the ability of the City to provide an acceptable level of core municipal services to its residents. The City would enter into the proposed Agreement in consideration of the activities that will be undertaken by CalUAS within the City with the goal of generating both new city revenue sources and new jobs to meet its economic development objectives.

FISCAL IMPACT:

Expenditure of \$730,115 of Economic Development TAB funds

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution To Approve The Economic Incentive Agreement By And Between The City Of Ridgecrest And CalUAS And Authorize The City Manager To Execute To Agreement.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Review and Comment

Submitted by: Gary Parsons

Action Date: 8-6-14

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING AN ECONOMIC INCENTIVE AGREEMENT BY AND BETWEEN THE CITY OF RIDGECREST AND CAL UAS INC.

WHEREAS, the City of Ridgecrest (“City”) is a city organized and operating under the laws of the State of California; and

WHEREAS, Cal UAS, Inc., a California corporation (“Cal UAS”) has proposed to the City an agreement substantially in the form submitted herewith (the “Economic Incentive Agreement”); and

WHEREAS, a copy of the Economic Incentive Agreement, together with a report describing the proposed transaction, has been on file with the City Clerk as a public record; and

WHEREAS, notice of a public hearing to consider the Economic Incentive Agreement, and which specifically referenced Government Code Section 53083, was published in a newspaper of general circulation serving the City and its inhabitants; and

WHEREAS, under the Economic Incentive Agreement, the City will grant certain moneys to Cal UAS and Cal UAS will be obligated to operate its business within the corporate limits of the City and to achieve certain thresholds as set forth in the Economic Incentive Agreement; and

WHEREAS, Cal UAS is unwilling to maintain its operations within the City but for the approval of the Economic Incentive Agreement; and

WHEREAS, by retaining Cal UAS within the City, the City will continue to be the beneficiary of substantial sales tax revenues over a significant period of time, all as more particularly set forth in the Economic Incentive Agreement; and

WHEREAS, particularly in light of the elimination of redevelopment agencies as effected by enactments of the California Legislature in 2011 and 2012, including the former Ridgecrest Redevelopment Agency, the generation of tax revenues available to the City is important in preserving the ability of the City to provide an acceptable level of core municipal services to its inhabitants; and

WHEREAS, the financial participation by the City under the Economic Incentive Agreement is in consideration of the activities that will be undertaken by Cal UAS under the Economic Incentive Agreement; and

WHEREAS, a public meeting of the City Council on the proposed Economic Incentive Agreement was duly noticed; and

WHEREAS, the proposed Economic Incentive Agreement, and a staff report have been available for public inspection prior to the public meeting; and

WHEREAS, all actions required by all applicable law with respect to the proposed Economic Incentive Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the City Council has duly considered all of the terms and conditions of the proposed Economic Incentive Agreement and believes that the Economic Incentive Agreement is important to make available to the City for the benefit of its inhabitants an additional source of sales tax revenues and is in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGECREST DOES RESOLVE AS FOLLOWS:

Section 1. The City Council hereby finds and determines that, by generating additional revenues to the City, the Economic Incentive Agreement will benefit the City and its inhabitants.

Section 2. The City Council hereby approves the Economic Incentive Agreement in substantially the form presented to the City Council, subject to such revisions as may be made by the City Manager or his designee. The City Manager is hereby authorized to execute the Economic Incentive Agreement (including without limitation all attachments thereto) on behalf of the City. A copy of the Economic Incentive Agreement when executed by the City shall be placed on file in the office of the City Clerk.

Section 3. The City Manager is hereby authorized, on behalf of the City, to make revisions to the Economic Incentive Agreement which do not increase any amounts to be paid by the City or materially or substantially increase the City's obligations thereunder, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Economic Incentive Agreement and to administer the City's obligations, responsibilities and duties to be performed under the Economic Incentive Agreement and related documents.

PASSED and ADOPTED this 6th day of August, 2014.

By: _____
Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF KERN)
CITY OF RIDGECREST)

I, Rachel J. Ford, City Clerk of the City of Ridgecrest, do hereby certify that the foregoing Resolution No. ____ was duly and regularly adopted by vote of the City Council of the City of Ridgecrest at its regular meeting held on the 6th day of August, 2014, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

By: _____
Rachel J. Ford, CMC, City Clerk

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ECONOMIC INCENTIVE AGREEMENT

BY AND BETWEEN

CITY OF RIDGECREST

AND

Cal UAS, INC.

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ATTACHMENT

Attachment No. 1	Participant Certificate
Attachment No. 2	Participant Note
Attachment No. 3	Guaranty
Attachment No. 4	Equipment List

ECONOMIC INCENTIVE AGREEMENT

This ECONOMIC INCENTIVE AGREEMENT (“Agreement”) is entered into as of August 6, 2014 (the “Date of Agreement”) by and between the CITY OF RIDGECREST, a municipal corporation (the “City”) and Cal UAS, Inc., a California corporation (“Participant”). The City and the Participant hereby agree as follows:

1.00 SUBJECT OF AGREEMENT

1.01 Purpose of Agreement

1.01.1. The purpose of this Agreement is to promote the economic welfare of the City and enhance the wherewithal of the City to provide municipal services and to provide jobs within the City. The foregoing will be accomplished by the continuation, expansion and ongoing maintenance of business operations of Participant within the City with Participant maintaining its business within the City and continuing to conduct from Participant’s location in the City all of its sales within the State of California of “Designated Products” (as defined in Section 1.03 below). This Agreement is in the vital and best interest of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements under which the Project has been undertaken.

1.02 The Site

The Site is that certain property commonly known as 543 Graaf Street, Ridgecrest, California 93555, which is the location at which Participant has operated within the corporate limits of the City. The Site may be changed to another site within the City subject to the concurrence of the City, which concurrence shall not be unreasonably withheld.

1.03 Definitions

The capitalized terms and words used in this Agreement shall have the following meanings:

“*Audit Condition*” has the meaning established therefor in Section 2.05.

“*Base Amount*” means an amount equal to the lesser of (i) the amount paid by Participant for the Equipment, as demonstrated by evidence reasonably satisfactory to the City Manager, or (ii) Seven Hundred Thirty Thousand One Hundred Fifteen Dollars (\$730,115.00).

“*BOE*” means the State of California Board of Equalization.

“*Certificate Condition*” means the obligation of the Participant to execute and deliver to City for each Measuring Period a Certificate substantially in the form of Attachment No. 1 and executed by the President of the Participant, with such Certificate to be executed and delivered to City within thirty (30) days after the corresponding Measuring Period which occurs during the Operating Covenant Period.

“*City*”, as defined in the first paragraph of this Agreement, means the City of Ridgecrest, a municipal corporation.

“*City Code*” means the Ridgecrest Municipal Code as in effect as of the Date of Agreement and as such Municipal Code may be amended from time to time.

“*City Manager*” is the City Manager of the City or his designee.

“*Conforming Business Activities*” means the manufacture and sale of aerial mapping robots, multispectral imaging cameras, photographic equipment and processes, multicopter air vehicles, the manufacture of similar products, sales of parts, provision of repairs and services for the foregoing or similar products, including training at the Site as to use of Designated Products.

“*Cooperation Condition*” means the undertaking by the Participant to make available to the City any such information as City may reasonably request to assess compliance with and satisfaction of the Performance Conditions by the Participant, including without limitation the Audit Condition. The Cooperation Condition shall be deemed to include, among other things, making the Site available for periodic inspection for purposes of this Agreement and making available to the City such documents as City may from time to time request for the purpose of implementing this Agreement.

“*Date of Agreement*”, as defined in the first paragraph hereof, means August 6, 2014.

“*Default*” means a breach of this Agreement or the failure to satisfy one or more of the Performance Conditions.

“*Designated Amount*” means the sum of the Base Amount and the Rent Allowance Amount.

“*Designated Business*” means a business engaged in Conforming Business Activities including the manufacture and sale of Designated Products at the Site.

“*Designated Products*” means unmanned aircraft systems, aerial mapping robots, other robots; cameras, including multispectral imaging cameras; air vehicles, including multicopter air vehicles and fixed wing air vehicles; similar products, parts and services.

“*Employment Condition*” means (i) utilizing the Site as the situs for employees hired by the Participant within the State of California, and (ii) meeting or exceeding the Employment Target corresponding to the relevant period.

“*Employment Target*” means maintaining an employment level continuously from (i) the Date of Agreement continuing until the end of the first Measuring Period or not less than seven (7) Full-Time Employees at the Site; (ii) commencing with the end of the fifth Measuring Period and continuing each Measuring Period thereafter, fifty five (55) Full-Time Employees at the Site.

“*Equipment Condition*” means the purchase and installation at the Site of equipment included in the Equipment List.

“*Equipment List*” means Attachment No. 4.

“*Fee Condition*” means the payment in full, as such payments become due for the corresponding Measuring Period, of all (i) City business registration fee (business license taxes) and (ii) Public Entity Fees payable in respect to Participant Improvements, if any.

“Full-Time Employee” means a salaried or hourly employee who is employed at the Site by the Participant for not less than thirty-two (32) hours per week for not less than fifty-two (52) weeks [such fifty-two week calculation to be inclusive of vacations, holidays, disability, leaves required pursuant to state law, sick leave and similar benefits generally afforded employees generally deemed to be full-time employees by prevailing community standards] during the corresponding Measuring Period. An employee who is terminated during any Measuring Period, and the employee who replaces such terminated employee in such position shall be aggregated for purposes of the foregoing calculation. Independent contractors shall not be includable as Full-Time Employees, without regard to their source of income or place of business. Temporary employees and part-time employees shall not be countable as or towards Full-Time Employees.

“Guarantor” means Eileen Shibley.

“Guaranty” means a guaranty in the form of Attachment No. 3.

“Guaranty Condition” means the delivery by Participant to City of the Guaranty duly executed by Guarantor.

“Indemnification Condition” means the provision of defense, indemnification, assumption of responsibility for as required pursuant to Section 3.02 of this Agreement.

“Maintenance Condition” means the maintenance of the Site in conformity with all applicable laws, including without limitation the City Code. In the event the Participant leases the Site, the Maintenance Condition shall be deemed to apply as to the leasehold interest of Participant in the Site and the demised premises under the corresponding lease.

“Measuring Period” means a period commencing as of the Date of Agreement and ending the first day prior to the anniversary of the Date of Agreement (and each succeeding comparable period during the Operating Covenant Period).

“Operating Covenant Period” means a one hundred twenty (120) month period commencing with the Date of Agreement.

“Operation Condition” means the operation of Conforming Business Activities on the Site (including compliance with any provisions applicable in connection with the construction of improvements, should improvements be undertaken by Participant) in conformity with all applicable laws on an ongoing basis throughout the Operating Covenant Period and with no assignment by Participant contrary to Section 1.04.3 of this Agreement as Participant’s sole sales office location within California with respect to Conforming Business Activities and satisfying every one of the Performance Conditions.

“Ownership Condition” means ownership by Participant (as of the Date of Agreement and as of each Participant Certificate) of (i) a fee simple interest in the Site, or (ii) a lease of the Site for a term of not less than five years with an option by Participant to extend for the remainder of the Operating Covenant Period.

“Participant” is defined in the introductory paragraph of this Agreement; however, at Participant’s election and upon advance written notice to the City, other entities sharing common control with Participant shall be included as a Participant in this Agreement, subject to all of the

terms and conditions herein and provided that any payments made at a particular time under this Agreement by City shall be made payable to one entity.

“*Participant Certificate*” means Attachment No. 1 to this Agreement.

“*Participant Improvements*” means such improvements, if any, which the Participant elects to construct or causes to be constructed within the City.

