



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

AGENDA

Wednesday

Regular

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

May 7, 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. 14-33
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 May 7, 2014

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

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

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

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

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

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENT – CLOSED SESSION

AGENDA - CITY COUNCIL - REGULAR

May 7, 2014

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CLOSED SESSION

- GC54957 Personnel Matters – Public Employee Performance Evaluation – City Manager
- GC54957.6 Labor Negotiations – UFCW Local 8 and Agency Negotiator City Manager Dennis Speer
- GC54956.8 Local Agency Real Property Negotiations – Negotiations For Receipt and/or Sale Or Use – CATTO723-0051-0023516612 – 246 N. Gold Canyon Agency Negotiators Dennis Speer, City Manager And Gary Parsons, Economic Development Program Manager
- GC54956.8 Local Agency Real Property Negotiations – Negotiation For Purchase – APN 067-050-15 Located At 602 West Ridgecrest Blvd. - Agency Negotiator Loren Culp, City Engineer and Gary Parsons, Economic Development Program Manager

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
- Other

PUBLIC COMMENT

PRESENTATIONS

1. Proclamation – National Police Officer Week
2. Proclamation – Be Kind To Animals Week
3. Presentation By The Measure L Citizens' Oversight Committee Regarding Their Annual Report

CONSENT CALENDAR

4. Adopt A Resolution Authorization To Award A Construction Contract To Griffith Construction Company For The Road Reconstruction And Rehabilitation Of The Sunland Street Project From East Ridgecrest Boulevard To Upjohn Avenue And Authorize The City Manager, Dennis Speer, To Execute The Contract Speer

AGENDA - CITY COUNCIL - REGULAR

May 7, 2014

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5. Adopt A Resolution To Approve A Professional Service Agreement With The Firm Of Houston & Harris PCS, Inc. As Contractor To Work On The Sewer Collection System Condition Assessment And Authorize The City Manager, Dennis Speer To Sign The Agreement Upon The Review Of The City Attorney Speer
6. Adopt A Resolution To Approve The Purchase Of A Mobile Lift System For The New Bus Garage At The Corporation Yard Speer
7. Adopt A Resolution Of The City Council Of The City Of Ridgecrest Authorizing The Application For Federal Funding Under Federal Transit Act (FTA) Section 5311 (49 U.S.C. Section 5311) With The California Department Of Transportation And Authorizing The City Manager, Dennis Speer, To Sign And File The Application Speer
8. Adopt A Resolution By The City Council Of The City Of Ridgecrest, Sanitary District And The City Of Ridgecrest Approve The Grant Of Easement On Three Separate Parcels To Southern California Edison Company As Part Of The Downs Substation Project And Authorize The Mayor To Sign The Grant Of Easement And Offer Of Acceptance Speer
9. Adopt A Resolution Of The Ridgecrest City Council Authorizing The City Manager To Sign A Consulting Services Agreement Between The City Of Ridgecrest And Kosmont Companies Parsons
10. Adopt A Resolution Of The City Of Ridgecrest Supporting Re-Designation Of The Kern County/ Lancaster Recycling Market Development Zone (RMDZ) Parsons
11. Adopt A Resolution Of The Ridgecrest City Council Adopting The Updated Kern County Multi-Hazard Mitigation Plan Alexander
12. Adopt A Resolution For Notice And Call Of A General Municipal Election To Be Held November 4, 2014 Ford
13. Adopt A Resolution To The Kern County Board Of Supervisors Requesting Consolidation For The General Municipal Election To Be Held On November 4, 2014 Ford
14. Approval Of Draft Minutes Of The Regular City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Minutes Dated April 16, 2014 Ford

AGENDA - CITY COUNCIL - REGULAR

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DISCUSSION AND OTHER ACTION ITEMS

15. Adopt A Resolution Authorizing Letters Of Support For SB 1129 AND SB 1262 And Authorizing The City Manager To Sign The Letters Holloway
16. Adopt A Resolution Authorizing A Letter Of Opposition To SB 1132 And Authorizing The City Manager To Sign The Letter Holloway
17. Discussion And Presentation Of Sole Sourcing Principles City Attorney
18. Adopt A Resolution Approving A Sole Source Consulting Agreement With Justin O'Neill For Unique Services To The City Council Clark

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:

Veterans Advisory Committee

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

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Chip Holloway
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: at location 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 NATIONAL POLICE WEEK
MAY 11-17, 2014**

WHEREAS, the members of the Ridgecrest Police Department play an essential role in safeguarding the rights and freedoms of the City of Ridgecrest; and

WHEREAS, it is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agency, and that members of our law enforcement agency recognize their duty to serve the people of the community by safeguarding life and property, by protecting them against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the men and women of the Ridgecrest Police Department unceasingly provide a vital public service

NOW THEREFORE, I, Dan Clark, Mayor of the City of Ridgecrest, on behalf of the City Council, do hereby proclaim May 11th through May 17th, 2014, as "Police Week" in the City of Ridgecrest in honor of the Law Enforcement Officers, past and present, who have rendered a dedicated service to the community, and do further proclaim May 15, 2014, as "Peace Officers' Memorial Day" in honor of those Law Enforcement Officers who through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty.

**Presented this 7th day of May, 2014
by the Ridgecrest City Council**


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**

BE KIND TO ANIMALS WEEK

WHEREAS, we humans have the responsibility to care for all animals, companion, farm, and other; and

WHEREAS, we sometimes fail to remember our responsibilities in regard to animals; and

WHEREAS, the Indian Wells Valley Humane Society is striving to make our community aware of its responsibility to animals, namely to provide adequate food, water, and shelter, and to spay and neuter our companion animals in order to reduce the severe pet over-population problem; and

WHEREAS, the week beginning May fourth and ending May eleventh has been designated NATIONAL BE KIND TO ANIMALS WEEK.

Now, therefore, be it proclaimed:

The City Council of the City of Ridgecrest does hereby proclaim the week of May 4th through May 10th 2014 as "BE KIND TO ANIMALS WEEK" in the City of Ridgecrest.

Proclaimed this 7th Day of May 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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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/FINANCING
AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

SUBJECT: A Presentation By the Measure L Citizens' Oversight Committee regarding their Annual Report

PRESENTED BY:

Michael Petersen, Chairman

SUMMARY:

The Citizen's Oversight Committee was established to oversee expenditures of the revenues received by the City from the Measure L sales and use taxes approved by voters in November of 2011. The Committee was to ensure that the tax revenues were to be spent by the City in a manner consistent with the voters' measure of the three quarter cent tax.

The Committee was to 1) review all revenues received by the City from the sale and use of the taxes 2) review the audit prepared by an independent auditor to perform the City's Comprehensive Annual Financial Report and 3) prepare and issue their own annual report setting forth their findings in regards to the foregoing.

The Committee will present their PowerPoint presentation regarding their Annual Report.

FISCAL IMPACT: None

Reviewed by Finance Director

ACTION REQUESTED:

None

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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Measure L Citizens' Oversight Committee FY12-13 Report

Presented to the Ridgecrest City Council
May 7th, 2014

Michael Petersen (Chair)

Scott Garver (Vice Chair)

George Anderson

Phil Salvatore

Eddie Thomas

Outline

- Note on the delivery of FY12-13 report
- Background and origin of Measure L
- Purpose of the Measure L Citizens' Oversight Committee
- Historical Budget Baseline
- FY12-13 Measure L Revenues & Expenditures
- Summary of Findings
- Acknowledgements

Note on the Delayed Delivery of the FY12-13 Report

- Comprehensive Annual Financial Report (CAFR)
 - Interpretation required more time than originally planned
 - Adjusted Resolution 13-01 to delay delivery of subsequent reports to allow more time to analyze CAFR
- Focus on interpretation of FY13-14 budget
 - Distracted from analysis of FY12-13 actuals
 - Chose to delay delivery of report to ensure complete analysis
- Last-minute comments and document discovery
 - 20MSRL report documenting Measure L expenditures (FY12-13 lacks detailed Public Works expenditures)
 - Last-minute meeting to explain distribution of Measure L funds, including carry-over to FY13-14

Background and Origin of Measure L

- Previous taxes proposed every four years since 2000
- Measure L passed in 2012
 - 0.75% sales tax
 - General fund tax requires simple majority (>50%) vote
 - Created Measure L Citizens' Oversight Committee to track expenditures of Measure L revenues
- Public Expectation vs. Legal Obligation
 - Advocates and advertisements emphasized contribution of Measure L to augment Streets and Police funding
 - However, Measure L is a General Fund tax and the City has no legal obligation to spend it on Streets and Police

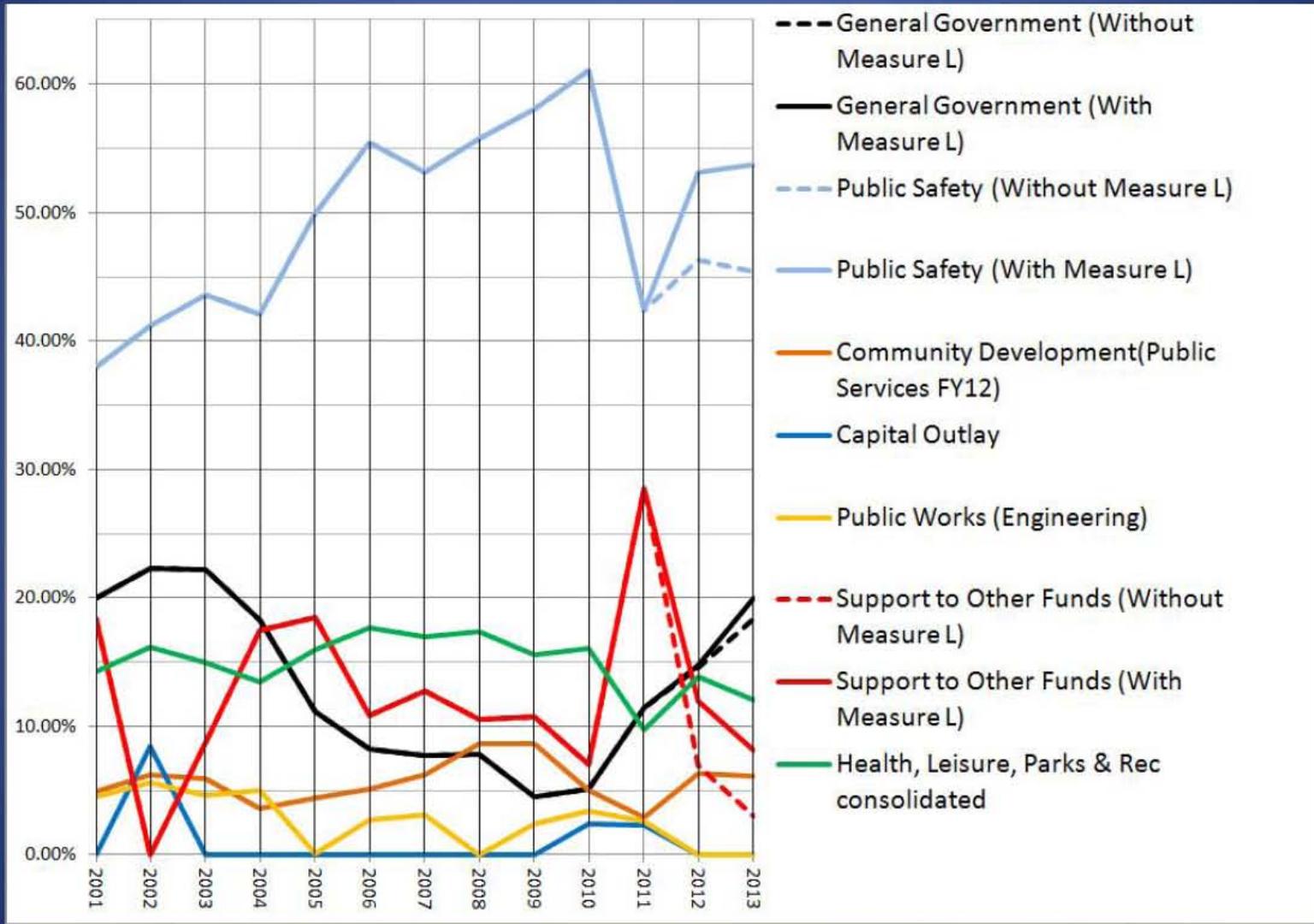
Purpose of the Measure L Citizens' Oversight Committee

- Duties of the Committee (Sec. 3-2.117)
 - Track Measure L expenditures
 - No formal role in use of Measure L funds
 - Review Comprehensive Annual Financial Report (CAFR)
 - Provide summary of findings for each fiscal year
- Public Expectations
 - Most vocal concern was regarding the use of Measure L funds to “back-fill” other departments
 - Provide visibility into the expenditure of Measure L funds

Historical Budget Baseline

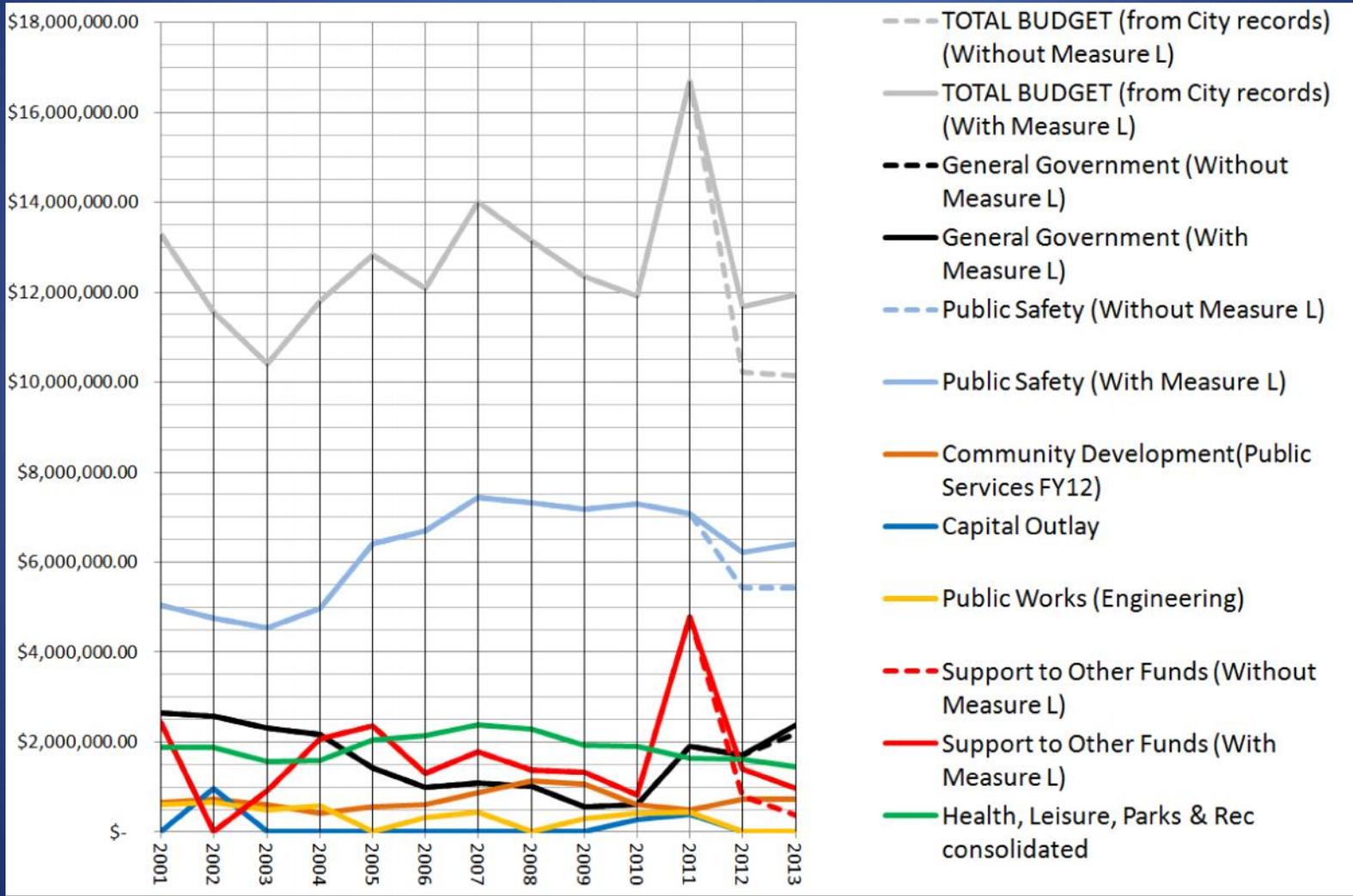
- Provides historical context for budget distribution
- Illustrates funding trends by department
- Provides data to confirm or refute concerns regarding back-filling of Streets and Public Safety budgets

Plot of Proportional Allocation



Plot of Allocation

2014 Constant-Year Dollars



FY12-13 Measure L Summary of Overall Revenue and Expenditures

- Total Revenue: \$ 1,499,560.00
 - Exceeded expectations
 - Roll-over to FY13-14

- Expenditures

- Public Safety
- Public Works “Gas Tax Fund”
- BOE Implementation
 - Mandatory for fund implementation

Fund	Allocation
Public Safety	\$ 885,981
Gas Tax Fund	\$ 598,195
BOE Implementation	\$ 15,384

Source: Measure L Citizens' Oversight Committee FY12-13 Final Report, Table 3-1

FY12-13 Measure L Public Safety Expenditures

Public Safety Total Expenditures	\$ 809,423	91%	Revenues exceeded expenditures
Salaries & Wages	\$ 670,108	76%	
Legal Services	\$ 57,567	6%	
Travel/Training/Recruitment	\$ 4,442	1%	
Capital Outlay	\$ 77,306	9%	
Revenues over Expenditures	\$ 76,558	9%	Remainder; Rolled into FY13-14

Source: Measure L Citizens' Oversight
Committee FY12-13 Final Report, Table 3-1

FY12-13

Gas Tax Fund Revenue

Source	Amount	Proportion	Note
State Gas Tax	\$ 612,967	36%	
TDA Article 8	\$ 474,832	28%	
TCRF - AB 2928	\$ -	0%	
Investment Earnings/ Reimb/ Assessment	\$ 165	<1%	
Substandard Street Funding	\$ -	0%	
Other Revenue	\$ 230	<1%	
General Fund transfer (Measure L)	\$ 598,195	35%	All funds into Gas Tax Fund are used for all Streets projects
Total	\$ 1,686,389	100%	Measure L paid for 35% of all Gas Tax Fund projects during FY12-13

Source: Measure L Citizens' Oversight Committee
FY12-13 Final Report, Table 3-2

FY12-13 - Gas Tax Fund Expenditures

GAS TAX FUND TOTAL	\$	1,107,379	66%	Total Expended
EXPENDITURES				
Street Lights (Svcs/Charges)	\$	230,471	14%	
Traffic Signals (Svcs/Charges)	\$	39,141	2%	
Street Maintenance	\$	598,946	36%	
<i>Salaries/Benefits</i>	\$	360,737	-	<i>Part of Street Maintenance</i>
<i>Services/Charges</i>	\$	12,723	-	<i>Part of Street Maintenance</i>
<i>Materials/Supplies</i>	\$	97,131	-	<i>Part of Street Maintenance</i>
<i>Capital Outlay</i>	\$	-	-	<i>Part of Street Maintenance</i>
<i>ISF Allocation</i>	\$	128,355	-	<i>Part of Street Maintenance</i>
Street Sweeping (Svcs/Charges)	\$	621	<1%	
Street Construction (Salaries/Benes)	\$	12,716	1%	
Interfund Transfer	\$	225,484	13%	
<i>Admin/Public Works Allocation</i>	\$	177,675	-	<i>Part of Interfund Transfer</i>
<i>Risk Management Allocation</i>	\$	47,809	-	<i>Part of Interfund Transfer</i>
<i>Transfer to Fund 18</i>	\$	-	-	<i>Part of Interfund Transfer</i>
Total Revenues over Expenditures	\$	579,010	34%	
Transferred to Waste Water Fund	\$	334,810	-	Pay off accumulated debt
Remaining Revenues over Expenditures	\$	244,200	-	Remainder; Rolled into FY13-14

FY12-13 Measure L Expenditure Notes

- Significant Roll-over to FY13-14

Assignment	Amount
Public Safety (roll-over)	\$ 76,558
Gas Tax Fund (roll-over)	\$ 244,200
Transferred to pay off temporary loan from Wastewater Fund	Approx. 35% of \$ 344,810

- \$250,000 was allocated at the end of the fiscal year on June 30, 2013 (Appendix A)

- Public Works has operated at a deficit for 7 of the past 10 years (2004-2012), (see Appendix C for historical baseline)

- Temporary Wastewater Fund Loan to Gas Tax Fund
 - Resolution No. 12-73
 - Approved September 19, 2012

Summary of Findings for FY12-13

- Measure L funds funded Public Works, Gas Tax Fund, and the mandatory BOE implementation cost
- No roads were repaired, paved, or reconstructed From the Gas Tax Fund (Measure L) in FY12-13
- The Gas Tax Fund, composed of approximately 35% Measure L Revenue, contributed to:
 - Salaries
 - Repayment of temporary Wastewater loan (Resolution 12-73, Approved 9/19/2012)
- \$ 320,758 was rolled over into FY13-14

FY13-14 Work

- Future analyses should require less time
 - Improved traceability of Measure L expenditures through 20MSRL report
 - Increased understanding of CAFR
 - Need only add future actual expenditures historical baseline
 - Completed steep learning curve
- Additional documentation
 - Document how street projects are funded (Measure L, state, federal, etc)
 - Streets expenditures through 20MSRL report

Acknowledgements

- We of the Committee would like to express our sincerest thanks to our families for their patience and support
- We would also like to express our gratitude for the enduring support of City Staff: Ms. Harker, Chief Strand, Mr. Speer, Ms. Sloan, Ms. McQuiston, and everyone else who answered our many questions

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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 Reconstruction And Rehabilitation Of The Sunland Street Project from East Ridgecrest Boulevard to Upjohn Avenue And Authorize The City Manager, Dennis Speer, To Execute The Contract.

PRESENTED BY:
Dennis Speer, Public Works Director

SUMMARY:
On Tuesday, April 22, 2014 bids were opened for the road reconstruction and rehabilitation of Sunland Street Project from East Ridgecrest Boulevard to Upjohn Avenue. A total of three bids were received as follows:

<u>Bidder</u>	<u>Bid</u>
Griffith Construction Co.	\$899,049.00
Bowman Asphalt Inc.	\$1,037,319.00
Granite Construction Co.	\$1,158,870.00

The bids were reviewed by the engineering firm of Willdan Engineering and the Resident Engineer, Mike Bustos. 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 \$899,049.00. A purchase order will be issued to Griffith Construction Company in a total amount of \$899,049.00 for the construction of road construction and rehabilitation. An amount of \$53,942.94 or six percent (6%) is needed for contingencies. The funding for this project is through our Tax Allocation Bond Funding and was approved By Resolution NO 12-15.

Funding for the execution of the contract shall come from account 018-4760-430-4601 ST14-02.

FISCAL IMPACT: \$952,991.94

Reviewed by Finance Director

ACTION REQUESTED: Authorization To Award A Construction Contract to Griffith Construction Company For The Road Reconstruction And Rehabilitation Of The Sunland Street Project from East Ridgecrest Boulevard to Upjohn Avenue And Authorize The City Manager, Dennis Speer, To Execute The Contract.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Loren Culp
(Rev. 02/13/12)

Action Date: May 7, 2014

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RESOLUTION NO. 14-xx

AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT TO GRIFFITH CONSTRUCTION COMPANY FOR THE ROAD RECONSTRUCTION AND REHABILITATION OF THE SUNLAND STREET PROJECT FROM EAST RIDGECREST BOULEVARD TO UPJOHN AVENUE AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER, TO EXECUTE THE CONTRACT

WHEREAS, on Tuesday April 22, 2014, bids were opened for the road reconstruction and rehabilitation of Sunland Street Project from East Ridgecrest Boulevard to Upjohn Avenue; and

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

<u>Bidder</u>	<u>Bid</u>
Griffith Construction Co.	\$ 899,049.00
Bowman Asphalt Inc.	\$1,037,319.00
Granite Construction Co.	\$1,158,870.00

WHEREAS, these bids were reviewed by the engineering firm Willdan Engineering and Resident Engineer, Mike Bustos 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 \$899,049.00; and

WHEREAS, a purchase order will be issued to Griffith Construction Company in a total amount of \$899,049.00 for construction of road reconstruction and rehabilitation of Sunland Street Project from East Ridgecrest Boulevard to Upjohn Avenue; and

WHEREAS, an amount of \$53,942.94 or six percent (6%) is needed for contingencies; and

WHEREAS, The funding for this project is through our Tax Allocation Bond Funding and was approved by Resolution NO. 12-15; and

WHEREAS, the funding for the execution of the contract shall come from account 018-4760-430-4601
ST 14-02.

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 road reconstruction and rehabilitation from East Ridgecrest Boulevard to Upjohn Avenue described herein to the lowest responsible and responsive contractor from the bids received as determined by Willdan Engineering, 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 7th day May 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

Sunland Street Project: East Ridgecrest Boulevard to Upjohn Avenue
Sample Contract

As of _____, 2014, the City of Ridgecrest, herein "City," and _____, herein "Contractor," agree as follows:

Section 1. Scope of Work.

Contractor will furnish labor, equipment and materials and will perform work for the construction of the facilities described in the plans and specifications.

Section 2. Consideration.

Agency shall pay Contractor the sum set forth in Contractor's bid for the performance of the work.

Section 3. Payments.

(a) Monthly progress payments shall be as follows:

(1) On or about the 25th day of the each month, Contractor shall submit to Agency an invoice including an estimate of the cumulative amount and value of the work performed by Contractor prior to that Date and subsequent to prior estimates. The estimate may include the value of acceptable materials and equipment delivered to the work site. The estimate shall be based on certified copies of paid invoices by the Contractor.

(2) The Agency shall review the request as soon as practicable to determine whether the payment request is proper. A payment request found not to be a proper payment shall be returned within seven (7) days after receipt, accompanied by a written description of the reasons why the request is not proper.

(3) Agency shall pay Contractor 90% of the invoice amount reduced by: amounts due to Agency for equipment, services or materials furnished by Agency; amounts of claims or liens by the Agency or others; and amounts required to be deducted by federal, state or local governmental authorities.

(4) If the Agency fails to make progress payments within 35 days after receipt of an undisputed and properly submitted invoice, the Agency shall pay to the Contractor interest at the legal rate set forth in Code of Civil Procedure Section 685.10(a) from seven (7) days after receipt of the invoice by the Agency until paid.

(5) Progress payments do not signify acceptance of the work, or any portion of the work. Payments do not preclude Agency from demanding and recovering damages for failure to fully perform.

(b) On satisfactory completion of the work, Agency shall pay Contractor 90% of the value of the actual work, less prior monthly progress payments.

(c) Within 30 days after recordation of a notice of completion, the undisputed amounts withheld by the Agency shall be released. "Completion" occurs on the acceptance by the governing body of the Agency, or the filing of a notice of cessation of labor.

(d) Notwithstanding the foregoing, Contractor may receive payment in full, other than retention for claims by the Agency or third parties, if the Contractor deposits approved

Sunland Street Project: East Ridgecrest Boulevard to Upjohn Avenue
Sample Contract

securities or enters into an agreement with an escrow agent to hold earned retentions. The substitution of securities or the use of an escrow account shall be in the form and manner permitted by law.

Section 4. Contract Documents.

The complete Contract includes the Contract documents set forth herein, to wit: the Notice Inviting Sealed Proposals, Information for Bidders, Proposal or Bid Form, Non-Collusion Declaration, this Agreement, Certificate of Insurance, Workers' Compensation Certificate, Plans and Specifications, Addenda issued prior to Bid Opening, and Contractors' and Subcontractors' Licenses.

Section 5. Compliance with Provisions of Law.

(a) This Agency is subject to laws relating to public agencies which are part of this Agreement as though fully set forth herein.

(b) Contractor shall comply with laws relating to the work.

Section 6. Attorney Fees.

The court shall award reasonable costs and expenses, including attorney fees, to the prevailing party in an action or proceeding to enforce this Agreement.

Section 7. Notices.

Notices required or permitted shall be given by personal delivery, by first class mail, postage prepaid, or facsimile transmission to:

Agency: City of Ridgecrest
Public Works Department
100 W. California Avenue
Ridgecrest, CA 93555

Contractor: *[Name of Contractor]*
[Attention: [name]]
[Address of Contractor]
[City, State & Zip]
[Telephone Number for Contractor]

Section 8. Conflict with Plans and Specifications.

Conflict between the plans and specifications and this Agreement shall be brought to the attention of the Agency, which shall resolve such conflict.

Section 9. Assignment.

(a) Contractor shall not assign this Agreement or payments under this Agreement.

Sunland Street Project: East Ridgecrest Boulevard to Upjohn Avenue
Sample Contract

(b) Contractor and each subcontractor hereby assigns to the Agency, right, title, and interest in and to causes of action under Section 4 of the Clayton Act (15 U.S.C.A. Section 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials for this Agreement or the subcontract. This assignment shall be made and become effective without further acknowledgment by the parties at the time the Agency tenders final payment to the Contractor.

Section 10. Section Headings.

Section headings are for the convenience of the parties and shall not affect the interpretation of this Agreement.

Section 11. Authority of Agency Representative.

Agency's representative shall decide questions about the quality or acceptability of materials furnished and work performed, manner of performance and rate of progress of the work, the interpretation of the plans and specifications, and the fulfillment of the contract by the Contractor.

WAGES, HOURS, AND WORKING CONDITIONS

Section 12. Prevailing Wages.

(a) A determination of the general prevailing rates of per diem wages and holiday and overtime work where the work is to be performed is on file at the Agency's offices. Contractor and subcontractors will not pay less than the prevailing rates of wages. Contractor will post one copy of the prevailing rates of wages at the job site.

(b) Contractor shall forfeit as penalty to the Agency the sum of \$50.00 for each calendar day, or portion thereof, and for each worker paid less than the prevailing rates under the contract or subcontract.

Section 13. Travel and Subsistence Payments.

Travel and subsistence payments shall be paid to each worker as defined in the applicable collective bargaining agreements filed with the Department of Industrial Relations for the particular craft, classification, or type of work.

Section 14. Hours of Work.

(a) Eight (8) hours' labor constitutes a legal day's work. Workers shall be paid at a rate of one and one-half times the basic rate of pay for work in excess of eight (8) hours during a calendar day or 40 hours during a calendar week of the foregoing hours.

(b) Contractor shall keep and make available an accurate record showing the name of each worker and hours worked each day and each week by each worker.

(c) As a penalty for failure to pay overtime when required, the Contractor shall forfeit to the Agency \$25.00 for each worker for each calendar day during which such

Sunland Street Project: East Ridgecrest Boulevard to Upjohn Avenue
Sample Contract

worker works more than eight (8) hours and is not paid overtime, and for each week during which such worker works more than 40 hours and is not paid overtime.

Section 15. Apprentices.

Contractor shall comply with the Labor Code concerning the employment of apprentices.

Section 16. Subcontractors.

Contractor shall comply with the *Subletting and Subcontracting Fair Practices Act* of the Public Contracts Code.

Section 17. Discrimination.

The Contractor shall not refuse to employ or promote any person, and shall not discriminate against any person with respect to compensation or terms and conditions of employment, and shall not discipline or discharge any person employed because of the person's race, religion, creed, color, national origin, ancestry or sex. The Contractor shall not refuse to accept otherwise qualified employees as indentured apprentices solely on the grounds of race, religion, creed, color, national origin, ancestry or sex.

Section 18. Safety.

Contractor and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under the *Contract Work Hours and Safety Standards Act*, as set forth in Title 29, C.F.R., and by the California Division of Industrial Safety.

Section 19. Character of Workers.

Only competent workers shall be employed on the work. Workers who are incompetent, intemperate, troublesome, disorderly or otherwise objectionable, or who fail to perform work properly and acceptably, shall be immediately removed from the work by the Contractor and not re-employed.

Section 20. Compliance with Immigration Reform and Control Act. (IRCA)

Contractor acknowledges that Contractor, and all subcontractors hired by Consultant to perform services under this Agreement, are aware of and understand the Immigration Reform and Control Act ("IRCA"). Contractor is and shall remain in compliance with the IRCA and shall ensure that

any subcontractors hired by Contractor to perform services under this Agreement are in compliance with the IRCA. In addition, Contractor agrees to indemnify, defend and hold harmless the County, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that Contractor's employees, or the employees of any subcontractor hired by Consultant, are not authorized to work in the

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United States for Consultant or its subcontractor and/or any other claims based upon alleged IRCA violations committed by Contractor or Contractor's subcontractor(s).

INSURANCE, INDEMNIFICATION AND BONDS

Section 21. Insurance.

(a) Before beginning the performance of the work, Contractor shall purchase and maintain insurance to protect the Contractor and the Agency from claims: (i) arising from Contractor's operations under the Contract by the Contractor, a subcontractor, or anyone employed by them, or anyone for whose acts any of them may be liable; (ii) under workers' compensation, disability benefits and other similar benefit acts; (iii) for damages because of bodily injury, occupational sickness, or disease, or death of the Contractor's employees, or persons other than the Contractor's employees; (iv) for damages insured by usual personal injury liability coverage sustained by a person as a result of an offence related to employment of such person by the Contractor, or other persons; (v) for damages, other than the work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom; (vi) for damages because of bodily injury, death of a person, or property damage arising from ownership, maintenance or use of a motor vehicle; (vii) involving contractual liability insurance applicable to the Contractor's obligations; and (viii) for damage to work in progress.

(b) The insurance required shall be written for not less than limits of liability specified in the Contract documents or required by law, whichever is greater. The insurance shall be purchased from companies authorized to do business in the jurisdiction where the project is located. Coverages shall be written on an occurrence basis without interruption from the date of commencement of the work until date of final payment or until termination of coverage required to be maintained after final payment. Agency, its officers, agents and employees shall be named as additional insureds.

(c) Certificates of insurance executed by the carrier(s) and acceptable to the Agency and copies of the policy shall be filed with the Agency prior to the commencement of the work. The Certificates and the insurance policies shall provide the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Agency. If the insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment. Information concerning reduction of coverage shall be furnished by the Contractor with reasonable promptness in accordance with the Contractor's information and belief.

(d) Contractor shall require each subcontractor to maintain policies of insurance covering the hazards, and under the conditions mentioned above, and having the Agency, its officers, agents, volunteers and employees as additional insureds. Copies of the subcontractor's certificates of insurance and policies shall be filed with the Agency.

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Section 22. Indemnification.

(a) Contractor shall indemnify and save the Agency, the County of Kern, their board members, officials, officers, agents, volunteers and employees, free and harmless from costs, damages or liability, including attorney fees, arising out of any act or omission to act, including any negligent act or omission to act by Contractor, its officers, agents, subcontractors and employees with respect to the performance of the work or the Contractor's obligations under this Agreement. Contractor'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.

(b) In addition to the foregoing, Contractor shall pay Agency costs, including attorney fees, incurred by the Agency in handling, responding to, or litigating stop notice claims, or other demands against money due to the Contractor or against the Contractor's payment bond by Contractor's officers, agents, employees or subcontractors.

Section 23. Payment Bond.

(a) Before beginning the performance of the work, Contractor shall file a payment bond with the Agency for its approval and acceptance. The payment bond shall be in the sum of 100 percent of the contract price.

(b) The payment bond shall be in substantially the form of the bond attached hereto. The bond shall be executed by a representative of the surety having no financial interest in the Contractor. The payment bond shall be separate and distinct from any other bond required by this Agreement.

Section 24. Performance Bond.

(a) Before beginning the performance of the work, Contractor shall file a performance bond with the Agency for its approval and acceptance. The performance bond shall be in the sum of 100 percent of the contract price. The bond shall be payable by surety or sureties to Agency if Contractor fails to fully perform his obligations hereunder.

(b) The performance bond shall be in substantially the form of the bond attached hereto. The bond shall be executed by a representative of the surety having no financial interest in the Contractor. The performance bond shall be separate and distinct from any other bond required by this Agreement.

PERFORMANCE

Section 25. Time for Completion.

(a) All work under this Agreement shall be completed within 55 working days after the date of the Notice to Proceed (hereafter "Completion Date").

(b) The Agency expects the project to be completed on or before the Completion Date. If the work is not done by the Completion Date, the Agency will suffer damage and

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will incur substantial additional costs. Some of these damages and costs are and will be impractical and infeasible to determine, and some will be ascertainable. If the Agency determines, in its sole judgment, the failure to complete the work by the Completion Date is due to unforeseeable causes (which causes include Acts of God, or the public enemy, acts of the Government, acts of another contractor in the performance of another contract with the Agency, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors due to such causes), or is due to causes within the control of the Agency, the fault or negligence of the Agency, then the Contractor shall not be liable for the Agency's liquidated damages or other damages or costs resulting from the failure to complete the work by the Completion Date. If the Agency determines, in its sole judgment, the failure to complete the work by the Completion Date is due to foreseeable causes, causes within the control of the Contractor, the fault or negligence of the Contractor, or weather conditions which are normal for the area and the season, the Contractor and the Contractor's Surety shall be liable for payment to the Agency of **both** of the following:

(1) Fixed and liquidated damages, which are not a penalty, equal to \$500.00 for each working day of delay beyond the Completion Date; and

(2) Ascertainable costs and damages incurred by the Agency resulting from the failure to complete the work by the Completion Date, including, but not limited to, supervision, engineering, inspection, incidental, and overhead expenses directly related to this Agreement.

(c) Within ten (10) days from the beginning of the event or reason which will prevent the work under this Agreement from being completed by the Completion Date, the Contractor shall notify the Agency in writing of the cause of delay and shall request an extension of the Completion Date.

(d) Upon receipt from the Contractor of a request for extension of the Completion Date, the Agency shall ascertain the facts and extent of the delay. The Agency may extend the Completion Date if the Agency determines, in its sole judgment, the findings justify an extension and such extension is in the best interest of the Agency. Such an extension will increase the Agency's financial obligations and costs insured for supervision, engineering, inspection, incidental, and overhead expenses directly related to the Contract and which accrue as a result of the extension. If the Agency extends the Completion Date and determines, in its sole judgment, the extension is needed due to unforeseeable causes (which causes include Acts of God, or the public enemy, acts of the government, acts of another contractor in the performance of another contract with the Agency, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors due to such causes), or is due to causes within the control of the Agency, the fault or negligence of the Agency, then the Contractor shall not be liable for the Agency's damages or costs resulting from such extension. If the Agency extends the Completion Date and determines, in its sole judgment, the extension is needed due to foreseeable causes, causes within the control of the Contractor, the fault or negligence of the Contractor, or weather conditions which are

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normal for the area and the season, then the Contractor and its Surety shall be liable for and shall reimburse Agency for such costs before the final payment.

(e) The Agency may deduct the liquidated damages, and any additional costs and damages for which the Contractor is liable under this Section, from progress payments or from the final payment. The payment of progress payments before and after the Completion Date shall not constitute a waiver of liquidated damages or of additional damages or costs for which the Contractor is liable under this Section. Release of any Bonds shall be contingent upon payment of these amounts.

Section 26. Acts of God.

Contractor is not responsible for the cost of repairing or restoring damage to the work exceeding 5% of the contract price and determined to have been proximately caused by earthquakes in excess of the magnitude of 3.5 on the Richter Scale and tidal waves if damaged work is built in accordance with accepted and applicable building standards and the plans and specifications.

Section 27. Utility Relocation.

(a) As between the parties, Agency is responsible for the timely removal, relocation or protection of existing main or trunk line underground utility facilities located on the job site, if such utilities are not identified by the Agency in the plans and specifications. As to such unidentified utilities, Contractor shall be compensated for: the costs of relocation; repairing damage not due to the failure of Contractor to exercise reasonable care; removing or relocating such utilities not included in the plans and specifications with reasonable accuracy, and equipment on the project necessarily idled during such work. Contractor shall not be assessed liquidated damage for delay in completion of the project, when the delay is caused by the failure of the Agency or the owner of the utility to remove or relocate the facilities.

(b) The Agency is not required to indicate the presence of existing service laterals or appurtenances when the presence of such utilities on the work site can be inferred from other visible facilities, such as buildings, metering junction boxes, on or adjacent to the work site.

(c) Contractor shall immediately notify the Agency and utility in writing if the Contractor discovers utility facilities not identified by the Agency in the contract plans or specifications.

Section 28. Public Convenience.

(a) Contractor's operation shall cause no unnecessary public inconvenience. The access rights of the public shall be considered at all times. Unless otherwise authorized, traffic shall be permitted to pass through the work or an approved detour shall be provided. Safe, adequate, continuous and unobstructed pedestrian and vehicular access shall be maintained to fire hydrants, residences, commercial and industrial establishments, churches, schools, parking lots, service stations, motels, fire and police

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stations, and hospitals, unless other arrangements are made satisfactory to the owners.

(b) Vehicular access to residential driveways shall be maintained to the property line except when necessary construction precludes such access for reasonable periods of time.

(c) Grading operations, roadway excavation and embankment construction shall provide a reasonably satisfactory surface for traffic. When rough grading is completed, the roadbed surface shall be brought to a smooth, even condition satisfactory for traffic.

(d) The Contractor shall comply with applicable state and local requirements for closure of streets. Contractor shall provide barriers, guards, lights, signs, temporary bridges, flagmen and watchmen advising the public of detours and construction hazards. Contractor shall comply with additional public safety requirements arising during construction. Contractor shall furnish and install, and upon completion of the work, promptly remove signs and warning devices.

(e) At least forty-eight (48) hours in advance of closing or partial closing or reopening of any street, alley or other public thoroughfare, Contractor shall notify the police, fire, traffic and engineering departments of jurisdictional agencies involved and comply with their requirements.

Section 29. Excavations.

(a) Contractor shall submit for Agency approval, a detailed plan showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground during the excavation of trenches five (5) feet or more in depth. The plan shall be at least as effective as that required by the Construction Safety Orders of the California Division of Industrial Safety. If the plan varies from the shoring systems standards established by Safety Orders, the plan shall be prepared by a registered civil or structural engineer.

(b) If the work involves digging trenches or excavations extending deeper than four feet below the surface, the Contractor shall promptly, and before the conditions are disturbed, notify the Agency in writing of any: (1) material the Contractor believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code, and required to be removed to a Class I, Class II, or Class III disposal site; (2) subsurface or latent physical conditions at the work site differing from those indicated; or (3) unknown physical conditions at the work site of unusual nature, different material from those ordinarily encountered and generally recognized as inherent in the work of the character provided in the Contract. This Agency shall promptly investigate the conditions. If the Agency finds the conditions are as alleged by the Contractor and conditions cause a change in the Contractor's cost or the time required for performance, the Agency shall issue a change order. If a dispute arises whether the Agency's findings are correct, the Contractor shall proceed with the work. The Contractor shall retain rights by contract or law pertaining to resolution disputes and protests between the parties.

(c) Contractor shall comply with underground service alert regulations.

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Section 30. Extra Work.

(a) The Agency may require changes in, additions to, or deductions from the work to be performed or to the materials to be furnished under this Agreement. No extra work shall be performed or change made except in pursuance of a written order from the Agency stating the extra work or change is authorized, and setting forth the basis upon which payment is to be made. No call for additional compensation shall be valid unless pursuant to such a change order. Nothing in this section shall excuse the Contractor from proceeding with the prosecution of the changed work. When required by the Agency, the Contractor shall furnish an itemized breakdown of the quantities and prices used in computing the value of any ordered change.

