



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

January 27, 2015

6:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org

Please silence all cell phones

**Notice: Members of the Public attending shall comply with the Council's adopted Rules of Decorum in Resolution No. 4545. A copy of the Rules of Decorum are available from the City Clerk.*

Call to Order

Roll Call

ROLL CALL: Council Members Milne, Raver and Youssef, Mayor Pro Tem Wright and Mayor Krupa

Work Study

Discussion regarding this item, with possible direction to staff

1. Federal Legislative Update – David Turch & Associates
-

Closed Session

Notice of Opportunity for Public Comment

Members of the Public may comment upon any identified item on the closed session agenda. Since the Council's deliberation on these items is confidential the City Council and City Staff will not be able to answer or address questions relating to the items other than procedural questions. At the conclusion of the closed session, the City Attorney will report any actions taken by the City Council which the Ralph M. Brown Act required to be publicly reported.

2. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

Service Employees International Union General Employees

Hemet Fire Fighters Association

3. Conference with Legal Counsel - Existing Litigation

Pursuant to Government Code section 54956.9(d)(1)

Name of cases: *Erin Adams, et al v. County of Riverside, et al*

USDC Case No. 14-CV-00830 SVW

and

Hemet Firefighters Association, et al. v. City of Hemet, et al.

RSC Case No. RIC 1400175

4. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
-

REGULAR SESSION

7:00 p.m.

**City of Hemet City Council Chambers
450 E. Latham Avenue**

Call to Order

Roll Call

ROLL CALL: Council Members Milne, Raver and Youssef, Mayor Pro Tem Wright and Mayor Krupa

Invocation

Pledge of Allegiance

City Attorney Closed Session Report

5. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
*Service Employees International Union General Employees
Hemet Fire Fighters Association*
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Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175*
7. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
-

City Council Business

Notice to the Public

The Consent Calendar contains items which are typically routine in nature and will be enacted by one motion by the Council unless an item is removed for discussion by a member of the public, staff, or Council. If you wish to discuss a Consent Calendar item please come to the microphone and state the number of the item you wish to discuss. Then wait near the lecture. When the Mayor calls your turn give your last name, and address, then begin speaking. You will have three minutes at that time to address the Council.

Consent Calendar

8. **Approval of Minutes** – January 13, 2015
9. **Approval of Minutes** – January 17, 2015
10. **Receive and file** – Investment Portfolio as of November 2014
11. **Receive and file** – Warrant Register
 - a. Warrant registers dated January 7, 2015 in the amount of \$1,849,354.39 and January 8, 2015 in the amount of \$1,915,205.37. Payroll for the period of December 22, 2014 to January 4, 2015 was \$662,851.79.
12. **Recommendation by City Manager** – Ratification of Professional Services Contract with Tri Lake Consultants for Interim City Engineer services
 - a. Ratify a professional services contract with Tri Lake Consultants to provide Interim City Engineer services, effective January 15, 2015.
13. **Recommendation by Fire** – Acceptance of the 2014 Riverside County Community Health Agency Grant (CHOG)
 - a. Accept the grant from the Riverside County Community Health Agency in the amount of \$67,000 for the period of October 10, 2014 through February 28, 2016; and
 - b. Amend the budget in the Public Safety Grant Fund #232 to reflect the award amount of \$67,000 to cover the cost of training and the purchase of hazardous materials mitigation equipment.
14. **Recommendation by Police** – Purchase of 4 Vehicles for Police Department
 - a. Approve the purchase of 4 police department replacement vehicles and related emergency and safety equipment as follows:
 - Raceway Ford (4 vehicles): \$105,599.60
 - West Coast Lights & Sirens (vehicle up-fit): \$25,980.92
 - High Desert Communications (interop radios): \$27,749.20
 - Southern Computer Warehouse (mobile data computer): \$3,545.40
 - b. Authorize the City Manager to approve the purchase requisitions.

15. **Recommendation by Police** – Purchase of new Tasers for Police Department
 - a. Approve the grant-funded purchase of (65) X-26P model Tasers from Taser International in order to ensure the deployment of the best Electronic Control Device (ECD) technology to all field personnel; and
 - b. Authorize the City Manager to approve the purchase requisition in excess of \$86,497.79 to Taser International.