“*Participant Note*” means a promissory note substantially in the form of Attachment No. 2.

“*Performance Conditions*” means the Audit Condition, the Certificate Condition, the Cooperation Condition, the Employment Condition, the Equipment Condition, the Guaranty Condition, the Indemnification Condition, the Operation Condition, the Ownership Condition, the Property Tax Condition, the Reasonable Efforts Condition, the Sales Tax Condition, the Sales Tax Reporting Condition, and the Site Maintenance Condition.

“*Principals*” means Eileen Shibley.

“*Property Tax Condition*” means the payment prior to delinquency of all property taxes and assessments levied against or secured by the Site if Participant owns the Site.

“*Public Entity Fees*” means all fees (but not taxes) payable to the City and any other governmental agency having regulatory authority in connection with the Participant Improvements.

“*Reasonable Efforts Condition*” means the use of reasonably diligent efforts to purchase goods from businesses having a situs and point of sale within the corporate limits of the City.

“*Rent Allowance Amount*” means an amount equal to the lesser of (i) Thirty Six Thousand Five Hundred Sixty Five Dollars (\$36,565.00) or (ii) an amount equal to the base rent payable by Participant for the first two (2) years of a lease of the Site following the Date of Agreement.

“*Sales Tax Condition*” means (i) establishing the Site as the point of sale for products sold by the Participant within the State of California, (ii) engaging in best efforts to maintain the Site as the point of sale for products sold by the Participant within the State of California, and (iii) achieving, as of the last day of the fifth Measuring Period, and each succeeding Measuring Period during the Operating Covenant Period, taxable sales of not less than Three Million Five Hundred Thousand Dollars (\$3,500,000.00) at the Site.

“*Sales Tax Reporting Condition*” is defined in Section 2.01.2(b) of this Agreement.

“*Sales Tax Reports*” is defined in Section 2.02 of this Agreement.

“*Sales Taxes*” means tax revenues attributable to up to one percent (1%) of sales price pursuant to the Bradley Burns Uniform Sales Tax Law, California Revenue and Taxation Code Section 7200, et seq., including all amendments and successor statutes thereto.

“*Site*” is defined in Sections 1.02 of this Agreement.

1.04 Parties to this Agreement

1.04.1. The City

The City is a municipal corporation, exercising governmental functions and powers of a city under the laws of the State of California. The principal office of the City is located at 100 West California Avenue, Ridgecrest, California 93555. Whenever a reference is made to the City, the City Manager is authorized to act on behalf of the City unless otherwise specifically provided or the context should otherwise require. The City shall advise the Participant in writing if there is any change pertaining to any matters set forth or referenced in the foregoing portion of this Section 1.04.1.

1.04.2. The Participant

The Participant means Cal UAS, Inc., a California corporation. The principal office of the Participant for the purposes of this Agreement is the Site. The Participant shall advise the City in writing if there is any change pertaining to any matters set forth or referenced in the foregoing portion of this Section 1.04.2.

1.04.3. Assignment by Participant

The Participant may undertake any of the following without the consent of the City, and no such action shall limit or otherwise affect any of the rights or benefits of the Participant (or the duties and obligations of the City) hereunder: (i) issue or transfer stock or other voting or ownership interests in the Participant (and/or assign this Agreement in connection with any such issuance or transfer), (ii) merge or consolidate with any other entity, and/or sell or transfer all or substantially all of the assets of the Participant (and/or assign this Agreement in connection with any such merger, consolidation or sale), (iii) sell or transfer all or substantially all of the Designated Products business conducted by Participant in the State of California or (iii) assign its interest in this agreement, wholly or in part, to any entity that controls, is controlled by or is under common control with the Participant.

While this Agreement shall not be construed to limit the ability of the Participant to transfer or dispose of its business activities, or any portion thereof, in the event the Participant undertakes any of the assignment or transfer provisions set forth above in this Section, Participant, as transferor, and the transferee shall execute an acknowledgement under which the transferee agrees to perform as Participant under this Agreement and, provided the original Participant has no accrued liabilities to the City under the terms of this Agreement, the original Participant shall thereafter be released from further obligations under this Agreement.

The Participant shall promptly notify the City in writing referencing this Section 1.04.3 of any and all changes referenced in this Section 1.04.3. All transferees shall be bound by this Section 1.04.3 as well as the other provisions of this Agreement.

All of the terms, covenants and conditions of this Agreement shall be binding upon and shall inure to the benefit of the Participant and the permitted successors and assigns of the Participant.

2.00 CONSIDERATION FOR AGREEMENT; DISBURSEMENT OF DESIGNATED AMOUNT; PAYMENTS BY PARTICIPANT; CREDITS

2.01 Participant Consideration.

The Participant has agreed to operate the Site with Conforming Business Activities and to satisfy the Performance Conditions throughout the Operating Covenant Period. The Participant assumes all responsibility for all costs to provide the Participant improvements, if any.

2.01.1. Within thirty (30) days after the Date of Agreement, the Participant shall execute and deliver to the City a Participate Certificate; the date upon which the initial Participant Certificate is received (which shall be deemed to be the thirtieth [30th] calendar day after the Date of Agreement) shall be referred to herein as the “Start Date.” Within thirty (30) days after receipt of the initial Participant Certificate, subject to receipt of the Participate Note and receipt of evidence reasonably satisfactory to the City Manager that Participant has purchased the Equipment or has committed to purchase the Equipment promptly upon disbursement by City of the Base Amount, and provided that upon its review the City Manager is reasonably satisfied that the Participant Certificate is true and accurate, the City shall disburse to the Participant the Base Amount. The period starting as of the Date of Agreement and ending as of the first anniversary thereof shall be deemed to constitute a “Measuring Period”, as shall each subsequent annual period which occurs during the Operating Covenant Period.

The disbursement of the Rent Allowance shall be accomplished in one payment which will be payable at the same time the Base Amount is disbursed. The disbursement of the Rent Allowance may be made as a payment to the Participant or as a joint draft payable to the Participant and the landlord of the Site.

On each anniversary of the Start Date (each a “Submittal Date”), the Participant shall deliver to City a Participate Certificate. Thereupon, City shall review each such Participate Certificate and may undertake such further review and inquiry concerning satisfaction of the Performance Conditions as it shall deem appropriate regarding the performance by Participant. The Participant shall cooperate with such review. Following the completion of such review, within thirty (30) days after receipt of the corresponding Participant Certificate, the City shall inform the Participant as to whether Participant is required to make payment under the Participant Note or whether an Annual Credit is applicable (and, hence, no payment required at such time) due to satisfaction of the conditions to receiving such Annual Credit as set forth in 2.01.2, below. The Participant may ask for reconsideration by the City, such as in the event of circumstances described in Section 2.01.2(a) of this Agreement, and may submit additional evidence in connection therewith. The City shall endeavor to conduct any further review within a thirty (30) day period after it receives such additional information, following which City shall inform Participant of the outcome.

The foregoing process shall be repeated for each Measuring Period during the Operating Covenant Period; provided that in no event shall amounts disbursed by the City to the Participant under this Agreement exceed the Designated Amount.

2.01.2. The performance by the Participant shall include satisfaction of each of the Performance Conditions for each Measuring Period which occurs during the Operating Covenant Period.

(a) Regarding the Operation Condition, in the event the physical facilities at the Site are damaged to the extent that it is not feasible for the Participant to operate, the Participant shall recommence operations as soon as the Participant determines it is practical to do so. Upon satisfaction of the foregoing Conditions, the Participant shall, as set forth in Section 2.03, provide its certification in connection with the satisfaction of the Performance Conditions in the form of the Participant Certificate. The Participant Certificate shall be submitted annually and shall also be updated in the event of a substantial change in circumstances (such as a cessation of operations or damage to facilities) as frequently as necessary in order for the City to be fully informed as to the conduct of operations on the Site to the extent necessary or convenient for purposes of the implementation by the City of its activities under this Agreement.

(b) (i) The Participant shall provide the City with information concerning the amount of Sales Tax Revenues generated by the Participant within the City which are payable to the State of California and which are reported to the BOE. The Participant shall prepare and furnish to the City at the time it submits the Participant Certificate quarterly statements showing the amount of Sales Taxes collected and paid during each quarter by the Participant in connection with Conforming Business Activities at the Site. The purpose of the submittal of such information is limited to verification that the Participant has made diligent efforts to have the Site designated as its point of sale.

(ii) The Participant shall maintain and have available and cause to be maintained and available for inspection by the City or its designees, copies of any and all Sales Tax Reports, defined below, submitted by the Participant to the BOE. Sales Tax Reports shall mean the statements and quarterly reports (Form BOE-401-A), and any other or supplemental reports, statements or submissions, actually filed or required to be filed by the Participant with the BOE relating to or in connection with the collection, remittance and/or calculation of Sales Tax Revenues from the Property. The Sales Tax Reports shall be delivered by the Participant to the City together with the Participant Certificate provided that if such sales tax reports are amended by the BOE, then such amended reports shall be submitted when available. The purpose of the submittal of such information is limited to verification that the Participant has made diligent efforts to have the Site designated as its point of sale.

(iii) If applicable, any and all amendments to said Sales Tax Reports shall be delivered to the City simultaneously with the Participant filing said amendments with the BOE.

(iv) Subsections (b) (i)-(iii) above shall be referred to as the "Sales Tax Reporting Condition"

2.02 City Disbursement

In consideration of the undertakings of the Participant pursuant to this Agreement, the City will disburse the Disbursement Amount as provided in Section 2.01.01. Participant Certificates shall be submitted to the City to the attention of its City Manager at the address set forth in Subpart 1.04.1. The City shall not provide any payments or other assistance pursuant to this Agreement other than the payment of the Disbursement Amount as provided in Section 2.01.01. The obligation of the City to make such payment pursuant to this Agreement does not constitute a pledge of any City revenues; the obligation of the City to make payments pursuant to this Agreement is an unsecured obligation of the City.

The City shall not be liable for any real estate commissions or brokerage fees which may arise in connection with the Site, the activities of the Participant, or this Agreement. The Participant represents that it has not engaged the services of any agents, brokers, or finders in connection with this Agreement, and Participant assumes all responsibility for any remuneration payable to any agents, brokers, or finders in connection with this Agreement.

2.03 Voluntary Relocation Participant Payments

In the event the Participant shall voluntarily relocate the Designated Business, or a substantially similar business, to a situs outside the corporate limits of the City, then Participant shall immediately upon such relocation (without necessity of demand therefor by City) pay to City an amount equal to two (2) times the Designated Amount; no credits shall be deemed to apply in such event.

2.04 Equipment List

The Equipment List includes those items enumerated in Attachment No. 4. Participant shall obtain the items set forth on the Equipment List using moneys from the Base Amount. In the event the Base Amount is not sufficient to accomplish the purchase of all items listed on the Equipment List, the failure of Participant to acquire all such items shall not be deemed to constitute a default under this Agreement. The items in the Equipment List may only be modified upon the prior mutual agreement of the City Manager, acting on behalf of the City, and the Participant.

2.05 Audit Condition

Participant shall cooperate in providing City will all information necessary for the verification of performance by Participant under this Agreement. In addition, Participant agrees to cooperate with City in the event City desires to conduct an audit, using an auditor of City's choosing, to audit books and records of Participant to the extent necessary to assess Participant's performance under this Agreement, including testing the efficacy of statements made in one or more Participant Certificates. In the event the audit as commissioned by City indicates a discrepancy of five percent (5%) or greater from any matter addressed directly or indirectly in a Participant Certificate, Participant shall reimburse City for the cost of the audit within thirty (30) days of submittal by City. The matters to be provided or performed by Participant under this Section 2.05 collectively constitute the "Audit Condition."