(b) Adjustments in the amounts to be paid to the Contractor by reason of any such change, addition or deduction shall be determined by one or more of the following methods:

(1) By an acceptable lump sum proposal from the Contractor;

(2) By unit prices contained in the Contractor's original bid and incorporated in the contract documents or fixed by subsequent agreement between the Agency and the Contractor; or

(3) By ordering the Contractor to proceed with the work and to furnish daily reports of extra work. The reports shall itemize all costs for labor, material, and equipment rental. The reports for workers shall include hours worked, rates of pay, names and classification; and for equipment shall include size, type, identification number and hours of operation. Records and reports shall be made immediately available to the engineer upon his request.

(c) When the Agency orders extra work and there is an agreement between the Agency and the Contractor to perform the work, the Agency may approve the method used by the Contractor to accomplish the work. At the request of the Agency, the method to be used shall be memorialized in writing prior to work being performed.

(d) If the Contractor contends a proposed change is a substantial revision in the character of the work, the question shall be immediately submitted to an arbitrator for decision. The arbitrator's decision will be final and conclusive, unless it is fraudulent, capricious, arbitrary or so grossly erroneous as to imply bad faith. Each party shall advise the other in advance of the arbitration of the material on which the party intends to rely and give the other a reasonable opportunity to refute or supplement such factual material.

Section 31. Clean-Up.

On completion of the work, Contractor shall remove debris and surplus materials from the work site.

Section 32. Materials.

(a) Unless otherwise specified, shown, or permitted by the Agency, materials and equipment incorporated in the work shall be new and current manufacture. The Agency may request the Contractor to furnish manufacturer's certificates to this effect.

(b) Materials furnished and work performed shall be subject to inspection and

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testing by Agency's authorized agents at Agency's expense. If such inspection and testing reveals non-compliance with the requirements of this Agreement, the Contractor shall bear the cost of necessary corrective measures and the cost of subsequent inspecting and testing.

(c) The inspection of the work shall not relieve the Contractor of the obligations under the Contract. Even though equipment, materials, or work required under the Contract have been inspected, accepted, and estimated for payment, the Contractor shall replace or repair such equipment, materials, or work found to be defective or otherwise not to comply with the requirements of the Contract up to the end of the maintenance and guarantee period.

Section 33 Permits and Licenses.

(a) Contractor shall apply for and procure permits and licenses necessary for the work.

(b) Contractor shall give notices necessary and incidental to the due and lawful prosecution of the work and shall comply duly with the terms and conditions of permits and licenses.

(c) Contractor shall pay charges and fees in connection with permits and licenses.

Section 34. Land and Rights-of-Way.

(a) Agency shall provide land and rights-of-way where the work is constructed.

(b) Contractor shall procure additional rights-of-way desired by the Contractor to facilitate construction. Contractor shall enter into written agreements with property owners for such purposes and provide Agency with copies of the agreements.

(c) Except as provided above relating to utility relocation, when the work is to be performed in the vicinity of existing improvements, such improvements shall not be disturbed or damaged except for such removal or relocation in the land and rights-of-way provided by the Agency or unavoidable to accommodate the work.

Section 35. Plans and Working Drawings Submitted by Agency.

(a) The approved plans shall be supplemented by working drawings necessary to control the work adequately. Such drawings shall be consistent with the contract documents. Such drawings delivered to the Contractor shall be deemed written instructions to the Contractor.

(b) The Agency will furnish to the Contractor copies of drawings and specifications reasonably necessary for the execution of the work. The Contractor shall keep one set of drawings and specifications in good order available to the Agency's representative at the site of the work.

(c) The plans for the work show conditions supposed or believed by the Engineer to exist. It is not intended or inferred the plans constitute a representation such conditions actually exist. The Agency, its officers, agents and employees shall not be

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liable for loss sustained by the Contractor as a result of variance of the conditions as shown on the plans and the actual conditions revealed during the progress of the work.

Section 36. Shop Drawings Submitted by Contractor.

(a) Shop drawings are drawings, diagrams, illustrations, schedules, performance charts, brochures and other data prepared by the Contractor or any subcontractor, manufacturer, supplier or distributor, and illustrating some portion of the work.

(b) The Contractor shall review, stamp with approval, and submit for review by the Agency's representative shop drawings for material and equipment to be incorporated into the work. Drawings shall be submitted in quadruplicate to the Agency's representative and be accompanied by a letter of transmittal listing the drawings submitted. Drawings shall show the name of the project, the name of the Contractor, the names of suppliers, manufacturers and subcontractors. Shop drawings shall be submitted with promptness and in orderly sequence to cause no delay in the work.

(c) Shop drawings shall be complete. If the shop drawings show deviations from the requirements of the plans and specifications because of standard shop practices or other reasons, the deviations and the reasons therefor shall be set forth in the letter of transmittal.

(d) By approving and submitting shop drawings, the Contractor represents material, equipment and other work shown thereon conforms to the plans and specifications except for the deviations set forth in the letter of transmittal.

(e) Within ten calendar days after receipt of the drawings, the Agency will return two prints of the drawings to the Contractor with comments. If noted by the Agency, the Contractor shall correct the drawings and resubmit in the same manner as the original submittal. The Contractor shall direct attention in the letter of transmittal accompanying resubmitted shop drawings to revisions other than the corrections requested by the Agency's representatives on previous submittals.

(f) The review by the Agency's representative is for general conformance with the design concept of the project and general compliance with the plans and specifications and shall not be construed as relieving the Contractor of the full responsibility for: providing materials, equipment, and work required by the Contract; the proper fitting and reconstruction of the work; the accuracy and completeness of the shop drawings; selecting fabrication processes and techniques of construction; and performing the work in a safe manner.

(g) No portion of the work requiring a shop drawing submittal shall be commenced until the submittal has been reviewed by the Agency's representative and returned to the Contractor with a notation indicating re-submittal is not required.

Section 37. Supervision by the Contractor.

Before starting the work, the Contractor shall designate, in writing, a representative having authority to act for the Contractor. An alternate representative may be designated. (A joint venture shall designate only one representative and alternate.) The representative

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or alternate shall be present at the work site when work is in progress. Orders or communications given to this representative shall be deemed delivered to the Contractor. In the absence of the Contractor or designated representative, directions or instructions may be given by the Agency's representative to the superintendent or foreman having charge of the specific work to which the order applies. Such order shall be complied with promptly and referred to the Contractor or the representative.

Section 38. Inspection.

(a) The Agency's representative shall have access to the work during construction and shall be furnished with reasonable facility for gaining knowledge of the progress, workmanship and character of materials used and employed in the work.

(b) When the Contractor varies the period during which work is carried on each day, Contractor shall give notice to the Agency's representative so proper inspection may be provided. Work done in the absence of the Agency's representative is subject to rejection.

(c) No materials shall be installed until approved by the Agency's representative. Installations to be backfilled shall be inspected and approved by the Agency's representative prior to backfilling. The Contractor shall give notice in advance of backfilling to the Agency's representative so proper inspection may be provided.

(d) If the Agency's representative is required to conduct inspections of Contractor's work between the hours of 5 p.m. and 8 a.m., or is required to conduct inspections on Saturdays, Sundays or holidays, then the Agency will incur additional costs for inspection. If the Agency's representative is required to conduct inspections between the hours of 5 p.m. and 8 a.m., or inspections on Saturdays, Sundays or holidays due to the actions or conduct of Contractor, and if the actions or conduct of Contractor are not otherwise authorized or addressed in the specifications or in a change order, the Contractor shall be liable for the Agency's additional inspection costs. The Agency may deduct these additional inspection costs from progress payments or from the final payment.

Section 39. Removal of Defective and Unauthorized Work.

(a) Rejected work shall be removed and replaced by the Contractor in an acceptable manner and no compensation will be allowed for such removal or replacement. Work done beyond the lines and grades shown on the plans or established by the Agency's representative, or work done without written authority will be considered as unauthorized and not be paid for. Such work may be ordered removed at the Contractor's expense.

(b) Upon failure on the part of the Contractor to comply promptly with an order of the Agency's representative under this section, the Agency's representative shall have authority to cause defective work to be removed and replaced, and unauthorized work to be removed, and to deduct the costs from monies due the Contractor.

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Section 40. Errors or Discrepancies Noted By Contractor.

(a) If the Contractor finds discrepancy between the specifications and the drawings and the physical conditions at the site of the work, or finds errors or omissions in the drawings or in any survey, Contractor shall promptly notify the Agency in writing of such discrepancy, error or omission. If the Contractor observes drawings or specifications at variance with applicable law, ordinance, regulation, order or decree, Contractor shall promptly notify the Agency in writing of such conflict.

(b) On receipt of any such notice, the Agency shall promptly investigate the circumstances and give appropriate instructions to the Contractor. Until such instructions are given, work done by the Contractor, after Contractor's discovery of such error, discrepancy or conflict, will be at Contractor's own risk and Contractor shall bear costs arising therefrom.

Section 41. Equipment.

The Contractor must furnish adequate equipment and facilities to perform properly the work in a workmanlike manner in accordance with these specifications. Such equipment and facilities must be in a good state of repair and maintained in such state during the progress of the work and shall meet requirements of applicable ordinances and laws. No worn or obsolete equipment shall be used and, in no case shall the maker's rating of capacity for equipment be exceeded.

Section 42. Storage of Materials.

Materials for use in the work shall be stored by the Contractor to prevent damage from exposure to the elements, admixture of foreign materials, or from any other cause. The Contractor is responsible for damage to or loss of materials by weather or other causes.

MISCELLANEOUS

Section 43. Guarantees.

Contractor guarantees work from defect in workmanship for the period of one year from the date of acceptance by the Agency and shall repair and replace such work, together with other displaced work, without expense to the Agency, ordinary wear and tear, usual abuse or neglect excepted. Agency may have the defects repaired and made good at the expense of the Contractor if Contractor fails to comply with the above-mentioned conditions within a week after being notified in writing.

Section 44. Risk of Loss Prior to Final Acceptance.

Except as set forth above relating to acts of God, risk of loss from total or partial destruction of the work, prior to final acceptance, shall be borne by Contractor regardless of the cause. Contractor shall repair or replace such damages or destroyed work to its

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prior undamaged condition before being entitled to additional progress payments or final payment. Total or partial destruction or damage shall not excuse Contractor from completion of the work.

Section 45. Termination: Contractor at Fault.

(a) The Agency may declare the Contractor in default should the Contractor fail to meet the requirements of the Contract, or be placed in bankruptcy, or should a Receiver be appointed for Contractor's properties, or should Contractor make an assignment for the benefit of creditors. In such event, the Agency will notify the Contractor in writing. On receipt of such written notice, the Contractor shall preserve site construction materials, equipment and plans, and undertake immediate steps to remedy such default.

If the Contractor fails to remedy such default within five (5) calendar days after receipt of such written notice, the Agency may terminate the Contractor's right to proceed with the work as to which default has occurred. Upon receipt of such written notice, the Contractor shall for that work affected by any such termination:

(1) assist the Agency in making an inventory of materials and equipment in storage at the site, en route to the site, in storage or manufacture away from the site, and on order from suppliers;

(2) assign to the Agency subcontracts, supply contracts and equipment rental agreements, all as designed by the Agency; and

(3) remove from the site, all construction materials, equipment and plans listed in said inventory other than such construction materials, equipment and plans which are designated in writing by the Agency to be used by the Agency in completing such work.

(b) The Agency may complete the work to which notice applies by contract or otherwise, and may take possession of the materials, plans, tools, equipment, supplies and property furnished by the Contractor which is designated by the Agency in writing for such purpose.

(c) The expense of completing such work, together with a reasonable charge for administering a contract for such completion, shall be charged to the Contractor. Such expense shall be deducted by the Agency out of such monies as may become due to the Contractor. If this expense exceeds the sum otherwise payable under the Contract, the Contractor and Contractor's sureties shall be liable. Upon written notice from the Agency, the Contractor promptly pays to the Agency, the amount of such excess. The Agency shall not be required to obtain the lowest bids for completing such work, but may make such expenditures as in the Agency's sole judgment will best accomplish such completion.

Section 46. Termination: Contractor Not At Fault.

Agency may terminate the Contract upon ten (10) days' written notice to the Contractor, if Agency finds reasons beyond the control of the parties make it impossible or against the Agency's interest to complete the work. In such a case, the Contractor shall have no claims against the Agency, except for the value of work performed to the date of

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termination, and the cost of materials and equipment on hand, in transit, or on definite commitment, as of the date of termination if such materials and equipment would be needed in the work. The value of work performed and the cost of materials and shipment delivered to the site shall be determined by the Agency in accordance with the procedure prescribed for the making of a final estimate and payment.

Section 47. Resolution of Certain Claims.

(a) Notwithstanding the foregoing, a demand of \$375,000 or less by the Contractor for a time extension, payment of money or damages arising from the work done by or on behalf of the Contractor pursuant to this Contract, or payment of an amount which is disputed by the Agency, shall be processed in accordance with Public Contracts Code, Sections 20104 *et seq.*, relating to informal conferences, non-binding judicially supervised mediation, and judicial arbitration.

(b) A single written claim shall be filed under this section prior to the date of final payment for all demands, including demands not subject to Public Contracts Code Sections 20104 *et seq.*, arising out of the Contract.

(c) Within thirty (30) days of the receipt of the claim, the Agency may request additional documentation supporting the claim or relating to defenses or claims the Agency may have against the Contractor. If the amount of the claim is less than \$50,000, the Contractor shall respond to the request for additional information within fifteen (15) days after receipt of the request. The Contractor shall respond to the request within thirty (30) days of receipt if the amount of the claim exceeds \$50,000, but is less than \$375,000.

(d) Unless further documentation is requested, the Agency shall respond to the claim within forty-five (45) days if the amount of the claim is less than \$50,000, or within sixty (60) days if the amount of the claim is more than \$50,000, but less than \$375,000. If further documentation is requested, the Agency shall respond within the same amount of time taken by the Contractor to respond or fifteen (15) days, whichever is greater, after receipt of further information if the claim is less than \$50,000. If the claim is more than \$50,000, but less than \$375,000, and further documentation is requested by the Agency, the Agency shall respond within the same amount of time taken by the Contractor to respond or thirty (30) days, whichever is greater.

(e) If the Contractor disputes the Agency's response, or the Agency fails to respond, the Contractor may demand an informal conference to meet and confer for settlement of the issues in dispute. The demand shall be served on the Agency within fifteen (15) days after the deadline of the Agency to respond or within fifteen (15) days of the Agency's response, whichever occurs first. The Agency shall schedule the meet and confer conference within thirty (30) days of the request.

(f) If the meet and confer conference does not produce a satisfactory request, the Contractor may pursue remedies authorized by law.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement, or caused it to be executed as of the day, month and year first above written.

Agency: City of Ridgecrest

Contractor _____

By: _____
City Manager

By: _____
Authorized Representative of Contractor

[Print or Type Name & Title]

Seal if Corporation:

Attest: _____
City Clerk

Approved: _____
Attorney for Owner

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

SUBJECT:

A Resolution To Approve A Professional Service Agreement With The Firm Of Houston & Harris PCS, Inc. As Contractor To Work On The Sewer Collection System Condition Assessment And Authorize The City Manager, Dennis Speer To Sign The Agreement Upon The Review Of The City Attorney

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The City of Ridgecrest Wastewater Treatment Facility desires to have the sewer collection system evaluated by a Closed Circuit Television (CCTV) Inspection Service and also have the system Hydroflushed.

The City solicited proposals from qualified contractors to perform the subject professional services. A selection committee reviewed the proposals, interviewed the top ranked firms and selected Houston & Harris PCS, Inc as the best qualified firm for the project.

Staff negotiated the scope, terms and estimated fee for the subject professional services with the firm Houston & Harris PCS, Inc. The negotiations resulted in a proposed service agreement of Hydroflushing for \$229,664.76 and CCTV Inspection and Pipeline Assessment of \$329,721.16. The total amount of the contract would be \$559,385.92.

Funds for this project would be taken from line item 005-4551-455-2106.

Staff recommends that the City enter into the proposed professional services agreement with Houston & Harris PCS, Inc. and authorize the City Manager, Dennis Speer to sign the Agreement.

FISCAL IMPACT: \$559,385.92

Reviewed by Finance Director

ACTION REQUESTED:

Adopt The Resolution To Approve A Professional Service Agreement With The Firm Of Houston & Harris PCS, Inc. As Contractor To Work On The Sewer Collection System Condition Assessment And Authorize The City Manager, Dennis Speer To Sign The Agreement Upon The Review Of The City Attorney

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Loren Culp

Action Date: May 7, 2014

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RESOLUTION NO. 14-

A RESOLUTION TO APPROVE A PROFESSIONAL SERVICE AGREEMENT WITH THE FIRM OF HOUSTON & HARRIS PCS, INC. AS CONTRACTOR TO WORK ON THE SEWER COLLECTION SYSTEM CONDITION ASSESSMENT AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER TO SIGN THE AGREEMENT UPON THE REVIEW OF THE CITY ATTORNEY

WHEREAS, The City of Ridgecrest Wastewater Treatment Facility desires to have the sewer collection system evaluated by a Closed Circuit Television (CCTV) Inspection Service and also have the system Hydroflushed; and

WHEREAS, proposals were received and officially opened for examination and review; and

WHEREAS, the selection committee reviewed and analyzed the proposals; and

WHEREAS, the selection committee interviewed the top ranked contractors; and

WHEREAS, the selection committee selected Houston & Harris PCS, Inc as the contractor best qualified to provide this service;

WHEREAS, staff entered into negotiations with the contractor, Houston & Harris PCS, Inc and this resulted in a services agreement for City Council approval;

WHEREAS, the proposed fee of \$ 559,385.29.00 is within the budget for these services and being expended from account number 005-4551-455-2106;

NOW, THEREFORE, BE IT RESOLVED that the City of Ridgecrest hereby approves the Services Agreement with Houston & Harris PCS, Inc and Authorizes the City Manager to execute this agreement upon review and the approval of the City Attorney.

APPROVED AND ADOPTED this 7th day of May 2014 by the following vote.

AYES:
NOES:
ABSENT:
ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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CONTRACTOR SERVICE AGREEMENT
SEWER COLLECTION SYSTEM ASSESSMENT

As of _____, 2014, the City of Ridgecrest, hereinafter "City," and Houston & Harris PCS, Inc., hereinafter "Contractor," agree as follows:

Section 1. Scope of Work.

Contractor will furnish labor, equipment and materials and will perform work for the assessment of the City of Ridgecrest sewer collection system as described in the Request for Proposal and in this Contractor Service Agreement, hereinafter "Agreement."

Section 2. Consideration.

City shall pay Contractor the sum set forth in Contractor's bid for the performance of the work for Hydroflushing Two Hundred Twenty-Nine Thousand Six Hundred Six-four dollars and Seventy-six cents (\$229,664.76) and CCTV Inspection and Pipeline Assessment Three Hundred Twenty-Nine Thousand Seven Hundred Twenty-One dollars and Sixteen cents (\$329,721.16).

Section 3. Payments.

(a) Monthly progress payments shall be as follows:

(1) On or about the 25th day of the each month, Contractor shall submit to City an invoice including an estimate of the cumulative amount and value of the work performed by Contractor prior to that Date and subsequent to prior estimates. The estimate may include the value of acceptable materials and equipment delivered to the work site. The estimate shall be based on certified copies of paid invoices by the Contractor.

(2) City shall review the request as soon as practicable to determine whether the payment request is proper. A payment request found not to be a proper payment shall be returned within seven (7) days after receipt, accompanied by a written description of the reasons why the request is not proper.

(3) City shall pay Contractor 90% of the invoice amount reduced by: amounts due to City for equipment, services or materials furnished by City; amounts of claims or liens by the City or others; and amounts required to be deducted by federal, state or local governmental authorities.

(4) If City fails to make progress payments within 35 days after receipt of an undisputed and properly submitted invoice, City shall pay to the Contractor interest at the legal rate set forth in Code of Civil Procedure Section 685.10(a) from seven (7) days after receipt of the invoice by the City until paid.

(5) Progress payments do not signify acceptance of the work, or any portion of the work. Payments do not preclude City from demanding and recovering damages for failure to fully perform.

(b) On satisfactory completion of the work, City shall pay Contractor 95% of

the value of the actual work, less prior monthly progress payments.

(c) Within 30 days after recordation of a notice of completion, the undisputed amounts withheld by the City shall be released. "Completion" occurs on the acceptance by the governing body of City, or the filing of a notice of cessation of labor.

(d) Notwithstanding the foregoing, Contractor may receive payment in full, other than retention for claims by City or third parties, if the Contractor deposits approved securities or enters into an agreement with an escrow agent to hold earned retentions. The substitution of securities or the use of an escrow account shall be in the form and manner permitted by law.

Section 4. Contract Documents.

The complete Contract includes the Scope of Work as set forth herein, to wit: Request for Proposal.

Section 5. Attorney Fees.

The court shall award reasonable costs and expenses, including attorney fees, to the prevailing party in an action or proceeding to enforce this Agreement.

Section 6. Notices.

Notices required or permitted shall be given by personal delivery, by first class mail, postage prepaid, or facsimile transmission to:

City: City of Ridgecrest
100 W California Avenue
Public Works Department
Ridgecrest, CA 93555
760-499-5083

Contractor: Houston & Harris PCS, Inc.,
Pamela Houston
21831 Barton Road
Grand Terrace, CA 92313
909-422-8990

Section 7. Conflict with Request for Proposal.

Conflict between the Request for Proposal and this Agreement shall be brought to the attention of City, which shall resolve such conflict.

Section 8. Assignment.

(a) Contractor shall not assign this Agreement or payments under this Agreement.

(b) Contractor and each subcontractor hereby assigns to City the right, title,

and interest in and to causes of action under Section 4 of the Clayton Act (15 U.S.C.A. Section 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials for this Agreement or the subcontract. This assignment shall be made and become effective without further acknowledgment by the parties at the time City tenders final payment to the Contractor.

Section 9. Section Headings.

Section headings are for the convenience of the parties and shall not affect the interpretation of this Agreement.

Section 10. Authority of City Representative.

City's representative shall decide questions about the quality or acceptability of materials furnished and work performed, manner of performance and rate of progress of the work, the interpretation of the request for proposal, and the fulfillment of the contract by the Contractor.

WAGES, HOURS, AND WORKING CONDITIONS

Section 11. Prevailing Wages.

(a) A determination of the general prevailing rates of per diem wages and holiday and overtime work where the work is to be performed is on file at the City's offices. Contractor and subcontractors will not pay less than the prevailing rates of wages. Contractor will post one copy of the prevailing rates of wages at the job site.

(b) Contractor shall forfeit as penalty to the City the sum of \$50.00 for each calendar day, or portion thereof, and for each worker paid less than the prevailing rates under the contract or subcontract.

Section 12. Travel and Subsistence Payments.

Travel and subsistence payments shall be paid to each worker as defined in the applicable collective bargaining agreements filed with the Department of Industrial Relations for the particular craft, classification, or type of work.

Section 13. Hours of Work.

(a) Eight (8) hours' labor constitutes a legal day's work. Workers shall be paid at a rate of one and one-half times the basic rate of pay for work in excess of eight (8) hours during a calendar day or 40 hours during a calendar week of the foregoing hours.

(b) Contractor shall keep and make available an accurate record showing the name of each worker and hours worked each day and each week by each worker.

(c) As a penalty for failure to pay overtime when required, the Contractor shall forfeit to City \$25.00 for each worker for each calendar day during which such worker

works more than eight (8) hours and is not paid overtime, and for each week during which such worker works more than 40 hours and is not paid overtime.

Section 14. Apprentices.

Contractor shall comply with the Labor Code concerning the employment of apprentices.

Section 15. Subcontractors.

Contractor shall comply with the *Subletting and Subcontracting Fair Practices Act* of the Public Contracts Code.

Section 16. Discrimination.

The Contractor shall not refuse to employ or promote any person, and shall not discriminate against any person with respect to compensation or terms and conditions of employment, and shall not discipline or discharge any person employed because of the person's race, religion, creed, color, national origin, ancestry or sex. The Contractor shall not refuse to accept otherwise qualified employees as indentured apprentices solely on the grounds of race, religion, creed, color, national origin, ancestry or sex.

Section 17. Safety.

Contractor and subcontractors shall comply with the provisions of the Safety and Health Regulations for Construction, promulgated by the Secretary of Labor under the *Contract Work Hours and Safety Standards Act*, as set forth in Title 29, C.F.R., and by the California Division of Industrial Safety.

Section 18. Character of Workers.

Only competent workers shall be employed to perform the work contemplated by this Agreement. Workers who are incompetent, intemperate, troublesome, disorderly or otherwise objectionable, or who fail to perform work properly and acceptably, shall be immediately removed from the work by the Contractor and not re-employed.

Section 19. Compliance with Immigration Reform and Control Act. (IRCA)

Contractor acknowledges that Contractor, and all subcontractors hired by Consultant to perform services under this Agreement, are aware of and understand the Immigration Reform and Control Act ("IRCA"). Contractor is and shall remain in compliance with the IRCA and shall ensure that any subcontractors hired by Contractor to perform services under this Agreement are in compliance with the IRCA. In addition, Contractor agrees to indemnify, defend and hold harmless the County, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that Contractor's employees, or the employees of any subcontractor hired by Consultant, are not authorized to work in the United States for Consultant or its subcontractor and/or any other claims based upon alleged IRCA

violations committed by Contractor or Contractor's subcontractor(s).

INSURANCE AND INDEMNIFICATION

Section 20. Insurance.

(a) Before beginning the performance of the work, Contractor shall purchase and maintain insurance to protect the Contractor and City from claims: (i) arising from Contractor's operations under the Contract by the Contractor, a subcontractor, or anyone employed by them, or anyone for whose acts any of them may be liable; (ii) under workers' compensation, disability benefits and other similar benefit acts; (iii) for damages because of bodily injury, occupational sickness, or disease, or death of the Contractor's employees, or persons other than the Contractor's employees; (iv) for damages insured by usual personal injury liability coverage sustained by a person as a result of an offence related to employment of such person by the Contractor, or other persons; (v) for damages, other than the work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom; (vi) for damages because of bodily injury, death of a person, or property damage arising from ownership, maintenance or use of a motor vehicle; (vii) involving contractual liability insurance applicable to the Contractor's obligations; and (viii) for damage to work in progress.

(b) The insurance required shall be written for not less than limits of liability specified in the Contract documents or required by law, whichever is greater. The insurance shall be purchased from companies authorized to do business in the jurisdiction where the project is located. Coverages shall be written on an occurrence basis without interruption from the date of commencement of the work until date of final payment or until termination of coverage required to be maintained after final payment. City, its officers, agents and employees shall be named as additional insureds.

(c) Certificates of insurance executed by the carrier(s) and acceptable to City and copies of the policy shall be filed with City prior to the commencement of the work. The Certificates and the insurance policies shall provide the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to City. If the insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment. Information concerning reduction of coverage shall be furnished by the Contractor with reasonable promptness in accordance with the Contractor's information and belief.

(d) Contractor shall require each subcontractor to maintain policies of insurance covering the hazards, and under the conditions mentioned above, and having City, its officers, agents, volunteers and employees as additional insureds. Copies of the subcontractor's certificates of insurance and policies shall be filed with the City.

Section 21. Indemnification.

(a) Contractor shall indemnify and save City, the County of Kern, their board members, officials, officers, agents, volunteers and employees, free and harmless from costs, damages or liability, including attorney fees, arising out of any act or omission to act, including any negligent act or omission to act by Contractor, its officers, agents, subcontractors and employees with respect to the performance of the work or the Contractor's obligations under this Agreement. Contractor's duty to indemnify and defend does not extend to the damages or liability caused by City's sole negligence, active negligence, or willful misconduct.

(b) In addition to the foregoing, Contractor shall pay City costs, including attorney fees, incurred by City in handling, responding to, or litigating stop notice claims, or other demands against money due to the Contractor or against the Contractor's payment bond by Contractor's officers, agents, employees or subcontractors.

PERFORMANCE

Section 22. Time for Completion.

(a) All work under this Agreement shall be completed within 88 working days after the date of the Notice to Proceed (hereafter "Completion Date").

(b) City expects the project to be completed on or before the Completion Date. If the work is not done by the Completion Date, the City will suffer damage and will incur substantial additional costs. Some of these damages and costs are and will be impractical and infeasible to determine, and some will be ascertainable. If the City determines, in its sole judgment, the failure to complete the work by the Completion Date is due to unforeseeable causes (which causes include Acts of God, or the public enemy, acts of the Government, acts of another contractor in the performance of another contract with the City, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors due to such causes), or is due to causes within the control of the City, the fault or negligence of City, then the Contractor shall not be liable for City's liquidated damages or other damages or costs resulting from the failure to complete the work by the Completion Date. If City determines, in its sole judgment, the failure to complete the work by the Completion Date is due to foreseeable causes, causes within the control of the Contractor, the fault or negligence of the Contractor, or weather conditions which are normal for the area and the season, the Contractor and the Contractor's Surety shall be liable for payment to City of **both** of the following:

(1) Fixed and liquidated damages, which are not a penalty, equal to \$500.00 for each working day of delay beyond the Completion Date; and

(2) Ascertainable costs and damages incurred by City resulting from the failure to complete the work by the Completion Date, including, but not limited to, supervision, engineering, inspection, incidental, and overhead expenses directly related to this Agreement.

(c) Within ten (10) days from the beginning of the event or reason which will

prevent the work under this Agreement from being completed by the Completion Date, the Contractor shall notify City in writing of the cause of delay and shall request an extension of the Completion Date.

(d) Upon receipt from the Contractor of a request for extension of the Completion Date, City shall ascertain the facts and extent of the delay. City may extend the Completion Date if City determines, in its sole judgment, the findings justify an extension and such extension is in the best interest of City. Such an extension will increase City's financial obligations and costs insured for supervision, engineering, inspection, incidental, and overhead expenses directly related to the Contract and which accrue as a result of the extension. If City extends the Completion Date and determines, in its sole judgment, the extension is needed due to unforeseeable causes (which causes include Acts of God, or the public enemy, acts of the government, acts of another contractor in the performance of another contract with City, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors due to such causes), or is due to causes within the control of City, the fault or negligence of City, then the Contractor shall not be liable for the City's damages or costs resulting from such extension. If City extends the Completion Date and determines, in its sole judgment, the extension is needed due to foreseeable causes, causes within the control of the Contractor, the fault or negligence of the Contractor, or weather conditions which are normal for the area and the season, then the Contractor and its Surety shall be liable for and shall reimburse City for such costs before the final payment.

(e) City may deduct the liquidated damages, and any additional costs and damages for which the Contractor is liable under this Section, from progress payments or from the final payment. The payment of progress payments before and after the Completion Date shall not constitute a waiver of liquidated damages or of additional damages or costs for which the Contractor is liable under this Section. Release of any Bonds shall be contingent upon payment of these amounts.

Section 23. Acts of God.

Contractor is not responsible for the cost of repairing or restoring damage to the work exceeding 5% of the contract price and determined to have been proximately caused by earthquakes in excess of the magnitude of 3.5 on the Richter Scale and tidal waves if damaged work is built in accordance with accepted and applicable building standards and the plans and specifications.

Section 24. Public Convenience.

(a) Contractor's operation shall cause no unnecessary public inconvenience. The access rights of the public shall be considered at all times. Unless otherwise authorized, traffic shall be permitted to pass through the work or an approved detour shall be provided. Safe, adequate, continuous and unobstructed pedestrian and vehicular access shall be maintained to fire hydrants, residences, commercial and

industrial establishments, churches, schools, parking lots, service stations, motels, fire and police stations, and hospitals, unless other arrangements are made satisfactory to the owners.

(b) Vehicular access to residential driveways shall be maintained to the property line except when necessary construction precludes such access for reasonable periods of time.

(c) The Contractor shall comply with applicable state and local requirements for closure of streets. Contractor shall provide barriers, guards, lights, signs, temporary bridges, flagmen and watchmen advising the public of detours and construction hazards. Contractor shall comply with additional public safety requirements arising during construction. Contractor shall furnish and install, and upon completion of the work, promptly remove signs and warning devices.

(e) At least forty-eight (48) hours in advance of closing or partial closing or reopening of any street, alley or other public thoroughfare, Contractor shall notify the police, fire, traffic and engineering departments of jurisdictional agencies involved and comply with their requirements.

Section 25. Extra Work.

(a) City may require changes in, additions to, or deductions from the work to be performed or to the materials to be furnished under this Agreement. No extra work shall be performed or change made except in pursuance of a written order from City stating the extra work or change is authorized, and setting forth the basis upon which payment is to be made. No call for additional compensation shall be valid unless pursuant to such a change order. Nothing in this section shall excuse the Contractor from proceeding with the prosecution of the changed work. When required by City, the Contractor shall furnish an itemized breakdown of the quantities and prices used in computing the value of any ordered change.

(b) Adjustments in the amounts to be paid to the Contractor by reason of any such change, addition or deduction shall be determined by one or more of the following methods:

(1) By an acceptable lump sum proposal from the Contractor;

(2) By unit prices contained in the Contractor's original bid and incorporated in the contract documents or fixed by subsequent agreement between City and the Contractor; or

(3) By ordering the Contractor to proceed with the work and to furnish daily reports of extra work. The reports shall itemize all costs for labor, material, and equipment rental. The reports for workers shall include hours worked, rates of pay, names and classification; and for equipment shall include size, type, identification number and hours of operation. Records and reports shall be made immediately available to the engineer upon his request.

(c) When City orders extra work and there is an agreement between the City and the Contractor to perform the work, City may approve the method used by the Contractor to accomplish the work. At the request of City, the method to be used shall

be memorialized in writing prior to work being performed.

(d) If the Contractor contends a proposed change is a substantial revision in the character of the work, the question shall be immediately submitted to an arbitrator for decision. The arbitrator's decision will be final and conclusive, unless it is fraudulent, capricious, arbitrary or so grossly erroneous as to imply bad faith. Each party shall advise the other in advance of the arbitration of the material on which the party intends to rely and give the other a reasonable opportunity to refute or supplement such factual material.

Section 26. Clean-Up.

On completion of the work, Contractor shall remove debris and surplus materials from the work site.

Section 27. Materials.

(a) Unless otherwise specified, shown, or permitted by City, materials and equipment incorporated in the work shall be new and current manufacture. City may request the Contractor to furnish manufacturer's certificates to this effect.

(b) Materials furnished and work performed shall be subject to inspection and testing by City's authorized agents at City's expense. If such inspection and testing reveals non-compliance with the requirements of this Agreement, the Contractor shall bear the cost of necessary corrective measures and the cost of subsequent inspecting, construction management, and testing.

(c) The inspection of the work shall not relieve the Contractor of the obligations under the Contract. Even though equipment, materials, or work required under the Contract have been inspected, accepted, and estimated for payment, the Contractor shall replace or repair such equipment, materials, or work found to be defective or otherwise not to comply with the requirements of the Contract up to the end of the maintenance and guarantee period.

Section 28. Permits and Licenses.

(a) Contractor shall apply for and procure permits and licenses necessary for the work.

(b) Contractor shall give notices necessary and incidental to the due and lawful prosecution of the work and shall comply duly with the terms and conditions of permits and licenses.

(c) Contractor shall pay charges and fees in connection with permits and licenses.

Section 29. Land and Rights-of-Way.

(a) City shall provide land and rights-of-way where the work is constructed.

(b) Contractor shall procure additional rights-of-way desired by the Contractor to facilitate construction. Contractor shall enter into written agreements with property

owners for such purposes and provide City with copies of the agreements.

(c) Except as provided above relating to utility relocation, when the work is to be performed in the vicinity of existing improvements, such improvements shall not be disturbed or damaged except for such removal or relocation in the land and rights-of-way provided by City or unavoidable to accommodate the work.

Section 30. Supervision by the Contractor.

Before starting the work, the Contractor shall designate, in writing, a representative having authority to act for the Contractor. An alternate representative may be designated. (A joint venture shall designate only one representative and alternate.) The representative or alternate shall be present at the work site when work is in progress. Orders or communications given to this representative shall be deemed delivered to the Contractor. In the absence of the Contractor or designated representative, directions or instructions may be given by City's representative to the superintendent or foreman having charge of the specific work to which the order applies. Such order shall be complied with promptly and referred to the Contractor or the representative.

Section 31. Inspection.

(a) City's representative shall have access to the work during the work and shall be furnished with reasonable facility for gaining knowledge of the progress and quality of the work. used and employed in the work.

(b) When the Contractor varies the period during which work is carried on each day, Contractor shall give notice to City's representative so proper inspection may be provided.

Section 32. Equipment.

The Contractor must furnish adequate equipment and facilities to perform properly the work in a quality manner. Such equipment and facilities must be in a good state of repair and maintained in such state during the progress of the work and shall meet requirements of applicable ordinances and laws. No worn or obsolete equipment shall be used and, in no case shall the maker's rating of capacity for equipment be exceeded.

Section 33. Storage of Materials.

Materials for use in the work shall be stored by the Contractor to prevent damage from exposure to the elements, admixture of foreign materials, or from any other cause. The Contractor is responsible for damage to or loss of materials by weather or other causes.

MISCELLANEOUS

Section 34. Guarantees.

Contractor guarantees work from defect in quality for the period of one year from the date of acceptance by City and shall repair and replace such work, together with other displaced work, without expense to City, ordinary wear and tear, usual abuse or neglect excepted. City may have the defects repaired and made good at the expense of the Contractor if Contractor fails to comply with the above-mentioned conditions within a week after being notified in writing.

Section 35. Risk of Loss Prior to Final Acceptance.

Except as set forth above relating to acts of God, risk of loss from total or partial destruction of the work, prior to final acceptance, shall be borne by Contractor regardless of the cause. Contractor shall repair or replace such damages or destroyed work to its prior undamaged condition before being entitled to additional progress payments or final payment. Total or partial destruction or damage shall not excuse Contractor from completion of the work.

Section 36. Termination: Contractor at Fault.

(a) City may declare the Contractor in default should the Contractor fail to meet the requirements of the Contract, or be placed in bankruptcy, or should a Receiver be appointed for Contractor's properties, or should Contractor make an assignment for the benefit of creditors. In such event, City will notify the Contractor in writing. On receipt of such written notice, the Contractor shall preserve materials, data and reports, and undertake immediate steps to remedy such default.

If the Contractor fails to remedy such default within five (5) calendar days after receipt of such written notice, City may terminate the Contractor's right to proceed with the work as to which default has occurred. Upon receipt of such written notice, the Contractor shall for that work affected by any such termination:

(b) City may complete the work to which notice applies by contract or otherwise, and may take possession of the materials and data furnished by the Contractor which is designated by City in writing for such purpose.

(c) The expense of completing such work, together with a reasonable charge for administering a contract for such completion, shall be charged to the Contractor. Such expense shall be deducted by City out of such monies as may become due to the Contractor. If this expense exceeds the sum otherwise payable under the Contract, the Contractor and Contractor's sureties shall be liable. Upon written notice from City, the Contractor promptly pays to City, the amount of such excess. The City shall not be required to obtain the lowest bids for completing such work, but may make such expenditures as in City's sole judgment will best accomplish such completion.

Section 37. Termination: Contractor Not At Fault.

City may terminate the Contract upon ten (10) days' written notice to the Contractor, if City finds reasons beyond the control of the parties make it impossible or against City's interest to complete the work. In such a case, the Contractor shall have no claims against City, except for the value of work performed to the date of termination, and the cost of materials and equipment on hand, in transit, or on definite commitment, as of the date of termination if such materials and equipment would be needed in the work. The value of work performed and the cost of materials and shipment delivered to the site shall be determined by City in accordance with the procedure prescribed for the making of a final estimate and payment.

Section 38. Resolution of Certain Claims.

(a) Notwithstanding the foregoing, a demand of \$375,000 or less by the Contractor for a time extension, payment of money or damages arising from the work done by or on behalf of the Contractor pursuant to this Contract, or payment of an amount which is disputed by City, shall be processed in accordance with Public Contracts Code, Sections 20104 *et seq.*, relating to informal conferences, non-binding judicially supervised mediation, and judicial arbitration.

(b) A single written claim shall be filed under this section prior to the date of final payment for all demands, including demands not subject to Public Contracts Code Sections 20104 *et seq.*, arising out of the Contract.

(c) Within thirty (30) days of the receipt of the claim, City may request additional documentation supporting the claim or relating to defenses or claims City may have against the Contractor. If the amount of the claim is less than \$50,000, the Contractor shall respond to the request for additional information within fifteen (15) days after receipt of the request. The Contractor shall respond to the request within thirty (30) days of receipt if the amount of the claim exceeds \$50,000, but is less than \$375,000.

(d) Unless further documentation is requested, City shall respond to the claim within forty-five (45) days if the amount of the claim is less than \$50,000, or within sixty (60) days if the amount of the claim is more than \$50,000, but less than \$375,000. If further documentation is requested, City shall respond within the same amount of time taken by the Contractor to respond or fifteen (15) days, whichever is greater, after receipt of further information if the claim is less than \$50,000. If the claim is more than \$50,000, but less than \$375,000, and further documentation is requested by City, then City shall respond within the same amount of time taken by the Contractor to respond or thirty (30) days, whichever is greater.

(e) If the Contractor disputes City's response, or City fails to respond, the Contractor may demand an informal conference to meet and confer for settlement of the issues in dispute. The demand shall be served on City within fifteen (15) days after the deadline of City to respond or within fifteen (15) days of City's response, whichever occurs first. City shall schedule the meet and confer conference within thirty (30) days

of the request.

(f) If the meet and confer conference does not produce a satisfactory request, the Contractor may pursue remedies authorized by law.

Section 39. Workmanship.

(a) A product that does not reflect a workmanlike quality shall be replaced by the Contractor in an acceptable manner and no compensation will be allowed for such replacement.

(b) Upon failure on the part of the Contractor to comply promptly with an order of City's representative under this section, City's representative shall have authority to cause defective work to be replaced, and unauthorized work to be removed, and to deduct the costs from monies due to the Contractor.

(c) The Contractor shall be liable for City's additional inspection. City may deduct these additional inspection costs from progress payments or from the final payment.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, or caused it be executed as of the day, month and year first above written.

APPROVED:
City of Ridgecrest

APPROVED:
Contractor

By: _____
Dennis Speer, City Manager

By: *Pamela Houston*
Pamela Houston
Houston & Harris PCS, Inc.,

APPROVED AS TO FORM
City Attorney

Attorney

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

SUBJECT: A Resolution To Approve The Purchase of a Mobile Lift System For The New Bus Garage At the Corporation Yard.

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The Transit Department along with the Fleet Maintenance Department and Streets Department has been working with Willdan Engineering in designing a new Bus Garage for the Corporation yard.

During the conversations that have taken place it has become obvious that a new lift system will be needed to lift the large buses that the City Transit *Ridgerunner* operates.

Public Works Staff has looked at many makes and models over the last several months and have found that the Ari-Hetra 60,000 pound capacity Mobile Lifting System with the Mobile Support Stands offer the best quality product for the new garage. It will also provide the safety to the City employees who operate such a piece of equipment.