16. **Recommendation by Fire** – Professional Services Contract, Emergency Services Consulting International (ESCI)
 - a. Approve a Professional Services Contract not to exceed \$27,000 with a consulting firm of Emergency Services Consulting International (ESCI) to conduct a comprehensive Fire/EMS Services Delivery Analysis; and
 - b. Authorize the City Manager to approve a Professional Services Contract with ESCI to conduct this analysis, direct the Fire Chief to oversee and monitor the performance of the consultant and deliverables as identified in the scope of work plan. Timeline for completion of project is 90-120 days.

17. **Recommendation by Economic Development** – Real Property Advisory, Marketing and Sales Services
 - a. Authorize the City Manager to execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APN's: 456-050-013, 456-050-044, and 465-140-032; and
 - b. Authorize the City Manager to appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY 14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.

18. **Recommendation by Economic Development** – Interim Tourism Services Contract
 - a. Authorize the City Manager to execute a Contract for Professional Services with Leslie McLennan to provide tourism services through July 31, 2015, in support of the Visit San Jacinto Valley tourism program in an amount not to exceed, \$9,000 funded from the FY 14/15 Economic Development Department budget account #120-8500-2710.

19. **Recommendation by Public Works** – Award of Bid for Tank Painting (Project No. 5582) to Paso Robles, Inc. – Supplemental Appropriation
 - a. Award bid to Paso Robles, Inc. of Hemet, California, in the amount of \$274,800.00 to perform Tank Painting of water storage tanks No. 2, No. 3 and No. 4; and
 - b. Authorize the City Manager to execute a contract with Paso Robles to perform the work; and
 - c. Authorize the Deputy City Manager/Administrative Services Director to record a supplemental appropriation in the amount of \$99,800 from Water Reserve Fund No. 571 to cover unbudgeted portion of project; and
 - d. Establish Tank Painting Project Number 571-5582 for tracking of all project related expenses.

20. **Recommendation by Public Works** – Application for funding under the Drinking Water State Revolving Fund
- a. Adopt a resolution authorizing the submission of an application for funding in the amount of \$150,000 under the Drinking Water State Revolving Fund (DWSFR) for planning and design of a well nitrate removal system project.
- Resolution Bill No. 15-002**
-

Communications from the Public

Anyone who wishes to address the Council regarding items not on the agenda may do so at this time. As a courtesy, please complete a Request to Speak Form found at the City Clerk's desk. Submit your completed form to the City Clerk prior to the beginning of the meeting. Presentations are limited to three minutes in consideration of others who are here for agenda items. Please come forward to the lectern when the Mayor calls upon you. When you are recognized, you may proceed with our comments.

****Notice: Members of the Public attending shall comply with the adopted Rules of Decorum in Resolution No. 4545. A copy of the Rules of Decorum are available from the City Clerk.***

State law prohibits the City Council from taking action or discussing any item not appearing on the agenda except for brief responses to statements made or questions posed by the public. In addition, they may, on their own initiative or in response to questions posed by the public, ask a question for clarification, provide a reference to staff or other resources for factual information, or request staff to report back to them at a subsequent meeting. Furthermore, a member of the City Council or the Council itself may take action to direct staff to place a matter of business on a future agenda.

Discussion/Action Item

21. **Consideration of Allocations for 2015-2016 Program Year Community Development Block Grant entitlement and previous unexpended funding** – CDBG Coordinator Callahan
- a. Accept and approve the City Council Ad Hoc Committee recommended allocations of \$737,698 in 2015-2016 Community Development Block Grant (CDBG) funding and previously unexpended funding of \$223,330.80.
22. **Possible Ballot Measure regarding preventing outsourcing of Public Safety functions without voter approval** – City Manager Hill
- a. Discussion and possible direction to staff regarding a possible ballot measure preventing outsourcing of public safety functions without voter approval.
23. **Activate Phase 2 of the City of Hemet Water Rationing Plan and Appoint the City Council as the Water Conservation Commission** – Public Works Director Jensen
- a. Adopt a resolution to activate Phase 2 of the water rationing plan contained in the City's Water Conservation Plan (Hemet Municipal Code section 82-121 et seq.), which includes a mandatory restriction on watering landscape between the hours of 6:00 a.m. and 6:00 p.m. amount other restrictions, codified in section 82-128(c)(2)(c).
- Compliance with the water allotments contained in section 82-128(c)(2)(a)-