3.00 REQUIREMENTS APPLICABLE TO ANY IMPROVEMENTS

3.01 Development of Improvements by the Participant

The Participant is not required by this Agreement to make any improvements to property. If Participant elects to make improvements within the corporate limits of the City, then costs for planning, designing, and constructing such improvements shall be borne exclusively by the Participant and the Participant shall construct or cause to be constructed such improvements in compliance with all the zoning, planning and design review requirements of the City, including without limitation the City Code, and all nondiscrimination, labor standard, and wage rate requirements to the extent such labor and wage requirements are applicable. The Participant shall also bear all costs related to discharging the duties of the Participant set forth in this Agreement.

In the event the Participant undertakes improvements, all costs of developing such improvements shall be borne by the Participant; the Participant shall at its expense cause to be prepared and shall pay any and all fees with respect to the review and approval thereof by the City, all required construction, planning and other documents reasonably required by governmental bodies with respect to the development of the Site hereunder including, but not limited to, specifications, drawings, plans, maps, permit applications, land use applications, zoning applications and design review documents (other than documents prepared under CEQA).

(i) The Participant shall carry out the design, construction and development of any work which may be undertaken by it on the Site, in conformity with all applicable laws, including without limitation all applicable state labor standards and state labor laws relating to payment of prevailing wages to the extent, if any, that laws relating to prevailing wages are applicable, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, et seq., Government Code Section 4450, et seq., Government Code Section 11135, et seq., and the Unruh Civil Rights Act, and Civil Code Section 51, et seq. The previous listing of certain laws is not a statement that such laws will be applicable to activities undertaken by the Participant; it is only a statement that, where such laws are applicable, the Participant will comply with them.

(ii) Labor Code Section 1720(b)(3) treats work performed under contract with certain public entities as a “public work” where the work is paid for in whole or in part with public funds, which payment may be accomplished by a transfer of an asset of value for less than a fair market value price. If and to the extent required by applicable law, the Participant and its contractors and subcontractors shall pay prevailing wages in compliance with Health and Safety Code Sections 33423 through 33426, and Labor Code Section 1770, et seq., and shall be responsible for the keeping of all records required pursuant to Labor Code Section 776, complying with the maximum hours requirements of Labor Code Sections 1810 through 1815, complying with the requirements of Labor Code Sections 1726 and 1781 (in such regard the Participant acknowledges and agrees it is and shall remain the “awarding body” for the work of construction to complete the Dealer Improvements as well as any additional or other improvements to the Site), and complying with all regulations and statutory requirements pertaining thereto. The City makes no representations or warranties whatsoever with respect to the applicability of the foregoing prevailing wage and public works requirements, and the Participant shall make its own determination as to such applicability.

Further, the Participant agrees that all public works (as defined in California Labor Code Section 1720) if any are performed pursuant to this Agreement (the “work”), if any, shall comply with the requirements of California Labor Code Sections 1770, et seq. In all bid specifications relating to public works, if any, contracts and subcontracts for the work, the Participant (or its general contractor, in the case of subcontracts) shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of worker needed to perform the work, and shall include such rates in the bid specifications, contract or subcontract. Such bid specifications, contract or subcontract must contain the following provision: It shall be mandatory for the contractor to pay not less than the said prevailing rate of wages to all workers employed by the contractor in the execution of this contract. The contractor expressly agrees to comply with the penalty provisions of California Labor Code Section 1775 and the payroll record keeping requirements of California Labor Code Section 1771.

The Participant does hereby and shall indemnify and hold each of City and City harmless from and against any and all claims, demands, causes of action, obligations, damages, liabilities, costs and expenses, including reasonable attorneys' fees, that may be asserted against or incurred by City or City with respect to or in any way arising from the Participant' compliance with or failure to comply with applicable laws, including all applicable federal and state labor standards including without limitation the requirements of Labor Code Section 1720.

3.02 Indemnification

The Participant agrees to and shall defend, indemnify, release, assume all responsibility for, and hold the City, its officers, employees and agents, harmless from, all claims or suits relating to the subject matter of this Agreement or the implementation hereof including, without limitation, claims for relocation assistance or benefits as may be asserted by any current or former occupant of any portion of the Site pursuant to the California Uniform Relocation Law) Government Code Section 7260 et seq., the Uniform Relocation Assistance and Real Property Acquisition Policies Act (42 U.S.C. Section 4601 et seq.) or any other federal, state or local enactments providing for relocation assistance or benefits in connection with the development of the Site or this Agreement, and for, and damages to, property and injuries to persons, including accidental death (including attorneys' fees and costs), or interruption to or damage to a business or goodwill, which may be caused by any of the Participant's activities under this Agreement, whether such activities or performance thereof be by the Participant or anyone directly or indirectly employed or contracted with by the Participant and whether such damage shall accrue or be discovered before or after termination of this Agreement. Participant shall not be liable for property damage or bodily injury occasioned by the sole active negligence of the Agency or its designated agents, or employees.

4.00 USE OF THE SITE

4.01 Uses

Participant is an experienced operator of a business consisting of: (i) the sale Designated Products and (ii) related research, manufacturing, sales and servicing. The Participant shall operate on the Site Conforming Business Activities, which shall conform in all respects to all applicable regulations of federal, state and local agencies regulating the establishment or operations of such facilities.

The Participant shall carry out all of its undertakings pursuant to this Agreement in conformity with, all applicable laws. This Agreement shall be subject to all applicable laws.

The Participant agrees that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site.

The Participant shall refrain from restricting the rental, sale or lease of the property on the basis of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry of any person.

5.00 DEFAULTS AND REMEDIES

5.01 Default

The following shall constitute a “Default” under this Agreement:

5.01.1. Default by Participant

(a) The Participant discontinues its operations at the Site or another location within the corporate limits of the City or relocates its business to another jurisdiction in California, except in connection with the sale of its business;

(b) The Participant’s failure to provide the City with one or more of the Participant Certificates, within thirty (30) days after the respective times required for submission thereof by this Agreement; or

(c) Failure to satisfy one or more of the Performance Conditions on a continuous basis throughout the Operating Covenant Period.

5.01.2. Representations and Warranties; Other Obligations

The breach of any of Participant’s representations or warranties in this Agreement, unless such breach is cured within a reasonable period of not to exceed sixty (60) days after notice by City; or

5.01.3. Default by City

The failure by the City to disburse the Designated Amount, or portion thereof, as it becomes obligated to disburse under this Agreement.

5.02 Remedies and Termination

In the event that the Participant is in Default of this Agreement as specified in Section 5.01 or upon failure of Participant to satisfy one or more of the Performance Conditions on a continuous basis throughout the Operating Covenant Period, the City may suspend payment of amounts otherwise payable pursuant to Section 2.02 of this Agreement until such default has been cured; provided that the City shall further be entitled to terminate this Agreement without making payment of amounts otherwise payable pursuant to Section 2.02 in the event such default has not been cured by the time required pursuant to this Agreement for the cure of such default (and, if no time is specified, within sixty (60) days from the date notice of default is given by the City). If Participant defaults in accordance with Section 5.01.1(a), then in addition to terminating the Agreement, City shall be entitled to pursue all available legal remedies and equitable remedies.

The Participant shall be entitled to terminate this Agreement in the event of a Default by the City which has not been cured within sixty (60) days following receipt of written notice from the Participant which describes with particularity the default including without limitation the time at which such default is contended to have commenced. In such event, may seek legal or equitable remedies.

Notwithstanding anything to the contrary in this Agreement, neither party may terminate this Agreement without prior written notice to the other party specifically (i) stating the nature of the default and giving the other party a reasonable time of not to exceed sixty (60) days to cure said default or (ii) stating that an adjudication of a court of competent jurisdiction has occurred in California or a law has been enacted which precludes the making of payments by the City as contemplated by this Agreement. If such events occur (as referenced in items (i) or (ii) of this paragraph), a non-defaulting party may terminate this Agreement upon providing written notice of such event a reasonable time prior to termination. Alternatively, a non-defaulting party shall have the right to seek specific performance

This Agreement shall also be subject to termination at the mutual agreement of the parties hereto.

5.03 Legal Actions

5.03.1. Institution of Legal Actions

In addition to any other rights or remedies available to the parties, either party may institute legal action to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any Default, to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Kern, State of California.

If an action is brought which seeks to invalidate this Agreement, to modify this Agreement or to alter payments which would be made hereunder, neither party shall be responsible to defend against any such claims.

5.03.2. Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

5.03.3. Acceptance of Service of Process

In the event that any legal action is commenced by the Participant against the City, service of process on the City shall be made by personal service upon the City Manager or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Participant, service of process on the Participant shall be made by personal service on the Participant or any of its officers, or in such other manner as may be provided by law. Service shall be valid whether made within or without the State of California.

5.04 Rights and Remedies Are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

5.05 Inaction Not a Waiver of Default

Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

6.00 GENERAL PROVISIONS

6.01 Notices, Demands and Communications between the Parties

Written notices, demands and communications between the City and the Participant shall be sufficiently given if delivered by hand or dispatched by registered or certified mail, postage prepaid, return receipt requested, or by generally recognized overnight courier service, to the principal offices of the City and the Participant at the addresses specified in Sections 1.04.1 and 1.04.2, respectively. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 5.01.

Any written notice, demand or communication shall be deemed received immediately if delivered by hand or via overnight courier and shall be deemed received on the tenth (10th) day from the date it is postmarked if delivered by registered or certified mail.

6.02 Conflicts of Interest

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any member, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

6.03 Enforced Delay; Extension of Times of Performance

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement shall be extended, where delays or Defaults are due to: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of God; acts or omissions of the other party. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of City and Participant.

6.04 City Manager to Act for City

Whenever this Agreement provides for an action to be taken by the City, then, except to the extent that provisions of applicable law or the context may otherwise require, such action may be taken by the City Manager on behalf of the City.

6.05 Non-liability of Officials and Employees of the City

No member, official or employee of the City shall be personally liable to the Participant, or any successor in interest, in the event of any Default or breach by the City or for any amount which may become due to the Participant or its successors, or on any obligations under the terms of this Agreement.

6.06 No Third Party Beneficiaries

There shall be no third party beneficiaries of this Agreement.

6.07 Provision of Information; Inspection of Books and Records; Limitations upon Voluntary Release of Certain Information

The City shall have the right at all reasonable times during the Operating Covenant Period to inspect the books and records of the Participant pertaining to the collection and payment of Sales Taxes as reasonably necessary to determine compliance with this Agreement; the Participant agrees to make such records available to the City as deemed necessary by the City, at least annually and additional upon request therefor by the City, to verify compliance with the terms of this Agreement.

6.08 Confidentiality.

The parties acknowledge that the information contained in any tax return is confidential, proprietary to the Participant, and agree that, to the fullest extent permitted by law, no documents, including tax returns, or other information provided by the Participant to City, its agents and representatives pursuant to or with regard to the provisions of this Agreement, shall be released to or otherwise made available to any third person, corporation, organization or association unless disclosure is permitted pursuant to a written order of a court of competent jurisdiction or the prior written consent of the Participant. City shall offer the Participant the opportunity to defend any claim made by any third party against City for release of such confidential documents or information. In the event that a nonparty to this Agreement seeks disclosure of any information concerning the terms of this Agreement from City, City shall promptly, but in any event, no later than seven (7) business days after City receives such request, notify the Participant in writing of such request, identifying the party making the request and the information sought by such party. In the event that the Participant contests such disclosure request, the Participant shall pay and hold City harmless from all costs and expenses including reasonable attorneys' fees of City, the parties hereto may incur in contesting such disclosure request. All tax returns, documents and other information provided to City by the Participant shall be returned to the Participant immediately upon termination of this Agreement.