This Mobile Lift System is offered through Automotive Resources Inc., a Government Sales Contractor for the State of California that offers the lowest price for such a piece of equipment. Their contract with the state ends on June 30, 2018 and their Contract number is GS-07F-291AA and they offer the Lift System for \$45,000.00. This includes all tax and shipping.

Funding for the Mobile Lift System will come from the expenditure account 003-4360-436- 4199 TRGAR

FISCAL IMPACT: \$45,000.00

Reviewed by Finance Director

ACTION REQUESTED:

Approve A Resolution To Purchase A Mobile Lift System For The New Bus Garage At The Corporation Yard.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Dennis Speer
(Rev. 02/13/12)

Action Date: May 7, 2014

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RESOLUTION NO. 14-

A RESOLUTION TO APPROVE THE PURCHASE OF A MOBILE LIFT SYSTEM FOR THE NEW BUS GARAGE AT THE CORPORATION YARD

WHEREAS, The Transit Department along with the Fleet Maintenance Department and Streets Department has been working with Willdan Engineering in designing a new Bus Garage for the Corporation Yard; and

WHEREAS, a new lift system will be needed to lift the large buses that the City Transit *Ridgerunner* operates; and

WHEREAS, Public Works Staff has looked at many makes and models over the last several months; and

WHEREAS, the Ari-Hetra 60,000 pound capacity Mobile Lifting System with the Mobile Support Stands offer the best quality product for the new garage; and

WHEREAS, This Mobile Lift System is offered through Automotive Resources Inc., a Government Sales Contractor for the State of California that offers the lowest price for such a piece of equipment; and

WHEREAS, Their contract with the state ends on June 30, 2018 and their Contract number is GS-07F-291AA and they offer the Lift System for \$45,000.00; and

WHEREAS, Funding for the Mobile Lift System will come from the expenditure account 003-4360-436-TR010

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

1. Approves the purchase of a Mobile Lift System from Automotive Resources Inc. in an amount not to exceed \$45,000.00, and
2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts

APPROVED AND ADOPTED this 7th day May 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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Automotive Resources, Inc.
 12775 Randolph Ridge Lane
 Manassas, Virginia 20109 USA
 www.ari-hetra.com
 webmaster@ari-hetra.com
Toll Free: 800-562-3250
 Phone: 703-359-6265
 Fax: 703-359-6405



QUOTE

03/20/2014 11:00 AM
 Valid Until: 04/21/2014
 Quote Number: ARI3469

Mr. Les Wood
 Street Superintendent
 City of Ridgecrest
 100 W. California Avenue
 Ridgecrest, CA 93555

Phone: 760-499-5083
 Fax:
 Email: lwood@ridgecrest-ca.gov

Dear Mr. Les Wood:

Thank you for the opportunity to quote you prices on our **ARI-HETRA** equipment. I feel confident that you will find this equipment to be an outstanding asset for your operation.

Qty	Product Details	Price	Total
1	HDHL-8-4-AE UNIT OF 4 - 60,000 LB CAPACITY MOBILE LIFTING SYSTEM 208/230 V, 3-PHASE, W/LOAD CELL & LED DISPLAY	\$35,500.00	\$35,500.00
4	AB-6-20 MOBILE SUPPORT STANDS, TALL, 18,000 LB CAPACITY (48" - 74")	\$625.00	\$2,500.00
1	-SHIPPING & HANDLING	\$2,710.00	\$2,710.00
	Sub Total		\$40,710.00
	Grand Total		\$40,710.00

****Special Conexpo Show Pricing - Offer expires March 31,2014****

Terms: Net Upon Delivery: VISA or Master Card
 Taxes: Responsibility of Purchaser
 Shipping & Handling: **FOB LEBANON, OH**
 Lease/Purchase Available

Issuance of Purchase Orders & Payments To: **Automotive Resources, Inc.**

 Authorized Purchasing Agent
 City of Ridgecrest

 Mark Gregorek
 Mark Gregorek
 Regional Manager

To view our entire product catalog please visit www.ari-hetra.com/catalog





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A service of the U.S. General Services Administration

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[Home](#) > Contractor Information

Contractor Information



Contract #: GS-07F-291AA
Contractor: AUTOMOTIVE RESOURCES, INC.
Address: 12775 RANDOLPH RIDGE LANE, MANASSAS, VA, 20109

Business type: Small Business
EPLS: Contractor not found on the Excluded Parties List System

E-Mail: peggybuel@ari-hetra.com
Web Address: <http://www.ari-hetra.com>
Contract end date: Jun 30, 2018
Order Status: peggybuel@ari-hetra.com
POC:
DUNS: 609869987



Ordering Information: Contact the office nearest you if more than one location is shown.

Name/Order POC Email	Address	City, State	Zip Code	Phone Number	Fax Number
AUTOMOTIVE RESOURCES, INC. forms@ari-hetra.com	12775 RANDOLPH RIDGE LANE	MANASSAS, VA	20109	800-562-3250	703-359-6405

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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 Application for Federal Funding Under Federal Transit Act (FTA) Section 5311 (49 U.S.C. Section 5311) With The California Department Of Transportation And Authorizing The City Manager, Dennis Speer, To Sign and File The Application

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The Federal Transit Administration Section 5311 is a program that is formula based and provides funding to states for the purpose of supporting public transportation in rural areas. Rural areas encompass all populations, not included within an urbanized area of 50,000 or more population.

The Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support capital and operating assistance project for public transportation systems under Section 5311 of the FTA. The California Department of Transportation has been designated by the Governor of the State of California to administer Section 5311 grants for transportation projects for the general public for the rural transit and intercity buses. These grants aid in sustaining the purchase and maintenance of our public transportation fleet as well as covering overhead operational costs for staffing.

The City of Ridgecrest's *ridgerunner* Transit has used these funds for operational activities and will continue to use the money for the Fiscal Year of 2013/2014 for the same use.

FISCAL IMPACT: 111,643.00

Reviewed by Finance Director

ACTION REQUESTED: Adopt A Resolution Of The City Council Of The City Of Ridgecrest Authorizing The Federal Funding Under Federal Transit Act (FTA) Section 5311 (49 U.S.C. Section 5311) With California Department Of Transportation And Authorize City Manager To Sign and File The Application

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Dennis Speer
(Rev. 02/13/12)

Action Date: May 7, 2014

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RESOLUTION NO. 14-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST AUTHORIZING THE APPLICATION FOR FEDERAL FUNDING UNDER FEDERAL TRANSIT ACT (FTA) SECTION 5311 (49 U.S.C. SECTION 5311) WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION AND AUTHORIZING THE CITY MANAGER, DENNIS SPEER, TO SIGN AND FILE THE APPLICATION

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support operating assistance projects for non-urbanized public transportation systems under Section 5311 of the Federal Transit Act; and

WHEREAS, the California Department of Transportation has been designated by the Governor of the State of California to administer Section 5311 grants for transportation projects for the general public for the rural transit and intercity buses; and

WHEREAS, The City of Ridgecrest desires to apply for said financial assistance for the operation of service in the City of Ridgecrest; and

WHEREAS, the City of Ridgecrest has, to the maximum extent feasible, coordinated with other transportation providers and users in the region (including social service agencies).

NOW THEREFORE, BE IT RESOLVED that the City of Ridgecrest does hereby authorize the City Manager, Dennis Speer to file and execute the application on behalf of the City of Ridgecrest with the California Department of Transportation for funding to aid in the financing of operating assistance projects pursuant to Section 5311 of the Federal Transit Act.

APPROVED AND ADOPTED this 7th day of May 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 by the City Council of the City of Ridgecrest, Sanitary District and the City of Ridgecrest approve the Grant of Easement on three separate parcels to Southern California Edison Company as part of the Downs Substation Project and Authorize the Mayor to sign the Grant of Easement and Offer of Acceptance.

PRESENTED BY:

Dennis Speer, Public Work Director

SUMMARY:

This item was brought before council at the April 15, 2014 meeting at which time the council vote was tied so the item was not passed. It is brought before council again for further deliberation and adoption.

In December 2012, the California Public Utilities Commission (CPUC) approved Southern California Edison's (SCE's) application to build the Downs Substation Project. The project is part of the infrastructure improvements that will allow SCE to continue to provide safe and reliable electric service to customers in the City of Ridgecrest and the surrounding areas. Easement is necessary to construct the Downs Substation Project.

SCE is asking the City of Ridgecrest and the City of Ridgecrest, Sanitary District to Grant Easement to three Parcels: APN 343-014-07-01& APN 343-014-09-01(one property); APN 343-014-08-01; APN 508-020-08. SCE is offering fair market value as determined by an independent appraiser in compliance with all State regulations. The fair market values done by in the independent appraiser are \$1500.00, \$1500.00 and \$4000.00 respectively. Copies of the entire appraisal summary are attached for review.

Staff has reviewed the legal plats and descriptions and the City Attorney has reviewed and approved the appraisals reports.

Staff is recommending that the City authorizes the Grant of Easement and authorize the Mayor to sign the Grant of Easement and Offer of Acceptance.

FISCAL IMPACT: None

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution by the City Council of the City of Ridgecrest, Sanitary District and the City of Ridgecrest approving the Grant of Easement on three separate parcels to Southern California Edison Company as part of the Downs Substation Project and Authorize the Mayor to sign the Grant of Easement and Offer of Acceptance.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Dennis Speer
(Rev. 02/13/12)

Action Date: May 7, 2014

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RESOLUTION NO. 14-

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF RIDGECREST, SANITARY DISTRICT AND THE CITY OF RIDGECREST APPROVE THE GRANT OF EASEMENT ON THREE SEPARATE PARCELS TO SOUTHERN CALIFORNIA EDISON COMPANY AS PART OF THE DOWNS SUBSTATION PROJECT AND AUTHORIZE THE MAYOR TO SIGN THE GRANT OF EASEMENT AND OFFER OF ACCEPTANCE

WHEREAS, This item was brought before City Council at the April 15, 2014 meeting at which time the Council vote was tied so the item was not passed; and

WHEREAS, It is being brought before City Council again for further deliberation and adoption; and

WHEREAS, In December 2012, the California Public Utilities Commission (CPUC) approved Southern California Edison's (SCE's) application to build the Downs Substation Project; and

WHEREAS, The project is part of the infrastructure improvements that will allow SCE to continue to provide safe and reliable electric service to customers in the City of Ridgecrest and the surrounding areas; and

WHEREAS, Easement is necessary to construct the Downs Substation Project; and

WHEREAS, SCE is asking the City of Ridgecrest Sanitary District and the City of Ridgecrest to Grant Easement to three Parcels; and

WHEREAS, The described parcels are APN 343-014-07-01& APN 343-014-09-01; APN 343-014-08-01; APN 508-020-08; and

WHEREAS, SCE is offering fair market value as determined by an independent appraiser in compliance with all State regulations; and

WHEREAS, The fair market values done by in the independent appraiser are \$1500.00, \$1500.00 and \$4000.00 respectively; and

WHEREAS, Staff has reviewed the legal plats and descriptions; and

WHEREAS, City Attorney has reviewed and approved the appraisals reports; and

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Ridgecrest, Sanitary District and the City of Ridgecrest does hereby accept the Grant of Easement, on three separate parcels to Southern California Edison Company as part of the Downs Substation Project and Authorizes the Mayor, Daniel O. Clark to sign the Grant of Easement and Offer of Acceptance.

APPROVED AND ADOPTED this 7th day of May 2014 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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February 13, 2014

City of Ridgecrest
Sanitation District
Attn: Dennis Speer
100 West California Ave.
Ridgecrest, CA 93555

SUBJECT: Offer to Purchase Grant of Easement

In December 2012, the California Public Utilities Commission (CPUC) approved Southern California Edison's (SCE's) application to build the Downs Substation Project. The Project is part of infrastructure improvements that will allow SCE to continue to provide safe and reliable electric service to customers in the City of Ridgecrest and surrounding areas of unincorporated Kern and San Bernardino Counties.

Southern California Edison is offering to purchase the right of way easement for the amount of \$1500. The amount is based on the fair market value of the easement as determined by an independent appraiser in compliance with all State regulations. A copy of the appraisal summary is enclosed.

If you accept this offer, please sign in the space below and return this letter along with the signed and notarized Grant of Easement document, completed 1099 and Seller's Affidavit forms. A pre-paid return envelope is enclosed for your convenience. Upon receipt of all completed documents, a check in the amount of the offer will be promptly forwarded to you

If you have any questions or would like to discuss this offer, please feel free to contact me at (714) 987-5286 or via e-mail at Brett.paulson@sce.com.

Sincerely,



Brett Paulson
Land Acquisition
Southern California Edison
Brett Paulson

AGREED & ACCEPTED

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

ENCLOSURES:

- Grant of Easement
- Summary Appraisal
- California Eminent Domain Law Pamphlet
- W-9 Form
- Return Envelope

RECORDING REQUESTED BY:

SOUTHERN CALIFORNIA EDISON
COMPANY

WHEN RECORDED MAIL TO:

SOUTHERN CALIFORNIA EDISON
COMPANY
2131 WALNUT GROVE AVE., 2nd Floor
ROSEMEAD, CA 91770

ATTN: TITLE & REAL ESTATE
SERVICES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT OF EASEMENT

Serial No.
70316A
SCE Doc.:
507011

<u>DOCUMENTARY TRANSFER TAX \$ NONE (VALUE AND CONSIDERATION LESS THAN \$100.00)</u>	DISTRICT 86-Ridgecrest	WORK ORDER 800897991	IDENTITY N/A	MAP SIZE 101-096
_____ SCE Company SIG. OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	FIM 824-2178-2 APN: 343-014-07-01 AND 343-014-09-01	APPROVED: Real Properties Department	BY ODC	DATE 10/21/2013

RIDGECREST SANITATION DISTRICT (hereinafter referred to as "Grantor"), hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns (hereinafter referred to as "Grantee"), an overhead electrical supply system, consisting of poles, guys and anchors, crossarms, wires, cables, and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and a communication system for any internal or commercial use by Grantee and corporations controlled by or under common control with Grantee, and the right to apportion to telecommunication providers and others for commercial use of the communication system, or parts thereof, herein collectively referred to as "System", consisting of communications-related equipment and fiber optic cables, herein collectively referred to as "Facilities", as well as the right of access to said System, and Facilities, for transmitting data, voice or intelligence by electrical, optical or other electromagnetic means, and other incidental purposes over, under and across the real property in the County of San Bernardino State of California, described on the Exhibit "A" and more particularly shown on the Exhibit "B", both attached hereto and by this reference made a part hereof.

The legal description was prepared pursuant to Sec. 8730(c) of the Business & Professions Code.

Grantor agrees for itself, its heirs and assigns, not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls and fences on the hereinbefore described easement area. The Grantee, and its contractors, agents and employees, shall have the right to trim or top such trees and to cut such roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable.

Grant of Easement
RIDGECREST SANITATION DISTRICT, to
S.C.E. Co., a Corp.
Serial No. 70316A
SCE DOC. 507011

EXECUTED this ____ day of _____, 20__.

RIDGECREST SANITATION DISTRICT

By: _____

Printed Name: _____

Printed Title: _____

By: _____

Printed Name: _____

Printed Title: _____

Grant of Easement
RIDGECREST SANITATION DISTRICT, to
S.C.E. Co., a Corp.
Serial No. 70316A
SCE DOC. 507011

State of California)

County of _____)

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

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

WITNESS my hand and official seal.

Signature _____

State of California)

County of _____)

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

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"
LEGAL DESCRIPTION
SERIAL No. 70316A

A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 2,
TOWNSHIP 27 SOUTH, RANGE 40 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE
COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID
LAND, AS LOCATED WITHIN THE LANDS OF THE GRANTOR, DESCRIBED AS FOLLOWS:

PARCEL 1 – OVERHEAD DISTRIBUTION EASEMENT

A STRIP OF LAND 12.00 FEET IN WIDTH, THE CENTERLINE OF SAID STRIP DESCRIBED AS
FOLLOWS:

COMMENCING AT THE NORTH SIXTEENTH CORNER ON THE EAST LINE OF SECTION 2 OF
SAID TOWNSHIP AND RANGE, SAID POINT BEARS SOUTH 00°57'02" EAST, 1328.51 FEET
FROM THE NORTHEAST CORNER OF SAID SECTION 2; THENCE SOUTH ALONG SAID EAST
LINE SOUTH 00°57'02" EAST, 24.61 FEET; THENCE LEAVING SAID EAST LINE OF SECTION 2,
SOUTH 89°22'07" WEST, 60.00 FEET TO THE **TRUE POINT OF BEGINNING** OF SAID 12.00
FOOT STRIP; THENCE SOUTH 89°22'07" WEST, 1,272.32 FEET TO THE TERMINUS OF THIS
DESCRIPTION OF PARCEL 1.

PARCEL 2 – OVERHEAD DISTRIBUTION EASEMENT

A STRIP OF LAND 12.00 FEET IN WIDTH, THE CENTERLINE OF SAID STRIP DESCRIBED AS
FOLLOWS:

COMMENCING AT THE NORTH SIXTEENTH CORNER ON THE EAST LINE OF SECTION 2 OF
SAID TOWNSHIP AND RANGE, SAID POINT BEARS SOUTH 00°57'02" EAST, 1328.51 FEET
FROM THE NORTHEAST CORNER OF SAID SECTION 2; THENCE SOUTH ALONG SAID EAST
LINE SOUTH 00°57'02" EAST, 24.61 FEET; THENCE LEAVING SAID EAST LINE OF SECTION 2,
SOUTH 89°22'07" WEST, 60.00 FEET; THENCE SOUTH 89°22'07" WEST, 1,272.32 FEET;
THENCE SOUTH 89°22'07" WEST, 1,232.31 FEET TO THE **TRUE POINT OF BEGINNING** OF
SAID 12.00 FOOT STRIP; THENCE SOUTH 89°22'07" WEST, 100.00 FEET TO THE TERMINUS
OF THIS DESCRIPTION OF PARCEL 2.

ALL FOUND MONUMENT DESCRIPTIONS, BASIS OF BEARINGS, COURSES ETC. ARE AS
SHOWN ON EXHIBIT "B" ATTACHED HEREWITH AND MADE PART HEREOF.

PREPARED BY ME OR UNDER MY DIRECTION

 DATE 10-4-13

BRIAN MOORE, P.L.S. NO. 7533

SOUTHERN CALIFORNIA EDISON COMPANY



A PORTION OF THE SOUTH 1/2 OF THE NORTHEAST CORNER OF SECTION 2,
TOWNSHIP 27 SOUTH, RANGE 40 EAST, MOUNT DIABLO BASE AND MERIDIAN,
IN THE COUNTY OF KERN, STATE OF CALIFORNIA.

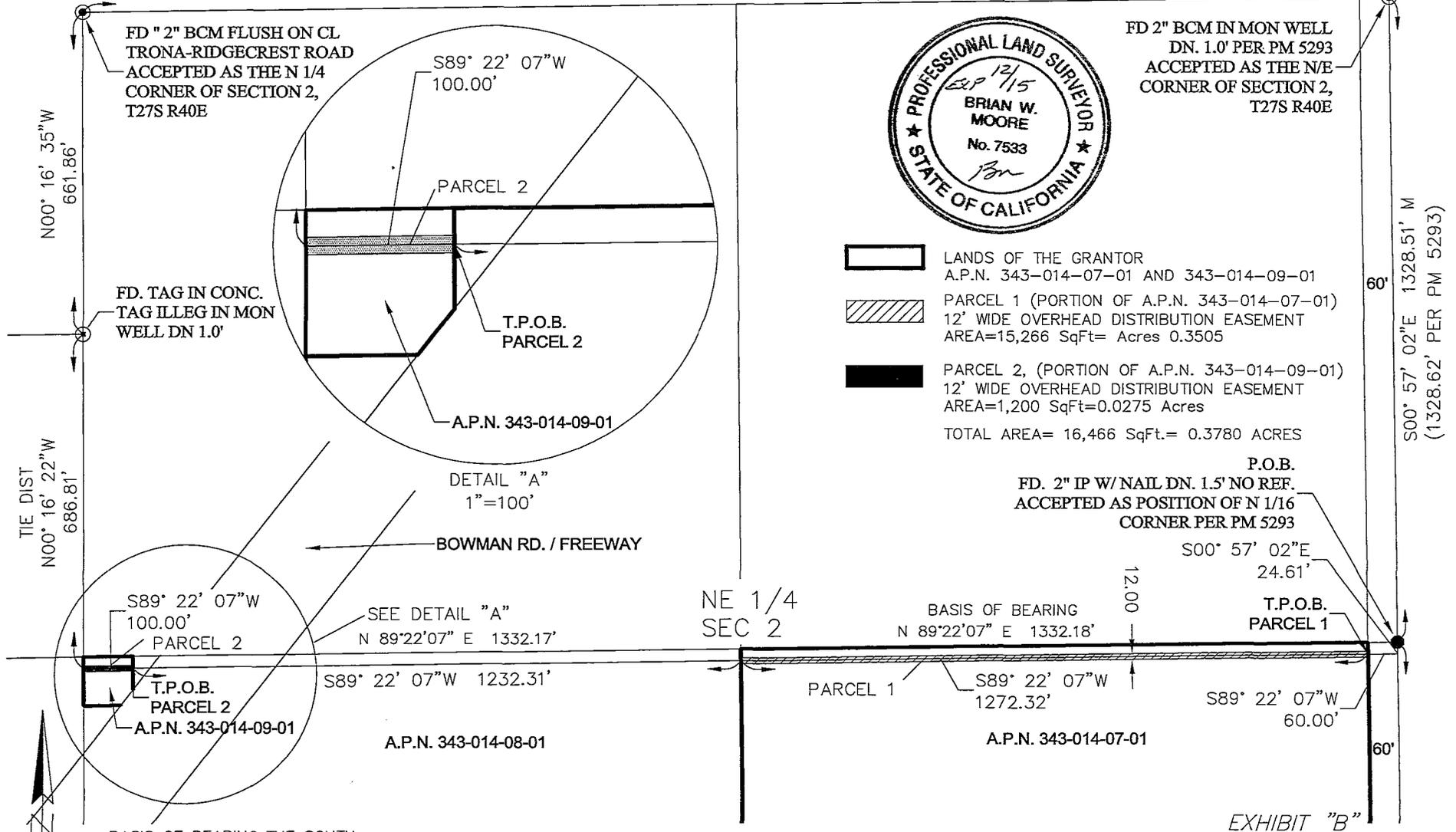
N89° 16' 21"E 2648.70' M (2648.66') (R)



FD 2" BCM IN MON WELL
DN. 1.0' PER PM 5293
ACCEPTED AS THE N/E
CORNER OF SECTION 2,
T27S R40E

-  LANDS OF THE GRANTOR
A.P.N. 343-014-07-01 AND 343-014-09-01
 -  PARCEL 1 (PORTION OF A.P.N. 343-014-07-01)
12' WIDE OVERHEAD DISTRIBUTION EASEMENT
AREA=15,266 SqFt= Acres 0.3505
 -  PARCEL 2, (PORTION OF A.P.N. 343-014-09-01)
12' WIDE OVERHEAD DISTRIBUTION EASEMENT
AREA=1,200 SqFt=0.0275 Acres
- TOTAL AREA= 16,466 SqFt.= 0.3780 ACRES

P.O.B.
FD. 2" IP W/ NAIL DN. 1.5' NO REF.
ACCEPTED AS POSITION OF N 1/16
CORNER PER PM 5293



60'
S00° 57' 02"E 1328.51' M
(1328.62' PER PM 5293)

NE 1/4
SEC 2

EXHIBIT "B"

BASIS OF BEARING: THE SOUTH
LINE OF NORTHEAST 1/4 OF
THE NORTHEAST 1/4 OF
SECTION 2, SHOWN AS
N89°22'07"E PER P.M. 5293



PROJECT NAME: DOWNS SUB (McGEN-SEARLES-INYOKERN)				M.S.: 101-096	
W.O. NO.: 800897991	NOT. NO.: 201997480	CITY: RIDGECREST	COUNTY: KERN	STATE: CA	
SURVEYED BY: G.S., T.L., D.R.		SCE F.B. REF.: 10802/41-49	DATE: 8/23/13		
DRAWN BY: R. WADDELL		MAP REF.: PM 2420, PM 5293			
CHECKED BY: B. MOORE		TRES: O. CASTELLON	SERIAL NO.: 70316A	FILE NAME: 2013-201997480 .DWG	



Integra Realty Resources
Los Angeles

Appraisal Summary Statement

Ridgecrest Sanitation District

Vacant Land

APNs: 343-014-07, -08, -09, -11, -16, -17, -20

Ridgecrest, Kern County, California 93555

Serial No.: 70316A

Prepared For:

Southern California Edison

Effective Date of the Appraisal:

November 19, 2013

Report Format:

Appraisal Summary Statement

IRR - Los Angeles

File Number: 121-2013-0324





Appraisal Summary Statement

Ridgecrest Sanitation District

Vacant Land

Ridgecrest, California 93555

APNs: 343-014-07, -08, -09, -11, -16, -17, -20

Appraisal Date:

November 22, 2013

Date of Value:

November 19, 2013

Project Name:

**Downs, Inyokern, Searles and McGen
Substation Expansion Project**

Serial No.:

70316A

IRR - Los Angeles File No.

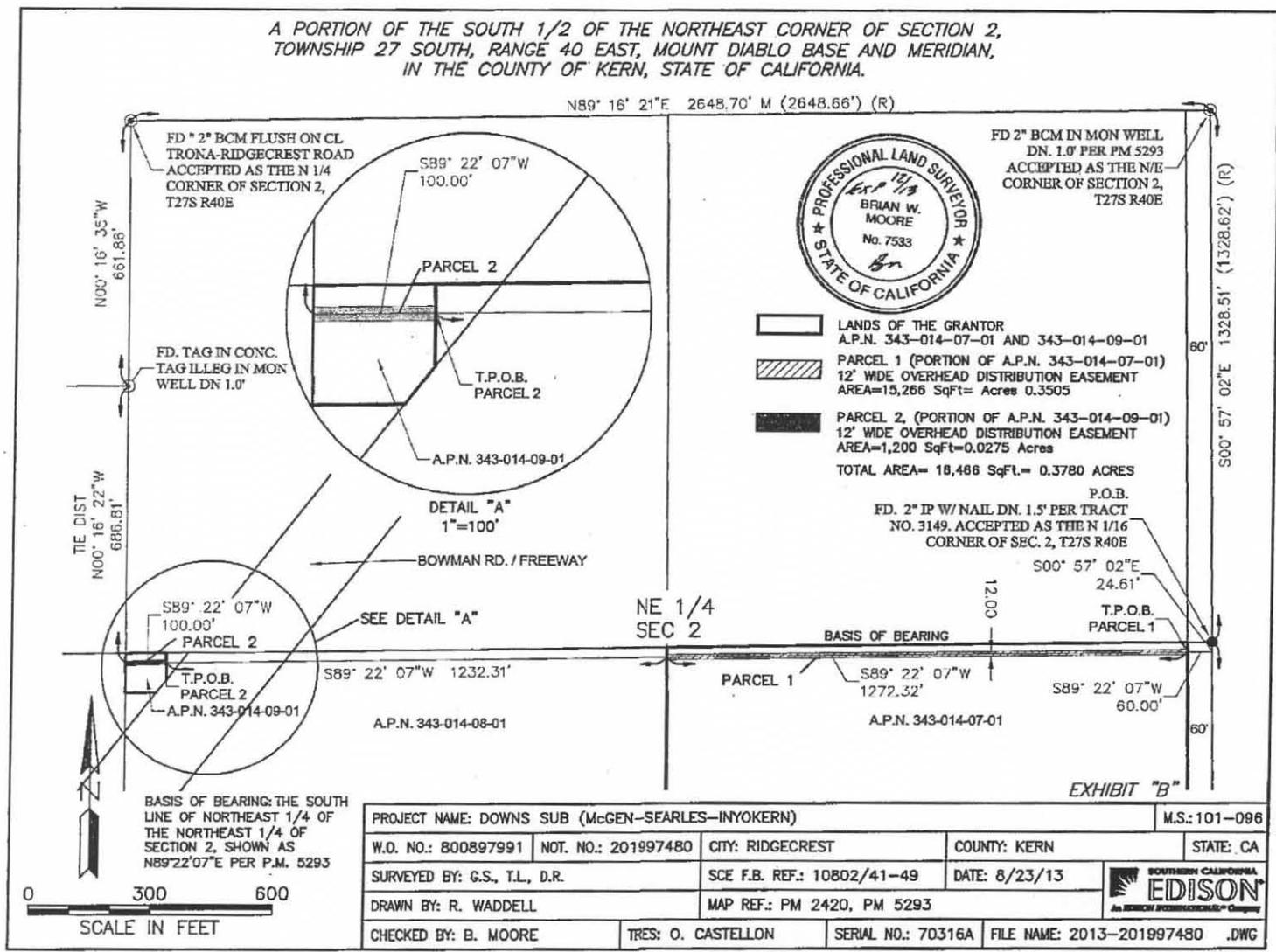
121-2013-0324

INTRODUCTION

Southern California Edison (SCE) is currently seeking to obtain overhead distribution easements to encumber a portion of the subject larger parcel. The subject property is primarily vacant land located in the city of Ridgecrest in Kern County, California. The larger parcel is identified in the highlighted assessor's plat map on a following page. The subject larger parcel is currently the site of partial agricultural use (the growing of hay with non-potable water produced by the city's sanitation function). A portion of the site is used approximately once a year for off road vehicle racing.

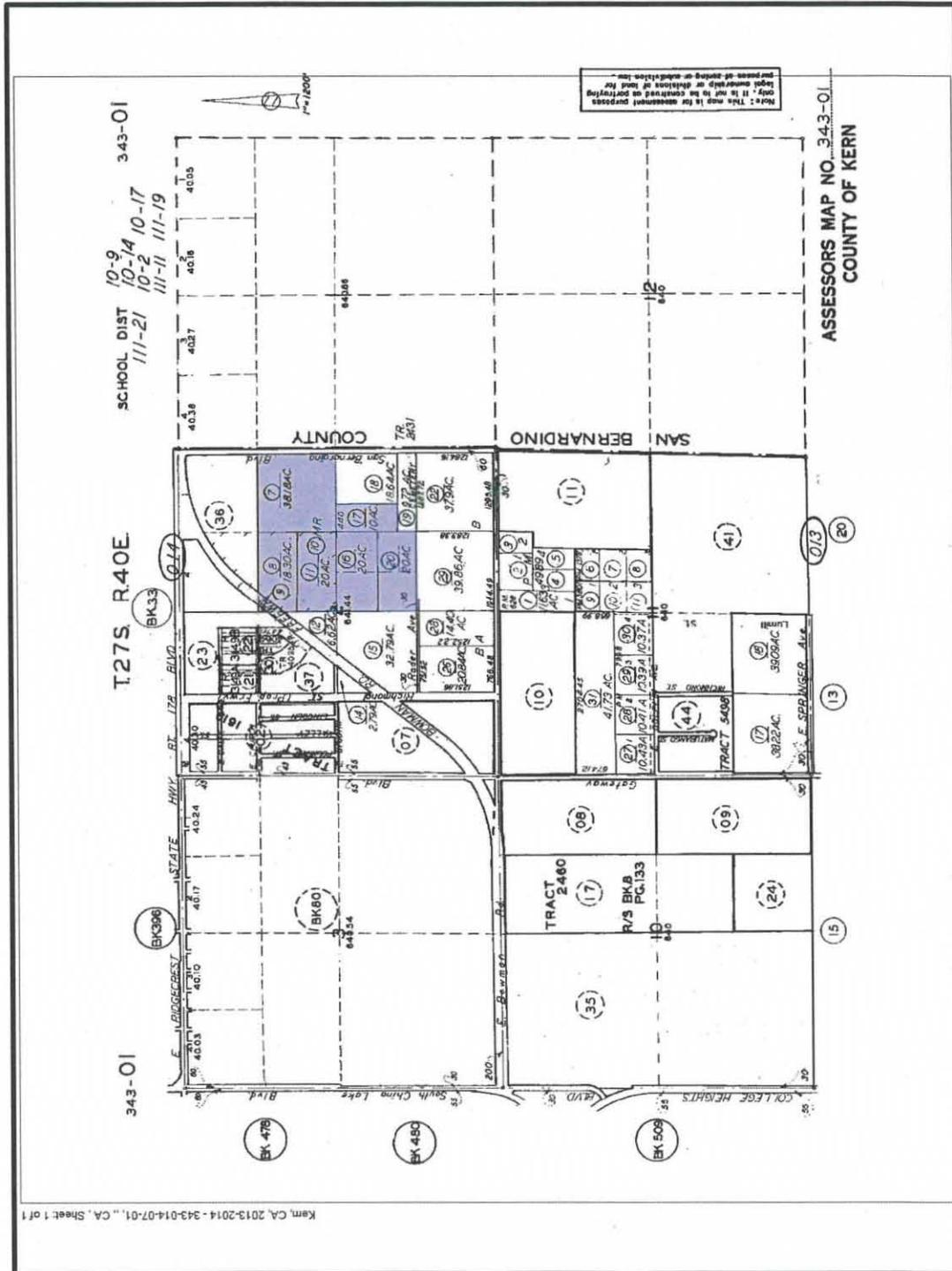
Assessor records show that assessor parcel numbers 343-014-07 and 09, the parcels directly impacted by the proposed easements (being valued in this report), are owned by the Ridgecrest Sanitation District. Assessor records show that parcels 08, 11, 16, 17 and 20 are owned by the City of Ridgecrest. However, based on conversations with the City of Ridgecrest, the Ridgecrest Sanitation District is owned by the City of Ridgecrest and, as such, all of the identified parcels are effectively owned by the City of Ridgecrest and are considered as part of the larger parcel. It should be noted that an additional easement is required on parcel 08, but this has been valued under separate cover at the request of our client.

The overhead distribution easements being sought will affect one oblong strip of land on each parcel totaling 16,466 square feet. A map of the easement areas is provided on the next page.



10/2/2013 10:54 AM T:\2013-201997480_DOWNS SUB SERIAL 70316A-70317A\MAPPING\2013-201997480_SERIAL 70317A-70316A.DWG

Plat Map



Kern, CA, 2013-2014 - 343-01-07-01, CA, Sheet 1 of 1

The purpose of the easements is to allow SCE to install an overhead electrical supply system that delivers electrical energy and telecommunications through the immediate area generally bordered by privately held lands to the north, privately held lands to the south, the San Bernardino County Line to the east and privately held lands to the west.

A dedication for the defunct Bowman Freeway traverses the larger parcel. Originally acquired by the state in the 1950s, the right of way was re-acquired by the city of Ridgecrest from the state by conveyance in 1988. It now shares uniformity of use and ownership within the larger parcel. The plat map does not appear to reflect the city's re-acquisition of the freeway right of way. We have based the area of the larger parcel on areas shown in assessor records. It is possible the Bowman Freeway area may not be included, but without a survey, it is not possible to tell. In the end, our final value conclusion will not be impacted either way.

The overhead transmission system will require easements that restrict air rights as well as implementing restrictions to the surface rights. A copy of the proposed Grant of Easement, provided by SCE, is included in the Addendum of this report. We recommend the review of this document in its entirety by an expert in the field of title and real estate law.

Specifically, SCE is seeking to install "an overhead electrical supply system consisting of poles, guys and anchors, crossarms, wires, cables and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and a communications system for any internal or commercial use ..."

According to the sample Grant of Easement document we were provided, the property owner (Grantor) agrees for himself, his heirs and assigns, "not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls and fences on (the easement property)."

The Grantor also grants to SCE (Grantee), and its contractors, agents and employees, "the right to trim or top such trees or cut such roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable."

A copy of the Grant of Easement deed is located in the Addendum of this report.

SPECIAL ASSUMPTIONS

1. The appraisers were provided only the easement map that accompanied the Grant of Easement deed. Our estimate of the easement area is based on the area provided by SCE and described in the Grant of Easement deed included in the addenda of this report. A change to the area of the easement could result in a change to the value conclusions indicated in this report.

2. Based on discussions with SCE, we assume that any damages to the subject property, during the installation of the overhead power infrastructure, will be dealt with separately and are not to be considered as part of this analysis.

BASIS OF VALUATION

"Fair Market Value", as defined pursuant to Chapter 1275, Title 7, Part 3 of the California Code of Civil Procedure, entitled: Eminent Domain Law, is as follows:

Fair Market Value . . . Article 4.

Measure of Compensation for Property Taken.

- 1263.320 (a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- (b) The fair market value of the property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that is just and equitable.
- 1263.330 The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following:
- (a) The project for which the property is taken;
 - (b) The eminent domain proceeding in which the property is taken;
 - (c) Any preliminary actions of the plaintiff relating to the taking of the property.
- 1263.420 Damage to the remainder is the damage, if any, caused to the remainder by either or both of the following:
- (a) The severance of the remainder from the part taken;
 - (b) The construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not damage is caused by a portion of the project located on the part taken.
- 1263.430 Benefit to the remainder is the benefit, if any, caused by the construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the benefit is caused by a portion of the project located on the part taken.

The definition of "easement," as provided in the Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010, is as follows:

"The right to use another's land for a stated purpose."

SUBJECT DATA

Location:	Easternmost portion of the incorporated city of Ridgecrest, CA 93555. The larger parcel is south of Ridgecrest Boulevard and west of the San Bernardino County Line in Kern County.
APNs:	343-014-07, -08, -09, -11, -16, -17, -20 (Kern County)
Owner:	Ridgecrest Sanitation District (City of Ridgecrest)
Interest Appraised:	Easement interest
Ownership History:	According to public records, the subject property has not transferred within the past five years. To our knowledge, there are no current agreements, options, or listings of the subject property. Information provided is from public sources and is assumed to be correct, but may be different.
Prior Services:	We have not previously appraised the subject property, or performed any other services relative to this property, within a period three years preceding acceptance of this assignment.
Land Area:	The larger parcel is comprised of 5,603,558± square feet or 128.64± acres, per Kern County Assessor records.
Zoning:	M-2 – Heavy Industrial, as governed by the city of Ridgecrest.
Present Use:	Vacant land with some degree of agricultural use.
Easements, Encumbrances and Title Exceptions:	<p>A title report for the property was not prepared, or reviewed, for this analysis. It is assumed that there are no easements or encumbrances that would negatively impact the value of the subject larger parcel or easement area.</p> <p>We do note existing surface and above-ground easements similar to the proposed easements. Such easements are determined to have no impact on the larger parcel value conclusion.</p>
Improvements – Larger Parcel:	The larger parcel is basically unimproved, with the exception of a portion used for hay cultivation.
Improvements – Easement Area:	The easement areas are located along the northern property line of the parcels.
Topography:	Generally level. There are a number of what appear to be man-made berms on the property, said to be used for off-road motorcycle racing.

Environmental: No specific documentation was provided for review. This appraisal assumes no environmental factors to prohibit future development or use.

Hazardous Materials: No specific documentation was provided for review. This appraisal assumes no hazardous materials.

Highest & Best Use: The highest and best use of the subject property, as vacant, is for light industrial use when future demand dictates. The property is on the periphery of the city and is adjacent to a residential subdivision to the northwest. There is significant open space surrounding the larger parcel.

Purpose and Intended Use: The intended use of this report is to assist SCE in negotiations related to the acquisition of the aforementioned easements.

Intended Use: The intended user of this report is SCE and its assigns.

ACQUISITION DATA

Area to be acquired: Easement Parcel 1 represents a 12-foot-wide overhead distribution easement totaling 15,266 square feet, while easement Parcel 2 is a 12-foot-wide overhead distribution easement totaling 1,200 square feet. The easement areas sum to 16,466 square feet. The easements are laid out in the table below:

Acquisition Areas				
Parcel	Easement Type	Width (Ft.)	Area (SF)	Area (Acres)
1	Overhead	12	15,266	0.3505
2	Overhead	12	1,200	0.0275
Totals			16,466	0.3780

Location of easements: Primarily along the northern property line of the larger parcel.

Severance damages: We have concluded there are no severance damages to the remainder parcel as a result of the parts acquired or construction of the systems in the manner proposed. The subject property will be essentially unchanged in the after condition with a minimal impact created by the new easements.

The highest and best use of the remainder in the after condition remains the same as the remainder in the before condition.

Project Benefits: None identified.

VALUATION DATA

Date of Inspection: Jeremy Bagott inspected the subject property on November 19, 2013. Beth B. Finestone, MAI, FRICS inspected the subject property on November 19, 2013. Also at the inspection were City Engineer Loren Culp with the city of Ridgecrest and Charles Thomas with SCE.

Date of Value: November 19, 2013

Appraisal Process and Scope of Work: The purpose of this appraisal is to conclude a value for the aforementioned easement areas that are proposed for the subject property. The sales comparison approach is used in order to conclude an underlying land value as the basis of the easement value. Once a land value is concluded, the value of the easement is determined as a percentage of the underlying value, as it represents less than a full fee acquisition of the land at the subject property.

The sales comparison approach is based on the consideration of comparable land sales and is applicable to the valuation of the land rights to be acquired.

The cost approach is based in part on a replacement cost new of improvements less depreciation. Since the subject property is largely unimproved land, this approach is not applicable. The income approach is based on an analysis of income produced from the property and expenses to the property. The subject property, in this analysis, is valued as unimproved land, which would typically not produce rental income as is required in this approach; therefore, this approach is not considered applicable to the subject property. Since the cost approach and income approach were determined to have no relevance in this analysis, they were not utilized. Only the sales comparison approach is utilized in this analysis.

We began the appraisal process by searching for comparable sales with similar land use and characteristics to those found at the subject property. Where possible, comparable sales were verified with a party or broker familiar with the transaction. Secondary data sources, such as Costar, First American Title, and the Multiple Listing Services for the subject area were also relied upon for data and information regarding transactions.

In the valuation of easements, it is typical to appraise the larger parcel, before the property is encumbered by the easements, and then again after the property is encumbered with the easements. The difference in value, if any, is the concluded value of the easements (inclusive of any severance damages).

In this analysis we considered the diminution to the value of the land area directly affected by the easements, as well as possible damages and/or benefits to the remainder of the larger parcel.

For the purposes of this appraisal, the unit of comparison used is the price per acre. This unit is far and away the most common unit of comparison used by market participants in the subject market. Price per acre is later converted to price per square foot in order to more rationally value the relatively small subject easement areas.

Land Valuation:

Recent sales of land with similar use and zoning were sought to represent the current fair market value of the unencumbered fee interest in the underlying land.

The selection criteria for the comparable land sales are summarized below, including a discussion of the data and a unit value conclusion for the subject.

- Transaction date: January 2012 to present.
- Location: Mojave Desert and surrounding areas, such as the Antelope Valley.
- Property Type/Use: Land sales. All of the data analyzed contains equivalent land-use designations.
- Size: From approximately 3 acres to 300 acres. The relative lack of recent land sales necessitated an increase in the size parameters for the search of land sales in the subject market area.

Considering the following market data, land sales in the area indicate values ranging from \$1,073 to \$168,142 per acre. In size, these comparables spanned a spectrum from a 5.65-acre land sale in an urbanized area of Palmdale in the Antelope Valley to a 302-acre agricultural parcel in Ridgecrest.

The sales in the \$1,000 to \$1,500 per acre range are predominately parcels that lack utilities to their property lines, benefit from economies of scale and have little chance of development within the foreseeable future. Comparables 1 and 5 have relatively good prospects for development, are located within cities and have all utilities to their property lines.

