



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

AGENDA

Wednesday

Regular

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

June 6, 2012

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

(760) 499-5000

**Ronald H. Carter, Mayor
Marshall G. Holloway, Mayor Pro Tempore
Jerry D. Taylor, Vice Mayor
Steven P. Morgan, Council Member
Jason Patin, Council Member**

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LAST ORDINANCE NO. 12-xx
LAST RESOLUTION CITY COUNCIL NO. 12-41
LAST RESOLUTION FINANCING AUTHORITY NO. 12-xx
LAST RESOLUTION OF THE HOUSING AUTHORITY NO. 12-xx
LAST RESOLUTION OF THE SUCCESSOR REDEVELOPMENT AGENCY NO. 12-xx

CITY OF RIDGECREST

CITY COUNCIL FINANCING AUTHORITY

AGENDA

Regular Council
Wednesday June 6, 2012

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

AGENDA - CITY COUNCIL - REGULAR

June 6, 2012

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CLOSED SESSION

- GC54956.9 (A) Conference With Legal Counsel; Existing Litigation; City Of Ridgecrest v. Benz Sanitation, Inc.
- GC54956.9(B) Conference With Legal Counsel, Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest
- GC54957.6 Labor Negotiations – United Food and Commercial Workers Local 8 (UFCW); Police Employee Association of Ridgecrest (PEAR); Mid-Management Group of Employees (MM); Confidential Group of Employees (CO); Management Group of Employees (MG) – Agency Negotiator City Manager Kurt Wilson

PUBLIC COMMENT – CLOSED SESSION

SPECIAL SESSION – 5:30 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
- Other

PUBLIC COMMENT

CONSENT CALENDAR

1. Quarterly Investment Report Staheli
2. Approve 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 6, 2012 For The Election Of Certain Officers As Required By The Laws Of The State Of California Relating To General Law Cities Ford
3. Approve 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 6, 2012 Ford
4. Approve Draft Minutes of Special Council Meeting dated May 14, 2012 Ford
5. Approve Draft Minutes of Special Council Meeting dated May 15, 2012 Ford
6. Approve Draft Minutes of Regular Council Meeting dated May 16, 2012 Ford

PUBLIC HEARING

7. A Public Hearing Regarding The Formation Of Landscaping And Lighting District No. 2012-1; Tabulation Of The Protest Ballots Received Regarding The Proposed New Assessments; And Adoption Of Resolutions (1) Declaring The Results Of The Property Owner Protest Ballot Proceedings; And (2) Confirming The Engineer's Report For The Formation Of Landscaping And Lighting District No. 2012-1 And The Assessment Diagram Connected Therewith, And Ordering The Levy And Collection Of Assessments For Fiscal Year 2012/2013 Speer

DISCUSSION AND OTHER ACTION ITEMS

8. A Resolution Of The Ridgecrest City Council To Award A Construction Contract To Granite Construction For The Reconstruction Of The Eastbound Lanes On Drummond Avenue Between China Lake Boulevard And North Norma Street And Authorize The City Manager To Execute The Contract Speer
9. A Resolution Of The Ridgecrest City Council To Award A Construction Contract To Bowman Asphalt Inc For The Reconstruction Of The North And South Bound Lanes On College Heights Boulevard Between Franklin Avenue And Jarvis Avenue And Authorize The City Manager To Execute The Contract Speer
10. Approve A Resolution Of The Ridgecrest City Council For Real Property Donation To The City And Their Acceptance. Four Properties APN 456-040-04, 05, 07, & 08 McRea
11. Approval Of A Resolution And Acceptance Of The Transfer Of Real Property Held In Public Interest As Approved By The Oversight Board To The Ridgecrest Redevelopment Successor Agency And Reviewed By The State Of California Department Of Finance (DOF) By Quitclaim Deed McRea
12. Discussion And Approval Of A Minute Motion Authorizing The City Manager To Draft A Letter Of Opposition From The Ridgecrest City Council To The County Of Kern With Regard To The Carport/Sally Port Construction At The Kern Regional Office Complex Located At China Lake Boulevard And Coso Street Wilson
13. Discussion And Possible Appointments To the Measure 'L' Advisory Committee Wilson
14. Discussion Of The Process Of Giving Staff Direction During The Standing Council Comment Agenda Item Taylor
15. Continued Discussion And Council Consideration And Adoption Of Proposed Draft Budget for Fiscal Year 2012-13 Staheli

DEPARTMENT AND COMMITTEE REPORTS

Infrastructure Committee

Members: Steve Morgan, Jerry Taylor, Craig Porter, James Sanders
Meeting: 2nd Wednesday Of The Month At 5:00 P.M., Council Conference Room
Next Meeting: June 6, 2012

Quality Of Life

Members: Chip Holloway, Jason Patin, Craig Porter, Carter Pope
Meeting: 1st Thursday Of Every Even Month At 12:00 P.M.; Kerr-McGee Center
Next Meeting: June 7, 2012

City Organization

Members: Ron Carter, Jerry Taylor, Lois Beres, Christopher LeCornu
Meeting: 1st Tuesday Of The Month At 5:00 P.M.; Council Conference Room
Next Meeting: June 5, 2012

Community Development Committee

Members: Steve Morgan, Jason Patin, Christopher LeCornu, James Sanders
Meetings: 1st Thursday Of The Month At 5:00 P.M.; Council Conference Room
Next Meeting: June 7, 2012

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

Members: Ron Carter, Chip Holloway, Ron Strand
Meetings: 2nd Monday Of Odd Numbered Months At 4:00 P.M., Kerr-McGee Center
Next Meeting: July 9, 2012

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Chip Holloway, Jason Patin
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: June 6, 2012 at Location to Be Announced

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

CITY MANAGER REPORT

MAYOR AND COUNCIL COMMENTS

ADJOURNMENT

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT: Resolution Reaffirming and Approving the Annual Investment Policy
PRESENTED BY: W. Tyrell Staheli, Finance Director/City Treasurer
SUMMARY: The Government Code of the State of California requires that the City Treasure or Chief Financial Officer annually render a statement of investment policy to the City Council. The attached resolution adopts the City of Ridgecrest Annual Investment Policy. The City complies with the State of California requirements of investing its funds according to the "Prudent Investor Standard". This standard provides that when making investment decisions, the prudent investor shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity would use in the conduct of funs of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. There have been no changes in the Investment Policy from last year.
FISCAL IMPACT: Reviewed by Finance Director
ACTION REQUESTED: Approve the attached resolution.
CITY MANAGER 'S RECOMMENDATION: Action as requested:

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RESOLUTION NO. 12-

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
ADOPTING AND REAFFIRMING THE CITY'S ANNUAL
STATEMENT OF INVESTMENTS AND DELEGATING THE
AUTHORITY TO MAKE SUCH INVESTMENTS TO THE CITY
TREASURER**

WHEREAS, the State of California Government Code Section 53646 (a) requires the City Treasurer or Chief Financial Officer to annually render a statement of investment policy to the City Council;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City Council the City of Ridgecrest does hereby reaffirm and approve the City of Ridgecrest Annual Investment Policy herein attached as Exhibit A; and
2. The Annual Investment Policy adopted herein; and
3. The City Treasurer is hereby designated the authorized official to make all City Investments pursuant to the Government Code and City of Ridgecrest Investment Policy; and such designation shall remain in effect until rescinded.

APPROVED AND ADOPTED this 6th day of June, 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Ronald Carter, Mayor

ATTEST:

Rachel Ford, City Clerk

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CITY OF RIDGECREST
100 West California Avenue
Ridgecrest, California 93555

Office of the City Treasurer

INVESTMENT POLICY FOR PUBLIC FUNDS Presented to the Ridgecrest City Council June 6, 2012

1. Purpose

This statement is intended to establish the policies for prudent investment of the City's funds, and to provide guidelines for suitable investments.

It is the policy of the City of Ridgecrest to invest public funds not required for immediate day-to-day operations in safe and liquid investments having a market-average rate of return while conforming to all state statutes governing the investment public funds. The ultimate goal is to enhance the economic status of the City while protecting its funds.

The investment policies and practices of the City of Ridgecrest are based upon Federal, State, and local law and prudent money management.

This statement is intended to provide direction for the investment of the City's temporary idle cash under the prudent investor rule. Civil code Section 2261, et seq. States in part "investing...for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of their own affairs..."

2. Objectives

The primary objectives of the City's investment policy are:

- Safety
- Liquidity
- Yield

The City strives to maintain the level of investment of all idle funds as near 100% as possible, through the optimum operation of its cash management system which is designed to accurately monitor and forecast expenditures and revenue. The City attempts to obtain the highest yield on its investment consistent with preservation of principal and liquidity and consistent with the cooperation of the City's operating departments in avoiding sudden cash withdrawals, loss of interest and possible penalties.

The "Prudent-Investor Standard" as defined in the Government Code of the State of California for liquidity, safety, and return shall guide the City's investment policy. This objective provides that when making decision, the prudent investor shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency, thus realizing and optimizing the investment objectives of safety, liquidity, and yield.

3. Funds to be Invested

This policy governs the prudent investment of all idle funds of the City of Ridgecrest. City is defined as the City of Ridgecrest, the Redevelopment Agency, the Ridgecrest Public Financing Authority, Assessment Districts, as well as any future component units of the City, the Agency, or the Authority. Specifically, the funds under investment include:

- General Fund
- All Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Trust & Agency Funds
- Bond Reserve Funds
- Trust & Agency Funds
- Any new funds that the City Council may create during the fiscal year

4. Delegation of Authority-Adoption of Policy

The City invests in the spectrum of instruments allowable under the Government Code Section 53600 et. seq. of the State of California. The City Council has delegated, by resolution, the authority to invest to the City Treasurer, subject to the limitations set forth in the Investment Policy. The City shall hold its public funds investor harmless for responsible transactions undertaken in accordance with the Investment Policy. The investment policy shall be annually rendered by the City Treasurer and be adopted by City Council resolution.

5. Investment Strategy & Diversification

To maximize returns, the economy and various markets are monitored carefully in order to assess the probable course of interest rates. The City lengthens its maturities when rates are falling and shortens maturities when rising. The City attempts to take advantage of imperfections in the market where a security's price is out of line with other investments, and tries to improve yields during contra cyclical changes in interest rates and through the purchase of occasional odd lots which are offered at bargain prices.

The City of Ridgecrest will diversify its investments by security type, institution, and maturity. The only exception is with the Local Agency Investment Fund. With the exception of U.S. Treasury securities and authorized investment pools no more than 50% of the City's total investment portfolio may be with a single investment instrument or financial institution.

6. Selection of Financial Institutions

The Administrative Services Director/City Treasurer (or designated staff) shall investigate all institutions that wish to do business with the City in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the City's Investment Policy. All financial that desire to become qualified bidders for investment transactions must complete City's "Broker/Dealer Request for Information" and "Broker/Dealer Certification".

The Administrative Services Director/City Treasurer shall conduct an annual review of the financial condition and other qualifications of all approved financial institutions and broker/dealers to determine if they continue to meet the City's guidelines for qualifications as defined in this section. Additionally, the City shall keep the current audited financial statements on file for each approved financial institution and broker dealer with which the City does business.

7. Investment Instruments

The City invests in the following investment instruments as approved by the California Government Code:

Securities of the U.S. Government, the State of California or any component units.

Local Agency Investment Fund (State of California) Demand Deposits.

Certificates of Deposit (Time Deposits) placed with commercial banks and savings and loan companies.

Bankers Acceptances.

Re-purchase Agreements.

Passbook Saving Account Demand Deposits.

Other investments that are, or may become, legal investments through the State of California Government Code and with prior approval of the City Council.

- a. In addition to following all legal guidelines, the portfolio shall preserve principal, maintain adequate liquidity to meet all City obligations, contain an appropriate level of interest rate risk, and with the exception of the Local Agency Investment Fund (LAIF) be diversified across types of investments, maturities, and institutions to minimize credit risk and maintain an appropriate return.

b. Repurchase Agreements – Master Repurchase Agreements Required

Investments in repurchase agreements are allowable and shall be made only with financial institutions with which the City has an executed master repurchase agreement. The financial institution must be a primary dealer of the Federal Reserve Bank of New York.

8. Investment Pools/Mutual Funds

A thorough investigation of any pooled investment funds, including mutual funds is required prior to investing, on a continual basis. To accomplish this a questionnaire will be used to evaluate the suitability of the pooled fund. The questionnaire will answer the following general questions:

- A description of eligible investment securities, and a written statement of investment policies and objectives;
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes) and how often the securities are priced and the program audited;
- A description of who may invest in the program, how often, and what size deposit and withdrawal is allowed;
- A schedule for receiving statements and portfolio listings;
- Are reserves, retained earnings, etc. utilized by the pool/fund?
- A fee schedule and when and how the fees are assessed;
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

9. Policy Criteria for Selecting Investment, in Order of Priority

A. Safety

Safety and the minimizing of risk associated with investing refers to attempts to reduce the potential for loss of principal, interest or a combination of the two. The first level of risk control is found in state law, which restricts the particular type of investments permissible for municipalities. The second level of risk control is reduction of default risk by investing in instruments that appear upon examination to be the most credit worthy. The third level of risk control is reduction of market risk by investing in instruments that have maturities coinciding with planned dates of disbursement, thereby eliminating risk of loss from a forced sale.

B. Liquidity

Liquidity refers to the ability to easily sell at any time with a minimal risk of losing some portion of principal or interest. Liquidity is an important quality for an investment to have, for at any time the City may have unexpected or unusual circumstances that result in larger disbursements than expected, and some investments may need to be sold to meet the contingency. Most investments of the City are highly liquid, with the exception of Time Certificates of Deposits issued by banks and savings and loans companies. Maturity dates for Time Certificates of Deposits shall be selected in anticipation of disbursement needs, thereby obviating the need for forced liquidation or lost interest penalties.

C. Yield

Yield is the potential dollar earnings as investment can provide, and also is sometimes described as the rate of return. The City attempts to obtain the highest yield possible when selecting an investment, provided that the criteria stated in the Investment Policy for safety and liquidity are met.

7. Policy Constraints

The City operates its investment program with many State and self-imposed constraints. It does not speculate; it does not buy stock or corporate bonds; it does not deal in futures or options; it does not purchase on margin through Reverse Re-purchase Agreements. The weighted average life of the portfolio is maintained within limits dictated by the cash flow needs of the City. The City diversifies its investment to reduce potential default on market risks. The portfolio is carefully monitored to assure the prudent management of the portfolio.

8. Selection of Investment Contracts

The City determines those firms (broker, broker/dealers, banks, and savings and loans) with which it will do investment business based on the following criteria:

- A. Being authorized under California Government Code Section 53635.5 to transact investments within local agencies.
- B. Receipt of a positive, audited financial statement. The City Treasurer shall annually review the financial condition and registrations of qualified financial institutions and brokers/dealers with whom the City/Agency/Authority does business.
- C. Being in business for a minimum of seven years in the State of California as evidence as appropriate experience in California.
- D. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1.
- E. Other rules and regulations as may from time to time be either enacted by State law or administrative necessity as determined by the City Treasurer.

9. Safekeeping & Collateralization

Securities purchased from broker/dealers (if any) shall be held in third party safekeeping by the trust department of the City's bank or other designated third party trust, in the City's name and control.

Collateralization shall be required on certificates of deposits and repurchase agreements. In order to anticipate market changes and provide for a level of security for all funds, the collateralization level will be 105% of market value of principal and accrued interest or the minimum required in the California Government Code (whichever is greater). Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. Collateral substitution is granted with the written approval of the City Treasurer.

All securities will be received and delivered using a delivery vs. payment basis, which ensures that securities are deposited with the third party custodian prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts. Investments in the Local Agency Investment Fund or mutual funds are undeliverable and are not subject to delivery or third party safekeeping.

10. Investment Controls & Investment Procedures

The City has a System of Internal Investment Controls and a Segregation of responsibilities of Investment Functions. All requests for investment transactions are over the signatures of any two of the following four city officials: 1) Treasurer, 2) City Manager, 3) Mayor, 4) Deputy City Treasurer. In the absence of the City Treasurer, the Deputy City Treasurer, or the City Manager, as designated by the City Treasurer will act as the Treasurer and will make the investment decisions (normally based on the criteria outlined by the Treasurer prior to his departure on business or vacation).

The City Treasurer shall establish a separate written investment procedures manual for the operation of the investment program consistent with this policy. The procedures should explicitly include reference to: safekeeping, wire transfer agreements, banking service contracts, cash flow forecasting, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer.

11. Investment Reports

- A. The Treasurer annually renders a Statement of Investment Policy to the City Council for their approval.
- B. The Treasurer renders an investment report at the frequency dictated by State law, to the City Manager and City Council showing the type of investment, institution, date of maturity, amount of deposit, current market value for all securities with a maturity of more than 12 months, rate of interest, specifying in detail each investment in Re-purchase Agreements, and such other data as may be required by the City.
- C. The Investment Report states its relationship to the Statement of Investment Policy by indicating each and every instance that there is a divergence from or violation of Policy or stating that the report is in compliance with the approved Statement of Investment Policy.

12. Investment Audits

Annually, the City Council reviews and evaluates the investment program and updates the Statement of Investment Policy. The City's auditor will include in the scope of the audit investments executed, matured, and ongoing. Appropriate City staff will assist the Treasurer in confirming the accuracy of his reports and will confirm correlation with City's system of accounts.

13. Benchmark Standard

The benchmark for the portfolio is the 6-month T-Bill rate.

14. Ethics & Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Any potential conflicts shall be disclosed to the City Treasurer, City Manager, or the City Attorney.

GLOSSARY

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):

The official annual report for the City of Ridgecrest. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus

payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB):

Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder owned corporation. The corporation's purchases include a variety of adjustable mortgages and second

loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FmHA mortgages. The term "passthroughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT INVESTOR RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage.

(a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security.

(b) **NET YIELD or YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

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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 6, 2012 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 6, 2012 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. 12-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 6, 2012 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 6, 2012, a General Municipal Election for the purpose of electing three (3) members of the City Council for the full term of four 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.

APPROVED AND ADOPTED this 6th day of June, 2012 by the following vote:

**AYES:
NOES:
ABSTAIN:
ABSENT:**

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING 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 6, 2012

PRESENTED BY:

Rachel J. Ford, CMC – City Clerk

SUMMARY:

The General Municipal Election is to be held on Tuesday, November 6, 2012. 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 \$21,493.16 and anticipated cost for the election on November 6, 2012 will be no more than \$25,000.

FISCAL IMPACT:

\$30,000 budgeted for Fiscal Year 2012-13

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 6, 2012

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the resolution as presented.

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RESOLUTION NO. 12-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 6, 2012

WHEREAS, a General Municipal Election is to be held in the City of Ridgecrest, California, on November 6, 2012; 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 6th day of June, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, 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 Special City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of May 14, 2012

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft minutes of the Special City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of May 14, 2012

FISCAL IMPACT:

None

Reviewed by Finance Director:

ACTION REQUESTED:

Approve minutes

CITY MANAGER 'S RECOMMENDATION:

Action as requested: Approve Draft Minutes

Submitted by: Rachel J. Ford
(Rev. 6-12-09)

Action Date: June 6, 2012

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**MINUTES OF THE SPECIAL MEETING OF THE
RIDGECREST CITY COUNCIL
RIDGECREST HOUSING AUTHORITY
RIDGECREST FINANCE AUTHORITY**

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

**May 14, 2012
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 for the purpose of preparation of minutes.

CALL TO ORDER

ROLL CALL

Council Present: Mayor Ronald H. Carter; Mayor Pro Tem Marshall 'Chip' Holloway; Vice Mayor Jerry D. Taylor; Council Member Steven P. Morgan; and Council Member Jason Patin

Staff Present: City Manager Kurt O. Wilson; City Clerk Rachel J. Ford; City Attorney Keith Lemieux (via teleconference); and other staff

CALL TO ORDER

ROLL CALL

Council Present: Mayor Carter; Council Members Holloway, Taylor, Morgan, And Patin

Staff Present: City Manager Wilson, City Clerk Ford, Finance Director Staheli And Other Staff

APPROVAL OF AGENDA

Motion To Approve The Agenda Made By Council Member Morgan, Second By Council Member Patin. Motion Carried By Voice Vote of 5 Ayes; 0 Nays, 0 Abstain, 0 Absent.

SPECIAL SESSION – 5:30 p.m.

- Pledge Of Allegiance
- Invocation

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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PUBLIC COMMENT

No comments presented by the public

DISCUSSION AND OTHER ACTION ITEMS

1. Budget Hearing Discussions And Approval Of A Resolution For Fiscal Year 2012-13 Proposed Budget Staheli

Kurt Wilson

- Gave staff report highlighting the process and various funds and revenues.
(PowerPoint presentation available in the clerk's office)

Tyrell Staheli

- Reviewed the PowerPoint presentation of the budget process.

Steve Stark - MuniServices

- Reviewed sales tax revenue history and projections. Comparisons are countywide, statewide, and regional information.

Jerry Taylor

- Asked if we have access to restaurant credit card sales information.
 - Steve Stark – explained type of report they could provide.

Tom Wiknich

- Asked the dollar threshold for sales.
 - Steve Stark – charts showed top 25 tax revenue producers.
 - Jerry Taylor – based on total revenue generation, no threshold used. Information is not available because it is competition sensitive.
 - Kurt Wilson – We do not provide specific sales information.

Dave Matthews

- How do you track sales tax leakage?
 - Steve Stark – broad formula based on effective buying and average spending habits of large regions broken down sales tax business permits. Not a transaction-by-transaction method.

Stan Rajtora

- Assumed ranking was done by sales. Can the data be provided that does not identify the individual businesses?
 - Jerry Taylor – to protect the competitive nature of the businesses, that information is not being made available.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Howard Auld

- Comment of comparing the information. Could not read the charts and no handouts were made available to the public. Expects to hear how much money is going to be available this year and what cuts will be made in the budget.

Tyrell Staheli

- Explained the various restricted funds and revenue sources.
- Reviewed the proposed budget outline and how to read the document.

Steve Morgan

- Is the chart of accounts available to the public

Tyrell Staheli

- Working on the updated version. Last year's budget has a chart that is fairly accurate.

Steve Morgan

- Council directs staff on the numbering methodology to aid in researching information based on the breakdown of the numbers.

Howard Auld

- No idea what Tyrell is talking about, this information means nothing to the public.

Steve Morgan

- Trying to give process information that council works with before getting into the numbers. Is extremely difficult and not an easy process. We are trying to give you a background so you can take this document and try to read it you will be frustrated. We want to give the information to public to aid in reading the budget.

Jim Fallgatter

- Asked for a higher level PowerPoint that public could review.

Barbara Auld

- Asked for a glossary for everyone to view.

Kurt Wilson

- Reviewed the process used in developing the current proposed budget.
- Recapped top 3 challenges impacting the current and future year's budgets.
- Reviewed the regular process developing the basic individual department needs and the deficit to overcome.
- Reviewed the assumptions made in the proposed budget.
- Summary of budget breakdown by department.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Tyrell Staheli

- Highlighted larger changes made in four divisions.
- Removed funding for RACVB and Chamber of Commerce
- Layoff of one police officer and one records clerk
- Parks department reclassification of director to supervisor and cuts to maintenance workers.

Jerry Taylor

- Requested a full time equivalent summary.

Jason Patin

- Agreed with Mr. Taylor, wants to know exactly what is being done to each department and the impact the changes will have on the departments.

Kurt Wilson

- Without the cuts the staff are already struggling so added cuts will generate additional difficulties to the employees and community.

Steve Morgan

- Let's just go department by department.

Jerry Taylor

- Looking to get a global understanding of the effects of services to community. Gave examples of response time changes in the police department and services that will not be available to the public.

Jason Patin

- Not looking to go line-by-line but needs to know the level of service changes and affects that will occur if certain cuts are made by council.

Kurt Wilson

- Recommend going department with today being police, public works, and administration.
- Reviewed reductions made in the past few years.
- Explained current impacts to slower response time to public, less availability for phone calls and emails.
- Utilizing a secretary who is currently covering three divisions.
- Dropped travel, postage, etc.

Steve Morgan

- Recapped current staffing of City Manager and City Clerk with utilization of administrative secretary.
- Reviewed human resources outsourcing contract and comparison of previous years staffing.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Jim Fallgatter

- Reprimanded council for budget presentation.

Kurt Wilson

- Reassured that as we work thru the review the information will be presented.

Barbara Auld

- Asked that the public would be allowed to make comments or suggestions or questions after each area.

Jerry Taylor

- Recommend putting the full time equivalent chart on the large screen for public to view.

Jason Patin

- The secretary is borrowed from community development.

Chip Holloway

- Questioned the loss of the part-time human resources individual.

Jerry Taylor

- Asked questions about the risk management fund revenues and expenditures.

Tyrell Staheli

- Explained the fund uses and possible revenue sources.

Jerry Taylor

- Asked what department and fund numbers waste management contract was controlled under.
- Asked about franchise fund numbers.
- Reviewed TOT numbers and trend used to determine the projected revenues.
- Expressed concern of federal government travel budgets on a downward turn.
- Asked about Page 3, other state grants
- Permit construction revenues, assumes general construction
- Plan check costs on page 4 reviewed.

Stan Rajtora

- Asked if there would be another discussion on administration?
- Under income, page 7, questioned transfers of administrative services allocation from wastewater fund of \$255,000. Appears no longer using overhead ISF and using various transfers to general fund. Asked how the number was calculated.
 - Tyrell Staheli – explained the methodology.
- Asked for spreadsheet used to be provided to the public.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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- Tyrell Staheli – explained the projection is based on all expenditures, not just salaries.
- When reviewing other departments don't see similar charges.
- Asked about the calculation for public works overhead fund.
 - Tyrell Staheli – same calculation of different funds.
- Stated that overhead funds taken for overhead fees should be valued and related to that particular fund. Specifically referred to the public works overhead fund, what does the wastewater get as value for the taking of the fund.
 - Tyrell Staheli – explained administrative support of public works to the wastewater treatment plant.