6.09 Advice of Counsel. The parties, and each of them, acknowledge that in connection with the negotiation and execution of this Agreement, they have each been represented by independent counsel of their own choosing, and the parties executed this Agreement after review by such independent counsel, or, if they were not so represented, then said non-representation is and was the voluntary, intelligent and informed decision and election of the party not so represented, and prior to executing this Agreement, each party has had an adequate opportunity to conduct an independent investigation of all of the facts and circumstances with respect to the matters which are the subject of this Agreement.

7.00 ENTIRE AGREEMENT; WAIVERS; AMENDMENTS

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes pages 1 through 14, plus a signature page, and Attachments No. 1, 2, 3 and 4, which are attached hereto and incorporated herein by reference, which constitute the entire understanding and agreement of the parties.

Time is of the essence as to each and every provision of this Agreement.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes any and all negotiations, understandings, discussions, memoranda, writings or agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter of this Agreement. All waivers or modifications of the provisions of this Agreement or of any project document or Attachment hereto must be in writing by the appropriate authorities of the City and the Participant, and all amendments hereto must be in writing by the appropriate authorities of the City and the Participant.

8.00 TIME FOR ACCEPTANCE OF AGREEMENT BY CITY

This Agreement, when executed by the Participant and delivered to the City, must be authorized, executed and delivered by the City on or before ten (10) days after signing and delivery of this Agreement by Participant or this Agreement shall be void, except to the extent that the Participant shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement. The date of this Agreement shall be the date when it shall have been signed by the City.

IN WITNESS WHEREOF, the City and the Participant have signed this Agreement on the respective dates set forth below.

[SIGNATURES ON FOLLOWING PAGE]

CITY OF RIDGECREST,
a municipal corporation

By: _____
Dennis Speer
Its: City Manager

Dated: _____, 2014

Cal UAS, Inc., a California corporation

By: Eileen Shibley
Its: President

Dated: _____, 2014

By:
Its: Secretary

Dated: _____, 2014

ATTACHMENT NO. 1
PARTICIPANT CERTIFICATE

(Participant Letterhead)
City of Ridgecrest
100 West California Avenue
Ridgecrest, California 93555

Attn: City Manager

With respect to that certain Economic Incentive Agreement, dated as of _____, 201_ (the "EIA") by and between Cal UAS, Inc., a California corporation (the "Participant") and the City of Ridgecrest ("City"), the Participant hereby certifies to City that, for the period commencing as of _____ and ending as of _____, the Participant has satisfied each of the Performance Conditions (with all capitalized terms not defined herein having the respective meanings established therefor in the EIA)

Cal UAS, Inc., a California corporation

Dated: _____

[name]
Its: [capacity]

ATTACHMENT NO. 2

PARTICIPANT NOTE

Designated Amount: \$766,680.00

Maturity: [to come; 10th anniversary of the Date of Agreement]

Ridgecrest, California _____, 2014

1. FOR VALUE RECEIVED, the undersigned (“Maker”) promises to pay to the order of the CITY OF RIDGECREST (“Holder”), at 100 West California Avenue, Ridgecrest, California 93555 or such other place as the Holder may from time to time designate in writing, the “Note Amount” (as herein defined), in lawful money of the United States of America, together with other charges as set forth below, until fully paid.

2. This Promissory Note (“Promissory Note”) is made and delivered pursuant to and in implementation of an Economic Incentive Agreement by and between the Holder and the Maker dated as of _____, 201_ (the “EIA”), copies of which are on file as public records with the Holder and are incorporated herein by reference. The Promissory Note is made to assure payment of the Purchase Price under the EIA, and to provide security for the Holder (the “City”) as to such payment. The Maker acknowledges that but for the execution of this Promissory Note, the Holder would not enter into the EIA. Unless definitions of terms are expressly set out at length herein, each term shall have the same definition as set forth in the EIA.

3. The failure of the Maker to timely pay in full when due the “Note Amount” (as hereinafter defined) shall constitute a default of Maker under the terms of this Promissory Note. In the event the Maker fails to timely pay in full when due the Note Amount, any portion which is not timely paid in full shall accrue interest at the maximum rate permitted by Section 1(2) of Article XV of the California Constitution. The “Note Amount” means an amount equal to the Designated Amount together with such additional amounts, if any, as shall become payable to City under Section 2.03 of the EIA.

4. Pursuant to the EIA, the Maker shall pay to the Holder an amount equal to the Designated Amount in the event of a default under the EIA or the failure by Maker to satisfy each and every one of the Performance Conditions for one or more Measuring Periods during the Operating Covenant Period. Payment of the Designated Amount, together with payments, if any, which become payable by Participant under Section 2.03 of the EIA, are subject to acceleration; provided that for the period commencing as of the Date of Agreement and ending as of the first anniversary thereof (the “First Anniversary”), if the Maker has operated the Designated Business in conformity with the Operating Covenant, is not in default of the EIA and has continuously satisfied all of the Performance Conditions throughout the corresponding Measuring Period, the City shall apply a credit equal to the payment which would otherwise be due on the First Anniversary. The foregoing process shall be repeated as to each subsequent annual period (determined as of each anniversary thereof (each being a “Subsequent Anniversary Date”), with a credit being applied equal to one tenth (1/10th) of the Designated Amount in the event the Operating Covenant is being implemented, there are no defaults under the EIA and Participant has continuously satisfied all of the Performance Conditions throughout the corresponding Measuring Period (provided that no credits shall be applicable in the event of the occurrence of an event described in Section 2.03 of the EIA).

The amounts evidenced by this Promissory Note shall be subject to acceleration in the event of any default under the EIA.

5. Any amount remaining payable as the Note Amount as of _____, 2024 [insert date which is the tenth anniversary of the Date of Agreement], after applying such credits as shall become applicable under Section 4, shall be paid in full within thirty (30) days of _____, 2024 [insert date which is the tenth anniversary of the Date of Agreement].

6. Upon satisfaction in full of the Note Amount, the Holder shall return this Promissory Note to the Maker.

7. The Maker promises to pay reasonable attorneys' fees and costs and expenses incurred by the Holder hereof in connection with any default or in any action or other proceeding brought to enforce any of the provisions of this Promissory Note.

Cal UAS, Inc., a California corporation

By: _____
Its: President

By: _____
Its: Secretary

ATTACHMENT NO. 3

GUARANTY

**GUARANTY AND AGREEMENT OF
EILEEN SHIBLEY**

THE CITY OF RIDGECREST (the “City”) and Cal UAS, Inc., a California corporation (the “Participant”) have entered or will enter into a certain Economic Incentive Agreement (the “Agreement”), a copy of which is on file with the City as a public record, which Agreement provides in part that the Guarantor shall make and deliver a guaranty as provided in said Agreement. Except as expressly defined herein, all terms shall have the same meanings as used in the Agreement.

R E C I T A L S

A. The Guarantor owns beneficial interests in the Participant, including the business activity to be conducted on the “Site” (as defined in the Agreement), and each will significantly benefit by the execution by the City of the Agreement.

B. The execution by the Guarantor of this Guaranty is a condition but for which the City would not execute the Agreement.

In consideration of the execution of the Agreement, and of other valuable consideration, receipt of which is hereby acknowledged:

1. The Guarantor guarantees to each of City the full, timely and faithful performance by the Participant and the Owner of all of their obligations, duties, promises, covenants and agreements as set forth in the Agreement, including without limitation the operation of the Designated Business on the Site and the ongoing satisfaction of each and every one of the Performance Conditions throughout the Operating Covenant Period.

2. This Guaranty is unconditional and may be enforced directly against the undersigned. No extensions, modifications or changes to the Agreement shall release the undersigned or affect this Guaranty in any way, and the undersigned waives notification thereof.

3. The undersigned hereby waive all of the suretyship provisions of the California Civil Code Sections 2788 through 2855.

4. Guarantor hereby waives and agrees not to assert or take advantage of (a) any right to require City to proceed against the Participant, any person signing below, or any guarantor other than the undersigned, or to pursue any other remedy in the City’s power before proceeding against the Guarantor, (b) demand, protest, and notice which the City may be required to provide to Participant under the Agreement, and (c) any duty on the part of City to disclose to Guarantor any facts City now or hereafter know about the Site, the Agreement, or the Participant regardless of whether City has reason to believe that any such facts materially increase the risks beyond that which Guarantor intend to assume or has reason to believe that such facts are unknown to Guarantor or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed that Guarantor is fully responsible for being and keeping informed of all circumstances regarding the Site,

the Agreement, the obligations of the Participant, the financial condition of the Participant and of all circumstances bearing on the risk of any obligation by Participant hereby guaranteed.

5. Guarantor shall have no right of subrogation and waives any right to enforce any remedy the City now have or may hereafter have against the Participant, and any benefit of, and any right to participate in any security now or hereafter held by City.

6. The obligations of Guarantor hereunder are independent of the obligations of Participant, and, in the event of default hereunder, a separate action or actions may be brought and prosecuted against Guarantor whether or not Participant or any other guarantor, is joined therein or a separate action or actions are brought against Participant.

7. In the event of any litigation between City and Guarantor arising out of this Guaranty, the prevailing party shall be entitled to recover its reasonable costs and attorney's fees.

8. No provisions of this Guaranty can be waived nor can Guarantor be released from the obligations hereunder except by a writing duly executed by the City Manager of the City.

9. Guarantor hereby waived notice of any demand by the City, as well as notice of any default by the Participant or any other guarantor.

10. The City may assign this Guaranty. When so assigned, Guarantor shall be bound as above to the assignees without in any manner affecting Guarantor's liability hereunder.

11. This Guaranty shall remain in effect notwithstanding any bankruptcy, reorganization or insolvency of the Participant or Guarantor, or any successor or assignee thereof or any disaffirmance by a trustee of the Participant or Eileen Shibley.

12. This Guaranty shall inure to the benefit of and bind the successors and assigns of City and Guarantor.

13. Guarantor agree that jurisdiction and venue with respect to any matter pertaining to the Guaranty or acts or omissions hereunder shall lie exclusively with the Superior Court of the County of Los Angeles, State of California. Guarantor irrevocably waives any and all defenses based upon revenue or *forum non conveniens*.

14. The laws of the State of California shall govern the interpretation and enforcement of this Guaranty.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty this _____ day of _____, 2014.

“GUARANTOR”

Dated: _____

By: _____
Eileen Shibley

ATTACHMENT NO. 4
EQUIPMENT LIST

Cal UAS Design and Fabrication

Purchase

Lease Lease of 543 Graaf Street in Ridgecrest \$36,565.00

Network Infrastructure IT and Security \$38,000

CAD \$165,000

4 Design Workstations/ 2 Laptop
AutoCAD Design Suite Software License
Large format printer
Research Laptops
Schematic Capture/Layout Software (x2)
Plotter
Laser Printer
Software Development Tools
Furniture Desks, Tables, Chairs, Files, Book Cases

Electronics Fabrication \$64,000

Soldering Station Hakko FX-951 (x2)
Rework Station w/Hot Air Aoyue 2703A
Microscope AmScope SM-3BZ-80S (x2)
Soldering Tools - solder, flux, pliers, cutters, strippers, tweezers....
Signal Generators and Oscilloscope for Ground Station
Fume Removal System - Sentry Air
ESD-Safe Workbench with 1000 lb Weight Capacity, Rolled Front Edge, Instrument Shelf and Accessories, 30 x 60" (x2)
BenchPro LNT-UC Deluxe Polyurethane Cleanroom Lab Chair/Workbench Stool with Footring, 300 lbs Capacity, 18.5" Width x 23"-33" Height x 18" Depth (x2)

Test Equipment \$24,300

Oscope Rigol MSO 4034
Oscope Rigol DS1204B (x2)
Spectrum Analyzer Rohde & Schwarz FSL6.16
Signal Generator (x2) Rigol DG1062Z

Attachment 4-1

Multimeters Klein Tools MM2000 (x3)
Power Supply Instek GPD-3303S (x2)
HD Monitor Samsung SMT-2730 (x3)

Fabrication Tools

\$5,200

10" Drill Press (x2) Sears Craftsman
Layout Table, Apron Table, pneumatic stools
Genie Lift SLA20
Band Saw Craftsman 14-Inch
Pallet Jack
30 In. Shear, Press Brake, And Slip Roll
Hand Tools - Hammers, drivers, wrenches.....