The subject larger parcel shares characteristics with all the comparables. The subject larger parcel represents a relatively large piece, 128.64 acres, that is at the outer periphery of the city of Ridgecrest but within the path of urban growth in the foreseeable future.

The subject is zoned M-2. It is in a district earmarked for heavy industrial uses. As such, it has much in common with Comparable 5, a listing that had been on the market more than 900 days as of the date of value and has not sold for its asking price of \$15,228 per acre. The broker believes the parcel would sell at about \$7,500 per acre.

Based on the size of the subject larger parcel, its location relative to the comparable data, and other factors, we have concluded to a unit value of \$4,800 per acre (or \$0.11 per square foot). This conclusion also considers the subject's zoning, its as-vacant development potential, and its neighborhood characteristics.

A summary of the market data utilized is included on the following page.

Selected Market Data - Land Sales

Item No.	Address/APN	Sale Date Doc No.	Zoning/ Designation	Topography/ Site Improvements	Land Area (± Acres)	Sale Price		
						Total	Per Square Foot	Per Acre
1	NWC Avenue R & 25th Street East Palmdale, Los Angeles County 3018-028-023, -052, -053, -054 Comments:	7/23/2013 1079658	C-3 General Commercial	Level None	5.65	\$950,000	\$3.86	\$168,142
		This property is in a superior location with superior zoning and superior accessibility. It is clearly in the path of urban development, with good surrounding infrastructure.						
2	5th Street Mojave 429-143-42 Comments:	2/5/2013 16426	A-1 Agricultural Limited	Level None	10.20	\$25,000	\$0.06	\$2,451
		The property was purchased by a neighboring landowner as part of an assemblage. The broker believes it was purchased at a market price. The property, which has no well, will benefit from the assemblage, as the buyer's property contains a well.						
3	California City Blvd & Jamison St California City 302-080-15, -16, -17, -18, -19, -20, - 21, -22, -23, -24 Comments:	9/5/2012 125468	M-1 Industrial	Level None	24.64	\$37,500	\$0.03	\$1,522
		This sale, which consisted 10 contiguous parcels, is located on the outskirts of California City, in a sparsely developed area. It is strictly raw desert land, with electricity being approximately one mile away.						
4	Brown Road east of SR-395 Ridgecrest 056-072-16, -05 Comments:	4/3/2012 43657	A-1 Agricultural Limited	Level None	301.94	\$324,000	\$0.02	\$1,073
		The buyer, a nut farming concern in Kern County, is said to have purchased this land on speculation. The meeting of the minds is said to have occurred in December 2010. One of the parcels is bisected by railroad tracks.						
5	1300 E Ridgecrest Blvd Ridgecrest 343-361-02 Comments:	Listing	M-1 Industrial	Level None	3.94	\$60,000	\$0.35	\$15,228
		This listing has been on the market more than 900 days as of the date of value. It is located just north of the subject within the city of Ridgecrest. Water, electricity and sewer are available to the property, though it is irregular in shape. Broker Eloy Rodriguez believes it will sell at about \$7,500 per acre.						

Easement Area Methodology Overview: The typical appraisal method for valuing partial interests (as is the case with the easements analyzed in this report), is the *before and after* method. With this method, the appraiser values the larger parcel before the easement acquisitions, and then again after the easements are assumed to be in place. The difference (if any) is the amount attributed to the easements and the value due the owner inclusive of severance damages and project benefits. However, when lesser takings, or grants, are involved where such a before and after value would likely be nominal (due to impact, location, etc.) another approach and formula is often applied.

This other formula, which is utilized in this analysis, essentially estimates the value of the part acquired (as part of the whole), adds damages to the larger parcel (if any), subtracts benefits (if any), and the difference is the value of the property interest in question. This method is based on the premise that property ownership is known as a "bundle of rights," whereby an ownership can be divided into separate "sticks" that comprise the "bundle." For example, certain sticks or rights represent the right to use the surface of the land, or the air rights around an airport, or the subsurface rights to acquire the right to run a pipeline.

This latter method has been determined as the appropriate methodology in this report.

Our analysis of the subject property and the proposed easements has resulted in a conclusion that there are no severance damages or project benefits as a result of the proposed easements. This is based on the fact that the easements will have no effect on the value of the remainder parcel in the after condition.

Easement Area as a Percentage of Fee:

With implementation of the easements, SCE will have the right construct an overhead electrical supply system and communication system which may consist of poles, guys and anchors, crossarms, wires, cables, etc. The proposed easements result in an acquisition of air rights and have a significant impact to the surface rights in the easement areas. Subterranean rights are not being acquired.

Based upon the use to which the easements will be put and the significant restrictions imposed by the grant of easement, we have concluded that the proposed acquisitions result in an 80% diminution of value associated with the fee value of the underlying land.

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VALUE CONCLUSION

Reconciliation: The sales noted in the preceding section represent the market activity for raw land in the subject market area. Through an analysis of these sales, it is concluded that the sales are applicable for concluding to a value of \$4,800 per acre or \$0.11 per square foot.

Further, our analysis of the impact of the easements on the underlying land of the subject property has led to a determination that the easement type will result in a 80% diminution in value to the directly affected underlying land areas. As the remainder parcel will be unaffected by the easements, there are no severance damages or special benefits associated with the easements. The following table summarizes the value of the easements:

Easement Valuation:

Easement Valuation				
Easement	Area (SF)	Price	% Rights	Indication
Overhead easement	15,266	x \$0.11	x 80%	= \$1,343.41
Overhead easement	1,200	x \$0.11	x 80%	= \$105.60
Totals	16,466			\$1,449.01

The subject overhead easements acquired consist of an area totaling approximately 16,466 square feet. This easements area was derived from project plans and information that were provided by SCE. A change in these plans, and/or area sizes, could significantly alter the conclusions of this report.

Concluded Easement Value: \$1,449.01

Concluded Nominal Value: \$1,500

The value conclusion in this analysis is less than the concluded nominal value which is discussed below. As a result, the nominal value amount is the concluded value due the owner as the result of the proposed easements.

NOMINAL VALUE AWARD FOR COSTS

As we can see from the analysis previously presented, the value in the property rights proposed to be taken in the easements is relatively small. Nonetheless, the transfer of the property rights to be acquired does impose a requirement that the property owner review project information, and execute necessary documents to bring about the transfer of these specified property rights. These requirements necessitate the consideration of the concept of "nominal value," which is described as follows:

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That amount of money necessary to effect a transfer of title to property where the property has no recognized independent use.¹

The monetary inducement to effect a transaction is, at least in part, driven by the anticipated costs associated with the transaction process, along with the time that must be devoted by the property owner to complete the process. We assume that the mapping, legal description, deed of easement, and all recording fees will be prepared and/or paid for by the public agency which is acquiring the specific property rights. Accordingly, there are no anticipated costs to the owner for these purposes. However, the owner may reasonably wish to retain legal counsel to review these documents, and to obtain the assurance that the property rights being transferred are as represented by the acquiring public agency. For the type of property under consideration, it is our opinion that the actual transaction costs would be on the order of magnitude of several hundred dollars.

Accordingly, it is our opinion that for the property rights proposed to be acquired, the indication of "nominal value" is in the total amount of:

ONE THOUSAND FIVE HUNDRED DOLLARS
(\$1,500).

We have read the Statement of Valuation Data and it fairly and correctly states our opinions and knowledge as to the matters herein stated. This Appraisal Summary Statement is subject to the attached Certification and Assumptions and Limiting Conditions.



Beth B. Finestone, MAI, FRICS
Certified General Real Estate Appraiser
California Certificate # AG004030
Telephone: (818) 290-5455
Email: bfinestone@irr.com



Jeremy Bagott
Certified General Real Estate Appraiser
California Certificate # AG031250
Telephone: (818) 290-5438
Email: jbagott@irr.com

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Fourth Edition, 2002.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Jeremy Bagott and Beth B. Finestone made personal inspections of the property that is the subject of this report.
12. No other person has provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report Beth B. Finestone has completed the continuing education program of the Appraisal Institute.

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15. As of the date of this report Jeremy Bagott has completed the Standards and Ethics Education Requirement of the Appraisal Institute for associate members.



Beth B. Finestone, MAI, FRICS
Certified General Real Estate Appraiser
California Certificate # AG004030
Telephone: (818) 290-5455
Email: bfinestone@irr.com



Jeremy Bagott
Certified General Real Estate Appraiser
California Certificate # AG031250
Telephone: (818) 290-5438
Email: jbagott@irr.com

Assumptions and Limiting Conditions

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
9. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
10. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
11. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
12. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
13. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
14. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
15. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
16. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.

17. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
18. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
19. Integra Realty Resources – Los Angeles is not a building or environmental inspector. Integra – Los Angeles does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
20. It is expressly acknowledged that in any action which may be brought against Integra Realty Resources – Los Angeles, Integra Realty Resources, Inc. or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.
21. Integra Realty Resources – Los Angeles, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

22. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Integra Realty Resources, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
23. The appraisal is also subject to the following **Special Assumptions**:
- a. The appraisers were provided only the easement map that accompanied the Grant of Easement deed. Our estimate of the easement area is based on the area provided by SCE and described in the Grant of Easement deed included in the addenda of this report. A change to the area of the easement could result in a change to the value conclusions indicated in this report.
 - b. Based on discussions with SCE, we assume that any damages to the subject property, during the installation of the underground or overhead power lines, will be dealt with separately and are not to be considered as part of this analysis.

February 13, 2014

City of Ridgecrest
Attn: Dennis Speer
100 West California Ave.
Ridgecrest, CA 93555

SUBJECT: Offer to Purchase Grant of Easement

In December 2012, the California Public Utilities Commission (CPUC) approved Southern California Edison's (SCE's) application to build the Downs Substation Project. The Project is part of infrastructure improvements that will allow SCE to continue to provide safe and reliable electric service to customers in the City of Ridgecrest and surrounding areas of unincorporated Kern and San Bernardino Counties.

Southern California Edison is offering to purchase the right of way easement for the amount of \$1500. The amount is based on the fair market value of the easement as determined by an independent appraiser in compliance with all State regulations. A copy of the appraisal summary is enclosed.

If you accept this offer, please sign in the space below and return this letter along with the signed and notarized Grant of Easement document, completed 1099 and Seller's Affidavit forms. A pre-paid return envelope is enclosed for your convenience. Upon receipt of all completed documents, a check in the amount of the offer will be promptly forwarded to you

If you have any questions or would like to discuss this offer, please feel free to contact me at (714) 987-5286 or via e-mail at Brett.paulson@sce.com.

Sincerely,



Brett Paulson
Land Acquisition
Southern California Edison
Brett Paulson



SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

Brett Paulson
6 Point Drive
Brea, CA 90801
(714) 469-5462

AGREED & ACCEPTED

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

ENCLOSURES:

- Grant of Easement
- Summary Appraisal
- California Eminent Domain Law Pamphlet
- W-9 Form
- Return Envelope

RECORDING REQUESTED BY:

SOUTHERN CALIFORNIA EDISON
COMPANY

WHEN RECORDED MAIL TO:

SOUTHERN CALIFORNIA EDISON
COMPANY
2131 WALNUT GROVE AVE., 2nd Floor
ROSEMEAD, CA 91770

ATTN: TITLE & REAL ESTATE
SERVICES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT OF EASEMENT

Serial No.
70317A

SCE Doc.:
507012

<u>DOCUMENTARY TRANSFER TAX \$ NONE (VALUE AND CONSIDERATION LESS THAN \$100.00)</u>	DISTRICT 86-Ridgecrest	WORK ORDER 800897991	IDENTITY N/A	MAP SIZE 101-096
_____ SCE Company SIG. OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	FIM 770-2106-1 APN: 343-014-08-01	APPROVED: Real Properties Department	BY ODC	DATE 10/21/2013

CITY OF RIDGECREST (hereinafter referred to as "Grantor"), hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns (hereinafter referred to as "Grantee"), an overhead electrical supply system, consisting of poles, guys and anchors, crossarms, wires, cables, and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and a communication system for any internal or commercial use by Grantee and corporations controlled by or under common control with Grantee, and the right to apportion to telecommunication providers and others for commercial use of the communication system, or parts thereof, herein collectively referred to as "System", consisting of communications-related equipment and fiber optic cables, herein collectively referred to as "Facilities", as well as the right of access to said System, and Facilities, for transmitting data, voice or intelligence by electrical, optical or other electromagnetic means, and other incidental purposes over, under and across the real property in the County of Kern State of California, described on the Exhibit "A" and more particularly shown on the Exhibit "B", both attached hereto and by this reference made a part hereof.

The legal description was prepared pursuant to Sec. 8730(c) of the Business & Professions Code.

Grantor agrees for itself, its heirs and assigns, not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls and fences on the hereinbefore described easement area. The Grantee, and its contractors, agents and employees, shall have the right to trim or top such trees and to cut such roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable.

Grant of Easement
CITY OF RIDGECREST, to
S.C.E. Co., a Corp.
Serial No. 70317A
SCE DOC. 507012

EXECUTED this ____ day of _____, 20__.

CITY OF RIDGECREST

By: _____

Printed Name: _____

Printed Title: _____

By: _____

Printed Name: _____

Printed Title: _____

Grant of Easement
CITY OF RIDGECREST, to
S.C.E. Co., a Corp.
Serial No. 70317A
SCE DOC. 507012

State of California)

County of _____)

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

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

WITNESS my hand and official seal.

Signature _____

State of California)

County of _____)

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

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"
LEGAL DESCRIPTION
SERIAL No. 70317A

A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 2,
TOWNSHIP 27 SOUTH, RANGE 40 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE
COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID
LAND, AS LOCATED WITHIN THE LANDS OF THE GRANTOR, DESCRIBED AS FOLLOWS:

PARCEL 1 – OVERHEAD DISTRIBUTION EASEMENT

A STRIP OF LAND 12.00 FEET IN WIDTH, THE CENTERLINE OF SAID STRIP DESCRIBED AS
FOLLOWS:

COMMENCING AT THE NORTH SIXTEENTH CORNER ON THE EAST LINE OF SECTION 2 OF
SAID TOWNSHIP AND RANGE, SAID POINT BEARS SOUTH 00°57'02" EAST, 1328.51 FEET
FROM THE NORTHEAST CORNER OF SAID SECTION 2; THENCE SOUTH ALONG SAID EAST
LINE SOUTH 00°57'02" EAST, 24.61 FEET; THENCE LEAVING SAID EAST LINE OF SECTION 2,
SOUTH 89°22'07" WEST, 60.00 FEET; THENCE SOUTH 89°22'07" WEST, 1272.32 FEET TO THE
TRUE POINT OF BEGINNING OF SAID 12.00 FOOT STRIP; THENCE SOUTH 89°22'07" WEST,
1,232.31 FEET TO THE TERMINUS OF THIS DESCRIPTION OF PARCEL 1.

ALL FOUND MONUMENT DESCRIPTIONS, BASIS OF BEARINGS, COURSES ETC. ARE AS
SHOWN ON EXHIBIT "B" ATTACHED HEREWITH AND MADE PART HEREOF.

PREPARED BY ME OR UNDER MY DIRECTION.

 DATE 10-4-13

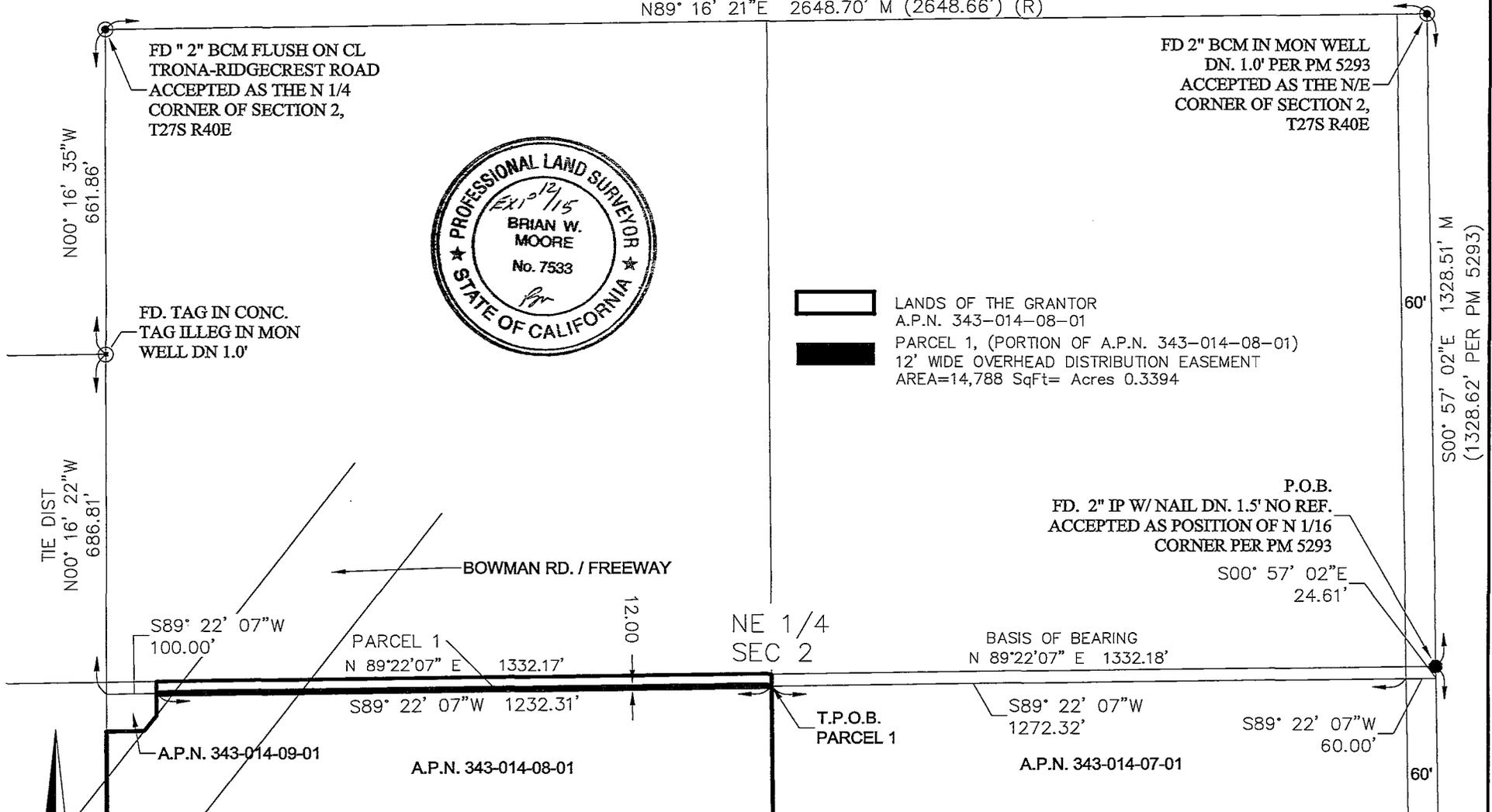
BRIAN MOORE, P.L.S. No. 7533

SOUTHERN CALIFORNIA EDISON COMPANY



A PORTION OF THE SOUTH 1/2 OF THE NORTHEAST CORNER OF SECTION 2,
TOWNSHIP 27 SOUTH, RANGE 40 EAST, MOUNT DIABLO BASE AND MERIDIAN,
IN THE COUNTY OF KERN, STATE OF CALIFORNIA.

N89° 16' 21"E 2648.70' M (2648.66') (R)



LANDS OF THE GRANTOR
 A.P.N. 343-014-08-01
 PARCEL 1, (PORTION OF A.P.N. 343-014-08-01)
 12' WIDE OVERHEAD DISTRIBUTION EASEMENT
 AREA=14,788 SqFt= Acres 0.3394

BASIS OF BEARING: THE SOUTH
 LINE OF NORTHEAST 1/4 OF
 THE NORTHEAST 1/4 OF
 SECTION 2, SHOWN AS
 N89°22'07"E PER P.M. 5293



EXHIBIT "B"

PROJECT NAME: DOWNS SUB (McGEN-SEARLES-INYOKERN)				M.S.: 101-096	
W.O. NO.: 800897991	NOT. NO.: 201997480	CITY: RIDGECREST	COUNTY: KERN	STATE: CA	
SURVEYED BY: G.S., T.L., D.R.		SCE F.B. REF.: 10802/41-49	DATE: 8/23/13		
DRAWN BY: R. WADDELL		MAP REF.: PM 2420, PM 5293			
CHECKED BY: B. MOORE	TRES: O. CASTELLON	SERIAL NO.: 70317A	FILE NAME: 2013-201997480 .DWG		

Integra Realty Resources

Los Angeles

Appraisal Summary Statement

City of Ridgecrest

Vacant Land

APNs: 343-014-07, -08, -09, -11, -16, -17, -20

Ridgecrest, Kern County, California 93555

Serial No.: 70317A

Prepared For:

Southern California Edison

Effective Date of the Appraisal:

November 19, 2013

Report Format:

Appraisal Summary Statement

IRR - Los Angeles

File Number: 121-2013-0326





Appraisal Summary Statement

City of Ridgecrest

Vacant Land

Ridgecrest, California 93555

APNs: 343-014-07, -08, -09, -11, -16, -17, -20

Appraisal Date:	November 22, 2013
Date of Value:	November 19, 2013
Project Name:	Downs, Inyokern, Searles and McGen Substation Expansion Project
Serial No.:	70317A
IRR - Los Angeles File No.	121-2013-0326

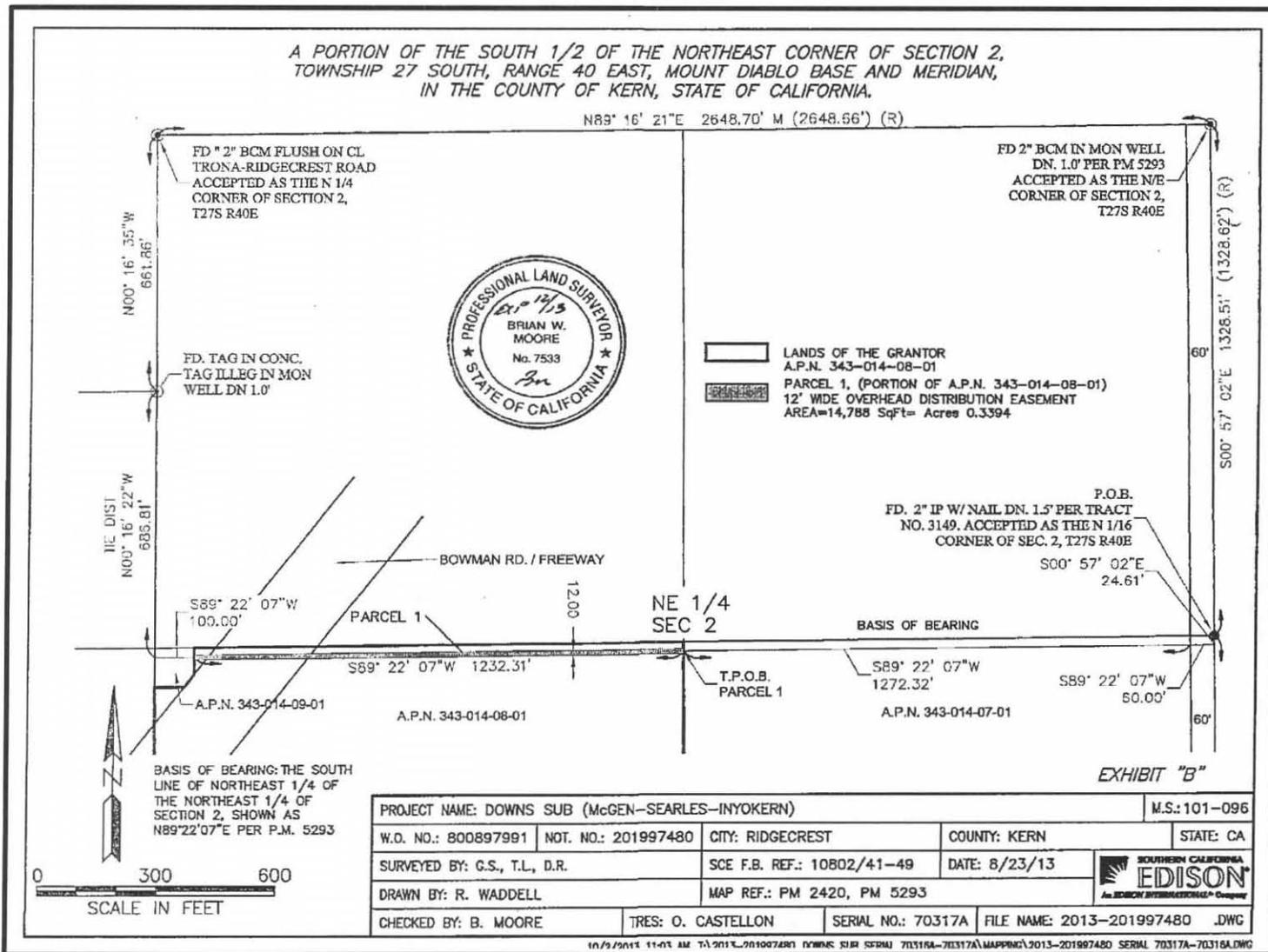
INTRODUCTION

Southern California Edison (SCE) is currently seeking to obtain an overhead distribution easement to encumber a portion of the subject larger parcel. The subject property is primarily vacant land located in the city of Ridgecrest in Kern County, California. The larger parcel is identified in the highlighted assessor's plat map on a following page. The subject larger parcel is currently the site of partial agricultural use (the growing of hay with non-potable water produced by the city's sanitation function). A portion of the site is used approximately once a year for off road vehicle racing.

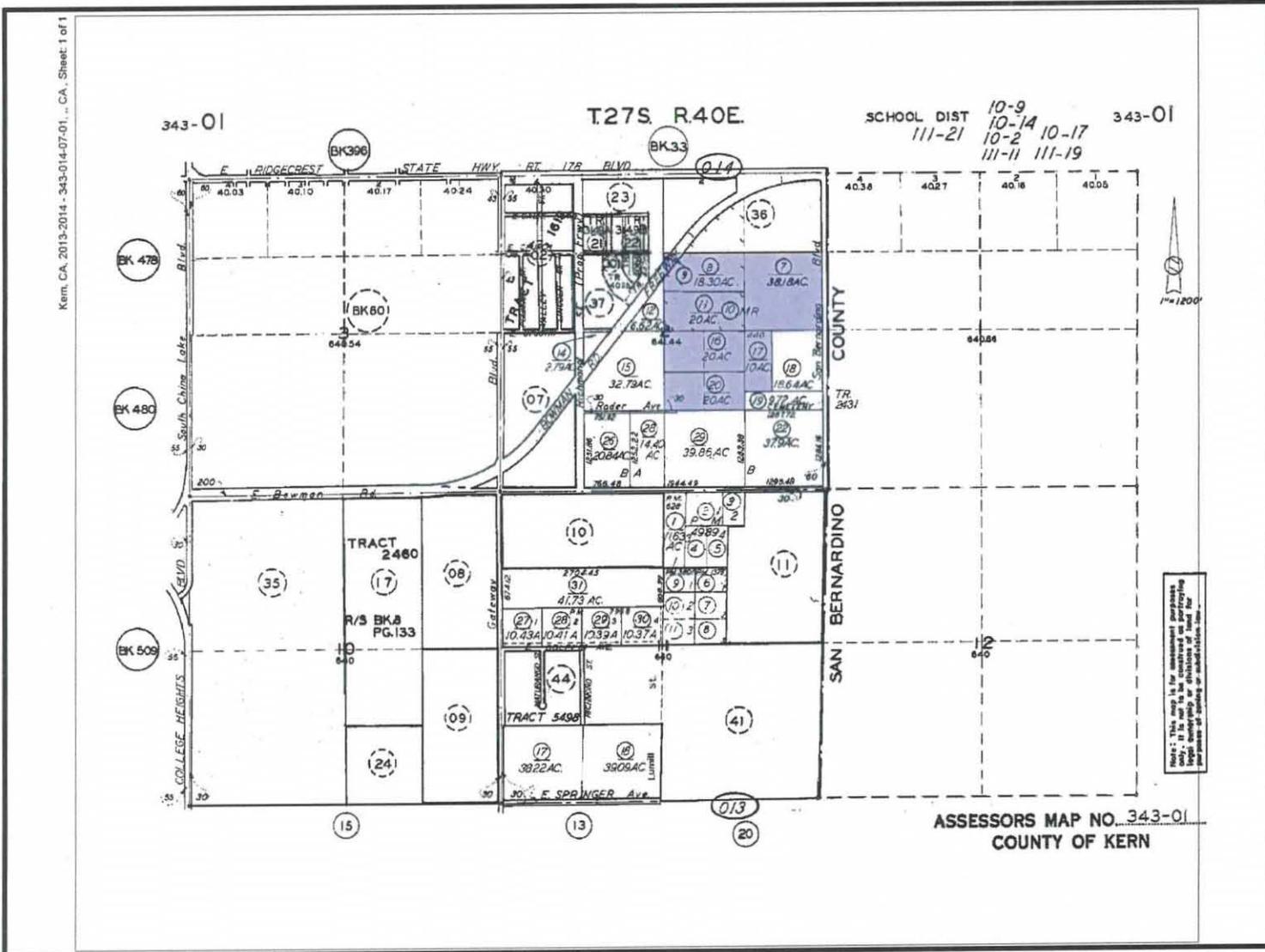
Assessor records show that assessor parcel number 343-014-08, the parcel directly impacted by the proposed easement (being valued in this report) is owned by the City of Ridgecrest as are parcels 11, 16, 17 and 20. Assessor records show that parcels 07 and 09 are owned by the Ridgecrest Sanitation District. However, based on conversations with the City of Ridgecrest, the Ridgecrest Sanitation District is owned by the City of Ridgecrest and as such all of the identified parcels are effectively owned by the City of Ridgecrest and are considered as part of the larger parcel. It should be noted that additional easements are required on parcels 07 and 09, but these have been valued under separate cover at the request of our client.

The overhead distribution easement being sought will affect one oblong strip of land totaling 14,788 square feet. A map of the easement area is provided on the next page.

Easement Map



Plat Map



Kern, CA, 2013-2014 - 343-014-07-01, .. CA, Sheet: 1 of 1

The purpose of the easement is to allow SCE to install an overhead electrical supply system that delivers electrical energy and telecommunications through the immediate area generally bordered by privately held parcels to the north, privately owned lands to the south, the San Bernardino County Line to the east and privately owned lands to the west.

A dedication for the defunct Bowman Freeway traverses the larger parcel. Originally acquired by the state in the 1950s, the right of way was re-acquired by the city of Ridgecrest from the state by conveyance in 1988. It now shares uniformity of use and ownership within the larger parcel. The plat map does not appear to reflect the city's re-acquisition of the freeway right of way. We have based the area of the larger parcel on areas shown in assessor records. It is possible the Bowman Freeway area may not be included, but without a survey, it is not possible to tell. In the end, our final value conclusion will not be impacted either way.

The overhead transmission system will require an easement that restricts air rights as well as implementing restrictions to the surface rights. A copy of the proposed Grant of Easement, provided by SCE, is included in the Addendum of this report. We recommend the review of this document in its entirety by an expert in the field of title and real estate law.

Specifically, SCE is seeking to install "an overhead electrical supply system consisting of poles, guys and anchors, crossarms, wires, cables and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and a communications system for any internal or commercial use ..."

According to the sample Grant of Easement document we were provided, the property owner (Grantor) agrees for himself, his heirs and assigns, "not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls and fences on (the easement property)."

The Grantor also grants to SCE (Grantee), and its contractors, agents and employees, "the right to trim or top such trees or cut such roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable."

A copy of the Grant of Easement deed is located in the Addendum of this report.

SPECIAL ASSUMPTIONS

1. The appraisers were provided only the easement map that accompanied the Grant of Easement deed. Our estimate of the easement area is based on the area provided by SCE and described in the Grant of Easement deed included in the addenda of this report. A change to the area of the easement could result in a change to the value conclusions indicated in this report.

2. Based on discussions with SCE, we assume that any damages to the subject property, during the installation of the overhead power infrastructure, will be dealt with separately and are not to be considered as part of this analysis.

BASIS OF VALUATION

"Fair Market Value", as defined pursuant to Chapter 1275, Title 7, Part 3 of the California Code of Civil Procedure, entitled: Eminent Domain Law, is as follows:

Fair Market Value . . . Article 4.

Measure of Compensation for Property Taken.

- 1263.320 (a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- (b) The fair market value of the property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that is just and equitable.
- 1263.330 The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following:
- (a) The project for which the property is taken;
 - (b) The eminent domain proceeding in which the property is taken;
 - (c) Any preliminary actions of the plaintiff relating to the taking of the property.
- 1263.420 Damage to the remainder is the damage, if any, caused to the remainder by either or both of the following:
- (a) The severance of the remainder from the part taken;
 - (b) The construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not damage is caused by a portion of the project located on the part taken.
- 1263.430 Benefit to the remainder is the benefit, if any, caused by the construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the benefit is caused by a portion of the project located on the part taken.

The definition of "easement," as provided in the Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010, is as follows:

"The right to use another's land for a stated purpose."

SUBJECT DATA

Location:	Easternmost portion of the incorporated city of Ridgecrest, CA 93555. The larger parcel is south of Ridgecrest Boulevard and west of the San Bernardino County Line in Kern County.
APNs:	343-014-07, -08, -09, -11, -16, -17, -20 (Kern County)
Owner:	City of Ridgecrest
Interest Appraised:	Easement interest
Ownership History:	According to public records, the subject property has not transferred within the past five years. To our knowledge, there are no current agreements, options, or listings of the subject property. Information provided is from public sources and is assumed to be correct, but may be different.
Prior Services:	We have not previously appraised the subject property, or performed any other services relative to this property, within a period three years preceding acceptance of this assignment.
Land Area:	The larger parcel is comprised of 5,603,558± square feet or 128.64± acres, per Kern County Assessor records.
Zoning:	M-2 – Heavy Industrial, as governed by the city of Ridgecrest.
Present Use:	Vacant land with some degree of agricultural use.
Easements, Encumbrances and Title Exceptions:	<p>A title report for the property was not prepared, or reviewed, for this analysis. It is assumed that there are no easements or encumbrances that would negatively impact the value of the subject larger parcel or easement area.</p> <p>We do note existing surface and above-ground easements similar to the proposed easement. Such easements are determined to have no impact on the larger parcel value conclusion.</p>
Improvements – Larger Parcel:	The larger parcel is basically unimproved, with the exception of a portion used for hay cultivation.
Improvements – Easement Area:	The easement area is located along the northern property line of the parcel.
Topography:	Generally level. There are a number of what appear to be man-made berms on the property, said to be used for off-road motorcycle racing.

- Environmental:** No specific documentation was provided for review. This appraisal assumes no environmental factors to prohibit future development or use.
- Hazardous Materials:** No specific documentation was provided for review. This appraisal assumes no hazardous materials.
- Highest & Best Use:** The highest and best use of the subject property, as vacant, is for light industrial use at some point when future demand dictates. The property is on the periphery of the city and adjacent to a residential subdivision to the northwest. There is significant open space surrounding the larger parcel.
- Purpose and Intended Use:** The intended use of this report is to assist SCE in negotiations related to the acquisition of the aforementioned easement.
- Intended User:** The intended user of this report is SCE and its assigns.

ACQUISITION DATA

Area to be acquired: The easement represents a 12-foot-wide overhead distribution easement amounting to 14,788 square feet. The table below lays out the easement characteristics:

Acquisition Area				
Parcel	Easement Type	Width (Ft.)	Area (SF)	Area (Acres)
1	Overhead	12	14,788	0.3395
Total			14,788	0.3395

- Location of easement:** Primarily, as we understand it, along the northern property line of the parcel.
- Severance damages:** We have concluded there are no severance damages to the remainder parcel as a result of the parts acquired or construction of the systems in the manner proposed. The subject property will be essentially unchanged in the after condition with a minimal impact created by the new easement.
- The highest and best use of the remainder in the after condition remains the same as the remainder in the before condition.
- Project Benefits:** None identified.

VALUATION DATA

Date of Inspection:	Jeremy Bagott inspected the subject property on November 19, 2013. Beth B. Finestone, MAI, FRICS inspected the subject property on November 19, 2013. Also present at the inspection were City Engineer Loren Cult with the city of Ridgecrest and Charles Thomas with SCE.
Date of Value:	November 19, 2013
Appraisal Process and Scope of Work:	<p>The purpose of this appraisal is to conclude a value for the aforementioned easement that is proposed for the subject property. The sales comparison approach is used in order to conclude an underlying land value as the basis of the easement value. Once a land value is concluded, the value of the easement is determined as a percentage of the underlying value, as it represents less than a full fee acquisition of the land at the subject property.</p> <p>The sales comparison approach is based on the consideration of comparable land sales and is applicable to the valuation of the land rights to be acquired.</p> <p>The cost approach is based in part on a replacement cost new of improvements less depreciation. Since the subject property is largely unimproved land, this approach is not applicable. The income approach is based on an analysis of income produced from the property and expenses to the property. The subject property, in this analysis, is valued as unimproved land, which would typically not produce rental income as is required in this approach; therefore, this approach is not considered applicable to the subject property. Since the cost approach and income approach were determined to have no relevance in this analysis, they were not utilized. Only the sales comparison approach is utilized in this analysis.</p> <p>We began the appraisal process by searching for comparable sales with similar land use and characteristics to those found at the subject property. Where possible, comparable sales were verified with a party or broker familiar with the transaction. Secondary data sources, such as Costar, First American Title, and the Multiple Listing Services for the subject area were also relied upon for data and information regarding transactions.</p> <p>In the valuation of an easement, it is typical to appraise the larger parcel, before the property is encumbered by the easement, and then again after the property is encumbered with the easement. The difference in value, if any, is the concluded value of the easement (inclusive of any severance damages).</p>

In this analysis we considered the diminution to the value of the land area directly affected by the easement, as well as possible damages and/or benefits to the remainder of the larger parcel.

For the purposes of this appraisal, the unit of comparison used is the price per acre. This unit is far and away the most common unit of comparison used by market participants in the subject market. Price per acre is later converted to price per square foot in order to more rationally value the relatively small subject easement area.

Land Valuation:

Recent sales of land with similar use and zoning were sought to represent the current fair market value of the unencumbered fee interest in the underlying land.

The selection criteria for the comparable land sales are summarized below, including a discussion of the data and a unit value conclusion for the subject.

- Transaction date: January 2012 to present.
- Location: Mojave Desert and surrounding areas, such as the Antelope Valley.
- Property Type/Use: Land sales. All of the data analyzed contains equivalent land-use designations.
- Size: From approximately 3 acres to 300 acres. The relative lack of recent land sales necessitated an increase in the size parameters for the search of land sales in the subject market area.

Considering the following market data, land sales in the area indicate values ranging from \$1,073 to \$168,142 per acre. In size, these comparables spanned a spectrum from a 5.65-acre land sale in an urbanized area of Palmdale in the Antelope Valley to a 302-acre agricultural parcel in Ridgecrest.

The sales in the \$1,000 to \$1,500 per acre range are predominately parcels that lack utilities to their property lines and have little chance of development within the foreseeable future. Comparables 1 and 5 have relatively good prospects for development, are located within cities and have all utilities to their property lines.

The subject larger parcel shares characteristics with all the comparables. The subject larger parcel represents a relatively large piece, 128.64 acres, that is at the outer periphery of the city of Ridgecrest but within the path of urban growth in the foreseeable future.

The subject is zoned M-2. It is in a district earmarked for heavy industrial uses. As such, it has much in common with Comparable 5, a listing that had been on the market more than 900 days as of the date of value and has not sold for its asking price of \$15,228 per acre. The broker believes the parcel would sell at about \$7,500 per acre.

Based on the size of the subject larger parcel, its location relative to the comparable data, and other factors, we have concluded to a unit value of \$4,800 per acre or \$0.11 per square foot. This conclusion also considers the subject's zoning, its as-vacant development potential, and its neighborhood characteristics.

A summary of the market data utilized is included on the following page.

Selected Market Data - Land Sales

Item No.	Address/APN	Sale Date Doc No.	Zoning/ Designation	Topography/ Site Improvements	Land Area (± Acres)	Sale Price		
						Total	Per Square Foot	Per Acre
1	NWC Avenue R & 25th Street East Palmdale, Los Angeles County 3018-028-023, -052, -053, -054 Comments:	7/23/2013 1079658	C-3 General Commercial	Level None	5.65	\$950,000	\$3.86	\$168,142
		This property is in a superior location with superior zoning and superior accessibility. It is clearly in the path of urban development, with good surrounding infrastructure.						
2	5th Street Mojave 429-143-42 Comments:	2/5/2013 16426	A-1 Agricultural Limited	Level None	10.20	\$25,000	\$0.06	\$2,451
		The property was purchased by a neighboring landowner as part of an assemblage. The broker believes it was purchased at a market price. The property, which has no well, will benefit from the assemblage, as the buyer's property contains a well.						
3	California City Blvd & Jamison St California City 302-080-15, -16, -17, -18, -19, -20, -21, -22, -23, -24 Comments:	9/5/2012 125468	M-1 Industrial	Level None	24.64	\$37,500	\$0.03	\$1,522
		This sale, which consisted 10 contiguous parcels, is located on the outskirts of California City, in a sparsely developed area. It is strictly raw desert land, with electricity being approximately one mile away.						
4	Brown Road east of SR-395 Ridgecrest 056-072-16, -05 Comments:	4/3/2012 43657	A-1 Agricultural Limited	Level None	301.94	\$324,000	\$0.02	\$1,073
		The buyer, a nut farming concern in Kern County, is said to have purchased this land on speculation. The meeting of the minds is said to have occurred in December 2010. One of the parcels is bisected by railroad tracks.						
5	1300 E Ridgecrest Blvd Ridgecrest 343-361-02 Comments:	Listing	M-1 Industrial	Level None	3.94	\$60,000	\$0.35	\$15,228
		This listing has been on the market more than 900 days as of the date of value. It is located just north of the subject within the city of Ridgecrest. Water, electricity and sewer are available to the property line, though it is irregular in shape. Broker Eloy Rodriguez believes it will sell at about \$7,500 per acre.						

Easement Area Methodology Overview:	<p>The typical appraisal method for valuing partial interests (as is the case with the easement analyzed in this report), is the <i>before and after</i> method. With this method, the appraiser values the larger parcel before the taking (or easement), and then again after the easement is assumed to be in place. The difference (if any) is the amount attributed to the easement and the value due the owner inclusive of severance damages and project benefits. However, when lesser takings, or grants, are involved where such a before and after value would likely be nominal (due to impact, location, etc.) another approach and formula is often applied.</p> <p>This other formula, which is utilized in this analysis, essentially estimates the value of the part taken (as part of the whole), adds damages to the larger parcel (if any), subtracts benefits (if any), and the difference is the value of the property interest in question. This method is based on the premise that property ownership is known as a “bundle of rights,” whereby an ownership can be divided into separate “sticks” that comprise the “bundle.” For example, certain sticks or rights represent the right to use the surface of the land, or the air rights around an airport, or the subsurface rights to acquire the right to run a pipeline.</p> <p>This latter method has been determined as the appropriate methodology in this report.</p> <p>Our analysis of the subject property and the proposed easement has resulted in a conclusion that there are no severance damages or special benefits as a result of the proposed easement. This is based on the fact that the easement will have no effect on the value of the remainder parcel in the after condition.</p>
Easement Area as a Percentage of Fee:	<p>With implementation of the easement, SCE will have the right construct an overhead electrical supply system and communication system which may consist of poles, guys and anchors, crossarms, wires, cables, etc. The proposed easement results in an acquisition of air rights and has a significant impact to the surface rights in the easement area. Subterranean rights are not being acquired.</p> <p>Based upon the use to which the easement will be put and the significant restrictions imposed by the grant of easement, we have concluded that the proposed acquisition results in an 80% diminution of value associated with the fee value of the underlying land.</p>

VALUE CONCLUSION

Reconciliation: The sales noted in the preceding section represent the market activity for raw land in the subject market area. Through an analysis of these sales, it is concluded that the sales are applicable for concluding to a value of \$4,800 per acre for the subject property. This equates to \$0.11 per square foot.