Tom Wiknich

- Referred to other funds with no expenditures.
- P&R donation fund

Jerry Taylor

- Impact funds were brought up in infrastructure, asked how old is the money and is there an issue with expenditures.
 - Tyrell Staheli – five years.
- Asked if there were plans to spend the funds.
 - Tyrell Staheli – based on project and brought to council as projects are completed.

Ron Strand

- Gave presentation of current staffing, trends, and projections.
- Proposed layoff of one officer and one records clerk
- Reviewed known sex offenders in Ridgecrest
- Reviewed traffic trends.

Jerry Taylor

- Asked the impact of the reduction to records clerk
 - Ron Strand – reviewed the current function of the records clerk. Also reviewed the impact of fewer officers and crime statistics.

Jason Patin

- Asked about support of the county probation department.
 - Ron Strand – not a lot.

Ron Strand

- Reviewed teen court program.
- Community involvement and volunteer programs reviewed.
- Reviewed capital purchase requests.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Jerry Taylor

- Asked if the vehicle listed was from the grant already in process.
 - Ron Strand – yes.
- Asked about possibility of hybrid for dispatch.
 - Ron Strand – have the minimum amount of dispatchers and approaching the county may not see a cost savings since county gets paid more.

Steve Morgan

- Asked if Chief was satisfied with amount of funding in the smaller accounts. There have been reductions in most of the categories such as training and meetings. Will the amount meet the needs for required training.
 - Ron Strand – yes, what was reduced was the cost for hiring new and putting them thru the academy.
- If council has a stronger budget and could allocate for a part time dispatcher, would that be helpful?
 - Ron Strand – yes.
- Talking about a reallocation of available part times.
 - Ron Strand – if things changed there would be thought put into increases that would benefit areas the most.

Chip Holloway

- Under disaster preparedness, are you concerned that the budget has almost been zeroed out?
 - Ron Strand – any reductions is a concern because our obligation is to protect the safety of the community. The past couple of years we were able to utilize certain grants to purchase equipment that is multi-use such as the traffic stop trailer. Looking at updating the emergency operations plan for council approval. Not enough funding to deal with a natural disaster.
- Asked Kurt about fire negotiations with the county and can we eliminate a second station if needed.
 - Kurt Wilson – do not have the same flexibility on contracts.

Jason Patin

- Asked how many employees were on furlough.
 - Ron Strand – five who would be removed from furlough with reductions that have been proposed.
- If you remove the additional staffing can you continue to track the offenders? What will the staffing per shift be down to?
 - Ron Strand – one sergeant and three officers. Goal is to always respond in the quickest manner possible in whatever way we can such as shutting down traffic or investigations. Not happy going down that road but if necessary will make it work. End result is to make the community as safe as possible.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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- Kurt Wilson – police department will not be able to maintain the same level of safety but will try. Response times will be slower.

Jerry Taylor

- Referred to 2006 numbers totals were 28 and 28 now.
- If you could add something back, what would it be?
 - Ron Strand – the officer at about \$100k.

Tom Wiknich

- Asked if there was money for nuisance abatement.
 - Ron Strand – not in this budget.
- Hoping council would have new ideas and suggestions. Suggested on revenue for dog license, change to 1 & 5 year rather than 1, 2, and 3 year. Same with business licenses. Looking for new ideas from council.
- As a volunteer, council should not let another officer go away.

Jim sanders

- Expressed pride in living in Ridgecrest.
- Suggested donating derelict homes to fire department for training.

Dave Matthews

- Liked Chief Strand's presentation, easier to see.
- Cautioned everyone to get closer to microphones for clarity.
- Asked about reserve police officers and if they collect salary while on duty.
 - Ron Strand – volunteer only
- Asked if the reserves could relieve regular officer's in house checks and other duties. Also suggested building the reserve officer staff bigger.
 - Ron Strand – working with Cerro Coso to get more reserves. Depends on the level of certification they have which restricts how much they can do independently. Most have to be with a fully sworn officer. Additionally, most reserves are professionals with regular careers elsewhere. State has restricted the training requirements so most training opportunities are now gone.

Jim Humphrey

- Steward representing records clerk, reminded council of the importance of the clerical staffing. Asked council to ask the officers how important the clerks were for their department.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Jerry Taylor

- Asked Tyrell about the ISF fund for police.
 - Tyrell Staheli – have significantly cut IT costs.
- Looking at a labor savings?
 - Tyrell Staheli – labor and capitalization.
- Asked for recapitalization rate for police equipment.

Recess – 10 minutes

Tyrell Staheli

- Gave staff report, reviewed staffing numbers.
- Current budget eliminates one staff member, the IT Manager.
- Reduced both finance and IT budgets. Budgets can be found on pages 39 and 40 of the presentation.

Steve Morgan

- Justify not losing staff in finance.
 - Tyrell Staheli – most of finance functions are dictated by the state and auditors require division of duties to protect against improper activities, additionally there are more reporting requirements.
 - Current staffing is one person for payable, one person for payroll, front desk clerk for business licenses and TOT collections; one accountant for capitals; one manager.
- Finance takes responsibility for grants administration; payroll; all payables; all receivables, etc. if this board tells you to lose a staff members, asked for the scenario for functioning.
 - Tyrell Staheli – do not believe we could maintain the documentation or required reporting. Would be at risk for fines and penalties as well as inability to provide documentation requested.
 - Kurt Wilson – credit ratings watch us and those types of things would affect our credit rating.
- Under requirements of the State, finance now has more reporting requirements for the successor agency that will be rejected.
- Because you do send out certified documents, are you confident that the postage and freight are realistic estimates?
 - Tyrell Staheli – yes, some movement to submit by email and fax but there are still requirements for certified. We have limited capability for electronic signature.
- Asked if the payroll system replacement was in this budget.
 - Tyrell Staheli – not in this budget, latest estimate on cost is \$500k. would cut down on staffing time to have an updated system.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Jerry Taylor

- Commented about long term capital investment returns.

Steve Morgan

- Asked for review of costs in the IT budget.
 - Tyrell Staheli – licensing costs cannot be cut.
- Asked about revenue estimates.
 - Tyrell Staheli – similar formula as outlined previously.

Chip Holloway

- What are the bank service charges?
 - Tyrell Staheli – armored car service
- Payroll system would still require staffing.
 - Tyrell Staheli – data entry and reporting requirements.
 - Kurt Wilson – back and forth process for verifications.
- Feel we should go ahead and buy the system.

Jason Patin

- Agree with Chip, the system is slow and information is archaic.
- The amount of work staff is doing for city and council seems to be doubled and almost unknown for only 3% of RDA funding available from the successor agency. Have to deal with a full load of work daily and don't even know what additional duties are coming.

Jerry Taylor

- Asked how much of the budget is still reliant on TAB funding?
 - Tyrell Staheli – budgeted administrative budget for oversight committee based on the statutory minimum.
- Questioned amount of travel between city manager and finance
 - Tyrell Staheli – state and federal required training to stay certified for reporting requirements. Webinars are not always free and have utilized as many as possible.
- Suggested Google products for licensing to reduce licensing costs. Can't drive the number to zero but looking for creative ideas to reduce the cost.

Jim Fallgatter

- Asked about average overtime salaried employees have put in over the past year.
 - Tyrell Staheli – salary exempt employees are not paid for overtime therefore we don't track the time.
 - Kurt Wilson – there is a minimum but we do not track overage.
- Feels oversight committee has been underserved and received minimal staffing support.

MINUTES - CITY COUNCIL - REGULAR

May 14, 2012

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Stan Rajtora

- Referred to page 1 of the proposed budget, ending balance is \$190 which says we don't need an operating fund to pay people's salaries and there is a low risk budget with no hiccups. Suggest as in the past the reserve be increased. Noted the beginning balance is \$44,000 whereas the current estimate was \$414,000 showing a \$400,000 less beginning balance than what we expected. Noted under 005 beginning balance compared to the current years anticipated balance. Assuming that funding went somewhere perhaps borrowed for other areas and last year's reserves should have been higher. Asked council to raise the ending budget balance. Do not see this as a low risk budget.
 - Kurt Wilson – correct that the reserves should be larger. Comments about where it was anticipated and where it currently is was a result of the redevelopment. City has under spent if you discount the RDA losses.

Tom Wiknich

- Asked if there is a larger city manager travel budget now than previously.
 - Jerry Taylor – was only referring to two budgets above \$1000.
- Asked how much the department has been reviewed to change processes to improve and streamline or reduce the staffing time required to complete the process.

Steve Morgan

- All questions are predicated that once each department has given presentation then Council will begin making their requested cuts.

Stan Rajtora

- Asked about the wastewater fund balances

ADJOURNMENT at 8:46 pm to May 15, 2012 at 5:30pm

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 Special City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of May 15, 2012

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft minutes of the Special City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of May 15, 2012

FISCAL IMPACT:

None

Reviewed by Finance Director:

ACTION REQUESTED:

Approve minutes

CITY MANAGER 'S RECOMMENDATION:

Action as requested: Approve Draft Minutes

Submitted by: Rachel J. Ford
(Rev. 6-12-09)

Action Date: June 6, 2012

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**MINUTES OF THE SPECIAL MEETING OF THE
RIDGECREST CITY COUNCIL
RIDGECREST HOUSING AUTHORITY
RIDGECREST FINANCE AUTHORITY**

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

**May 15, 2012
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 for the purpose of preparation of minutes.

CALL TO ORDER

Meeting reconvened from May 14, 2012

ROLL CALL

Council Present: Mayor Ronald H. Carter; Mayor Pro Tem Marshall 'Chip' Holloway; Vice Mayor Jerry D. Taylor; Council Member Steven P. Morgan; and Council Member Jason Patin

Staff Present: City Manager Kurt O. Wilson; City Clerk Rachel J. Ford; City Attorney Keith Lemieux (via teleconference); and other staff

SPECIAL SESSION – 5:30 p.m.

- Pledge Of Allegiance
- Invocation

PUBLIC COMMENT

No comments presented by the public

DISCUSSION AND OTHER ACTION ITEMS

1. **Budget Hearing Discussions And Approval Of A Resolution For Fiscal Year 2012-13 Proposed Budget** **Staheli**

Dennis Speer

- Gave staff report and PowerPoint presentation of the public works budget. *(copy available in the City Clerk's office)*

MINUTES - CITY COUNCIL - REGULAR

May 15, 2012

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Jason Patin

- Asked what level of funding comes from the general fund.
 - Tyrell Staheli – currently no funding from general fund, some fleet maintenance from ISF and limited (\$200k) for administration.
- What cuts were made from general fund.
 - Tyrell Staheli – Reallocated to other areas within the department
- What is cost for street sweeper?
 - Dennis Speer – approximately \$190k.
- Fleet Mechanic has cut a position, can you effectively maintain what needs to be done.
 - Dennis Speer – cannot accomplish as much.

Jerry Taylor

- Only saw that cut last night?
 - Dennis Speer – was discussed but had not seen the final. Initially will have to see how things work out but may eventually have to outsource.
- Need to have a plan, going from capacity of 2 to 1 means we either had excess capacity but if not doing preventative maintenance then other problems develop.
 - Tyrell Staheli – collection is based on miles and operating expense so collect only what we spend. Current budget is less because of reduced expenditures.
 - Dennis Speer – only had one mechanic physically working since December so have been tracking. Backlog depends on what occurs each day.
- Are we sitting with a lot of down vehicles or getting them repaired?
 - Dennis Speer – at the moment are maintaining.
 - Tyrell Staheli – point of note is the transit fleet will be brand new as well as several police vehicles so maintenance cost will go down.
- What wiggle room do we have to meet the deviated fixed route requirement and possibly release more funding for roads?
 - Dennis Speer – transit fare box should be at 10%, Kern COG averages total fare box on all transit providers which covers some of the smaller operations. Can't continue to do this, so first option is to reduce dial a ride and move to deviated fixed to increase fare box ratio. Kern COG is watching for results and funds could be pulled if we don't meet the requirements. Kern COG says that as long as we are making progress toward the deviated fixed route, even if it takes three years, then funding will be made available. When we run the mileage on the 3 loops, we believe we will cut down the total miles significantly which will reduce operating costs. This is an assumption.
- If we could satisfy the unmet needs requirements with fewer days of service, can we save more funding? Would like to understand the performance level we need to meet to operate the deviated fixed route, how often do we have to run and other factors. Looking to reallocate funds from one area to roads within the department.

MINUTES - CITY COUNCIL - REGULAR

May 15, 2012

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- Relative to roads, what is the projected amount needed for matching funds?
 - Dennis Speer – staff will research the totals.
- My understanding is the impact fee funds have to be spent within 5 years.
 - Tyrell Staheli – began collecting in 2006 but they are still building.
 - Dennis Speer – will need to use the fund balance for matching in 2012.
- Asked for the number for matching funds needed in 2012 and 2013.

Steve Morgan

- For benefit of the public, explained TDA funding which is for transportation. For the past 6 years in working toward the deviated fixed route system have been diligently trying to figure out how to run a streamlined system but won't know how until we actually implement the system.
- Wastewater fund covers people, repair work, and all costs so no impact to the general fund with exception of overhead which is approximately.
- Asked for funds from gas tax.
 - Dennis Speer – funds are used to cover streets and roads with restrictions; engineering purposes; road maintenance; construction; curb; gutter; sidewalk. Funds have remained fairly constant for the past six years.
- Is the gas tax fund allocation appropriate or could we shift some of this funding around.
 - Dennis Speer – not enough to meet the needs of streets, including overhaul of streets.
- In fleet maintenance department, there isn't a line item for contract maintenance.
 - Tyrell Staheli – large repairs are budgeted within the individual departments. Police department budget is the primary cost.
- This is an area of concern; need to have allocations for contract maintenance.
- Asked Dennis what capital or equipment purchases were needed?
 - Dennis Speer – potholes and cracks, only have a wand. Would like to have a crack filling machine which sells for about \$80k and could improve the efficiency and effectiveness of the current system.
- Currently have a 4 person crew with one on medical. Huge issue if someone goes down for any reason there is a gaping hole getting larger. Every department is in this same situation.
- In all line items and divisions. Reviewed current staffing levels. Staffing is as thin as it can get.

Chip Holloway

- With regard to equipment needs, is it feasible to rent some of the equipment?
 - Dennis Speer – depends on the situation, some of the issues is the demand does not always fit with when the equipment is available. We did lease a pothole patcher but it was not as efficient as anticipated. Leasing a street sweeper would not be cost effective, we have a good sweeper but don't have the budget to continue to run it or pay tipping fees.

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- Five year plan for roads, can we do some of the repairs with a less costly material such as micro-paving or alternative paving.
 - Dennis Speer – yes, if we use alternative it would not require as much funding as originally anticipated.

Ron Carter

- If we have no budget, what will our streets look like in five years?
 - Dennis Speer – 79% of the streets would fail.

Jerry Taylor

- When streets fail, the cost to reconstruct goes up to \$5.00 or higher rather than \$1.00 for repairs.
- Asked about reallocation of gas tax fund expenditures.
 - Tyrell Staheli – other funds plus an old claim.
- Reviewed past budget costs for motor fuel, oil, and lube on page 82.
 - Steve Morgan – previous years we had contracted our bus services which may account for lower costs in the past.
- Reviewed comparison of parts and fuels which doesn't cover labor costs.

Chip Holloway

- Misery loves company, related County cuts that mirror Ridgecrest cuts.

Dave Matthews

- Questioned the street sweeper tipping fee of \$90k per year. Is the cost per year or per load?
 - Steve Morgan – every time we dump there is a charge so averaged over a year the total cost was \$90k.
- Transportation system going to deviated fixed route, will be still serve the county.
 - Inyokern route and Ransburg routes are running and are 100% reimbursed by the county.

Tom Wiknich

- Is there a contract for fuel which levels the price?
 - Dennis Speer – new purchase orders are issued with each budget year.
 - Tyrell Staheli – have an annual contract with short term benefits.
- What happened to make street sweeping considered hazardous material?
 - Court ruling gave path of rain that could possibly contaminate the water table as it runs from streets to drains and picks up petroleum based products.
- Referenced item 2 of TWD Resources slide showing reductions. Asked for breakdown of street repair supplies.
 - Dennis Speer – responded with full breakdown including paint, mix, patch material, etc.
- Asked the Mayor if there will be revenue discussions.

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- Tyrell Staheli – fees are affected by prop 35 so attorney is reviewing.
- At what point can the public suggest ideas for revenue generation.

Stan Rajtora

- Thanked Mr. Speer for his presentation, asked if it would be available on website.
- Didn't find transfers from general fund to public works.
 - Tyrell Staheli – fleet ISF won't show as transfers.
- Page 11, line item under utility for \$180k which assumes the contract with NAWS china lake sewer. This represents about 30% of total effluent. Total expenditure is about \$2 million and thought the Navy was to pay for 30% of expenditure which is \$600k rather than \$180k. should be getting more from the Navy.
 - Kurt Wilson – contract with Navy is not written as a flat percentage.
- Feeling is the Navy is getting a good deal and contract could be renegotiated. Current contract gives a \$400k subsidy.
 - Jerry Taylor – agree and am waiting on report of distribution system in Ridgecrest.
 - Dennis Speer – existing contract clause states we cannot raise their rates until a cost to service study is done and community wide rate changes are completed.
- Only getting 10% from Navy whereas should be getting 30%.
- Page 52, top item, no mention to electric and lighting. Only 30% of lights are necessary for roads at intersections. Could eliminate 20% of overlit areas which could save 50% of the \$250k which could be put into general fund rather than road fund.
- Page 53, charge for motor fuel, oil, and lube in the amount of \$20k in the gas tax fund. My understanding is this should be part of the vehicle ISF.
 - Tyrell Staheli – strictly for diesel fuel which is used only in the streets division.
 - Jerry Taylor asked why does this line item go from \$11k to \$20k
 - Dennis Speer – cost increases fluctuating. Will verify the number.
- Same page, fleet management cost based on miles driven and is about 70% of police budget in that area.
 - Tyrell Staheli – goes by miles and hours for some pieces of equipment.
- Page 58, wastewater administration went from \$167k jumped to \$275k. what is it and why did it increase?
 - Tyrell Staheli – budgeted but unfilled positions. Includes reallocation out of general fund such as director and administrative staff. Some functions remain in the general fund but functions that are specific to a division have been moved to the budget for that division.
- Asked for the breakdown of salary distribution. Direct labor v. overhead. If these costs are reduced, what would not get done?
- Reviewed engineering survey costs and other professional services.
 - Dennis Speer – explained mandated increases to sampling.
- Self-insurance ISF damages and judgments

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- Dennis Speer – contingency fund in the amount of \$10k
- IT ISF cost is for seat count?
 - Tyrell Staheli – current seat cost is \$6,000 each
- Page 59, under 4552, streets outside R&M amount of \$50k.
 - Dennis Speer – When running cameras thru lines we find substantial line repair and replacement coming, keeping an amount available to be able to make repairs. Last year's allocation was not expended.
- Questioned salary increase.
 - Dennis Speer – currently understaffed by 2 persons and other are drawing overtime or temporary contract labor.
- Page 60, wastewater equipment, what is the \$70k for.
 - Steve Morgan – that is for wastewater equipment such as pumps and augers.
- Improvements to building?
 - Dennis Speer – digester roof is gone and needs replaced.
- Page 61, entire health with admin allocation of \$256k and is a 15.7% overhead charge.

Chip Holloway

- When allocations are divided between funds, it is backed out of general fund so is not double dipping.

Jerry Taylor

- Software costs?
 - Dennis Speer – is for GIS mapping licenses.
- Transportation software charge?
 - Dennis Speer – two components, there is an annual retainer for technical support and required additional training for deviated fixed route. Package was upgraded previously but now has to pay for maintenance and training.
- Relative to taxi service as supplemental to transit? Is there a contract?
 - Dennis Speer – no we do not have a contract and there would be a direct cost to run a service like that.

Recess – 10 minutes

Jim McRea

- Gave staff report of public services outlining staffing, redevelopment issues, and pending projects.

Jason Patin

- Recapped previous council action eliminating the changes to staffing already implemented and questioned the allocations of administrative costs for continuing funding Gary Parsons position as administrator for Bond and Housing.
 - Kurt Wilson – there are additional projects that still have funding.

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- Staffing cuts are an additional 10% reduction to the Planner, salary cut only with all other benefits remaining intact.
- Not losing focus on community and economic development, just looking for more creative ways to continue with development. Is COSMOT funded?
 - Tyrell Staheli – on hold until receipt of approval from the state.

Steve Morgan

- This division proposed budget is full of 'if's' pending state approvals, if that does not happen then we have to eliminate completely.

Chip Holloway

- Asked how much was left in the housing set aside and if funding would be there to continue with one person.
 - Kurt Wilson – would have to review the reporting requirements, conceivable that if it comes back there would be a different level of work load.
 - Jim McRea – has support in the house and moving through legislature. Funds will not be released until 2013 and has 2 year expenditure for projects that would develop direct charges. Up to Sacramento at the moment. Steinberg's bill discusses protocols for assets such as the business park.

Jerry Taylor

- Page 45 ISF funds, cost has gone up, why. Materials costs.
 - Tyrell Staheli – forgot to pull out receipt count from that line item, will correct.
- Certain documentation will have to be done to go after grants for housing elements.
 - Jim McRea – ours needs to be updated and cost is up to \$40k and we are beyond the five year period. A portion of the plan could be done in-house which could reduce cost. A number of steps to go through or we won't be approved by HTD. Do not believe we could use TAB money for housing element. May be able to do statistical work and this is a non-reimbursable expense that we are mandated to do. Council elected to be a housing authority, county does not have a housing authority.
- Asked for projection for permitting.
 - Jim McRea – projected same level as last year. Reviewed the current levels and proposed expenditures. Reviewed projects currently under construction and others waiting to begin work. Would increase revenues but also expenditures proportionately. TAB projects may be allowed by legislation and has effect on funds that must be expended in set timelines. Recapped AMG residual loan provisions and refinance plans that would return funds to the agency.
- Fees for home construction, how much is impact fees as a percentage and can we have a moratorium?

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- Jim McRea – can have a moratorium for a finite period of time, not sure if this is the time to do it.
- Spoke on interesting ideas to spur growth by lowering fees for a time.
 - Related past fee suspensions by both city and school that did increase permits.
- Asked if fire sprinkler deadline had impact.
 - Jim McRea – did not see large impact, more impact from new building code. Cost is higher to owner as the fee was a pass thru. Can't have grass in the front yard but can have their home sprinkled. Spoke on current construction and status of builders with home sales.

Tom Wiknich

- Shared photos of abandoned home owned by the city, need to get rid of the house as an RDA asset. Embarrassing that council would do this to a neighborhood.
- Secondly, have people on salary who do not live here. Again requested city hire an in-house building inspector who would live in Ridgecrest. Spend city money on a city resident rather than someone who lives in Bakersfield. Benefit of family living here and utilizing our schools and city services.
 - Steve Morgan – would not be a wash because we would not only have to pay for the full time employee but also have to pay a firm for other services that the building inspector cannot do.
- Contractor has given reasonable hourly rates for additional needs on an as needed basis. The difference in cost is such a small window that it would be a benefit to have someone in town spending their money in Ridgecrest.

Barbara Auld

- Glad Jim McRea is still here in this community.

Carol Vaughn

- Thanked Jerry for considering the building fees. Difficult times in construction industry. Lower fees do not increase the need for housing. Prices are so low now that builders are not building because they are not making a profit on the speculation homes they are constructing. Reason a few are still doing it is to help keep some people employed. Gave prices for construction and fees from other utilities. More money in the permit costs that does not make it worthwhile to do. If people with money to spend are living in our area then the commercial will come. If you want to change people going elsewhere to shop, need to have a diversity and industry that promotes growth. Related discussion with Shannon Grove about taxes paid by private companies. Without industry we will continue to play the same game, need to bring a good diversity of industry to build a strong community.

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Stan Rajtora

- Understand there is a serious money problem but depleting the community development is short-sighting the problem. Need more revenue which we get by community development. Need to keep up the effort to expand the tax base.

Jason Patin

- Didn't know about this house, but this problem didn't happen in the past year. Asked about the history of the house. Appreciate bringing it to our attention, but don't blame the current council for the problem. Has been a long-standing problem.

Jerry Taylor

- Any hope to be able to tear this house down using available funds?
 - Jim McRea – this was slated to be sold but under current redevelopment then cannot touch it right now.
 - Gary Parson – difficulty in tearing it down is current law requires we rebuild another house. Not in a position to do that at this time. Would have been appropriate to make it look safe and sanitary but not an option at this time.
- Asked what options to liquidate the property in its current state.
 - Jim McRea – this will be transferred to housing authority as an asset. Then the board of the housing authority could make a determination as to what will happen to the property. Could then use housing funds to rehab the property.

Jason Patin

- Problem happened with previous councils and is now in the holdings of this council.

Chip Holloway

- Tried to sell that house many times.