Pick and Place

\$82,350

Pick and Place Machine Mancorp CR-3000 (\$80K)
Basic SMD Reel Stock - DigiKey (\$32K)
Furniture

SMD Reflow Ovens

\$37,000

Benchtop (x2) Mancorp MC-301
Production - Mancorp CR-4000C
Furniture
Vendor/Installation Support

\$452,415.00

Manufacturing

3D Routing/Milling Stations

\$111,200

3D Milling Machine (x2) Roland MDX-540SA
3D Router CNC-Step (x2) T-Rex 1224
Dust Removal System Sentry Air SS-400SKY
Raw Materials - McMaster-Carr
Furniture - Layout tables, apron table

3D Printing Stations

\$72,500

Additive 3D Printer - Envision Tex Extreme 3SP
Stereo Lithography Printer - 3D Systems Project 7000
Raw Materials and Chemicals - McMaster-Carr
Furniture - Layout tables, apron table

Attachment 4-1

Battery Charging Station

\$4,200

Battery Chargers (4) - Hyperion 500W
Fire Suppression System - Hoormart
Furniture

Assembly Stations

\$14,300

Furniture (Layout tables, Diversified Woodcrafts Plain Apron
Table, Stools and pneumatic stool
Vendor Installation and Support

Shipping/Receiving/Parts Storage

\$21,500

Workstations, furniture, steel shelving

Training Center

\$54,000

HDMI Projector (x2) - Epson 8345
14 Tables -Balt Flipper Base
14 Table Tops - Bale
28 Chairs
Mobile Field Station (Delivery Van)
Vehicle - Local Auto Dealer Ford E-150 XL
HD Monitor - Samsung SMT 2730
Video RX Equipment
Command & Control Equipment

\$277,700

\$730,115 \$730,115.00

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NOTICE OF PUBLIC HEARING RE ECONOMIC DEVELOPMENT SUBSIDY

On August 6, 2014, at 7:00 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers, located at 100 West California Avenue, Ridgecrest, California 93555, the City Council of the City of Ridgecrest (the "City") will hold a public hearing to consider the approval of an agreement with Cal UAS, Inc., a California corporation ("Cal UAS") entitled "Economic Incentive Agreement" (the "Agreement") under which the City would agree to provide various subsidy payments to Cal UAS subject to the satisfaction of certain conditions set forth in the Agreement. A copy of the draft Agreement is available for public inspection with the City Clerk during normal operating hours of the City.

The purpose of the public hearing is to receive testimony from the public regarding the proposed Agreement. All interested parties are invited and encouraged to attend said meeting and express their opinions for or against this item. All operative terms as more fully described in the Agreement. This notice is provided pursuant to Government Code Section 53083.

Further information may be obtained by contacting Gary Parsons, Economic Development Director, by telephone at (760) 499-5061 or in person during the normal operating hours of the City. A copy of the proposed Agreement together with a report containing information described in Government Code Section 53083 is on file with the City Clerk.

If you challenge the item listed above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in a written correspondence delivered to the City Council at, or prior to, the public hearing. Furthermore, you must exhaust any administrative remedies prior to commencing a court challenge to City Council's action.

Gary Parsons
Economic Development Director

(Published in a newspaper of general circulation on July 26, 2014)

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

SUBJECT:

Adopt A Resolution To Approve The Service Agreement By And Between The City Of Ridgecrest And World Economic Development Alliance (WEDA) And Authorizing The City Manager To Execute To Agreement.

PRESENTED BY:

Gary Parsons

SUMMARY:

WEDA was selected by the city council at the July 2, 2014 meeting to receive an industrial development grant in the amount of \$147,000.

Attached is a Service Agreement (the "Agreement") wherein WEDA is willing to achieve certain goals in relation to Economic Development services.

The City would provide assistance in the form of a grant of \$147,000.

In light of the elimination of redevelopment agencies as affected by enactments of the California Legislature in 2011 and 2012, including the former Ridgecrest Redevelopment Agency, the generation of tax revenues available to the City is important in preserving the ability of the City to provide an acceptable level of core municipal services to its residents. The City would enter into the proposed Agreement in consideration of the activities that will be undertaken by WEDA within the City with the goal of generating both new city revenue sources and new jobs to meet its economic development objectives.

FISCAL IMPACT:

Expenditure of \$147,000 of Economic Development TAB funds

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution To Approve The Service Agreement By And Between The City Of Ridgecrest And WEDA And Authorize The City Manager To Execute To Agreement.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Review and Comment

Submitted by: Gary Parsons

Action Date: 8-6-14

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING A SERVICE AGREEMENT BY AND BETWEEN THE CITY OF RIDGECREST AND WORLD ECONOMIC DEVELOPMENT ALLIANCE

WHEREAS, the City of Ridgecrest (“City”) is a city organized and operating under the laws of the State of California; and

WHEREAS, World Economic Development Alliance (“WEDA”) has proposed to the City an agreement substantially in the form submitted herewith (the “Service Agreement”). The Service Agreement is an agreement under which the City would provide certain economic incentives to WEDA; and

WHEREAS, a copy of the Service Agreement, together with a report describing the proposed transaction, has been on file with the City Clerk as a public record; and

WHEREAS, under the Service Agreement, the City will grant certain moneys to WEDA and WEDA will perform certain studies and provide certain deliverables to the City as set forth in the Service Agreement; and

WHEREAS, particularly in light of the elimination of redevelopment agencies as effected by enactments of the California Legislature in 2011 and 2012, including the former Ridgecrest Redevelopment Agency, the generation of tax revenues available to the City is important in preserving the ability of the City to provide an acceptable level of core municipal services to its inhabitants; and

WHEREAS, the financial participation by the City under the Service Agreement is in consideration of the activities that will be undertaken by WEDA under the Service Agreement; and

WHEREAS, a public meeting of the City Council on the proposed Service Agreement was duly noticed; and

WHEREAS, the proposed Service Agreement, and a staff report have been available for public inspection prior to the public meeting; and

WHEREAS, all actions required by all applicable law with respect to the proposed Service Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the City Council has duly considered all of the terms and conditions of the proposed Service Agreement and believes that the Service Agreement is important to make available to the City for the benefit of its inhabitants an additional source of sales tax revenues and is in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGECREST DOES RESOLVE AS FOLLOWS:

Section 1. The City Council hereby finds and determines that, by generating additional revenues to the City, the Service Agreement will benefit the City and its inhabitants.

Section 2. The City Council hereby approves the Service Agreement in substantially the form presented to the City Council, subject to such revisions as may be made by the City Manager or his designee. The City Manager is hereby authorized to execute the Service Agreement (including without limitation all attachments thereto) on behalf of the City. A copy of the Service Agreement when executed by the City shall be placed on file in the office of the City Clerk.

Section 3. The City Manager is hereby authorized, on behalf of the City, to make revisions to the Service Agreement which do not increase any amounts to be paid by the City or materially or substantially increase the City's obligations thereunder, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Service Agreement and to administer the City's obligations, responsibilities and duties to be performed under the Service Agreement and related documents.

PASSED and ADOPTED this 6th day of August, 2014.

By: _____
Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF KERN)
CITY OF RIDGECREST)

I, Rachel J. Ford, City Clerk of the City of Ridgecrest, do hereby certify that the foregoing Resolution No. ____ was duly and regularly adopted by vote of the City Council of the City of Ridgecrest at its regular meeting held on the 6th day of August, 2014, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

By: _____
Rachel J. Ford, CMC, City Clerk

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Helping you...

CLOSE THE D.E.A.L.

Develop
Engage
Access
Locate



CITY OF RIDGECREST

Investment Proposal

***Prospect Marketing Program & Consulting Services
For The Serious Economic Development Professional***



Proposed By: Eric Kleinsorge

Proposed To: Ridgecrest Community Development Corp.



Overview

After carefully considering your specific needs and desired deliverables, WEDA is pleased to respond to your request for the identification, attraction and recruitment of new prospects to the city of Ridgecrest. Our firm's unique approach will separate you from your competition and provide you with the competitive edge you need in today's changing economy.

Your request presented the opportunity for WEDA to partner with members of our Project Development Board to provide you with the most qualified personnel to handle each part of your request. We are submitting our response with The Site Selection. Our two firms will provide you with a full range of services that will take your prospects from "capture to close".



ABOUT WORLD ECONOMIC DEVELOPMENT ALLIANCE

The World Economic Development Alliance (WEDA) will oversee the overall execution of the entire project and will be headed by Eric Kleinsorge. Eric Kleinsorge founded the Alliance in 1994 and has worked with over 1,200 companies in their search for new sites which has resulted in the creation of over 10,000 new jobs and over \$1 Billion in investment.



ABOUT THE SITE SELECTION GROUP

The Site Selection Group, Founded by King White will handle the competitive analysis portion of deliverables. King White was the principal and founding member of Trammell Crow Company's Corporate Site Selection Group. King R. White established Site Selection Group after Trammell Crow Company was acquired by an international real estate firm in 2006 and has completed over 1,000 site location projects in just over 10 years of business.

As members our Project Development Board, lines of communication are already well established and this well-experienced team is ready to work for Ridgecrest.



Cost Summary

	<p>Existing Study Review Existing Study Review with detailed report: Roseville Economic Development Strategy Next Economy Capital Region Prosperity Plan</p>	1 week	\$5,000
	<p>Target Industry Review Review & Prioritize Existing Target Industries Canvass California for Additional Target Industries</p>	2-4 weeks	\$15,000
	<p>Target Industry Marketing Strategy Organize Community Assets to Market for Each Industry, Identify a list of Target Companies in California (number subject to sample size and available companies in each target), Review Incentive & Real Estate Offerings for Each Industry. Provide report on all findings.</p>	1-3 weeks Existing Targets 5-7 weeks New Targets	\$10,000
	<p>Lead Nurturing Set Up & Programing Use Target Analysis to develop and manage up to 10,000 contacts/month Design and Program Nurturing Program for custom follow-up.</p>	6 weeks	\$15,000
	<p>Lead Nurturing Implementation Monthly emails and campaigns to manage the follow-up of up to 5,000 engaged contacts per month. A/B Split Tests, Landing Page Conversions, Reporting on progression of prospects through system.</p>	40 weeks	\$43,500
	<p>Outreach Program & Contact Enhancement Implement Trade Show Targets, web site and electronic media campaigns. Engage and track PPC campaign for direct interest hits. Includes list acquisition of up to 5,000 contacts.</p>	40 weeks	\$46,500
	<p>Site Locator Outreach of Assets Input available properties and list applicable properties. Manage monthly announcements and introductions to prospects</p>	40 weeks	\$12,000
TOTAL INVESTMENT		52 weeks	\$147,000

NOTE: Deliverable 5, 6 and 7 encompass monthly task and are paid at start of contract at \$8,500 per month. Invoice will be sent on 15th of each month to receive payment on the first of each month for the month's prior work.