Further, our analysis of the impact of the easement on the underlying land of the subject property has led to a determination that the easement type will result in an 80% diminution in value to the directly affected underlying land area. As the remainder parcel will be unaffected by the easement, there are no severance damages or special benefits associated with the easement.

Easement Valuation: The subject overhead easement acquired consists of an area of approximately 14,788 square feet. This easement area was derived from project plans and information that were provided by SCE. A change in these plans, and/or area sizes, could significantly alter the conclusions of this report.

The following table summarizes the value of the easement:

Easement Valuation				
Easement	Area (SF)	Price	% Rights	Indication
Overhead easement	14,788	x \$0.11	x 80%	= \$1,301.34
				\$1,301.34

Concluded Easement Value: \$1,301.34

Concluded Nominal Value: \$1,500

The value conclusion in this analysis is less than the concluded nominal value which is discussed below. As a result, the nominal value amount is the concluded value due the owner as the result of the proposed easement.

NOMINAL VALUE AWARD FOR COSTS

As we can see from the analysis previously presented, the value in the property rights proposed to be taken in the easement is relatively small. Nonetheless, the transfer of the property rights to be acquired does impose a requirement that the property owner review project information, and execute necessary documents to bring about the transfer of these specified property rights. These requirements necessitate the consideration of the concept of "nominal value," which is described as follows:

Serial No.: 70317A

Downs, Inyokern, Searles and McGen Substation Expansion Project

That amount of money necessary to effect a transfer of title to property where the property has no recognized independent use.¹

The monetary inducement to effect a transaction is, at least in part, driven by the anticipated costs associated with the transaction process, along with the time that must be devoted by the property owner to complete the process. We assume that the mapping, legal description, deed of easement, and all recording fees will be prepared and/or paid for by the public agency which is acquiring the specific property rights. Accordingly, there are no anticipated costs to the owner for these purposes. However, the owner may reasonably wish to retain legal counsel to review these documents, and to obtain the assurance that the property rights being transferred are as represented by the acquiring public agency. For the type of property under consideration, it is our opinion that the actual transaction costs would be on the order of magnitude of several hundred dollars.

Accordingly, it is our opinion that for the property rights proposed to be acquired, the indication of "nominal value" is in the total amount of:

ONE THOUSAND FIVE HUNDRED DOLLARS
(\$1,500).

We have read the Statement of Valuation Data and it fairly and correctly states our opinions and knowledge as to the matters herein stated. This Appraisal Summary Statement is subject to the attached Certification and Assumptions and Limiting Conditions.



Beth B. Finestone, MAI, FRICS
Certified General Real Estate Appraiser
California Certificate # AG004030
Telephone: (818) 290-5455
Email: bfinestone@irr.com



Jeremy Bagott
Certified General Real Estate Appraiser
California Certificate # AG031250
Telephone: (818) 290-5438
Email: jbagott@irr.com

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, Fourth Edition, 2002.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Jeremy Bagott and Beth B. Finestone made personal inspections of the property that is the subject of this report.
12. No other person has provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report Beth B. Finestone has completed the continuing education program of the Appraisal Institute.

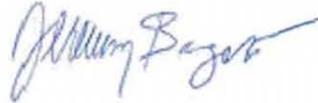
Serial No.: 70317A

Downs, Inyokern, Searles and McGen Substation Expansion Project

15. As of the date of this report Jeremy Bagott has completed the Standards and Ethics Education Requirement of the Appraisal Institute for associate members.



Beth B. Finestone, MAI, FRICS
Certified General Real Estate Appraiser
California Certificate # AG004030
Telephone: (818) 290-5455
Email: bfinestone@irr.com



Jeremy Bagott
Certified General Real Estate Appraiser
California Certificate # AG031250
Telephone: (818) 290-5438
Email: jbagott@irr.com

February 13, 2014

City of Ridgecrest
Attn: Dennis Speer
100 West California Ave.
Ridgecrest, CA 93555

SUBJECT: Offer to Purchase Grant of Easement

In December 2012, the California Public Utilities Commission (CPUC) approved Southern California Edison's (SCE's) application to build the Downs Substation Project. The Project is part of infrastructure improvements that will allow SCE to continue to provide safe and reliable electric service to customers in the City of Ridgecrest and surrounding areas of unincorporated Kern and San Bernardino Counties.

Southern California Edison is offering to purchase the right of way easement for the amount of \$4000. The amount is based on the fair market value of the easement as determined by an independent appraiser in compliance with all State regulations. A copy of the appraisal summary is enclosed.

If you accept this offer, please sign in the space below and return this letter along with the signed and notarized Grant of Easement document, completed 1099 and Seller's Affidavit forms. A pre-paid return envelope is enclosed for your convenience. Upon receipt of all completed documents, a check in the amount of the offer will be promptly forwarded to you.

If you have any questions or would like to discuss this offer, please feel free to contact me at (714) 987-5286 or via e-mail at Brett.paulson@sce.com.

Sincerely,



Brett Paulson
Land Acquisition
Southern California Edison
Brett Paulson

AGREED & ACCEPTED

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

By: _____
Print Name: _____
Company: _____
Title: _____

Date: _____

ENCLOSURES:

- Grant of Easement
- Summary Appraisal
- California Eminent Domain Law Pamphlet
- W-9 Form
- Return Envelope

RECORDING REQUESTED BY
SOUTHERN CALIFORNIA EDISON COMPANY

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT OF EASEMENT

Location: City of Ridgecrest
A.P.N. 508-020-08
RP FILE: ACQ202221052
SCE Doc No. 506923

DOCUMENTARY TRANSFER TAX \$ _____	Serial No. 70321A Service Order 800982465
_____ COMPUTED ON FULL VALUE OF PROPERTY CONVEYED _____ OR COMPUTED ON FULL VALUE LESS LIENS AND ENCUMBRANCES REMAINING AT TIME OF SALE SO. CALIF. EDISON CO.	Approved Real Properties Department
SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	BY LC DATE 10/9/13

CITY OF RIDGECREST, a municipal corporation, hereinafter called "Grantor", hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns, hereinafter called "Grantee", an easement and right of way to construct, use, maintain, alter, add to, enlarge, repair, replace, inspect, and/or remove, at any time and from time to time, electric lines, consisting of poles and towers made of various materials, "H" frame structures, guy wires and anchors, crossarms, wires and other fixtures and appliances and communication circuits with necessary appurtenances, both overhead and underground, for conveying electric energy to be used for light, heat, power, telephone and/or other purposes, in, under, on, over, along and across a strip of land of thirty (30.00) feet wide, hereinafter described and designated as "Right of Way Strip," lying within that certain real property of the Grantor, situated in the City of Ridgecrest. County of Kern, State of California, described as follows:

Parcel 2 of Amended Parcel Map 7916, in the City of Ridgecrest, County of Kern, State of California, filed in Book 34, Page 102 of Parcel Maps, in the office of the County Recorder of said County.

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

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

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

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

Grant of Easement
City of Ridgecrest to
S.C.E.Co., a corp.
Serial No. 70321A
RP File No. ACQ202221052

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

CITY OF RIDGECREST, a municipal corporation

By _____
Name _____
Title _____

By _____
Name _____
Title _____

State of California)

County of _____)

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

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

WITNESS my hand and official seal.

Signature _____

Grant of Easement
City of Ridgecrest to
S.C.E.Co., a corp.
Serial No. 70321A
RP File No. ACQ202221052

State of California)

County of _____)

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

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"
LEGAL DESCRIPTION
SERIAL 70321A

THAT PORTION OF PARCEL 2 OF AMENDED PARCEL MAP 7916, IN THE CITY OF RIDGECREST, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, FILED IN BOOK 34, PAGE 102 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS LOCATED WITHIN THE LANDS OF THE GRANTOR, DESCRIBED AS FOLLOWS:

PARCEL No. 1 – TRANSMISSION LINE EASEMENT

A STRIP OF LAND 30 FEET IN WIDTH, THE CENTERLINE OF SAID STRIP DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE CENTERLINE OF SOUTH DOWNS STREET, SAID POINT BEARS SOUTH 00°32'37" EAST 759.88 FEET FROM THE CENTERLINE INTERSECTION OF WEST RIDGECREST BOULEVARD AND SOUTH DOWNS STREET, AS SHOWN ON PARCEL MAP NO. 5434, FILED IN BOOK 23, PAGE 113 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE NORTH 89°47'06" WEST 28.92 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE NORTH 07°12'06" WEST 167.53 FEET;

THENCE NORTH 00°42'59" EAST 166.65 FEET TO A POINT OF TERMINUS FOR THIS DESCRIPTION OF PARCEL 1.

THE SIDELINES OF SAID STRIP SHALL BE LENGTHENED AND SHORTENED TO TERMINATE NORTHERLY AND SOUTHEASTERLY ON THE NORTH AND EAST LINE OF SAID PARCEL.

ALL FOUND MONUMENT DESCRIPTIONS, BASIS OF BEARINGS, COURSES, ETC. ARE AS SHOWN ON EXHIBIT "B" ATTACHED HEREWITH AND MADE A PART HEREOF.

PREPARED BY ME OR UNDER MY DIRECTION

Brian W. Moore

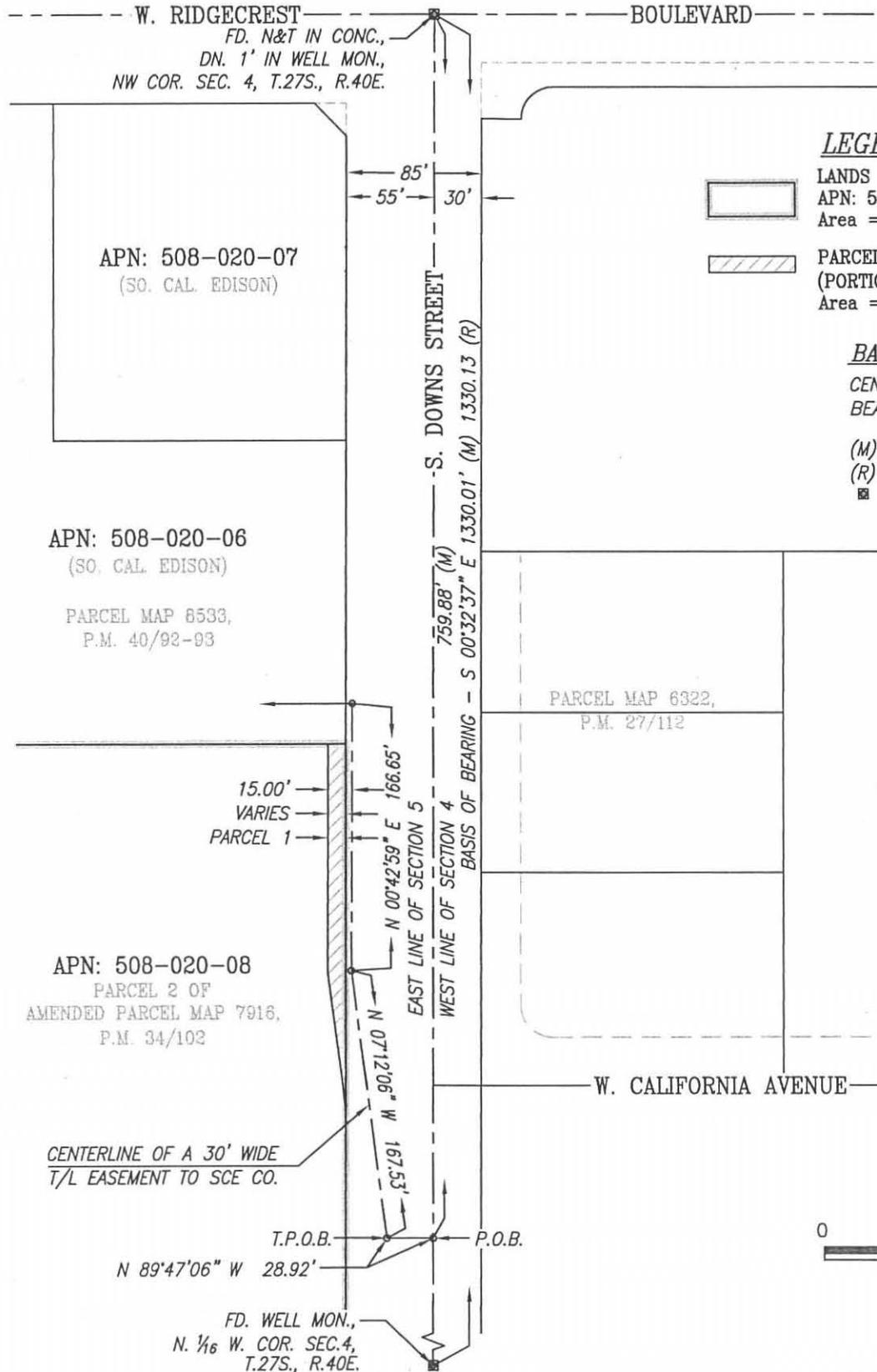
DATE 10-4-13

BRIAN W. MOORE, P.L.S. No. 7533

SOUTHERN CALIFORNIA EDISON COMPANY



A PORTION OF PARCEL 2 OF AMENDED PARCEL MAP 7916, P.M. 34/102, IN THE CITY OF RIDGECREST, IN THE COUNTY OF KERN, STATE OF CALIFORNIA.



LEGEND

LANDS OF THE GRANTOR
APN: 508-020-08
Area = 360581 SqFt = 8.278 Acres

PARCEL 1, T/L EASEMENT
(PORTION OF APN: 508-020-08)
Area = 2090 SqFt = 0.048 Acres

BASIS OF BEARINGS

CENTERLINE OF S. DOWNS ST.,
BEARING OF S 00°32'37" E

(M) MEASURED DISTANCE
(R) RECORD - P.M. 23/113
■ FOUND MONUMENT AS NOTED

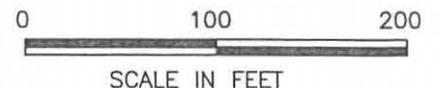


EXHIBIT "B"

PROJECT NAME: DOWNS SUBSTATION (115KV DOWNS-INYOKERN)				M.S.: 101-095
W.O. NO.: 800982465	NOT. NO.: 202221052	CITY: RIDGECREST	COUNTY: KERN	STATE: CA
SURVEYED BY: G.SPOELSTRA, T.LAURICE, D.RODRIGUEZ		SCE F.B. REF.: 10802/50-57	DATE: 08-15-2013	
DRAWN BY: E.HERNANDEZ		MAP REF.: SCE DWG. 364370_0.01		
CHECKED BY: B.MOORE	TRES: L.CHAVEZ	SERIAL NO.: 70321A	FILE NAME: 2013-202221052	.DWG

Integra Realty Resources
Los Angeles

Appraisal Summary Statement

S. Downs Street
Recreational Land
NWC Church Avenue and South Downs Avenue
Ridgecrest, Kern County, California 93555
Serial No.: 70321A

Prepared For:
Southern California Edison

Effective Date of the Appraisal:
November 19, 2013

Report Format:
Appraisal Summary Statement

IRR - Los Angeles
File Number: 121-2013-0309



Integra Realty Resources
Los Angeles

16030 Ventura Boulevard
Suite 620
Encino, CA 91436-4473

T 818.290.5400
F 818.290.5401
www.irr.com



Appraisal Summary Statement

**S. Downs Street
Recreational Land
Ridgecrest, California 93555
APNs: 508-020-08, -09**

Appraisal Date:	November 22, 2013
Date of Value:	November 19, 2013
Project Name:	Downs, Inyokern, Searles and McGen Substation Expansion Project
Serial No.:	70321A
IRR - Los Angeles File No.	121-2013-0309

Introduction

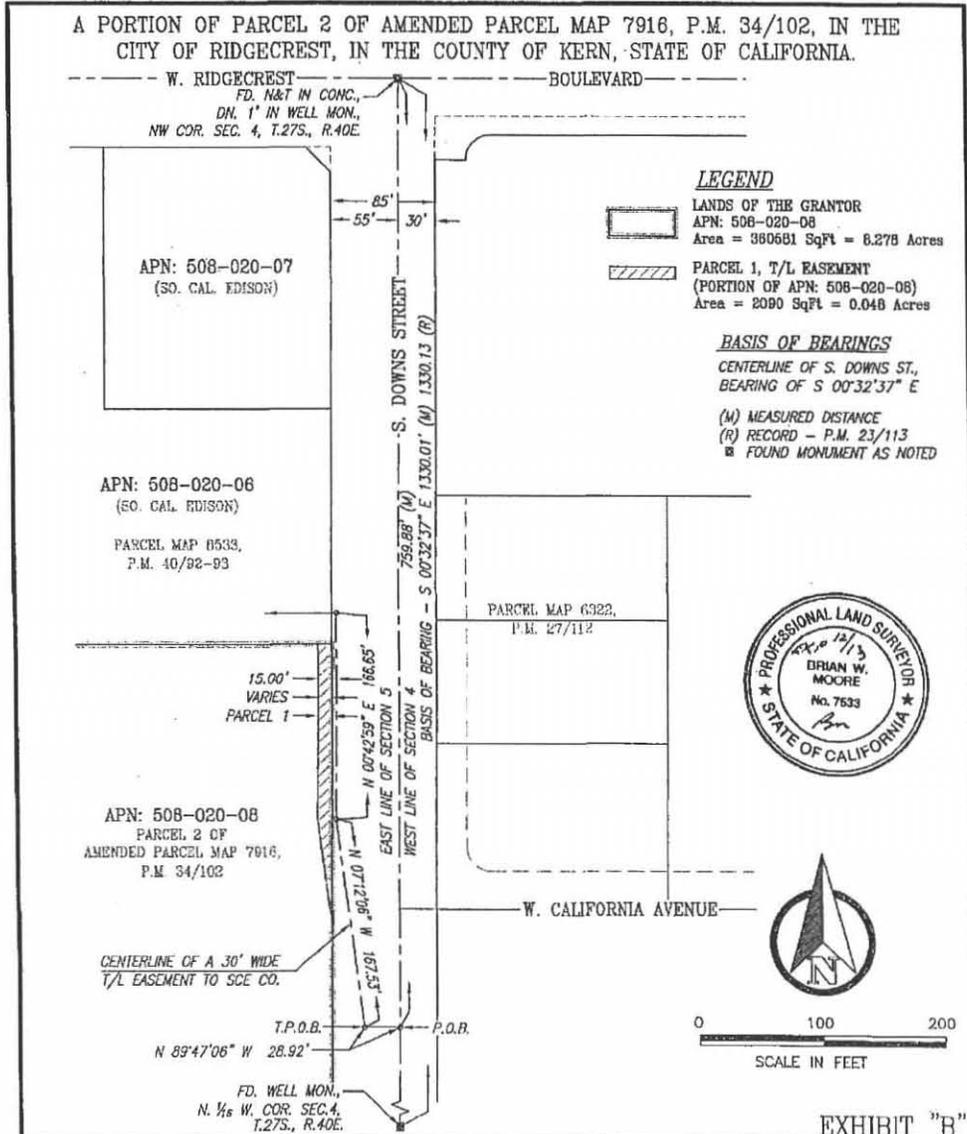
Southern California Edison (SCE) is currently seeking to obtain an easement and right of way to encumber a portion of the subject larger parcel. The subject property is primarily recreational land containing baseball diamonds and accompanying bleachers and outbuildings located in the city of Ridgecrest in Kern County, California. It is identified by the highlighted assessor's plat map on a following page.

The easement being sought will constitute a strip of land 30-feet wide and totaling 2,090 square feet. A map of the easement area is provided on the following page.

The purpose of the easement is to allow SCE to install and maintain electric lines consisting of poles and towers, "H"-frame structures, guy wires, anchors and other above- and below-ground fixtures through the defined area for the purposes of conveying electric energy to be used for light, heat, power, telephone and/or other purposes. The larger parcel consists of assessor parcel numbers 508-020-08 and 508-020-09. Both are owned by the city of Ridgecrest.

The grantor further grants the right of assignment to others without limitation and the right to apportion or divide in whatever manner SCE deems desirable the easements and rights laid out by the grant of easement provided in the Addendum of this report. The grantor also grants the right to SCE to keep the right-of-way strip clear from buildings, brush, equipment, combustible material and other obstructions.

Easement Map

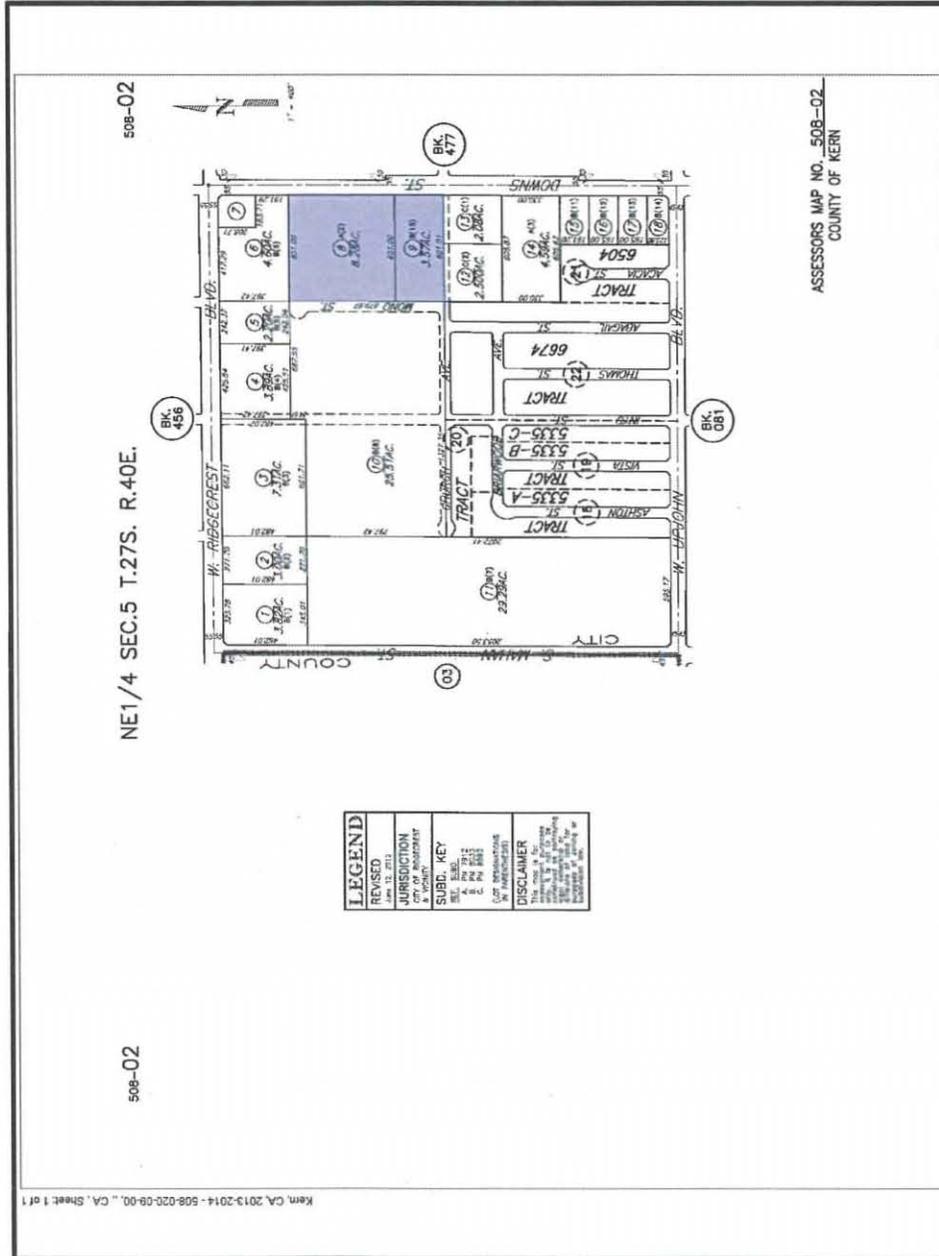


PROJECT NAME: DOWNS SUBSTATION (115KV DOWNS-INYOKERN)			M.S.: 101-095	
W.O. NO.: 800982485	NOT. NO.: 202221052	CITY: RIDGECREST	COUNTY: KERN	STATE: CA
SURVEYED BY: G.SPOELSTRA, T.LAURICE, D.RODRIGUEZ		SCE F.B. REF.: 10802/50-57	DATE: 08-15-2013	
DRAWN BY: E.HERNANDEZ		MAP REF.: SCE DWG. 364370_0.01		
CHECKED BY: B.MOORE	TRES: L.CHAVEZ	SERIAL NO.: 70321A	FILE NAME: 2013-202221052	.DWG

10/4/2013 2:40 PM, T:\2013-202221052_DOWNS SUB_DOWNS-INYOKERN_SERIAL 70321A & 70322A\2013-202221052.DWG



Plat Map



Specifically, SCE seeks "an easement and right of way to construct, use, maintain, alter, add to, enlarge, repair, replace, inspect and/or remove, at any time and from time to time, electric lines, consisting of poles and towers made of various materials, "H" frame structures, guy wires and anchors, crossarms, wires and other fixtures and appliances and communication circuits with necessary appurtenances, both overhead and underground, for conveying electric energy to be used for light, heat, power, telephone and/or other purposes, in, under, on, over, along and across a strip of land of thirty (30.00) feet wide, hereinafter described as "Right of Way Strip," lying within that certain real property of the Grantor..."

A copy of the proposed Grant of Easement, provided by SCE, is included in the Addendum of this report. We recommend the review of this document in its entirety by an expert in the field of title and real estate law.

A copy of the Grant of Easement deed is located in the Addendum of this report.

SPECIAL ASSUMPTIONS

1. The appraisers were provided only the easement map that accompanied the Grant of Easement deed. Our estimate of the easement area is based on the area provided by SCE and described in the Grant of Easement deed included in the addenda of this report. A change to the area of the easement could result in a change to the value conclusions indicated in this report.
2. Based on discussions with SCE, we assume that any damages to the subject property, during the installation of any infrastructure, will be dealt with separately and are not to be considered as part of this analysis.

BASIS OF VALUATION

"Fair Market Value", as defined pursuant to Chapter 1275, Title 7, Part 3 of the California Code of Civil Procedure, entitled: Eminent Domain Law, is as follows:

Fair Market Value . . . Article 4.

Measure of Compensation for Property Taken.

- 1263.320 (a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- (b) The fair market value of the property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that is just and equitable.
- 1263.330 The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following:



- (a) The project for which the property is taken;
 - (b) The eminent domain proceeding in which the property is taken;
 - (c) Any preliminary actions of the plaintiff relating to the taking of the property.
- 1263.420 Damage to the remainder is the damage, if any, caused to the remainder by either or both of the following:
- (a) The severance of the remainder from the part taken;
 - (b) The construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not damage is caused by a portion of the project located on the part taken.
- 1263.430 Benefit to the remainder is the benefit, if any, caused by the construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the benefit is caused by a portion of the project located on the part taken.

The definition of "easement," as provided in the Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, Chicago, Illinois, 2010, is as follows:

"The right to use another's land for a stated purpose."

SUBJECT DATA

Location:	Northwest corner of Church Avenue and South Downs Avenue Ridgecrest, CA 93555
APNs:	508-020-08, -09 (Kern County)
Owner:	City of Ridgecrest
Interest Appraised:	Transmission Line Easement interest
Ownership History:	According to public records, the subject property has not transferred within the past five years. It is our understanding that there are no current agreements, options, or listings of the subject property. Information provided is from public sources and is assumed to be correct, but may be different.
Prior Services:	We have not previously appraised the subject property, or performed any other services relative to this property, within a period three years preceding acceptance of this assignment.
Land Area:	The larger parcel is comprised of 516,186± square feet or 11.85± acres, per Kern County Assessor records.
Zoning:	RSP – Recreation, School, Public Use, as governed by the city of Ridgecrest.
Present Use:	Recreational Land.



Easements, Encumbrances and Title Exceptions:	A title report for the property was not prepared, or reviewed, for this analysis. It is assumed that there are no easements or encumbrances that would negatively impact the value of the subject larger parcel.
Improvements – Larger Parcel:	The larger parcel is used as a park and improved with bleachers, backstops and small storage buildings on the site. It is basically a park with baseball diamonds and outdoor lighting.
Improvements – Easement Area:	The easement area is located along the eastern boundary of the property in a landscaped area.
Topography:	Generally level.
Environmental:	No specific documentation was provided for review. This appraisal assumes no environmental factors to prohibit future development or use.
Hazardous Materials:	No specific documentation was provided for review. This appraisal assumes no hazardous materials.
Highest & Best Use:	<p>We have analyzed the surrounding land uses, zoning map and general plan map and believe the most logical and likely non-public-use zone for the subject larger parcel would be the CS, Service Commercial, zone, which is found across the street from the property and throughout the immediate area. As the concept of highest and best use is an economic one, we have assigned the CS zone to the property by necessity.</p> <p>Therefore, the highest and best use of the subject property, as vacant and ready to accommodate an economic use, would for commercial use when future demand dictates. The property is in the path of urban expansion although there is currently considerable unimproved land in the immediate surroundings and little sign of large-scale development in the neighborhood. The highest and best use of the property as improved is continued use as a park.</p>
Purpose and Intended Use:	The intended use of this report is to assist SCE in negotiations related to the acquisition of the aforementioned easement.
Intended User:	The intended user of this report is SCE and its assigns.

ACQUISITION DATA

Area to be acquired:	The easement represents a 30-foot-wide transmission line easement totaling 2,090 square feet.
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The approximate size and area of the easement to be acquired is summarized in the table below:

Acquisition Areas				
Parcel	Easement Type	Width (Ft.)	Area (SF)	Area (Acres)
1	Transmission Line	30	2,090	0.0480
Total			2,090	0.0480

Location of easement: At the eastern property line of the parcel.

Severance damages: We have concluded there are no severance damages to the remainder parcel as a result of the parts acquired or construction of the systems in the manner proposed. The subject remainder parcel will be essentially unchanged in the after condition with a minimal impact created by the easement.

The highest and best use of the remainder in the after condition remains the same as the remainder in the before condition.

Project Benefits: None identified.

VALUATION DATA

Date of Inspection: Jeremy Bagott inspected the subject property on November 19, 2013. Beth B. Finestone, MAI, FRICS inspected the subject property on November 19, 2013. Also present at the inspection was Charles Thomas of SCE.

Date of Value: November 19, 2013

Appraisal Process and Scope of Work: The purpose of this appraisal is to conclude a value for the aforementioned easement that is proposed for the subject property. The sales comparison approach is used in order to conclude an underlying land value as the basis of the easement value. Once a land value is concluded, the value of the easement is determined as a percentage of the underlying value, as it represents less than a full fee acquisition of the land at the subject property.

The sales comparison approach is based on the consideration of comparable land sales and is applicable to the valuation of the land rights to be acquired.

The cost approach is based in part on a replacement cost new of improvements less depreciation. Since the subject property is largely



unimproved land, this approach is not applicable. The income approach is based on an analysis of income produced from the property and expenses to the property. The subject property, in this analysis, is valued as unimproved land, which would typically not produce rental income as is required in this approach; therefore, this approach is not considered applicable to the subject property. Since the cost approach and income approach were determined to have no relevance in this analysis, they were not utilized. Only the sales comparison approach is utilized in this analysis.

We began the appraisal process by searching for comparable sales with similar land use and characteristics to those found at the subject property. Where possible, comparable sales were verified with a party or broker familiar with the transaction. Secondary data sources, such as Costar, First American Title, and the Multiple Listing Services for the subject area were also relied upon for data and information regarding transactions.

In the valuation of easements, it is typical to appraise the larger parcel, before the property is encumbered by the easements, and then again after the property is encumbered with the easements. The difference in value, if any, is the concluded value of the easements (inclusive of any severance damages). In this analysis we considered the diminution to the value of the land area directly affected by the easement, as well as possible damages and/or benefits to the remainder of the larger parcel.

For the purposes of this appraisal, the unit of comparison used is the price per square foot. This unit is the most common unit of comparison used by market participants in the subject market for parcels of similar size to the subject.

Land Valuation:

Recent sales of land with commercial use and zoning were sought to represent the current fair market value of the unencumbered fee interest in the underlying land.

The selection criteria for the comparable land sales are summarized below, including a discussion of the data and a unit value conclusion for the subject.

- Transaction date: January 2011 to present.
- Location: Mojave Desert and surrounding areas, such as the Antelope Valley and Tehachapi.
- Property Type/Use: Land sales in the path of commercial development. All of the data analyzed contains equivalent land-use designations.
- Size: From approximately 0.5 acres to 15 acres. The subject larger



parcel, at nearly 12 acres, could not be meaningfully bracketed with respect to size. The most meaningful comparables found ranged from 0.87 acres to 5.65 acres due to the lack of comparable data.

Considering the following market data, land sales in the area indicate values ranging from \$0.35 to \$9.50 per square foot. Eliminating the outlier at the upper end of the spectrum (which, not coincidentally, is the smallest parcel and benefits by economies of scale), the remaining comparables range from \$0.35 to \$6.87 per square foot, with a stronger still and more relevant predominance for the subject at between \$2.66 and \$3.86 per square foot.

The reader should note that we have assigned the CS, Service Commercial, zone to the subject, as we believe it is the subject's most logical non-public-use zone were the parcel ever to be disposed of by the city. It is a district earmarked for service commercial uses.

The properties at the high end of the range represent prime commercial pads with excellent accessibility and visibility. These have been attractive to national chain retailers wishing to expand into the Mojave Desert. Purchasers of the highest-quality sites in the area have included AutoZone and Dollar General stores.

Although proximate to Ridgecrest Boulevard, one of the main commercial arteries in Ridgecrest, the subject fronts a collector street (South Downs Road) and lacks the type of overall exposure Comparables 2, 3, and 4 afford. Comparables 1, 5 and 6, although situated in the Antelope Valley cities of Palmdale and Lancaster, better reflect many of the subject's characteristics than the comparables at the upper end of the price spectrum.

Comparable 7, a listing that its broker believes will sell at the \$0.35 per square foot level, is considerably inferior to the subject in visibility, access and zoning. It has been used primarily for bracketing purposes due to its location in Ridgecrest.

Based on the comparable data and conversations with brokers in the area, we have concluded to a unit value of \$2.25 per square foot for the subject.

The table on the following page summarizes the comparable sales and the required adjustments.



Selected Market Data - Land Sales

Item No.	Address/APN	Sale Date	Zoning/	Topography/	Land Area (± Acres)	Sale Price		
		Doc No.	Designation	Shape		Total	Per Square Foot	Per Acre
1	NWC Avenue R & 25th Street East Palmdale, Los Angeles County 3018-028-023, -052, -053, -054 Comments:	7/23/2013 1079658	C-3 General Commercial	Level Rectangular	5.65	\$950,000	\$3.86	\$168,142
		This property is considered superior to the subject in location, access/exposure and size. Overall, on a price-per-square-foot basis, it requires a downward adjustment.						
2	Tucker Road n/o Cherry Lane Tehachapi, Kern County 416-040-03 Comments:	5/29/2013 75414	C-3 General Commercial	Level Rectangular	2.44	\$730,000	\$6.87	\$299,180
		It is considered slightly superior to the subject in entitlements and superior in size. It is superior in location. Overall, on a price-per-square-foot basis, it requires a downward adjustment.						
3	9611 California City Blvd California City, Kern County 208-381-11 Comments:	5/15/2013 67979	C4 Commercial	Level Square	1.19	\$350,000	\$6.75	\$294,118
		It is superior to the subject in access/exposure, in size and in entitlements. In addition, it is considered superior to the subject in site condition; Overall, on a price-per-square-foot basis, it requires a downward adjustment.						
4	2343 State Highway 58 Mojave, Kern County 236-271-05 Comments:	7/24/2012 99573	C-2 Commercial	Level Trapezoid	0.87	\$360,000	\$9.50	\$413,793
		It is superior to the subject in access/exposure, superior to the subject in size and it is considered slightly superior to the subject in entitlements. It is inferior to the subject in shape and topography. Overall, on a price-per-square-foot basis, it requires a downward adjustment.						
5	NEC West Avenue J & Genoa Street Lancaster, Los Angeles County 3133-016-053, -062 Comments:	12/8/2011 1662260	C Commercial	Level Highly irregular	2.24	\$260,000	\$2.66	\$116,071
		This property is considered superior to the subject in location and size. It is inferior to the subject in shape and topography. Overall, on a price-per-square-foot basis, it requires a downward adjustment.						
6	45403 Division Street Lancaster, Los Angeles County 3137-009-065 Comments:	3/17/2011 406920	HI Heavy Industrial	Level Rectangular	1.10	\$142,000	\$2.96	\$129,091
		This property is superior to the subject in location, in access/exposure and in size. In terms of zoning, this property is considered inferior to the subject. Overall, on a price-per-square-foot basis, it requires a downward adjustment.						
7	1300 E Ridgecrest Blvd Ridgecrest 343-361-02 Comments:	Listing	M-1 Industrial	Level None	3.94	\$60,000	\$0.35	\$15,228
		This listing is inferior in zoning and location within the city of Ridgecrest. Its shape is irregular, making it also inferior in that regard. It has been on the market more than 900 days and failed to sell at its asking price of \$0.35 per square foot. Overall, on a price-per-square-foot basis, it requires an upward adjustment.						

Easement Area Methodology Overview:	<p>The typical appraisal method for valuing partial interests (as is the case with the easement analyzed in this report), is the <i>before and after</i> method. With this method, the appraiser values the larger parcel before the taking (or easement), and then again after the easement is assumed to be in place. The difference (if any) is the amount attributed to the easement and the value due the owner, inclusive of severance damages and project benefits. However, when lesser takings, or grants, are involved where such a before and after value would likely be nominal (due to impact, location, etc.) another approach and formula is often applied.</p> <p>This other formula, which is utilized in this analysis, essentially estimates the value of the part taken (as part of the whole), adds damages to the larger parcel (if any), subtracts benefits (if any), and the difference is the value of the property interest in question. This method is based on the premise that property ownership is known as a "bundle of rights," whereby an ownership can be divided into separate "sticks" that comprise the "bundle." For example, certain sticks or rights represent the right to use the surface of the land, or the air rights around an airport, or the subsurface rights to acquire the right to run a pipeline.</p> <p>This latter method has been determined as the appropriate methodology in this report.</p> <p>Our analysis of the subject property and the proposed easement has resulted in a conclusion that there are no severance damages or project benefits as the result of the proposed easement. This is based on the fact that the easement will have no effect on the value of the remainder parcel in the after condition.</p>
Easement Area as a Percentage of Fee:	<p>With implementation of the easement, SCE will have the right construct an overhead electrical supply system and communication system which may consist of poles and towers made of various materials, "H" frame structures, guy wires and anchors, crossarms, wires and other fixtures. The proposed easement results in an acquisition of air rights that will have a significant impact to the surface rights in the easement area.</p> <p>Based upon the use to which the easements will be put and the significant restrictions imposed by the grant of easement, we have concluded that the proposed acquisitions result in an 85% diminution of value associated with the fee value of the underlying land.</p>

VALUE CONCLUSION

Reconciliation: The sales noted in the preceding section represent the market activity for development land in the subject market area. Through an analysis of these sales, it is concluded that the sales are applicable for concluding to a value of \$2.25 per square foot for the subject property.

Further, our analysis of the impact of the easement on the underlying land of the subject property has led to a determination that the easement type will result in an 85% diminution in value to the directly affected underlying land areas. As the remainder parcel will be unaffected by the easement, there are no severance damages or special benefits associated with the easement.

Easement Valuation: The subject easement acquired consists of an area totaling approximately 2,090 square feet. This easement area was derived from project plans and information that were provided by SCE. A change in these plans, and/or area sizes, could significantly alter the conclusions of this report.

The following table summarizes the value of the easement:

Easement Valuation				
Easement	Area (SF)	Price	% Rights	Indication
T/L easement	2,090	x \$2.25	x 85%	= \$3,997.13
Total	2,090			\$3,997.13

Concluded Easement Value: **\$3,997.13**

Concluded Value (Rounded): **\$4,000.00**

**FOUR THOUSAND DOLLARS
(\$4,000).**

We have read the Statement of Valuation Data and it fairly and correctly states our opinions and knowledge as to the matters herein stated. This Appraisal Summary Statement is subject to the attached Certification and Assumptions and Limiting Conditions.



Beth B. Finestone, MAI, FRICS
Certified General Real Estate Appraiser
California Certificate # AG004030
Telephone: (818) 290-5455
Email: bfinestone@irr.com



Jeremy Bagott
Certified General Real Estate Appraiser
California Certificate # AG031250
Telephone: (818) 290-5438
Email: jbagott@irr.com



Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Jeremy Bagott and Beth B. Finestone made personal inspections of the property that is the subject of this report.
12. No other person has provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report Beth B. Finestone has completed the continuing education program of the Appraisal Institute.



15. As of the date of this report Jeremy Bagott has completed the Standards and Ethics Education Requirement of the Appraisal Institute for associate members.



Beth B. Finestone, MAI, FRICS
Certified General Real Estate Appraiser
California Certificate # AG004030
Telephone: (818) 290-5455
Email: bfinestone@irr.com



Jeremy Bagott
Certified General Real Estate Appraiser
California Certificate # AG031250
Telephone: (818) 290-5438
Email: jbagott@irr.com



Assumptions and Limiting Conditions

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.



7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
9. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
10. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
11. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
12. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
13. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
14. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
15. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
16. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.



17. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
18. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
19. Integra Realty Resources – Los Angeles is not a building or environmental inspector. Integra – Los Angeles does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
20. It is expressly acknowledged that in any action which may be brought against Integra Realty Resources – Los Angeles, Integra Realty Resources, Inc. or their respective officers, owners, managers, directors, agents, subcontractors or employees (the “Integra Parties”), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.
21. Integra Realty Resources – Los Angeles, an independently owned and operated company, has prepared the appraisal for the specific purpose stated elsewhere in the report. The intended use of the appraisal is stated in the General Information section of the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client’s use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
22. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information,



data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Integra Realty Resources, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.

23. The appraisal is also subject to the following **Special Assumptions**:

- a. The appraisers were provided only the easement map that accompanied the Grant of Easement deed. Our estimate of the easement area is based on the area provided by SCE and described in the Grant of Easement deed included in the addenda of this report. A change to the area of the easement could result in a change to the value conclusions indicated in this report.
- b. Based on discussions with SCE, we assume that any damages to the subject property, during the installation of any infrastructure, will be dealt with separately and are not to be considered as part of this analysis.



