



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

AGENDA

Wednesday

Regular

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

May 1, 2013

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

(760) 499-5000

**Daniel O. Clark, Mayor
Jason Patin, Mayor Pro Tempore
Marshall 'Chip' Holloway, Vice Mayor
James Sanders, Council Member
Lori Acton, Council Member**

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LAST ORDINANCE NO. 13-01
LAST RESOLUTION CITY COUNCIL NO. 13-19
LAST RESOLUTION FINANCING AUTHORITY NO. 13-xx
LAST RESOLUTION OF THE HOUSING AUTHORITY NO. 13-xx
LAST RESOLUTION OF THE SUCCESSOR REDEVELOPMENT AGENCY NO. 13-xx

CITY OF RIDGECREST

CITY COUNCIL REDEVELOPMENT SUCCESSOR AGENCY HOUSING AUTHORITY FINANCING AUTHORITY

AGENDA

Regular Council
Wednesday May 1, 2013

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

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

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

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

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

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENT – CLOSED SESSION

AGENDA - CITY COUNCIL - REGULAR

May 1, 2013

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CLOSED SESSION

GC54956.9 (b) Conference with Legal Counsel – Existing Litigation - City of Ridgecrest v. Matosantos et al.

GC54956.9 (b) Conference with Legal Counsel – Potential Litigation – Verizon California, Inc. v. State Board of Equalization, et al.

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
- Other

PUBLIC COMMENT

PRESENTATIONS

1. Presentation Of A Proclamation For Be Kind To Animals Week To Representatives Of The Ridgecrest Humane Society Ford
2. Presentation of the 2014 Regional Transportation Plan by Robert Ball of Kern Council of Governments Ford

CONSENT CALENDAR

3. Accept And File The Investment Reports For Quarter Ending March 31, 2013 McQuiston
4. Approve 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 McQuiston
5. Approve A Resolution To Approve The Agreement With The Engineering Firm Of Hall And Foreman Inc. To Provide The Application Preparation For The City Of Ridgecrest Concerning The Highway Safety Improvement Program (HSIP) And Authorize The City Manager, Dennis Speer, To Execute The Agreement Upon The City Attorney's Review And Approval Speer

AGENDA - CITY COUNCIL - REGULAR

May 1, 2013

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6. Approve A Resolution To Approve The Agreement With The Engineering Firm Of Hall And Foreman Inc. To Provide The Application Preparation For The City Of Ridgecrest Concerning The California Safe Routes To School Program, (SR2S) And Authorize The City Manager, Dennis Speer To Execute The Agreement Upon The City Attorney's Review And Approval
Speer
7. Approve A Resolution Approving The Final Contract Change Order Number Two, Authorizing The City Manager To Sign The Notice Of Completion, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention On The College Heights Boulevard Project Phase III Between Franklin Avenue And Jarvis Avenue
Speer
8. Approval Of Draft Minutes Of The Regular Council Meeting Dated April 17, 2013
Ford

DISCUSSION AND OTHER ACTION ITEMS

9. Approve A Resolution To Approve General Plan Amendment (GPA 13-01), A Request To Amend The General Plan For 2 Parcels: 1) APN 067-031-11, (822 N. Balsam Street) Containing 3900 Square Feet From RM (Residential Medium) To C (Commercial) And 2) APN 067-031-12, (828 N. Balsam Street) Containing 6500 Square Feet From C (Commercial) To RM (Residential Medium Density)
Alexander

ORDINANCES

10. Introduction And First Reading, An Ordinance Of The Ridgecrest City Council Amending The Zoning Map For Zone Change ZC 13-01, A Request To Amend The Zoning Map For 2 Parcels: 1) APN 067-031-11, (822 N. Balsam Street) Containing 3900 Square Feet From Undesignated To CG (General Commercial) And 2) APN 067-031-12, (828 N. Balsam Street) Containing 6500 Square Feet From Undesignated To R-2 (Multi-Family Residential)
Lemieux

COMMITTEE REPORTS

City Organization

Members: Dan Clark, Jim Sanders
Meeting: 3rd Tuesday Of The Month At 5:00 P.M.; Council Conference Room
Next Meeting: May 21, 2013

AGENDA - CITY COUNCIL - REGULAR

May 1, 2013

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Community Development Committee

Members: Jason Patin, Chip Holloway
Meetings: 1st Thursday Of The Month At 5:00 P.M.; Council Conference Room
Next Meeting: May 2, 2013

Infrastructure Committee

Members: Dan Clark, Jason Patin
Meeting: 2nd Wednesday Of The Month At 5:00 P.M., Council Conference Room
Next Meeting: May 8, 2013

Quality Of Life

Members: Chip Holloway, Lori Acton
Meeting: 2nd Thursday Of The Month At 5:00 P.M.; Kerr-McGee Center
Next Meeting: May 9, 2013 (Dark in June, July, December, and January)

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

Members: Jim Sanders, Jason Patin
Meetings: 3rd Tuesday of the Month at 4:00 P.M., Kerr-McGee Center
Next Meeting: May 21, 2013

Veterans Advisory Committee

Members: Jason Patin, Lori Acton
Meetings: 1st and 3rd Monday of the Month At 6:00 p.m., Council Conference Room
Next Meeting: May 20, 2013

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Jason Patin, Chip Holloway
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: May 1, 2013 at location to be announced

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

CITY MANAGER REPORT

MAYOR AND COUNCIL COMMENTS

ADJOURNMENT

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*A Proclamation of
The City Of Ridgecrest, California*

BE KIND TO ANIMALS WEEK

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

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

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

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

Now, therefore, be it proclaimed:

The City Council of the City of Ridgecrest does hereby proclaim the week of May 5th through May 12th 2013 as "BE KIND TO ANIMALS WEEK" in the City of Ridgecrest.

Proclaimed May 1, 2013

Dan O Clark

Dan O Clark, Mayor

Jason Patin

*Jason Patin
Mayor Pro Tem*

Marshall "Chip" Holloway

*Marshall "Chip" Holloway
Vice Mayor*

James B. Sanders

*James Sanders
Council Member*

Lori Acton

*Lori Acton
Council Member*

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Outreach to City and County Representatives

2014 Regional Transportation Plan/ Sustainable Communities Strategy



Kern Council
of Governments

May, 2013

Purpose of Presentation

- Provide an overview of the 2014 Regional Transportation Plan
- Discuss the relationship between the economy and transportation
- Share community feedback and priorities
- Review regional transportation scenario options
- Review the EIR and RTP process schedule

BACKGROUND OF THE RTP



What is the 2014 Regional Transportation Plan?

SR 14/58 Mojave Freeway – 2004



METROLINK from Lancaster to
L.A. & connects with
Kern Regional Transit



2014 Regional Transportation Plan (RTP)

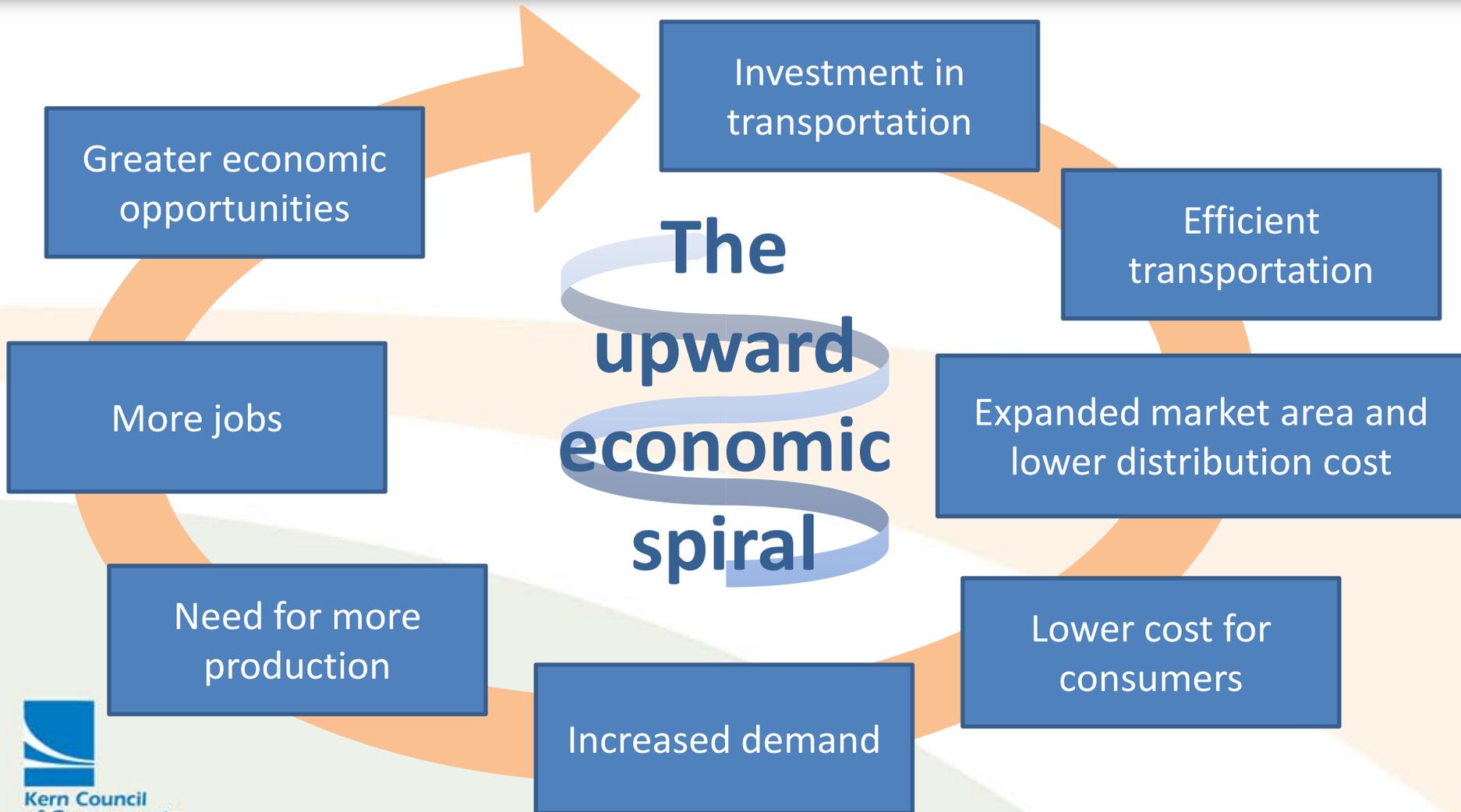
- 20+ year long-range plan of projects for the region
- Currently in the earliest planning stage
- Impacts economic development



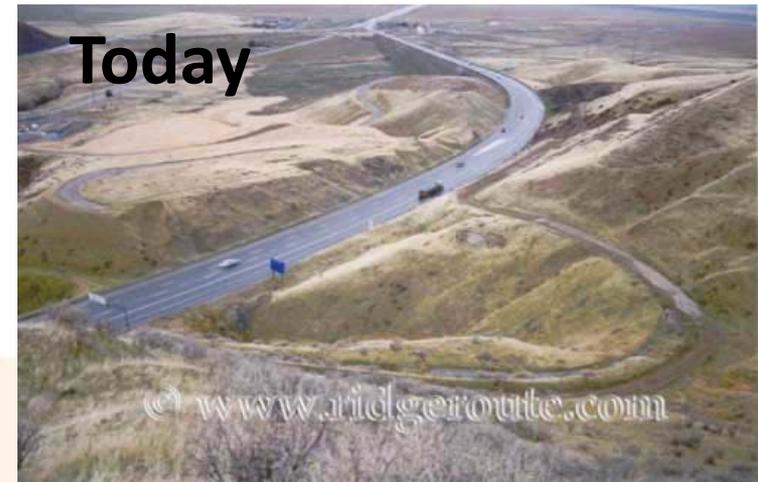
The Components of an Economy



How Transportation Drives the Economy



Transportation Investment Benefits

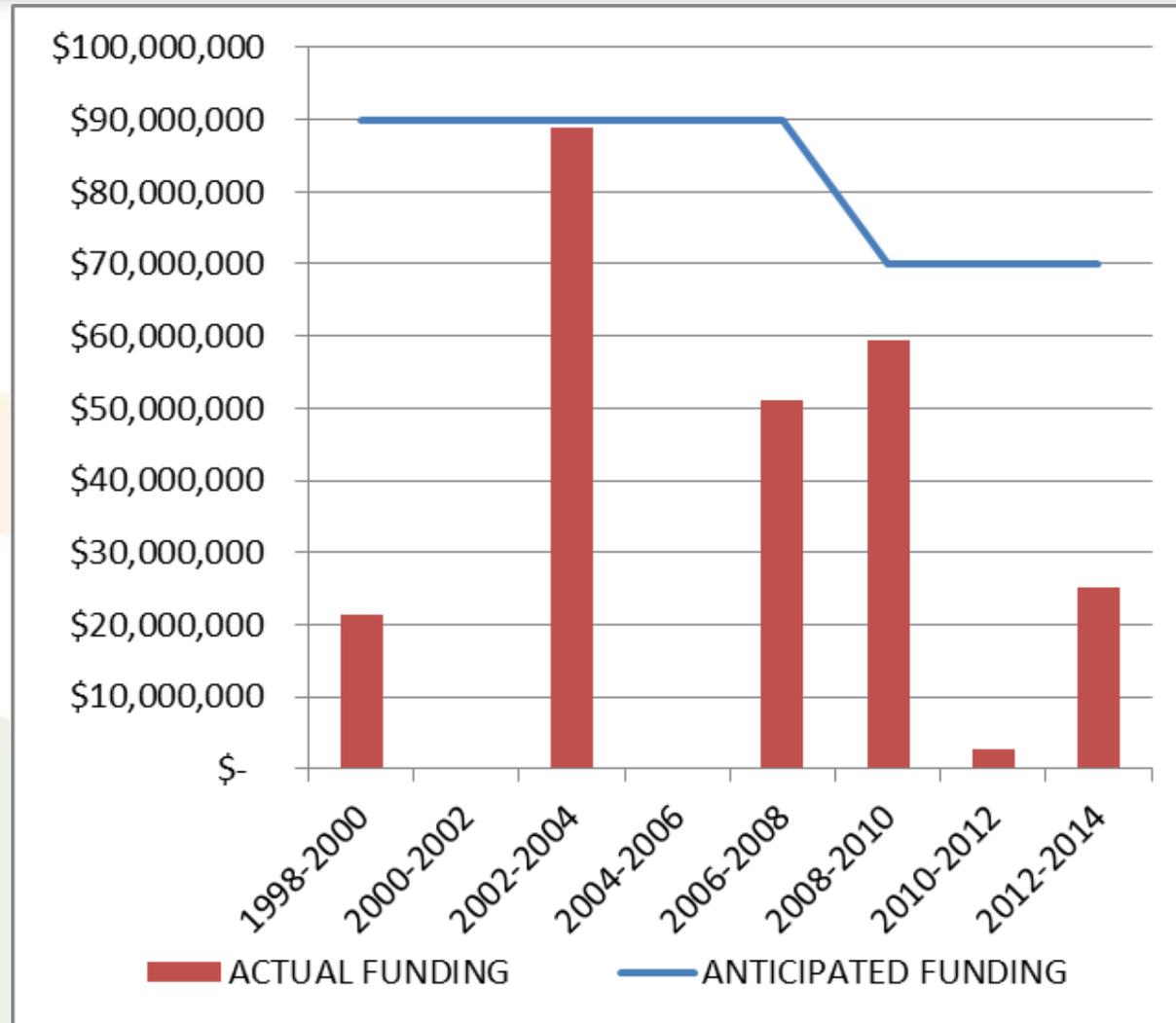


Example:

Kern County's 8-lane freeway to Southern California connects us with 22 million consumers

Kern COG: Doing More With Less

- Average \$25 million shortfall per year
- 62% less funding than RTP anticipated back in 1998
- Environment for creative solutions



COMMUNITY ENGAGEMENT FOR THE 2014 RTP



Community Engagement Approach

- Engage all sectors of the community
- Partner closely with agencies and organizations
- Offer many opportunities to provide input



Community Engagement Process

- Spring – Winter 2012
- Included various methods:
 - 32 community workshops/meetings
 - 4 festivals and fairs
 - Website and online, interactive game
 - 1,200 statistically valid phone surveys
- Reached over **5,000** participants



Community Engagement in Ridgecrest

- Community Workshop
 - Kerr McGee Community Center
 - April 2, 2012
 - 8 participants
- Festival Activity Booth
 - Ridgecrest Desert Empire Festival
 - October 18-21, 2012
 - 502 participants
- Presentation and Discussion
 - Ridgecrest Chamber of Commerce
 - December 11, 2012
 - 40 participants



Ridgecrest Community Input

- Ridgecrest participants support:
 - Maintaining streets and roads
 - Increasing the number of bicycle lanes, paths, and sidewalks
 - Easy access to transit from housing and jobs
- Other participant priorities:
 - Adequate water
 - Sustainable cost of living

2012 Phone Survey Results: East Kern

- Top five most important transportation issues:
 - Maintaining local street and roads (86%)
 - Improving traffic safety for motorists, pedestrians and bicyclists (84%)
 - Improving public transportation to other cities (77%)
 - Maintaining and improving sidewalks and bike lanes (75%)
 - Improving truck and rail hubs to move produce to market faster (74%)

Region-wide Community Input

- Community members:
 - Support the majority of strategies presented by Kern COG
 - Support maintaining existing streets and roads
 - Support economic vitality locally and regionally
 - Enjoy living in their part of Kern Region
 - Desire to enhance Kern and their communities' assets
 - Identify common opportunities and issues

OVERVIEW OF THE 2014 RTP



New Federal and State RTP Requirements

- Senate Bill 375 adopted in 2008
 - Sustainable Communities Strategy
 - Regional Housing Needs Allocation (RHNA)
- Federal and state air quality standards
- Efficient transportation
- Synchronize with community input



2014 RTP Contents

- Goals, planning policies, and performance measures for transportation
- Sustainable Communities Strategy
- Strategic investments for:
 - Regional streets and highways
 - Public transportation
 - Aviation and freight
 - Bicycle and pedestrian amenities

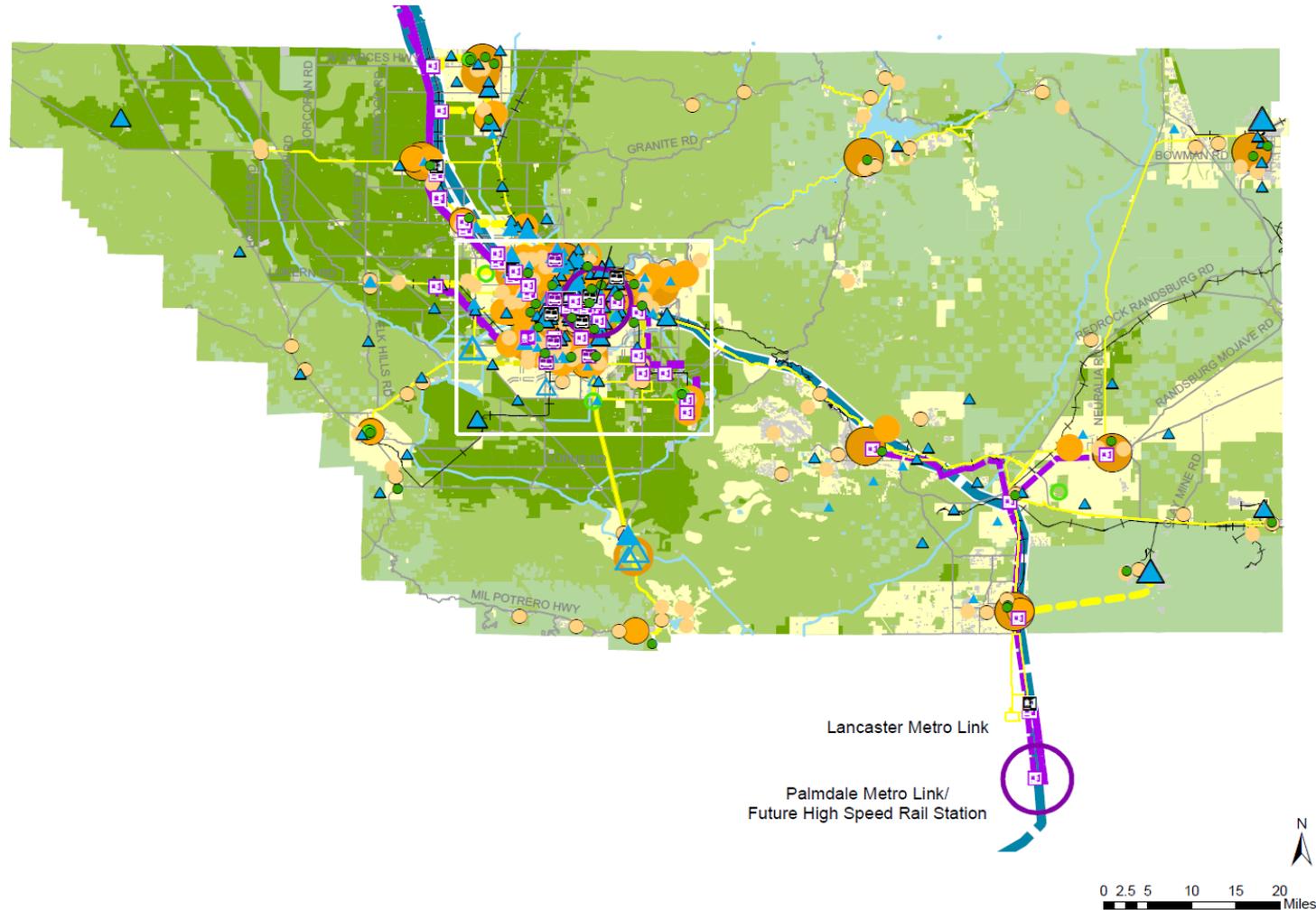
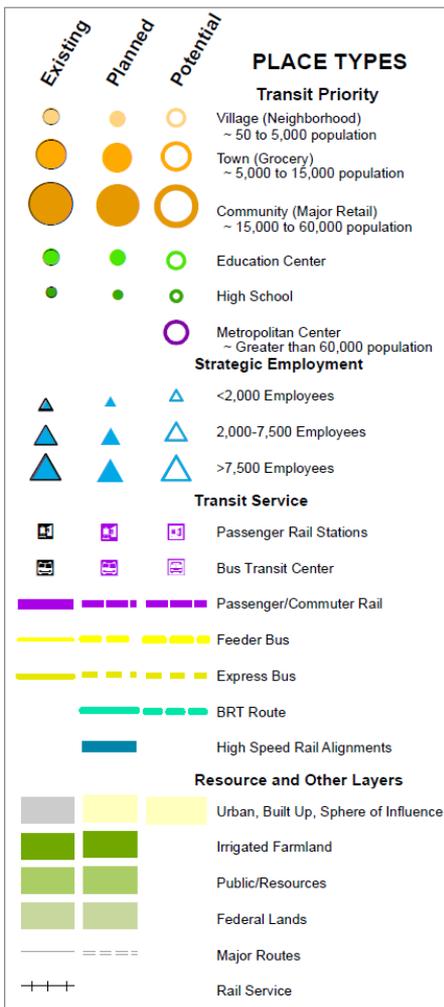
What's new in the 2014 Regional Transportation Plan?

Highway 14, Mojave Freeway 58:

- 25 miles of 4 lane freeways and 4 interchanges
- \$150 million completed in the past 10 years
- \$30 million on the way – Freeman Gulch Phase I
- \$6.5 million Ridgecrest Blvd Phase I



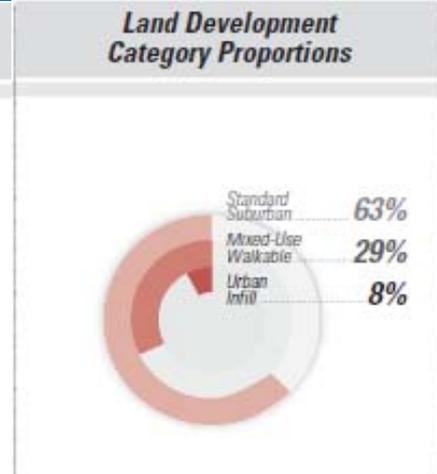
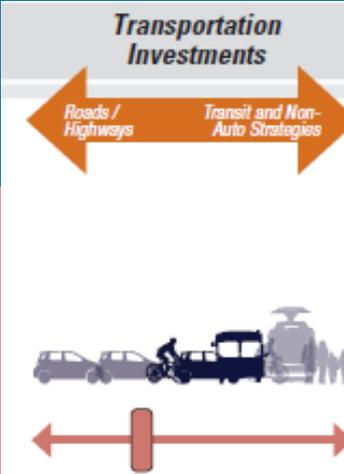
Coordinating Transportation and Local Land Use



Preliminary Scenarios

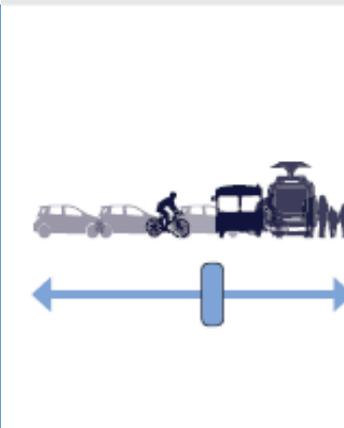
Scenario A – Old Plan

- Partial funding for maintenance
- No new funding sources
- Highway focused
- No change in historic growth patterns



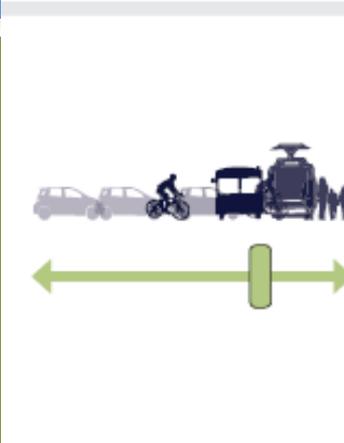
Scenario B – Preliminary Plan

- Assumes 11% increase in funding
- Fully funds maintenance
- Postpones beltway
- Fully fund transit, bike and pedestrian facilities
- In Bakersfield – market driven land use changes beyond 2023



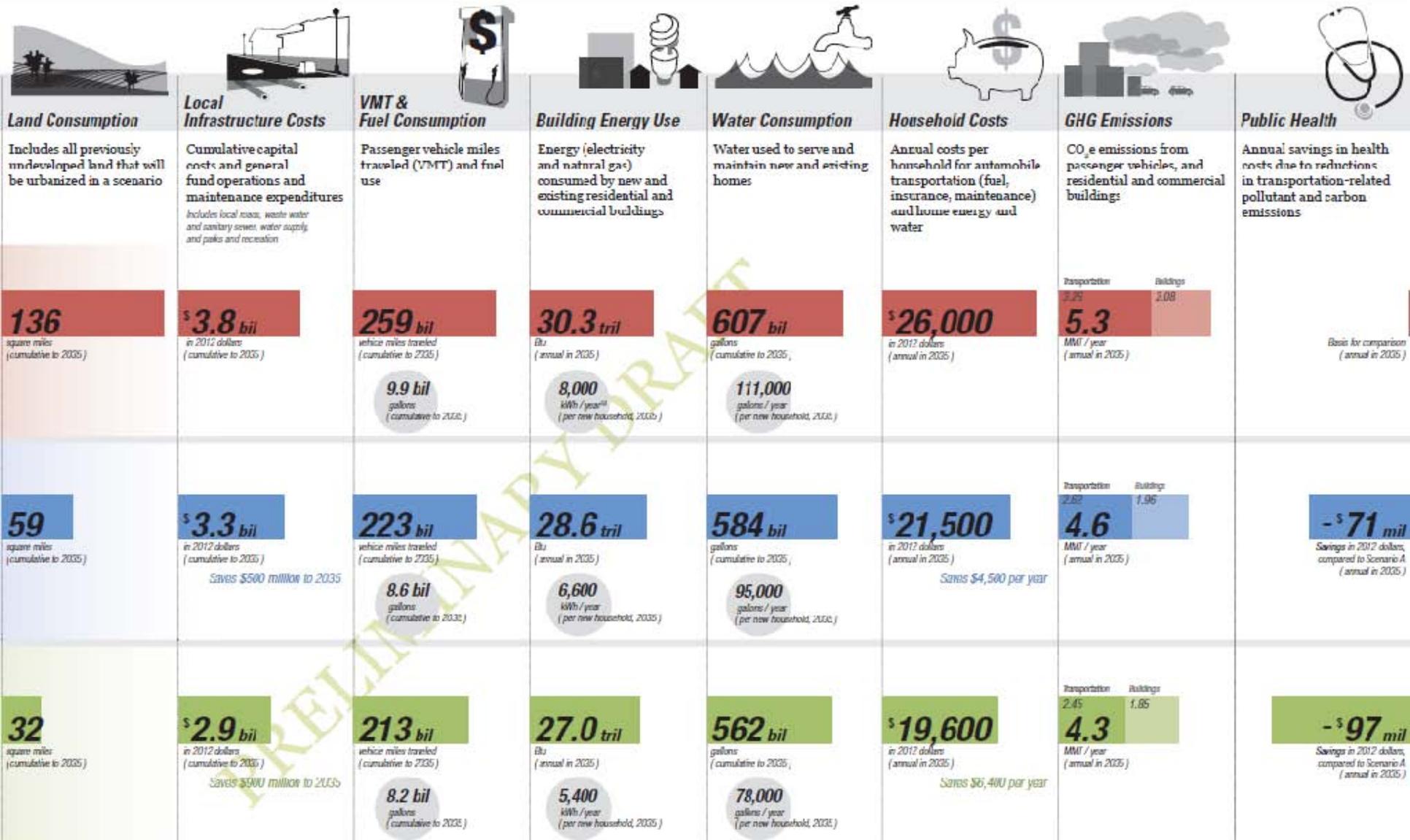
Scenario C – Intensified Transportation

- Assumes major increase in funding
- Extensive commuter rail/light rail investment
- Major change in land use around transit service locations to ensure ridership to support investment
- In Bakersfield – accelerates land use changes