ADJOURNMENT at 8:34 pm to May 16, 2012 at 5:30pm

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 May 16, 2012

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of May 16, 2012

FISCAL IMPACT:

None

Reviewed by Finance Director:

ACTION REQUESTED:

Approve minutes

CITY MANAGER 'S RECOMMENDATION:

Action as requested: Approve Draft Minutes

Submitted by: Rachel J. Ford
(Rev. 6-12-09)

Action Date: June 6, 2012

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**MINUTES OF THE REGULAR MEETING OF THE
RIDGECREST CITY COUNCIL
RIDGECREST HOUSING AUTHORITY
RIDGECREST FINANCE AUTHORITY**

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

**May 16, 2012
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 for the purpose of preparation of minutes.

CALL TO ORDER

ROLL CALL

Council Present: Mayor Ronald H. Carter; Mayor Pro Tem Marshall 'Chip' Holloway; Vice Mayor Jerry D. Taylor; Council Member Steven P. Morgan; and Council Member Jason Patin

Staff Present: City Manager Kurt O. Wilson; City Clerk Rachel J. Ford; City Attorney Keith Lemieux (via teleconference); and other staff

APPROVAL OF AGENDA

- Add a need arose item litigation Ridgecrest v Benz existing litigation to closed session.

Motion To Approve Agenda (As Amended) Made By Council Member Morgan, Second By Council Member Patin. Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; And 0 Absent.

PUBLIC COMMENT – CLOSED SESSION

No member of the public presented comments.

CLOSED SESSION – 5:30 p.m.

GC54956.9(B) Conference With Legal Counsel, Anticipated Litigation – Public Disclosure of Potential Litigant Would Prejudice the City of Ridgecrest.

GC54956.9(A) Conference With Legal Counsel, Existing Litigation. County Of Kern v. City Of Ridgecrest

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GC54957.6 Labor Negotiations – United Food and Commercial Workers Golden State 8 (UFCW); Police Employee Association of Ridgecrest (PEAR); Management; Mid-Management; Confidential; Part-Time Employees. Agency Negotiator City Manager Kurt Wilson

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORTS

- Closed Session
 - Conference With Legal Counsel, Anticipated Litigation – Public Disclosure of Potential Litigant Would Prejudice the City of Ridgecrest
 - Report Received, no reportable action taken.
 - Conference With Legal Counsel, Existing Litigation. County Of Kern v. City Of Ridgecrest
 - Report Received, no reportable action taken.
 - Labor Negotiations – United Food and Commercial Workers Golden State 8 (UFCW); Police Employee Association of Ridgecrest (PEAR); Management; Mid-Management; Confidential; Part-Time Employees. Agency Negotiator City Manager Kurt Wilson
 - Report Received, no reportable action taken.
 - Conference With Legal Counsel, Existing Litigation. City Of Ridgecrest V. Benz
 - Report received, no reportable action taken.
- Other
 - None

PRESENTATION

Council gave a special presentation to William Morse of Pest Masters of a certificate of appreciation for their generous offer to maintain the weeds in medians on Downs Street to alleviate the workload of the reduced staff.

PUBLIC COMMENT

Mike Neel

- Spoke on government, citizens, and the trust of the people.
- Read a memo from the Redevelopment Agency attorney regarding wastewater franchise fee that was given to former director of finance James Winegardner.
- Spoke on the study referred to in the letter as not being done yet charges were taken against the advice of the attorney.

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- Referenced the long term loan and the current and future condition of the wastewater treatment plant.
- Referenced other uses of the fund as a loan to the solar field.
- Indicated these action of abuse and misuse of public funds cause lack of trust from members of the public.
- Spoke on the use of public member's time to weed medians as a lack of foresight on the council's part.

Manual Farmer

- Referenced the waste management contract includes maintaining the medians, asked if this was being followed.
- Questioned if city was aware that weekly loads of Ridgecrest trash is going to palm desert.

Jim Fallgatter

- Feels we need Measure 'L'.
- Referenced the advisory board that is being established to ensure the funds are used in the manner promised.
- Asked council to look at a way council can further reassure the public that the funds will be used only for what is being asked for.
- Encouraged public to vote for Measure 'L'

Henry Wilson

- Expressed support for Measure 'L' and encouraged public to vote for it.
- Gave example of limitations the public have with volunteer hours and how at some time the City has to pay for some services.
- Gave examples of PACT functions including weed abatement and graffiti abatement.
- Referenced another city that the public did not help with and the city went down and had to try and rebuild.
- Encouraged everyone in the community to step up and help the city.

Barbara Auld

- Been living here 67 year
- Strongly supports the Navy
- Strongly supports Measure 'L'

Al Huey

- Theoretically in favor of the sales tax.
- Application wise is against Measure 'L'
- Referenced past council's actions of saying one thing and doing another.
- Spoke on campaigns and promises made but how things change after obtaining the office campaigned for.

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- Referred to past years when city funds were more fluid and how funds could have been spent wiser.
- Referred to newspaper article putting all department on the same plain and feels departments with programs such as parks & recreation should be able to support themselves.
- Referenced the medians and past decision for landscaping without plan to maintain them in the future.
- Based on lack of foresight and abuse of trust in past is opposed to the Measure 'L'.
- Spoke about an article interviewing the City Manager.
- Asked council to understand that advisory committees do not have to do what council says.
 - Steve Morgan – let public know that a different sales tax was put forth in past and Mr. Huey opposed it.

Harris Brokke

- Encouraged public to stop living in the past and look to the future
- Supports Measure 'L'

Barbara Auld

- Reassured council that there are people in the community who support the council on Measure 'L'

CONSENT CALENDAR

1. Request Of The Ridgecrest City Council For Authorization To Apply And Accept A Off-Highway Vehicle Grant Through The Off-Highway Motor Vehicle Recreation Division Within The California Department Of Parks And Recreation Strand
2. Approve A Resolution Of The Ridgecrest City Council To Award A Construction Contract To The Lowest Responsible And Responsive Bidder In The Amount Of \$80,534.00 To High Desert Construction For Bike Rest Stations On Bowman Avenue At Downs Street, China Lake Boulevard, And Gateway Boulevard And Authorizes The City Manager To Execute The Contract Speer
3. A Resolution Of The Ridgecrest City Council Adopting A Sewer User Charge For District Fund 20455 For The 2012-2013 Fiscal Year Speer

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4. Approve A Resolution Of The City Council Of The City Of Ridgecrest, Acting As Successor Agency To The Ridgecrest Redevelopment Agency Adopting And Approving The Successor Agency's Proposed Administrative Budget Pursuant To Health And Safety Code Section 34177(j), And Authorizing The Successor Agency To Enter Into An Agreement With The City Of Ridgecrest For Reimbursement Of Financial, Administrative And Operational Services Pursuant To Health And Safety Code Section 34171; And Making Other Findings In Connection Therewith

Wilson

5. Approve Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of May 2, 2012

Ford

Items pulled – 1 & 3

Motion To Approve Consent Calendar (As Amended) Made By Council Member Patin , Second By Council Member Morgan . Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; And 0 Absent.

Item 1 discussion

Jerry Taylor

- Asked what is being done to help guide off road riders within the city limits

Ron Strand

- Currently working with BLM to provide routes and land use for off-road vehicles.

Jerry Taylor

- Appreciate what is being done. Are we going for a grant for signage and route?
 - Ron Strand – yes, currently working on a route and future meetings involving the county, residents, and BLM.

Jerry Taylor

- Are we establishing a legal age?
 - Ron Strand – yes, each agency is cooperating.

Jason Patin

- Signage is being discussed and ideas will be brought to council.
 - Ron strand – trying to stay ahead of the curve as more BLM areas are closed.

Dave Matthews

- Comment for study group implementation, need to consider the WEMO plan, which may re-designate the route.
- Did city of Ridgecrest get a grant for 2011-12 and is the amount similar.

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- Ron Strand – yes we did and the amount is established by our request.

Jerry Taylor

- Asked if maintenance of the equipment was included in the budget
 - Ron strand – is a year by year basis.

Mike Neel

- Asked what type of equipment we have received.
 - Ron strand – a trailer to house equipment, a quad and a motorcycle. Requesting a 4x4 truck. Do have one but was purchased thru DERMO and fixed up with business donations.
- Spoke on the continued maintenance for equipment that is used in dirt and rough terrain.
 - Ron Strand – no used daily. Used to respond to complaints from citizens for dust control. Recited last year's statistics. Purpose is to respond to the needs of the community. Spoke about used quads received as donation from California City and goal is to replace with newer equipment to reduce service maintenance. Experience to date is the maintenance cost is not a large amount.
- Encouraged council to budget in an amount for the cost to service the equipment.
 - Ron Strand – have a responsibility to the citizens and can't do it in a crown Victoria. The cost to repair a motorcycle is less than for a street car. Have a line item in the budget for vehicle maintenance and this grant augments the general fund costs.

Carol Vaughn

- Has a concern about head injuries and permanent life cost for permanent disability.
- Referenced emergency and trauma room experiences dealing with motorcycle injuries and would not want to see an officer hurt in this way.
- Long term disability is costly and heartbreaking.
 - Ron strand – referenced 3 recent fatalities that police is trying to reduce by having the equipment to enforce regulations within city limites.
- Asked Chief to consider if this was the best place for officers to be.

Motion To Approve A Resolution Requesting Authorization To Apply And Accept A Off-Highway Vehicle Grant Through The Off-Highway Motor Vehicle Recreation Division Within The California Department Of Parks And Recreation Made By Council Member Patin, Second By Council Member Morgan. Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; And 0 Absent.

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Item 3 discussion

Dave Matthews

- Referred to page 21 of agenda and summary listing multiple family residents paying \$96.00. should be \$96.00 per living unit, summary is misconceiving.
- Referred to page 23-24 and sentence including all fee structures. Feels the comma should be semi-colons. Asked for clarification.
 - Dennis Speer – charge of \$120 on non-dwelling building on a residential structure. Example of garage with a bathroom being charged.

Howard Auld

- Understood there is a charge for commercial which is not shown on the staff report.
 - Dennis Speer – shown on the resolution and is based on a formula.

Motion To Approve A Resolution Of The Ridgecrest City Council Adopting A Sewer User Charge For District Fund 20455 For The 2012-2013 Fiscal Year By Council Member Taylor, Second By Council Member Morgan. Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; And 0 Absent.

DISCUSSION AND OTHER ACTION ITEMS

6. Approve A Resolution Designating The City Of Ridgecrest Voting Delegate And Alternate For The League Of California Cities Annual Conference Ford

Nominations were made by Council as follows:

- a) Chip Holloway as delegate
- b) Ron carter as 1st alternate
- c) Jerry taylor as 2nd alternate

Motion To Approve A Resolution Designating The City Of Ridgecrest Voting Delegate And Alternate For The League Of California Cities Annual Conference Made By Council Member Taylor , Second By Council Member Morgan . Motion Carried By Voice Vote Of 5 Ayes; 0 Nays; 0 Abstain; And 0 Absent.

[Reconvened to adjourned meeting of May 15, 2012](#)

7. Continuation Of Budget Workshop Discussions And Adoption Of A Resolution Approving The Draft Budget For Fiscal Year 2012-2013 Staheli

Kurt Wilson

- Gave introduction and staff report. PowerPoint presentation given. *(copy available in the city clerk's office)*

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- Highlights of proposed changes include moving parks maintenance to public works department which matches the majority of most city structures.
- Elimination of department head position and replacing with a manager position.
- Elimination of two maintenance worker positions.
- Elimination of furloughs for employees
- Revenue for boys and girls club building and senior center building are outweighed by the maintenance expenditures such as replacement of large appliances.
- Proposal considers relinquishing both of the properties or change the provisions to remove the costs from the city. possibly changing title holder.
- Working to augment staffing shortages with volunteer services such as welfare to work.
- Will attempt to review revenue sources but presentation does not take into account the administrative portion.

Tyrell Staheli

- Reviewed slide showing breakdown of hours for FY2011 which is last full year of data available.
- Comparison of reallocation of the full time equivalent positions and breakdown of hours.

Kurt Wilson

- Noted that the data is raw data and does not include actual work hours or function but if implemented will attain the needed dollars to balance but there will be an impact to services.

Tyrell Staheli

- Continued reviewing the PowerPoint slides.

Jerry Taylor

- Asked if the cost of not operating a building would cost.
 - Tyrell Staheli - The costs listed are overhead cost to the building with no wages added. Services only.

Jerry Taylor

- Asked if the cost was actual post solar or is the number carried forward from past costs.
 - Tyrell Staheli – will have to review. Is possible the solar is not accounted for in the utilities. Will pull the utility bills and compare.

Tyrell Staheli

- Continued review of the PowerPoint presentation slides.

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- Revenue and expenditure costs for each facility not including administrative costs.
- Administrative costs reviewed

Kurt Wilson

- Proposal does not maintain same level of services, but result of council requests. Council may now review.

Jason Patin

- Staffing has been cut down to 12. Asked if maintenance in public works would receive additional funding.
 - Kurt Wilson – the positions would stay funded are only being moved to another division.
- Confused because the presentation doesn't give a comparison to last year.
- Telling me there will be cuts and reallocations that will result in cuts to services. When will I see that information.
 - Kurt Wilson – can have it ready by next council meeting.

Jerry Taylor

- Agree with Mr. Patin. Would like to see this information and not willing to wait until next council meeting. Willing to schedule another meeting earlier.

Chip Holloway

- Concerned that nobody knows the answer to the revenue numbers while we decimate parks and recreation. Need to make decision quick but don't know how to get to the revenue number or perhaps a graduated plan to help protect programs for this season which starts in two weeks.

Ron Carter

- Concern with parks and recreation is I need to know what programs are being kept and which ones will be cut. Doesn't make sense to get rid of a program that is generating revenue. Can't approve a budget until I know what will be happening with this department.
- Kurt Wilson – original program included cuts to revenue producing programs so we have gone back to this proposal and need to do more work to get the information.

Chip Holloway

- The option proposed for the senior center and boys and girls club could also be applied to the sports complex. Asked staff to look at that.

Kurt Wilson

- Is a possibility that parks and programs may be closed completely depending on the numbers.

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Chip Holloway.

- Parks and recreation works enormous time that is not reflected in the budget. We may find that we are not only decimating the program but destroying the culture of the program and won't be able to replace. Asked staff to take that into consideration. Asked why the parks maintenance was taken out of public works previously. This is a unique department with a positive relationship with the community.

Kurt Wilson

- Still have the option to fully fund but would need to alter the priorities previously established and the other departments would have to cover the cuts.

Chip Holloway

- Just want a full breakdown of the programs and want to know how difficult it would be to bring them back up later.

Steve Morgan

- Reviewed the actual cuts proposed of 2 maintenance workers and 1 cultural affairs coordinator. How many people will be let go total.
 - Tyrell Staheli – 3 full time let go and 2 positions reduced.
- Apparently may close Kerr McGee center another day and possibly close Piney pool. Council needs to hear those things when we reconvene to discuss these issues again. Still have to have summary session and revenues. Public has been asking questions, want to see a clear chart of what positions have been eliminated, who has been adjusted, where we were, where we may be, as we go thru the process. Don't understand this enough and will need a lot more understanding and hopefully will get that.

Ron Carter

- Would like to see cost to maintain facilities if we shut everything down; want to look at the revenue side completely, what programs are bring in revenue and what is the staffing for those programs. Would hate to cut a revenue program due to staffing cuts and then find out we need the money. Would rather look at the deficit programs to cut rather than revenue programs. Don't want to make the mistake of cutting a position and then lose the program that is making money.

Chip Holloway

- Asked what rate of pay was used.
 - Tyrell Staheli – includes all full-time payroll for the projects.
- Have you scored a specific number to cut from this department?
 - Kurt Wilson – began with a citywide number and allocated based on council priorities. Once council weighs in then expect changes and will go back to make adjustments.

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Jerry Taylor

- Numbers represented are in a normal budget report so will be able to see the same numbers in the proposed budget. Going back to assumptions was to take people off furloughs and have employees pay their pers contributions. Balance the budget. This report represents a budget that stays within those parameters. Council wants to understand what program will be lost. Example wanting to know the utilities and what will be on or off. Can they continue to mow the grass and fix the sprinklers? Are we going to be able to afford this. One suggestion is if we give back the ball fields we have less maintenance needs and is not a revenue generator. Not willing to go all the way to post election to have the discussion of level of service. Not afraid to balance the budget. The pool is funded or not in terms of utilities? Rents and concession numbers reviewed. Swim lessons create revenue and open swim does not. Hope fellow council wants to bring this back. has been over a year since doing this budget. Should be able to understand what does or does not make money. Don't want to brown out a park because don't have the money to put it back. operate the programs we can operate that makes money. Don't understand why we aren't prepared to bring more detail forward tonight.

Steve Morgan

- Need to look at the contract is the property was donated with certain expectations, may be able to lease it but may not be able to sell it. Need to have that information.

Jerry Taylor

- If there is additional revenue then needs to go to things that have been underfunded for a long time.

PUBLIC COMMENT

Tom Wiknich

- Agrees with comments made and added comment about salaries and administrative costs. Labors should be allocated into the programs at a ratio to get a full understanding of what the program operation costs are.

Dave Matthews

- Whatever happens in the department, don't want to lose Mr. Ponek. Concerns are directed to Mr. Wilsons presentation regarding the senior center. Forgot when the transfer took place. Approximately 2001. Mentioned transferring ownership and asked council to expand on the idea. Ownership to who?
 - Jerry Taylor – proposal to County.
- Building was constructed under health and human services for seniors. NARFE has been meeting in that building for years but are now required to meet in the Kerr McGee center and have to pay a fee. Have records in that building and no where to store them. Would like that group to meet back in the center again.

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Sound center was installed by a member of NARFE and want to make sure it stays a public building for use of seniors.

Jim Fallgatter

- Asked for a review of the project hours slide and clarification of the comparison slide.
 - Tyrell Staheli – comparison is from 2011 totals rather than 2012-13.
 - Kurt Wilson – one slide are annual totals and the second is weekly.
- Appears that the totals of the 2013 are going up rather than going down. totals reviewed. Hearing about losing programs, don't understand where the large loss of staff will be but charts show we will still be staffed. When taking people off furloughs we got more hours back. if we think programs as they occurred this year were carried out in an acceptable way then looks like next year will not be a large cut of programs. Don't want to see summer programs cut and looks like the numbers are there to support the programs.
- Can we increase fees in areas or generate new fees? If something isn't generating fees, can those fees be increased?
- Hope to retain Mr. Ponek's expertise. Are we looking at all highly compensated people? Are they also chipping in?

Jane McClellan

- Feels going about the problem wrong. Great building in the Kerr McGee center and a public with very little to do. Can turn programs into a money-maker. Suggested ideas for raising fun. Use the building to entertain young people. Charge fees to entrants and have functions like dances, etc.
- Realizes there is a serious budget problem but can still make money in town by utilizing the parks and recreation department and create new revenue programs.
- Confused why nobody is talking about ways to raise money.
- It is hard to get a hold of council members. Have left messages and received only one response from Mr. Taylor.
- Urge those in charge to look at ways to make money. Important you don't box yourself in.

Paul Vanderwerf

- Confused about the actual costs. Understanding the light structure at the parks is confusing. What are the costs of programs and what is being passed on thru fees. Advocate that groups should provide fees and city should not be subsidizing.
- Related story of taking students to ball game. Wanted to rent the gymnasium at \$150 per day but was told would also have to have 2 staff at overtime which increased the cost to a point that it was not reasonable. Program did not develop. What is our five year plan and goals? General plan addresses how many parks and facilities we should have but we do not have a good review of what is there and how is it being used.

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- What are all the costs, fixed; variable; overhead etc.
- Community is willing to get involved but need a comprehensive approach. Will have missed opportunities without a full understanding of all programs and facilities.
- Limited information is confusing. Different groups will assist if they fully understand the costs. Don't have enough information to understand the cost for a program.

Howard Auld

- Appreciate Steve's comment of the responsibility to the Kerr McGehee Center donation.
- Would like to see the shortfall of finances to bring a program to break even.

Barbara Auld

- Asked why would we have an empty building. Referred to city hall being on Balsam Street. Was a business incubator that grew viable businesses. If we have the building with utilities then could be used for rent. Let other businesses rent the building and pay the city for the facility.
 - Jerry Taylor – reassured that council is not talking about a permanent extended period of time building, only at times when not in use could have savings by not staffing.

Dan Clark

- Council is in my thoughts and prayers for the decisions they have to make.
- Can play with numbers and justify each program which will be a horrible experience. Public safety needs.
- Referenced mention of teen court. Need to look at the vision and goals of the program rather than cuts. Keep youth involved. Would rather drive on a bumpy street because kids being incarcerated because we do not have programs to keep them involved.
- Cutting parks and letting police go then we will develop a gang oriented community.
- Can't lose Mr. Ponek, all the positive programs for the kids of the community are a shining star. Keeping our community safe is the most important job the council has. Teen court is not the only silver bullet we use to keep crime down in our community.
- Understand this will be a horrible decision but keep in mind we need to keep what we have to benefit the largest number of youth we can. Keep the focus on positive involvement for our kids.

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Carol Vaughn

- Agree with Mr. Clark, if we do not take care of the kids we won't have a positive community in the future. People rely on the facilities for the youth as a place to go and things to do. Programs are more important than the roads. If I have to choose between the tires on my car and a child going to jail or college then I choose programs. It's the people's job to make the programs continue. Use private entities, increase volunteerism. A lot of people who would like to help. People complain about roads because they see it every day, if given a choice they would choose programs.

Jim Fallgetter

- Applaud the better readability of the presentations and appreciate it.

Gwen Jensen

- When children were small, parents prepared the ball fields and snack bar, should not be up to city completely.
- Wrong in the comments about the senior center. Almost 92 years old and had granddaughter bring me to talk to you. Bakersfield did not help build the senior center. It was built by a grant when seniors were meeting in various churches and the knights of Columbus. Many seniors helped work with Delores green to get a grant to build the facility. Mr. Matthews was correct about the speaker system. City council was meeting on panamint street. Later moved to balsam. County had nothing to do with the building and when they took over was when John McQuiston was running for office. Asked why this senior center was under the City rather than Bakersfield. We made our own menus and approved by a nurse. Carol Chandler was a city employee who worked with us. Used to hold fundraisers to help support the program like spaghetti dinners and a booth at the fair. Had to come here and let you know the truth.

MikeNeel

- Reviewed the numbers presented, appropriations are well over the revenue numbers so not a lot of thinking and micro-managing which program generates what is not necessary. Reality is that police and parks get the most money. Programs won't keep people from becoming gang members, parents keep kids from being gang members. Let the people be responsible. Look at the numbers and decide, do you want to get rid of policemen to keep two people in parks? Courage, resolve, and decidedness is what the people elected you for. Lost TAB funding over arguments of one ball field. If you do this in the budget again you can kiss Measure 'L' goodbye.

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Sean Benson

- Staff reviewed the effects of this proposed budget today. Have a listing prepared. Reviewed cultural affairs functions that will be impacted by the loss of one position. Everybody does more than what is written on the paper because we want the programs to be successful. Spoke on the volunteer background process and the people involved in the volunteer work for the programs. By losing a director and positions the programs will suffer. All work together to make the programs work, if you lose one person you will lose parts of several programs. Spoke on the number 4 and why it works. Maintenance going to public works will take away the staffing to do hall set ups and tear downs for meetings.

Dave Matthews

- Don't want council to lose sight of the overall picture. When growing up, the kids cleared the fields. The concern expressed opposing the programs is that gangs will start coming in. In past the term gang had a different meaning. Problem here as mentioned by people at different times they would rather drive on bumpy streets than see programs cut. Recalled a recent statement at the podium of a person coming to town and deciding not to live here because of the condition of the streets. Need to keep proper balance.

Jerry Taylor

- Reviewed page 49 of the proposed budget. Savings is \$167k. Supportive of park and recreation programs but is irresponsible for council to not balance the budget. Need to be cognizant of not only the comments made here but also of those who vote. Challenge is we are already on the edge with not backfilling police officers. Need to maintain those levels of service. When discussing roads am referring to repairing before costs go up. What I see here, I am not ready to make decision because I don't know what level of service we are keeping. Total work hour capacity will only be a 5% drop. Will be function reallocations. To get police whole would have to cut more. Glad pool is still open, want to look at the functions. Generating revenue, sell more hours. Have to look at what programs are here. Am in favor of keeping the programs full and understand the importance of programs such as swim lessons that saves lives. We have to do our due diligence and balance the budget. These are hard decisions and are in very hard times. Believe we need to do our due diligence and complete this process. Understand the ball field has to stay a ball field, just looking at a creative idea like transferring the program to other groups to save the revenue generating programs.

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Jason Patin

- Need to find creative ways to help generate money to keep the programs. Facilities are used by the high school and other public groups. I know what is said about the facilities. Referred to family members working with BRAC and not once did anyone refuse to come work in Ridgecrest because of the streets but did ask about the facilities we had to offer. Not an option to have a completely brown community. Have to also look at private industry, asked staff to put a program together for other private groups to help with the maintenance issues.

Steve Morgan

- Agree with the last two speakers because previous council's have done exactly what has been suggested. Have tried programs in the past and held dances thru private organizations. They all failed, but could work this time because we have a more sincere need and better foundation. Have no problem getting a kid to volunteer to DJ and charge the kids entry fee and refreshments. Liability and success must be known. Cannot do something if it is not profitable. Related personal experience with businesses. Just as committed to having meetings to work this out. Pleased to see that this is the most passionate conversation we have had about any department in 20 years. Referred to the penny jars and parks and recreation was last every time we did the activity. If public is now giving a change in attitude, it give council a different perspective. Council will still balance the budget and it still won't be nice. If people want to get together and have fundraisers, I'll participate. History repeats itself, willing to do all this again and if we figure out how to raise money we can save more of the department. If we can figure out a way to lease the ball fields, which has been tried before, the bottom line is they knew they could not come up with the dollars because it is expensive. If we can figure a way to do it now we can save more parks and recreations. I don't like being the bad guy but sometimes it is necessary because of the obligation we have to the community. Spoke about Jim Ponek. Don't think anything heard tonight is new. Its all been said before in meetings and in Jim's office. Previous council's and city managers, nothing new has been said tonight. Council did try these things and they didn't work, but we tried. Would like to know in terms of miles of street the past 5 years, how many miles we have oiled, sealed, chipped, paved, etc. I guarantee, of 126 miles of streets, with non-action at least 60 miles or one-half have had some type of surface repair, some have been done several times. Would like to get off the belief that we have not done a lot on the streets. In the last 16 years all major streets have had some type of repair. Can do the same with parks and recreation. We can do it together but not going to be pretty for this budget cycle. Have cut 12 staff members total in the discussions so far, will talk about all of it when we wrap this up. It is tough because I have worked with these people for a long time.