SITE SELECTION GROUP OVERVIEW

Site Selection Group, LLC (“SSG”) is a full-service location advisory and economic incentives firm based in Dallas, Texas. The company delivers advisory and transaction services to a wide range of industries seeking to locate or attract various labor, logistics and capital intensive projects, such as back-office, call centers, data centers, distribution centers, education, headquarters, manufacturing and R&D operations. SSG provides value to its clients by maximizing the efficiencies of labor, economic incentives, logistics, utilities and real estate conditions for corporate operations, and by consulting communities on the optimal methodologies to increase economic growth. SSG executives have more than 150 years of combined site selection experience involving the completion of over 1,000 corporate site selection projects.



Site Selection Group, LLC
8300 Douglas Avenue
Suite 700
Dallas, Texas

SSG has established best practices in the areas of corporate site selection and economic development strategy formation to deliver turn-key solutions to our customers. Through significant investment in information, technology and talented human capital, SSG maintains one of the most comprehensive site selection databases in the industry. The database will include critical site selection variables, such as labor availability, labor costs, real estate, infrastructure, and political and economic conditions, to ensure the delivery of optimal solutions for clients.

SSG was founded by the former principal and founding member of Trammell Crow Company’s Corporate Site Selection Group. King R. White established Site Selection Group after Trammell Crow Company was acquired by an international real estate firm in 2006. After over ten years of leading Trammell Crow Company’s globally recognized, top-producing team, White and his executive team formed Site Selection Group with the goal of better serving customers without the financial constraints, lack of focus and/or conflicts of interest, typically associated with traditional real estate services or consulting firms. In addition, SSG has hired additional industry veterans including David Brandon, senior industrial location strategist formerly with The Pathfinders, and Lee Higgins, senior economic incentive specialist with Business Incentive Services.

For additional information, please visit SSG’s website at www.siteselectiongroup.com.

SSG'S SERVICE OFFERINGS

SSG provides a full-range of services to corporations across the world. We will leverage resources to deliver the best people and tools to provide the optimal solution for our clients. Our capabilities and expertise span the areas in the following table:

LOCATION ADVISORY	ECONOMIC INCENTIVE SERVICES	REAL ESTATE SERVICES	ECONOMIC DEVELOPMENT CONSULTING
<p>Consulting Services</p> <ul style="list-style-type: none"> ▪ Demographic analysis ▪ Workforce assessment ▪ Labor cost analysis ▪ Labor supply-demand forecasting ▪ Occupational demand analysis ▪ College/university assessment ▪ Commuter analysis ▪ Segmentation analysis ▪ Infrastructure assessment ▪ Logistics analysis ▪ Utility cost analysis ▪ Employer interviews ▪ Competition saturation analysis ▪ Operating cost comparison ▪ Location optimization analysis ▪ Customized GIS mapping 	<p>Identification & Evaluation</p> <ul style="list-style-type: none"> ▪ State and local tax evaluation ▪ Program research and evaluation ▪ Request for proposals ▪ Economic incentive comparison ▪ Financial analysis ▪ Economic impact modeling ▪ Market comparables ▪ Negotiation strategy <p>Negotiations</p> <ul style="list-style-type: none"> ▪ Tax credits and abatements ▪ Sales and use tax rebates ▪ Cash grants ▪ Real estate grants ▪ Enterprise zones, TIF's, PID, etc. ▪ Employee training subsidies/grants ▪ Special public/private financing ▪ Site Infrastructure grants/rebates ▪ Competition restrictions <p>Administration & Compliance</p> <ul style="list-style-type: none"> ▪ Application preparation ▪ Contract review ▪ Documentation administration ▪ Annual compliance ▪ Database management ▪ Financial reporting 	<p>Market Research & Due Diligence</p> <ul style="list-style-type: none"> ▪ Market research ▪ Site/building tours ▪ Site/building inspections <p>Negotiations</p> <ul style="list-style-type: none"> ▪ Acquisitions ▪ Dispositions ▪ Sale lease-backs ▪ Developer bidding ▪ Lease Renewals ▪ Lease restructuring ▪ Subleases <p>Construction Management</p> <ul style="list-style-type: none"> ▪ Site visits/assessment ▪ Vendor bidding and supervision ▪ Budgeting and scheduling ▪ Telecom and IT interface ▪ FF&E management ▪ Move coordination <p>Portfolio Management</p> <ul style="list-style-type: none"> ▪ Strategic portfolio planning ▪ Lease database management ▪ Lease audits ▪ Vendor management ▪ Occupancy forecasts ▪ Organization planning 	<p>Consulting Services</p> <ul style="list-style-type: none"> ▪ Economic analysis ▪ Demographic analysis ▪ Competitive benchmarking ▪ Industry cluster analysis ▪ Target industry analysis ▪ Economic impact analysis ▪ Underemployment studies ▪ Commuter studies ▪ Site certifications ▪ Economic incentive design ▪ Organizational planning ▪ Marketing plans ▪ Real estate development plans ▪ Real estate re-use plans

OUR DATABASES

SSG maintains a site selection technology platform built on the philosophy of creating, managing and utilizing the latest technology and tools to deliver superior site selection strategies to our clients. Our company is staffed by highly educated, site selection professionals that understand how to analyze and interpret data to ensure an accurate decision making process. As a result, our experts are able to formulate strategies and identify locations that may be overlooked by traditional site selection and real estate services firms. The following technology and tools are utilized by our experts:

SSG'S GLOBAL LOCATION DATABASES

SSG's maintains global location database of 1,300 metro areas in 75 countries inclusive of variables such demographics, taxation, infrastructure, unemployment rates, cost of living, union participation, and other critical location variables.



MAPINFO GIS PLATFORM

Quarterly updated mapping and database of block group level demographics for United States and Canada.

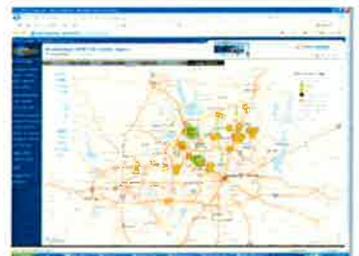


COMMUNITY BENCHMARK ANALYSIS

Proprietary weighted site selection model of 940 U.S. metropolitan and micropolitan communities used to identify candidate communities through custom weighting of variables such as demographics, wages, cost of living, unionization, etc.

OPTISITE

OptiSite distribution center planning software is a full-featured distribution planning and site location model designed to help analyze and manage distribution resources more effectively.

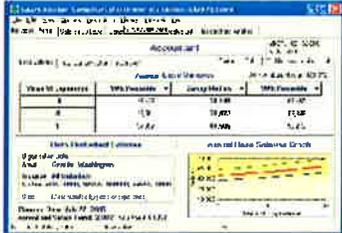


ECONOMIC RESEARCH INSTITUTE SALARYEXPERT

Quarterly updated labor cost database 85,000 jobs in 190,000 zip and postal code locations in the United States and Canada as well as 192 countries.

ECONOMIC INCENTIVE DATABASE

Quarterly updated database of economic incentive availabilities across the United States.



State	City	1995 Percentage	2000 Percentage	1995 Percentage
IL	Chicago	10.00	10.00	10.00
TX	Dallas	10.00	10.00	10.00

COSTAR REAL ESTATE DATABASE

We access a proprietary database of more than 43 billion square feet of real estate across North America. All product types included such as office, flex, industrial, retail, and land sites.

PROJECT TEAM

The following project team will be the primary project team involved in delivering the scope of work proposed. Detailed resumes are attached as an exhibit.

Name & Title	Role
 <p>King R. White President</p>	<p>King will provide strategic planning and overall account management support.</p>
 <p>David Brandon Senior Vice President EDC Consulting</p>	<p>David Brandon will be the co-project leader. He will oversee all phases of the project.</p>
 <p>Josh Bays Vice President EDC Consulting</p>	<p>Josh will manage the day-to-day activities of the project and act as co-project manager. He will be conducting the on-site due diligence and primary research.</p>
 <p>Lee Higgins Senior Vice President Economic Incentive</p>	<p>Lee will be responsible for evaluating the economic incentive climate for the data center industry.</p>
 <p>Jeff Sheehan Senior Vice President Data Center Site Selection</p>	<p>Jeff focuses on data center site selection projects and will help support the research function and market demand analysis.</p>
 <p>Brett Bayduss Executive Vice President Consulting</p>	<p>Brett will provide overall support for the project</p>
 <p>Taylor Burns Senior Associate Research Analyst</p>	<p>Taylor will provide market research and data analytics.</p>
 <p>Brady Redwine Senior Associate Research Analyst</p>	<p>Brady will provide market research and data analytics.</p>
 <p>Brian Merrion Associate Research Analyst</p>	<p>Brian will provide market research and data analytics.</p>

PROPOSED EVALUATION PROCESS

SSG has a proven strategic planning process to deliver optimal solutions to our economic development customers. The process flows from the initial project definition through strategic recommendations to provide a process driven solution. Our process is described in the diagram below and will be customized for the client upon completion of Project Definition.

<i>PHASE</i>	<i>OBJECTIVE</i>	<i>DELIVERABLES</i>	<i>TIMING</i>
1	Existing Study Review <ul style="list-style-type: none"> ▪ Roseville Economic Development Strategy ▪ Next Economy Capital Region Prosperity Plan 	1. Summary of Findings	Weeks 1
3	Target Industry Review <ul style="list-style-type: none"> ▪ Review & Prioritize Existing Target Industries ▪ Canvass California for Additional Target Industries 	1. Target Industry Analysis	Weeks 2 - 4
2	Target Industry Marketing Strategy <ul style="list-style-type: none"> ▪ Organize Community Assets to Market for Each Industry ▪ Identify a List of Target Companies in California ▪ Review Incentive and Real Estate Offerings for Each Industry 	1. Target Industry Report	Weeks 1 - 3 (Existing Target Industries) Weeks 5 - 7 (New Target Industries)

ECONOMIC DEVELOPMENT PROJECTS

In the arena of strategic planning and economic development, SSG's executives have developed and implemented sales and marketing strategies, designed and conducted certified site evaluation processes, provided guidance on policy, impact, and financial issues, and provided organizational development assistance. The following case studies exemplify our executives experience with projects similar to those requested by the client:

SOUTHWEST KENTUCKY – CALDWELL, HOPKINS, MUHLENBERG COUNTIES TARGET INDUSTRY ANALYSIS

The Challenge

Caldwell, Hopkins, and Muhlenberg Counties in Southwest Kentucky felt it necessary to target a specific industry to stimulate new business investment in their region. The local economic development officials suspected the region's existing infrastructure, particularly the availability of a connected fiber optic network, inexpensive electric power, attractive tax policies and abundant water resources, competitively positioned the Counties as a suitable location for a data center operation. Due to the region's inexperience with data center projects, the three Counties lacked a clear strategy and understanding of the critical site selection criteria associated with new data center recruitment and investment.

The Approach

The three Counties recognized this challenge and commissioned SSG to help craft a strategy to promote new business investment in the data center industry. The goal was to conduct a comprehensive analysis of critical location drivers relevant to the data center industry in order to develop a clear strategy for business recruitment. To complete this work, SSG evaluated the assets and liabilities of each county and benchmarked the entire region against the state of Kentucky and the National Average. In addition to the target industry report, SSG took an inventory of each County's existing greenfield sites proposed for development and evaluated each based on its general readiness.

The Results

The final report included an executive summary and recommendations, regional assessment, target industry analysis, marketing plan, and site evaluations that specifically addressed each County. SSG feels confident the suggested initiatives outlined in the report will help Southwest Kentucky improve its weaknesses and capitalize on its strengths. SSG's main goal was to provide a clear action plan that will enable Southwest Kentucky to measure its performance, and achieve its goal of launching an effective marketing campaign targeted at the data center industry.