PRELIMINARY

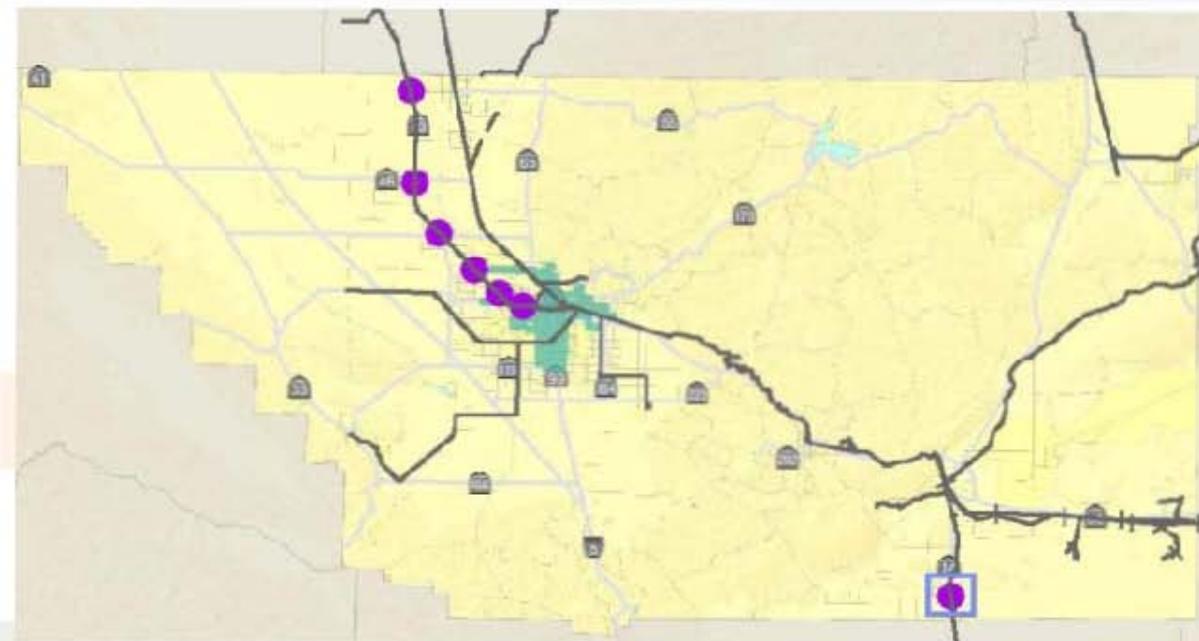
Preliminary Scenarios



Success Stories

- Tehachapi General Plan (Form Based Code, Mobility Element, Town Form Element, Transect Zone)
- **Transportation Impact Fee Core Area** (City of Bakersfield and City of Tehachapi)
- **City of Ridgecrest General Plan and Circulation Element**
- Metropolitan Bakersfield General Plan County Sewer Hook-up Ordinance
- City of Bakersfield Minimum Lot Area Zoning
- San Joaquin Valley Air District's Indirect Source Review Rule
- City of Bakersfield Redevelopment Projects
- Metropolitan Bakersfield General Plan Centers Concept
- Commuter Rail Feasibility Study
- Rideshare Program
- Park and Ride lots: Ridgecrest, Cal City, Bksfld.
- Kern County 511
- Cal Vans
- GET Short-Term Service Plan (2012-2020)
- GET X-92 Route Commute Kern – Dial-A-Ride and Local Transportation Services
- **Kern County Bicycle Master Plan & Complete Streets Recommendations/City of Tehachapi Bicycle Master Plan**
- California Highway Patrol's Safety Corridors
- Kern County Wind Farm Area
- The Electric Cab Company of Delano
- Intermodal Rail Facility Expansion
- Downtown Elementary School Expansion (Bakersfield)
- Kern Regional Energy Action Planning

2035 Transit Priority Areas – 415,000 households



-  Additional Stations
-  1/2 Mile Around Stations
-  1/2 Mile Around Rapid Transit
-  Rail

Total TPA:
87.58 Square Miles
2035
Total Household Population
Within TPA:
415,431

Source: 2035 Socioeconomic / Household Population Data

San Joaquin Valley Vanpool Program (CalVans)

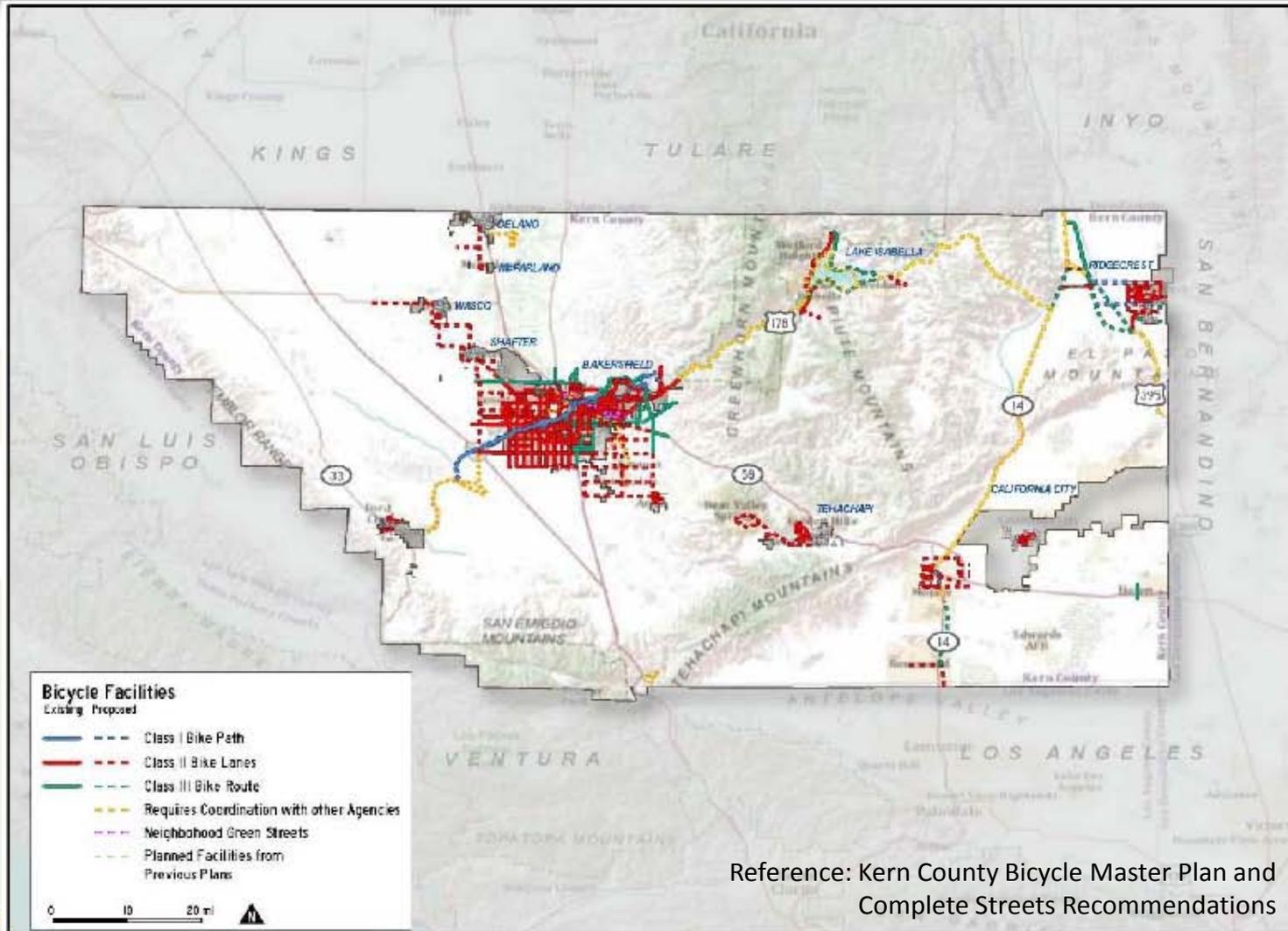


- Provides 7, 8, and 15-passenger vans
- 65 vanpools currently in operation in Kern
 - Equivalent to 1.7 million miles less travel annually
- Joined the JPA to expand service in Kern to 500 vanpools