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Chip Holloway

- Would like staff to go back 5 years and look at the gap between revenues and expenditures and how we have closed the gap. Three major programs are sponsored. If we had programs which generate more revenue than the problem is solved. Understand the staff of parks and recreation are upset. More customer contact than any other department. You have to get on board and at least try this for the City's and public's sake. Nobody knows what will happen when we do this, if you aren't part of the solution then the programs will be dead on arrival. Have to try this approach, may have to go down and can build back up. Not willing to cut programs and people until I know the ratio is correct. Gotta have the numbers. If we have to supplement a lease or have other business sponsorship then may be able to make it work.

Jason Patin

- Not talking about businesses giving us money but businesses taking over certain functions like medians.

Ron Carter

- If we are not careful our actions will have a negative effect on the community. Been an educator entire life and if community does not have positive structured programs for youth they will get into trouble. Police have more work to do. Cannot set up the youth for failure. People looking at the community, they ask how are the schools and we have one of the best school districts in California. We have the best quality of teachers. Affordable housing, activities for adults and youth is what people ask about. Not one person asks how are the roads. Need to be very careful what we cut or don't cut. I know the dedication of the parks and recreation staff who are totally dedicated to this city and the citizens of the community. Referred to \$50k budget from past to work with programs and events. Related San Diego high school who hired Bob Hope and other performers to come in and they got the funds they needed to build their football stadium. Asked Jim Ponek to go over the budget and bring something to council with new ideas. Same scenario as police stating that gangs will go up. Fine line to cross. People won't be happy with the decisions we have to make. Still need more money in the reserves and need to generate new revenues to save the community. Don't want to make these cuts because we will go over that fine line. Will fight to prevent that but need parks and recreation to come up with creative ideas. Need to do a parks and recreation district which won't help right now but will bring in revenue we need to offer more programs. Referred to Lancaster/Palmdale recreation programs. Appreciate the input and support and ideas we have heard. Work together and do what we need to do to balance the budget and the parks and recreation district. Respect the parks and recreation staff being here to support the needs of the community.

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Jerry Taylor

- Some people will lose their jobs and others salary, city manager is doing what he can to reduce the overhead costs. We will do what we have to do.

DEPARTMENT AND COMMITTEE REPORTS

Infrastructure Committee

Members: Steve Morgan, Jerry Taylor, Craig Porter, James Sanders
Meeting: 2nd Wednesday Of The Month At 5:00 P.M., Council Conference Room
Next Meeting: June 6, 2012

Jerry Taylor – did not meet, attended the police, pact, and explorers volunteer function

Quality Of Life

Members: Chip Holloway, Jason Patin, Craig Porter, Carter Pope
Meeting: 1st Thursday Of Every Even Month At 12:00 P.M.; Kerr-McGee Center
Next Meeting: June 7, 2012

Chip Holloway

- met and reviewed the same items discussed tonight. Took no action. Reviewed the parks and recreation plan and will bring to full council once the state decision on TAB funds come in.

Jason Patin

- people have asked about the parks plan coming to full council and it will happen when we know if we have funds to spend and how much.

City Organization

Members: Ron Carter, Jerry Taylor, Lois Beres, Christopher LeCornu
Meeting: 1st Tuesday Of The Month At 5:00 P.M.; Council Conference Room
Next Meeting: June 5, 2012

Jerry Taylor – no meeting scheduled

Community Development Committee

Members: Steve Morgan, Jason Patin, Christopher LeCornu, James Sanders
Meetings: 1st Thursday Of The Month At 5:00 P.M.; Council Conference Room
Next Meeting: June 7, 2012

Jason Patin – received report from Gary Parson of projects. Announced meeting.

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

Members: Ron Carter, Chip Holloway, Ron Strand
Meetings: 2nd Monday Of Odd Numbered Months At 4:00 P.M., Kerr-McGee Center
Next Meeting: July 9, 2012

Ron Carter – announced next meeting cancellation

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Chip Holloway, Jason Patin
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: June 6, 2012 at Location to Be Announced

Chip Holloway – announced next meeting.

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

Steve Morgan – Kern COG tomorrow night and will sign contract for new executive director and last meeting as chair for the board.

Jerry Taylor – desert mountain division meeting, septic tank law from 2000 will go into effect and need to be prepared regarding connections to sewer system. Need report of impact.

CITY MANAGER REPORTS

Kurt Wilson

- Difficult process for a lot of people. Everyone looking forward to a resolution and getting everything in place. Difficult time for staff to be unsettled.
- Summary of requests made over the past few days for staff to bring back to council.
- Wished Stephanie Forshee good luck on her new ventures.

MAYOR AND COUNCIL COMMENTS

Jason Patin

- budget process is ugly and do not enjoy it, but not in a hurry as long as we get it right. Last time we rushed it and want to go over everything to be as fair as possible in the cuts and still get a balanced budget. Want to finish by July 1 and get it right. Heartfelt appreciation to Kurt and Tyrell and the rest of the staff who have spent many hours responding to our questions and requests. Thank you to all the city staff for going above and beyond. None of us wanted to publicly cut our benefits and we have all done it voluntarily the same amount as the employees.

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Jerry Taylor

- we are here to set policy, do not believe my benefit package should be the same as a full time employee. Believe we should set the tone. Have personal level experience of what the employees are going thru. Doing what I can to maintain the level of service without cutting and we need help. We are trying to control cost which is our responsibility to the public. We have a general fund reserve of zero which is not good business. We are here to provide services for the citizens that includes utilities. Need to right-size and balance our budget. Want citizens to understand is we have passed a budget and declared a fiscal emergency almost a year ago. This is about passing a budget as soon as we can because we are using money we do not have. Not easy but has to be done. Need to show the citizens we are living within our means and we do need help.

Chip Holloway

- want to thank staff and apologize for what is rolling downhill. Really get frustrated with the public who do not have respect for what you do. Because you are a city employee you get lumped together with others like the city of Bell and it is a shame. The lack of empathy and sympathy from our community is embarrassing. Trash sounds good right now because we at least had money. The draft budget as it is, it's hard to get creative. Any levity here does not mean we are not taking this serious. Not a council member here that doesn't want to get the budget problem solved. I told parks and recreation that we are probably going to have to go down to the basics and then build back up. Its hard to accept reality, but have to believe we can do it and all come together to get this done and be better for it in the future. Committed to getting a budget that we can afford.

Ron Carter

- thanked the staff, in California when the revenues aren't there, the people who suck it up and make sure it keeps going are the employees. Its sad when the employees have to make up the deficit. True for the school district and the city. employees are making up for the deficit. I'm embarrassed when asking a question late and find out the employee is still working. Employees are giving up time with their families and the public don't see that. We will have a balanced budget no matter how painful. Agree with Jason to do it right. Remember last year's budget had some of the same people criticizing because we did it too fast. Have always had a balanced budget and will continue to do so and to do the best we can for the citizens of this community. People want to come here with their negative comments, shame on you. We need to be positive.

Steve Morgan

- thanked the citizens who signed up to be part of the measure 'L' oversight committee. Read the names. Challenged the council to try to have a special meeting on May 31 to continue this discussion. Read article in the news review

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about candidates for first district supervisor. Challenged the news review to describe to the citizens why the paper is endorsing the man running against John McQuiston after saying John McQuiston was one of the best supervisors we have had. Spoke on Mr. Wiknich and other campaigning for Measure H & I and an ad in the swap sheet quoting statistics on term limits. Challenges tom Wiknich to a public forum on may 30 in council chambers to hear both sides. Wants to have a debate about the term limits. Mr. Wiknich wants to take away the public ability to vote for council members.

ADJOURNMENT at 10:00 pm

Rachel J. Ford, CMC
City Clerk

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

SUBJECT:

A Public Hearing regarding the Formation of Landscaping and Lighting District No. 2012-1; Tabulation of the protest ballots received regarding the proposed new assessments; and Adoption of Resolutions (1) declaring the results of the property owner protest ballot proceedings; and (2) Confirming the Engineer's Report for the formation of Landscaping and Lighting District No. 2012-1 and the Assessment Diagram connected therewith, and Ordering the Levy and Collection of Assessments for Fiscal Year 2012/2013.

PRESENTED BY:

Dennis Speer, Director of Public Works

SUMMARY:

At the April 18, 2012 City Council Meeting, the City Council adopted along with other resolutions, a Resolution of Intention which set June 6, 2012 as the public hearing date for the proposed formation of Landscaping and Lighting District No. 2012-1 (the "District") pursuant to the provisions of the Landscaping and Lighting Act of 1972 and called for the protest ballot proceeding regarding the new assessments for the District, pursuant to the requirements of the California Constitution Article XIID. The City of Ridgecrest is proposing the formation of the District to establish a dedicated revenue source to fund the expenses related to the special benefit to properties in the District for the ongoing maintenance, operation and servicing of the local streetscape, landscaping and street lighting improvements established in connection with development of the properties within the residential subdivision known as DR Horton Tract No. 6740, which will include sixty-seven (67) single-family residential properties generally located on the west side of College Heights Boulevard, just north of Kendall Avenue.

Tonight, staff recommends that the City Council take the next and final steps for the formation of the District. 1) It is requested that the City Council open the Public Hearing regarding the formation of the District and assessments to accept public testimony and any written protests regarding these proceedings. 2) Upon conclusion of the public testimony, the Mayor will close the public hearing and direct the City Clerk or their designee to open and tabulate the ballots received, which may take a few minutes.

3) Upon completion of the tabulation, the City Clerk will present to the City Council the results of that tabulation which will be in the form of total dollars (\$) in support of the assessments ("Yes" votes) and the total dollars (\$) opposed to the assessments ("No" votes); and as a matter of procedure, the City Council would then adopt the first of two resolutions which formally declares the results of protest ballot proceedings.

4) Based on the weighted ballot results, if the "No" votes exceed the "Yes" votes then there is a majority protest of the assessments and the City Council will abandon any further proceedings at this time to form the District or to levy the annual assessments. If majority protest does not exist, it is requested that the City Council adopt the second resolution which formally forms the district and establishes the assessments by confirming the Engineer's Report and the Assessment Diagram for the District and ordering the levy and collection of the assessments on the County tax rolls for fiscal year 2012/2013 as described in the report.

FISCAL IMPACT: Formation Costs are being paid for by the developer D.R. Horton.

ACTION REQUESTED:

- 1.) Conduct the Public Hearing regarding the formation of the District and assessments
- 2.) Direct City Clerk or their designee to tabulate the ballots returned.
- 3.) Adopt the resolution declaring the results of the protest balloting.
- 4.) Adopt the resolution confirming the Engineer's Report and the Assessment Diagram, and ordering the levy of assessments for fiscal year 2012/2013.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Submitted by: Loren Culp

Action Date: June 6, 2012

RESOLUTION NO. 12 - ____

A RESOLUTION DECLARING THE RESULTS OF THE PROPERTY OWNER PROTEST BALLOT PROCEEDINGS CONDUCTED FOR THE LEVY OF ASSESSMENTS RELATED TO THE FORMATION OF LANDSCAPING AND LIGHTING DISTRICT NO. 2012-1, COMMENCING IN FISCAL YEAR 2012/2013

WHEREAS, the City Council of the City of Ridgecrest (the "City") pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Part 2, Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the "Act"), did by previous resolutions, initiate proceedings for the formation of Landscaping and Lighting District No. 2012-1 (hereafter referred to as the "District"), and declared its intention to conduct a protest balloting for the levy of new assessments within the District commencing in Fiscal Year 2012/2013 for the special benefits received by properties therein from the improvements related thereto; and,

WHEREAS, in accordance with the provisions of the California Constitution, Article XIII D, the City Council has caused and conducted a property owner protest ballot proceeding for the proposed new assessments to be levied on properties within the District; and,

WHEREAS, the assessments presented to each property owner of record within the District reflects the proportional annual special benefit assessment amount for the parcel or parcels identified on the ballot for the costs and expenses related to the ongoing operation, maintenance, servicing and incidental expenses related to the local landscaping and lighting improvements associated with Landscaping and Lighting District No. 2012-1 as authorized by the Act and the provisions of the California Constitution. The notice and ballot presented to the property owners of record clearly identified the total amount balloted to all properties; the proposed assessment rate and the inflationary adjustment applicable to future assessments; and the proportional annual amount for the parcel or parcels identified on the ballot commencing with Fiscal Year 2012/2013; and,

WHEREAS, upon the close of the Public Hearing held on June 6, 2012, the protest ballots returned by the landowners of record within the District, were opened and tabulated, the results of which are illustrated below:

Yes: \$ _____

No: \$ _____

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

SECTION 1. That the foregoing recitals are true and correct.

SECTION 2. The protest ballot proceedings were conducted with the notices and ballots of the proposed new assessments presented to the qualified property owners of record within the District as required by law, with a required receipt of the returned ballots to the City Clerk prior to the close of the Public Hearing on June 6, 2012.

SECTION 3. The canvass of the protest ballots cast for the proposed District and received prior to the close of the public hearing, weighted according to the proportional financial obligation of the affected properties is hereby approved and confirmed.

SECTION 4. The City Clerk is hereby directed to enter this Resolution on the minutes of this meeting, which shall constitute the official declaration of the result of such property owner protest ballot proceeding.

SECTION 5. This Resolution shall become effective immediately upon its adoption.

SECTION 6. The City Clerk shall certify the adoption of this Resolution.

APPROVED AND ADOPTED this 6th day of June 2012 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

RESOLUTION NO. 12 - ____

A RESOLUTION APPROVING THE FORMATION OF THE LANDSCAPING AND LIGHTING DISTRICT NO. 2012-1; CONFIRMING THE ENGINEER'S REPORT AND THE ASSESSMENT DIAGRAM CONNECTED THEREWITH; AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2012/2013

WHEREAS, the City Council of the City of Ridgecrest (the "City") pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Part 2, Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the "Act"), did by previous resolutions, initiate proceedings for the formation of the Landscaping and Lighting District No. 2012-1 (hereafter referred to as the "District"), and declared its intention to conduct a protest balloting for the levy of new assessments within the District commencing in Fiscal Year 2012/2013 for the special benefits received by properties therein for the operation, maintenance and servicing of local landscaping and the lighting improvements and appurtenant facilities related thereto in accordance with the provisions of the California Constitution Article XIID (the "Constitution"); and,

WHEREAS, an Engineer's Report has been prepared, filed and presented to the City Council in connection with the proceedings for the formation of the District and the annual levy of assessments related thereto commencing in Fiscal Year 2012/2013 as required by the Act and the Constitution; and,

WHEREAS, the City Council has duly held a public hearing regarding these matters and has conducted a property owner protest ballot proceeding for the proposed new assessments related thereto pursuant to the provisions of the Constitution, the results of which have been presented and confirmed by this City Council; and,

WHEREAS, the City Council desires to form the District and to levy and collect assessments against parcels of land within the District for the fiscal year commencing July 1, 2012 and ending June 30, 2013 (Fiscal Year 2012/2013), to pay the costs and expenses associated with the operation, maintenance, and servicing of improvements and appurtenant facilities related thereto that have been determined to be of special benefit to the properties within the District as described in the Engineer's Report; and,

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

SECTION 1. That the foregoing recitals are true and correct.

SECTION 2. Following notice duly given, the City Council has held a full and fair public hearing regarding the formation of the District, the levy and collection of assessments, and has considered all public testimony and written statements, protests and communications made or filed by interested persons. The City Council has evaluated the results of the property owner protest ballot proceedings conducted in

accordance with the provisions of the Constitution, and has determine that majority protest of the assessments did not exist.

SECTION 3. Based upon its review (and amendments, as applicable) of the Engineer's Report, which has been filed with the City Clerk, the City Council hereby finds and determines that:

- 3a) The land within the District will receive special benefit from the operation, maintenance and servicing of the local landscaping and lighting improvements and appurtenant facilities related thereto, to be provided by the District as described in the Engineer's Report.
- 3b) The District as defined by the Assessment Diagram contained in the Engineer's Report, includes all of the lands receiving such special benefit.
- 3c) The net amount to be assessed upon the lands within the District has been apportioned by a formula and method which fairly distributes the net amount among all eligible parcels in proportion to the special benefit to be received by each parcel from the improvements and services to be provided commencing with fiscal year 2012/2013.

SECTION 4. The City Council hereby approves the formation of the District and orders the improvements as described in the Engineer's Report to be made. The improvements so described may include, but are not limited to the materials, equipment, utilities, labor, contract services and incidental expenses necessary for the operation, maintenance and servicing of local landscaping and lighting improvements and appurtenant facilities within the District that provide special benefits to properties therein.

SECTION 5. The maintenance, operation and servicing of improvements shall be performed pursuant to the Act, and for fiscal year 2012/2013 the amount of levy established by the Engineer's Report shall be submitted to the County Auditor of Kern and the County Auditor shall enter on the County Assessment Roll opposite each parcel of land the amount of levy established by the Engineer's Report, and such assessments shall be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the levy shall be paid to the City Treasurer.

SECTION 6. The adoption of this Resolution constitutes the formation of the District, the boundaries of which is identified by the Assessment Diagram; the establishment of the maximum assessment rate and assessment range formula connected therewith; and the assessments to be levied for the fiscal year commencing July 1, 2012 and ending June 30, 2013, as described in the Engineer's Report and adopted by the City Council.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the City Council's approval of the formation of the District; the adoption and confirmation of the Assessment Diagram; and the establishment of the maximum assessment rate, assessment range formula and the assessments for Fiscal Year 2012/2013 as contained in the Engineer's Report.

SECTION 8. City staff or their designee is hereby authorized and directed to file the levy of assessments for fiscal year 2012/2013 as approved, with the County Auditor of Kern.

APPROVED AND ADOPTED this 6th day of June 2012 by the following vote.

AYES:

NOES:

ABSENT:

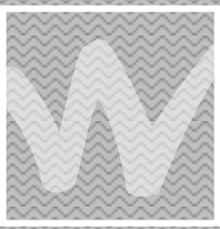
ABSTAIN:

Ronald Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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FINAL ENGINEER'S REPORT

CITY OF RIDGECREST

FORMATION OF

LANDSCAPING AND LIGHTING DISTRICT
NO. 2012-1

FISCAL YEAR 2012/2013

Submitted this 24th Day of May, 2012

CITY OF RIDGECREST
100 W CALIFORNIA AVE
RIDGECREST, CA 93555

PREPARED BY
WILLDAN FINANCIAL SERVICES



WILLDAN
Financial Services

*extending
your
reach*



ENGINEER'S REPORT AFFIDAVIT

City of Ridgecrest

Landscaping and Lighting District No. 2012-1,

(DR Horton Tract No. 6740)

**District Formation and
Annual Levy of Assessments for
Fiscal Year 2012/2013**

**City of Ridgecrest
Kern County
State of California**

This Report and the enclosed budget, assessments, descriptions and diagrams outline the proposed formation of the City of Ridgecrest's Landscaping and Lighting District No. 2012-1 (DR Horton Tract No. 6740) and includes each lot, parcel, and subdivision of land within said District, as the same existed at the time this Report was prepared. Reference is hereby made to the Kern County Assessor's parcel maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____, 2012.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of Rancho Cordova

By: _____

Jim McGuire
Senior Project Manager

By: _____

Richard Kopecky
R. C. E. # 16742



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Introduction

Pursuant to the provisions of the *Landscape and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500* (hereafter referred to as the “1972 Act”), and in compliance with the substantive and procedural requirements of *Article XIII D of the California State Constitution* (hereafter referred to as the “California Constitution”), the City Council of the City of Ridgecrest, County of Kern, State of California (hereafter referred to as “City”), propose to form a special benefit assessment district designated as:

Landscaping and Lighting District No. 2012-1

(hereafter referred to as the “District”), which includes all lots and parcels of land within the planned residential development known as DR Horton (Tract No. 6740). This Engineer’s Report (hereafter referred to as “Report”) has been prepared in connection with the formation of said District and the levy and collection of annual assessments related thereto as required pursuant to *Chapter 1, Article 4* of the 1972 Act.

The City Council proposes to form the District, and levy and collect annual assessments on the County tax rolls commencing in fiscal year 2012/2013, to provide funding for the ongoing costs and expenses required to service and maintain the street lighting and landscape improvements associated with and resulting from the development of the residential properties identified as Tract No. 6740 and known as the DR Horton development located on the west side of College Heights Boulevard, just north of Kendall Avenue. The improvements to be provided by the District and the assessments described herein are made pursuant to the 1972 Act and the provisions of the California Constitution.

This Report describes the District, the improvements, and the proposed assessments to be imposed upon properties in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements. The assessments outlined in this Report represent an estimate of the annual direct expenditures, incidental expenses, and fund balances that will be necessary to maintain and service the improvements to be provided by the District and are based on current development plans and specifications for Tract No. 6740. The current development plans and specifications for Tract No. 6740 and the associated improvements are on file in the Office of Public Works of the City of Ridgecrest and by reference these plans and specifications are made part of this Report.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessment Number (Assessor’s Parcel Number—“APN”) by the Kern County Assessor’s Office. The County Auditor/Controller uses Assessment Numbers and specific District Fund Numbers, to identify on the tax roll, properties assessed for special district assessments. Each parcel within the District shall be assessed proportionately for only those improvements for which the parcel receives special benefit.

As part of this District formation, the City Council shall conduct a Property Owner Protest Ballot proceeding for the proposed levy of new assessments pursuant to the provisions of the California Constitution, Article XIII D Section 4. In conjunction with this ballot

proceeding, the City Council will conduct a public hearing to consider public testimonies, comments and written protests regarding the formation of the District and levy of assessments. Upon conclusion of the public hearing, property owner protest ballots received will be opened and tabulated to determine whether majority protest exists (ballots shall be weighted based on assessment amounts), and by resolution the City Council will confirm the results of the ballot tabulation.

If there is majority protest of the proposed assessments, the proceedings for the formation of the District and the levy of assessments shall be abandoned. If majority protest does not exist, the City Council may direct any necessary modifications to the Report, approve the Report (as submitted or amended); order the formation of the District; direct the improvements to be made; and approve the levy and collection of assessments. The assessment rates and method of apportionment described in this Report, as approved or modified by the City Council, define the initial maximum assessment to be applied to the parcels within the District as of fiscal year 2012/2013. The assessments so authorized, including the assessment range formula described herein may be submitted to the Kern County Auditor/Controller for inclusion on the property tax roll for each affected parcel commencing in fiscal year 2012/2013.

Commencing in fiscal year 2013/2014 and each subsequent fiscal year, an annual engineer's report for the District shall be prepared and presented to the City Council to address any proposed changes to the District including any proposed annexations, changes to the improvements, budgets and assessments for that fiscal year. The City Council shall annually hold a noticed public hearing regarding these matters prior to approving and ordering the levy of assessments for the upcoming fiscal year.

This Report consists of five (5) parts:

Part I

Plans and Specifications: A general description of the properties and developments within the boundaries of the District and the proposed improvements associated with the District is provided in this section of the Report. The District is being established with a single zone of benefit encompassing each of the residential properties within Tract No. 6740.

Part II

Method of Apportionment: A discussion of benefits the improvements and services provide to properties within the District and the method of calculating each property's proportional special benefit and annual assessment. This section also identifies and outlines an assessment range formula that provides for an annual adjustment to the maximum assessment rate that establishes limits on future assessments, but also provides for reasonable cost adjustments due to inflation without the added expense of additional Ballot Proceedings.

Part III

District Budget: An estimate of the annual costs to operate, maintain, and service the landscaping, lighting, and appurtenant facilities installed and constructed in connection with the development of properties within the DR Horton development (Tract No. 6740). This budget includes an estimate of anticipated direct maintenance costs and incidental expenses including, but not limited to, administration expenses and collection of appropriate fund balances to establish an initial maximum assessment to be approved by the property owners of record. The maximum assessment amount to be balloted for each parcel represents that parcel's proportional special benefit of the net annual costs to provide the improvements and excludes any costs that are considered general benefit or are funded by other sources. The proposed assessments for the first fiscal year (2012/2013), and each subsequent year shall be based on the estimated net annual cost of operating, maintaining, and servicing the improvements for that fiscal year as well as funds to be collected for authorized reserves or installments for long term maintenance activities that cannot be reasonably collected in a single fiscal year's assessments. The proposed maximum assessment (also referred to as the "Rate per Equivalent Benefit Unit") identified in the budget of this Report establishes the initial maximum assessment for fiscal year 2012/2013 and shall be adjusted annually by the Assessment Range Formula described in Part II of this Report.

Part IV

District Diagram: A Diagram showing the exterior boundaries of the District that encompasses each parcel determined to receive special benefits from the improvements. Parcel identification, and the lines and dimensions of each lot and parcel of land within the District, is inclusive of all lots and parcels of land within Tract No. 6740.