- (b) should be voluntary since these allocations are based on 1990/1991 average water use, which would not apply to most current water system customers.
- Compliance with the water use restrictions contained in section 82-128(c)(2)(c) should be mandatory. **Resolution Bill No. 15-004**
- b. Adopt an urgency ordinance to appoint the City Council as the Water Conservation Commission to enable effective enforcement of mandatory water use reductions. **Urgency Ordinance Bill No. 15-003**

City Council Reports

24. CITY COUNCIL REPORTS AND COMMENTS

- A. Council Member Milne
 - 1. Riverside County Habitat Conservation Agency (RCHCA)
 - 2. Riverside Conservation Authority (RCA)
 - 3. Disaster Planning Commission

- B. Council Member Raver
 - 1. Planning Commission
 - 2. Traffic and Parking Commission
 - 3. Riverside Transit Agency (RTA)
 - 4. Riverside County Transportation Commission (RCTC)
 - 5. Watermaster Board

- C. Council Member Youssef

- D. Mayor Pro Tem Wright
 - 1. Park Commission
 - 2. Riverside County Habitat Conservation Agency (RCHCA)
 - 3. Ramona Bowl Association
 - 4. League of California Cities
 - 5. Western Riverside Council of Governments (WRCOG)

- E. Mayor Krupa
 - 1. Riverside Conservation Authority (RCA)
 - 2. Ramona Bowl Association
 - 3. Riverside Transit Agency (RTA)
 - 4. Watermaster Board
 - 5. Library Board
 - 6. League of California Cities
 - 7. Riverside County Habitat Conservation Agency (RCHCA)
 - 8. Western Riverside Council of Governments (WRCOG)

- F. Ad-Hoc Committee Reports
 - 1. Crime Stoppers Plus Ad-Hoc Committee
 - 2. West Hemet MSHCP Ad-Hoc Committee
 - 3. Regent Development Agreement Ad-Hoc Committee

- G. City Manager Hill
1. Manager's Reports
-

Continued Closed Session

City Attorney Continued Closed Session Report

Future Agenda Items

If Members of Council have items for consideration at a future City Council meeting, please state the agenda item to provide direction to the City Manager.

Adjournment

Adjourn to Tuesday, February 10, 2015 at 7:00 p.m. for consideration of items placed on that agenda. The next regular meeting will be held February 24, 2015.

Staff reports and other disclosable public records related to open session agenda items are available at the City Clerk's Office or at the public counter located at 445 E. Florida Avenue during normal business hours.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.



#8

MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

January 13, 2015

6:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org

Please silence all cell phones

Call to Order

Mayor Krupa called the meeting to order at 6:00 pm.

Roll Call

PRESENT: Council Members Milne and Raver, Mayor Pro Tem Wright and Mayor Krupa

ABSENT: Council Member Youssef

Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to excuse Council Member Youssef. Motion carried 4-0.

Work Study

Discussion regarding this item, with possible direction to staff

1. City Council sponsored Public Safety Initiative – City Attorney Vail
Eric Vail, City Attorney, gave the City Council a powerpoint presentation regarding a potential Public Safety Ballot Measure. The following are the procedures for submitting a council-initiated ballot measure to the voters per Elections Code section 9222: draft the proposed ordinance; call for an election – adopt a resolution calling for the draft ordinance to be submitted to the voters for adoption or adopt the proposed ordinance and submit it as a referendum to the voters for approval; hold the election – election must be at least 88 days after the call for election, next available regular election dates are June 2nd and November 3rd, special election can be held on any Tuesday that is not on or within 1 day of a state holiday; and a simple majority is required for adoption. The City Council may direct the City Attorney to prepare an impartial analysis. Ballot arguments for or against the ordinance may be submitted by: the City Council; any member or members of the City Council authorized by the Council to submit an argument; any individual voter who is eligible to vote on the measure; or any bona fide association of citizens. Only one argument for and one argument against will be published. Persons whose arguments are published will be given the opportunity to submit rebuttal arguments. The City Council needs to determine the purpose and objective of the initiative. The term “public safety” is broad. The focus of the initiative should be narrowed to the specific services and components of those services. The term “outsourcing” needs to be defined. Contracting for some services has been beneficial. The Legislative has granted city council the authority to provide for, by contract or otherwise, municipal services and functions. Some cases may support an argument that municipal services and functions not proper subjects for initiatives or referendums. There may be long-term practical ramifications of constraining the ability of future City Council to deal with unknown circumstances confronting

the City. Timing has to be considered to meet the target election dates and the necessary time needed to conduct educational program. Negotiations might be necessary with affected collective bargaining groups. Cost includes: cost to prepare the ballot measure; cost to conduct the election, estimated to be \$67,000 if consolidated and \$100,000 for a stand alone; and cost of the education program.