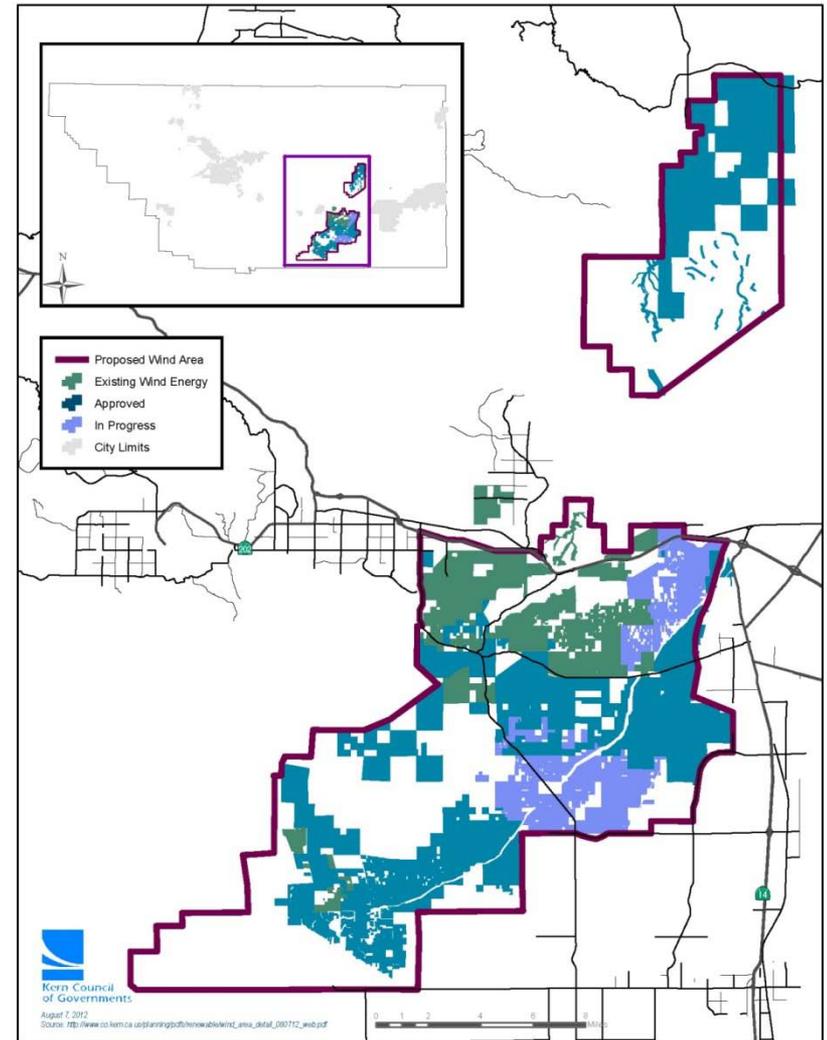
Local college students who use CalVans

Expanding Regional Bike Network



Kern County Wind Resource Development Area

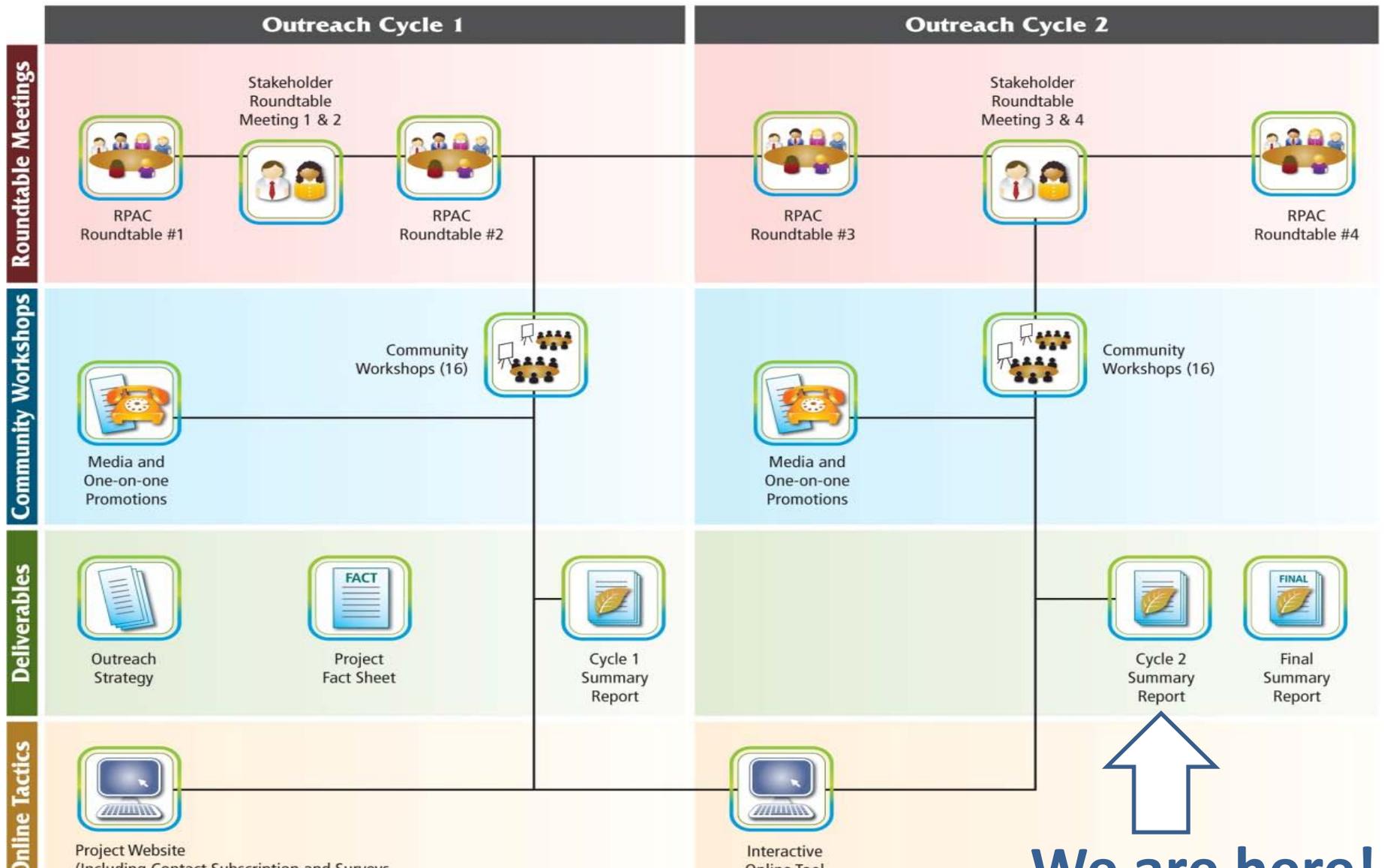
Goal = 10 megawatts by 2020



RTP & EIR PROCESS SCHEDULE

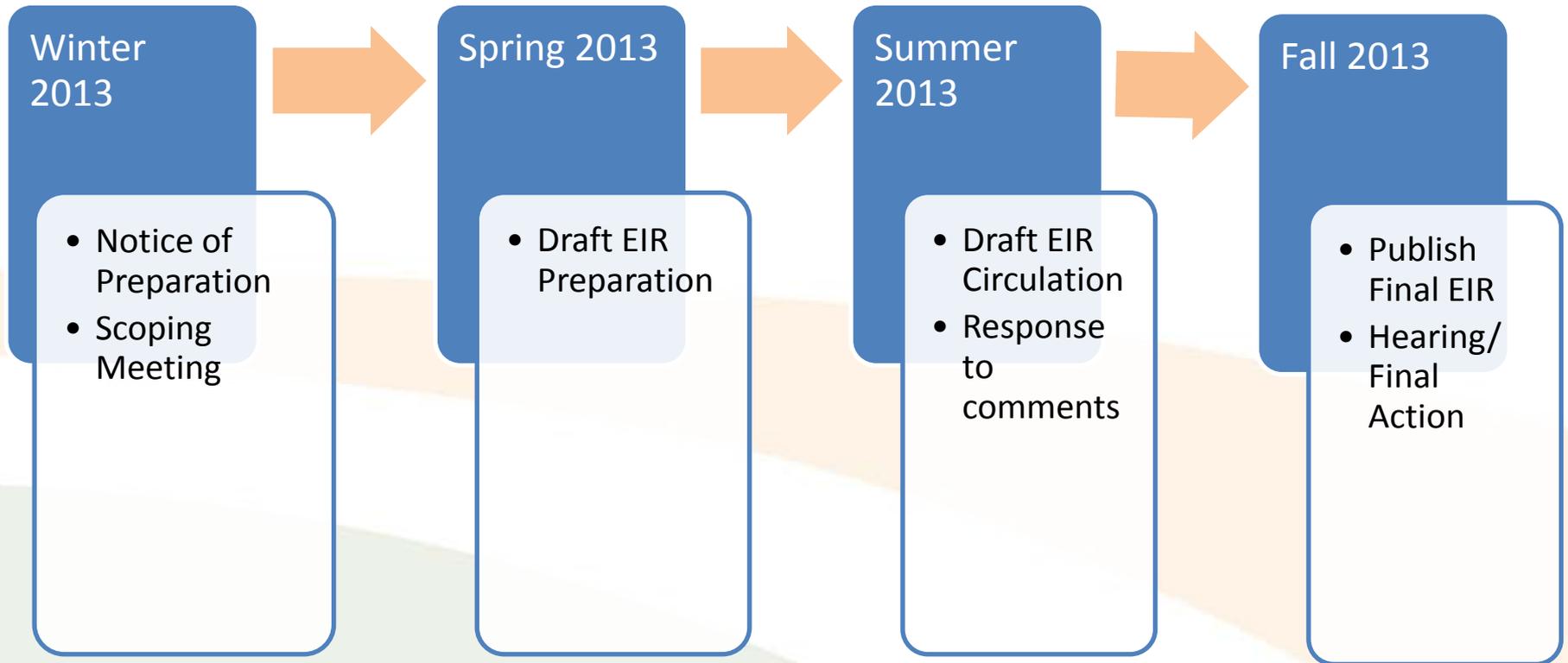


RTP Community Outreach Status



We are here!

EIR Process Overview



RTP Process Schedule

March 2013

- Preliminary RTP Sustainable Communities Strategy

April 2013

- RTP growth scenario development

May 2013

- Presentations to City Councils

June 2013

- Regional Housing Needs Allocation (RHNA) Plan

July 2013

- Draft 2014 RTP
- Draft EIR Public Review

August - September 2013

- Public Hearing

October 2013

- 2014 RTP Adoption (scheduled)



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

SUBJECT:

Investment Reports for quarter ending March 31, 2013

PRESENTED BY:

Rachelle McQuiston, Finance Director/City Treasurer

SUMMARY:

Government Code Section 53646 and the City's Investment Policy require that Treasurer of the City of Ridgecrest submit a quarterly investment report to the City Council on a quarterly basis. The attached reports show the summary of investments for quarters ending March 31, 2013. The reports show where the City's money is invested, value, yield and interest accrued.

Majority of the City's cash is invested in the Local Agency Investment Fund (LAIF) which is a money market fund that is administered by the State Treasurer. LAIF is a high quality investment in terms of safety, liquidity and yield which are the primary objectives of the City's investment policy.

The investments in the reports meet the requirements of the City of Ridgecrest's adopted investment policy.

FISCAL IMPACT:

None

ACTION REQUESTED:

Receive and file the attached investment report.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Receive and File attached quarterly investment report

Submitted By: Rachelle McQuiston

Action Date: May 1, 2013

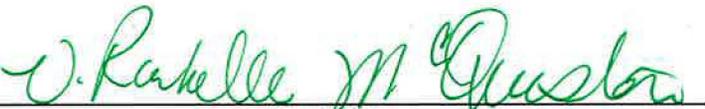
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City of Ridgecrest
QUARTERLY INVESTMENT REPORT
For the Quarter Ending March 31, 2013

Investments	Balance 12/31/2012	Deposit	Withdrawals	Balance 3/31/2013	Current Yield	Accrued Qtrly Interest
Union Bank of California-Checking	3,474,547.10	20,761,849.75	(22,936,937.13)	1,299,459.72		-
LAIF Accounts-City	8,149,240.08	2,423,689.04	(388,000.00)	10,184,929.12	0.28%	6,887.32
LAIF Accounts-Assessment Dist	549,599.71	445.86	(102,000.00)	448,045.57	0.28%	356.98
LAIF Accounts-RDA	37,035,510.12	4,231,195.07	(12,000,000.00)	29,266,705.19	0.28%	24,311.22
Total Cash Balances	49,208,897.01	27,417,179.72	(35,426,937.13)	41,199,139.60		31,555.52

To the best of my knowledge, there are no misstatements of material amounts within this Treasurer's Cash Summary Report; or omissions of material amounts to cause the Treasurer's Cash Summary Report to be misleading.

I certify that this report accurately reflects all City of Ridgecrest investments and complies with the investment policy of the City as approved by the governing board.


 Reviewed by Rachelle McQuiston
 Finance Director

**Tess
Sloan**

Digitally signed by Tess Sloan
 DN: cn=Tess Sloan, o=City Of
 Ridgecrest, ou=Finance
 Department, email=tsloan@ci.
 ridgecrest.ca.us, c=US
 Date: 2013.04.25 10:05:26 -07'00'

Prepared by Tess Sloan
 Assistant Finance Director

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

SUBJECT: Resolution Reaffirming and Approving the Annual Investment Policy
PRESENTED BY: Rachelle McQuiston, 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: None Reviewed by Finance Director
ACTION REQUESTED: Approve the attached resolution.
CITY MANAGER 'S RECOMMENDATION: Action as requested: Approve resolution.

Submitted by: Rachelle McQuiston

Action Date: 01-May-2013

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RESOLUTION NO. 13-XX

**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 1st day of May, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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CITY OF RIDGECREST
100 West California Avenue
Ridgecrest, California 93555

Office of the City Treasurer

INVESTMENT POLICY FOR PUBLIC FUNDS
Presented to the Ridgecrest City Council May 1, 2013

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 Finance 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 Finance 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; its does not buy stock or corporate bonds; its 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 To Approve the Agreement With The Engineering Firm Of Hall and Foreman Inc. To Provide The Application Preparation For The City of Ridgecrest Concerning the Highway Safety Improvement Program (HSIP) and Authorize the City Manager, Dennis Speer to Execute The Agreement Upon The City Attorney's Review And Approval.

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The City of Ridgecrest requires the services of an engineering consulting firm to provide Application Preparation for the Highway Safety Improvement Program (HSIP). This current call for projects by Caltrans creates a unique opportunity to provide funding for various projects within the City of Ridgecrest. This call for projects is for traffic safety improvements at high traffic accident intersections and along traffic corridors.

Funds in the amount of \$30,000.00 shall be made available through the Traffic Impact Fees Fund. This expenditure will be taken from 001-4720-410-2106 PWENGR.

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

FISCAL IMPACT: \$30,000.00

Reviewed by Finance Director

ACTION REQUESTED:

Adopt the Resolution To Approve the Agreement With The Engineering Firm Of Hall and Foreman Inc. To Provide The Application Preparation For The City of Ridgecrest Concerning the Highway Safety Improvement Program (HSIP) and Authorize the City Manager, Dennis Speer, to Execute The Agreement Upon The City Attorney's Review And Approval.

CITY MANAGER / PUBLIC WORKS DIRECTOR RECOMMENDATION:

Action as requested:

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

Action Date: May 1, 2013

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RESOLUTION NO. 13-

A RESOLUTION TO APPROVE THE AGREEMENT WITH THE ENGINEERING FIRM OF HALL AND FOREMAN INC. TO PROVIDE THE APPLICATION PREPARATION FOR THE CITY OF RIDGECREST CONCERNING THE HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER, TO EXECUTE THE AGREEMENT UPON THE CITY ATTORNEY'S REVIEW AND APPROVAL.

WHEREAS, The City of Ridgecrest requires the services of an engineering consulting firm to provide application preparation for the City; and

WHEREAS, the proposed services are on a time and materials basis not to exceed; and

WHEREAS, the services are for the application preparation for the City of Ridgecrest on the Highway Safety Improvement Program (HSIP) and

WHEREAS, funds in the amount of \$30,000.00 shall be made available from the Traffic Impact Fees Fund, and

WHEREAS, the funds will be expended from account 001-4720-410-2106 project PWENGR.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest hereby Approves The Agreement With The Engineering Firm Of Hall And Foreman Inc. To Provide The Application Preparation For The City Of Ridgecrest Concerning The Highway Safety Improvement Program (HSIP) And Authorizes The City Manager, Dennis Speer, To Execute The Agreement upon the City Attorney's Review And Approval.

APPROVED AND ADOPTED this 1st day of May 2013 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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

SUBJECT:

A Resolution To Approve the Agreement With The Engineering Firm Of Hall and Foreman Inc. To Provide The Application Preparation For The City of Ridgecrest Concerning the California Safe Routes To School Program (SR2S) And Authorize the City Manager, Dennis Speer, to Execute The Agreement Upon The City Attorney's Review And Approval.

PRESENTED BY:

Dennis Speer, Public Works Director

SUMMARY:

The City of Ridgecrest requires the services of an engineering consulting firm to provide Application Preparation for the California Safe Routes To School Program (SR2S). This current call for projects by Caltrans creates a unique opportunity to provide funding for various projects within the City of Ridgecrest. This call for projects is for school children safety improvements along traffic corridors.

Funds in the amount of \$30,000.00 shall be made available through the Traffic Impact Fees Fund. This expenditure will be taken from 001-4720-410-2106 PWENGR.

Staff recommends that the City Council approves the Agreement and authorizes the City Manager, Dennis Speer, to execute the agreement with the engineering firm Hall and Foreman Inc. upon the City Attorney's review and approval.

FISCAL IMPACT: \$30,000.00

Reviewed by Finance Director

ACTION REQUESTED:

Adopt the Resolution To Approve the Agreement With The Engineering Firm Of Hall and Foreman Inc. To Provide The Application Preparation For The City of Ridgecrest Concerning the California Safe Routes To School Program (SR2S) and Authorize the City Manager, Dennis Speer, to Execute The Agreement upon the City Attorney's review and approval.

CITY MANAGER / PUBLIC WORKS DIRECTOR RECOMMENDATION:

Action as requested:

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RESOLUTION NO. 13-

A RESOLUTION TO APPROVE THE AGREEMENT WITH THE ENGINEERING FIRM OF HALL AND FOREMAN INC. TO PROVIDE THE APPLICATION PREPARATION FOR THE CITY OF RIDGECREST CONCERNING THE CALIFORNIA SAFE ROUTES TO SCHOOL PROGRAM, (SR2S) AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER TO EXECUTE THE AGREEMENT UPON THE CITY ATTORNEY'S REVIEW AND APPROVAL.

WHEREAS, The City of Ridgecrest requires the services of an engineering consulting firm to provide application preparation for the City; and

WHEREAS, the proposed services are on a time and materials basis not to exceed; and

WHEREAS, the services are for the application preparation for the City of Ridgecrest on the California Safe Routes To School Program (SR2S) and

WHEREAS, funds in the amount of \$30,000.00 shall be made available from the Traffic Impact Fees Fund, and

WHEREAS, the funds will be expended from account 001-4720-410-2106 project PWENGR.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ridgecrest hereby Approves The Agreement With The Engineering Firm Of Hall And Foreman Inc. To Provide Application Preparation For The City Of Ridgecrest Concerning The California Safe Routes To School Program (SR2S) And Authorizes The City Manager, Dennis Speer, To Execute The Agreement upon the City Attorney's Review And Approval.

APPROVED AND ADOPTED this 1st day of May 2013 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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

SUBJECT: A Resolution Approving the final contract change order number two, authorizing the City Manager to sign the Notice of Completion, authorizing the City Clerk to file the Notice of Completion and authorizing the release of retention on the College Heights Boulevard Project Phase III between Franklin Avenue to Jarvis Avenue.

PRESENTED BY:

Dennis Speer, Director of Public Works

SUMMARY:

The project consisted of road rehabilitation and road reconstruction of both north and south bound lanes of College Heights Boulevard Project Phase III between Franklin Avenue to Jarvis Avenue. City Council awarded a contract to Bowman Asphalt Inc. on June 6, 2012 in the amount of \$683,426.50. Work has been completed and, with the exception of retention in the amount of \$31,707.90 (5%), the contractor, Bowman Asphalt Inc. has been paid in full. During the course of construction some deletions and additions were necessary. The final contract amount including all change orders is \$634,157.91. The change orders for the project represent a 7.7% decrease in the original contract amount. See Attachment "A" Final Quantities Adjustment Change Order Number 2 in the amount of a decrease of \$49,810.36.

The project was completed on October 18, 2012.

The City will authorize release of retention thirty days from the filing of the Notice of Completion.

FISCAL IMPACT: Contract cost reduction

Reviewed by Finance Director

ACTION REQUESTED:

Adopt A Resolution that approves final contract change order number two, authorizes the City Manager to sign the Notice of Completion, authorizes the City Clerk to file the Notice of Completion and authorizes the release of retention on the College Heights Boulevard Project Phase III Franklin Avenue to Jarvis Avenue.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested:

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

Action Date: May 1, 2013

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RESOLUTION NO. 13-

A Resolution Approving The Final Contract Change Order Number Two, Authorizing The City Manager To Sign The Notice Of Completion, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention On The College Heights Boulevard Project Phase III Between Franklin Avenue And Jarvis Avenue

WHEREAS, Bowman Asphalt, Inc has completed road rehabilitation on the north and south bound lanes of College Heights Boulevard between Franklin Avenue and Jarvis Avenue, and

WHEREAS, the original bid contract amount was \$683,426.50, and

WHEREAS, during the course of construction deletions and additions to the scope of the project were made necessary due to changed field conditions, and

WHEREAS, the final quantities adjustment change order number two is for a cost decrease of \$49,810.36, and

WHEREAS, resulting in a final contract amount including all change orders of \$634,157.91, and

WHEREAS, authorization to have the City Manager sign the Notice of Completion and the City Clerk file the notice of completion is hereby requested, and

WHEREAS, retained funds to date in the amount of \$31,707.90 (5%) of the final construction cost will be withheld until 30 days after recordation of the notice of completion, and

WHEREAS, Staff is requesting authorization to release the retained funds in the amount of \$31,707.90 thirty (30) days after the recordation of the notice of completion providing no claims have been filed against said retained funds.