Part V

Assessment Roll: A listing of the proposed assessment amount (initial maximum assessment amount) to be presented to the property owners of record in the Ballot Proceedings required pursuant to the provisions of the *California Constitution*. The proposed maximum assessment amount for each parcel is based on the parcel's proportional special benefit as outlined in the method of apportionment and the proposed initial maximum assessment rate. Each parcel's balloted assessment amount also represents each parcel's proposed assessment for the first fiscal year (Amount proposed to be levied on the County Tax Rolls for fiscal year 2012/2013).

Part I — Plans and Specifications

Description of the District

The territory within this District consists of the lots and parcels of land within Tract No. 6740 within the City of Ridgecrest and referred to as the DR Horton development. This residential subdivision consists of sixty-seven (67) planned single-family residential home sites, associated public right-of-ways and easements as identified on the approved tract maps for Tract No. 6740, and by reference these maps and documents are made part of this Report. This District and the territory therein is currently identified on the Kern County Assessor's Parcel Maps as Book 510; Page 010, Parcel 12 (22.70 acres) and is generally located on the west side of College Heights Boulevard, just north of Kendall Avenue and will eventually include the residential streets designated as Del Rosa Drive, Rain Shadow Court, Salt River Drive, Majestic Sky Court and Wild Thorne Drive.

Improvements and Services

Improvements and Services Authorized by the 1972 Act

As generally defined by the 1972 Act and may be applicable to this District, the improvements and associated assessments may include one or more of the following:

- ◆ The installation or planting of landscaping;
- ◆ The installation or construction of statuary, fountains, and other ornamental structures and facilities;
- ◆ The installation or construction of public lighting facilities including, but not limited to street lights and traffic signals;
- ◆ The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof;
- ◆ The installation of park or recreational improvements, including, but not limited to, all of the following:
 - Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - Lights, playground equipment, play courts, and public restrooms.
- ◆ The acquisition of land for park, recreational, or open-space purposes or any existing improvement otherwise authorized pursuant to this section.

- ◆ The maintenance or servicing, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement including but not limited to:
 - Repair, removal, or replacement of all or any part of any improvements;
 - Grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;
 - Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
 - The removal of trimmings, rubbish, debris, and other solid waste;
 - The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti;
 - Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements;
 - Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.

- ◆ Incidental expenses associated with the improvements including, but not limited to:
 - The costs of the report preparation, including plans, specifications, estimates, diagram, and assessment;
 - The costs of printing and advertising, and publishing, posting and mailing of notices;
 - Compensation payable to the County for collection of assessments;
 - Compensation of any engineer or attorney employed to render services;
 - Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - Costs associated with any elections held for the approval of a new or increased assessment.

District Improvements

The purpose of this District is to ensure the ongoing maintenance, operation and servicing of local landscaping and lighting improvements and amenities established or installed in connection with development of the properties within the DR Horton residential subdivision (Tract No. 6740). The specific improvements to be maintained are identified in various plans and documents associated with Tract No. 6740, which are on file with the City and by reference these plans and documents are made part of this Report. These improvements generally include street lighting within and adjacent to the tract and the various landscaped areas on the perimeter of this development including the public parkways and easements on the west side of College Heights Boulevard and the north side of Kendall Avenue.

Landscape Improvements

The landscape improvements for the District may include, but are not limited to turf, ground cover, shrubs and plants, natural vegetation, trees, irrigation and drainage systems, masonry walls or other fencing, hardscapes, monuments, and associated appurtenant facilities located in the public right-of-ways or landscape easements on the perimeter of Tract No. 6740 that have been dedicated to the City for maintenance. These landscape areas may include, but are not limited to the parkway and entryway areas located on the west side of College Heights Boulevard between Kendall Avenue and the northern boundary of Tract 6740 and the north side of Kendall Avenue between College Heights Boulevard to Del Rosa Drive. The maintenance and servicing of the improvements generally include, but are not limited to all materials, equipment, utilities, labor and incidental expenses including administrative expenses required for the annual operation of the District as well as the performance of periodic repairs, replacement and expanded maintenance activities as needed to provide for the growth, health, and beauty of landscaping and/or the proper operation and functioning of the irrigation and drainage systems as well as the related hardscape amenities including fencing and sidewalks within the public-right-of-ways. The following is a general description of the landscape improvements planned for this District and for which properties may be assessed:

College Heights Boulevard:

- ◆ Approximately 5,450 square feet of landscaped area located on the west side of College Heights Boulevard from the northern boundary of Tract 6740 (Northeast Corner of Lot 1) south to Salt River Drive including the entryway landscaping at the corner of Salt River Drive, which is adjacent to Lot 33. Including, but not limited to approximately:
 - 1,485 square feet of landscaped area in the street right-of-way;
 - 1,826 square feet of landscaped easement associated with Lot 1;
 - 613 square feet of landscaped easement associated with Lot 2;
 - 1,526 square feet of landscaped easement associated with Lot 33;
 - 15 Trees;
 - 207 Shrubs;
 - 25 vines attached to the masonry wall;
 - 313 linear feet of masonry wall;
 - 2,058 square feet of sidewalk area; and
 - The drip irrigation system for these landscaped areas.
- ◆ Approximately 3,982 square feet of landscaped area located on the west side of College Heights Boulevard from Salt River Drive south to Kendall Avenue including the entryway landscaping at the corners of Salt River Drive (adjacent to Lot 34) and Kendall Avenue (adjacent to Lot 61). Including, but not limited to approximately:
 - 2,850 square feet of landscaped area in the street right-of-way;
 - 76 square feet of landscaped easement associated with Lot 34;

- 38 square feet of landscaped easement associated with Lot 59;
- 1,018 square feet of landscaped easement associated with Lot 60;
- 15 Trees;
- 128 Shrubs;
- 34 vines attached to the masonry wall;
- 449 linear feet of masonry wall;
- 1 metal gate;
- 2,916 square feet of sidewalk area; and
- The drip irrigation system for these landscaped areas.

Kendall Avenue:

- ◆ Approximately 1,480 square feet of landscaped area located on the north side of Kendall Avenue between College Heights Boulevard (adjacent to Lot 62) to Wild Thorne Drive including the entryway landscaping at the corner of Wild Thorne Drive (adjacent to Lot 67). Including, but not limited to approximately:
 - 1,310 square feet of landscaped area in the street right-of-way;
 - 170 square feet of landscaped easement associated with Lot 67 at the corner of Wild Thorne Drive;
 - 2 Trees;
 - 122 Shrubs;
 - 47 vines attached to the masonry wall;
 - 561 linear feet of masonry wall;
 - 3,486 square feet of sidewalk area; and
 - The drip irrigation system for these landscaped areas.
- ◆ Approximately 1,243 square feet of landscaped area located on the north side of Kendall Avenue between Wild Thorne Drive and Del Rosa Street including the entryway landscaping and easements at the corners of Wild Thorne Drive (adjacent to Lot 50) and Del Rosa Street (adjacent to Lot 49). Including, but not limited to approximately:
 - 1,243 square feet of landscaped area in the street right-of-way;
 - 5 Trees;
 - 69 Shrubs;
 - 15 vines attached to the masonry wall;
 - 186 linear feet of masonry wall;
 - 1,530 square feet of sidewalk area; and
 - The drip irrigation system for these landscaped areas.

Public Street Lighting Improvements

Public street lighting improvements to be funded by the District assessments may include, but are not limited to, electrical energy, lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenant facilities including, but not limited to:

- ◆ Sixteen (16) street lights located within Tract No. 6740 including:
 - 4 lights on the south side of Rainshadow Court
 - 3 lights on the north side of Salt River Drive
 - 2 lights on either side of Wild Thorne Drive
 - 3 lights on either side of Majestic Sky Court
 - 4 lights on the east side of Del Rosa Street
- ◆ Ten (10) street lights on the perimeter of Tract No. 6740 including:
 - 4 lights on the north side Kendall Street
 - 6 lights on the west side of College Heights Boulevard
- ◆ Any other public lighting facilities on the streets surrounding or adjacent to Tract No. 6740 including future traffic signals that may be deemed necessary or desired for the safe ingress or egress to the properties within the District.

Excluded Improvements

Not included as District improvements are improvements located on private property other than the areas designated above as easements. Such improvements and facilities including street trees shall be provided and maintained by the individual property owners.

Part II — Method of Apportionment

Based on the provisions of the 1972 Act and the California Constitution, this section of the Report summarizes an analysis of the benefits associated with the improvements and services to be provided by the District (both general and special); the resulting District structure (zones of benefit); the formulas used to calculate each parcel's proportional special benefit and assessment obligation based on the entirety of the cost to provide the improvements (method of assessment); and the establishment of an inflationary formula for such assessments to address anticipated cost increases due to inflation (assessment range formula).

Benefit Analysis

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, which include but are not limited to the construction, maintenance, operation, and servicing of landscape improvements, public street lighting and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

In conjunction with the provisions of the 1972 Act, the California Constitution Article XIII D addresses several key criteria for the levy of assessments, notably:

Article XIII D Section 2d defines District as:

“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service”;

Article XIII D Section 2i defines Special Benefit as:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”

Article XIII D Section 4a defines proportional special benefit assessments as:

“An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

Each of the proposed District improvements and the associated costs to maintain and service those improvements have been reviewed, identified and allocated to properties within the District based on special benefit pursuant to the provisions of the California Constitution and 1972 Act. The local improvements provided by this District and for which properties will be assessed have been identified as necessary, desired and required for the orderly development of the properties within District (Tract No. 6740) to their full potential, consistent with the development plans and applicable portions of the City's General Plan. As such, these particular improvements are clearly the direct result of developing each of the individual lots and parcels within the District and although the improvements are within the public right-of-ways or dedicated easements, the financial obligation to support and maintain such improvements would be necessary and required of the individual property owners either directly or through an association if this District was not established. Clearly these local improvements and the long term maintenance and servicing of those improvements directly affect each property and provide shared special benefits including, but not limited to:

- ◆ enhanced property safety (protection and access) from local street lights within and adjacent to the development;
- ◆ enhanced property and neighborhood appearance (esthetics) resulting from well maintained landscaped areas, graffiti and debris control on the perimeter and entryways to the development; and,
- ◆ the long term economic and environmental advantages to properties including the enhanced presentation and marketability of properties that have such improvements, expanded green space and trees which reduce traffic noise and dust, and the long-term cost-efficiency of services being provided by the City (economy of scale) as well as the regulatory restrictions on future cost increases.

Based on the parameters of special benefit as outlined by the Constitution, general benefit may be described as an overall and similar benefit to the public in general resulting from the improvements, activity or service to be provided for which an assessment is levied. Although the District improvements are located on public streets that are visible to the general public, it is clear that the ongoing maintenance of these improvements are only necessary for the appearance, safety and advantage of the properties within the District and are not required nor necessarily desired by any properties outside the District boundary. Inasmuch as the improvements and the services to be provided are specific to the development and properties within the District boundaries and these improvements and services do not extend beyond the District boundaries (The District encompasses all properties receiving special benefits), any access or proximity to these improvements by other nearby properties or developments would be considered incidental and the potential general benefits to the public at large are considered intangible. Therefore it has been determined that these District improvements provide no measurable or quantifiable general benefit to properties outside the District or to the public at large.

The method of apportionment (method of assessment) established herein is based on the premise that each assessed property receives special benefits from the improvements,

services and activities to be funded by such assessments, and the assessment obligation for each parcel reflects that parcel's proportional special benefits as compared to other properties that receive special benefits as outlined in the preceding definitions established in the California Constitution. The proposed assessment revenues to be collected for the District provide a means by which property owners can collectively and effectively fund the cost of shared local improvements that directly impact their property. The District assessments will support the operation and maintenance of the District improvements and shall be used for only that purpose, consistent with the intent of the Act and the Constitution.

Assessment Methodology

By forming this District, the City proposes to annually levy and collect special benefit assessments in order to maintain and service the improvements associated with Tract No. 6740. The estimated annual cost to maintain the improvements are identified in the budget section of this Report, including all estimated annual expenditures; funding for long term repair, replacement and rehabilitation costs; incidental expenses necessary to operate and support the district including administration and authorized reserve; and any revenues from other sources or previous deficit funding that would adjust the amount to be assessed.

In order to calculate and identify the proportional special benefit received by each parcel and ultimately each parcel's proportionate share of the improvement costs it is necessary to consider not only the improvements and services to be provided, but the relationship each parcel has to those improvements as compared to other parcels in the District

Article XIID Section 4a reads in part:

"...The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement or for the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The benefit formula used to determine the assessment obligation should therefore be based upon both the improvements that benefit the parcels within the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements. To identify and determine the special benefit to be received by each parcel and its proportional share of the improvement costs it is necessary to consider both the planned improvements and the properties that benefit from those improvements.

Landscaping and lighting improvements like most public improvements, provide varying degrees of benefit (whether they be general or special) based largely on the extent of such improvements, the location of the improvements in relationship to properties, the different types of properties associated with the improvements and the reason or need for such improvements as it relates to individual properties. To establish the proportional special benefit of each parcel, these factors need to be addressed and formulated in the method of apportionment by the use of benefit zones that reflect the extent and location of the

improvements in relationship to the properties, as well as the specific use and size of each property which reflects each parcel's need for such improvements and its reasonable cost of the proportional special benefit as compared to other properties that benefit from those same improvements.

Zones of Benefit

In an effort to ensure an appropriate allocation of the estimated annual cost to provide various improvements based on proportional special benefits, Districts often times include benefit zones ("Zones") as authorized pursuant to Chapter 1 Article 4, Section 22574 of the 1972 Act:

"The diagram and assessment may classify various areas within an assessment district into different zones where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements."

While the California Constitution requires that "The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement..."; it is reasonable to conclude that certain landscaping and lighting improvements may benefit most if not all properties within a district while other improvements may only provide special benefits to specific parcels, developments or portions of the district (particularly in larger districts), while still other improvements may be identified and proportionately allocated as both special benefits and a general benefit.

Based on a review of the location and extent of the improvements for this District and the direct proximity and relationship to the properties therein, it has been determined that each parcel within Tract 6740 will receive proportionally similar special benefits from the local street lighting and landscape improvements located on the perimeter of the development and the establishment of benefit zones is not really necessary. However, because this is the City's first development being established with a 1972 Act district and it is likely that future developments in the City may facilitate a similar need, Tract 6740 will be established and referred to as Zone 01 for this District. While this Zone designation has no direct bearing on the calculation of proportional special benefit at this time, it does establish an initial zone structure and naming convention that may be utilized for future developments or properties that may be annexed to this District under the provisions of the 1972 Act.

Details regarding the location and extent of the improvements within the District and the Zones therein are on file in the office of the Public Works Department and by reference these documents are made part of this Report. A diagram showing the exterior boundaries of the District is attached and incorporated herein under Part IV (District Diagram) of this Report.

Equivalent Benefit Units

In addition to the use of Zones, the method of apportionment established for this District to reflect the proportional special benefit of each parcel utilizes a weighted methodology of

apportionment commonly referred to as an Equivalent Benefit Unit (EBU) methodology. This method of apportionment establishes the single-family home site as the basic unit of assessment. A single-family residential unit or lot is assigned one (1.0) Equivalent Benefit Unit (EBU) and other property types (land uses) are proportionately weighted (weighted EBU) based on a benefit formula that equates each property's specific characteristics and special benefits to that of the single-family residential unit. This proportional weighting may be based on several considerations that may include, but are not limited to: the type of development (land use), development-status (developed versus undeveloped), size of the property (acreage or units), vehicular trip generation, street frontage, densities or other property related factors including any development restrictions or limitations; as well as the property's location and proximity to the improvements (which would be addressed by its Zone designation).

For most local landscaping and lighting improvements and assessments, the most appropriate proportional special benefit calculation for each parcel is reasonably determined by three basic property characteristics:

- ◆ Proximity — As previously noted, each parcel in the District shall be identified and grouped into Zones based on each parcel's proximity and relationship to the District improvements;
- ◆ Land use — Commercial/Industrial Use; Residential Use, Institutional Use, Vacant Land (Undeveloped Property), Public Property etc.; and,
- ◆ Property Size — Acreage for non-residential properties (both developed and undeveloped); Units for residential properties. Property size (acreage or units) provides a definable and comparative representation of each parcel's proportional special benefit not only to similar types of properties but to other properties as well.

Although this Report addresses the formation of a landscaping and lighting district that is comprised entirely of one planned single-family residential development in which each single-family residential lot has proportionally similar and equal special benefits from the proposed improvements, the following provides a more comprehensive method of apportionment (proportional benefit calculation) that incorporates other commonly classified land uses for comparison purposes and to establish an initial method of apportionment that may reasonably be applied to properties that could be annexed to this District in the future.

Note: The method of calculating the proportional (weighted) special benefit for the various land use types outlined in the following may be modified as needed to accurately reflect each parcel's proportional special benefits compared to other property types, if and when such land uses are annexed and incorporated into the District.

Single-Family Residential Property — is defined as a fully subdivided residential home site with or without a structure. For purposes of establishing the proportional special benefits and equivalent benefit units for other land uses in this District, the single-family

residential land use is designated as the basic unit of assessment and shall be assigned 1.000 EBU per parcel.

Multi-Family Residential & Mixed Use Property — is defined as a fully subdivided residential parcel that has more than one residential unit developed on the parcel. (This land use includes apartments, duplexes, triplexes, etc., but does not include condominiums, town-homes). This land use designation may also include properties identified by the County Assessor's Office as mixed use property for which there is more than one residential unit (known number of residential units) associated with the property and for which the parcel's primary use is residential, but may also include some commercial component or unit associated with that property.

Although multi-family residential properties receive similar special benefits to that of single-family residential property and an appropriate and comparative calculation of proportional special benefits is reasonably reflected by the parcel's total number of residential units, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that multi-family units impact public infrastructure at reduced levels compared to a single-family residence, which is reflective of their reduced structure size, vehicular trip generation and need for various public improvements. Furthermore, as the density (number of units per parcel) increase, the average distance from the improvements tend to increase and the number of vehicular trips generated tend to decline because the population density per unit tend to decrease (largely because of reduced unit sizes). Based on these considerations, it is reasonable to conclude that the proportional special benefits per unit is less than that of a single-family residential property and appropriate weighting of the proportional special benefit per unit for multi-family residential properties as compared to a single-family residential is best represented by the following sliding scale: 0.625 EBU per unit for the first 5 units; plus 0.5.00 EBU per unit for units 6 through 25; plus 0.3.75 EBU per unit for units 26 through 50; plus 0.250 EBU per unit for units 51 through 100; plus 0.125 EBU per unit for units 101 or above.

Condominium/Town-home Property — is defined as a fully subdivided residential condominium or town-home parcel that typically has one residential unit associated with each Assessor's Parcel Number, but is part of a multi-unit development for which each condominium or town-home parcel shares or has common interest (common area) with the other residential parcels in that development.

The development attributes of condominiums and town-homes tend to be a blend of the single-family residential and multi-family residential properties. Like multi-family residential properties, individual units within such developments usually do not have actual street frontage (where the local improvements are located, particularly as it relates to street lights). However, because condominium and town-home properties represent individual residential units that are usually privately owned, like single-family residential properties these properties tend to be owner occupied with relatively fewer vacancies per unit than multi-family residential properties, which in turn represents greater average vehicular trip generation per unit than multi-family residential properties. However, because this property type usually has a much higher development density (greater number of units per acre) than single-family residential properties the actual number of street lights per unit is clearly less

than that of a single-family residential property and the average distance from the improvements tend to increase.

In consideration of the typical development characteristics discussed above, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.750 EBU per unit. (Because these parcels typically represent a single residential unit or small group of units that are each privately owned, no adjustment for multiple units is applied to this land use as it is for multi-family residential properties).

Developed Commercial/Industrial Property — is defined as a developed property with structures (buildings) that is used or may be used for commercial purposes, whether the structures are occupied or not. This land use does not include parcels for which the primary use of the property is considered residential or Hotels and Motels (transient residential). This land use classification includes most types of commercial enterprises including but not limited to commercial retail; food services; banks; shopping centers; recreational facilities; office buildings and professional buildings, as well as industrial properties including service centers; warehousing and manufacturing. This land use classification also includes any parcel that may incorporate a single residential unit, but is also used in whole or in part for commercial purposes.

Clearly, the presence of local landscaping and/or street lighting improvements (or the lack thereof) has a direct and distinct impact on commercial/industrial properties and the businesses associated with those properties. Utilizing vehicular trip generation data outlined by the Institute of Transportation Engineers Informational Report, Seventh Edition; commercial/industrial properties generate on average approximately four (4) times the daily vehicular trips per acre than the trips generated by a single-family residential property (9.57 trips per single-family residential unit compared to 42.32 trips per acre for commercial properties). While the actual daily trips generated by a particular commercial/industrial property may be greater or less than this average, it does provide a reasonable indicator of the proportionality of the special benefits associated with such properties. In support of this finding, an analysis of development densities throughout California indicates that on average for most cities, the combination of single-family and condominium developments yield approximately 4.06 residential units per acre.

While the preceding clearly suggests that the direct proportional special benefits to commercial/industrial properties is reasonably reflected by an apportionment of 4.000 EBU per acre, because most commercial/industrial parcels represents a separate and independent commercial enterprise or business, it has been determined that the proportional special benefit for any individual commercial or industrial parcel is at least equal to that of a single-family residential property. Therefore, a commercial/industrial parcel that is less than one-quarter of an acre in size shall be assigned 1.000 EBU (minimum EBU). Likewise, it is reasonable to conclude that there is a limit to the proportional special benefit that any single parcel receives from local landscaping and lighting improvements (maximum EBU) unless the improvements are specifically and only associated with that individual parcel. Generally, most commercial/industrial properties that are directly associated with landscaping and/or street lighting improvements tend to be less than ten acres (most significantly less), and for those greater than ten acres, a significant portion of the property is for parking or

undeveloped, and their actual frontage along the public streets where the improvements are located is usually no greater than smaller parcels. Therefore it is appropriate for commercial/industrial parcels not be assessed for any acreage greater than ten (10.00) acres, which sets the maximum EBU at 40.000 EBU for this land use classification.

Developed Hotel/Motel Property — Although Hotel/Motel Properties are certainly viewed as a commercial enterprise, and would have similar special benefits as commercial/industrial properties for landscape improvements, these properties clearly have a more significant nighttime use and traffic generation than other commercial/industrial properties that result from their transient residential activities. Clearly, the presence of local street lighting or the lack thereof can have a direct and significant impact on hotel and motel properties because of their heightened nighttime business activities. To reflect this increased proportional special benefit resulting from higher nighttime use and need for local street lighting as compared to other commercial/industrial properties, the proportional special benefits and assessments for this land use classification shall be based on 6.000 EBU per acre. As with commercial/industrial properties, minimum and maximum acreage limits shall be applied in calculating each parcel's individual assessment. These acreage limits result in a minimum Equivalent Benefit Unit of 1.500 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 60.000 EBU for parcels greater than ten acres.

Developed Institutional Property — is defined as developed private properties used for the purposes of public related services or activities, including but not limited to Colleges, Private Schools, Places of Worship, Day Care Centers, Fraternal Organizations, Hospitals, Convalescent or Retirement Homes, or other similar public service or assembly type properties.

Although properties in this land use classification are certainly considered non-residential properties, these properties certainly benefit less from local landscaping and lighting improvements than commercial/industrial properties based on several considerations: they represent businesses/operations that provide public related or community services (educational, medical care, religious etc.); they are generally non-profit organizations; and they usually have less weekly hours of operation and less vehicular trip generation than similar sized commercial/industrial properties. Based on these considerations, the Equivalent Benefit Units applied to these properties shall be based on 2.000 EBU per acre with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.500 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 20.000 EBU for parcels greater than ten acres.

Developed Public Property — is defined as developed public or government owned property used for public related services or activities, including but not limited to city facilities including parks, community centers, fire and police stations, and city offices; county or state offices and facilities; federal, state or county court facilities; US postal service facilities; public schools; public utility facilities or offices; or other similar developed public properties.

While many of these properties have the potential to be converted or utilized as commercial or other non-residential enterprises, because their purpose and function is specifically for

public related services and activities. They generally have no or limited nighttime use, and have an average vehicular trip generation that is similar to Institutional properties. Therefore, the Equivalent Benefit Units applied to these properties shall be based on 2.000 EBU per acre with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.500 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 20.000 EBU for parcels greater than ten acres.

It should be noted however, that the County Tax Collector's Office typically identifies these properties as "Non-Taxable" and does not generate tax bills for such properties and as a matter of practical application, the calculated special benefit and proposed assessment obligation for such properties cannot be collected through the tax roll as other District assessments. Therefore, in addition to any costs determined to be of general benefit, the City shall contribute to the District additional funding to cover the proportional assessment revenue that would otherwise be applied to these properties. Each fiscal year, the assessment engineer shall calculate the proportional special benefit and financial obligation associated with these properties and the annual budget shall reflect a City contribution in an amount to the District that is equal to or greater than that calculated obligation. (The amount of that contribution need not be identified separately, but may be included as part of the City's overall annual contribution to the District). Because no actual assessment shall be levied on parcels classified as Public Property, as part of any notice and ballot proceedings being conducted in connection with the District, the ballots for these properties shall reflect a zero (\$0.00) assessment amount.

Parking Lot/Limited Use Property — This land use classification is applied to developed privately owned properties that the City considers not to be fully developed commercial/industrial, institutional or residential properties. This land use classification is typically applied to parcels that are identified as parking lots with limited or no buildings; but may also identify parcels that have limited or restricted non-residential use where the typical commercial/industrial or institutional classification is not applicable or appropriate. The Equivalent Benefit Units applied to these properties shall be based on 1.000 EBU per acre with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.250 EBU for parcels less than one-quarter of an acre and a maximum Equivalent Benefit Unit of 10.000 EBU for parcels greater than ten acres.