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

SUBJECT:

Approval to enter into a Professional Services Agreement with Kosmont Companies for Retail Expansion in the City of Ridgecrest

PRESENTED BY:

Gary Parsons

SUMMARY:

The council approved an allocation for Kosmont companies' agreement as part of the original Tax Allocation Bonds (TAB).

This agreement provides for the development and technical support of existing local retailer expansion, the development of a local economic forum for local retailers to receive professional aid in the operation and expansion of their existing business operations, and outreach and marketing of new retailers/developers with the goal of expanding the community retail options for shopping local, resulting in increased city sales taxes.

Kosmont companies have already been instrumental in bringing new retail to the city with the reuse of the old Mervyns building for the establishment of Marshalls and other new stores at that location.

The city completed a formal Request For Proposals (RFP) for Retail sector professional services last year and Kosmont was the recommend firm. Kosmont is a noted firm in the retail market place providing similar services to many other cities and retail firms.

Services will include but are not limited to the following: Implementation of the existing city retail sector action plan; identification of targeted retailers and developers for the city; retailer/developer outreach and recruitment including site selection and marketing of local vacant properties including the reuse of empty existing retail store locations; and technical and marketing assistance Support for city staff and city marketing at industry trade shows.

FISCAL IMPACT:

\$150,000 of Economic Development TAB Funding

ACTION REQUESTED:

Staff request that council approve execution of agreement and funding for Kosmont agreement

RECOMMENDATION:

Recommend approval for entering into an agreement with Kosmont Companies and funding using Economic Development TAB allocation funding

Submitted by:

Gary parsons

Action date: May 7, 2014

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RESOLUTION NO. 14-XX

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO SIGN A CONSULTING SERVICES
AGREEMENT BETWEEN THE CITY OF RIDGECREST AND KOSMONT
COMPANIES**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RIDGECREST AS
FOLLOWS:**

1. That the Agreement for ongoing Consulting Services for implementation of the Retail Sector Action Plan between the City of Ridgecrest and Kosmont Companies, a copy of which is attached hereto (Exhibit "A") and incorporated herein by this reference, is hereby approved.
2. That the City Manager be and is hereby authorized and directed to execute the Agreement for and on behalf of the City of Ridgecrest

APPROVED AND ADOPTED this 7th day of May, 2014 by the following vote:

AYES

NOES

ABSTAIN

ABSENT

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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ATTACHMENT A

PROFESSIONAL SERVICES AGREEMENT

As of **March 13, 2014**, the **City of Ridgecrest**, hereinafter "City" and **Kosmont & Associates, Inc., doing business as "Kosmont Companies"** hereinafter "CONSULTANT," agree as follows:

1. Purpose.

WHEREAS, City desires assistance for the ongoing implementation of the Retail Sector Action Plan previously prepared for the City by CONSULTANT, for the coordination of an Economic Development Forum for retention of existing local retail businesses and stakeholders in the City, and for as-needed economic development services wherein the City will retain and employ the services of CONSULTANT to provide those services; and

WHEREAS, CONSULTANT certifies that they are experienced, competent, and qualified to perform such professional services required by this AGREEMENT; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, the parties hereto agree as follows:

2. Services.

(a) The work to be performed by CONSULTANT is specified in Exhibit "A," "Scope of Work," attached hereto and incorporated by reference.

(b) Services and work provided by the CONSULTANT at City's request under this AGREEMENT shall be performed in a timely manner and shall be consistent with all requirements and standards established by applicable Federal, State, and local laws, ordinances, regulations, and resolutions.

(c) CONSULTANT must be expressly authorized to perform any of the required services under this AGREEMENT by the Public Services Director of the CITY, or a designated representative, who shall administer this AGREEMENT. CONSULTANT shall report progress of work on a monthly basis, or as determined by the Economic Development Director or a designated representative.

3. Consideration.

(a) Subject only to duly executed change orders or additions to the scope of work, it is expressly understood and agreed that in no event will the total compensation to be paid CONSULTANT under this Agreement exceed the sum of one hundred fifty thousand dollars (\$150,000.00).

7. Independent Contractor.

The CONSULTANT is an independent contractor and not an employee of the City.

8. Indemnification.

CONSULTANT shall defend, indemnify, and hold harmless the City, 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 City's sole negligence, active negligence, or willful misconduct.

9. Insurance.

(a) The CONSULTANT shall procure and maintain, for the duration of this Agreement, insurance against claims for injuries to persons or damages to property arising from, or in connection with, the performance of the work hereunder by the CONSULTANT, officers, agents, employees, or volunteers.

(b) The CONSULTANT shall provide the following coverages:

(1) Commercial general liability insurance written on an occurrence basis in the amount of \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage. The insurance policy shall provide that the general aggregate limit apply separately to the work under this Agreement or the general aggregate shall be twice the required per occurrence limit.

(2) Business automobile liability insurance insuring all owned, non-owned and hired automobiles, in the amount of \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Workers' Compensation insurance as required by the Labor Code of the State of California with the statutory limits required by the Labor Code and Employers Liability for \$1,000,000 per accident for bodily injury or disease. The CONSULTANT and subcontractors shall cover or insure their employees working on or about the site, regardless of whether such coverage or insurance is mandatory or merely elective under the law.

(4) Professional liability insurance covering loss resulting from errors or omissions of CONSULTANT with a liability limit of at least \$1,000,000 per occurrence.

(c) The insurance policies required above shall contain or be endorsed to contain the following specific provisions:

(1) Commercial general liability and automobile liability:

(i) The City and its Board Members, officers, employees, agents and volunteers are added as insured;

(ii) The CONSULTANT's insurance shall list as additionally insured all respects to the City, its Board Members, officers, employees, agents and volunteers and any insurance or self-insurance maintained by the City shall be in excess of the CONSULTANT's insurance and shall not contribute to it.

(iii) Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage under the policy

10. Miscellaneous.

(a) Copies of documents prepared or obtained under the terms of this agreement shall be delivered to and become the property of the City. These documents are instruments of service for this project only and are not intended or authorized for other use by City or third parties.

If the above-mentioned documents are reused by the City, revisions will be indicated and the CONSULTANT will be released and held harmless of liabilities by City.

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

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

(d) 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:

Gary Parsons
Community & Economic Development
City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555-4054

Larry Kosmont, CRE
President & CEO
Kosmont Companies
865 S. Figueroa Street, 35th Floor
Los Angeles, CA 90017

(e) 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.

11. Integration.

This Agreement represents the entire understanding of City 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 and signed by both parties.

12. 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.

Exhibit A: Scope of Work

I. BACKGROUND AND OBJECTIVE

Kosmont has been retained by the City in the past for various economic development professional services, including the preparation of a Retail Sector Analysis and Action Plan, initial implementation of the Action Plan, and preparation of a Long-Range Property Management Plan (“PMP”) pursuant to California State Assembly Bill 1484 related to Redevelopment Agency dissolution.

The City desires Kosmont’s continued assistance for the implementation of the Action Plan, the coordination of an Economic Development Forum for retention of existing local retail businesses and stakeholders in the City, and other as-needed Economic Development services in connection with various opportunity sites/projects within the City, including the revitalization of the currently vacant former Mervyns retail building, the proposed Ridgecrest Business Park Project (contingent on Department of Finance approval of PMP), and the proposed Super Walmart Project. Kosmont proposes the following scope of services accordingly.

II. SCOPE OF SERVICES

Task 1: Ongoing Implementation of Retail Sector Action Plan

Kosmont will continue to support the City with Plan implementation efforts, including, but not limited to:

- Identification of targeted retailers and/or retail developers
- Retailer/developer outreach and recruitment services, including marketing of opportunity sites (e.g., preparation of property flyers), meetings, and other recruiting activities, as may be appropriate
- Attendance and non-exclusive City representation at relevant International Council of Shopping Centers (ICSC) conferences and other conferences
- Exploration and promotion of financing and job-creation strategies, such as EB-5 Immigrant Investment, lease/leaseback financing, site-specific tax revenue, and other efforts to assemble post-redevelopment “Economic Development Toolbox”
- Annual summary in PowerPoint presentation format, characterizing retail strategy objectives, activities, and accomplishments.

Task 2: Economic Development Forum

Kosmont will coordinate and lead an Economic Development Forum, during which local trade area businesses and stakeholders will hear from targeted real estate professionals in a variety of disciplines (e.g. brokerage, retailer, developer, real estate finance) on topics such as the state of the retail industry, available support/incentive programs, and education on business operations.

The Forum will also be structured as an essential outreach program for the City to receive feedback from the local business community on existing and/or additionally desired business assistance resources, incentives, regulatory/infrastructure improvements and/or measures to

ATTACHMENT B

Kosmont Companies 2014-15 Public Agency Fee Schedule

Professional Services

President & CEO	\$295.00/hour
Partner/Senior Vice President/Senior Consultant	\$225.00/hour
Vice President/Associate	\$185.00/hour
Project Analyst / Project Manager	\$150.00/hour
GIS Mapping/Graphics Service/Research	\$ 95.00/hour
Clerical Support	\$ 60.00/hour

• Additional Expenses

In addition to professional services (labor) fees:

- 1) An **administrative fee** for in-house copy, fax, phone and postage costs will be charged, which will be computed at four percent (4.0 %) of monthly Kosmont Companies professional service fees incurred; **plus**
- 2) **Out-of-pocket expenditures**, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.

• Charges for Court/Deposition/Expert Witness-Related Appearances

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

Rates shall remain in effect until December 31, 2015.

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

SUBJECT:

Approval of Re-Designation of Kern County/ Lancaster Recycling Market development Zone

PRESENTED BY:

Gary Parsons

SUMMARY:

The Kern County Waste Management Department has requested that the city of Ridgecrest join with many other cities within Kern county to renew the California's Recycling Market Development Zone (RMDZ) in 1989 the California Integrated Waste Management act established the RMDZ

The purpose of this to stimulate the Recycling of post-consumer waste materials. This designation must be renewed every ten years the last time this was done was in 2003 and now needs to be done once again.

The City has received the attached letter requesting that a resolution be approved supporting the RMDZ destination by the City Council.

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Staff request that council approve Resolution supporting Re-Designation of the Kern County/Lancaster Recycling Market Development Zone

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Recommend approval of Resolution as presented.

Submitted by: Gary Parsons
(Rev. 6/12/09)

Action Date: May 7, 2014

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RESOLUTION NO. 14-xx

A RESOLUTION OF THE CITY OF RIDGECREST SUPPORTING RE-DESIGNATION OF THE KERN COUNTY/ LANCASTER RECYCLING MARKET DEVELOPMENT ZONE

WHEREAS, the California Public Resources Code Section 42010 provides for the establishment of the Recycling Market Development Zone (RMDZ) Program throughout the State to provide incentives to stimulate development of post-consumer and secondary materials markets for recyclables; and

WHEREAS, all California jurisdictions must meet waste diversion rates mandated by the California Integrated Waste Management Act; and

WHEREAS, the Kern County/Lancaster RMDZ Program includes unincorporated County of Kern, the Cities of Arvin, Bakersfield, Delano, California City, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi, Wasco and City of Lancaster in Los Angeles County; and

WHEREAS, the Kern County/Lancaster RMDZ Program designation will expire on March 30, 2014; and

WHEREAS, the Kern County/Lancaster RMDZ Program is dedicated to establishing, sustaining and expanding recycling-based manufacturing businesses, which is essential for market development and to assist local jurisdictions to meeting the established landfill reduction goals; and

WHEREAS, the City of Ridgecrest desires existing and new recycling-based manufacturing businesses locating within the Kern County/Lancaster RMDZ to be eligible for the technical and financial incentives associated with the RMDZ Program; and

WHEREAS, the renewal of the Kern County/Lancaster RMDZ Program is still necessary to facilitate local and regional planning, coordination, support of existing recycling-based manufacturing businesses, as well as attract private sector recycling business investments to the region; and

WHEREAS, the current and proposed waste management practices and conditions are favorable to the development of post-consumer and secondary waste materials markets; and

WHEREAS, the California Legislature has defined environmental justice as “the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies” [Government Code section 65040.12(e)], and has directed the California Environmental Protection Agency to conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the state [Public Resources Code section 71110(a)]; and

WHEREAS, CalRecycle has adopted a goal to continuously integrate environmental justice concerns into all of its programs and activities; and

WHEREAS, the County of Kern and the Cities of Arvin, Bakersfield, Delano, California City, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi, Wasco and City of Lancaster in Los Angeles County have agreed to submit an application to CalRecycle requesting renewal as a RMDZ; and

WHEREAS, the County of Kern has agreed to act as Lead Agency for the proposed renewal of the RMDZ; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), the County of Kern has determined that this re-designation is exempt from CEQA; and

WHEREAS, the City of Ridgecrest finds there are no grounds for the City of Ridgecrest to assume the Lead Agency role or to prepare an environmental document.

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

1. Approves the submittal of the Kern County/Lancaster RMDZ Program renewal application to include the City of Ridgecrest.
2. Agrees to administer the Kern County/Lancaster RMDZ program in a manner that seeks to ensure the fair treatment of people of all races, cultures and incomes, including but not limited to soliciting public participation in all communities within the RMDZ, including minority and low income populations.

RESOLVED, APPROVED AND ADOPTED by the City of Ridgecrest on this 7th day of May, 2014, by the following vote:

AYES:

NOES:

ABSENT

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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KERN COUNTY WASTE MANAGEMENT DEPARTMENT

Douglas E. Landon, Director
2700 "M" Street, Suite 500
Bakersfield, CA 93301-2372
(661) 862-8900
(800) 552-KERN (option 6)
Fax: (661) 862-8905
<http://www.kerncountywaste.com>

January 29, 2014

Dennis Speer, Public Works Director
City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555

Dear Mr. Speer:

**RE: KERN COUNTY/LANCASTER RECYCLING MARKET DEVELOPMENT ZONE
PROGRAM RENEWAL**

The California Integrated Waste Management Act of 1989 established a Recycling Market Development Zone (RMDZ) Program for the State of California. California Public Resources Code Section 42010 provides for establishment of the RMDZ Program throughout the State.

In 1990, the State of California established the California Market Development Zone. The purpose of the enabling legislation (Chapter 1543, Statutes of 1990) was to stimulate the recycling of post-consumer waste materials generated in California. The State was divided for permitting purposes into 40 Recycling Market Development Zones. The unincorporated areas of the County of Kern, Cities of Arvin, Bakersfield, Delano, California City, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi, Wasco, and the City of Lancaster in Los Angeles County have been included in the Kern County/Lancaster RMDZ since 1994.

Pursuant to Title 14, Section 17901(j) of the California Code of Regulations, the RMDZ Program designations must be renewed every ten years to be active. In 2003, the Kern County/Lancaster RMDZ designation was renewed for ten years and is set to expire on March 31, 2014.

The RMDZ is a State Incentive Program that makes loans and assistance available to recycling businesses and local government. Under the program, local communities, separately or in partnership, apply for designation as an RMDZ. Loans are made with State funds and are available only to companies located in an adopted RMDZ. The program includes technical and financial incentives consisting of low-interest loans, engineering and technical support, siting and permitting assistance, and help locating recycled content feedstock. The objectives of the RMDZ Program are:

- Establish local and regional recycling markets in California.
- Link local diversion goals with local economic development goals.
- Coordinate public and private partnerships to promote secondary materials markets.
- Provide state and local incentives to persuade manufacturers in zones to use secondary materials.
- Identify opportunities for retrofitting manufacturing processes to accommodate the use of secondary materials.
- Municipalities and private companies investing in separating secondary materials from the waste stream need to recover as much of the cost of diversion as possible from the sale of these materials. The RMDZ Program organizes market development efforts by encouraging and supporting end users for the secondary materials.

The RMDZ Program is used as a tool to attract businesses that use recycled feedstock in their manufacturing process. The RMDZ Program benefits our local economy by reducing the distance for shipping recyclables, creating jobs, diverting solid waste from the landfills, and expanding the local tax base.

The process for renewing the RMDZ designation calls for local adoption and State adoption. The Kern County Waste Management Department (KCWMD) has prepared an application to renew the Kern County/Lancaster RMDZ, a designation by the California Department of Resources Recycling and Recovery (CalRecycle), for another ten years. The renewal application includes the unincorporated County of Kern, Cities of Arvin, Bakersfield, Delano, California City, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi, Wasco, and the City of Lancaster in Los Angeles County.

The KCWMD has reviewed the redesignation of the Kern County/Lancaster RMDZ Program in accordance with the California Environmental Quality Act. It has been determined that this project qualifies for an exemption as specified in CEQA Section 15601(b)(3). It should be noted that redesignation of the Kern County/Lancaster RMDZ Program does not require or ensure any future facilities. The land use establishment and expansion of recycling facilities is regulated by County and City general plan designations and zone districts. The permitting of recycling facilities is also regulated by state standards and is subject to environmental review.

On January 28, 2014, the Kern County Board of Supervisors adopted a resolution authorizing the submittal of the Kern County/Lancaster RMDZ Program renewal application to CalRecycle and to take appropriate action in compliance with CEQA. Resolutions from each City supporting the renewal application are required to complete the RMDZ redesignation process.

Kern County Waste Management Department hereby requests that the City Clerk place this item on your City Council agenda in the month of February 2014. A sample resolution approving the Kern County/Lancaster RMDZ renewal application is included. Due to the non-controversial nature of this program, it is recommended that this item be placed on the City's "Consent" Agenda. County staff, unless requested, will not attend the City Council hearing.

If your City Council has any questions regarding this matter, please call me at (661) 862-8980.

Therefore, **IT IS RECOMMENDED** that your City Council: 1) adopt a resolution approving the submittal of the Kern County/Lancaster RMDZ Program renewal application; and 2) direct the City Clerk to send one copy of the signed resolution to the Kern County Waste Management Department (Attn: Aurora Rush). We request a copy of the City Council's resolution by March 10, 2014.

Sincerely,



Aurora G. Rush
Special Projects Manager

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

SUBJECT:

Approve A Resolution of The Ridgecrest City Council Adopting the Updated Kern County Multi-Jurisdiction Hazard Mitigation Plan

PRESENTED BY:

Matthew Alexander, AICP

SUMMARY:

In conjunction with several local government entities, Kern County has developed a Multi-Jurisdictional Hazard Mitigation Plan (Plan). The purpose of the Plan is to assess risks posed by hazards and identify ways to reduce those risks.

In addition, the Disaster Mitigation Act of 2000 (DMA-2000) requires local governments to have a Plan to remain eligible for certain grant programs through the Federal Emergency Management Agency (FEMA). It is recommended that the City of Ridgecrest City Council approves a Resolution adopting the Plan.

Once FEMA grants final approval, the Plan will be valid for five years. During the five-year period, Ridgecrest will be eligible to apply for certain grant funds through FEMA. This could potentially result in Ridgecrest receiving grant funds, particularly if we sustain damage to our infrastructure during a disaster.

Here are links to the updated plan on the Kern County Fire Department website. The updated Plan is in five parts and is keyword searchable:

For Part 1, which consists of the Executive Summary, Table of Contents, and Chapters 1 (Introduction), 2 (What's New), and 3 (Planning Process), click on

(http://www.kerncountyfire.org/images/stories/emergency_preparedness/1-execsum.pdf). The City of Ridgecrest is mentioned on Pages i, 1.2, 1.6, 1.7, 1.8, 3.6, and 3.8 (3, 8, 12, 13, 14, 28, and 30 of 38).

For Part 2, which consists of the first part of Chapter 4 (Risk Assessment), click on

(http://www.kerncountyfire.org/images/stories/emergency_preparedness/2a-c4risk.pdf). The City of Ridgecrest is mentioned on Pages 4.9, 4.50 through 4.52, 4.62, 4.64, 4.71, 4.74, 4.76 and 4.77, 4.81 and 4.82, 4.109, 4.148, 4.184, 4.187, 4.190, 4.198, 4.217, 4.224 through 4.226, 4.229, 4.233, 4.235, 4.245, 4.252, and 4.258 (9, 50 through 52, 62, 64, 71, 74, 76 and 77, 81 and 82, 109, 148, 184, 187, 190, 198, 217, 224 through 226, 229, 233, 235, 245, 252, and 258 of 260).

For Part 3, which consists of the last part of Chapter 4 (Risk Assessment), click on

(http://www.kerncountyfire.org/images/stories/emergency_preparedness/3%20-%20Chapter%204%20Part%202%20Risk%20Assessment.pdf). The City of Ridgecrest's hazard and risk summary as of 2010 is on Pages 4.332 through 4.341 (73 through 82 of 173). The City is also mentioned on Pages 4.273, 4.277, 4.281, 4.427, and 4.431 (14, 18, 22, 168, and 172 of 173).

For Part 4, which consists of Chapters 5 (Mitigation Strategy), 6 (Plan Adoption), and 7 (Implementation),

click on (http://www.kerncountyfire.org/images/stories/emergency_preparedness/4%20-%20Chapters%205%206%207.pdf). The City of Ridgecrest is mentioned on Pages 5.515 and 5.516 (15 and 16 of 40).

For Part 5, which consists of Appendices A (Mitigation Actions), B (Planning Process), C (Critical Facilities),

D (Adoption Resolutions), E (References), F (Fire History), G (Acronyms), and H (Public Participation Plan),

click on (http://www.kerncountyfire.org/images/stories/emergency_preparedness/5%20-%20Appendices%20A%20Through%20H.pdf). The City of Ridgecrest is mentioned on Pages A.74 through A.79, B.3, C.2, C.89, and C.106 (74 through 79, 279, 446, 533, and 550 of 585).

FISCAL IMPACT: None

Reviewed by Finance Director

ACTION REQUESTED:

Approve Resolution adopting the Multi-Jurisdictional Hazard Mitigation Plan

CITY MANAGER'S RECOMMENDATION:

Action as requested

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RESOLUTION 14 -XX

A RESOLUTION OF THE RIDGECREST CITY COUNCIL ADOPTING THE UPDATED KERN MULTI-JURISDICTION HAZARD MITIGATION PLAN

THE CITY COUNCIL OF THE CITY OF RIDGECREST RESOLVES as follows:

SECTION 1. PURPOSE

- (a) The City of Ridgecrest recognizes the threat that natural hazards pose to people and property within our community; and
- (b) Undertaking hazard mitigation actions will reduce the potential for harm to people and property from future hazard occurrences; and
- (c) The U.S. Congress passed the Disaster Mitigation Act of 2000 (“Disaster Mitigation Act”) emphasizing the need for pre-disaster mitigation of potential hazards; and
- (d) The Disaster Mitigation Act made available hazard mitigation grants to state and local governments; and
- (e) An adopted Multi-Jurisdiction Hazard Mitigation Plan is required as a condition of future funding for mitigation projects under multiple Federal Emergency Management Agency pre- and post-disaster mitigation grant programs; and
- (f) An adopted Plan is a condition of maintaining good standing in the National Flood Insurance Program’s Community Rating System; and
- (g) The City of Ridgecrest fully participated in the FEMA-prescribed mitigation planning process to prepare this multi-hazard mitigation plan during the update; and
- (h) The California Office of Emergency Services and FEMA, Region IX officials have reviewed the updated Kern Multi-Jurisdiction Hazard Mitigation Plan and approved it contingent upon this official adoption of the participating governing body; and
- (i) The City of Ridgecrest desires to comply with the requirements of the Disaster Mitigation Act and to augment its emergency planning efforts by formally adopting the updated Kern Multi-Jurisdiction Hazard Mitigation Plan; and
- (j) Adoption by the City Council for the City of Ridgecrest demonstrates the city’s commitment to fulfilling the mitigation goals and objectives outlined in this updated Multi-Jurisdiction Hazard Mitigation Plan; and

- (k) Adoption of this legitimizes the plan and authorizes responsible agencies to carry out their responsibilities under the plan.

SECTION 2. FINDINGS

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Ridgecrest as follows:

1. On April 22, 2014 The Ridgecrest Planning Commission approved Planning Commission Resolution 14-07 recommending that the City Council Adopt the updated Kern County Multi-Jurisdictional Hazard Mitigation Plan.
2. This City Council finds the facts mentioned above to be true and further finds that this City Council has jurisdiction to consider, approve, and adopt the subject of this Resolution.
3. This City Council does hereby adopt the updated Kern Multi-Jurisdiction Hazard Mitigation Plan as an official plan.
4. This City Council will consider adopting the updated Kern Multi-Jurisdiction Hazard Mitigation Plan by reference into the safety element of their general plan as authorized by AB 2140.
5. This City Council authorizes the Director of Kern County Emergency Services to submit this adoption resolution to the California Office of Emergency Services and FEMA Region IX officials to enable the plan's final approval in accordance with the requirements of the Disaster Mitigation Act of 2000 and to establish conformance with the requirements of AB 2140.

SECTION 3. APPROVAL

The City Council hereby adopts this Resolution Approving the Updated Kern Multi-Jurisdiction Hazard Mitigation Plan.

The City Clerk shall certify to the passage and adoption of the ordinance and shall cause this ordinance to be published in the manner required by law.

APPROVED AND ADOPTED this 7th day of May, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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RESOLUTION NO. 06-17

A RESOLUTION OF THE RIDGECREST CITY COUNCIL ADOPTING THE KERN COUNTY MULTI-HAZARD MITIGATION PLAN

WHEREAS, The City of Ridgecrest recognizes the threat that natural hazards pose to people and property within our community; and

WHEREAS, undertaking hazard mitigation actions will reduce the potential for harm to people and property from future hazard occurrences; and

WHEREAS, an adopted Multi-Hazard Mitigation Plan is required as a condition of future funding for mitigation projects under multiple FEMA pre- and post-disaster mitigation grant programs; and

WHEREAS, The City of Ridgecrest fully participated in the FEMA-prescribed mitigation planning process to prepare this Multi-Hazard Mitigation Plan; and

WHEREAS, the California Office of Emergency Services and Federal Emergency Management Agency, Region IX officials have reviewed the "Kern County, California Multi-Hazard Mitigation Plan" and approved it contingent upon this official adoption of the participating governments and entities;

NOW, THEREFORE, be it resolved, that The City Council of the City of Ridgecrest adopts the "Kern County, California Multi-Hazard Mitigation Plan" as an official plan; and

BE IT FURTHER RESOLVED, The City Council of the City of Ridgecrest will submit this Adoption Resolution to the California Office of Emergency Services and Federal Emergency Management Agency, Region IX officials to enable the Plan's final approval.

APPROVED AND ADOPTED this 15th day of March, 2006, by the following vote.

AYES: Mayor Holloway, Council Members Martin, Clark, Morgan, and Carter

NOES: None

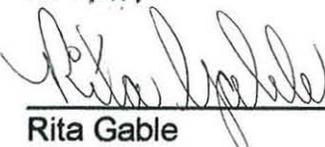
ABSTAIN: None

ABSENT: None



Marshall "Chip" Holloway, Mayor

ATTEST:


Rita Gable
City Clerk



CERTIFIED AS A TRUE COPY


Clerk of the City of Ridgecrest, Calif.

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Kern Multi Jurisdiction Hazard Mitigation Plan

Comprehensive Update

September 2012



**Kern County, California
Multi Jurisdiction Hazard Mitigation Plan**

Comprehensive Update 2012

Developed in compliance with the Disaster Mitigation Act of 2000
by the Kern County Office of Emergency Services

with professional planning services provided by:

AMEC Environment and Infrastructure, Inc.
Boulder, Colorado

and

Robert Olson Associates, Inc.
Folsom, California

EXECUTIVE SUMMARY

The purpose of hazard mitigation and this plan is to reduce or eliminate long-term risk to people and property from natural hazards and their effects in Kern County, California. This plan update has been prepared to meet the Disaster Mitigation Act of 2000 (DMA 2000) requirements in order to maintain Kern's eligibility for FEMA Pre-Disaster Mitigation (PDM) and Hazard Mitigation Grant Programs (HMGP). More importantly, this plan update and planning process lays out the strategy that will enable Kern County to become less vulnerable to future disaster losses.

The process followed a methodology prescribed by FEMA. It began with the formation of a Hazard Mitigation Planning Committee (HMPC) comprised of key County, City, Special District and Stakeholder representatives. The planning process examined the recorded history of losses resulting from natural hazards, and analyzed the future risks posed to the County by these hazards. Kern County is vulnerable to several natural hazards that are identified, profiled, and analyzed in the plan. Earthquakes, wildfires, floods, and drought are some of the hazards that can have a significant impact on the County.

The plan puts forth several mitigation goals and objectives that are based on the results of the risk assessment. The plan includes specific recommendations for actions that can mitigate future disaster losses. The plan also includes a review of the County's current capabilities to reduce hazard impacts. The multi-jurisdictional plan includes the County, and the incorporated municipalities Arvin, Bakersfield, California City, Delano, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi, and Wasco. This plan also covers 53 special districts that include school, recreation and park, water, community service, and other districts. This plan has been formally adopted by each participating entity and is required to be updated a minimum of every five years. The plan was originally prepared in 2005, approved by FEMA in 2006, and underwent its first major update in 2011-2012.

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Appendix H: Public Participation Plan

1 INTRODUCTION

1.1 Purpose

Kern County and several participating jurisdictions prepared this Multi Jurisdiction Hazard Mitigation Plan (MHMP), originally approved by the Federal Emergency Management Agency (FEMA) in 2006. The plan underwent a comprehensive update in 2011-2012. The purpose of this plan is to guide hazard mitigation planning to better protect the people and property of the County from the effects of hazard events. This plan demonstrates the commitment of each participating jurisdiction to reducing risks from hazards and serves as a tool to help decision makers direct mitigation activities and resources. This plan was also developed to ensure Kern County and participating jurisdictions' continued eligibility for certain federal disaster assistance: specifically, the FEMA Hazard Mitigation Assistance (HMA) grants, including the Hazard Mitigation Grant Program (HMGP), Pre-Disaster Mitigation Program (PDM), and the Flood Mitigation Assistance Program (FMA). The plan is also important for maintaining and improving the standing of the County in the National Flood Insurance Program's Community Rating System (CRS) which provides for lower flood insurance premiums to the residents in the unincorporated areas.

Master Goal/Mission Statement of the Kern County Multi Jurisdiction Hazard Mitigation Plan:

“To develop sustainable communities to preserve life, protect property, the environment, and the economy from natural hazards.”

1.2 Background and Scope

Each year in the United States, natural disasters take the lives of hundreds of people and injure thousands more. Nationwide, taxpayers pay billions of dollars annually to help communities, organizations, businesses, and individuals recover from disasters. These monies only partially reflect the true cost of disasters, because additional expenses incurred by insurance companies and nongovernmental organizations are not reimbursed by tax dollars. Many natural disasters are predictable, and much of the damage caused by these events can be reduced or even eliminated.

Hazard mitigation is defined by FEMA as “any sustained action taken to reduce or eliminate long-term risk to human life and property from a hazard event.” The results of a three-year, congressionally mandated independent study to assess future savings from mitigation activities provides evidence that mitigation activities are highly cost-effective. On average, each dollar spent on mitigation saves society an average of \$4 in avoided future losses in addition to saving lives and preventing injuries (National Institute of Building Science Multi-Hazard Mitigation Council 2005).

Hazard mitigation planning is the process through which hazards are identified, likely impacts determined, mitigation goals set, and appropriate mitigation strategies determined, prioritized, and implemented. This plan documents Kern County's hazard mitigation planning process and identifies relevant hazards and vulnerabilities and strategies the County and participating jurisdictions will use to decrease vulnerability and increase resiliency and sustainability in the community.

The Kern County MHMP update is a multi-jurisdictional plan that geographically covers the entire area within Kern County's jurisdictional boundaries (hereinafter referred to as the planning area). The following jurisdictions participated in the planning process, participate on the Hazard Mitigation Planning Committee (HMPC), and are seeking approval of the MHMP plan update:

- Kern County
- City of Arvin
- City of Bakersfield
- City of California City
- City of Delano
- City of Maricopa
- City of McFarland
- City of Ridgecrest
- City of Shafter
- City of Taft
- City of Tehachapi
- City of Wasco

This plan also covers 53 additional special districts and organizations within Kern County that meet the FEMA definition of "local government" and participated in the planning process. The types of districts and organizations include:

- Community service districts (6)
- Recreation and park districts (6)
- School districts (18)
- Airport districts (2)
- Mosquito abatement district (1)
- Sanitation districts (3)
- Water districts (16), and
- Healthcare Organization (1)

1 jurisdiction that was approved for the 2005 MHMP, but are not seeking approval for this plan update:

- McKittrick School District

This plan update was prepared pursuant to the requirements of the Disaster Mitigation Act of 2000 (Public Law 106-390) and the implementing regulations set forth by the Interim Final Rule published in the Federal Register on February 26, 2002, (44 CFR §201.6) and finalized on October 31, 2007. (Hereafter, these requirements and regulations will be referred to collectively as the Disaster Mitigation Act (DMA) or DMA 2000.) While the act emphasized the need for mitigation plans and more coordinated mitigation planning and implementation efforts, the regulations established the requirements that local hazard mitigation plans must meet in order for a local jurisdiction to be eligible for certain federal disaster assistance and hazard mitigation funding under the Robert T. Stafford Disaster Relief and Emergency Act (Public Law 93-288). This planning effort also follows FEMA's 2008 Plan Preparation Guidance. Because the Kern County Planning Area is subject to many kinds of hazards, access to these programs is vital.

Information in this plan will be used to help guide and coordinate mitigation activities and decisions for local land use policy in the future. Proactive mitigation planning will help reduce the cost of disaster response and recovery to communities and their residents by protecting critical community facilities, reducing liability exposure, and minimizing overall community impacts and disruptions. The planning area has been affected by hazards in the past and is thus committed to reducing future impacts from hazard events and maintaining eligibility for mitigation-related federal funding.

1.3 Community Profile

1.3.1 History

Early settlement in Kern County began in the mountains with the discovery of gold in 1851. Kern County was first incorporated in 1866 and the first county seat was located in Havilah, approximately 70 miles northeast of Bakersfield. The government center was transferred to Bakersfield in 1873 when population shifted to the fertile valley lowlands.

1.3.2 Geography and Climate

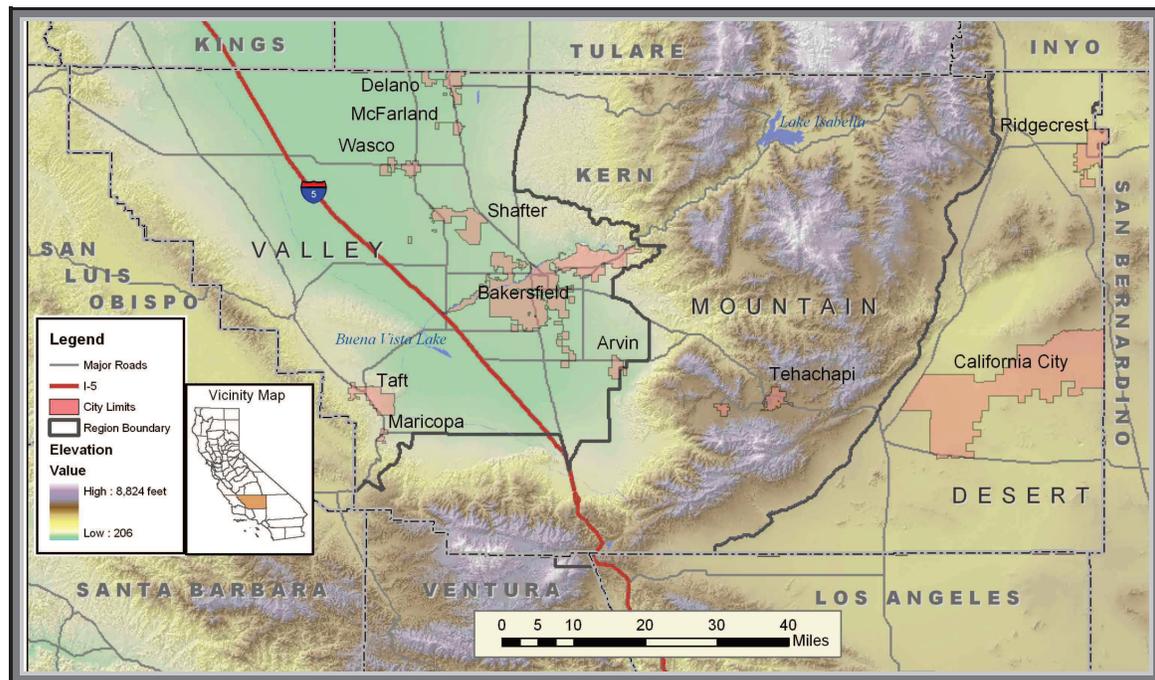
Kern County is located in southern California at the southern end of California's San Joaquin Valley. Kern County is California's third-largest county in land area, and at 8,172 square miles, is larger than the land area of Massachusetts, New Jersey or Hawaii. It is also larger than the areas of Delaware, Rhode Island and Connecticut combined. Elevations are at a low of 206' above sea level along the northern border of the county to a high of 8824' just north of the summit of Mt. Pinos (the summit is in Ventura County). The County is bordered by Los Angeles and Ventura Counties on the south, San Bernardino County on the east, Inyo, Tulare and Kings Counties on the north, and San Luis Obispo and Santa Barbara Counties on the west.

Kern County is as diverse as it is large. Terrain varies dramatically within the County, from the fertile lowlands of the San Joaquin Valley, rugged mountain peaks of the southern Sierra Nevada and Tehachapi mountains, to the sweeping panoramas of the Mojave Desert. Because of this

diversity the county has a wide range of climates, determined largely by elevation and precipitation. Temperatures are marked by extremes, with summertime highs topping 100 degrees in the San Joaquin Valley and Mojave Desert, while winter temperatures dip into the teens during snowfalls in the higher mountains.

For the purposes of the plan the County has been divided into three regions that have similar geography and issues. These regions are the called the Valley, Mountain, and Desert. The Valley includes the communities that occupy the San Joaquin Valley floor. The valley portion is the western one-third of the County and is the population and agricultural center. The Mountain region includes the Sierra Nevada Range, the Tehachapi Range, Temblor Range, El Tejon Mountains, and Tecuya Ridge communities. The Desert covers the roughly one-quarter of the county in the eastern portion and includes the Mojave Desert communities. The physiographic regions, major roads, and municipalities of Kern County are displayed in Figure 1.1.

Figure 1.1. Map of Kern County and Physiographic Regions



Source: Map compilation AMEC

The vegetation and climate vary among the three zones. Generally the county is classified as desert or semi-arid, with hot, dry summers and mild, humid winters. In most areas 90 percent of the precipitation occurs between November and April. The Valley averages 3 to 7 inches of precipitation annually. The western side of the Tehachapi and Sierra Nevada Ranges receive as much as 40 inches of precipitation a year. The desert averages 3 to 6 inches a year, but is

extremely variable. Snowfall is rare in the desert and valley regions but may range from 1 to 4 inches.¹

Water is the lifeblood of Kern County agriculture. Kern's main water sources include snowmelt from the Sierras that feed into the Kern River and other creeks, and the groundwater resources of the San Joaquin Valley and Mojave Desert. The Lake Isabella dam on the Kern River is the major surface water impoundment in the County. Another important man-made body of water is the California Aqueduct, which carries up to 2 million gallons of water per minute south from the Sacramento River Delta, across Kern County, and into metropolitan Los Angeles. The aqueduct is visible along portions of Interstate 5, as are powerful pumping stations that help carry its flow over the Tehachapi Mountains towards Los Angeles.

Kern County's varied physical geography is the result of a multitude of geological, meteorological and hydrological forces at work. Disasters have occurred in the County when these natural forces have collided with the built environment and the County's residents. The disaster history of the County is profiled in detail in Section 4 of this plan, along with the numerous hazards that can impact the County.

1.3.3 Transportation

Several of the state's main highway routes also pass through Kern County, including Interstate 5 and State Highway 99. The two highways branch off in the southern end of the County, where I-5 becomes the State's principal north-south route. Highway 99 follows the eastern side of the San Joaquin Valley and serves Bakersfield and other rapidly growing cities along its route through the county. US Highway 395 and State Highway 14 are the major thoroughfares on the eastern side of the Sierras. In addition there are 10 county airports and 2 railroad lines.

¹ Kern County Flood Insurance Study

1.4 Economy

Agriculture has been Kern County's number one industry for many years. Approximately one out of every four jobs in Kern County is related to agriculture. Statewide the number is one out of every ten jobs. Kern County ranks in the top four California counties in agricultural production, behind Fresno, Tulare and Monterey Counties. Kern County exports approximately \$350 Million worth of agricultural commodities annually. Leading export commodities include: almonds, apples, carrots, cotton, garlic, grapes, onions, oranges, pistachios, plums, and roses. These commodities are exported to over 85 foreign countries. The Asian rim receives the majority of the exported commodities.

Kern ranks as the largest oil-producing county in the state, with most of the 30,000 working oil wells studding the hills along the western edge of the County. In the desert to the east the military plays an important role as the home to Edwards Air Force Base and the China Lake Naval Weapons Center. Edwards ranks among the best known military installations in the country, being the site of many space shuttle landings and the place where Air Force test pilots push the limits of aircraft under development.

The county seat, which is in Bakersfield, is home to over one-third of the County's residents and has seen continued growth and economic issues. Other large concentrations of the populace have grown as a result of their local community's unique needs: Ridgecrest and Mojave in the east are aligned with military installations that provide employment; Rosamond to the southeast provides reasonably priced homes to Los Angeles commuters; Taft and other smaller communities in the southern area of Kern are contiguous to large petroleum fields that have been in operation since the early 1900's; and Lamont and Arvin to the south, and Delano and Shafter to the north provide services and homes to the workers who labor in the fields of the large farms and ranches in the county.

The Kern economy can fluctuate more than other counties because of the cyclical nature of the agricultural, military support, and petroleum industries that comprise the largest segments of the Kern economy. Despite past economic problems, portions of the Kern County area realize significant growth in population resulting from the reasonable cost of living and close proximity to the large metropolitan areas of Southern California. These trends have resulted in the difficult challenge of providing services to a growing constituency with a declining or fixed allocation of local resources.

Kern County has a diverse economy that, much like other counties in California, has been affected by the recession that began in 2008 and continues. In the previous plan, 2000 US Census numbers were used for population and economic characteristics. At that point, the County had an unemployment rate of 6.7%. Current unemployment in the County stands at 8.6% as of May 2011. US Census estimate show economic characteristics for the County. These are shown in Table 1.1.

Table 1.1. Kern County Civilian Employed Population 16 years and Over

Industry	Estimated Employment	Percent
Agriculture, forestry, fishing and hunting, and mining	48,124	15.5%
Construction	18,675	6.0%
Manufacturing	15,711	5.1%
Wholesale trade	9,392	3.0%
Retail trade	36,365	11.7%
Transportation and warehousing, and utilities	14,899	4.8%
Information	3,188	1.0%
Finance and insurance, and real estate and rental and leasing	12,916	4.2%
Professional, scientific, and management, and administrative and waste management services	27,057	8.7%
Educational services, and health care and social assistance	61,275	19.7%
Arts, entertainment, and recreation, and accommodation and food services	24,801	8.0%
Other services, except public administration	15,830	5.1%
Public administration	22,531	7.3%

Source: US Census Bureau 2010

Fortunately for Kern County, many large industries are located in the County. Major employers in the County are shown in Table 1.2.