NOW THEREFORE, be it resolved, that the City Council of the City of Ridgecrest hereby

- 1) Approves the Final Contract Change Order Number Two
- 2) Authorizes the City Manager to sign the Notice of Completion
- 3) Authorizes the City Clerk to file the notice of completion for recordation for the project
- 4) Authorizes City Staff to release the retained funds in the amount of \$31,707.90 thirty (30) days after recordation of the notice of completion providing no claims have been filed against said retained funds

APPROVED AND ADOPTED this 1st day of May by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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Recording Requested By:

CITY OF RIDGECREST

When Recorded Mail to:

City of Ridgecrest
City Clerk
100 West California Avenue
Ridgecrest, CA 93555

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

- 1. The undersigned is **OWNER** or Agent of the **OWNER** of the interest or estate stated below in the property hereinafter described.
- 2. The **FULL NAME** of the **OWNER** is City of Ridgecrest
- 3. The **FULL ADDRESS** of the **OWNER** is 100 West California Avenue, Ridgecrest, CA 93555
- 4. The **NATURE OF THE INTEREST** or **ESTATE** of the undersigned is: In Fee.

(if other than fee, Strike "In Fee" and insert, for example, "Purchaser under contract of purchase," or "Lessee.")

- 5. The **FULL NAMES** and **FULL ADDRESSES** of **ALL PERSONS**, if any, **WHO HOLD SUCH INTEREST** or **ESTATE** with the undersigned as **JOINT TENANTS IN COMMON** are:

Names	Addresses
-------	-----------

- 6. The full names and full addresses of the predecessors in interest of the undersigned if the property was transferred subsequent to the commencement of the work of improvement herein referred to:

Names	Addresses
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- 7. A work of improvement on the property hereinafter described was **COMPLETED** October 18, 2012

- 8. The work of improvement completed is described as follows: College Heights Blvd Roadway Improvements Phase III, Franklin Ave to Jarvis Ave, STPL-5385(037)

- 9. The **NAME OF THE ORIGINAL CONTRACTOR**, if any, for such work of improvement is: Bowman Asphalt, Inc.

- 10. The street address of said property is: College Heights Blvd between Franklin Ave and Jarvis Ave

- 11. The property on which said work of improvement was completed is in the City of Ridgecrest County of Kern, State of California, and is described as follows:

Sidewalk, curb ramps, AC dike, roadway grading and compaction, and asphalt concrete pavement on the College Heights Blvd

Date

Dennis Speer, Interim City Manager

Verification for **INDIVIDUAL** owner

I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the owner of the aforesaid interest or estate in the property described in the above notice; that I have said notice, that I know and understand the contents thereof, and that the facts stated therein are true and correct.

Date and Place

Signature of Owner named in paragraph 2

Verification for **NON-INDIVIDUAL** owner: I, the undersigned, declare under penalty of perjury under the laws of the State of California that I am the **City Manager** of the aforesaid interest or estate in the property described in the above notice; that I have read the said notice, that I know and understand the contents thereof, and that the facts stated therein are true and correct.

Date and Place

Dennis Speer, Interim City Manager

SUBSCRIBED AND SWORN TO before me on _____

Rachel Ford, City Clerk

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CITY OF RIDGECREST

CONTRACT CHANGE ORDER No. 2

DATE: 1/14/13

Project Name: College Heights Blvd Roadway Improvements Phase III, STPL-5385(037)

Willdan Project #: 101374

Purchase Order No.: 007020

Contractor: Bowman Asphalt, Inc.

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

Table with 3 columns: Description, Cost, (working days). Rows include Original contract amount, Revised contract amount, and Percentage of total increase to contract amount to date.

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

Table with 9 columns: Item, Description, Contract Qty, Change Order Qty, Adjusted Contract Quantity, Unit, Unit Cost, Change order Cost, Time Est. Working Days. Includes items 2.1 through 2.5 and a total row.

Requested: [Signature] Construction Manager-Resident Engineer
Approved: [Signature] City Engineer
Approved: [Signature] Public Works Director

Date: 1/14/13
Date: 1/16/13
Date: 1-17-13

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

Accepted: [Signature] Contractor
By: [Signature]

Date: 1-14-13
Title: Project Manager

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

SUBJECT:

Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of April 17, 2013

PRESENTED BY:

Rachel J. Ford, City Clerk

SUMMARY:

Draft Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of April 17, 2013

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: May 1, 2013

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

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

**April 17, 2013
5:30 p.m.**

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

CALL TO ORDER

ROLL CALL

Council Present: Mayor Daniel O. Clark; Mayor Pro-Tem Jason Patin; Vice Mayor Marshall 'Chip' Holloway; Council Members James Sanders and Lori Acton

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

APPROVAL OF AGENDA

- Recognize 5a as addition to agenda via supplemental agenda.
- Item No. 11 – budget projections for FY2012-13 year end removed.

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

PUBLIC COMMENT – CLOSED SESSION

- None presented

CLOSED SESSION

GC54956.9 (b) Conference with Legal Counsel – Existing Litigation – City of Ridgecrest v MATASANTOS

GC54956.9 (b) Conference with Legal Counsel – Liability Claim of Eva M. Balfour – Claim No. 13-03

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORT

- Closed Session
 - City of Ridgecrest v Matosantos – received report, no publicly disclosable action taken
 - Liability Claim No. 13-03 – Eva M. Balfour – received report, voted to reject with direction to city clerk to send out notice of rejection.
- Other
 - Directed public attention to item 5a as added to agenda
 - Asked for item 6 to be pulled from consent for discussion.

PUBLIC COMMENT

Opened at 6:14pm

Jessie Olene

- Introduced self to public and Council
- Highway patrol officer
- Briefly spoke on highway patrol support in the region.

Tom Wiknich

- Question about waste management and services offered.
- Comments on recycling as main reason for waste management.
- Suggested waste management was not providing recycling services which does not fulfill their contractual obligation.
- Asked if waste management was in violation of franchise agreement
 - Keith Lemieux – responded
- Commented about difficulty in getting trash can, still does not have a recycling can and has been told they do not have a recycling container available.
- Encouraged council to approach waste management about services.

Al Huey

- Asked Council and Chief of Police how to avoid being stopped for erratic driving while trying to avoid potholes in the street, which should be covered by Measure 'L' funds.

Dave Matthews

- Empathized with Mr. Huey about the road conditions.
- Mentioned Saturday is Patriot's Day in Ridgecrest and a forum being held 9-3 at Ridgecrest Community Church. Encouraged community and council to participate.

Nadine Stichen

- Commented on worries connected to parks and recreation programs.
- Acquainted with Jim Ponek and related personal experiences with him and family.
- Commented on parks and recreation promoting mental health and participation.
- Attending meeting because of care for park and recreation programs.
- Worried and angry about financial changes due to state regulations.
- Observed Mr. Ponek present positive recommendations at quality of life committee meetings.
- Angry that director is asked to cut budget which has already been cut in past, putting department at crisis level.
- Angry because cuts being made will not be fair, decisions to be made based on core values but has failed to define those values.
- Has not seen other departments experiencing such cuts.
- Encouraged community to attend budget hearings and help prevent dissolving parks and recreation programs.
- Referred to facebook page and asked for positive memories of parks programs within the community.

Mike Neel

- Comments from Quality Of Life Committee meeting.
- Mr. Ponek stated that parks programs have been subsidized for some time.
- Persons enjoying the programs are not paying for them.
- Observed large turnout including girl's high school swim coach, who believed the City, should build pools for them.
- Schools receive funding which would allow them to build several pools.

Alyssa Soko

- Asked if city would offer credit cards for payment of programs
- People do not pay for programs because too much at one time, cash only
- Asked council to be flexible and allow charging rather than cash or check.

Jerry Taylor

- Suggested the 'Square' credit card devise for payment of parks programs fees.
- Is a transaction fee.
- Asked council to announce the workshop schedule.
- Recommendation to council of concerns and priorities.
- Example of soccer being cut first, what is the first and last items council intends to cut. Helps establish expectations.
- Not suggesting zero based budget, too painful
- Suggesting setting priorities for cuts.
- Commented about pool and deck, what would be done at home.
- Asked for positive cuts that would keep programs open.

MINUTES – RIDGECREST CITY COUNCIL/REDEVELOPMENT AGENCY - REGULAR

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- Providing services, pre-pay fees for services collected from the public and expected to provide services for youth and seniors.
- Asking for honest discussion of what council priorities are and have data available.
- Comparison of grass in freedom park vs. grass at Leroy Jackson and how each park is used.

Andy Anderson

- Added, parks and recreation has taken cuts in past but all other departments have also taken same cuts. Police and roads were backfilled by Measure 'L'. not enough to cover parks and recreation.
- If going to keep pool open, figure out where else can cut to keep the pool open.

Josh Masig

- Not sure how measure 'I' works
- Intersection at bowman road and china lake blvd, near Wal-Mart has no cross walk and no distinct turn lane
- Suggesting measure 'I' funds might be used for cross walks and turn lanes
- Mentioned soccer and seeking private group sponsorship

PRESENTATIONS

1. **Employee of the Month Award** **Clark**
 - Council recognized the Employee of the Month Award for Lane Ritchey
2. **Presentation Of A Proclamation Celebrating The 35th Anniversary Of National Health Services** **Ford**
 - Council Presented Proclamation honoring 35th anniversary of National Health Services to company representative Yolanda Alexander
3. **Presentation Of A Proclamation To The Indian Wells Valley Masonic Lodge Recognizing Public Schools Month** **Ford**
 - Council presented proclamation recognizing Public Schools Month to Peter Eiserloh and other Masonic representatives

CONSENT CALENDAR

4. Approve A Resolution Awarding A Construction Contract For The Safe Routes To School Cycle 9 Project To Cen-Cal And Authorizing The Interim City Manager, To Execute The Contract Speer
5. Approve A Resolution Authorizing An Agreement With The Consulting Firm Of Willdan Engineering To Provide Construction Management For The City Of Ridgecrest On The Safe Routes To School Cycle 9 Project Speer
- 5(a). Approve A Resolution Of The Ridgecrest City Council Approving The Lease Agreement With Waste Management Of California, Inc. And Authorizing The Interim City Manager To Execute The Agreement Speer
6. Approve A Resolution Authorizing The Mayor To Sign An At-Will Agreement For City Manager Services Lemieux
7. Approve A Resolution Authorizing A Proclamation For The Department Of Motor Vehicles Donate Life California Event Ford
8. Approval Of Draft Minutes Of The Regular Council Meeting Dated April 3, 2013 Ford

Items Pulled for Discussion:

- Item 6 pulled by City Attorney for comment.
- Item 5(a) pulled by Dave Matthews

Motion To Approve Consent Calendar Items Made By Council Member Holloway , Second By Council Member Patin . Motion Carried By Voice Vote Of 5 Ayes; 0 Noes; 0 Abstain; 0 Absent

Item 5 (a) Discussion

Dennis Speer

- Responded to Mr. Matthews questions of April 3.
- Zoning of the property is for commercial use therefore in line with the proposed use.
- No complaints have been submitted at this time regarding odor.

Dave Matthews

- Still questioning the property use, staff report is agreement for any additional industrial services.
- Suggested removing the term industrial.

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Keith Lemieux

- Legally operative language is contained in the agreement. Reviewed sole purposes listed in the agreement which include zoning ordinance.

Tom Wiknich

- Asked if there is a requirement about how fast service is to be provided.
 - Keith Lemieux – part of the franchise agreement and mentioned past success with individual customer service issues. Asked Mr. Wiknich to contact directly.

Motion To Approve Item 5(a) Made By Council Member Patin, Second By Council Member Holloway. Motion Carried By Voice Vote Of 5 Ayes; 0 Noes; 0 Abstain; 0 Absent

Item 6 Discussion

Keith Lemieux

- After reviewing applications received, city council authorized negotiating terms with Mr. Speer.
- Do not have final language of contract drafted
- At-will agreement for \$158,000 per year salary
- Other terms of employment carried over from current position.
- Draft written agreement contains terms however Mr. Speer has not had opportunity to review.
- Requesting approval of council to finalize agreement for \$158,000 per year and other terms as described.

Dave Matthews

- Is Mr. Speer expected to maintain public works director?
 - Keith – will continue to cover until financially viable to replace.

Al Huey

- Appreciate Mr. Speer immensely, respect for his knowledge.
- County Supervisor is only receiving \$110,000 per year.
- Given financial situation of City and what is being proposed as budget cuts within the city, concerned about the amount when county supervisor receives less but deals with higher budgets.
- Feel the salary is unreasonable. No reflection on Mr. Speer.

Keith Lemieux

- Mr. Speer will be receiving significantly less than previous city manager while wearing additional hat as public works director.

Al Huey

- Given financial status of city, am still uncomfortable with salary.

Ronald Porter

- Support Dennis and happy with selection
- Has concern about voting until citizens have opportunity to review the agreement.
- Fully support selection but want to see full agreement first.

Mike Neel

- Appreciate the decision, best man for the job.
- Congratulations Mr. Speer

Motion To Approve Item 6 Made By Council Member Sanders, Second By Council Member Holloway, Voice Vote Of 5 Ayes; 0 Noes; 0 Abstain; And 0 Absent.

DISCUSSION AND OTHER ACTION ITEMS

9. Presentation Of Wastewater Rate Scenarios And Cost Of Service Analysis By Red Oak Consultants Speer

Dennis Speer

- Gave staff report

Red Oak Consulting Representative – Mark Hildebrand

- Gave PowerPoint presentation of rate study.
- Highlighted Proposition 218 Hearing requirements.

Keith Lemieux

- These scenarios are not counting the loan currently being repaid.
- Making it clear that fee increase is not going to be used to backfill the loan payments.
- Discussion of the slow incline in the operating budget. No connection to current loan.

Recommended Action

- *Approve City Staff To Send A Mailer To All Property Owners Which Will Provide The Required 45-Day Advance Notice Of Council's Intention To Vote On A Sewer Rate Adjustment During The June 5th Council Meeting.*

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Jason Patin

- Commented Ridgecrest current rates seem out of proportion to other communities.
- Questioned if the city size directly affected the rate.
- Commented that Ridgecrest has not been raising rates in past, therefore the rate increase recommended today is larger than had the proper increases been made in the past.
- In terms of health and safety, current infrastructure needs repair and if we do not take care of it now then State could take over and charge higher rates.

Chip Holloway

- Asked about cost differences or types of bonds thru Prop 218 rather than other methods of raising rates.
- If debt is in place will we incur a different rate than if no debt issue is in place.
 - If debt is not in place and rates are not adjusted now, will incur higher costs and interest.

Jim Sanders

- Comments of monthly rates. Asked if increase in stability would justify a lower reserve or have a change on the rates?
 - Not an insignificant cost to outsource billing to vendor and purchase software. Annual cost would not be insignificant. Decision of whether revenue stream is justifiable to cover staff to do billing.

Dan Clark

- Question single family recommended rate increases, concerned about increase for seniors on fixed income. Can this scenario be adjusted. Suggested 50% increases for years 1, 2 & 3 rather than 100% the first year. Will we be too far off?