GREATER WICHITA ECONOMIC DEVELOPMENT COALITION ECONOMIC DEVELOPMENT STRATEGY & TARGET INDUSTRY ANALYSIS

The Challenge

For decades, Wichita, KS has been known as an Aerospace hub. Since World War II, the Wichita economy has ridden the cyclical booms and busts associated with the aviation sector. The end of 2007 brought on the most recent bust, and many industry experts predicted that the sector may never be able to recover. Massive industry layoffs, negative union perceptions, and Wichita companies choosing other markets for new business investment caused the *Wall Street Journal* to dub Wichita as the “The next Detroit”. Fearing that Wichita was too dependent on the aviation industry, the Greater Wichita Development Coalition sought to enact a multi-year strategy that would help diversify the economic base. They ultimately wanted to insulate the local economy from the depressed aviation industry.

The Approach

The Greater Wichita Economic Development Coalition retained Site Selection Group to help develop a marketing strategy aimed at diversifying the industry base. SSG initially researched and presented other success stories of communities across the nation that have recently transitioned from “Good” to “Great”. This action helped spark a collaborative effort among the many stakeholders that previously thought the task to be too daunting. Next, SSG completed a comprehensive regional assessment to understand Wichita’s strengths and identify aspects of the aerospace industry that could be leveraged to attract new industries. SSG paralleled this research with the effort of uncovering market and organizational deficiencies. The results of this assessment enabled SSG to complete a target industry analysis and marketing plan catered to ideal prospects.

The Results

After all criteria were considered, SSG was able to recommend four target industries that would find Wichita an attractive location for business investment. SSG provided the GWEDC detailed market data concerning each industry, as well as a strategy that would align their resources in a more effective manner. The GWEDC has successfully garnered enough local support to execute the action plan provided by SSG. They are currently seeking to enhance local resources such as real estate offerings, incentive funds, and regional participation. SSG and GWEDC anticipate this to be a strategy that will help stabilize and grow Wichita’s economy into the future.

WESTERN IOWA TRANSPORTATION CORRIDOR TARGET INDUSTRY ANALYSIS

The Challenge

The Western Iowa Transportation Corridor was a newly affiliated organization that included six counties along Interstate 29 from the Missouri border north to Sioux City, IA. The WITC members felt the region to be a suitable location for transportation and logistics operations based on the interstate corridor, railroad network, and navigable waterways. Due to the infancy of the marketing region and lack of collaboration, the WITC lacked a clear strategy for promoting its strengths to potential prospects. In addition, the six counties were uncertain how to combat the great degree of disparity among each of the counties with regard to workforce, infrastructure, and shovel-ready sites.

The Approach

The Western Iowa Transportation Corridor recognized this challenge and commissioned SSG to help craft a strategy to promote new business investment in the transportation & logistics industry. The goal was to conduct a comprehensive analysis of critical location drivers relevant to the transportation & logistics industry in order to develop a clear strategy for business recruitment. To complete this work, SSG evaluated the assets and liabilities of each county and benchmarked the entire corridor against other national markets that frequently compete for business investment.

The Results

With input from the WITC, SSG helped formulate a business recruitment strategy that included a detailed marketing plan, as well as a list of companies for the WITC to target. The development of this strategy required careful critique of the area's strengths upon which to capitalize and weaknesses they need to improve. This assessment provided an accurate perspective of their national market position and gave an understanding of their competition. Furthermore, SSG provided an extensive action plan to help outline the process, measure performance, and achieve their goal of launching an effective marketing campaign.

To help give the WITC an accurate perspective of the current industry landscape, SSG provided a detailed overview of the transportation & logistics sector that included a current assessment as well as future projections. Due to the operating experience of the workforce, quality infrastructure, geographic location, and a collaborative economic development effort, the WITC has launched an effective marketing campaign aimed at attracting business investment in the transportation and logistics sector.

ADDITIONAL EXPERIENCE

The following list represents a sampling of the communities and corporate clients the proposed project team has provided economic development consulting and site selection services:

Economic Development Projects*

Amarillo, Texas
Ardmore, Oklahoma
Argentina, Newfoundland
Athens, Texas
Barstow, California
Beeville, Texas
Big Spring, Texas
Bowie, Texas
Brunswick, Ohio
College Station, TX
Dallas, Texas
Dayton, Ohio
Frisco, Texas
Ft. Collins, Colorado
Huntsville, Texas
Kettering, Ohio
Lake Charles, Louisiana
Marshall, Texas
Muskegon, Michigan
Monroe, Louisiana
Ontario, California
Pampa, Texas
Portsmouth, New Hampshire
Rochester, Minnesota
San Angelo, Texas
Springfield, Illinois
Vermillion County, Indiana
Westminster, Colorado

Corporate Site Selection Projects

AAA
ALLTEL Communications
Amazon.com
American Express
AT&T
Blue Cross Blue Shield
Boeing
Cendant Corporation
Convergys
Corporate Express
General Motors
Frito Lay
FedEx
Harley Davison
The Home Depot
Hotels.com
Johnson & Johnson
IBM
Kraft Foods
Marriott Hotel and Resorts
McKesson Corporation
Merck
RMH Teleservices
Smith-Kline
Ticketmaster
Unitrin
Verizon Wireless
Washington Mutual Bank

**David Brandon, the proposed project co-leader, was a team leader for the above referenced projects while employed at The Pathfinders.*

REFERENCES

The following references are clients for whom SSG has completed projects.

Company	Name	Title	Phone #
Greater Wichita Economic Development Coalition	Dave Bossemeyer	Managing Director	(316) 268-1132
Madisonville, KY Economic Development	Gerald Cook	President	270-821-1939
Tennessee Valley Authority	Rachel Beaty Crickmar	Rural County Specialist	(615) 232-6054

WORLD ECONOMIC DEVELOPMENT ALLIANCE

WEDA was founded in 1994 as a full service site-location firm that served the needs of growing companies while assisting economic development professionals in the economic growth of their communities. The firm works with a wide range of industries that are targeted based on growth indicators. These include plastics, food, aerospace, distribution, medical device, auto, manufacturing, renewable energy and bio technology. WEDA has assisted over 1000 companies in their site location searches. These companies have created over 10,000 new jobs for companies and invested over \$1 BILLION over the past 10 years alone.

WEDA was founded by Eric Kleinsorge to assist the Economic Development Community to more effectively market their areas to companies that were expanding or relocating. Some of his notable accomplishments include:

- Invited Professional Speaking Engagements:
 - Florida’s Governors Economic Council. Invited back next two years.
 - American Economic Development Councils Annual Conference
 - Midwest Economic Development Councils Annual Conference
 - IOWA Economic Development Councils Annual Conference
 - OMAHA Recognized Professional Developers Tour
 - Oklahoma Department of Commerce’s Annual Conference

- Interviews conducted to enhance the credibility of the organization:

George W. Bush	Colin Powell	Donald Trump
Rudy Giuliani	Mike Dell	Richard Branson
Jay Leno	Dick Clark	Roger Staubach
Jerry Jones	Senator Kay Bailey Hutchison	

- Nominated by Judge Army to sit on Denton County Economic Development Commission as a recognized professional advisor for expansion and development of North Texas.
- Quoted in over 110 articles as recognized industry expert which enhanced company credibility.
- Created and Launched the nation’s premier Economic Development portal; ed-link.net
- Graduated from Texas Tech University with Bachelors in Business & Advertising.

For additional information, please visit WEDA’s website at www.wedanet.com.

Lead Nurturing

WEDA will customize a multistep lead nurturing program to move prospects to qualified status via targeted emails, personalized landing pages, and web forms.

The approach is as follows:

- Develop and manage prospect databases – WEDA will develop, organize (segment), and manage confidential prospecting databases for clients, helping them keep up-to-date records for more effective, targeted emails.
- Create an organization instance on WEDA marketing automation platform to host and execute all lead nurturing activity.
- Design a customized lead nurturing program for client including all emails, personalized landing pages, and web forms that will append new and updated information to the client’s confidential database.
- Provide client with detailed reporting on all stages of program including snapshots of where prospects are in the program and what activity is taking place (who is opening emails, who is clicking on specific links, what information is being captured, what are areas of interest, etc.).

What is a Lead Nurturing Program?

Lead nurturing is all about having consistent and meaningful conversations with viable prospects regardless of their timing to buy. It’s about building trusted relationships with the right people. In the end, it’s the act of maintaining and building solid relationships with economic developers. It’s not a sales person calling up every few months to find out if a prospect is “ready to buy yet.”

What does lead nurturing look like to a prospect?

I just receive a timely email from you after filling out a survey gauging my interests and appetite for relocating to your municipality. The email quickly addresses my pain points and needs for relocating. It reaffirms my interest level and is right to the point. It seems that every email I get from you is more targeted and focused than the next to my particular needs. I tell myself... *This guy is paying attention to what I’m looking for... He’s obviously done his homework... I will be sure not to overlook his next email since I know that he won’t waste my time with marketing messages for the masses.*

Segmentation is key to facilitating a conversation!

One size does not fit all! You have many different types of prospects with different interests and criteria for relocating. The quickest way to disengage with your audience is to blast the same email to everyone in your database. The nature of lead nurturing is to have a one-on-one conversation with an individual based on their level of interest, timeframe of relocation, and other pertinent information that you can leverage in your prospect database.

How does lead nurturing clean and strengthen your prospect database?

Over the course of a yearlong drip campaign, information is gathered on your prospects through surveys and web forms embedded on personalized landing pages, and that information is recorded or appended to your prospect database. WEDA uses smart forms to capture or update fields that may be missing or is outdated. Remember, your database is the lifeblood of your organization and it's only as effective as the quality of information that it houses.

How can a lead nurturing program make you look like a superstar?

Imagine being able to show your Board where each of your active prospects is in the sales funnel, when they are expecting to relocate, what their barriers or concerns are, and how many jobs are projected to be created for your municipality if the deal is successful. WEDA will provide you with monthly reports to ensure that you are on top of all prospect activity.

What can you expect from WEDA in support of your Lead Nurturing Program?

You just made a sizable investment and like any other investment you want peace of mind! The creation of emails, landing pages, web forms, and surveys is just the beginning. The real power is the ongoing testing and adjustments made to subject lines, landing pages, email copy, and web forms. These incremental improvements over time will increase open and click through rates, and drive more conversions as time goes on!

How can a Lead Nurturing Program save you time and money?

WEDA will help you chart the entire year with relevant, targeted touch points in the first 30 days of your engagement. Once the sequence of emails and goals for your organization are designed and coded in the program, you will not have to worry about sending out emails, newsletters, or any other electronic correspondence to your prospects. The program will do it for you based on timed events and prospect behavior! You will not need additional headcount and resources!