Table 1.2. Major Employers in Kern County

Employer Name	Location	Industry
Bakersfield Memorial Hospital	Bakersfield	Hospitals
Bolthouse Farms	Bakersfield	Fruits & Vegetables-Brokers (Whls)
Chevron Corp	Bakersfield	Oil Refiners (Mfrs)
Edwards AFB	Edwards AFB	Federal Government-National Security
Frito-Lay Inc	Bakersfield	Potato Chip Factories (Mfrs)
Giumarra Vineyards Corp	Bakersfield	Wineries (Mfrs)
Grimmway Farms	Arvin	Fruits & Vegetables-Brokers (Whls)
Human Services Dept	Bakersfield	County Government-Social/Human Resources
Kern County Supt of Schools	Bakersfield	Schools
Kern Medical Ctr	Bakersfield	Hospitals
Marko Zaninovich Inc	Delano	Fruits & Vegetables-Growers & Shippers
Mercy Hospital	Bakersfield	Hospitals
Nabors Well Svc Co	Bakersfield	Oil Well Services
Naval Air Warfare Ctr	Ridgecrest	Military Bases
Paramount Citrus	Delano	Food Products (Wholesale)
Paramount Farms	Lost Hills	Fruits & Vegetables-Growers & Shippers

Employer Name	Location	Industry
San Joaquin Community Hospital	Bakersfield	Hospitals
Sears Logistics Svc	Delano	Distribution Centers (Whls)
State Farm Operations Ctr	Bakersfield	Management Services
Sun Pacific Farming	Bakersfield	General Farms-Primarily Crop
TUV Industry SVC	Ridgecrest	Contractors-Engineering General
US Borax INC	Boron	Mining Companies
US Naval Air Weapons Station	Ridgecrest	Federal Government-National Security
US Navy Public Affairs Office	Ridgecrest	Federal Government-National Security

Source: America's Labor Market Information System (ALMIS) Employer Database, 2011 1st Edition.

Members of the HMPC noted that two other major employers in the County include the Delano Regional Medical Center and the Bakersfield College-Delano Campus.

1.4.1 Population

The US Census Bureau recently released the 2010 Census data. The US Census Bureau 2010 estimates for population of the County and its jurisdictions are shown in Table 1.3.

Table 1.3. Kern County Population by Jurisdiction

Jurisdiction	Total Population
Arvin	19,304
Bakersfield	347,483
California City	14,120
Delano	53,041
Maricopa	1,154
McFarland	12,707
Ridgecrest	27,616
Shafter	16,988
Taft	9,327
Tehachapi	14,414
Unincorporated	323,477
Total	839,631

Source: US Census Bureau

1.5 Plan Organization

The Kern County Multi Jurisdiction Hazard Mitigation Plan update is organized as follows:

- Chapter 1: Introduction
- Chapter 2: What's New
- Chapter 3: Planning Process
- Chapter 4: Risk Assessment
- Chapter 5: Mitigation Strategy
- Chapter 6: Plan Adoption
- Chapter 7: Plan Implementation and Maintenance
- Appendices

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2 WHAT'S NEW

Requirements §201.6(d)(3): A local jurisdiction must review and revise its plan to reflect changes in development, progress in local mitigation efforts, and changes in priorities, and resubmit it for approval within 5 years in order to continue to be eligible for mitigation project grant funding.

The 2005 Kern County Multi-Hazard Mitigation Plan contained a risk assessment of identified hazards for the Kern County planning area and a mitigation strategy to address the risk and vulnerability from these hazards. Since approval of the plan by FEMA, much progress has been made by Kern County and all participating communities on implementation of the mitigation strategy. This section of the plan provides an overview of the approach to updating the plan, identifies new analyses and information included in this plan update, and highlights key mitigation successes.

2.1 What's New in the Plan Update

This MHMP update involved a comprehensive review and update of each section of the 2005 plan and includes an assessment of the progress of the participating communities in evaluating, monitoring and implementing the mitigation strategy outlined in the initial plan. Only the information and data still valid from the 2005 plan was carried forward as applicable into this MHMP update.

Also to be noted, Section 7.0 Plan Implementation of this plan update identifies key requirements for updating future plans:

- Consider changes in vulnerability due to action implementation;
- Document success stories where mitigation efforts have proven effective;
- Document areas where mitigation actions were not effective;
- Document any new hazards that may arise or were previously overlooked;
- Incorporate new data or studies on hazards and risks;
- Incorporate new capabilities or changes in capabilities;
- Incorporate growth and development-related changes to inventories; and
- Incorporate new action recommendations or changes in action prioritization.

These requirements and others as detailed throughout this plan were also addressed during the 2011-2012 plan update process.

2.1.1 Plan Section Review and Analysis – 2012 Update

During the 2011-2012 plan update, the HMPC updated each of the sections of the previously approved plan to include new information. The HMPC and AMEC analyzed each section using FEMA's local plan update guidance (July 2008) to ensure that the plan met the latest

requirements. The HMPC and AMEC determined that nearly every section of the plan would need revision to align the plan with the latest FEMA planning guidance and requirements. A summary of the changes in this plan update is captured in Table 2.1.

Table 2.1 Kern County Plan Update Highlights

Plan Section	Summary of Plan Review, Analysis, and Updates
1.0 Introduction	<p>Updated language to describe purpose and requirements of the Kern County Multi Jurisdiction Hazard Mitigation Plan update process.</p> <p>Revisited master goal/mission statement</p> <p>Updated list of participating jurisdictions, noting any changes</p> <p>Integrated former Chapter 2 County Profile language.</p> <p>Updated former Chapter 2 language with new Census data.</p>
2.0 What's New	<p>Combined former Chapter 2 with Chapter 1.</p> <p>Created new Chapter detailing and updating the status of actions from the 2006 plan.</p> <p>Identified "Mitigation Success Stories" to highlight positive movement on actions identified in 2006 plan.</p> <p>Highlighted how plan has been integrated in other community planning efforts</p>
3.0 Planning Process	<p>Described the planning process for 2006 and 2011-12 update, including coordination among agencies and integration with other planning efforts.</p> <p>Described any changes in participation in detail.</p> <p>Described 2011-2012 public participation process.</p>
4.0 Hazard Identification and Profiles (now 4.1 and 4.2)	<p>Revisited former hazards list for possible modifications.</p> <p>Reviewed hazards from the California State Hazard Mitigation Plan (CSHMP) for consistency.</p> <p>Updated list of disaster declarations to include 2006-2011 data.</p> <p>Updated NCDC and SHELDCUS tables to include 2006-2011 data.</p> <p>Updated past occurrences for each hazard to include 2006-2011 data.</p> <p>Incorporated new hazard studies since 2006, as applicable</p>
4.2 Assessing Vulnerability and Estimating Potential Losses by Jurisdiction (now 4.3)	<p>Updated critical facilities definition and locations from the 2006 plan.</p> <p>Updated growth and development trends to include Census 2010 data, CA Dept of Finance data, and local data sources.</p> <p>Updated historic and cultural resources using California Office of Historic Properties data and other local/state/national sources.</p> <p>Using 2011 Kern County Assessor's parcel data, updated current property values.</p> <p>Estimated flood losses using the new Kern County DFIRM.</p> <p>Placed a greater emphasis on levee failure hazards.</p> <p>Integrated information on Lake Isabella dam failure risk</p> <p>Updated NFIP data and Repetitive Loss structure data from the previous plan.</p> <p>Incorporate new hazard loss estimates since 2006, as applicable – ie. Integrated White Wolf fault HAZUS scenario for earthquake vulnerability.</p> <p>New data from Cal FIRE was used to assess wildfire threat to the County and each City.</p> <p>Changes in growth and development were examined; especially changes in the context of hazard-prone areas and how the changes affected loss estimates and vulnerability.</p> <p>Updated maps in plan where appropriate.</p> <p>Updated multi-hazard risk analysis</p> <p>Updated critical facilities inventory and analysis</p>

Plan Section	Summary of Plan Review, Analysis, and Updates
4.3 Jurisdictional Elements and Capabilities (now 4.4)	Reviewed County and jurisdictional mitigation capabilities and update to reflect current capabilities. Added information regarding jurisdiction specific vulnerabilities to hazards, including maps and tables of specific assets at risk, specific critical facilities at risk, specific populations at risk, and development trends will be assessed where possible. Indicated what projects have been implemented that may reduce previously identified vulnerabilities
5.1 Mitigation Strategy	Updated Chapter 5 based on the results of the updated risk assessment, status of 2006 mitigation actions, and new actions identified in 2012.
5.2 Goals and Objectives	Reviewed and updated goals and objectives to determine if they are still representative of the County's mitigation strategy and aligned with CSHMP goals.
5.3 Identified Mitigation Measures and Alternatives	Revised to include more information on the categories of mitigation measures (structural projects, natural resource protection, emergency services, etc.) and how they are reviewed when considering the options for mitigation. Included more information on how actions are prioritized.
5.4 Mitigation Action Plan	Reviewed mitigation actions from the 2006 plan and develop a status report for each, by jurisdiction; identified if action has been completed, deleted, or deferred. Identified and detailed new mitigation actions not captured in the previous plan. Added specific reference towards continued compliance in the NFIP as a key aspect of the mitigation strategy.
6.0 Plan Adoption	A new plan adoption was written that establishes compliance with AB 2140 requiring adoption by reference or incorporation into the safety element of the general plan.
7.0–7.3 Plan Maintenance Process	Reviewed and update procedures for monitoring, evaluating, and updating the plan. Updated the system for monitoring progress of mitigation activities by identifying additional criteria for plan monitoring and maintenance.

2.2 2005 Mitigation Strategy Status and Successes

Kern County and its various communities have been successful in implementing actions identified in the 2005 MHMP Mitigation Strategy, thus, working diligently towards their meeting their 2005 goals of:

- Reduce hazard impacts to the citizens of the county.
- Reduce hazard impacts to existing and future development and the natural environment.
- Reduce hazard impacts to existing and future critical facilities and infrastructure.

The 2005 mitigation strategy contained 219 separate mitigation actions benefiting one or more communities within the Kern County Planning Area. Of these 219 actions, 138 have been completed or are ongoing. More detail on the status of completed actions can be referenced in Chapter 5 and Appendix A. During the plan update the HMPC discussed some of the challenges and successes with plan implementation. Lack of funding to implement projects has been one of the biggest challenges to overcome. Some noted that efforts to apply for FEMA mitigation grants had thus far been unsuccessful in being awarded funding. Other challenges included turnover in staff. Many of the HMPC members in the 2012 update were new to the plan and the process.

Despite these challenges there have been several projects implemented. Some of these projects are highlighted here; others can be referenced in Chapter 5.

Kern County

- Development of Fire Safe Councils
- Development of Community Wildfire Protection Plans for the Mount Pinos, Greater Tehachapi, and Kern River Valley areas
- Bena Landfill Drainage Improvements and Erosion Control
- Various fuels treatment projects

City of Bakersfield

- Repair or replacement of irrigation canal culverts under city streets in Bakersfield
- Drainage project in Bakersfield (Jewetta north of Stockdale Hwy)

City of California City

- Culvert Replacement at California City Blvd, North and South end for Cache Creek drainage
- Levee re-enforcement at Cache Creek
- Deepening Cache Creek drainage

City of Delano

- Stormwater relief project for downtown Delano

City of Shafter

- Southeast Flood Control Project

City of Tehachapi

- Curry Tank Emergency Generator
- Elm Street Drainage and Water Improvement
- Borrow Pit Pump Station & Piping
- Culvert Improvements at Enterprise Way at the Waste Water Treatment Plant

City of Wasco

- Emergency Power Generator for the City Hall/KCSO Substation Building

Bear Valley Community Service District

- Water Booster House Fire Resistance Project
- Water Dip Tank Installation Project

East Niles Community Services District

- Storage tank seismic retrofits of new water tank projects

Stallion Springs Community Services District

- Construction of Admin building including Police Department and Emergency Operations Center

Buttonwillow County Water District

- Service Connection with wells to provide domestic water and pressurize fire hydrants
- 500,000 Gallon Storage Tank for drought mitigation

Kern Water Agency

- Kern County Water Agency Administration Building sprinkler retrofit

Kern County Water Agency – Improvement District #4

- Chemical Storage Seismic Upgrades

North of the River Municipal Water District

- Water Storage Reservoir Flexible Connection Project

Tehachapi-Cummings County Water District

- Antelope Run flood control structures

West Side Recreation and Park District

- Several buildings have been designated as cooling centers.
- Recreation Center at 500 Cascade Place – Building D

Buttonwillow Union School District

- Remodeling/Construction of Storage Facilities
- Tree Trimming/Removal (wind hazards)
- Bus Upgrades (fog hazards)

Panama-Buena Vista Union School District

- Safety film on certain identified windows/displays

Pond Union School District

- Replace district office windows with earthquake resistant windows

The HMPC noted that some of the fuels treatment projects have been successful in mitigating recent fire impacts, which is an example of a success story that the HMPC should continue to document in the plan in the future. As evidenced in the project list above, the HMPC has made strides toward mitigating wildfire, flood, earthquake, drought, severe weather and fog hazards. While some of these projects remain to be tested by future hazard events, the citizens of Kern County can take comfort in knowing that proactive steps have been taken in reducing future disaster losses.

3 PLANNING PROCESS

Requirements §201.6(b) and §201.6(c)(1): An open public involvement process is essential to the development of an effective plan. In order to develop a more comprehensive approach to reducing the effects of natural disasters, the planning process shall include:

- 1) An opportunity for the public to comment on the plan during the drafting stage and prior to plan approval;**
- 2) An opportunity for neighboring communities, local and regional agencies involved in hazard mitigation activities, and agencies that have the authority to regulate development, as well as businesses, academia, and other private and nonprofit interests to be involved in the planning process; and**
- 3) Review and incorporation, if appropriate, of existing plans, studies, reports, and technical information.**

[The plan shall document] the planning process used to develop the plan, including how it was prepared, who was involved in the process, and how the public was involved.

The Kern County Fire Department Office of Emergency Services (Kern OES) recognized the need and importance of this plan and was responsible for its initiation in 2004. Funding for the initial planning assistance contract was a joint effort between Kern County and the eleven incorporated cities and numerous special districts. Kern County Emergency Services campaigned to raise the necessary funds for this important endeavor. In addition, planning team members donated to the original effort by attending meetings, collecting data, managing administrative details, and providing facilities for meetings.

Kern OES contracted with Robert Olson Associates (ROA) and subcontractor AMEC Earth & Environmental (AMEC) in December 2004 to facilitate and develop this countywide, multi-jurisdictional, multi hazard Mitigation Plan. AMEC (now AMEC Environment and Infrastructure) was contracted with again for the 2012 update, with ROA as a subcontractor. The AMEC/ROA role was to:

- Assist in establishing the Hazard Mitigation Planning Committee (HMPC) as defined by the Disaster Mitigation Act (DMA);
- Meet the DMA requirements as established by federal regulations and following FEMA's planning guidance;
- Support objectives under the National Flood Insurance Program's Community Rating System and the Flood Mitigation Assistance program (Kern County only);
- Facilitate the entire planning process;
- Identify the data requirements that HMPC participants could provide and conduct the research and documentation necessary to augment that data,
- Assist in facilitating the public input process;
- Produce the draft and final plan documents; and

-
- Coordinate with the California Emergency Management Agency (Cal EMA) and FEMA Region IX plan reviews.

Kern OES dedicated an emergency services planner to oversee the planning process and coordinate with the multiple jurisdictions that participated in the effort. OES worked under the guidance of a professional planner from AMEC during the development of this MHMP update.

3.1 Local Government Participation

The DMA planning regulations and guidance stress that each local government seeking FEMA approval of their mitigation plan must participate in the planning effort in the following ways:

- Participate in the process as part of the HMPC;
- Detail where within the planning area the risk differs from that facing the entire area;
- Identify potential mitigation projects and track the implementation of them; and
- Formally adopt the plan.

For the Kern County Planning Area’s HMPC, “participation” for each jurisdiction meant the following:

- Identification of hazards unique to the jurisdiction;
- The conduct of a vulnerability analysis and an identification of risks, where they differ from the general planning area;
- The formulation of mitigation goals responsive to public input and development of mitigation actions complementary to those goals. A range of actions must be identified specific for each jurisdiction;
- Identifying and updating mitigation actions for the plan;
- Reviewing and providing comments on plan drafts;
- Demonstration that there has been proactively offered an opportunity for participation in the planning process by all community stakeholders; and
- Documentation of an effective process to maintain and implement the plan; and,
- Formal adoption of the Multi Jurisdictional Hazard Mitigation Plan by the jurisdiction’s governing body.

The County and all jurisdictions noted in this plan seeking FEMA approval met all of these participation requirements. In most cases one or more representatives for each jurisdiction attended the HMPC meetings described in Table 3.2 and also brought together a local planning team to help collect data, identify mitigation actions and implementation strategies, and review and provide data on plan drafts. Appendix B provides additional information and documentation of the planning process.

3.2 The 10-Step Planning Process

AMEC established the planning process for updating the Kern County Multi Hazard Mitigation Plan using the DMA planning requirements and FEMA’s associated guidance. This guidance is structured around a four-phase process:

- 1) Organize Resources;
- 2) Assess Risks;
- 3) Develop the Mitigation Plan; and
- 4) Implement the Plan and Monitor Progress.

Into this process, AMEC integrated a more detailed 10-step planning process used for FEMA’s Community Rating System (CRS) and Flood Mitigation Assistance programs. Thus, the modified 10-step process used for this plan meets the requirements of six major programs: FEMA’s Hazard Mitigation Grant Program; Pre-Disaster Mitigation program; Community Rating System; Flood Mitigation Assistance Program; Severe Repetitive Loss program; and flood control projects authorized by the U.S. Army Corps of Engineers.

Table 3.1 shows how the modified 10-step process fits into FEMA’s four-phase process. The sections that follow describe each planning step in more detail.

Table 3.1. Mitigation Planning Processes Used to Develop the Kern County Multi - Hazard Mitigation Plan

DMA Process (44 CFR 201.6)	Modified CRS Process
1) Organize Resources	
201.6(c)(1)	1) Organize to Prepare the Plan
201.6(b)(1)	2) Involve the Public
201.6(b)(2) and (3)	3) Coordinate with Other Departments and Agencies
2) Assess Risks	
201.6(c)(2)(i)	4) Assess the Hazard
201.6(c)(2)(ii)	5) Assess the Problem
3) Develop the Mitigation Plan	
201.6(c)(3)(i)	6) Set Goals
201.6(c)(3)(ii)	7) Review Possible Activities
201.6(c)(3)(iii)	8) Draft an Action Plan
4) Implement the Plan and Monitor Progress	
201.6(c)(5)	9) Adopt the Plan
201.6(c)(4)	10) Implement, Evaluate, and Revise the Plan

This MHMP update involved a comprehensive review and update of each section of the 2006 plan and includes an assessment of the success of the participating communities in evaluating,

monitoring and implementing the mitigation strategy outlined in the initial plan. The process followed to update the plan is detailed in the above table and the sections that follow and is the same process that was used to prepare the 2006 plan. As part of this plan update, all sections of the plan were reviewed and updated to reflect new data, processes, participating jurisdictions, and resulting mitigation strategies. Only the information and data still valid from the 2006 plan was carried forward as applicable into this MHMP update. See Chapter 2 for more detail on what is new in the plan and a summary of the key plan elements that have been updated in the 2012 plan.

3.2.1 Phase 1: Organize Resources

Planning Step 1: Organize the Planning Effort

AMEC/ROA worked with Kern OES to establish the framework and organization for the development and update of this Plan. The Plan was developed and updated by the HMPC led by AMEC/ROA, and was comprised of key county, city, and other local government and stakeholder representatives.

The planning process officially began on February 15, 2005 with a kick-off meeting in Bakersfield. The meeting covered the scope of work and an introduction to the DMA 2000 regulations. The meeting was facilitated by the County Emergency Services Coordinator (HMPC Chair) and professional planning contractors AMEC/ROA. During this meeting the scope of work, the role of the HMPC, and data collection needs were explained. The County Fire Chief endorsed and emphasized the importance of this planning process. The meeting also covered an introduction to a preliminary hazard identification developed for the County by AMEC/ROA.

Participants were provided a planning workbook that included worksheets to facilitate the collection of the information needed to support the plan. Worksheets were designed by AMEC/ROA to capture information on historic hazard events, identify hazards of concern by jurisdiction, values at risk by jurisdiction, and capabilities by jurisdiction. Participants were also provided a mitigation project worksheet to record ideas for possible projects that were identified during the planning process.

The HMPC communicated during the original planning process, as well as during the 2012 update, with a combination of face to face meetings and email. The size of Kern County and the distance required to travel to attend meetings necessitated combining meetings on the various topics into half or full day workshops.

The HMPC held 6 meetings during a 9-month period in 2005. Additional communication and coordination with the HMPC was done through the use of an email list and an FTP (file transfer protocol) site where draft documents were uploaded for download and review by team members.

The HMPC met four times during the update planning period (September 22, 2011-July, 2012). The purposes of these meetings are described in Table 3.2. Agendas for each of the meetings are included in Appendix B.

Table 3.2. HMPC Meetings

Meeting	Meeting Topic	Meeting Date(s)	Meeting Location(s)
2005 planning meetings			
HMPC #1	Introduction to DMA and the planning process	February 15, 2005	
HMPC #2	Hazard Identification introduction	February 15, 2005	
HMPC #3	Risk and Capability Assessment overview/ Developing Mitigation Goals and Objectives	June 22, 2005	
HMPC #4a	Review of Possible Mitigation Activities	June 22, 2005	
HMPC #4b	Developing Mitigation Recommendations	June 22, 2005	
HMPC #5	Review of draft plan	August 19, 2005	
Public meetings	11 public meetings held in various locations	September 19-30, 2005	
2011-2012 planning meetings			
HMPC #1	Kickoff- Introduction to DMA and the planning process Hazard Identification introduction	October 20th, 2011	
HMPC #2	Review of the Hazard Identification and Risk Assessment	February 29th, 2012	
HMPC #3	Goals Update	February 29th, 2012	
HMPC #4a	Review of Possible Mitigation Activities	February 29th, 2012	
HMPC #4b	Developing Mitigation Recommendations	February 29th, 2012	

The HMPC, comprising key county, city, special district, and other government and stakeholder representatives, developed the plan with leadership from the Kern OES and facilitation by AMEC. Each participating jurisdiction seeking FEMA approval of the plan had representation on the HMPC. During the 2012 update jurisdictions indicated their commitment to participate as by signing a commitment letter at the beginning of the plan update process. Kern County also passed a resolution re-forming this planning committee at the beginning of the plan update process. Commitment letters for participating jurisdictions are included in Appendix B. In

addition to representation by participating jurisdictions, the HMPC also included other agency and public stakeholders with an interest in hazard mitigation. The following participated on the HMPC:

Kern County

- OES
- EMS
- Engineering and Survey Services Department
- Resource Management Agency
- Waste Management Department
- Administrative Office
- Roads Department

Participating Cities

- City of Arvin
- City of Bakersfield
- City of California City
- City of Delano
- City of Maricopa
- City of McFarland
- City of Ridgecrest
- City of Shafter
- City of Taft
- City of Tehachapi
- City of Wasco

Participating Special Districts

This plan also covers 53 additional special districts and organizations within Kern County that meet the FEMA definition of “local government” and participated in the planning process. The types of districts and organizations include:

- Community service districts (6)
- Recreation and park districts (6)
- School districts (18)
- Airport districts (2)
- Mosquito abatement district (1)
- Sanitation districts (3) and
- Water districts (16)

The following changes in participation occurred in 2012: the McKittrick School District dropped out.

Planning Step 2: Involve the Public

Original Plan Development Activities

The HMPC undertook myriad strategies to engage the public in the planning process when the plan was originally developed in 2005-2006. At the kick-off meeting the team discussed a plan and options for soliciting public input. The team's approach used the established Public Information mechanisms within the County and the resources of the HMPC member communities. A press release announcing that the planning process had begun was distributed following the kick-off meeting. County OES provided a mechanism for coordinating with other potentially interested public agencies, private companies, and appropriate citizens groups as part of Step 3 of this planning process.

Public input during the planning process was solicited by making the document available for public review and comment and hosting public meetings to explain the plan and planning process and gather feedback. A series of formal public meetings were conducted in September and October of 2005 following the development of the 3rd draft of the plan. The draft plan was posted to the County website providing the general public several weeks to review and comment on the document during the September-October public meetings. A press release announced the draft plan's existence, the public comment period, and ways that public input could be provided. The press release was developed and distributed by the Kern County Fire Department's Public Information Officer (PIO) to all the local media outlets and posted to the Kern County website. The press release and other sample outreach materials were provided to all the participating jurisdictions. Hard copies of the draft plan were also made available for review at all Kern County library branch locations.

During the public meetings the various community representatives on the HMPC handled the presentations in their respective communities, after contacting the appropriate special districts serving their communities. Assistance during the public meetings was provided by the Kern County OES. In addition to the formal meetings the plan was promoted by the Kern County Office of Emergency Services at the Kern River Valley Revitalization Steering Committee meeting (October 5th), Kern River Valley Chamber of Commerce meeting (October 5th), Kern River Valley Town Hall meeting (October 11th) and the Kern River Valley Collaborative meeting (October 27th). A total of at least 178 persons attended the public meetings, including citizens, HMPC members, and jurisdictional representatives. The public meeting locations and dates are provided in the table that follows.

Table 3.3. 2005 Public Meetings

Public Meeting #	Public Meeting Location	2005 Meeting Date
1	Arvin City Hall	September 26th
2	Delano City Hall	September 29th
3	Golden Hills Community Services District, Golden Hills	October 4th
4	Rosamond Community Services District Office	October 5th
5	Taft City Hall	October 6th
6	Ridgecrest City Hall	October 12th
7	Shafter Veterans Memorial Hall	October 13th
8	Bakersfield City Hall	October 18th
9	McFarland City Hall	October 26th
10	Wasco City Hall	October 27th
11	California City City Hall	November 1st

2012 Plan Update Activities

In reconvening the HMPC for the 2011-2012 update public outreach began early in the process by inviting interested public to engage in meetings with the HMPC. This approach was used to engage CERT and Fire Safe Council members and have them participate in HMPC and public meetings during the plan update process. A Public Participation Plan (PPP) was developed at the outset of the plan update process in 2011. This PPP was used to identify the purpose and objectives of public participation, local government public outreach responsibilities, and specific activities/actions. The PPP was updated during the process to record the activities that were implemented. Information provided to the public included an overview of the mitigation status and successes resulting from implementation of the 2006 plan as well as information on the processes, new risk assessment data, and proposed mitigation strategies for the updated plan. A backgrounder on the plan was prepared to use to educate the public on the purpose, intent, and history of the plan. This was used as a handout at the public meetings and posted on the Kern OES website. Documentation of the activities in the form of press releases and sign in sheets is provided in Appendix B. The public outreach activities described here were conducted with participation from and on behalf of all jurisdictions participating in this plan.

Three public meetings were held throughout the plan update process and prior to finalizing the updated plan as further described in Table 3.4. Public meetings were advertised in a variety of ways to maximize outreach efforts to both targeted groups and to the public at large.

- Press releases to major media outlets including
- Email to established email lists
- Personal phone calls

Where appropriate, stakeholder and public comments and recommendations were incorporated into the final plan, including the sections that address mitigation goals and strategies.

Table 3.4. Public Meetings 2012

Meeting Topic	Meeting Date	Meeting Locations
Public Workshop #1 - Presentation of Risk Assessment Findings	February 29th	Kern County Administration Building, Bakersfield
Public Workshop #2 – Workshop on update to LHMP Valley Region	July 18, 2012	North of the River Municipal Water District
Public Workshop #3 – Workshop on update to LHMP Mountain Region	July 26, 2012	Golden Hills Community Services District
Public Workshop #4 – Workshop on update to LHMP Desert Region	July 31, 2012	Strata Sports Center, California City

Planning Step 3: Coordinate with Other Departments and Agencies

Early on in the planning process, the HMPC determined that data collection, mitigation strategy development, and plan approval would be greatly enhanced by inviting other state and federal agencies to participate in the planning process. Based on their involvement in hazard mitigation planning, representatives from the following key agencies were offered the opportunity to provide comments and/or participate in the process as members of the HMPC:

State Government Agencies

- California Emergency Management Agency (Cal EMA)
- Department of Transportation (Caltrans)
- Fish and Game
- Parks and Recreation (Red Rock Canyon State Park)
- Department of Water Resources
- Seismic Safety Commission
- California Geological Survey
- California Department of Forestry and Fire Protection (Cal FIRE)
- California Highway Patrol
- Department of Health Services
- Department of Food and Agriculture
- Division of Oil, Gas, and Geothermal Resources
- Department of Toxic Substances Control

Federal Government Agencies

- Bureau of Land Management (Bakersfield Field Office)

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- Bureau of Reclamation (Bakersfield Field Office)
 - U.S. Army Corps of Engineers District Office
 - U.S. Navy (China Lake)
 - U.S. Air Force (Edwards AFB)
 - Dept. of Homeland Security/Federal Emergency Management Agency, Region IX
 - U.S. Geological Survey
 - U.S. Department of Energy (regarding nuclear waste shipments)
 - Natural Resource Conservation Service
 - National Park Service
 - Department of Transportation - Office of Pipeline Safety
 - U.S. Forest Service (Sequoia National Forest)
 - U.S. Fish and Wildlife Service district office
 - National Weather Service (Hanford)
 - National Oceanic and Atmospheric Administration, National Climatic Data Center
 - U.S. Environmental Protection Agency

Other Regional and Local Agencies, including Special Districts

- Regional Water Quality Control Board
- Regional Air Pollution Control District
- Kern County Council of Governments
- Fire protection districts
- Kern County Water Agency
- Water districts
- Kern Water Bank Authority
- Indian Wells Valley Groundwater Management Group
- East Kern County Resource Conservation District
- Community services districts (single and multiple purpose)
- Reclamation and levee maintenance districts
- Flood control districts
- Historic preservation organizations
- Mosquito control districts
- Hospital districts/organizations
- School districts
- Water Association of Kern County

Other Potentially Interested Organizations

- Kern River Valley Fire Safe Council
- Kern River Valley Historical Society
- Greater Tehachapi Fire Safe Council

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- Mount Pinos Communities Fire Safe Council
 - Pine Mountain Club Property Owners Association
 - Agricultural industry organizations
 - Kern County Department of Agriculture
 - County Agricultural Extension Agents
 - Insurance Services Office
 - Utilities (gas, electricity, water)
 - Union Pacific Railroad
 - BNSF Railroad Company
 - Pipeline companies
 - Petroleum producers and refiners
 - Smart Growth Coalition of Kern County
 - Catholic Healthcare West Hospitals (Bakersfield Memorial, Mercy, Mercy Southwest)
 - Kaiser Permanente
 - Other appropriate public and citizens groups, conservation groups

Each of the above agencies was issued invitations either in writing or by e-mail notification. The HMPC provided each agency a link to an online copy of the draft plan for their review and written comment. Those comments were incorporated into this document. Additionally, technical data, reports and studies were obtained from these agencies either through web-based resources or directly from the agencies.

Coordination with key agencies, organizations, and advisory groups throughout the planning process allowed the HMPC to review common problems, development policies, and mitigation strategies as well as identifying any conflicts or inconsistencies with regional mitigation policies, plans, programs and regulations. For example, representatives from Cal EMA attended most of the HMPC meetings where they answered questions and provided input and support on the MHMP process and plan requirements and provided details as requested on other related programs, such as FEMA grant programs. Likewise, DWR was utilized to obtain data on the NFIP specific to the planning area and participating jurisdictions.

The CRS program requires that the neighboring communities also be invited to participate in the planning process, and to review the draft documents. Therefore, the floodplain administrators and emergency managers in the following neighboring counties were invited to participate, review and comment on planning activities during 2005 and 2012:

- Kings County
- Inyo County
- Los Angeles County
- San Bernardino County
- San Luis Obispo County
- Santa Barbara County

-
- Tulare County
 - Ventura County

A representative from Ventura County floodplain management participated in HMPC meetings during the 2012 update. Copies of the letters seeking coordination with state, federal, and neighboring agencies are on file with the Kern County Fire Department OES.

As part of the public review and comment period for the draft plan, key agencies and neighborhood associations were again specifically solicited to provide any final input to the draft plan document. This input was solicited both through membership on the MHMP committee and by direct emails to key groups and associations to review and comment on the plan. As part of this targeted outreach, these key stakeholders were also specifically invited to attend the final HMPC meeting to discuss any outstanding issues and to provide input on the draft document and final mitigation strategies. Individuals solicited (via a direct email, with a link to the plan on the County website) as part of this targeted outreach for input on the draft plan included: National Weather Service, Cal EMA, Cal DWR, USACE, Cal FIRE, and Emergency Managers and Floodplain Managers for neighboring counties. Appendix B includes documentation of these email solicitations.

The HMPC also used technical data, reports, and studies from the following agencies and groups:

- Cal EMA
- Cal FIRE
- California Department of Finance
- California Department of Water
- California Geological Survey
- California Highway Patrol
- California Register of Historic Places
- FEMA
- Invasive Species Council of California
- Library of Congress
- National Oceanic and Atmospheric Association
- National Performance of Dams Program
- National Register of Historic Places
- National Resource Conservation Service
- National Response Center
- National Weather Service
- Spatial Hazard Events and Losses Database for the United States (SHELDUS)
- United States Army Corps of Engineers
- United States Bureau of Land Management
- United States Department of Agriculture

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- United States Drought Impact Reporter
 - United States Farm Service Agency
 - United States Forestry Service
 - United States Geological Survey
 - Western Regional Climate Center

Appendix C References provides a detailed list of references used in the preparation of this plan update. Specific references relied on in the development of this plan are also sourced throughout the document as appropriate.

Several opportunities were provided for the groups listed above to participate in the planning process. At the beginning of the planning process, invitations were extended to these groups to actively participate on the HMPC. Others assisted in the process by providing data directly as requested in the Data Collection Guide or through data contained on their websites or as maintained by their offices. Further as part of the public outreach process, all groups were invited to attend the public meetings and to review and comment on the plan prior to submittal to Cal EMA and FEMA. In addition, as part of the review of the draft plan, key agency stakeholders were contacted and their comments specifically solicited.

Other Community Planning Efforts and Hazard Mitigation Activities

Coordination with other community planning efforts is also paramount to the success of this plan. Hazard mitigation planning involves identifying existing policies, tools, and actions that will reduce a community's risk and vulnerability to hazards. Kern County uses a variety of comprehensive planning mechanisms, such as general plans and ordinances, to guide growth and development. Integrating existing planning efforts and mitigation policies and action strategies into this plan establishes a credible and comprehensive plan that ties into and supports other community programs. The development of this plan incorporated information from the following existing plans, studies, reports, and initiatives as well as other relevant data from neighboring communities and other jurisdictions.

- Utilization of the Kern County General Plan and Kern County Code of Building Regulations
- Local Fire Safe Plans
- County Capital Facilities Plan
- Other Capital Improvement and General plans within the jurisdictions
- County Long Term Recovery Plan
- County Strategic Plan
- Other plans, regulations, and practices outlined within the Capability Assessment section of this plan
- Kern Flood Hazard Mitigation Plan
- Lake Isabella Dam Failure Evacuation Plan
- Kern Lake Plan
- Kern Integrated Regional Water Management Plan

-
- Kern County Caliente Watershed Strategic Pollution and Sediment Reduction Plan
 - County and City Emergency Operations Plans
 - County and City ordinances
 - Flood/stormwater management/master plans
 - Community Wildfire Protection plans (CWPPs) - Mt. Pinos, Tehachapi, Kern River Valley
 - Other plans, regulations, and practices with a mitigation focus

Other documents were reviewed and considered, as appropriate, during the collection of data to support Planning Steps 4 and 5, which include the hazard identification, vulnerability assessment, and capability assessment.

3.2.2 Phase 2: Assess Risks

Planning Steps 4 and 5: Identify the Hazards and Assess the Risks

AME/ROA led the HMPC in an exhaustive research effort to identify, document, and profile all the hazards that have, or could have, an impact the planning area. Data collection worksheets and jurisdictional annexes were developed and used in this effort to aid in determining hazards and vulnerabilities and where the risk varies across the planning area. Geographic information systems (GIS) were used to display, analyze, and quantify hazards and vulnerabilities. The HMPC also conducted a capability assessment to review and document the planning area's current capabilities to mitigate risk from and vulnerability to hazards. By collecting information about existing government programs, policies, regulations, ordinances, and emergency plans, the HMPC could assess those activities and measures already in place that contribute to mitigating some of the risks and vulnerabilities identified. The 2005 and 2012 planning efforts followed the same process. The 2012 effort focused on enhancing the plan with the latest hazards studies, GIS data, and updated building and critical facilities inventories. A more detailed description of the risk assessment process, methodologies, and results are included in Chapter 4 Risk Assessment.

3.2.3 Phase 3: Develop the Mitigation Plan

Planning Steps 6 and 7: Set Goals and Review Possible Activities

AMEC/ROA facilitated brainstorming and discussion sessions with the HMPC that described the purpose and process of developing planning goals and objectives, a comprehensive range of mitigation alternatives, and a method of selecting and defending recommended mitigation actions using a series of selection criteria. This information is included in Chapter 5 Mitigation Strategy. The goals were revisited and modified to reflect priorities in 2012. During the 2012 update the action items were updated by the HMPC to reflect the status of their implementation. These updated actions are located in Appendix A, along with some new actions that were identified in the 2012 planning process.

Planning Step 8: Draft an Action Plan

ROA/AMEC developed four drafts of this plan for the HMPC when it was originally developed in 2005. The first draft consisted of the Hazard Analysis and Risk Assessment only and was reviewed by members of the HMPC in advance of the mitigation planning goals and strategy meetings. ROA/AMEC received these comments, made appropriate revisions at the direction of the HMPC, and developed a second draft of this plan, which included the HMPC's mitigation strategy and other required plan elements. This complete draft was posted for HMPC review and comment on an internal website. Other agencies were invited to comment on this draft as well. Team and agency comments were integrated into the 3rd draft, which was extensively advertised and distributed for the purpose of collecting public input and comments through a series of formal Public Meetings. The comments and issues from the Public Meetings and the additional reviews were then discussed with the HMPC, appropriate revisions were made, and a 4th draft of the plan was produced reflecting the public and technical input. The same process was followed during the 2012 update.

AMEC/ROA integrated comments and issues from the public, as appropriate, along with additional internal review comments and produced a final draft for the Cal EMA and FEMA Region IX to review and approve, contingent upon final adoption by the governing boards of each participating jurisdiction.

3.2.4 Phase 4: Implement the Plan and Monitor Progress

Planning Step 9: Adopt the Plan

In order to secure buy-in and officially approve and implement the plan, the plan was adopted by the governing boards of each participating jurisdiction using the sample resolution contained in Appendix D.

Planning Step 10: Implement, Evaluate, and Revise the Plan

The true worth of any mitigation plan is in the effectiveness of its implementation. The HMPC has expended much effort in the development of this plan including researching data, coordinating input from participating entities, and developing appropriate mitigation actions. Each recommended action includes key descriptors, such as a lead manager and possible funding sources, to help initiate implementation. An overall implementation and update strategy is described in Chapter 7 Plan Implementation and Maintenance.

Implementation and Maintenance Process: 2006-2011

The 2006 Multi-Hazard Mitigation Plan included a process for implementation and maintenance in Chapter 7. This process as set forth in the 2006 plan was generally followed, with some variation.

The maintenance process called for an annual review the standing HMPC, and a 5-year written update to be submitted to Cal EMA and FEMA Region IX. During the initial two-year period following adoption of the plan by participating jurisdictions, the reviews and coordination were conducted on a more informal basis through emails, telephone conversations, and through attendance at various public, stakeholder, and agency meetings. Kern OES prepared a status report on plan implementation to the Board of Supervisors in May 2007. Also, as part of the CRS program the County conducted an annual review on the floodplain management components of the Plan. These annual reviews were formalized in an annual report and contained information specific to the progress on implementation of the floodplain management recommendations from the 2006 plan.

The plan maintenance process from 2006 also discussed keeping the community, public, and other stakeholders involved during plan maintenance. In 2011, once the formal plan update process began, a defined process for involving the community was followed as detailed above in Planning Steps 2 and 3.

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

SUBJECT:

A Resolution Of The Ridgecrest City Council Calling And Giving Notice Of The Holding Of A General Municipal Election To Be Held On Tuesday November 4, 2014 For The Election Of Certain Officers As Required By The Laws Of The State Of California Relating To General Law Cities

PRESENTED BY:

Rachel J. Ford, CMC – City Clerk

SUMMARY:

California Elections Code requires that all general law cities adopt a resolution calling for and giving notice to the public of a General Municipal Election. The General Municipal Election is to be held on the first Tuesday of November. This resolution is compliant with state code and authorizes the Elections Official to give public notice of the date and time of the General Municipal Election and requires the City Clerk to provide all necessary documents to candidates and the public.

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Approve A Resolution Calling And Giving Notice Of The Holding Of A General Municipal Election To Be Held On Tuesday November 4, 2014 For The Election Of Certain Officers As Required By The Laws Of The State Of California Relating To General Law Cities

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the resolution as presented.

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RESOLUTION NO. 14-xx

A RESOLUTION OF THE RIDGECREST CITY COUNCIL CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY NOVEMBER 4, 2014 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES

BE IT RESOLVED BY THE RIDGECREST CITY COUNCIL as follows:

Section 1. There is called and ordered to be held in the City of Ridgecrest on Tuesday, November 4, 2014, a General Municipal Election for the purpose of electing two (2) members of the City Council for the full term of four (4) years AND one (1) Mayor of the City of Ridgecrest for the full term of two (2) years.

Section 2. The City Clerk shall procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment necessary to properly and lawfully conduct the elections.

Section 3. The polls for the elections shall be open at 7 o'clock a.m. of the day of the election and shall be closed at 8 o'clock p.m., except as provided in the Elections Code.

Section 4. The ballots to be used at the election shall be in form and content as required by law. In all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 5. Notice of the time and place of holding the election is given and the City Clerk shall give further or additional notice of the election, in time, form and manner as required by law.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Ridgecrest does hereby approve the notice and call for a General Municipal Election for November 4, 2014.

BE IT FURTHER RESOLVED Council further directs the City Clerk to take all applicable actions for holding municipal elections as required by California Elections Code.

APPROVED AND ADOPTED this 7th day of May, 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
NOTICE OF ELECTION**

NOTICE IS HEREBY GIVEN that a General Municipal Election will be held in the City of Ridgecrest on Tuesday, November 4, 2014, for the following Officers

For Mayor	Full term of two years
For 2 members of the City Council	Full term of four years

The nomination period for these offices begins on July 14, 2014 and closes on August 8, 2014 at 5:00 p.m.

If nomination papers for an incumbent officer of the city are not filed by August 8, 2014, the voters shall have until August 13, 2014 to nominate candidates other than the person(s) who are the incumbents on the 88th day before the election, for that incumbent's elective office. This extension is not applicable where there is no incumbent eligible to be elected.

If no one or only one person is nominated for an elective office, appointment to the elective office may be made as prescribed in § 10229, Elections Code of the State of California.

The polls will be open between the hours of 7:00 a.m. and 8:00 p.m.