Public Comment opened at 7:47pm

Jerry Taylor

- Asked about schedule for public hearing and requirement to vote tonight to set the hearing.
- Reviewed slide #16 of presentation and commented on loan repayment.
- Suggested getting commercial loan and pay the 4.2 million off early.
- Commented on debt-ratio issue.
- Commented on concerns of the kern county 1.8% model for population growth, Ridgecrest does not grow at the same rate as Bakersfield. Concerned the projection is skewed. Additionally Military/Department of Defense budget is shrinking therefore population will shrink.
- Understand the rates need to be increased, however this council has not discussed what type of facility would be built and issues of funding construction on base.

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- Support moving forward but concerned that specific project and year of construction is not defined. IWW water rate increases are also a concern.
- Prop 218 is not free and plant size and type needs to be defined. Need to see the plan.

Mark Hildebrand

- Population, the larger the assumption then the lower the rates because rates are being spread over larger population.
- Point taken of type of plant but maintenance and replacement of pipes should begin immediately and continue along with the construction of new plant in near future.

Jerry Taylor

- Commented on the projections of sewer pipe replacement needs.

Jim Sanders

- Asked if the timing is tonight.
 - Literally down to the last night to get mailers out and allow the 45 days prior to hearing. Rates need to go to county by June 14.

Dan Clark

- Asked what the sewer system maintenance would look like beyond what has already been outlined. Is there anything else we should be considering.
 - Terry Sherborn – Provost & Pritchard
 - Matter of detail, if there was time to video all the pipes would be nice
 - Have a good idea already and can project the needs.
 - Have done considerable work on developing a plan for the new plant.

Jason Patin

- Any plan developed will not include extra money sitting around for leftover projects.

Dan Clark

- 800k has been set aside for sewer maintenance per year as part of this proposed rate schedule.
 - Terry – correct, average rates presented.

Jerry Taylor

- Need to make these projections and then can model trenchless v. trenched and then need to consider road repairs.
- Asked about the overhead costs.

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Ronald Porter

- Basic history, false premise, recapped sewer building fund passed in the 1980's. all money was to be set aside to build a new plant with no maintenance planned.
- This plan was passed by a vote of the people prior to Prop 218.
- Past council and public has asked for full audit of sewer fund.
- Asked for a full plan.
- Suggested this plan is building a reserve because the city borrowed money from the original reserve.
- Gave history of past sewer plant and agreement made to maintain from general fund.
- Concerned about raising cost of sewer fees without knowing what the funds will be spent for.
- Spoke on representatives' obligation to engage the people.

Manny Farmer

- Concerned about rate for single family home versus single family mobile home.
 - Mark Hildebrand – reviewed methodology used to establish rates.
- Has owned both single-family home and mobile home with identical residents, use of sewer is the same.
- Questioned why commercial rates are lower when more people use the facilities at commercial facilities.
 - Jim Sanders - Statistically, mobile homes have shown overall less use of sewer systems than single family homes.
 - Mark Hildebrand – study has been done showing less usage in mobile homes.

Chip Holloway

- Some people are equating manufactured homes as mobile homes. Manufactured homes are billed as a single family home.
 - Mark Hildebrand – mobile homes listed in this report are located in parks.

Andy Anderson

- Would we buy more time by rehabbing current facility or would it be a waste of money.
 - Terry – could possibly buy some time but compares to buying a used car. Plant is currently in the stage it would not make it down the street. Currently not meeting codes in electrical or compliance issues. Suggest picking a date and plan to replace the plant.
- Questioned sewer line maintenance cost and whether it is based on the average cost or based on our sewer system being antiquated.
 - Mark Hildebrand – 800K would replace 50% in 30 years.
- Do not think this is near the amount needed in the budget to replace sewer lines. Asked council to consider putting more than 800K per year.

Al Huey

- Spoke about remembrance of discussions in the 1980's regarding the sewers.
- Recalls council set aside a sewer fund.
- Subsequent council's borrowed from the sewer fund which diminished ability to borrow.
- Asked about public having same rate increases match the rate council was paying back the loan to the wastewater fund over 30 years.
- Made comments about priorities being out of place on necessities as opposed to wants.
- Referred to a competition pool at same time as closing Pinney pool, medians being funded by public citizens independently.
- Urged council to get priorities straight. Problem today is because of past council actions. Faced with dire decision tonight but would not have had to make this decision had past council focused on the issue.

Stan Rajtora

- Commented on not liking taxes but willing to pay his share so long as he understands what is really being done with the project.
- No question sewer lines need repaired. Wants to do more quickly.
- Was hoping to hear more about the actual plant and when it would be operational.
- Difficult to figure out a rate scale without the plan. Assumptions are built into the analysis.
 - Dan Clark – suggestion is plant needs to be completed in 5-7 years.
- Suggested working backwards from completion to present.
- Commented on Fund reserves associated to sewer availability charge. At present can't make a 10% general fund reserve. Do not understand how council can consider having a 100% operating reserve. Back off reserve could get rates down and still accomplish what needs to be done without having rates so high.
- Asked about the Navy cost-sharing. Wants to make sure the Navy is paying their fair share. Do not think City should be subsidizing the navy.
- Commented on 6% interest rate. Seems high and hope we can do better than that.
- Mentioned industry standards of apartments using 80% of single family standards but numbers appear to be 87% projection.
 - Mark Hildebrand
 - Responded to questions. Costs associated are fixed regardless of the account and strength of sewage coming from each account. Fixed costs changes from 80% to 87%.
 - Commented on interest rate availability due to sequestration and budget cuts. Conservative estimates of rates in 5 years.
- Asked about current general fund reserves today. Personal opinion of 100% operating reserve along with a capital reserve is arbitrarily forcing rates higher than required.
- Suggested putting those funds toward maintenance rather than reserve.

Harris Brokke

- Heard dates and 45 day thing needs to happen before the June 5 meeting and product needs to be finished by June 14.
- If Council meeting was scheduled to other dates such as June 10, could the product be completed?
 - Jim Sanders – referring to new information and desire to re-crunch numbers
 - Keith Lemieux – must be conducted at a regular meeting of the Council

Mike Neel

- Read statement made by Martin Luther King Jr.
- Referenced recent history of trash issues.
- Commented on Measure 'L' and other tax increases.
- Referenced agenda item stating no plan has been completed and assumptions.
- Acknowledged sewer line conditions.
- Referenced to credibility of council having a large increase. Suggested doing the increase annually rather than a 5 year plan.
- Suggested City doing own billing and bi-annual Prop 218 hearings.
- Suggested operating reserve be 50% and lower capital reserve and increase for first year only be 25%.
- Gather real data of cost for repair of lines.
- Nothing in the data shows requirement for new plant by 2018, repairs possible but need more hard data before raising rates to this level.

Closed at 8:43pm

Jim Sanders

- Timing is unfortunate, ideally would do budget hearings which might change the numbers. Interested in seeing the difference in rates with 10-year repayment plan of wastewater loan vs. 30 year.
- Don't feel comfortable raising rates based on 30-year loan repayment schedule. Proposing to re-crunch the numbers to see the difference in rates with a 10-year repayment.
- Suggested a monthly billing schedule to meet reserve.

Dan Clark

- Reminded council that at this point there is no general fund reserve so may not be feasible to increase loan payment until general fund reserve is improved.

Jim Sanders

- Suggested starting a monthly billing schedule which would justify a lower reserve.

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Jason Patin

- Reviewed current cuts needed in General Fund and does not agree with increasing that just to pay back the loan.

Chip Holloway

- What service do you want to cut to pay back the loan quicker, not creating revenue.
- Not collecting near the identified need. Preferred route if state elected new governor and gave back RDA funds which were taken then could have the discussion but could also have another Prop 218 hearing and adjust the rates again.
- Understand the sticker shock value. Proposed re-crunching numbers with a 60%, 50%, 40% over the next 3 years then 3% thereafter for 2 years. Asked if there could be a true CPI adjustment for each year.

Dan Clark

- Suggested reversing Chip's suggesting by starting with 40%, 50%, 60% then 3% for the following 2 years.
- Recapped options.
 - Mark Hildebrand – provided numbers on the overhead.
- Can support 60%, 50%, 40% and CPI for 2 years with possibility of additional Prop 218 hearing.

Lori Acton

- Looking at same reserve amount. Scenario of reducing next year if reserve is changed?
 - Mark Hildebrand – yes.
- Commented on wastewater loan and public would have to pay more to outside agency.
 - Mark Hildebrand – commented they looked at actual interest earnings. Also if reserve levels are a concern can show the numbers which will have little effect on the rates. Rates are being driven by the need to build a new plant.

Chip Holloway

- Commented on reserves.

Jason Patin

- Not willing to keep looking back at decisions that were made by previous councils.
- Commented on history of the 4.2 loan.
- 21 years since increase to sewer fees, not happy about increasing fees and would have preferred small increases throughout the years. See a problem and are going to fix it.

Dan Clark

- Reviewed benefits of rate increase. New plant; repair and rehabilitation of infrastructure. Would be reckless to not take action having the knowledge we currently have. Need some reserve to make repairs in the event of a breakage.
- Supports 60%, 50%, 40% and encourage colleagues to look at the modified rates to accommodate seniors and fixed incomes.

Jim Sanders

- Asked to see scenario showing difference in rates with shorter repayment of loan.
 - Mark Hildebrand – showed rate adjustment based on 10 year loan payments.

Jason Patin

- Still will need to incur debt to complete the system but the increase rates are only getting us near where we should have been already.

Chip Holloway

- Discussion of volume based rates

Motion To Establish Public Hearing To Be Held June 5, 2013 And Direct Staff To Send Mailers Showing 60%,50%,40% Plan Made By Jason Patin, Second By Chip Holloway. Motion Carried By Voice Vote Of 5 Ayes; 0 Noes; 0 Abstain; And 0 Absent.

Motion To Adopt Item 10 With Revision To Rates Adjusting Increases To 60%, 50%, 40% 3% And 3% For 5 Year Rates Made By Jason Patin, Second By Holloway. Motion Carried By Roll Call Vote Of 5 Ayes; 0 Noes; 0 Abstain; And 0 Absent

10. Discussion Of Increasing Fees For Wastewater Services And Establishing A Public Hearing

Speer

Dennis Speer

- Presented staff report

Public Comment:

Tom Wiknich

- Does this model plan to break ground in 5 years and fix current infrastructure at the rate of \$800K per year.

Stan Rajtora

- Asked for clarification of modifying billing process to reduce reserves.
- Would rather pay annually rather than monthly.
- Recommended independent oversight committee for wastewater fund.

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Chip Holloway

- Lower reserves would create higher rates and make it more difficult to bond.

Jerry Taylor

- Reminded council they do not want to do billing. Recounted history of Benz billing.
- Recounted other ways of generating credibility with public.

Mike Neel

- Comments on freedom and taxes.
- Specifics on notice that will be mailed. Reviewed the agenda item notice, bottom left corner in italic which is hard to read. Suggested removing some language and request what is said in the lower left corner be enlarged. Want public to have clear understanding of what this means if they do not respond.

Mark Hildebrand

- Reviewed the method of notification which will include the outside cover.

Jim Sanders

- Italics draws more attention.

Mike Neel

- Larger font and bold get more attention.

Chip Holloway

- Comments on state regulations for election pieces and asked if there are similar requirements.

Mark Hildebrand

- Intention was to draw attention with italics and box. Will work on making it more legible.

Lori Acton

- Glad to see we are moving forward.

Jim Sanders

- Avoiding catastrophic problem in future.

Chip Holloway

- The most important service we provide the public is the removal of bodily fluids from the homes. Has to be done and trying to do in a fair and economical way. Comfortable this rate addresses the need in the most fair and economical way possible.

Jason Patin

- Doesn't matter how we got here or what other council's have done. Our task is to take care of the problem and that is what we have done. Would be irresponsible not to take this step.

Dan Clark

- Would be irresponsible not to take action.

Jim Sanders

- Flyer suggestion, eliminate wording referencing regional rates.

Motion to adopt item 10 with revision to rates adjusting increases to 60% in year 1, 50% in year 2, 40% in year 3, 3% in year 4 and 3% in 5 year rates made by Jason Patin, second by Holloway. Roll call vote of 5 ayes; 0 noes; 0 abstain; and 0 absent.

11. Monthly Budget Projections Update for Fiscal Year 2012-13

McQuiston

Item removed prior to approval of agenda.

COMMITTEE REPORTS

City Organization

Members: Dan Clark, Jim Sanders

Meeting: 3rd Tuesday Of The Month At 5:00 P.M.; Council Conference Room

Next Meeting: May 21, 2013

Jim Sanders – reviewed last meeting

- Reviewed Measure 'L' report of expenditures
- Reviewed travel budget, on target.
- Gas tax review of revenue, waiting on expenditures.
- Discussed fees charged, will continue in budget workshop
- Discussed legal fees for past 5 years.
- Sales tax revenue was up and gas tax revenue was down.

Community Development Committee

Members: Jason Patin, Chip Holloway

Meetings: 1st Thursday Of The Month At 5:00 P.M.; Council Conference Room

Next Meeting: May 2, 2013

Jason Patin – announced next meeting

Infrastructure Committee

Members: Dan Clark, Jason Patin
Meeting: 2nd Wednesday Of The Month At 5:00 P.M., Council Conference Room
Next Meeting: May 8, 2013

Dan Clark – announced next meeting and will be discussing the sewer management plan.

Quality Of Life

Members: Chip Holloway, Lori Acton
Meeting: 2nd Thursday Of The Month At 5:00 P.M.; Kerr-McGee Center
Next Meeting: May 9, 2013 (Dark in June, July, December, and January)

Chip Holloway – reviewed last meeting on April 11.

- Presentation on the Ridge project which includes median cleanup and proposals of new median using stamped concrete.
- Encouraged public to go online to see what they do.
- Report from parks director about viewfinders grand prix.
- Recommendation from parks director to cancel lease on Leroy Jackson Park. No proposal sent to county yet.
- Remaining meeting was discussion of preserving the pool and programs. Commented on using return on investment as being a loss for the pool and not wanting to use that as only basis for making decisions. Received more input from public.
- AdHoc committee established.
- Next meeting proposal of drug addiction and mental health program for the community.

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

Members: Jim Sanders, Jason Patin
Meetings: 3rd Tuesday of the Month at 4:00 P.M., Kerr-McGee Center
Next Meeting: May 21, 2013

Jason Patin – have not met

Veterans Advisory Committee

Members: Jason Patin, Lori Acton
Meetings: 1st and 3rd Monday of the Month At 6:00 p.m., Council Conference Room
Next Meeting: May 6, 2013

Dan Clark

- PSA out for Stand-down
- Dollar rent-a-car offering transport to LAX and other businesses in the southland.
- Fundraising efforts with logo shirts and patches.

Ridgecrest Area Convention And Visitors Bureau (RACVB)

Members: Jason Patin, Chip Holloway
Meetings: 1st Wednesday Of The Month, 8:00 A.M.
Next Meeting: May 1, 2013 at location to be announced

Chip Holloway – have not met

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

- None

CITY MANAGER REPORT

Dennis Speer

- Scheduled order of appearance for budget hearings.
 - Public Works
 - Public Services
 - Administration
 - Finance
 - Police
 - Parks & Recreation

MAYOR AND COUNCIL COMMENTS

Lori Acton

- Follies Saturday.
- Thanked public for input on wastewater discussion. Glad for dialogue and suggestions

Jim Sanders

- Good debates today with good information
- Passed flyer to pay back 30 year loan but intention is to find a way to repay the loan as soon as possible. Will be budget workshop discussion.
- Want to see costs vs. revenue numbers at the budget workshop.
- Appreciate staff for their time and efforts.