Engagement Table

- I. Client discovery call (kickoff call)
- II. Outline of program workflow and deliverables (one week)
- III. Project calendar (assign project manager to coordinate)
- IV. Database cleanse and segmentation
- V. Program testing (one week)
- VI. Ongoing reporting (monthly)

Includes:

- Client instance of Tier 1 Email Service Provider or ESP
- Import of client's house list
 - Database cleanse and health check (removal of bad, blocked, and bounced emails)
 - Database storage of up to 8,000 contact records
 - White listing and CAN-SPAM compliance services (ensures high deliverability)
- 1 automated drip nurture program
- Up to 11 emails (touch points)
- 4 accelerated emails to move prospects to sale or next step
- 5 nurturing emails for communication/awareness
 - Local EDC interview
 - State Level EDC interview
 - Local Corporation interview
 - Local Community Leader interview
 - Local Small Business interview
- 2 one-off Seasonal or announcement emails
- Up to 9 unique landing pages
- A/B split testing on all email subject lines
 - 10% of list deployed; highest open percentage wins
 - 90% (remainder of database) deployed to winner
- 1 lead web form to capture prospect information
- Social sign-in with Linked In
 - Gain access to greater profile data
 - Ease of use for prospects
 - Greater accuracy
- Auto-reply handling (all replies will be processed through WEDA)
- Monthly reports
- Key metrics (opens, clicks, conversions, etc)
- Analysis on industry trends and roles
- Scoring of contacts within the database

Client responsibilities:

- Provide internal and existing house list for cleansing
- Provide key assets (may include copy and images)
- Critical talking points (Unique Selling Position)

PRICING: \$15,000 Set Up Charge

\$43,500 amortized monthly over year

Outreach and Contact Enhancement

This will include a variety of media and personalized contacts to enhance the relationships with prospects identified through the nurturing. This will also help to feed the nurturing machine with more qualified prospects.

Create new account or manage existing AdWords account to drive prospects to a dedicated landing page with a specific conversion goal (download whitepaper, fill out survey, request information, etc.)

Our Approach:

Focus on three targeted areas of your business and filter prospects to one of three targeted landing pages (if, and only if, they show clear intent or interest).

To keep costs in check, we want to make sure ads are highly targeted, concise, and potential prospects have a clear understanding of what to expect on the landing page before they click on a particular ad.

What you'll get:

- Detailed Monthly Reports and Trends.
- Conversions that feed directly into nurturing program (if applicable).
- Exposure at Top Industry Trade Shows.
- Ability to attend VIP Networking Events.
- Micro sites and listing to enhance your web presence.
- Weekly adjustments to keywords, ad groups, ads, landing pages, and web forms.
- Continuous improvement on Google Quality Score to lower cost of clicks and increase traffic while maintaining daily budget.



PRICING: \$46,500 amortized monthly over year.

Site Locator Outreach

This will include a variety outreach programs to the Site Locator community. These communications will be put directly in the hands of over 3,500 Corporate Site Location Executives that handle thousands of projects each and every year.

Our Approach:

Use the leverage of our Project Development Board's ongoing messaging system to make bi monthly announcements of available properties and sites in Ridgecrest and directly meet with executives with the power to influence final site location decisions.

What you'll get:

- Detailed reports on properties listed.
- Bi monthly announcements to the Site Location Executives Network.
- Contacts fed directly into the nurturing campaign for enhanced contacts and education regarding Ridgecrest.



PRICING: \$12,000 amortized monthly over year.

Payment Options



This project has been broken down in 4 different key segments. Each of which enhance the other and maximize your exposure and efforts to key executives that are in major growth sectors that will be identified through our research. These segments are as follows:

1) SITE LOCATION GROUP RESEARCH	
a. Existing Study Review (Paid upon Delivery of Report).....	\$ 5,000
b. Targeted Industry Review (Paid upon Delivery of Report).....	\$15,000
c. Targeted Industry Marketing Strategy Report and Company Identification. (Paid upon delivery of report and list of companies).....	\$10,000
d. Travel Expense Reimbursed at Time of Expense	
2) WEDA LEAD NURTURING PROGRAM SETUP (Paid Upon Delivery of Program and all Componerts)	\$15,000
3) WEDA NURTURING AND OUTREACH PROGRAM	
a. WEDA NURTURING PROGRAM IMPLEMENTATION.....	\$43,500
b. WEDA CONTACT OUTREACH AND ENHANCEMENT.....	\$46,500
c. <u>WEDA/N AIGLOBAL \$ TELOCATOR OUTREACH.....</u>	<u>\$12,000</u>
12 Total Amortized Monthly Payments of \$8,500=	\$102,000
TOTAL INVESMENT=	\$147,000

TERMS

The project may be completed with the following terms:

- Payment 1= \$30,000 for the Research Portion of the Investment.
- Payment 2= \$15,000 for the programming and setup of the Lead Nurturing Program
- 12 Amortized Payments= \$8,500 per month (12 months) to be paid on the first of each month for the previous month's service. Invoice sent on 15th of month to be paid on the 1st.

Alternative payment options are available upon request if these do not meet requirements of your city

Conclusion

In conclusion, this project is exactly in line with our firms areas of expertise. Together, we have over 50 years of experience in research, identification and attraction of new business. By allowing each partner to focus on what they do best allows for maximum delivery of results.

You can be confident that the team put together on this project is of the highest quality and one which you will be proud to work with. We are truly excited about this opportunity and look forward to delivering you the results you are looking for and deserve.

We thank you for this opportunity!

References

The following references are clients for whom WEDA has completed projects

Company	Name	Title	Phone #
Dumas EDC, Texas	Mike Running	Executive Director	(806) 934-3332
Bowling Green, Kentucky	Ron Bunch	President / CEO	(270) 901-4602
Chippewa County, Wisconsin	Charlie Walker	President	715-723-7150



Helping you...

CLOSE THE D.E.A.L.



CITY OF RIDGECREST

Develop
Engage
Access
Locate





1) What are the number of new jobs you feel will result in your program?



YEAR ONE

Our Plan is to take the 2,000+ prospects that are currently engaged in our California lead nurturing program and identify, educate and convert them into companies considering a location in Ridgecrest. Our goal is to attract a minimum of one company that will generate a minimum of 25 to 50 jobs requiring engineering level wages of \$55,000+.

If we should secure a Data Storage company (one of our targets), the total number of jobs would be reduced yet salary would increase to \$85,000 to \$100,000 per employee.



YEAR FIVE

We would anticipate that over a 5-year period 3 to 5 companies of similar characteristics could be located as a result of clustering. Each company would have a growth of 15% in jobs. This would be an estimated 150 jobs and an increase in salaries to \$62,000 each.

Note: There is a national average of \$200,000 of economic impact per new job created for a community. Therefore 25 new jobs alone would result in a 5,000,000 minimum economic impact.



CITY OF RIDGECREST



The logo for the World Economic Development Alliance (WEDA), featuring a globe and the text 'WEDA' and 'WORLD ECONOMIC DEVELOPMENT ALLIANCE'.



2) If you plan on selling items/products from your Ridgecrest location, how much would the annual taxable sales be in year one and in year five?



YEAR ONE

Ideally we could lure a company that assembles or manufactures a product and sells the product from the Ridgecrest location. These types of companies have taxable sales in excess of \$3,000,000.



YEAR FIVE

The same would hold true and simply attracting two in a five year period with normal growth in sales would result in a total of over \$33,000,000 in taxable sales.





3) If your proposal would result in the establishment of a location in Ridgecrest, how much land and/or building space would be utilized in square footage?



LAND/BUILDING

The average location we would be bringing to Ridgecrest would require 2 acres of land and 35,000 to 50,000 square feet of space.



Additionally, what amount of property improvements and/or property tax would you estimate will be generated annually for facilities in Ridgecrest?



Property Tax

The ideal target of a data center requires a tremendous amount of improvement on equipment and security. A minimum of a \$10,000,000 property investment is on the low side.



CITY OF RIDGECREST



WORLD ECONOMIC DEVELOPMENT ALLIANCE



4) If your proposal would result in people traveling to Ridgecrest and requiring overnight stays, how many people would you estimate that to be?



PEOPLE VISITING

The average number of executives, trainees and potential clients would be 5 to 7 per week..



Additionally, how many hotel nights would be needed and result annually from these visitors?



NIGHTS STAY

The number of nights stay would be an average of 3 nights. Annually, that would be a total of just over 900 rooms. The “trickle down” of meals and entertainment are exponentially more.



CITY OF RIDGECREST



WEDA
WORLD ECONOMIC DEVELOPMENT ALLIANCE



Questions Regarding Program





CITY OF RIDGECREST

Thank You!



We thank you for the opportunity to help increase the number of job opportunities for the City of Ridgecrest.

We look forward to delivering you with the results you are looking for and deserve!



 **WEDA**
WORLD ECONOMIC DEVELOPMENT ALLIANCE



* This Agreement also serves as your Invoice.

SERVICE AGREEMENT

<p>MEMBER CONTACT INFORMATION: Member: City of Ridgecrest Economic Development Office Contact: Gary Parsons Address: 100 W. California Ave. Ridgecrest, CA 93555 Phone: (760) 499-5061 Email: gparsons@ci.ridgecrest.ca.us</p>	<p>SALES EXECUTIVE INFO: Carol L. Harris <i>Project Development Manager- International & Regional</i> Email: carolharrisinternational@gmail.com Tel: (417) 540-2132 Fax: 214-420-1491</p>
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Terms of Agreement
Prospect Marketing Program & Consulting Services
12 Months Complete Custom Marketing Program
Phase 1) Research Portion of the Investment / Setup of Lead Nurturing Program
Due Upon Receipt.....\$45,000

Phase 2) Nurturing Program Implementation, Outreach and Enhancement, Global Site Locator Outreach.....Amortized Monthly Payments of \$8,500 for 12 months
Due the 1st of each month.....Total Payments \$102,000

TERMS AND CONDITIONS:

1. The company listed above is financially responsible for payment.
2. Client acknowledges that a monthly periodic finance charge of 1.5% (18% annually) will be charged past due on all balances 30 days or more.
3. Client agrees to pay all reasonable legal fees, court costs, and collection cost incurred for results of non-payment.

Notes:

This is a service agreement for the WEDA Custom Package for 12 Months for \$147,000.00. This package entitles you to

- Targeted Industry Review and Existing Study Review
- Targeted Industry Marketing Strategy Report and Company Identification
- Lead Nurturing Program
- All Lead Nurturing Program Components
- Lead Nurturing Program Implementation
- WEDA Outreach and Enhancement
- WEDA/NAI Global Site Locator Outreach
- Agreement is Renewable up to Five Years per Approval of The City of Ridgecrest, California.

I have read and agree to all the terms as stated:

REPRESENTATIVE FROM COMPANY:

_____ Date: _____
 Gary Parsons

The World Economic Development Alliance

WE APPRECIATE YOUR BUSINESS!!!!
PLEASE PRINT, SIGN, AND FAX BACK TO 214-420-1491

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NOTICE OF PUBLIC HEARING RE ECONOMIC DEVELOPMENT SUBSIDY

On August 6, 2014, at 7:00 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers, located at 100 West California Avenue, Ridgecrest, California 93555, the City Council of the City of Ridgecrest (the "City") will hold a public hearing to consider the approval of an agreement with WEDA ("WEDA") entitled "Service Agreement" (the "Agreement") under which the City would agree to provide various subsidy payments to Cal UAS subject to the satisfaction of certain conditions set forth in the Agreement. A copy of the draft Agreement is available for public inspection with the City Clerk during normal operating hours of the City.

The purpose of the public hearing is to receive testimony from the public regarding the proposed Agreement. All interested parties are invited and encouraged to attend said meeting and express their opinions for or against this item. All operative terms as more fully described in the Agreement. This notice is provided pursuant to Government Code Section 53083.

Further information may be obtained by contacting Gary Parsons, Economic Development Director, by telephone at (760) 499-5061 or in person during the normal operating hours of the City. A copy of the proposed Agreement together with a report containing information described in Government Code Section 53083 is on file with the City Clerk.

If you challenge the item listed above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in a written correspondence delivered to the City Council at, or prior to, the public hearing. Furthermore, you must exhaust any administrative remedies prior to commencing a court challenge to City Council's action.

Gary Parsons
Economic Development Director

(Published in a newspaper of general circulation during week of July 29, 2014)

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