Vacant Property — is defined as property that has been identified as undeveloped, but has reasonable development potential (Few or no development restrictions). When considering the special benefits from landscaping and lighting improvements it becomes evident that the proportional special benefits associated with vacant property is clearly less than that of developed properties. Although vacant properties certainly derive special benefits from local landscaping and lighting improvements, these special benefits are limited to the land (lot) itself. Conversely, approximately half of the direct and immediate special benefits for developed properties are related to the daily use or potential use of that property. Therefore, the Equivalent Benefit Units applied to these properties shall be based on 0.500 EBU per acre (half as much as Parking Lot/Limited Use Property) with the same minimum and maximum acreage limits that are applied to other acreage-based properties. These limits result in a minimum Equivalent Benefit Unit of 0.125 EBU for parcels less than one-quarter

of an acre and a maximum Equivalent Benefit Unit of 5.000 EBU for parcels greater than ten acres.

Exempt Property (Parcel) — identifies parcels that for various reasons, it has been determined that the parcel does not and will not receive special benefits from the improvements. This land use classification may include but is not limited to:

- ◆ Lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County);
- ◆ Dedicated public easements including open space areas, utility rights-of-way, greenbelts, parkways, or other publicly-owned or utility-owned land that serves the community or general public and are not considered or classified as developed public properties;
- ◆ Parcels of land that are privately owned, but cannot be developed independently from an adjacent property or is part of a shared interest with other properties, such as common areas, sliver parcels, bifurcated lots or properties with very restrictive development potential or use.

Because these properties either provide a public service that is comparable to landscaping or street lighting improvements, or they are dependent on another property or development, these types of parcels have no direct need for such improvements and are considered to receive no special benefits. Therefore these parcel shall be exempt from assessment and are assigned 0.0000 EBU. However, these properties shall be reviewed annually by the assessment engineer to confirm the parcel's use and/or development status has not changed.

Special Case Property — In many districts where multiple land use classifications are involved, there may be one or more properties that the standard land use classifications do not accurately identify the use and special benefits received from the improvements or there may be something about that particular parcel that should be noted for review in subsequent fiscal years.

The Equivalent Benefit Units assigned to Special Case Properties will vary depending on the circumstances and reasons for treating each particular property as a Special Case. The Equivalent Benefit Unit(s) assigned to each such parcel may be based on adjusted acreage, units or a combination of those factors. The City and/or the assessment engineer tasked with the administration of the District shall annually review each parcel designated as a Special Case Property and based on that review shall make appropriate adjustments to that property's land use and Equivalent Benefit Unit assignment as warranted.

The following is a summary of property types and the Equivalent Benefit Unit assignments described in the preceding discussion of Equivalent Benefit Units.

Summary of Equivalent Benefit Unit Assignments

Land Use	Benefit Unit Calculations
Single-Family Residential Property	1.000 per unit
Multi-Family Residential & Mixed Use Property	0.625 per unit (units 1-5)
	0.500 per unit (units 6-25)
	0.375 per unit (units 26-50)
	0.250 per unit (units 51-100)
	0.125 per unit (units greater than 100)
Condominium/Town-home Property	0.750 per unit
Developed Commercial/Industrial Property	4.000 per acre (minimum 1.000 EBU; maximum 40.000 EBU)
Developed Hotel/Motel Property	6.000 per acre (minimum 1.500 EBU; maximum 60.000 EBU)
Developed Institutional Property	2.000 per acre (minimum 0.500 EBU; maximum 20.000 EBU)
Developed Public Property	2.000 per acre (minimum 0.500 EBU; maximum 20.000 EBU)
Parking Lot/Limited Use Property	1.000 per acre (minimum 0.250 EBU; maximum 10.000 EBU)
Vacant Property	0.500 per acre (minimum 0.125 EBU; maximum 5.000 EBU)
Exempt Property	0.000 per parcel
Special Case Property	varied based on circumstances associated with each parcel

Allocation of Improvement Costs

Pursuant to the provisions of the California Constitution, the proportionate special benefit derived by each parcel within the District and its corresponding assessment obligation shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement.

The benefit formula applied to parcels within this District is based on the preceding EBU discussion and table. Each parcel's EBU correlates the parcel's special benefit received as compared to the other parcels benefiting from the District improvements.

The following formula is used to calculate each parcel's proportional benefit:

$$\text{Property Type EBU} \times (\text{Acreage/Units/Parcel/Lot}) = \text{Parcel EBU}$$

An assessment amount per EBU ("Rate") for the District improvements is established by taking the total cost of the improvements and dividing that amount by the total number of EBUs for parcels benefiting from such improvements.

$$\text{Total Balance to Levy} / \text{Total EBUs} = \text{Levy per EBU ("Rate")}$$

This amount is then applied back to each parcel's individual EBU to determine each parcel's proportionate benefit and assessment obligation.

$$\text{Rate} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

Assessment Range Formula

Any new or increased assessment requires certain noticing and meeting requirements by law. The Brown Act defines the terms "new or increased assessment" to exclude certain conditions. These certain conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed."

Recognizing that the cost of maintaining the improvements will likely increase over time due to inflation, the assessments (initial maximum assessment rate established herein for fiscal year 2012/2013) shall include a fixed 3.5% annual inflationary adjustment (Assessment Range Formula). This 3.5% annual adjustment provides for reasonable increases and inflationary adjustment to the initial maximum assessment rate to be approved by the property owners as part of the protest ballot proceeding to be conducted in connection with the formation of this District.

The adoption of the maximum assessment rate and the Assessment Range Formula described herein does not mean that the annual assessments will necessarily increase each year nor does it absolutely restrict the assessments to the adjustment amount. Although the maximum assessment amount that may be levied shall be adjusted (inflated) by 3.5% each year, the actual amount to be assessed will be based on the District's estimated costs (budget) for that year. If the calculated assessment is less than the adjusted maximum assessment, then the calculated assessment may be approved by the City Council for collection. If the calculated assessment (based on the proposed budget) is greater than the adjusted maximum assessment for that fiscal year, then the assessment is considered an increased assessment and would require a property owner approval through a protest ballot proceeding before imposing such an increase. Otherwise, it would be necessary to reduce the budget or provide a contribution from the City to reduce the amount to be levied to an amount that can be supported by an assessment rate less than or equal to the maximum assessment rate authorized for that fiscal year.

The Assessment Range Formula (3.5% annual adjustment) shall be applied to the proposed maximum assessment rate identified in the District Budget commencing in fiscal year 2013/2014 and all subsequent fiscal years unless the City Council formally suspends its application.

Part III — District Budget

The following budget outlines the estimated costs to maintain the improvements at build-out and establishes the initial Maximum Assessment per EBU (Maximum Assessment Rate) and the proposed budget and applicable assessment rates for Fiscal Year 2012/2013.

BUDGET ITEMS	Total Budget & Assessment Rate	
	Maximum (FY 2012/2013)	Proposed First Year (FY 2012/2013)
ANNUAL LANDSCAPE MAINTENANCE (DIRECT COSTS)		
Landscape Maintenance Parkway (In ROW)	2,391	-
Landscape Maintenance Parkway (Easement)	1,426	-
Tree Maintenance	311	-
Sidewalk Maintenance	77	-
Masonry Wall Maintenance	348	-
Graffiti/Nuisance Abatement	150	-
Total Annual Maintenance	4,703	-
Landscape Water	1,607	-
Landscape Electricity	207	-
Total Annual Landscape Utilities (Water & Electricity)	1,814	-
Total Annual Lighting (Maintenance & Energy)	4,498	-
Annual Maintenance Direct Costs (Total)	\$ 11,015	\$ -
ANNUAL REHABILITATION/REPLACEMENT COLLECTION		
Parkway Rehabilitation/Replacements (In ROW)	111	111
Slope Rehabilitation/Replacements (Easement)	66	66
Tree Rehabilitation/Replacements	466	466
Sidewalk Rehabilitation/Replacements	37	37
Masonry Wall Rehabilitation/Replacements	340	340
Street Light Rehabilitation/Replacements	440	440
Annual Rehabilitation/Replacement Funding	\$ 1,460	\$ 1,460
Total Annual Maintenance Funding	\$ 12,475	\$ 1,460
INCIDENTAL & OTHER ANNUAL FUNDING EXPENSES		
Reserve Fund Collection	624	624
City Administration/Service Expenses	4,539	2,270
County Administration Fees	38	38
Miscellaneous Administration Expenses	46	-
Total Annual Incidental Funding Expenses	\$ 5,247	\$ 2,932
Total Annual Expenses	\$ 17,722	\$ 4,392
CONTRIBUTIONS/FUNDING ADJUSTMENTS		
Revenues from Other Sources	-	-
City Contribution	-	-
Total Contributions	\$ -	\$ -
Balance to Levy	\$ 17,722	\$ 4,392
DISTRICT STATISTICS		
Total Parcels	67	67
Parcels Levied	67	67
Total Benefit Units	67.0000	67.0000
Levy per EBU (Applied)	\$ 264.52	\$ 65.56
* Maximum Assessment Rate per EBU	\$ 265.00	\$ 265.00

Part IV — District Diagram

The lots and parcels of land within the District consist of the lots and parcels within and associated with the planned residential development known as DR Horton (Tract No. 6740).

As of the writing of this Report, these lots and parcels of land are inclusive of the Kern County Assessor's Parcel Maps as Book 510; Page 01, Parcel 12, and by reference this map and the lines and dimensions described therein are made part of this Report. The District Diagram (boundary map) is provided on the following page and encompasses the entire residential development identified as Tract No. 6740, the boundaries of which are conterminous with the boundaries of parcel 510-010-12, and by reference the diagrams and maps filed for Tract No. 6740 including the lines and dimensions described therein are made part of this Report. The combination of the District Diagram and the Assessment Roll contained in Part V of this Report constitutes the Assessment Diagram for this District.



Part V — Assessment Roll

Parcel identification for each lot or parcel within the District is based on available parcel maps and property data from the Kern County Assessor's Office. A listing of the existing parcels (APNs) to be assessed within this District, along with the corresponding EBU assignment, Maximum Assessment are provided herein. The assessment amount for each parcel represents the amount balloted, the initial maximum assessment amount and the amount proposed to be levied for the first fiscal year (fiscal year 2012/2013).

If any APN submitted for collection of the assessments is identified by the County Auditor/Controller of the County of Kern to be an invalid parcel number for any fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment, Rate and Assessment Range Formula as described in this Report and approved by the City Council.

Assessor's Parcel Number	Tract	Lot	Site Address	EBU	Maximum Assessment FY 2012/2013	Assessment Amount FY 2012/2013
510-211-01	6740	1	101 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-02	6740	2	105 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-03	6740	3	109 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-04	6740	4	113 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-05	6740	5	117 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-06	6740	6	121 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-07	6740	7	125 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-08	6740	8	129 Rainshadow Ct	1.00	\$265.00	\$65.56
510-211-09	6740	26	128 Salt River Dr	1.00	\$265.00	\$65.56
510-211-10	6740	27	124 Salt River Dr	1.00	\$265.00	\$65.56
510-211-11	6740	28	120 Salt River Dr	1.00	\$265.00	\$65.56
510-211-12	6740	29	116 Salt River Dr	1.00	\$265.00	\$65.56
510-211-13	6740	30	112 Salt River Dr	1.00	\$265.00	\$65.56
510-211-14	6740	31	108 Salt River Dr	1.00	\$265.00	\$65.56
* 510-211-15	6740	32	104 Salt River Dr	1.00	\$265.00	\$65.56
* 510-211-16	6740	33	100 Salt River Dr	1.00	\$265.00	\$65.56
510-212-01	6740	34	101 Salt River Dr	1.00	\$265.00	\$65.56
510-212-02	6740	35	105 Salt River Dr	1.00	\$265.00	\$65.56
510-212-03	6740	36	109 Salt River Dr	1.00	\$265.00	\$65.56
510-212-04	6740	37	113 Salt River Dr	1.00	\$265.00	\$65.56
510-212-05	6740	38	117 Salt River Dr	1.00	\$265.00	\$65.56
510-212-06	6740	39	121 Salt River Dr	1.00	\$265.00	\$65.56
510-212-07	6740	40	125 Salt River Dr	1.00	\$265.00	\$65.56
510-212-08	6740	41	129 Salt River Dr	1.00	\$265.00	\$65.56
* 510-212-09	6740	54	124 Majestic Sky Ct	1.00	\$265.00	\$65.56

Assessor's Parcel					Maximum Assessment	Assessment Amount
Number	Tract	Lot	Site Address	EBU	FY 2012/2013	FY 2012/2013
* 510-212-10	6740	55	120 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-11	6740	56	116 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-12	6740	57	112 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-13	6740	58	108 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-14	6740	59	104 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-15	6740	60	100 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-16	6740	61	101 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-17	6740	62	105 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-18	6740	63	109 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-19	6740	64	113 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-20	6740	65	117 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-21	6740	66	121 Majestic Sky Ct	1.00	\$265.00	\$65.56
* 510-212-22	6740	67	125 Majestic Sky Ct	1.00	\$265.00	\$65.56
510-213-01	6740	9	201 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-02	6740	10	205 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-03	6740	11	209 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-04	6740	12	213 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-05	6740	13	217 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-06	6740	14	221 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-07	6740	15	225 Rainshadow Ct	1.00	\$265.00	\$65.56
510-213-08	6740	16	2000 Del Rosa St	1.00	\$265.00	\$65.56
510-213-09	6740	17	2004 Del Rosa St	1.00	\$265.00	\$65.56
510-213-10	6740	18	2008 Del Rosa St	1.00	\$265.00	\$65.56
510-213-11	6740	19	2012 Del Rosa St	1.00	\$265.00	\$65.56
510-213-12	6740	20	2016 Del Rosa St	1.00	\$265.00	\$65.56
510-213-13	6740	21	216 Salt River Dr	1.00	\$265.00	\$65.56
510-213-14	6740	22	212 Salt River Dr	1.00	\$265.00	\$65.56
510-213-15	6740	23	208 Salt River Dr	1.00	\$265.00	\$65.56
510-213-16	6740	24	204 Salt River Dr	1.00	\$265.00	\$65.56
510-213-17	6740	25	200 Salt River Dr	1.00	\$265.00	\$65.56
510-214-01	6740	42	201 Salt River Dr	1.00	\$265.00	\$65.56
510-214-02	6740	43	205 Salt River Dr	1.00	\$265.00	\$65.56
510-214-03	6740	44	209 Salt River Dr	1.00	\$265.00	\$65.56
510-214-04	6740	45	213 Salt River Dr	1.00	\$265.00	\$65.56
510-214-05	6740	46	2024 Del Rosa St	1.00	\$265.00	\$65.56
510-214-06	6740	47	2028 Del Rosa St	1.00	\$265.00	\$65.56
510-214-07	6740	48	2032 Del Rosa St	1.00	\$265.00	\$65.56
510-214-08	6740	49	2036 Del Rosa St	1.00	\$265.00	\$65.56
510-214-09	6740	50	2037 Wild Thorne Dr	1.00	\$265.00	\$65.56
510-214-10	6740	51	2031 Wild Thorne Dr	1.00	\$265.00	\$65.56
510-214-11	6740	52	2025 Wild Thorne Dr	1.00	\$265.00	\$65.56
510-214-12	6740	53	2019 Wild Thorne Dr	1.00	\$265.00	\$65.56
Totals				67.00	\$17,755.00	\$4,392.52

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

SUBJECT: A Resolution of the Ridgecrest City Council to award a construction contract to Granite Construction for the reconstruction of the eastbound lanes on Drummond Avenue between China Lake Boulevard and North Norma Street and authorize the City Manager to execute the contract.

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

On Thursday May 17, 2012 a single bid was received and opened for the reconstruction of the eastbound lanes Drummond Avenue between China Lake Boulevard and North Norma Street. The bid is as follows:

<u>Bidder</u>	<u>Bid</u>
Granite Construction Co.	\$325,345.00

The bid was reviewed by the City Engineer, Loren Culp and Willdan Engineering the City's Consulting Engineering firm. Based on this review, it is recommended that the contract be awarded to the lowest responsible and responsive bidder, Granite Construction, with the low bid of \$325,345.00. A purchase order will be issued to Granite Construction in a total amount of \$325,345.00 for the reconstruction of the eastbound lanes of Drummond Avenue. However, an additional amount of \$32,534.50 ten percent (10%) of the purchase order, is being requested for any contingencies. The total construction project is \$392,544.50. The State of California is providing Proposition 1B money in the amount of \$415,000.00 for this project and staying within budget will allow for 100 percent funding.

Funding for the execution of the contract shall come from account 018-4760-430-4601 ST1102.

FISCAL IMPACT:

Reviewed by Finance Director

ACTION REQUESTED:

Adopt a Resolution of the Ridgecrest City Council to the award of a construction contract to Granite Construction for the reconstruction of eastbound lanes on Drummond Avenue between China Lake Boulevard and North Norma Street and authorize the City Manager to execute the contract.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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RESOLUTION NO. 12-

A RESOLUTION OF THE RIDGECREST CITY COUNCIL TO AWARD A CONTRACT TO THE LOWEST RESPONSIBLE BIDDER IN THE AMOUNT OF \$325,345.00 TO GRANITE CONSTRUCTION FOR THE ROAD RECONSTRUCTION OF THE EASTBOUND LANES OF DRUMMOND AVE BETWEEN CHINA LAKE BLVD AND NORTH NORMA STREET AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT.

WHEREAS, a bid was opened on May 17, 2012 for the reconstruction of the eastbound lanes of Drummond Avenue between China Lake Blvd and North Norma street; and

WHEREAS, the results of the bidding is as follows:

<u>Bidder</u>	<u>Bid</u>
Granite Construction Co.	\$325,345.00

WHEREAS, this bid was reviewed by the Consultant, Willdan for a determination of the lowest responsible and responsive bidder: and

WHEREAS, it was determined that Granite Construction was the lowest responsible and responsive bidder \$325,345.00; and

WHEREAS, a purchase order will be issued to Granite Construction in a total amount of \$325,345.00 for construction/reconstruction of the eastbound lanes of Drummond Avenue; and

WHEREAS, the total project cost is \$392,544.50; and

WHEREAS, an additional amount of \$32,534.50 ten percent (10%) of the purchase order is being requested for any contingencies; and

WHEREAS, one hundred percent funding is being made by the State of California Proposition 1B; and

WHEREAS, the funding for the execution of the contract shall come from account 018-4760-430-4601 ST11-02.

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

1. Authorizes award of the contract for the road reconstruction project described herein to the lowest responsible and responsive contractor Granite Construction; and

2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts; and

3. Authorizes the City Manager to execute the agreement.

APPROVED AND ADOPTED this 6th day June 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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

SUBJECT: A Resolution of the Ridgecrest City Council to award a construction contract to Bowman Asphalt Inc for the reconstruction of the north and south bound lanes on College Heights Boulevard between Franklin Avenue and Jarvis Avenue and authorize the City Manager to execute the contract.

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

On Wednesday May 23, 2012, bids were received and opened for the reconstruction of the north and south bound lanes on College Heights Boulevard between Franklin Avenue and Jarvis Avenue. The bids are as follows:

<u>Bidder</u>	<u>Bid</u>
Granite Construction Co.	\$718,059.00
Cooley Construction	\$703,454.38
Bowman Asphalt Inc.	\$683,426.50
Nye & Nelson	\$726,001.00
Griffin Construction	\$735,499.00

The bids were reviewed by the City Engineer, Loren Culp and Willdan Engineering the City's Consulting Engineering firm. Based on this review, it is recommended that the contract be awarded to the lowest responsible and responsive bidder, Bowman Asphalt Inc., with the low bid of \$683,426.50. A purchase order will be issued to Bowman Asphalt Inc. in a total amount of \$683,426.50 for the reconstruction of the north and south bound lanes on College Heights Boulevard between Franklin Avenue and Jarvis Avenue. However, an additional amount of \$68,342.65, ten percent (10%) of the purchase order, is being requested for any contingencies. The total construction project is \$825,204.15. The funding for this project is through the Regional Surface Transportation Program.

Matching funds in the amount of \$115,777.00 shall be made available from the TAB funds if this use is approved by the Oversight Board and Department of Finance or alternatively Traffic Impact Fees Funds.

Funding for the execution of the contract shall come from account 018-4760-430-4601 ST0906.

FISCAL IMPACT: \$115,777.00

Reviewed by Finance Director

ACTION REQUESTED:

Adopt a Resolution of the Ridgecrest City Council to the award of a construction contract to Bowman Asphalt Inc. for the reconstruction of the north and south bound lanes on College Heights Boulevard between Franklin Avenue and Jarvis Avenue and authorize the City Manager to execute the contract.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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RESOLUTION NO. 12-

A RESOLUTION OF THE RIDGECREST CITY COUNCIL TO AWARD A CONSTRUCTION CONTRACT TO BOWMAN ASPHALT INC FOR THE RECONSTRUCTION OF THE NORTH AND SOUTH BOUND LANES ON COLLEGE HEIGHTS BOULEVARD BETWEEN FRANKLIN AVENUE AND JAVIS AVENUE AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT.

WHEREAS, bids were opened on May 23, 2012 for the reconstruction of the north and south bound lanes on College Heights Boulevard between Franklin Avenue and Javis Avenue; and

WHEREAS, the results of the bidding is as follows:

<u>Bidder</u>	<u>Bid</u>
Granite Construction Co.	\$718,059.00
Cooley Construction	\$703,454.38
Bowman Asphalt Inc.	\$683,426.50
Nye & Nelson	\$726,001.00
Griffin Construction	\$735,499.00

WHEREAS, this bid was reviewed by the Consultant, Willdan for a determination of the lowest responsible and responsive bidder: and

WHEREAS, it was determined that Bowman Asphalt Inc. was the lowest responsible and responsive bidder \$683,426.50; and

WHEREAS, a purchase order will be issued to Bowman Asphalt Inc. in a total amount of \$683,426.50 for reconstruction of the north and south bound lanes on College Heights Boulevard between Franklin Avenue and Javis Avenue; and

WHEREAS, the total project cost is \$825,204.15; and

WHEREAS, an additional amount of \$68,342.65, ten percent (10%) of the purchase order, is being requested for any contingencies; and

WHEREAS, the funding for this project is through the Regional Surface Transportation Program; and

WHEREAS, Matching funds in the amount of \$115,777.00 shall be made available from the TAB funds if this use is approved by the Oversight Board and Department of Finance or alternatively Traffic Impact Fees Funds; and

WHEREAS, the funding for the execution of the contract shall come from account 018-4760-430-4601 ST09-06

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

1. Authorizes award of the contract for the road reconstruction project described herein to the lowest responsible and responsive contractor, Bowman Asphalt Inc.; and
2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts; and
3. Authorizes the City Manager to execute the agreement.

APPROVED AND ADOPTED this 6th day June 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

10

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CITY COUNCIL/ REDEVELOPMENT SUCCESSOR AGENCY/ FINANCING
AUTHORITY AGENDA ITEM

SUBJECT:

Resolution 12-Xx, A Resolution Of The Ridgecrest City Council For Real Property Donation To The City And Their Acceptance. Four Properties APN 456-040-04, 05, 07, & 08.

PRESENTED BY:

James E. McRea

SUMMARY:

The Resolution authorizes the City Manager to accept the donation of real property and confirm the fair market value of the donation. The property is being offered through CA Robinson & Co Inc. They are four vacant parcels at the southwest corner of N. Mono St. and W. Coso Ave. The market value of the donations is described in the assessed valuations of the Kern County Assessor records.

Pursuant to Administrative Policy 05-02; Resolution 12-Xx is recommended for adoption accepting donation of real property.

FISCAL IMPACT:

Real Property Assets

Reviewed by Finance Director

ACTION REQUESTED:

Motion to approve Resolution 12-Xx

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Review and Comment

Submitted by: James McRea

Action Date: 6-06-12

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RESOLUTION NO. 12-Xx

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
AUTHORIZING THE ACCEPTANCE OF REAL PROPERTY**

WHEREAS, AN OFFER OF DONATION FOR REAL PROPERTY was extended to the City of Ridgecrest; and

WHEREAS, Attachment No. "1" describing four lots of record; APN 456-040-04, 05, 07, & 08

NOW THEREFORE, BE IT RESOLVED that the subject properties are hereby accepted by the undersigned officer on behalf of the City of Ridgecrest and it consents to recordation thereof by its duly authorized officer.