The City Council discussed some of the details regarding the process including the bargaining process.

Council Member Raver, given the recent history there is a need for a ballot measure to avoid the previous turmoil. The community supports and wants to retain their police and fire departments. A number of residents requested that the decision to outsource be placed on a ballot allowing the residents to decide. The referendum circulated was signed by over 6,000 residents. That tells me that the residents want to keep their services local and are willing to pay for an election. I'm not in favor of a special election this can wait for the scheduled June election. Without reservation, a measure should go to a vote of the people.

Council Member Milne, there is no eminent threat of outsourcing a costly measure should be considered closer to an election that might be of concern. Take the time to draft the language and conduct the education program.

Mayor Pro Tem Wright, we need to do our due diligence and carefully consider the ramifications. What if a joint powers authority is a future consideration this might prevent that. I agree with the concept but we need to take the time and have the forethought to make sure that this doesn't negatively affect the residents later.

Mayor Krupa, confirmed that an election would be paid for by the City's General Fund and asked if there is a way the City can accept donations to pay for the election.

Mr. Vail, a special fund can be set up for the election and donations could be accepted.

Mayor Krupa, asked if the measure can be removed once submitted if the City Council changes its mind.

Mr. Vail, there is a deadline to withdrawing any items from the ballot per the election codes. You can prepare the measure now for a future election allowing more time to withdraw it.

Mayor Krupa, we need to take the time and look at this carefully. Really consider the wording and the components that go into both police and fire.

Council Member Raver, recommended that the initial language be drafted and a report be presented at the next council meeting.

Mr. Vail, suggested that the City Council hear from the Fire and Police Chief and even the affected unions, allowing them to weigh in on what they think. There is language that will help them. There is also language that will hinder their efforts. That discussion will help us draft the appropriate language.

The City Council directed staff to place this item on the January 27th agenda for discussion.

Closed Session

Notice of Opportunity for Public Comment

There were no public comments presented at this time.

The City Council recessed to Closed Session at 6:37 p.m.

Council Member Youssef arrived at 6:38 p.m.

2. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
*Service Employees International Union General Employees
Hemet Fire Fighters Association*

 3. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of cases: *Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175*

 4. Public Employee Recruitment/Appointment
Pursuant to Government Code section 54957.6
Title: Fire Chief

 5. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code
section 54956.9(d)(2) & (3)
-

REGULAR SESSION

7:00 p.m.
City of Hemet City Council Chambers
450 E. Latham Avenue

Call to Order

Mayor Krupa called the meeting to order at 7:07 p.m.

Roll Call

PRESENT: Council Members Milne, Raver and Youssef, Mayor Pro Tem Wright
and Mayor Krupa

ABSENT: None

Invocation

Invocation was given by Gary Fowler, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Council Member Youssef

City Attorney Closed Session Report

6. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
Service Employees International Union General Employees
Hemet Fire Fighters Association

The item was continued to the end of the Regular Session.

7. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of cases: *Hemet Firefighters Association, et al. v. City of Hemet, et al.*
RSC Case No. RIC 1400175

The item was continued to the end of the Regular Session.

8. Public Employee Recruitment/Appointment
Pursuant to Government Code section 54957.6
Title: Fire Chief

There was no reportable action.

9. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

The City Council received a briefing from the City Attorney. There was no additional reportable action.

Presentations

10. Presentation of Awards for the 2014 Hemet Christmas Parade Winners
Mayor Krupa and Stephany Borders, presented awards to the category winners of the 2014 Christmas Parade.
Animal – Friesian Association of Southern California, accepted by Celia Capps
Antique Auto – Cruisin A's, accepted by Dennis Jenison
Band – Hemet High School Band, accepted by Dan Bolton
Decorated Walking – Shine Dance & Music Studio, accepted by Kathy and Ralph Peterson
Float – Home Instead
Motorized, Hemet Jeep Club
Non-motorized – St. Hyacinth Academy Folklorico Ballet, accepted by Maria Aguilera
School Entry – Hemet High School Drama Club, accepted by Dan Bolton
Best of Theme – In Motion Dance, accepted by Tracy Smith

Queen Scheherazade, Carla Cabrera; Princess Donyaxade, Shannon Slankard; and Princess Jasmine, Morgan Lawrence a Hemet High School student, invited the City Council to attend the Riverside County Fair & National Date Festival, February 13-22, 2015.