Chip Holloway

- Policy Committee meeting in Pasadena last week.
- President Obama's budget proposal includes eliminating tax exempt status for municipalities.
- Would prevent sale of bonds on all nationwide infrastructure projects.

MINUTES – RIDGECREST CITY COUNCIL/REDEVELOPMENT AGENCY - REGULAR

April 17, 2013

Page 19 of 19

Jason Patin

- Items that come from committee are reviewed by full council before decisions are made.
- School uses our pool for a fee. Funds they received are not allowed to build a pool with it.
- Jackson park is not under discussion, only who will maintain it.
- Wildflower festival had great turnout
- Follies this Saturday.

Dan Clark

- Proud of council, difficult decisions are being made and a 5-0 vote is awesome.
- Thanked community members for being here.
- Working on infrastructure is great thing.

ADJOURNMENT at 9:57 pm

Rachel J. Ford, CMC, City Clerk

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

SUBJECT:

A Resolution to approve General Plan Amendment (GPA 13-01), a request to amend the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density), and,

PRESENTED BY:

Matthew Alexander, AICP

SUMMARY:

The applicants, Sally Peterson and the City of Ridgecrest, have filed for amending the General Plan and rezoning 10,400 sq. ft. on two parcels located at 822 and 828 N. Balsam Street, (APN 067-031-11&12).

The purpose of these proposed amendments is to bring the General Plan and Zoning District into compliance for these residential and commercial uses of these two neighboring properties.

In order to facilitate this project, on February 26, 2013 the Planning Commission approved a resolution, (attached), recommending the City Council approve a General Plan Amendment and adopt an Ordinance rezoning the above described property. The Commission also approved a Categorical Exemption to be in compliance with CEQA

FISCAL IMPACT:

None. Both parcels are currently developed.

Reviewed by Finance Director

ACTION REQUESTED:

Approve Resolution for General Plan Amendment. Approve first reading of the Ordinance amending the Zoning Map

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve Resolution for General Plan Amendment. Approve first reading of the Ordinance amending the Zoning Map

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

Action Date: May 1, 2013

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RESOLUTION NO. 13-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING GENERAL PLAN AMENDMENT 13-01, A REQUEST FOR AN AMENDMENT TO THE CITY RIDGECREST GENERAL PLAN TO CHANGE THE LAND USE FOR 2 PARCELS: 1) APN 067-031-11, (822 N. BALSAM STREET) CONTAINING 3900 SQUARE FEET FROM RM (RESIDENTIAL MEDIUM) TO C (COMMERCIAL) AND 2) APN 067-031-12, (828 N. BALSAM STREET) CONTAINING 6500 SQUARE FEET FROM C (COMMERCIAL) TO RM (RESIDENTIAL MEDIUM DENSITY).

THE CITY COUNCIL OF THE CITY OF RIDGECREST RESOLVES as follows:

SECTION 1. FINDINGS

On February 26 , 2013 the Planning Commission held a public hearing and duly and regularly considered and recommended General Plan Amendment 13-01, a request to amend the Land Use Element of the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density), Sally Peterson and the City of Ridgecrest, applicants.

The Planning Commission considered the evidence and recommended approval of this request as set forth herein:

- (a) The proposed general plan amendment is internally consistent with the adopted elements and the goals, objectives, policies, and programs of the General Plan.
- (b) The area is physically suited for the General Plan designation proposed in that the request is compatible with surrounding land uses,
- (c) The proposed general plan amendment is:
 - 1. Not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitats; therefore a negative declaration has been approved for the project.
 - 2. Not likely to cause serious public health problems.

On May 1, 2013 the City Council held a public hearing and duly and regularly considered General Plan Amendment 06-08, a request to amend the Land Use Element of the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density),

The City Council considered the evidence and approves this request as set forth herein:

- (a) The proposed General Plan Amendment is internally consistent with the adopted elements and the goals, objectives, policies, and programs of the General Plan.
- (b) The area is physically suited for the General Plan designation proposed in that the request is compatible with surrounding land uses,
- (c) The proposed general plan amendment is:
 - 1. Not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitats; therefore a negative declaration has been approved for the project.
 - 2. Not likely to cause serious public health problems.

SECTION 2. DESCRIPTION

The proposed project which is the subject of these proceedings consists of General Plan Amendment 13-01, a request for an amendment to the Land Use Element of the City Ridgecrest General for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density),

SECTION 3. APPROVAL

General Plan Amendment 13-01 is hereby approved, having found that it is in the best interest of the public and is compatible with surrounding land uses.

The City Council of the City of Ridgecrest, California, does ordain as follows:

The Land Use Element of the Ridgecrest General Plan is hereby amended as set forth in Exhibit "A" attached hereto and incorporated herein.

APPROVED AND ADOPTED this _____ day of _____, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

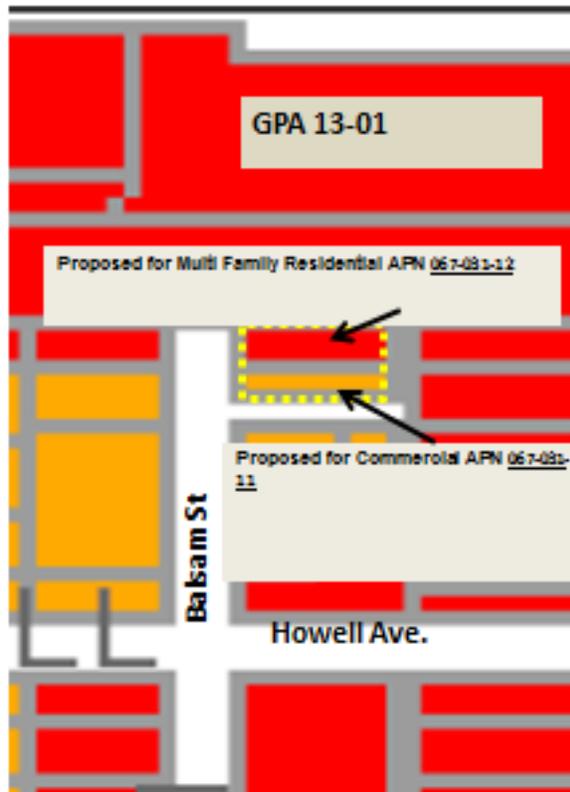
Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

**EXHIBIT A
GPA 13-01**

AMENDMENT the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density),



PLANNING COMMISSION RESOLUTION 13-05

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF RIDGECREST APPROVING GENERAL PLAN AMENDMENT 13-01 AND ZONE CHANGE 13-01

GPA 13-01 is a request to amend the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density).

ZC 13-01 is a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

Applicants: SALLY PETERSON AND THE CITY OF RIDGECREST

THE PLANNING COMMISSION OF THE CITY OF RIDGECREST RESOLVES as follows:

SECTION 1. FINDINGS

On February 26th 2013 the Planning Commission held a public hearing and duly and regularly considered the application **GPA 13-01**: a General Plan Amendment on 0.24 acres for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density), and **ZC-06-06**: a Zone Change 0.24 acres for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

The Planning Commission considered the evidence and approved this application as set forth herein:

- (a) The General Plan Amendment is consistent with the applicable land uses onsite and are compatible with the objectives, policies, uses and programs of the Ridgecrest General Plan,
- (b) The Zone Changes are consistent with the applicable land uses onsite and are compatible with the requirements of the Ridgecrest Zoning Ordinance,
- (c) The area is physically suited for the General Plan Amendment and Zone Classification proposed in that the request is compatible with surrounding land uses.
- (d) The proposed zone change is:
 1. Not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitats; therefore a categorical exemption has been approved for the project.
 2. Not likely to cause serious public health problems.
- (e) The proposal conforms to the requirements of Chapter 20 of the Ridgecrest Municipal Code.

SECTION 2. DESCRIPTION

The application for the proposed general plan amendment and zone change is hereby recommended for approval as shown in Exhibit A of the staff report.

SECTION 3. APPROVAL

General Plan Amendment GPA 13-01 and Zone Change ZC 13-01 are hereby approved having found that it is the best interest of the public and is compatible with surrounding land uses.

APPROVED on this 26nd day of February 2013 by the following vote:

AYES: LeCornu, Morgan, O'Bergfell, Davis, Brokke

NOES: None

ABSTAIN: None

ABSENT: None



Chris LeCornu, Chairman

ATTEST:



Ricca Charlon, Secretary

Application:

GENERAL PLAN AMENDMENT 13-01 AND ZONE CHANGE 13-01:

GPA 13-01 is a request to amend the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density).

ZC 13-01 is a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

Applicants: SALLY PETERSON
PO Box 5036
BALBOA ISLAND, CA 92662, and

THE CITY OF RIDGECREST
100 W. CALIFORNIA AVE.
RIDGECREST, CA 93555

Recommended Motion

MOTION TO APPROVE A RESOLUTION 13-05 TO AMEND THE GENERAL PLAN FOR 2 PARCELS: 1) APN 067-031-11, (822 N. BALSAM STREET) CONTAINING 3900 SQUARE FEET FROM RM (RESIDENTIAL MEDIUM) TO C (COMMERCIAL) AND 2) APN 067-031-12, (828 N. BALSAM STREET) CONTAINING 6500 SQUARE FEET FROM C (COMMERCIAL) TO RM (RESIDENTIAL MEDIUM DENSITY), AND AMEND THE ZONING MAP FOR 2 PARCELS: 1) APN 067-031-11, (822 N. BALSAM STREET) CONTAINING 3900 SQUARE FEET FROM UNDESIGNATED TO CG (GENERAL COMMERCIAL) AND 2) APN 067-031-12, (828 N. BALSAM STREET) CONTAINING 6500 SQUARE FEET FROM UNDESIGNATED TO R-2 (MULTI-FAMILY RESIDENTIAL).

PROJECT INFORMATION			
Existing Land Use		Existing Zoning	
Site	Single Family Residence and Commercial Building	Undesignated	
North	Commercial & Parking	CG	General Commercial
South	Commercial	CG	General Commercial
East	Commercial	CG	General Commercial
West	Apartments	R-2	Multi Family Residential
General Plan Designation		Commercial & Medium Density Residential	
Access		N. Balsam St.	
Site Area		10400 sq. ft. or 0.24 Acres	
Environmental		Categorical Exemption	

BACKGROUND

The staff received an application requesting that an existing residential property located at 828 Balsam Street, (APN 067-031-12) be rezoned from “undesigned” to R-2 (Multi Family Residential). Further, a General Plan Amendment for the same property from C (Commercial) to MDR (Medium Density Residential) was determined to be appropriate by the staff.

On January 22, 2013 the Planning Commission directed the staff to initiate a public hearing to consider amending the Zoning Ordinance and General Plan for Ms. Peterson’s property. Further, the Planning Commission directed the staff to initiate a rezoning and General Plan Amendment for the property located at 822 Balsam Street, (lying immediately south of 828 Balsam St.). This parcel is also currently zoned “undesigned” with a General Plan Land Use Designation of Multi Family Residential.

Staff believes that these are the only two properties with undesigned Zone Districts within the entire City. To make the residential zoning consistent with the General Plan, the staff recommends that a public hearing be held to amend the General Plan designation for Ms. Peterson’s property from Commercial to Low Density Residential. This would be consistent with the single family home located at 828 N. Balsam Street.

The property located at 822 N. Balsam Street lies on a very narrow 30 foot wide lot. It is currently a vacant commercial building and needs a zoning designation that reflects the commercial nature of the building, (in lieu of the Multi Family residential zoning) The General Plan designation of Medium Density Residential is not appropriate for this commercial use.

DISCUSSION

The staff contacted Lola Taylor, the owner of the property located at 822 N. Balsam. She suggested that her property be zoned light Industrial. In the opinion of the staff, this zoning would not be compatible with the residential properties to the north and west of her site. This is because of the noise that may be generated from industrial uses. Therefore, it is recommended that 822 N. Balsam Street be rezoned from undesigned to Commercial General. The CG zoning requires all activity to take place inside of a building.

ENVIRONMENTAL REVIEW

The project is under 5 acres and would qualify as a Categorical Exempt project.

RECOMMENDATION

Staff recommends that the Planning Commission approve the General Plan Amendment and Zone Change as proposed within the Draft Planning Commission Resolution, (PC RESOLUTION13-05)

PUBLIC NOTICE

A Notice of this Public Hearing was published in the *Daily Independent* on February 15, 2013 and Notices of this Public Hearing have been mailed to property owners within 300’ of the project site.

THE APPLICANT SHALL NOTE THAT THERE IS A FIFTEEN (15) DAY APPEAL PERIOD FOR THE PLANNING COMMISSION DECISION. ALL APPEALS ARE DIRECTED TO THE CITY COUNCIL UPON SUBMITTAL OF APPEAL FEE AND LETTER STATING REASONS FOR THE APPEAL. FURTHER, THE FINAL TRACT MAP FOR THIS PROJECT MAY NOT BE FILED UNTIL THE RIDGECREST CITY COUNCIL ADOPTS THE ORDINANCE APPROVING THE GENERAL PLAN AMENDMENT AND ZONE CHANGE.

Air Photo



GPA 13-01 and ZC 13-01 0.24 Ac Peterson & City of Ridgecrest

GPA 13-01 is a request to amend the General Plan for 2 parcels: 1) APN 067-031-11, (**822 N. Balsam Street**) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (**828 N. Balsam Street**) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density).