APPROVED AND ADOPTED on this 6th day of June, 2012 by the following vote:

AYES:

NAYS:

ABSTAIN:

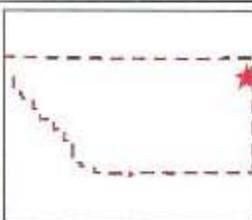
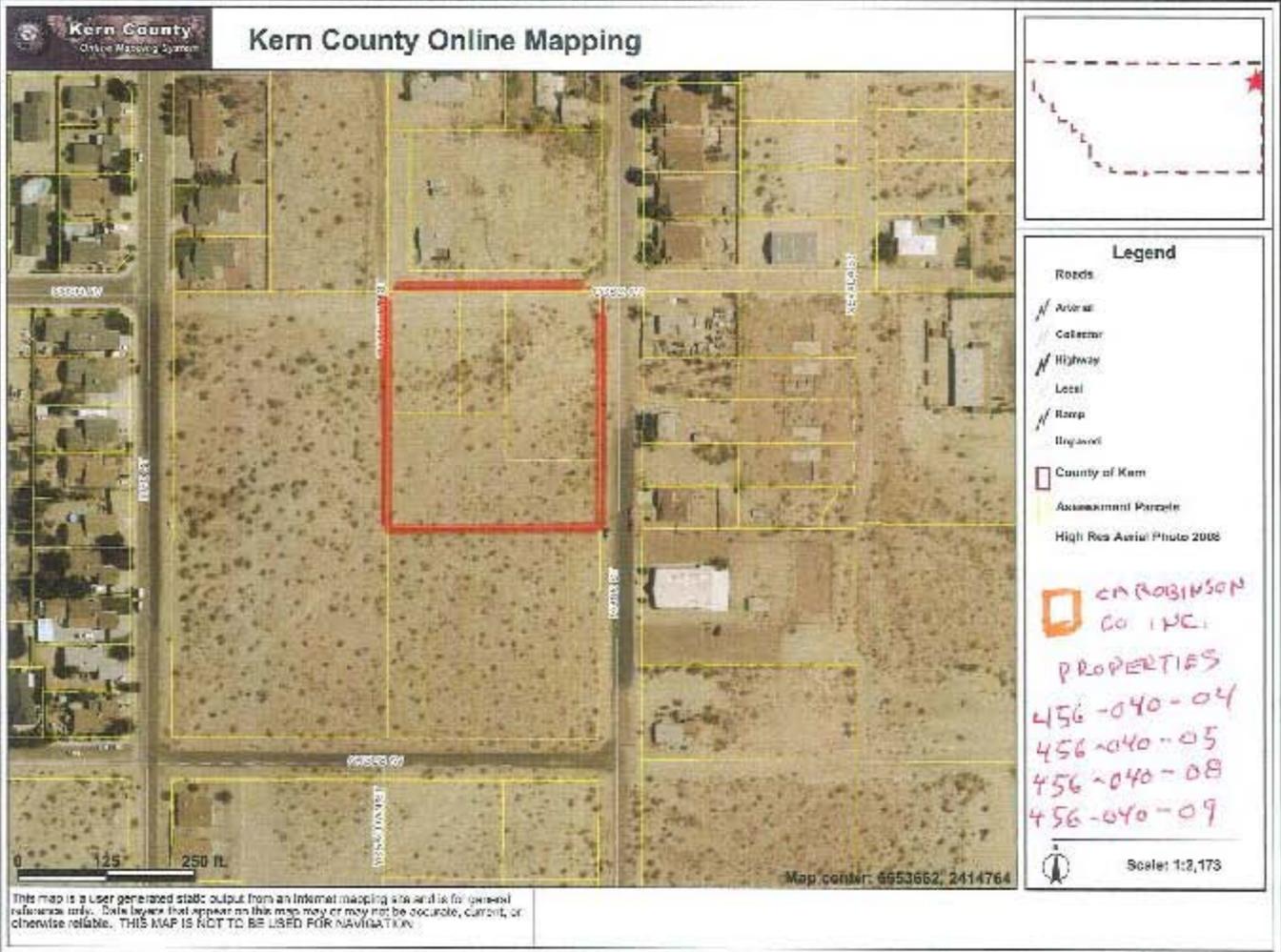
ABSENT:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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Legend

Roads

- Avenue
- Collector
- Highway
- Local
- Ramp
- Bypassed

County of Kern

Assessment Parcel

High Res Aerial Photo 2008

CR ROBINSON
CO INC

PROPERTIES
456-040-04
456-040-05
456-040-08
456-040-09

Scale: 1:2,173

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

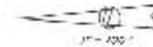
Map center: 6953662, 2414764

456-04

PTN. SE 1/4 SEC. 32 T.26S, R.40E.
R/S 6-87

SCHOOL DIST. 10-9

456-04



33 Revised: Mar. 15, 2006

Note: This map is for assessment purposes only. It is not to be construed as a warranty.

ASSESSORS MAP NO. 456-04

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CITY COUNCIL/ REDEVELOPMENT SUCCESSOR AGENCY/ FINANCING
AUTHORITY AGENDA ITEM

SUBJECT:

Acceptance Of The Transfer Of Real Property Held In Public Interest As Approved By The Oversight Board To The Ridgecrest Redevelopment Successor Agency And Reviewed by The State Of California Department Of Finance (DOF) By Quitclaim Deed And Approval of Resolution No. 12-Xx.

PRESENTED BY:

James E. McRea

SUMMARY:

The Oversight Board to the Ridgecrest Redevelopment Successor Agency at their meeting of April 30, 2012 authorized the reversion of certain properties held in the public interest to the City of Ridgecrest. The former Ridgecrest Redevelopment Agency held title to several properties within the former project area. In accordance with AB1x26 and Health & Safety Code 34181, that property is to be disposed of with the proceeds being reallocated to the taxing agencies. One notable exception to this process applies to property held in the public interest. Staff believes there are five properties subject to this provision. In order for the title to revert to the city under this exemption, approval of the Oversight Board and review by the California State Department of Finance was required.

Staff recommended approval to initiate and complete the related transactions for the following properties for which Quitclaim Deeds are in process.

- A. 1521 North China Lake Blvd. APN 419-073-16
This property is an integral facility for the operations of the city's solid waste and recycling operations. The building houses trucks, personnel, and other equipment related to this function. The collection of solid waste is referenced in several state statutes and represents a clear public health issue. These services are conducted in the interest of the public and, consequently, staff believes the use of this building is consistent with the language and intent of the legislation.

- B. 636 W. Ridgecrest Blvd. APN 67-050-2 & 13
The City of Ridgecrest is responsible for the maintenance of facilities, roads, parks, and other equipment. These tasks are assigned to the Public Works and Parks, Recreation, and Cultural Affairs Departments within the City. The activities of these departments are undertaken on behalf of, and in the interest of, the public. This property is the home of the city's corporate yard. Personnel, vehicles, gasoline and diesel refueling stations, mechanical bays, street repair materials, and other equipment are housed, used, and operated on this site. Staff believes this property is clearly used for a public purpose and falls within the exemption criteria of the legislation.

- C. W. Ward & Chelsea St APN 33-060-23
The city is responsible for various aspects of flood control. While individual property owners share some specific responsibility with respect to flood control on their property, the vast majority of flood control activities are the sole responsibility of the city. Flood control statutes and regulations can be found at all levels of government as a testament to the gravity of the importance to the public. This property, as a flood control channel, is clearly used for a public use and staff believes it falls within the exemption criteria listed in the legislation.

D. 117 S. Downs Ave.

APN 508-020-10

The city of Ridgecrest is responsible for a public parks system for the benefit of the public. This site sits adjacent to an existing park whose usage level has exceeded the capacity of that location. In recognition of the city's need to meet the public needs and demands for recreational facilities, the Redevelopment Agency purchased this land with the clear and well-documented intent of using the property as additional park space to mitigate the existing void. This property is intended to serve a public purpose and staff believes the property falls within the exemption criteria set forth in the legislation.

E. 1140 N China Lake Blvd.

APN 033-070-41

The former Redevelopment Agency developed a business park adjacent to the main road (China Lake Blvd.). This parcel represents the access road from China Lake Blvd. onto the other properties. As a road, whose maintenance responsibilities will fall to the city of Ridgecrest, this parcel represents a public interest. The road is used for a public purpose and staff believes this falls within the exemption criteria outlined in the legislation.

Five (5) Quitclaim Deeds are recommended for acceptance by the City Council. The five (5) Quitclaim Deeds will be forwarded for recordation by the City of Ridgecrest.

FISCAL IMPACT:

Real Property Assets

Reviewed by Finance Director

ACTION REQUESTED:

Motion to approve Resolution 12-Xx

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Review and Comment

Submitted by: James McRea

Action Date 6-06-12

RESOLUTION NO. 12-Xx

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
AUTHORIZING THE ACCEPTANCE OF REAL PROPERTY**

WHEREAS, A TRANSFER FOR REAL PROPERTY was approved by the Oversight Board to the Ridgecrest Redevelopment Successor Agency and reviewed by the California State Department of Finance to the City of Ridgecrest; and

WHEREAS, Attachment No. "1" describing the five (5) parcels held in public interest by the Ridgecrest Redevelopment Successor Agency which were deeded to the prior Ridgecrest Redevelopment Agency by the City of Ridgecrest and now revert back to the City of Ridgecrest; APN 419-073-16; APN 67-050-2 & 13; APN 33-060-23; APN 508-020-10; and APN 033-070-41 and appropriate legal descriptions are attached.

NOW THEREFORE, BE IT RESOLVED that the subject properties are hereby accepted by the undersigned officer on behalf of the City of Ridgecrest and it consents to recordation thereof by its duly authorized officer.

APPROVED AND ADOPTED on this 6th day of June, 2012 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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RECORDING REQUESTED BY:
Ridgecrest Redevelopment
Successor Agency
AND WHEN RECORDED MAIL TO:

City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555
ATTN: RICCA CHARLON

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

A.P.N.: **419-073-16**

Order No.:

Escrow No.:

QUITCLAIM DEED

This document is exempt from payment of a recording fee pursuant to government Code Section 6103.

DOCUMENTARY TRANSFER TAX \$ _____

..Computed on the consideration or value of property conveyed; OR

Signature of Declarant or Agent determining tax - Firm Name

..Computed on the consideration or value less liens or encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Ridgecrest Redevelopment Agency and Ridgecrest Redevelopment Successor Agency

do(es) hereby REMISE, RELEASE AND FOREVER QUITCLAIM to
City of Ridgecrest, a public body corporate and politic

the real property in the City of Ridgecrest, County of Kern, State of California, described as:

The attached Exhibit A for Property Description

APN: 419-073-16

Dated _____

STATE OF CALIFORNIA

COUNTY OF Kern

On _____ before me,

_____, 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 the 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.

(Notary seal)

Signature

Mail tax statements to: **Same as above**

EXHIBIT "A"
To QuitClaim Deed for
1521 N China Lake Blvd.
APN 419-073-16

DESCRIPTION:

THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 26 SOUTH, RANGE 40 EAST, M.D.B.M., IN THE CITY OF RIDGECREST, COUNTY OF KERN, STATE OF CALIFORNIA, AS PER THE OFFICIAL PLAT OF SAID LAND APPROVED BY THE SURVEYOR GENERAL, JANUARY 4, 1856 AND AS SHOWN AS A "NOT A PART OF THIS SUBDIVISION" ON THE MAP OF TRACT 1771 RECORDED IN BOOK 9, PAGES 74 THROUGH 76, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 28; THENCE SOUTH 0°08'39" EAST ALONG THE EASTERLY LINE OF SAID SECTION 28, A DISTANCE OF 995.10 FEET; THENCE SOUTH 89°51'21" WEST 30.00 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING ON THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED RECORDED IN BOOK 1607, PAGE 367 OF OFFICIAL RECORDS; THENCE SOUTH 89°51'21" WEST, 310.80 FEET ALONG SAID SOUTHERLY LINE AND THE WESTERLY PROLONGATION THEREOF TO A POINT IN THE EASTERLY LINE OF SAID TRACT 1771; THENCE SOUTH 1°28'35" WEST ALONG SAID EASTERLY LINE OF SAID TRACT 1771, 198.44 FEET TO A LINE THAT IS PARALLEL WITH AND 100.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES TO THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF GRAAF STREET (30 FEET WIDE) AS SHOWN ON SAID MAP OF TRACT 1771; THENCE SOUTH 89°53'13" EAST, 316.41 FEET ALONG SAID PARALLEL LINE TO THE WESTERLY LINE OF CHINA LAKE BOULEVARD (60 FEET WIDE) AS SHOWN ON SAID MAP OF TRACT 1771; THENCE NORTH 0°08'39" WEST, 199.78 FEET ALONG SAID WESTERLY LINE TO THE TRUE POINT OF BEGINNING.

RECORDING REQUESTED BY:
Ridgecrest Redevelopment
Successor Agency
AND WHEN RECORDED MAIL TO:

City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555
ATTN: RICCA CHARLON

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

A.P.N.: **067-050-02**

Order No.:

Escrow No.:

QUITCLAIM DEED

This document is exempt from payment of a recording fee pursuant to government Code Section 6103.

DOCUMENTARY TRANSFER TAX \$ _____

..Computed on the consideration or value of property conveyed; OR

Signature of Declarant or Agent determining tax - Firm Name

..Computed on the consideration or value less liens or encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

Ridgecrest Redevelopment Agency and Ridgecrest Redevelopment Successor Agency

do(es) hereby REMISE, RELEASE AND FOREVER QUITCLAIM to
City of Ridgecrest, a public body corporate and politic

the real property in the City of Ridgecrest, County of Kern, State of California, described as:

The east one-half of the west one-half of the southwest one quarter of Section 33, Township 26 South, Range 40 East, Mount Diablo Base and Meridian, in the City of Ridgecrest, County of Kern, State of California, according to the official platt thereof, except the south 30 feet thereof as contained in County Road. (consisting of approximately 38.87 acres)
APN: 067-050-02

Dated _____

STATE OF CALIFORNIA

COUNTY OF Kern

On _____ before me,

_____, 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 the 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.

(Notary seal)

Signature

Mail tax statements to: Same as above

RECORDING REQUESTED BY:
Ridgecrest Redevelopment
Successor Agency
AND WHEN RECORDED MAIL TO:

City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555
ATTN: RICCA CHARLON

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

A.P.N.: **067-050-13**

Order No.:

Escrow No.:

QUITCLAIM DEED

This document is exempt from payment of a recording fee pursuant to government Code Section 6103.

DOCUMENTARY TRANSFER TAX \$ _____

- ..Computed on the consideration or value of property conveyed; OR
- ..Computed on the consideration or value less liens or encumbrances remaining at time of sale.

Signature of Declarant or Agent determining tax - Firm Name

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

Ridgecrest Redevelopment Agency and Ridgecrest Redevelopment Successor Agency

do(es) hereby REMISE, RELEASE AND FOREVER QUITCLAIM to
City of Ridgecrest, a public body corporate and politic

the real property in the City of **Ridgecrest**, County of **Kern**, State of California, described as:

The west 470 feet of the southeast one quarter of the southwest one quarter of Section 33, Township 26 South, Range 40 East, Mount Diablo Base and Meridian, in the City of Ridgecrest, County of Kern, State of California, according to the official platt thereof.

(consisting of approximately 13.94 acres)
APN: 067-050-13

Dated _____

STATE OF CALIFORNIA

COUNTY OF **Kern**

On _____ before me,

_____, 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 the 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.

(Notary seal)

Signature

Mail tax statements to: **Same as above**

RECORDING REQUESTED BY:
Ridgecrest Redevelopment
Successor Agency
AND WHEN RECORDED MAILTO:

City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555
ATTN: RICCA CHARLON

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

A.P.N.: **033-060-23**

Order No.:

Escrow No.:

QUITCLAIM DEED

This document is exempt from payment of a recording fee pursuant to government Code Section 6103.

DOCUMENTARY TRANSFER TAX \$ _____

.Computed on the consideration or value of property conveyed; OR

Signature of Declarant or Agent determining tax - Firm Name

.Computed on the consideration or value less liens or encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Ridgecrest Redevelopment Agency and Ridgecrest Redevelopment Successor Agency

do(es) hereby REMISE, RELEASE AND FOREVER QUITCLAIM to

City of Ridgecrest, a public body corporate and politic

the real property in the City of Ridgecrest, County of Kern, State of California, described as:

The attached Exhibit A for Parcel A Property Description

APN: 033-060-23

Dated _____

STATE OF CALIFORNIA

COUNTY OF Kern

On _____ before me,

_____, 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 the 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.

(Notary seal)

Signature

Mail tax statements to: Same as above

EXHIBIT "A"
To QuitClaim Deed for
W. Ward & Chelsea St.
APN 033-060-23

All those portions of Lot 3, Lot 4 and Lot 5 of Tract 1 as described in Quitclaim Deed as recorded at Book 5594 at Pages 597 thru 610 in the Office of the County Recorder of the County of Kern located in Section 27, T26S, R40E, M.D.B. and M. in the City of Ridgecrest, County of Kern, State of California more particularly described as follows:

Commencing for a true point of beginning at the northwest corner of the aforementioned Lot 4 thence along the following 11 courses:

S 00°01'20"E a distance of 290.00 feet along the west line of said Lot 4 to the southeast corner of the aforementioned Lot 3 and the northeast corner of Lot 5,

Thence N 89°58'04" E a distance of 550.00 feet,

Thence S 00°01'20" E a distance of 410.00 feet,

Thence S 89°58'04" W a distance of 550.00 feet to a point on the east line of the aforementioned Lot 5,

Thence continuing S 89°58'04" W a distance of 300.00 feet,

Thence N 00°01'20" W a distance of 410.00 feet to a point on the north line of the aforementioned Lot 5 and on the south line of the aforementioned Lot 3,

Thence continuing along the south line of the aforementioned Lot 3 S 89°58'04" W 341.00 feet to the beginning of a curve which is concave to the north, whose radius point bears N 00°01'56" W and whose central radius is 487.15 feet,

Thence continuing along said curve thru a central angle of 2°49'57" and an arc distance of 24.08 feet to a point from which the radius point of said curve bears N 02° 48'01" E ,

Thence N 00°01'02" W 289.41 feet to a point on the north line of the aforementioned Lot 3,

Thence N 89°58'04" E 665.07 feet along the north line of the aforementioned Lot 3 to the true point of beginning.

RECORDING REQUESTED BY:
Ridgecrest Redevelopment
Successor Agency
AND WHEN RECORDED MAIL TO:

City of Ridgecrest
100 W. California Avenue
Ridgecrest, CA 93555
ATTN: RICCA CHARLON

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

A.P.N.: **508-020-10**

Order No.:

Escrow No.:

QUITCLAIM DEED

This document is exempt from payment of a recording fee pursuant to government Code Section 6103.

DOCUMENTARY TRANSFER TAX \$ _____

..Computed on the consideration or value of property conveyed; OR

Signature of Declarant or Agent determining tax - Firm Name

..Computed on the consideration or value less liens or encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Ridgecrest Redevelopment Agency and Ridgecrest Redevelopment Successor Agency

do(es) hereby REMISE, RELEASE AND FOREVER QUITCLAIM to

City of Ridgecrest, a public body corporate and politic

the real property in the City of Ridgecrest, County of Kern, State of California, described as:

Parcel 8 Parcel Map 5833

(consisting of approximately 25.51 acres)

APN: 508-020-10

Dated _____

STATE OF CALIFORNIA

COUNTY OF Kern

On _____ before me,

_____, 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 the 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.

(Notary seal)

Signature

Mail tax statements to: Same as above

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

SUBJECT:

Discussion And Approval Of A Minute Motion Authorizing The City Manager To Draft A Letter Of Opposition From The Ridgecrest City Council To The County Of Kern With Regard To The Carport/Sally Port Construction At The East Kern Superior Court Division B Building Located At China Lake Boulevard And Coso Street

PRESENTED BY:

Kurt Wilson – City Manager

SUMMARY:

County of Kern recently completed construction of an addition to the East Kern Superior Court Division B Building located at the corner of China Lake Boulevard and Coso Street. This addition includes a parking facility with fencing which is topped with Security Razor Concertina Wire.

While the plans for the construction were approved thru the County offices, City of Ridgecrest was not consulted. Public dissatisfaction with the facility has prompted the Ridgecrest Planning Commission to issue a letter of opposition. Members of City Council have requested a similar letter of opposition be prepared by the City Manager and forwarded to the County of Kern.

FISCAL IMPACT:

No fiscal impact determined.
Reviewed by Finance Director

ACTION REQUESTED:

Approve A Minute Motion Authorizing The City Manager To Prepare On Behalf Of The City Council, A Letter Of Opposition To The Construction Addition Of The East Kern Superior Court Division B Building Located At China Lake Boulevard And Coso Street.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action As Requested Approve A Motion Authorizing The City Manager To Prepare A Letter Of Opposition To The County Of Kern Regarding The Construction Addition To The East Kern Superior Court Division B Building.

Submitted by: Kurt Wilson
(Rev. 02/13/12)

Action Date: June 6, 2012

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

SUBJECT:

Measure 'L' Citizens' Oversight Committee Appointment

PRESENTED BY:

Kurt Wilson, City Manager

SUMMARY:

Like many other cities in California, Ridgecrest is in a dire financial position because the State continues to take local City funds to fix their own budget mess and solve their own budget deficits. Sacramento money grabs and declining revenues have forced Ridgecrest to cut \$3 million in spending and reduce the workforce by 17% - directly affecting essential City services the public relies on.

The City of Ridgecrest has worked hard to balance City budgets and minimize cuts to City services despite declining revenues and State takeaways. However, Sacramento's continual money grabs are making it increasingly difficult to improve our local economy and maintain essential City services such as neighborhood police patrols, 911 emergency response times, crime investigation and prevention, and City street and pothole repair.

At the January 11, 2012 City Council meeting the Ridgecrest City Council declared a fiscal emergency in the City of Ridgecrest.

The declaration of fiscal emergency was a statement that anticipated revenues and cost savings will not be sufficient to avoid reductions to City services, impacting Ridgecrest's quality of life and long-term financial viability.

On February 15, 2012 the Ridgecrest City Council approved placing Measure 'L', Ridgecrest Public Safety/Essential City Services Measure on the June 5, 2012 ballot to address State takeaways and protect essential City services. Community members, police officers and members of the business community urged the Council to place Measure 'L' on the ballot to create a locally-controlled source of revenue that cannot be taken by Sacramento.

Without Measure 'L', the City will not be able to prevent cuts and maintain essential City services. Additional cuts to police service will mean fewer police officers patrolling City streets and fewer neighborhood police patrols. Crime prevention and investigation programs will also have to be reduced or eliminated. More cuts will likely result in longer 911 response times and slower police assistance for life and death emergencies, affecting the City's ability to maintain 911 response times and keep our community safe. More cuts would also mean fewer funds for local streets and roads and hampers efforts to improve our local economy and create jobs.

If adopted by voters, Measure 'L' would provide locally-controlled funds to protect and maintain essential City services. All Measure L funds would stay in Ridgecrest for local City services. No Measure L funds could be taken by the State or County.

The City of Ridgecrest is committed to the highest level of financial accountability and the proper management of taxpayer funds. Measure 'L' includes tough fiscal accountability provisions including annual independent audits and a Citizens' Oversight Committee to insure that spending is consistent with the community's priorities for Measure 'L'. Measure L is legally-required to expire in 5 years unless extended by voters.

Measure 'L' requires establishment of a Citizens' Oversight Committee consisting of five members. The Citizens' Oversight Committee will oversee Measure 'L' expenditures and report to the community.

At the Regular Council meeting of March 21, 2012 Council indicated a preference to appoint committee members with specific category experience such as business owners, seniors citizens/Retiree's, and financial expertise. Council authorized the City Clerk to begin advertisements for applicants to serve on the advisory committee. The City Clerk's office advertised for applications resulting in an applicant pool of nine (9) persons interested in participating as committee members. Council has reviewed the applications and may select members from the applicant pool for appointments or choose to re-open the application period in hopes of generating a larger volume of applications.

FISCAL IMPACT:

Undetermined

Reviewed by Finance Director

ACTION REQUESTED:

Council to review applicants and may take one of the following two actions:

1. Select Appointments to the Measure 'L' Citizen's Advisory Committee from the nine applications received
2. Authorize an additional application period to generate a larger applicant pool.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

Council to review applicants and may take one of the following two actions:

1. Select Appointments to the Measure 'L' Citizen's Advisory Committee from the nine applications received

Authorize an additional application period to generate a larger applicant pool

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

SUBJECT:

Discussion Of The Process Of Giving Staff Direction During The Standing Council Comment Agenda Item

PRESENTED BY:

Jerry Taylor – Council Member

SUMMARY:

At the request of Council Member Taylor, this item is on the agenda for discussion.

The discussion will focus on the process or practice Council has of giving staff direction during the council comment portion of the meeting.

FISCAL IMPACT:

No fiscal impact determined
Reviewed by Finance Director

ACTION REQUESTED:

Discussion And Possible Establishment Of A Formal Process To Follow With Regards To Council Requests Of Staff Members For Action Or Information.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action As Requested: Discussion And Possible Establishment Of A Formal Process For Council To Give Direction To Staff

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

SUBJECT:

Continued Discussions And Council Consideration And Adoption Of Proposed Fiscal Year 2012-2013 Draft Budget

PRESENTED BY:

Tyrell Staheli – Director of Finance

SUMMARY:

This proposed budget reflects the stark fiscal reality facing municipalities throughout the state. Specifically, it reflects the multi-million dollar loss of Redevelopment funding to the state of California following the enactment of Assembly Bill 1X 26. Additionally, it accounts for the loss of temporary federal funding for two police officers. The starting point for this proposal, based on initial direction of city council members, resulted in a deficit of approximately \$3.5 million (and included a continuation of furloughs).

The attached documents outline the proposed funding levels for each department and division. The council has left open the possibility of fee increases in various areas. That recommendation will be preceded by an analysis of the current fee structure as well as input from the City Attorney's office with respect to any limitations in this area.

The changes in funding levels that are ultimately selected by the city council will result in the probable reorganization or reassignment of staff. This will be determined at a later date following the funding decisions being made by the city council.

The primary assumptions for this proposed budget are listed below. The city council retains full authority to accept, reject, or modify any items contained herein.