Rachel J. Ford, CMC
City Clerk

Dated: April 17, 2014

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

SUBJECT:

A Resolution Of The Ridgecrest City Council Requesting The Board Of Supervisors Of The County Of Kern To Render Specified Services To The City Relating To The Conduct Of A General Municipal Election To Be Held On Tuesday, November 4, 2014

PRESENTED BY:

Rachel J. Ford, CMC – City Clerk

SUMMARY:

The General Municipal Election is to be held on Tuesday, November 4, 2014. pursuant to the provisions of §10002 of the Elections Code of the State of California, the City Council may request the County Board of Supervisors to consolidate and provide specific election services to the City related to the conduct of the election.

These services include but are not limited to providing all necessary supplies for each polling place, training and coordination of volunteer staff, printing of the ballots, counting of the ballots and certifying the results to the state.

The city pays a percentage of the cost for these services, our cost for past General Municipal Election was \$22,104.65 and anticipated cost for the election on November 4, 2014 will be approximately \$25,000.

FISCAL IMPACT:

\$30,000 budgeted for Fiscal Year 2014-15

Reviewed by Finance Director

ACTION REQUESTED:

Approve a resolution Requesting The Board Of Supervisors Of The County Of Kern To Render Specified Services To The City Relating To The Conduct Of A General Municipal Election To Be Held On Tuesday, November 4, 2014

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the resolution as presented.

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RESOLUTION NO. 14-xx

A RESOLUTION OF THE RIDGECREST CITY COUNCIL REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN TO RENDER SPECIFIED SERVICES TO THE CITY RELATING TO THE CONDUCT OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014

WHEREAS, a General Municipal Election is to be held in the City of Ridgecrest, California, on November 4, 2014; and

WHEREAS, in the course of conduct of the election it is necessary for the City to request services of the County; and

WHEREAS, all necessary expenses in performing these services shall be paid by the City of Ridgecrest;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGECREST DOES HEREBY RESOLVE as follows:

Section 1. That pursuant to the provisions of §10002 of the Elections Code of the State of California, this City Council requests the Board of Supervisors of the County to permit the County Election Department to prepare and furnish to the City all material, equipment, and services necessary for the conduct of the Elections. The City shall reimburse the County for the City's pro rata share of the services performed upon presentation of a properly approved bill.

Section 2. That the City Clerk is directed to forward without delay to the Board of Supervisors and to the County Election Department, each a certified copy of this resolution.

APPROVED AND ADOPTED this 7th day of May 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/HOUSING
AUTHORITY/FINANCING AUTHORITY AGENDA ITEM**

SUBJECT:

Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of April 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 April 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**

**April 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; Vice Mayor Marshall 'Chip' Holloway, Council Members; Lori Acton, and Steven Morgan

Council Absent: Council Member Jim Sanders

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

APPROVAL OF AGENDA

Motion To Approve Agenda As Amended Made By Council Member Holloway, Second By Council Member Morgan. Motion Carried By Voice Vote Of 4 Ayes (Mayor Clark, Council Members, Holloway, Acton, And Morgan); 0 Noes; 0 Abstain; 1 Absent (Council Member Sanders)

PUBLIC COMMENT – CLOSED SESSION

- None presented

CLOSED SESSION

GC54956.9 (D) (1) Conference With Legal Counsel – Liability Claim Of Kyeong Hee Corbin, Claim No. 14-02

GC54956.9 (D) (1) Conference With Legal Counsel – Liability Claim Of Andrew Burch – Allison Gonzalez, Claim No. 14-03

MINUTES – RIDGECREST CITY COUNCIL/REDEVELOPMENT AGENCY - REGULAR

April 16, 2014

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GC54956.9 (D) (1) Conference With Legal Counsel – Liability Claim Of 21st Century Insurance Subrogation Claim, Claim No. 14-04

GC54957 Personnel Matters – Public Employee Performance Evaluation – City Manager

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
 - Conference With Legal Counsel – Liability Claim Of Kyeong Hee Corbin, Claim No. 14-02, Received Report, denied
 - Conference With Legal Counsel – Liability Claim Of Andrew Burch – Allison Gonzalez, Claim No. 14-03, Received Report, denied
 - Conference With Legal Counsel – Liability Claim Of 21st Century Insurance Subrogation Claim, Claim No. 14-04, Received Report, denied
 - Personnel Matters – Public Employee Performance Evaluation – City Manager, no action taken
- Other
 - none

PRESENTATIONS

1. Presentation Of A Proclamation Honoring Ridgcrest Citizen Alton (Al) Keck On The Occasion Of His 100th Birthday – April 16, 2014

Council presented a proclamation to Alton Keck honoring his 100th Birthday

2. Presentation Of A Proclamation To Representatives Of The Masonic Lodge Recognizing Public Schools Month

Council presented a proclamation to members of the Masonic Lodge recognizing Public Schools Month

PUBLIC COMMENT opened at 6:29 p.m.

Jerry Taylor

- Spoke on minutes and multiple voting on the survey for city goals.
- National health services board of directors meeting which prohibited some people from attending the April 1 Town Hall meeting.
- Sampled one segment of the community and requested council look at previous surveys to get a good idea of what citizens want
- Encouraged a professional survey when considering tax measures or fee increases

MINUTES – RIDGECREST CITY COUNCIL/REDEVELOPMENT AGENCY - REGULAR

April 16, 2014

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- Asked Mr. Speer if stripes on Las Flores for fog lines were completed
 - Dennis Speer – responded and will forward information.
- Not asking for a bike lane, just an indication that the area is shared with parked cars. Concerned about bicycle safety
- Commented that Council spends more time with proclamations and honoring employees than discussing infrastructure.
 - Dan Clark inquired if the information on how to repeat vote on the survey was shared with Council Member Holloway
- Commented on process used to vote repeatedly, this is one tool being used to gather data but can be cheated.

Dave Matthews

- Supported Mr. Taylor's suggestion to stripe Las Flores Street.
- Spoke on being happy to not be the oldest person in the room.
- Spoke on article sent to council regarding a range war in Nevada between a cattle rancher and BLM. Encouraged council to heed what is happening between the federal government and citizens
- Disappointed in not having decorations in council regarding Easter. Wished everyone a happy Easter and will pray the Lord touches the hearts of everyone.

Nick Moore

- Fundraiser for Veteran's Advisory Committee in May with raffles for a dirt bike and other event
- 5 WWII veterans will be escorted on May 5 to take the Honor Flight to Washington DC to see the memorial. Will return May 9 and from 2-3 on both days there will be receptions to visit the veterans. It is an honor to help them go see their memorial.
- Flyers available at the Clerk's desk regarding the veteran's stand down

Robert Gould

- Sierra Desert Gun Club continuing 4 decade long program and will be presenting hunter's education class. Registration at Kerr McGee on Saturday. Class will be held May 3-4.

Closed Public Comment at 6:45 p.m.

CONSENT CALENDAR

3. Adopt Three Resolutions Of The Ridgecrest City Council Initiating Proceedings For The Levy And Collection Of Assessments For The Landscaping And Lighting District No 2012-01 Speer

4. Adopt A Resolution By The City Council Of The City Of Ridgecrest, Sanitary District And The City Of Ridgecrest Approve The Grant Of Easement On Three Separate Parcels To Southern California Edison Company As Part Of The Downs Substation Project And Authorize The Mayor To Sign The Grant Of Easement And Offer Of Acceptance Speer
5. Adopt A Resolution Of The Ridgecrest City Council Approving A Program Supplement For The South China Lake Boulevard From Upjohn Avenue To Bowman Speer
6. Adopt A Resolution To Accept Funding From The Transit System Safety, Security, And Disaster Response Account Under The California Transit Security Grant Program (CTSGP) For A Corporation Yard Security Alarm And Lighting System And Authorize The City Manager, Dennis Speer Or His Designee To Execute All Documents To Obtain CTSGP Funding Speer
7. Adopt A Resolution To Approve A Professional Service Agreement With The Consulting Firm Of Safety Network For The Sign Reflectivity Inventory And Management Plan And Authorize The City Manager, Dennis Speer, To Sign The Agreement Upon Approval Of The City Attorney Speer
8. Adopt A Resolution Of The Ridgecrest City Council Authorizing The City To Participate In The State Of California Franchise Tax Board City Business Tax Program, And Authorizing The Finance Services Director To Execute The Agreement McQuiston
9. Adopt A Resolution Of The City Council Of The City Of Ridgecrest Authorizing The Disability Retirement Of Sworn Safety Member Travis Gillette Strand
10. Approval Of Draft Minutes Of The Special Town Hall Meeting Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Dated April 1, 2014 Ford
11. Approval Of Draft Minutes Of The Regular Meeting Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Dated April 2, 2014 Ford

Chip Holloway

- Questioned use of funds from Measure 'L' for engineering services and the need to do engineering before asphalt can be laid on streets.

Items Pulled from Consent Calendar

- Item No's 3, 4, 8, and 9

MINUTES – RIDGECREST CITY COUNCIL/REDEVELOPMENT AGENCY - REGULAR

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Motion To Approve Item No's 5, 6, 7, 10, and 11 Of Consent Calendar Made By Council Member Holloway, Second By Council Member Morgan. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Clark, Council Members, Holloway, Acton, And Morgan); 0 Noes; 0 Abstain; 1 Absent (Council Member Sanders)

Item No. 3 Discussion

Jerry Taylor

- Inquired if this was a new district or previous district DR Horton
 - Dennis Speer – existing district

Item No. 4 Discussion

Steve Morgan

- Asked Mr. Speer to describe interaction between City and SCE
 - Dennis Speer – request from SCE is for a substation project
- City is collaborating with SCE for their sub-station.
- Commend Loren Culp for his even handed work on this item, very professional and everything completed properly
- Voting against this because having issues with SCE on the West Ridgecrest Blvd project
- Already given them \$350k for movement of poles on Ridgecrest Blvd.
- Now having to do a study on a pole
- SCE has been told repeatedly about the project but does not seem to get it
- They are going to cost us more money on the W Ridgecrest Blvd. because the pole will not be moved in time
- Staff has created a work around but will still cost us money in the end
- Commend Deborah Hess who has taken the brunt of my anger and she is setting up a conference call with Dennis and myself and principals at SCE
- Agreement with SCE where poles are, the poles are not where they are supposed to be.
- Increasingly frustrating non-movement by SCE has pissed me off, I have had it.
- I recommend we not vote for this and send them a message
- They cannot move forward with their project without this but is dangerous as we need some right of way from them for our projects
- Think we are stuck but because of complete and utter incompetence from a previous SCE representative, we are in a bad position
- Recommend we do not pass this item
- Will be sending data to council from previous meetings with SCE
- SCE keeps saying they did not have plans, yet they did have plans.

Dennis Speer

- In terms of the delay it has been difficult, they refer to their procedures and policies but it is not their project
- Initially disturbing is all utility companies were made aware as early as 2009 and have had no problem with any of the other utilities. Water district is moving forward with their work and the only utility that has made no effort to do their projects is SCE
- First correspondence to SCE came from Mark Thomas in December 2009 requesting meetings to collaborate on the design projects.
- 21 other correspondence then a set of plans went in 2010 to SCE noting the various conflicts which needed to be taken care of before construction could begin
- Commitment letter sent in June 2013 which finally got their attention.
- Total 21 correspondences between the consultant and SCE from 2009 to January 2014.
- From August 3 2010 to current there have been 19 different meetings or correspondences and over 24 documents since June 2013 to present.
- All utilities were advised of mandatory utility meeting June 7, 2011 where entire project was laid out and discussed.

Dan Clark

- This is separate from Ridgecrest Blvd project, if we say no is that going to stop the Ridgecrest Blvd Project. We currently have a work around in place and won't stop the project.
 - Dennis Speer – will have to return to that corner after work around is completed

Dave Matthews

- If I recall correctly, this problem was being discussed when Mrs. Hess was here and in charge the first time. Because not having infrastructure meetings anymore, citizens are not aware of these problems
- Urged council to reinstitute infrastructure meetings
- Some of these items do not belong on the consent calendar
- Asked Mr. Speer and Mr. Morgan if it would do any good to approach the PUC on this item
 - Steve Morgan – if SCE has their way they will have to go before the PUC to grant right of way which will take up to 18 months.

Item No. 8 Discussion

Stan Rajtora

- First, this appears to be unfunded mandate from State of California which is enough reason not to touch the item and requested Council work with League to resist this and any unfunded mandate from the State.
- Second, staff report didn't make sense so sent email to Rachelle who had a staff member respond with explanation and based on that email my understanding is the City has a problem with some members of community not paying their business licenses. No problem with people paying license fees but have a concern regarding return on investment which could gain a will of its own and become more than it should be. Total revenue projected for business license is 134K, city might be lucky and get up to 15K from this however if you read all the things city has to do to get this there are a number of things staff has to do. In long run might get a net or may lose a net total. Need \$2-3 million per year once Measure 'L' goes away and staff is still working down in the 15K range and not looking at the real problem
- Requested council give staff direction to begin looking at a higher level that would benefit more for the staff time.
- Disagree with this unless the return on investment is more significant.

Dave Matthews

- Caught my attention and the staff report didn't give enough information. Worried about what we were getting into.
- I don't want to deal with the franchise tax board any more than necessary, would like to know what the Chamber of Commerce thinks about this.
- Business license fees are fine, can't the code enforcement officer go after these people.
- Feels council should reject the item

Rachelle McQuiston

- This item is not mandatory, only done once a year we take data from our system and send it to the tax board
- Spoke on the agreement and how information exchanged is restricted in use.
- Information notifies them if a business has started that has not filed taxes and in exchange we receive notification if they do not have a business license.
- No monetary exchange and only takes about 1 hour per year but potential for business license growth is greater
- This is a 3 year renewal

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Stan Rajtora

- Data received is of no value unless someone sorts thru it. This is additional work and then someone has to follow up with enforcement
- Return on investment is important and appears to be too small to spend the amount of time it will take.

Jerry Taylor

- Asked how much we have recouped over the past 3 years.
 - Rachele McQuiston – more important to us is the sales tax collected and will get that data for Mr. Taylor
- Commented on online purchases and local pick up.

Chip Taylor

- Spoke to Mr. Rajtora about unfunded mandates including the Brown Act.
- Looked at other cities and agree that if the time expended is only about 1 hour then agree this is worthwhile

Item No. 9 discussion

Stan Rajtora

- Questioned fiscal impact
 - Rachel Ford - responded
- Asked if corrective action has been taken to prevent future injuries of this nature to officers
 - Ron Strand – responded, no real corrective action available

Motion To Approve Item Nos. 3 And 9 Made By Council Member Morgan, Second By Council Member Holloway. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Clark, Council Members Holloway, Acton, And Morgan); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders)

Motion To Approve Item No. 4 Made By Council Member Holloway, Second By Council Member Acton. Roll Call Vote Of 2 Ayes (Council Members Holloway And Acton) 2 Noes (Mayor Clark And Council Member Morgan), 1 Absent (Council Member Sanders). Motion Does Not Pass

Motion To Approve Item No 8 Made By Council Member Acton, Second By Council Member Morgan. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Clark, Council Members, Holloway, Acton, And Morgan); 0 Noes; 0 Abstain; 1 Absent (Council Member Sanders)

DISCUSSION AND OTHER ACTION ITEMS

12. Adopt A Resolution Approving A Service Agreement For Fire Services Between The City Of Ridgecrest And Kern County **McQuiston**

Rachelle McQuiston

- Presented staff report

Chip Holloway

- Clarified requirement for reporting of response times and types of calls
- noted the notification time for termination of contract and questioned if notification occurred on April 2
 - Rachelle McQuiston – anticipate being in negotiations before the required notification time

Public Comment

Tom Wiknich

- Asked if this provides same level of service for the duration of the contract
 - Rachelle McQuiston - yes

Chip Holloway

- Asked if minimum service level implies the normal services level
 - Kern County Fire Representative indicated that it does mean normal service levels.

Motion To Approve A Resolution Approving A Service Agreement For Fire Services Between The City Of Ridgecrest And Kern County Made By Council Member Holloway, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Clark, Council Members, Holloway, Acton, And Morgan); 0 Noes; 0 Abstain; 1 Absent (Council Member Sanders)

13. Discussion And Presentation Of Budget Projections For FY13-14 **McQuiston**

Rachelle McQuiston

- Presented staff report
- Noted overage is Measure 'L' which can only go to safety and streets so will be rolled to those areas in next budget year
- Noted encumbrances which show in the budget but will be rolled forward, will be changing this item to more closely match actuals

Steve Morgan

- Comments from public about financial data and website, please expand
 - Rachelle McQuiston – goal was to provide these reports monthly but staff shortage has restricted the monthly processing but will be more diligent to provide in future

Stan Rajtora

- Page 12 general fund administrative services allocation from 02-02 to 05-02 the numbers listed agree with proprietary funds until projections then they change. Difference between amounts is more than \$250K and asked if these are correct or are the proprietary funds correct?
 - Rachelle McQuiston – need to update Proprietary funds. If more than 15% will correct them.
- Page 7 of 8 fund 2 code 000
 - Rachelle McQuiston – those are TDA funds which are deposited into fund 7 then moved to gas tax fund
- Page 3 of 8 under transit 29-01 the adopted and adjusted budgets for equipment depreciation have increased. Why is depreciation in the budget and where is the money going
 - Rachelle McQuiston – this fund is an enterprise fund so depreciation is a recognized expense with no cash transfer. Increased expense will affect fund balance but not cash flow
- Understand the concept of depreciating equipment but no money changing hands
 - This is the expenses and revenues similar to an income statement. This is recognized as an expense. Example recognizing depreciation in business expense lowers taxes even though no cash changes hands.
- Discussing real dollars coming in but not real dollars going out, struggle to see depreciation as an expense. What is being depreciated?
 - Rachelle – these were new purchased buses which are capitalized and depreciated.
- Page 2 under fund 05, item 21-06 adopted number to adjust yet projection is lower. Please explain this expense
 - Rachelle McQuiston – outside services to provide engineering services. Adjusted is carryover which has not been expended. Hoping at end of fiscal year to make this more reasonable in what will be expended. Will be spending more money for engineering services for new wastewater plant
 - Dennis Speer – also includes camera services and not actual replacement of sewer lines
- Are we actually going to see a description of what is actually going to be spent?
 - Rachelle McQuiston – this is a carryover of encumbrances. Goal is to make sure this matches with our reporting system and clean this up by closing the fund balances and be able to report annually
- Spoke on the CAFR fund having over 9 million

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- Rachelle – do have over 9 million in cash
- What was shown to public for reserve when increasing fees showed 3 million, haven't received a lot of data the past year since committee meetings ended. Would be nice to see the financials.
- Page 8 of fund 05, 01-00 administrative services allocation for \$155k and variance says it has not been spent.
 - Rachelle McQuiston – that is the loan payment which is really being paid, mistakenly missed adjusting this item.
 - Rachelle McQuiston – on the fee increase the engineer used an estimate. Upon checking cash actually in the bank, his comment was the estimated year end had already been published and the bank statement balances had not been published.

Jerry Taylor

- Page 1 summary, want to understand where the numbers came from because the numbers don't match the summaries on each funds. Last column variance
 - Rachelle McQuiston – should match adjusted budget less corrected. Will check the formula. Difference of what was adjusted versus what was projected.

Lori Acton

- Thanked Rachelle for keeping council informed and responding to council questions.

Dan Clark

- Spoke with hotel owners and March/April projections for TOT are increasing

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:

No Report

Veterans Advisory Committee

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

Dan Clark

- Nick Coy mentioned raffle for motorcycle, tickets available
- Fundraiser at Tommy T's on May 3
- Honor Flight receptions and asked council to attend if possible

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Chip Holloway

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

Next Meeting: at location to be announced

Chip Holloway

- Announced next meeting May 7

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

Steve Morgan

- No update on vacant property Ad Hoc
- Reviewing data received and will have public meeting when data is available
- Municipal Code Committee met today and revisions to 2, 14, and 20 going before planning committee meeting. 19 being continued.

CITY MANAGER REPORT

Dennis Speer

- No report

MAYOR AND COUNCIL COMMENTS

Chip Holloway

- Happy Easter

Lori Acton

- Glad to see veterans receiving the honor flight and receptions
- Dog park project announced
- SNORE races, fashion show, wildflower festival and other events. Hope to see more in future
- How can we get information regarding infrastructure
 - Dennis Speer – information provided in the newsletter
- Public is seeking discussions
 - Dennis Speer – welcome to contact staff at any time

Steve Morgan

- Assume item 4 will come back to next council meeting for a vote after teleconference with representatives from SCE
- Thank and apologize for this to fellow colleagues and believe will send a message to SCE and in the long run help us. Could give some relief for west Ridgecrest Blvd. and future underground utilities on downs which we have another problem with and will be discussing with SCE. Hopeful we will get some movement from SCE
- BLM inviting Ridgecrest to provide input for WEMO amendment. April 23 9-11 proposed and they would like a couple council members. Have proposed a

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different date. Sent an email that there is no way I can verify they have disregarded everything said up till now. Will see what happens when we see their new maps for their transportation and travel management plans for west Mojave.

- Happy Easter to everyone and good night

Dan Clark

- Idea Hub symposium at Kerr McGee May 13 with secretary of the Navy. Registration is at 8:00 am. Council requested to attend. Important opportunity to speak with these dignitaries
- Meeting next week with Administerial Association and thanked Supervisor Gleason for his work.
- Petroglyph festival met yesterday and daily independent did good job showing the budget. All chairpersons provided data and positive progress being made.
- Tickets for the veterans fundraiser, motorcycle raffle
- Tickets for pancake breakfast on May 17. Council is working the breakfast. Encouraged citizen attendance
- Golf tournament April 26. Mike Thomas has done phenomenal job putting this together, sponsors for every hole and prizes for every par 3. Revenue will be double what was raised for 50th.
- Committee has done a wonderful job putting this together
- Denim and Diamonds event at Cerro Coso next week.
- Happy Easter

ADJOURNMENT at 8:02 p.m.

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 Of Ridgecrest City Council Authorizing Letters Of Support For SB 1129 **AND** SB 1262 As Recommended By The League Of California Cities And Authorizing The City Manager To Sign The Letters Of Support

PRESENTED BY:

Marshall 'Chip' Holloway

SUMMARY:

The League of California Cities Legislative Committee regularly reviews proposed Senate and Assembly Bills and determines the impact to local agencies.

In the ongoing effort to protect local agencies, Cities are periodically requested by the League to issue letters of support or opposition to bills which have a direct impact to local government.

The League is requesting our help in supporting the following two bills:

SB 1129 - address several important issues affecting redevelopment dissolution including:

- Providing a solution to the issue of unspent bond proceeds that are currently sitting when they could be put to work to implement important projects and create high-wage construction jobs. The funds would be carefully spent as long as they are used for their initial purpose, are approved by the successor agency's oversight committee, and as long as its determined by the oversight board that the use is consistent with the sustainable communities strategy.
- Addressing key concerns about the long range property management plan (LRPMP) by making changes to streamline the process and more quickly get projects into motion.
- Providing new benefits and flexibility for agencies with a finding of completion so that they can move forward with projects without delay.

SB 1262 – A proposed medical marijuana regulation which provides a responsible, health-based regulatory scheme that upholds local control, squarely addresses public safety concerns, and includes important health and safety requirements

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Approve A Resolution Authorizing Letters Of Support For SB 1129 AND SB 1262 And Authorizing The City Manager To Sign The Letters

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Rachel Ford

Action Date: May 7, 2014

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RESOLUTION NO. 14-XX

A RESOLUTION OF THE RIDGECREST CITY COUNCIL AUTHORIZING LETTERS OF SUPPORT FOR SB 1129 AND SB 1262 AND AUTHORIZING THE CITY MANAGER TO SIGN THE LETTERS

WHEREAS, the League of California Cities Legislative Committee regularly analyzes proposed Senate and Assembly bills to determine the impact to local agencies, and

WHEREAS, periodically the League of California Cities requests member agencies to issue letters of support or opposition based on their findings, and

WHEREAS, the League of California Cities has requested letters of support for SB 1129, a measure which addresses several important issues affecting redevelopment dissolution, and

WHEREAS, the League of California Cities has requested letters of support for SB 1262, A proposed medical marijuana regulation which provides a responsible, health-based regulatory scheme that upholds local control, squarely addresses public safety concerns, and includes important health and safety requirements.

NOW THEREFORE BE IT RESOLVED, the City Council of the City of Ridgecrest does hereby authorize a letter of support for SB 1129 AND a letter of support for SB1262 be issued to the appropriate senators writing the measures and authorizes the City manager to sign the letters of support for SB 1129 AND SB 1262

APPROVED AND ADOPTED this 7th day of May, 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

Telephone 760 499-5000

FAX 760 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

May 8, 2014

Senator Darrell Steinberg
District Office
1020 N Street, Room 576
Sacramento, CA 95814

Dear Senator Steinberg:

The City of Ridgecrest is pleased to support your SB 1129. This measure would address several important issues affecting redevelopment dissolution including:

- Providing a solution to the issue of unspent bond proceeds that are currently sitting when they could be put to work to implement important projects and create high-wage construction jobs. The funds would be carefully spent as long as they are used for their initial purpose, are approved by the successor agency's oversight committee, and as long as its determined by the oversight board that the use is consistent with the sustainable communities strategy.
- Addressing key concerns about the long range property management plan (LRPMP) by making changes to streamline the process and more quickly get projects into motion.
- Providing new benefits and flexibility for agencies with a finding of completion so that they can move forward with projects without delay.

City of Ridgecrest has received a finding of completion from the Department of Finance; however SB 1129 would provide additional certainty that the process of attaining the Bond funds would be streamlined thus allowing scheduled projects to move forward in a timely manner.

In summary this measure will free-up available funding to produce quality projects with high-paying construction jobs, expedite the approval and implementation of long range property management plans enabling affected communities to complete local projects, and provide additional certainty for agencies receiving a finding of completion. For these reasons, The City of Ridgecrest supports this legislation. If you have questions, or if I can be of assistance, please call me at (760) 499-5000.

Sincerely,

Dennis Speer
City Manager

cc: Senate Appropriations Committee Members

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CITY OF RIDGECREST

Telephone 760 499-5000

FAX 760 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

May 8, 2014

Senator Lou Correa
District Office
2323 N. Broadway, Ste. 245
Santa Ana, CA 92706

Dear Senator Correa:

The City of Ridgecrest supports your medical marijuana legislation, Senate Bill 1262, which will provide what we have lacked in California since the voters approved Proposition 215 in 1996: a responsible, health-based regulatory scheme that upholds local control, squarely addresses public safety concerns, and includes important health and safety requirements.

Previous legislation in this area has sought to preempt or undermine local control, only partially addressed the significant public safety concerns raised by medical marijuana, and failed to address important health and safety issues that are inevitably triggered by a regulatory process for any medicine. SB 1262 with its public safety, local control and health-based approach, therefore represents a welcome change.

As a municipal government, we are on the front lines on this issue along with our local police department, and have to cope with the effects of the current chaotic regulatory structure for medical marijuana on a daily basis. We applaud your effort to put a responsible regulatory structure in place that protects patient access while protecting local control and addressing public safety issues. We believe that local governments should have a prominent role in any regulatory process for medical marijuana, and therefore support the approach in SB 1262.

We appreciate the work that went into developing this proposal, including input from city attorneys, law enforcement, and consultation with jurisdictions that have imposed bans, as well as those that allow medical marijuana dispensaries to operate under the control of local ordinances.

Finally, we appreciate the incorporation of health and safety standards into the bill, and stand ready to work with county officials who will enforce these standards to ensure smooth implementation should SB 1262 become law.

Once again, thank you for your leadership on this issue.

Sincerely,

Dennis Speer
City Manager

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

SUBJECT:

A Resolution Of The City Of Ridgecrest City Council Authorizing A Letter Of Opposition To SB 1132 And Authorizing The City Manager To Sign The Letter Of Opposition

PRESENTED BY:

Marshall 'Chip' Holloway

SUMMARY:

This request is brought before Council by Vice Mayor Marshall 'Chip' Holloway.

A request has been received by members of the Californians For A Safe, Secure Energy Future Coalition asking Council to authorize a letter of opposition to SB 1132.

If passed, SB 1132 implements a ban on safe domestic oil production in California and will harm our state's efforts to achieve greater energy independence and rob California of tens of thousands of jobs and billions in local and state revenue

FISCAL IMPACT:

None

Reviewed by Finance Director

ACTION REQUESTED:

Approve A Resolution Authorizing Letters Of Support For SB 1132 And Authorizing The City Manager To Sign The Letter

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Rachel Ford

Action Date: May 7, 2014

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RESOLUTION NO. 14-XX

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL AUTHORIZING
LETTER OF OPPOSITION FOR SB 1132 AND AUTHORIZING THE
CITY MANAGER TO SIGN THE LETTER**

WHEREAS, periodically requests are received for Council to issue letters of support or opposition to certain pieces of legislation proposed in the State Senate or Assembly, and

WHEREAS, the Californians For A Safe, Secure Energy Future Coalition has requested A letter of opposition for SB 1132, a measure which overrides SB 4 and establishes a ban on safe, domestic oil production, and

WHEREAS, SB 1132 would have negative impacts to California's independence from foreign oil purchase and jobs.

NOW THEREFORE BE IT RESOLVED, the City Council of the City of Ridgecrest does hereby authorize a letter of opposition for SB 1132 and authorizes the City manager to sign the letter of opposition.

APPROVED AND ADOPTED this 7th day of May, 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

Telephone 760 499-5000

FAX 760 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

May 8, 2014

The Honorable Jerry Hill, Chairman
Environmental Quality Committee
California State Senate
State Capitol
Sacramento, California 95814

Re: SB 1132 – Oil & Gas Well Stimulation Treatment Prohibition and Study – OPPOSE

Dear Senator Hill:

The undersigned organizations strongly oppose SB 1132, which would impose an immediate prohibition on oil and gas well stimulation treatments. If passed, SB 1132 would create unacceptable risks and uncertainty to California's energy supply and economy for an indefinite period of time due to certain provisions of the bill.

SB 1132 substantially undermines the thorough and carefully crafted provisions of SB 4 (Pavley), which the Legislature passed a mere six months ago. SB 4 created the nation's most stringent regulations of well stimulation activities and provided an unprecedented regulatory framework for the application of advanced well stimulation technologies in California.

SB 4 requires:

- An independent scientific study of all well stimulation treatments, to include evaluation of potential risks to the environment and to public health and safety;
- A comprehensive environmental review
- Astringent new permitting process and multi-agency rulemaking to ensure the strongest protections possible;
- Notification of surrounding property owners prior to well stimulation activities taking place;
- Extensive monitoring and testing of groundwater, and;
- Complete disclosure of all chemicals used in well stimulation process

It is essential those regulations be implemented in a timely and organized manner, a process that will be thwarted by SB 1132.

SB 4 represents an admirable legislative achievement which struck a reasoned balance between landmark environmental and public health protections and responsible production of energy upon which California depends. Research and rulemaking under SB 4 are well underway, and will be completed before the end of next year.

Now is not the time to derail the progress being made under recently-adopted existing law. SB 4 should be allowed to proceed to full implementation, at which time its efficacy can be evaluated and adjustments made if necessary.

For these reasons, we respectfully OPPOSE SB 1132.

Sincerely,

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Efforts to Ban Safe Domestic Oil Production in California Will Harm Our State's Efforts to Achieve Greater Energy Independence and Rob California of Tens of Thousands of Jobs and Billions in Local and State Revenue

Activists who have always opposed safe domestic oil production in California are now leading a charge to outright ban hydraulic fracturing which has been used safely in California for more than 60 years. When Governor Brown signed SB 4 (Pavley) last September, California established the most stringent hydraulic fracturing regulations in the country. An outright ban is extreme and would increase our dependence on imported foreign oil and jeopardize significant economic opportunity. Here are the facts:

SB 4 Establishes the Most Transparent & Stringent Protections in the Country

SB 4 will allow Californians to continue safely developing our domestic energy supplies while still protecting the environment. SB 4 requires:

- ✓ *An independent, science-based study of hydraulic fracturing*
- ✓ *The development of a comprehensive Environmental Impact Report (EIR)*
- ✓ *Mandatory public disclosure of the content of all chemicals used*
- ✓ *Well integrity testing before and after fracturing*
- ✓ *Regular testing of nearby drinking water sources*
- ✓ *Prior notification of surrounding land owners*

Safe Hydraulic Fracturing Increases California's Energy Independence & Keeps Jobs and Revenue in the State

- Californians already consume all of the oil and gas generated in California. Demand also forces us to import more than 60% of California's needed oil each year from outside the state. While growth in alternative energy sources will help meet some future demand, additional supply from within California is needed to meet current demand and to keep pace with population growth.
- California has the largest shale oil reserves in the country. If it can be extracted safely, it makes sense to generate our own supply, rather than send jobs and revenue to other countries.
- Every barrel of oil we produce in California is one less barrel we have to import from the Middle East and other foreign countries where environmental regulations are much weaker or non-existent.
- According to the Obama Administration, natural gas produced through hydraulic fracturing has led to massive reductions in greenhouse gases as that gas replaces coal at our power plants. A ban on hydraulic fracturing would reverse these gains.

"There's nothing inherently dangerous in fracking that sound engineering practices can't accomplish."

-Gina McCarthy, Current U.S. EPA Administrator (11/4/13)

Safe Oil Production Means Tens of Thousands of High Paying Jobs & Billions in Economic Benefits

- The petroleum industry in California provides tens of thousands of direct and indirect jobs and billions in state and local tax revenues and property taxes.
- According to economic professors at California State University, Fresno, future development of our oil and gas reserves through enhanced recovery could:
 - **Create up to 195,000 new high paying jobs**
 - **Generate as much as \$22 billion in personal income gains**

Safe Hydraulic Fracturing Means Billions More for Schools, Public Safety & Other Vital Services

- The same CSU Fresno study concluded that enhanced extraction of oil and gas in California would generate up to **\$6.7 billion in additional revenue for state and local governments.**

The FACTS about Safe, Domestic Oil Production– Not Unsubstantiated **FEAR**

Efforts to ban hydraulic fracturing in California will harm our state’s efforts to achieve greater energy independence and rob California of tens of thousands of jobs and billions in local and state revenue

Hydraulic fracturing has been safely used in California for more than 60 years. Consistent with the state’s historical leadership in environmental protections, policymakers recently took the extra step of passing the most stringent regulations in the country to further validate the safety of the technology. Unfortunately, activists opposed to meeting a substantial amount of California’s energy needs with in-state resources are spreading misleading information and advocating for a ban. An outright ban is extreme, would increase our dependence on foreign oil and rob California of significant economic potential. Below are fact-based responses to the most common unsubstantiated fears:

Hydraulic fracturing “has been around for decades, and there’s a tremendous amount of misinformation out there about it, a lot of fear that I think is unfounded.”

Sally Jewell, U.S Secretary of the Interior, 11/8/2013

Unsubstantiated **FEAR:** *Hydraulic fracturing is new, untested and dangerous.*

FACT: Hydraulic fracturing has been safely used to enhance oil extraction in California for more than 60 years. Most extraction in California is possible without hydraulic fracturing. But, when oil is trapped in tight rock formations, hydraulic fracturing creates hairline cracks in the rock that allow oil to be extracted that would otherwise be unreachable. In a [letter to Governor Brown](#), 21 scientists, engineers and technical experts wrote, “In our research, we have found nothing to suggest that shale development poses risks that are unknown or cannot be managed and mitigated with available technologies, best practices and smart regulation.”

Unsubstantiated **FEAR:** *California doesn’t have strong regulations to protect the environment & communities from hydraulic fracturing.*

FACT: Recently passed Senate Bill 4 (Pavley) will allow Californians to be confident that development of our domestic energy supplies can safely continue: SB 4 requires:

- ✓ *An independent, science-based study of hydraulic fracturing*
- ✓ *The development of a comprehensive Environmental Impact Report (EIR)*
- ✓ *Mandatory public disclosure of the content of all chemicals used*
- ✓ *Well integrity testing before and after fracturing*
- ✓ *Regular testing of nearby drinking water sources*
- ✓ *Prior notification of surrounding land owners*

Unsubstantiated **FEAR:** *Hydraulic fracturing requires a substantial amount of water and threatens our already scarce water supplies.*

FACT: The amount of water used in hydraulic fracturing in California is quite low compared to other uses for water

64.5 MILLION acre feet	Total amount of water usage statewide for residents, agriculture and businesses, according to PPIC.
323 acre feet	Total amount of water used in the 830 wells that were hydraulically fractured in 2013, according to FracFocus.org
.0005%	Total percentage of water used in 2013 for hydraulic fracturing

because water is used once during the life of a hydraulic fracturing well. In fact, all hydraulic fracturing in California in 2013 used the same amount of water needed to keep one golf course green for one year.

Unsubstantiated FEAR: *Hydraulic fracturing pollutes our groundwater and soil, posing risks to nearby residents.*

FACT: Opponents of energy independence and safe oil extraction are trying to scare Californians with sensationalized and baseless claims. The fact is hydraulic fracturing has occurred safely in California since the 1950s and during that time it has never been shown to adversely impact the state's environment, drinking water supply or pose any risk to nearby residents.

- A landmark study in 2004 by the **U.S. Environmental Protection Agency** concluded there was **"little to no risk of fracturing fluid contaminating underground sources of drinking water during hydraulic fracturing."**
- In 2012, a [study of the Inglewood Oil Field](#) closely examined 14 specific environmental risk factors associated with hydraulic fracturing, including groundwater and earthquake risks, and concluded there were no adverse impacts to any.

Unsubstantiated FEAR: *Hydraulic fracturing increases the risk of earthquakes.*

FACT: This is absurd. Thousands of wells have been hydraulically fractured since the 1950s, and [a 2012 study](#) in the Baldwin Hills area of Los Angeles closely examined 14 specific environmental risk factors, including earthquake risks and concluded there were no impacts to any of these areas as a result of this extraction technology.

Unsubstantiated FEAR: *Taking advantage of oil reserves will somehow slow or stop continued development of solar, wind and other alternative energy sources.*

FACT: Stopping oil production in California doesn't reduce our demand for energy, nor will it accelerate the development of alternative energy sources. It will require that we import much more foreign oil to keep our state in motion and our economy growing. California already has among the most ambitious renewable energy goals in the country. Existing laws, regulations and customer demand will ensure continued development and expansion of renewable resources. In the meantime, 96% of Californians' transportation fuels are still petroleum based and California's population is expected to increase more than a quarter by 2050. Since California has substantial reserves, it would be unfortunate to increase our reliance on foreign oil and lose jobs and billions of revenue in the process.

Unsubstantiated FEAR: *Hydraulic fracturing is bad for the environment and will hurt efforts to reduce greenhouse gas emissions (GHG).*

"I'm not aware of any proven case where the fracking process itself has affected water quality."

*Lisa Jackson, former Secretary, U.S. Environmental Protection Agency,
5/24/2011*

"The Water Boards generally consider hydraulic fracturing a low threat to groundwater."

*Thomas Howard, Executive Director of the State Water Resource Control Board,
2/8/13*

The amount of energy released by hydraulic fracturing is "equivalent to a gallon of milk falling off the kitchen counter."

Mark Zoback, Stanford University geophysics professor, adviser to U.S. Department of Energy, 6/19/2012

FACT: Hydraulic fracturing is helping tap the country's abundance of clean, natural gas reserves which has also reduced the demand for more polluting energy sources such as coal. In fact, the U.S. Secretary of Energy has stated that *"We are about halfway"* to the president's goal to cut greenhouse gas emissions and about *"half of that is because of the substitution of natural gas for coal in the power sector"* (Ernest Moniz 8/26/2013). A baseless ban in California would not only jeopardize our energy independence and billions in new revenue for schools, police, transportation and other key programs, but it could also lead to hysteria in other states and jeopardize natural gas production – and GHG reduction – nationwide.

ADDITIONAL KEY FACTS:

FACT: Safe Hydraulic Fracturing Increases California's Energy Independence & Keeps Jobs and Revenue in the State.

- Californians already consume all of the oil and gas generated in California. Demand also forces us to import more than 60% of California's needed oil each year from outside the state. While growth in alternative energy sources will help meet some future demand, additional supply from within California is needed to meet current demand and to keep pace with population growth.
- California has the largest shale oil reserves in the country. If it can be extracted safely, it makes sense to generate our own supply, rather than send jobs and revenue to other countries.
- Every barrel of oil we produce in California is one less barrel we have to import from the Middle East and other foreign countries where environmental regulations are much weaker or non-existent.
- According to the Obama Administration, natural gas produced through hydraulic fracturing has led to massive reductions in greenhouse gases as that natural gas replaces coal at our power plants. A ban on hydraulic fracturing would reverse these gains.

FACT: Safe Oil Production Means Tens of Thousands of High Paying Jobs & Billions in Economic Benefits.

- The petroleum industry in California provides tens of thousands of direct and indirect jobs and billions in state and local tax revenues and property taxes.
- According to economic professors at California State University, Fresno, future development of our Monterey oil and gas reserves through enhanced recovery could:
 - **Create up to 195,000 new, high paying jobs**
 - **Generate as much as \$22 billion in personal income gains**
- Nationally, shale development has also resulted in significant energy cost savings and stronger economic power for families. According to IHS-CERA, **shale development has increased average household income by roughly \$1,200.** An analysis from Mercator Energy recently found that the **energy cost-savings for low-income Americans in 2012 was approximately \$10 billion**, or about three times the value of the federal Low Income Home Energy Assistance Program (LIHEAP).

FACT: Safe Hydraulic Fracturing Means Billions More for Schools, Public Safety & Other Vital Services.

- The same CSU Fresno study concluded that enhanced extraction of oil and gas in California could generate up to **\$6.7 billion in additional revenue for state and local governments.**

Coalition Sign-up

Yes, I support the continuation of safe, domestic oil production in California as outlined in SB 4 (Pavley) and oppose extreme state and local efforts to ban hydraulic fracturing. The regulations in SB 4 are the most stringent in the country and will ensure protection of our environment while allowing California to benefit from energy independence as well as the job and economic potential of tapping oil and natural gas reserves.

Please select a category:

Organization

Company

Individual

Please complete the following information:

Company or Organization Name/Employer

Name

Title/Occupation

Street address

City

State

Zip

County

Phone number

Fax number

E-mail Address

Signature (Required)

Date

I / we will help in the following ways:

Distribute materials

Participate in meetings with elected officials

Communicate with employees/members

Volunteer/Speak at local events

Write an oped/letter-to-the editor

Place a link on a website

Email or fax this form to: mcallahan@bcfpublicaffairs.com or 916-442-3510 (fax)

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

SUBJECT:
Sole Sourcing Principles

PRESENTED BY:
City Attorney

SUMMARY:

The City Attorney will present the legal basis for sole sourcing, the public policy rationale, and the guidelines that must be followed to enter into a sole source agreement.

FISCAL IMPACT: None
Reviewed by Finance Director

ACTION REQUESTED:
Receive and discuss.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:
Action as requested.

Submitted by: Staff

Action Date: May 7, 2014

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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.

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.

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: May 7, 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 7th day of May 2014 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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ATTACHMENT A

CONSULTANT AGREEMENT

As of May ____, 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.

(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: City Manager
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: _____
Dennis Speer, City Manager

By: _____
Justin O'Neill

Attest:

By: _____
Rachel Ford, Secretary

Approved as to Form:

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

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