ZC 13-01 is a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (**822 N. Balsam Street**) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (**828 N. Balsam Street**) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

EXHIBIT A

PROPOSED General Plan and Zoning Maps for GPA 13-01 and ZC 13-01

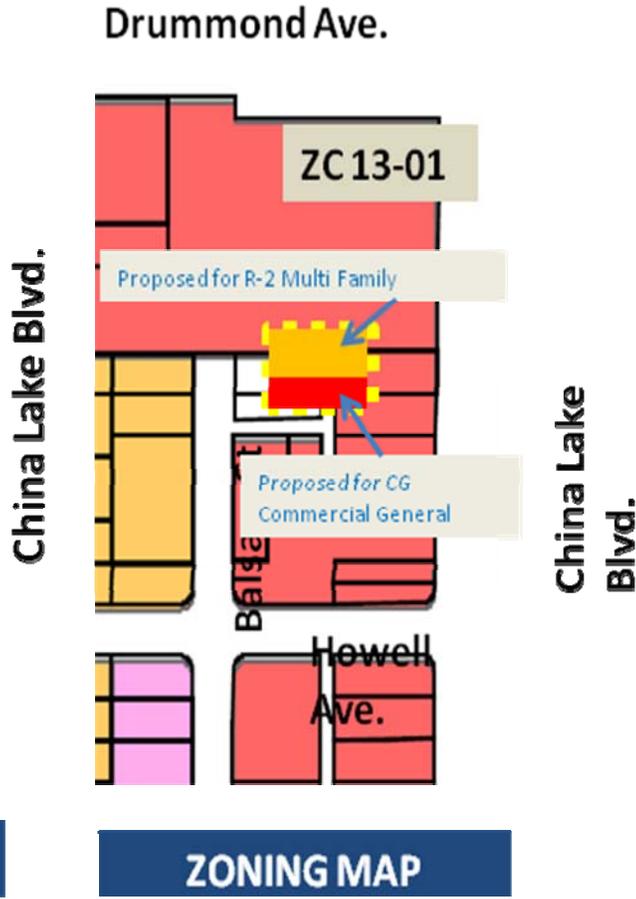
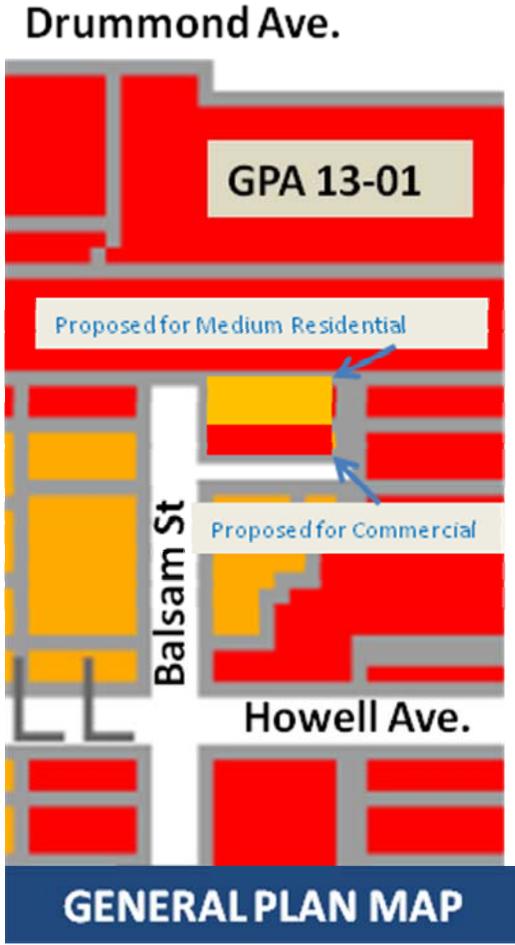
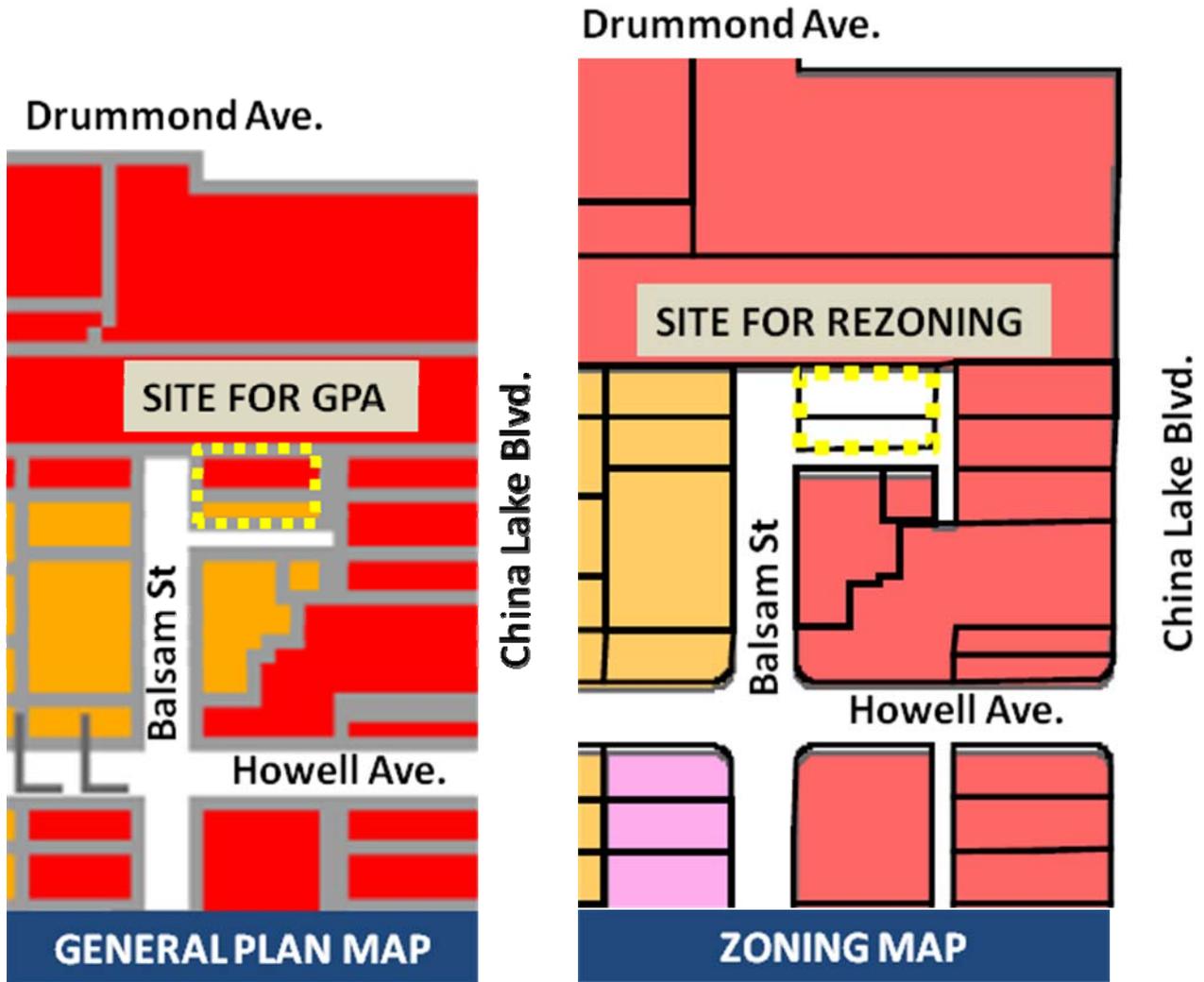


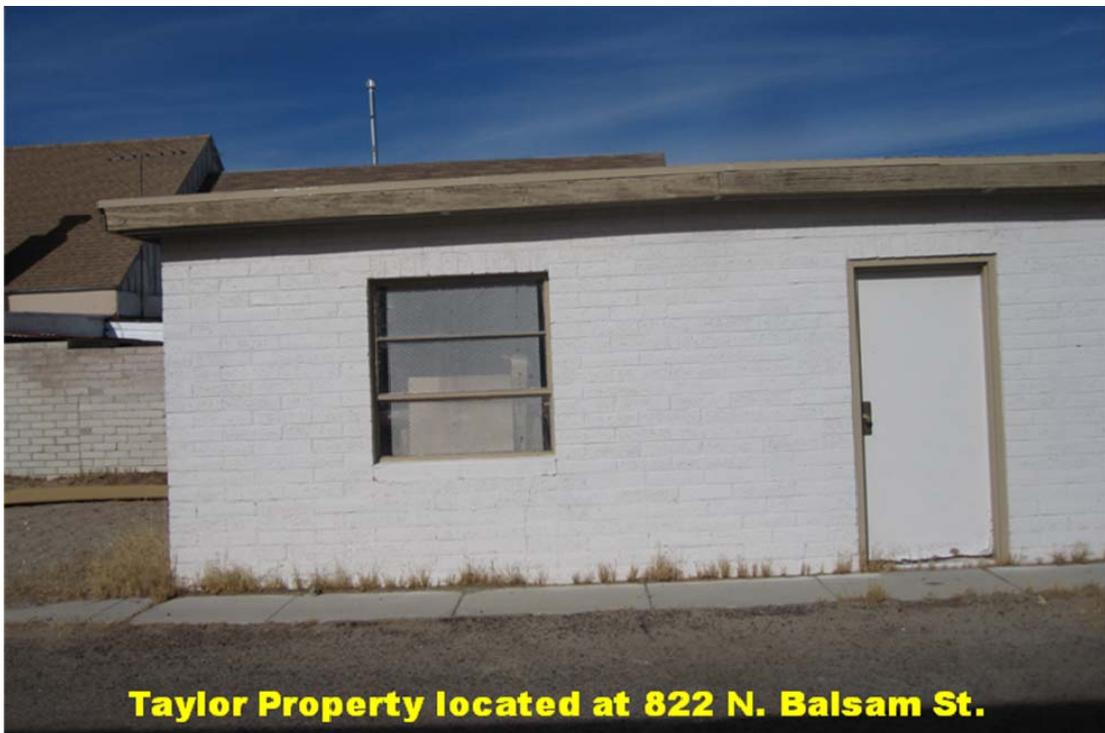
EXHIBIT B

EXISTING General Plan and Zoning Maps for GPA 13-01 and ZC 13-01



GPA 13-01 and ZC 13-01 0.24 Ac Peterson & City of Ridgecrest

Photographs of Project Site



GPA 13-01 and ZC 13-01 0.24 Ac Peterson & City of Ridgecrest

**DRAFT
PLANNING COMMISSION RESOLUTION 13-05**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF RIDGECREST APPROVING **GENERAL PLAN AMENDMENT 13-01 AND ZONE CHANGE 13-01:**

GPA 13-01 is a request to amend the General Plan for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density).

ZC 13-01 is a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

Applicants: SALLY PETERSON AND THE CITY OF RIDGECREST

THE PLANNING COMMISSION OF THE CITY OF RIDGECREST RESOLVES as follows:

SECTION 1. FINDINGS

On February 26th 2013 the Planning Commission held a public hearing and duly and regularly considered the application **GPA 13-01** : a General Plan Amendment on 0.24 acres for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from RM (Residential Medium) to C (Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from C (Commercial) to RM (Residential Medium Density), and **ZC-06-06**: a Zone Change 0.24 acres for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

The Planning Commission considered the evidence and approved this application as set forth herein:

- (a) The General Plan Amendment is consistent with the applicable land uses onsite and are compatible with the objectives, policies, uses and programs of the Ridgecrest General Plan,
- (b) The Zone Changes are consistent with the applicable land uses onsite and are compatible with the requirements of the Ridgecrest Zoning Ordinance,
- (c) The area is physically suited for the General Plan Amendment and Zone Classification proposed in that the request is compatible with surrounding land uses.
- (d) The proposed zone change is:
 - 1. Not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitats; therefore a categorical exemption has been approved for the project.
 - 2. Not likely to cause serious public health problems.
- (e) The proposal conforms to the requirements of Chapter 20 of the Ridgecrest Municipal Code.

SECTION 2. DESCRIPTION

The application for the proposed general plan amendment and zone change is hereby recommended for approval as shown in Exhibit A of the staff report.

SECTION 3. APPROVAL

General Plan Amendment GPA 13-01 and Zone Change ZC 13-01 are hereby approved having found that it is the best interest of the public and is compatible with surrounding land uses.

APPROVED on this 26nd day of February 2013 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chris LeCornu

Chairman

ATTEST:

Ricca Charlon, Secretary

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

SUBJECT:

An Ordinance Of The Ridgecrest City Council Amending The Zoning Map for Zone Change ZC 13-01, a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential)

PRESENTED BY:

Matthew Alexander, AICP

SUMMARY:

The applicants, Sally Peterson and the City of Ridgecrest, have filed for amending the General Plan and rezoning 10,400 sq. ft. on two parcels located at 822 and 828 N. Balsam Street, (APN 067-031-11&12).

The purpose of these proposed amendments is to bring the General Plan and Zoning District into compliance for these residential and commercial uses of these two neighboring properties.

In order to facilitate this project, on February 26, 2013 the Planning Commission approved a resolution, (attached), recommending the City Council approve a General Plan Amendment and adopt an Ordinance rezoning the above described property. The Commission also approved a Categorical Exemption to be in compliance with CEQA

Recommended Motions – 2 Motions

Motion to waive reading in full of an ordinance of the city council of the city of ridgecrest Amending The Zoning Map for Zone Change ZC 13-01, a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential)

Requires A Second

Motion to introduce, by title only, an ordinance of the city council of the city of Ridgecrest Amending The Zoning Map for Zone Change ZC 13-01, a request to amend the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential)

Requires A Second

FISCAL IMPACT:

None. Both parcels are currently developed.

Reviewed by Finance Director

ACTION REQUESTED:

Approve Resolution for General Plan Amendment. Approve first reading of the Ordinance amending the Zoning Map

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve Resolution for General Plan Amendment. Approve first reading of the Ordinance amending the Zoning Map

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

Action Date: May 1, 2013

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ORDINANCE NO. 13-xx

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIDGECREST
ADOPTING ZONE CHANGE NO. 13-01**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIDGECREST as follows:

SECTION 1. PURPOSE

1. Purpose.
This ordinance adopts Zone Change No. 13-01

SECTION 2. FINDINGS

2. Findings.
The Council finds, determines and declares:
 - (a) This zone change will not be accompanied by any significant environmental impacts.
 - (b) This zone change are consistent with the General Plan as adopted.
 - (c) This zone change will not have a significant impact on the environment and is not likely to cause environmental damage or serious public health problems,
 - (d) The area is physically suited for the zone classification.
 - (e) This zone change will promote the health, welfare and safety of the community.
 - (f) The proposal conforms to Chapter 20 of the Ridgecrest Municipal Code.

The Planning Commission considered the evidence and recommended approval of this application on February 26, 2013

SECTION 3. DESCRIPTION

The application for the proposed Zone Change is hereby recommended for approval as shown in Exhibit A, attached hereto.

SECTION 4. APPROVAL

Zone Change ZC 13-01 is hereby approved having found that it is in the best interest of the public and is compatible with surrounding land uses by amending the Ridgecrest Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).

3. Amendment.
for 10,400 sq. ft. on two parcels located at 822 and 828 N. Balsam Street, (APN 067-031-11&12).
4. Effective Date.
This ordinance shall take effect 30 days from the date of adoption.
5. Other.

The amendment as shown, shall be appropriate designated on the Precise Zoning Plan Maps of the City of Ridgecrest as a change in the District Boundary on the Zone Plan Map with Ordinance notation. Except as provided herein, the zoning ordinance of the City is hereby affirmed.

6. City Clerk.

The City Clerk shall certify to the passage and adoption of the ordinance and shall cause this ordinance to be published in the manner required by law.

APPROVED AND ADOPTED this _____ day of _____, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

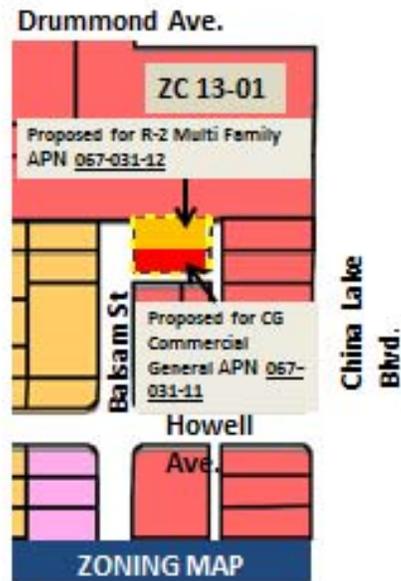
Daniel O. Clark, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

EXHIBIT A
ZC 13-01

Amending the Zoning Map for 2 parcels: 1) APN 067-031-11, (822 N. Balsam Street) containing 3900 square feet from Undesignated to CG (General Commercial) and 2) APN 067-031-12, (828 N. Balsam Street) containing 6500 square feet from Undesignated to R-2 (Multi-Family Residential).



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