- | | |
|--|--------------------------------|
| All employees paying full PERS share (7 or 8%) | No lobbyist funding |
| No grant writer funding | No Chamber of Commerce funding |
| No RACVB funding beyond December | No major street projects |
| No paid code enforcement officer | Sale of surplus property |
| No dedicated Economic Development | No changes to street lights |
| No employee furloughs | No passage of Measure L |
| Layoffs of 6 positions: | Downgrade of 2 positions: |
| Police Officer | Director, Parks and Recreation |
| Police Records Clerk | Maintenance Supervisor |
| Maintenance Worker | |
| Maintenance Worker | |
| Recreation Coordinator | |
| Mechanic | |

Each of these reductions are compounded by years of cuts which have negatively impacted the city's ability to provide services. Further reductions in service levels are inevitable and this proposal seeks to align those reductions with the city council priorities.

FISCAL IMPACT:

Undetermined

Reviewed by Finance Director

ACTION REQUESTED:

Continued Discussion Of Proposed Draft Budget For Fiscal Year 2012-2013. Council May Motion To Approve The Draft Budget After Deliberation Of Staffing Proposals.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Continued Discussion Of Proposed Draft Budget For Fiscal Year 2012-2013. Council May Motion To Approve The Draft Budget After Deliberation Of Staffing Proposals.

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

Action Date:

All Funds		FY12 YE	FY13 Proposed
1	General Fund	\$10,872,741	\$10,255,586
2	Gas Tax	\$1,439,375	\$1,055,590
3	Transit	\$1,176,573	\$936,291
5	Wastewater	\$4,259,762	\$1,626,369
9	Redevelopment Agency	\$1,312,023	\$731,760
17	Substandard Streets	\$0	\$12,455
19	RDA Housing Set-Aside	\$3,545,491	\$0
66	Parks & Rec Donations	\$0	\$0
110	Human Res / Risk Mgt ISF	\$742,490	\$844,830
111	Information Sys ISF	\$723,055	\$563,375
112	Printing & Reprod ISF	\$85,050	\$87,000
120	Self-Ins Workers Comp	\$225,000	\$175,000
130	Building Maintenance ISF	\$330,904	\$299,185
140	Fleet Maintenance	\$606,051	\$411,004
210	Grant Operations	\$0	\$0
231	Spec Projects	\$69,975	\$0
265	Storm Drainage Facilities	\$0	\$0
900	City Debt Service	\$914,084	\$1,041,829
929	RRA Debt Service	\$3,580,311	\$4,177,211
		\$29,882,885	\$22,217,485

001 - General Fund		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$7,041,701	\$6,741,699
2XXX	Services & Charges	\$1,680,442	\$1,728,501
3XXX	Materials & Supplies	\$212,905	\$202,690
4XXX	Capital	\$402,968	\$363,000
9XXX	ISF & Overhead Charges	\$1,534,725	\$1,219,696
Fund 001 Totals		\$10,872,741	\$10,255,586

002 - Gas Tax		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$360,811	\$444,310
2XXX	Services & Charges	\$355,287	\$323,100
3XXX	Materials & Supplies	\$509,710	\$133,110
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$213,567	\$155,070
Fund 002 Totals		\$1,439,375	\$1,055,590

003 - Transit		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$397,041	\$610,481
2XXX	Services & Charges	\$109,900	\$128,855
3XXX	Materials & Supplies	\$29,300	\$31,300
4XXX	Capital	\$471,500	\$41,000
9XXX	ISF & Overhead Charges	\$168,832	\$124,655
Fund 003 Totals		\$1,176,573	\$936,291

005 - WasteWater		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$450,618	\$709,808
2XXX	Services & Charges	\$3,147,777	\$550,760
3XXX	Materials & Supplies	\$62,194	\$69,950
4XXX	Capital	\$476,655	\$205,000
9XXX	ISF & Overhead Charges	\$122,518	\$90,851
Fund 005 Totals		\$4,259,762	\$1,626,369

009 - Redevelopment Agency		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$349,647	\$294,915
2XXX	Services & Charges	\$768,900	\$436,845
3XXX	Materials & Supplies	\$1,250	\$0
4XXX	Capital	\$0	\$0
5XXX	Debt Service	\$150,000	\$0
9XXX	ISF & Overhead Charges	\$42,226	\$0
Fund 009 Totals		\$1,312,023	\$731,760

017 - Substandard Streets		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		\$12,455
2XXX	Services & Charges		
3XXX	Materials & Supplies		
4XXX	Capital		
9XXX	ISF & Overhead Charges		
Fund 017 Totals		\$0	\$12,455

019 - RDA Housing Set Aside		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$365,565	\$0
2XXX	Services & Charges	\$3,143,950	\$0
3XXX	Materials & Supplies	\$200	\$0
4XXX	Capital		
9XXX	ISF & Overhead Charges	\$35,776	\$0
Fund 019 Totals		\$3,545,491	\$0

066 - Parks & Rec Donation		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges		
3XXX	Materials & Supplies		
4XXX	Capital		
9XXX	ISF & Overhead Charges		
Fund 066 Totals		\$0	\$0

110 - Human Res / Risk Mgt ISF		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$332,710	\$408,905
2XXX	Services & Charges	\$394,208	\$423,480
3XXX	Materials & Supplies	\$200	\$500
4XXX	Capital		
9XXX	ISF & Overhead Charges	\$15,372	\$11,945
Fund 110 Totals		\$742,490	\$844,830

111 - Information Sys ISF		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$282,376	\$226,229
2XXX	Services & Charges	\$248,029	\$204,900
3XXX	Materials & Supplies	\$41,500	\$33,000
4XXX	Capital	\$121,450	\$68,000
9XXX	ISF & Overhead Charges	\$29,700	\$31,246
Fund 111 Totals		\$723,055	\$563,375

112 - Printing & Repord ISF		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges	\$28,050	\$26,000
3XXX	Materials & Supplies	\$33,000	\$37,000
4XXX	Capital	\$24,000	\$24,000
9XXX	ISF & Overhead Charges		
Fund 112 Totals		\$85,050	\$87,000

120 - Self-Ins Workers Comp		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges	\$225,000	\$175,000
3XXX	Materials & Supplies		
4XXX	Capital		
9XXX	ISF & Overhead Charges		
Fund 120 Totals		\$225,000	\$175,000

130 - Building Maintenance ISF		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$45,037	\$51,818
2XXX	Services & Charges	\$217,587	\$179,767
3XXX	Materials & Supplies	\$25,000	\$10,600
4XXX	Capital	\$43,280	\$57,000
9XXX	ISF & Overhead Charges		
Fund 130 Totals		\$330,904	\$299,185

140 - Fleet Maintenance		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$159,975	\$0
2XXX	Services & Charges	\$41,100	\$42,200
3XXX	Materials & Supplies	\$367,324	\$350,875
4XXX	Capital	\$15,000	\$0
9XXX	ISF & Overhead Charges	\$22,652	\$17,929
Fund 140 Totals		\$606,051	\$411,004

210 - Grant Operations		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$0	\$0
3XXX	Materials & Supplies	\$0	\$0
4XXX	Capital		
9XXX	ISF & Overhead Charges	\$0	\$0
Fund 210 Totals		\$0	\$0

231 - Spec Projects		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges	\$69,975	\$0
3XXX	Materials & Supplies		
4XXX	Capital		
9XXX	ISF & Overhead Charges		
Fund 231 Totals		\$69,975	\$0

265 - Storm Drainage Facilities		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges		
3XXX	Materials & Supplies		
4XXX	Capital		
9XXX	ISF & Overhead Charges		
Fund 265 Totals		\$0	\$0

900 - City Debt Service		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges		
3XXX	Materials & Supplies		
4XXX	Capital		
5XXX	Debt Service	\$914,084	\$1,041,829
9XXX	ISF & Overhead Charges		
Fund 900 Totals		\$914,084	\$1,041,829

929 - RRA Debt Service		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits		
2XXX	Services & Charges		
3XXX	Materials & Supplies		
4XXX	Capital		
5XXX	Debt Service	\$3,580,311	\$4,177,211
9XXX	ISF & Overhead Charges		
Fund 929 Totals		\$3,580,311	\$4,177,211

General Fund - Dept

41XX - General Government		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$807,629	\$791,918
2XXX	Services & Charges	\$806,541	\$530,000
3XXX	Materials & Supplies	\$9,700	\$6,700
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$293,027	\$256,002
Total		\$1,916,897	\$1,584,620

42XX - Public Safety		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$4,730,628	\$4,781,319
2XXX	Services & Charges	\$220,700	\$602,957
3XXX	Materials & Supplies	\$60,550	\$58,350
4XXX	Capital	\$375,818	\$227,000
9XXX	ISF & Overhead Charges	\$932,658	\$708,059
Total		\$6,320,354	\$6,377,685

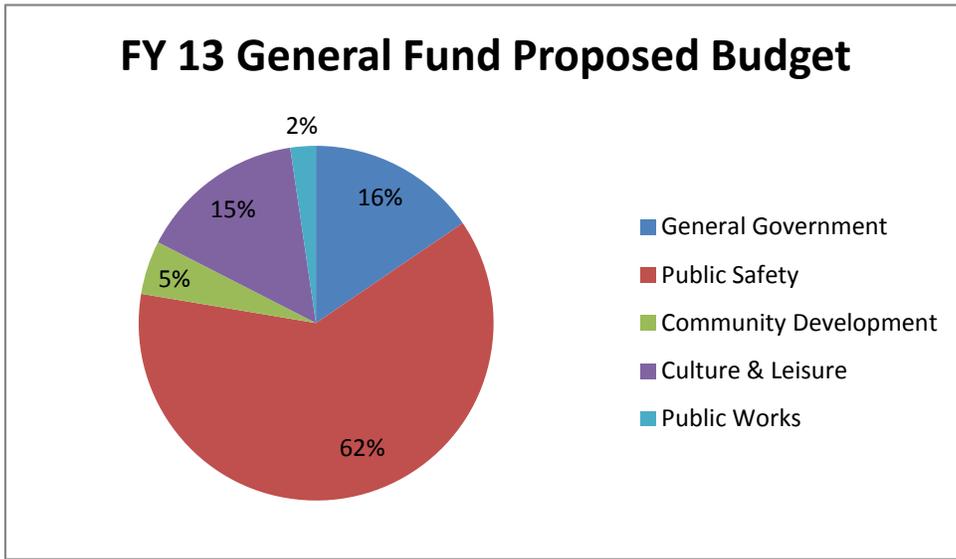
44XX - Community Development		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$226,138	\$247,771
2XXX	Services & Charges	\$151,230	\$147,150
3XXX	Materials & Supplies	\$900	\$350
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$105,518	\$107,617
Total		\$483,786	\$502,888

46XX - Culture & Leisure		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$982,978	\$802,086
2XXX	Services & Charges	\$422,700	\$365,414
3XXX	Materials & Supplies	\$140,255	\$134,790
4XXX	Capital	\$27,150	\$136,000
9XXX	ISF & Overhead Charges	\$144,640	\$112,093
Total		\$1,717,723	\$1,550,383

47XX - Public Works		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$294,328	\$118,605
2XXX	Services & Charges	\$79,271	\$82,980
3XXX	Materials & Supplies	\$1,500	\$2,500
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$58,882	\$35,925
Total		\$433,981	\$240,010

General Fund - Dept

General Fund - by Dept		FY12 YE	FY13 Proposed
41XX	General Government	\$1,916,897	\$1,584,620
42XX	Public Safety	\$6,320,354	\$6,377,685
44XX	Community Development	\$483,786	\$502,888
46XX	Culture & Leisure	\$1,717,723	\$1,550,383
47XX	Public Works	\$433,981	\$240,010
Total		\$10,872,741	\$10,255,586



General Fund - Dept-Div

41XX - General Government

4110 - City Council		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$70,799	\$88,856
2XXX	Services & Charges	\$29,240	\$16,150
3XXX	Materials & Supplies	\$0	\$0
9XXX	ISF & Overhead Charges	\$38,779	\$43,399
Total		\$138,818	\$148,405

4120 - City Manager		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$140,250	\$126,994
2XXX	Services & Charges	\$65,903	\$6,450
3XXX	Materials & Supplies	\$700	\$300
9XXX	ISF & Overhead Charges	\$49,617	\$51,070
Total		\$256,470	\$184,814

4125 - Human Resources		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$5,482	\$35,059
2XXX	Services & Charges	\$67,275	\$78,350
3XXX	Materials & Supplies	\$300	\$100
9XXX	ISF & Overhead Charges	\$14,217	\$10,616
Total		\$87,274	\$124,125

4130 - City Clerk		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$95,160	\$70,119
2XXX	Services & Charges	\$28,661	\$57,050
3XXX	Materials & Supplies	\$500	\$800
9XXX	ISF & Overhead Charges	\$28,988	\$19,609
Total		\$153,309	\$147,578

4140 - Legal Counsel		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$300,000	\$200,000
3XXX	Materials & Supplies	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$300,000	\$200,000

4150 - Financial Administration		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$482,323	\$470,890
2XXX	Services & Charges	\$108,450	\$96,200
3XXX	Materials & Supplies	\$7,700	\$5,500
9XXX	ISF & Overhead Charges	\$124,038	\$106,995
Total		\$722,511	\$679,585

General Fund - Dept-Div

4193 - Advertising & Promotion		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$147,697	\$52,500
3XXX	Materials & Supplies	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$147,697	\$52,500

4199 - Non-Dept		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$13,615	\$0
2XXX	Services & Charges	\$59,315	\$23,300
3XXX	Materials & Supplies	\$500	\$0
9XXX	ISF & Overhead Charges	\$37,388	\$24,313
Total		\$110,818	\$47,613

41XX - General Government		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$807,629	\$791,918
2XXX	Services & Charges	\$806,541	\$530,000
3XXX	Materials & Supplies	\$9,700	\$6,700
9XXX	ISF & Overhead Charges	\$293,027	\$256,002
Total		\$1,916,897	\$1,584,620

General Fund - Dept-Div

42XX - Public Safety

4210 - Police Services		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$4,730,628	\$4,781,319
2XXX	Services & Charges	\$212,600	\$220,400
3XXX	Materials & Supplies	\$49,950	\$58,350
4XXX	Capital	\$375,818	\$227,000
9XXX	ISF & Overhead Charges	\$932,658	\$708,059
Total		\$6,301,654	\$5,995,128

4260 - Disaster Preparedness		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$8,100	\$0
3XXX	Materials & Supplies	\$10,600	\$0
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$18,700	\$0

4280 - Fire Protection Services		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$0	\$382,557
3XXX	Materials & Supplies	\$0	\$0
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$0	\$382,557

42XX - Public Safety		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$4,730,628	\$4,781,319
2XXX	Services & Charges	\$220,700	\$602,957
3XXX	Materials & Supplies	\$60,550	\$58,350
4XXX	Capital	\$375,818	\$227,000
9XXX	ISF & Overhead Charges	\$932,658	\$708,059
Total		\$6,320,354	\$6,377,685

General Fund - Dept-Div

44XX - Community Development

4430 - Building		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$82,120	\$93,017
2XXX	Services & Charges	\$145,100	\$145,250
3XXX	Materials & Supplies	\$150	\$150
9XXX	ISF & Overhead Charges	\$48,720	\$44,217
Total		\$276,090	\$282,634

4451 - Economic Development		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$0	\$0
3XXX	Materials & Supplies	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$0	\$0

4480 - Planning		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$131,273	\$142,009
2XXX	Services & Charges	\$5,780	\$1,550
3XXX	Materials & Supplies	\$750	\$200
9XXX	ISF & Overhead Charges	\$56,798	\$63,400
Total		\$194,601	\$207,159

4492 - Planning Commission		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$12,745	\$12,745
2XXX	Services & Charges	\$350	\$350
3XXX	Materials & Supplies	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$13,095	\$13,095

44XX - Community Development		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$226,138	\$247,771
2XXX	Services & Charges	\$151,230	\$147,150
3XXX	Materials & Supplies	\$900	\$350
9XXX	ISF & Overhead Charges	\$105,518	\$107,617
Total		\$483,786	\$502,888

General Fund - Dept-Div

46XX - Culture & Leisure

4610 - Park & Rec Administration		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$217,778	\$147,428
2XXX	Services & Charges	\$4,200	\$600
3XXX	Materials & Supplies	\$500	\$1,000
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$40,365	\$31,775
Total		\$262,843	\$180,803

4620 - Recreation Programs		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$346,261	\$288,991
2XXX	Services & Charges	\$96,265	\$95,305
3XXX	Materials & Supplies	\$33,355	\$31,710
4XXX	Capital	\$0	\$0
9XXX	ISF & Overhead Charges	\$40,156	\$33,859
Total		\$516,037	\$449,865

4630 - P & R Maintenance		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$418,939	\$365,667
2XXX	Services & Charges	\$322,235	\$269,509
3XXX	Materials & Supplies	\$106,400	\$102,080
4XXX	Capital	\$27,150	\$136,000
9XXX	ISF & Overhead Charges	\$64,119	\$46,459
Total		\$938,843	\$919,715

46XX - Culture & Leisure		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$982,978	\$802,086
2XXX	Services & Charges	\$422,700	\$365,414
3XXX	Materials & Supplies	\$140,255	\$134,790
4XXX	Capital	\$27,150	\$136,000
9XXX	ISF & Overhead Charges	\$144,640	\$112,093
Total		\$1,717,723	\$1,550,383

General Fund - Dept-Div

47XX - Public Works

4710 - Public Works Admin		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$0	\$0
2XXX	Services & Charges	\$0	\$0
3XXX	Materials & Supplies	\$0	\$0
9XXX	ISF & Overhead Charges	\$0	\$0
Total		\$0	\$0

4720 - Engineering		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$294,328	\$118,605
2XXX	Services & Charges	\$79,271	\$82,980
3XXX	Materials & Supplies	\$1,500	\$2,500
9XXX	ISF & Overhead Charges	\$58,882	\$35,925
Total		\$433,981	\$240,010

47XX - Public Works		FY12 YE	FY13 Proposed
1XXX	Salaries & Benefits	\$294,328	\$118,605
2XXX	Services & Charges	\$79,271	\$82,980
3XXX	Materials & Supplies	\$1,500	\$2,500
9XXX	ISF & Overhead Charges	\$58,882	\$35,925
Total		\$433,981	\$240,010

Staffing Summary

City Council	FY12 YE	FY13 Proposed
City Council Members	5.00	5.00
	5.00	5.00

Administration Services	FY12 YE	FY13 Proposed
City Manager	1.00	1.00
Assistant City Manager	0.00	0.00
Executive Secretary	1.00	0.00
Secretary - Confidential	0.00	0.00
Director of Administrative Services	0.00	0.00
City Clerk	1.00	1.00
Deputy City Clerk	0.00	0.00
Administrative Secretary	0.00	0.00
Administrative Analyst III	0.00	0.00
WIA Coordinator (GRANT FUNDED)	0.00	0.00
Secretary - Confidential - Deputy City Clerk	0.00	0.00
Admin Clerk II	0.00	0.00
Administrative Assistant - Human Resources	0.50	0.00
Administrative Assistant RM	0.00	0.00
Administrative Assistant - HR/RM	0.00	0.00
Human Resources Assistant	0.00	0.00
P/T Clerk	0.00	0.00
P/T Media Intern	0.00	0.00
P/T WIA/YES Director	0.00	0.00
P/T WIA/YES Coordinator	0.00	0.00
P/T WIA/YES Participants (GRANT FUNDED)	0.00	0.00
	3.50	2.00

Finance	FY12 YE	FY13 Proposed
Administrative Services Director	0.00	0.00
Director of Finance	1.00	1.00
Assistant Finance Director	1.00	1.00
Accounting Manager	0.00	0.00
Accounting Technician	1.00	2.00
Accountant	1.00	1.00
Accountant - Authorized but Unfunded	0.00	0.00
Administrative Assistant Finance	1.00	0.00
Account Clerk I	1.00	1.00
Account Clerk II	0.00	0.00
Human Resources Assistant	0.00	0.00
Information Systems Manager	1.00	0.00
Systems Analyst	1.00	1.00

Staffing Summary

Information Systems Specialist	1.00	1.00
Information Systems Technician	0.00	0.00
P/T Computer Technician	0.00	0.00
P/T Office Assistant	0.00	0.00
	9.00	8.00

Police	FY12 YE	FY13 Proposed
Chief of Police	1.00	1.00
Deputy Chief of Police	0.00	0.00
Captain	1.00	1.00
Captain - Authorized but Unfunded	1.00	1.00
Lieutenant	0.00	0.00
Sergeant	6.00	6.00
Police Officer	24.00	22.00
Dispatcher	5.00	5.00
Administrative Secretary	1.00	1.00
Sr. Secretary	0.00	0.00
Animal Shelter Supervisor	1.00	1.00
Kennel Attendent	1.00	1.00
Animal Control Officer	2.00	2.00
Property/Evidence LDO/Vehicle Maintenance Clerk	1.00	1.00
Police Clerk I	1.00	0.00
Police Clerk II	3.00	3.00
Administrative Clerk I	0.00	0.00
Administrative Clerk II	0.00	0.00
Code Enforcement Officer	1.00	0.00
P/T Administrative Assistant	0.00	0.00
P/T Community Service Officer	0.00	0.00
P/T Traffic Clerk	0.00	0.00
P/T Vehicle Maintenance Clerk	0.00	0.00
P/T Property/Evidence LDO	0.00	0.00
P/T PACT Coordinator	0.75	0.75
P/T Kennel Attendant	0.00	0.00
P/T Reserve Officer (Volunteer)	10.00	10.00
	59.75	55.75

Economic & Community Development	FY12 YE	FY13 Proposed
Director of Public Services	0.00	0.00
Director of Community & Economic Development	1.00	0.00
Economic Development Project Manager	1.00	1.00
Administrative Secretary	0.00	0.00
Administrative Secretary - Confidential	1.00	1.00

Staffing Summary

Department Secretary	0.00	0.00
Planner	1.00	0.90
Senior Planner	0.00	0.00
Housing Specialist	0.00	0.00
Code Enforcement Officer	0.00	0.00
Community Development Technician	2.00	2.00
Planning Technician II	0.00	0.00
Account Clerk	0.00	0.00
P/T Business Development Center Coordinator	0.00	0.00
	6.00	4.90

Planning Commission	FY12 YE	FY13 Proposed
Commissioners	5.00	5.00
	5.00	5.00

Parks & Recreation	FY12 YE	FY13 Proposed
Director of Parks & Recreation	1.00	0.00
Secretary	0.00	0.00
Recreation Manager	0.00	1.00
Administrative Secretary - Confidential	0.50	0.50
Recreation/Facilities Supervisor	0.00	0.00
Recreation/Facilities Manager	0.00	0.00
Parks Maintenance Supervisor	1.00	0.00
Nutrition Project Supervisor	0.00	0.00
Nutrition Project Manager	0.00	0.00
Recreation Coordinator	0.00	0.00
Cultural Affairs Coordinator I	0.00	0.00
Cultural Affairs Coordinator II	4.00	3.00
Gym Attendant F/T	0.00	0.00
Maintenance Worker I	3.00	3.00
Maintenance Worker II	5.00	3.00
Maintenance Worker III	0.00	1.00
P/T Recreation Leaders	6.51	5.48
P/T Lifeguards (I, Head, WSI)	0.00	0.00
P/T Parks Maintenance	0.00	0.00
P/T Nutrition Staff	0.00	0.00
	21.01	16.98

Public Works - Administration	FY12 YE	FY13 Proposed
Director of Public Works	1.00	1.00
Deputy City Manager - Public Services	0.00	0.00

Staffing Summary

Office Assistant II	0.00	0.00
Administrative Secretary - Confidential	1.00	1.00
Administrative Technician	0.00	0.00
Account Clerk II	0.00	0.00
P/T Clerk	0.00	0.00
	2.00	2.00

Public Works - Engineering	FY12 YE	FY13 Proposed
Assistant Director of Public Works	0.00	0.00
Office Assistant	0.00	0.00
City Engineer	1.00	1.00
Engineering Technician II	1.00	1.00
Engineer	0.00	0.00
Assistant Planner	0.00	0.00
	2.00	2.00

Public Works - Streets	FY12 YE	FY13 Proposed
Public Works Supervisor	0.00	0.00
Public Works Maintenance Coordinator	1.00	1.00
Garage Foreman	0.00	0.00
Mechanic	0.00	0.00
Fleet Mechanic II	2.00	1.00
Equipment Operator	1.00	1.00
Equipment Operator II	0.00	0.00
Maintenance Worker I	1.00	1.00
Maintenance Worker II	3.00	3.00
Maintenance Worker III	0.00	0.00
Landscape Maintenance Worker I	0.00	0.00
P/T Maintenance Worker	0.00	0.00
	8.00	7.00

Public Works - Transit	FY12 YE	FY13 Proposed
Transit Supervisor	0.00	0.00
Transit Coordinator	1.00	1.00
Administrative Analyst I	0.00	0.00
Administrative Analyst III	0.00	0.00
Assistant Transit Supervisor	0.00	0.00
Dispatcher	0.00	0.00
Senior Bus Driver/Dispatcher	1.00	1.00
Driver	6.00	6.00
P/T Driver	0.50	0.50
P/T Bus Washer	0.00	0.00

Staffing Summary

	8.50	8.50
Public Works - Wastewater	FY12 YE	FY13 Proposed
Chief Plant Operator	1.00	1.00
Wastewater Facility Supervisor	0.00	0.00
Wastewater Foreman	0.00	0.00
Wastewater Operator I	2.00	2.00
Wastewater Operator II	0.00	0.00
Wastewater Operator III	1.00	1.00
Wastewater Operator Trainee	2.00	2.00
Maintenance Worker I	1.00	0.00
P/T Reclamation Caretaker	0.00	0.00
P/T Maintenance Worker	0.00	0.00
	7.00	6.00
Total Full Time	104.00	94.40
Total Part Time FTE	27.76	26.73
Grand Total All Positions FTE	131.76	121.13