11. Police Department Strategic Plan Presentation – Chief Brown

Chief Brown, announced that representatives from the Hemet Elk's Lodge have an announcement.

Paula Hirn, Hemet Elk's Lodge, presented a check to the Hemet Police Department in the amount of \$12,000 to be used for the K-9 program. Ms. Hirn thanked Chief Brown and the department for their work.

Mayor Krupa, thanked the Elk's Lodge for their generosity and continued support.

Chief Brown, gave the City Council a powerpoint presentation on the departments 2015-2019 Strategic Plan and 2015 Action Plan. On April 9, 2013 the City Council approved the following recommendations referred to as Project H.O.P.E.: improve employee recruitment and retention; cooperative agreement with CHP to address Florida First; conduct community survey to establish priorities; reduce crime by 10% and fear of crime by 25%; and develop and implement a 5-year Strategic Plan

Barbara Sirotnik, Institute of Applied Research and Policy Analysis CSUSB, when Chief Brown contracted with us to conduct the survey I said this was a courageous thing to do. You have to find out both your strengths and your weaknesses and that is not easy. Then you have to find out what the public thinks. The bottom line was that the residents of Hemet are proud to live here and are committed to solving the problem.

Gina Airey, Gina Airy Consulting, in 12 years of consulting for cities, public agencies and non-profits, Hemet PD was our first police department. It was very apparent that everyone involved in the process feels that the Police Department and the City of Hemet cannot do it alone. It was an honor to work with this team and to have the opportunity to meet with the Council Members and City Manager.

Chief Brown, recognized the community members that participated in focus groups:

Alex Ballard, Principal of West Valley High School

Andy Anderson, CEO Hemet-San Jacinto Chamber of Commerce

Joel Bergenfeld, CEO Hemet Valley Medical Center

Russ Brown, Board Member of Four Seasons Homeowners Association

Sewa Contreras, Community Activist

Dr. Lisa DeForst, DeForest Chiropractic and Hemet Unified School District Board Member

Guy Excell, Rosenthal & Excell Commercial Real Estate

Connie Polhemus, Director San Jacinto Unified School District

Dr. Roger Schultz, President Mt. San Jacinto College

Dr. Ed Formica, President Hemet-San Jacinto Valley Action Group

Eric Gosch, President Gosch Auto Group

Luis Herrejon, Pastor Victory Outreach Hemet

Ray Hicks, Public Affairs Regional Manager, Southern California Edison

Tom Hughes, Senior Pastor and Steve Kalmikov, Associate Pastor of 412 Church

Hamilton Jones, President Miller-Jones Mortuary & Crematory

Carlos Navarro, Director of Educational Services, Hemet Unified School District

Tami Wilhelm, Hemet Ranch Investments, LLC

Police Department members of the Strategic Planning Team were: Rob Webb, Deputy Chief; Eric Dickson, Operations Lieutenant; Dean Evans, Investigations Lieutenant; Eddie Pust, Operations Lieutenant; Dan Reinbold, Quality of Life Sergeant; Glen Brock, Patrol Sergeant; Gabriel Gomez, Patrol Corporal; Mike Hall, Patrol Corporal; Matt Gomez, Field Training/K-9 Officer; Christine Lovett, Police/Fire Dispatcher; and Catherine Tipton, Public Safety Office Specialist. Special thank you to Tom Covington.

Hemet Police Department's Mission: The mission of the Hemet Police Department is to enhance quality of life and public safety through excellent service, protection, and partnerships with our community. The Vision: We envision a city in which the police department, community members, businesses, and visitors are active and proud partners in creating a safe, thriving community. The Values: Leadership; Partnerships and Collaboration; Honor; Integrity; Innovation; Excellence; and Pride. The Department's compelling strategic question is: "How will the Hemet Police Department provide leadership in revitalizing our community?" Hemet on the R.I.S.E. Strategic Priorities and Objectives for 2015-2019 and Implementation Strategies for 2015:

- Priority 1: Reduce crime and the fear of crime – Reduce crime and fear of crime to improve the quality of life and safety for community members, businesses, and visitors.
 - Objective 1.1: Reduce violent and property crime rates by 5% per year
 - 1.1.1: Fill existing vacancies in order to increase patrol staffing by 4 officers (1 per shift) each year to improve police visibility, crime prevention and apprehension
 - 1.1.2: Reactivate Crime Suppression Unit with 2 officers in order to reduce gun violence and violent crime
 - 1.1.3: Identify funding source to add Media and Intelligence Analyst position to utilize the media, social media and available data in the crime-fighting effort
 - 1.1.4: Implement Predictive Policing Software to maximize available data and resources
 - Objective 1.2: Enhance sharing of current and relevant information to increase awareness and reduce fear
 - Objective 1.3: Increase sworn officer free patrol time to 40%
 - Objective 1.4: Reduce repeat calls for service to problem properties
- Priority 2: Inspire staff – Recruit, develop, and retain a workforce of community-focused law enforcement professionals.
 - Objective 2.1: Create and promote a professional brand and culture that embraces the Department's core values
 - 2.1.1: Develop and promote brand statement in order to promote the department's culture and image to prospective employees
 - 2.1.2: Standardize the Department graphics for use on all official documents and materials in order to promote the Department's culture and image to prospective employees
 - 2.1.3: Develop and implement intensive recruitment program to maximize effectiveness with qualified, experienced employees
 - 2.1.4: Establish family support teams to create and promote Department activities that enhance the HPF experience and help retain and attract excellent employees
 - Objective 2.2: Improve career development opportunities for all employees
 - Objective 2.3: Improve compensation and incentive to attract qualified professionals
 - Objective 2.4: Develop and Implement an evaluation tool that reflects the City's and Department's mission and goals, and rewards superior performance
- Priority 3: Smart Policing – Identify, develop, and implement innovative and strategic technology, partnerships and funding to carry out HPD's mission efficiently and effectively

- Objective 3.1: Deploy sworn officers, civilian employees, and volunteers to fulfill HPD's mission efficiently
 - 3.1.1: Realign beat structure to ensure equity of workload and quality of service (workload to have less than 10% variance of calls)
 - 3.1.2: Explore the increased use of civilian staff or volunteers to respond to calls for service in the field and reduce calls for sworn personnel
 - 3.1.3: Advocate to City Council for an increase in Community Service Officer staffing to improve response times and free up sworn officers to address and prevent serious crime
 - 3.1.4: Purchase, train, and deploy one additional K9 unit to improve officer safety and officer resources
- Objective 3.2: Deploy cutting-edge technology and equipment to increase efficiencies throughout the Department
- Objective 3.3: Provide leadership to strengthen interagency relationships and partnerships
- Objective 3.4: Continue to employ existing funds strategically and identify additional revenue stream to support the Department's initiatives and growth
- Objective 3.5: Enhance the Police Department's physical space in order to maximize operational efficiency, professionalism, and employee safety
- Priority 4: Expand partnerships – Expand partnerships with the Hemet Community and its leaders to strengthen the public's role in community safety and create long-term, collaborative solutions
 - Objective 4.1: Strengthen engagement with community groups and schools
 - 4.1.1: Formalize, train, and promote HPD expert speakers and make them available to the community in order to increase interaction and trust
 - 4.1.2: Go live with City Program Nextdoor.com to directly communicate with neighbors (Nextdoor.com is a private online community for Hemet neighborhoods)
 - 4.1.3: Grow HPD employee participation in local civic organizations in order to increase interaction and trust
 - Objective 4.2: Lead the development of a Safe Communities Plan by 2018
 - Objective 4.3: Establish a multi-faith Police Chaplain Program to assist the Department and community members during times of crisis

The Department will begin to implement the first year action plan. The implementation plan will continue from 2016 to 2019. The strategic priorities outlined in this plan were greatly influenced by community input. As we move through the implementation of this plan over the next five years, your concerns, priorities, and feedback will continue to motivate and inform our team. We will continually ask you, the community, for your input via websites, community meetings, and follow-up survey research. Let's work together to make Hemet an even better place to live, work, shop, and play.

The City Council acknowledged the community members and the PD's leadership team for their time and effort. The City Council complimented and report and encourage residents to see the entire plan which is available on the City's website.

City Council Business Consent Calendar

12. **Receive and File** – City Council Committee Appointments
13. **Receive and File** – Warrant Registers
 - a. Warrant registers dated December 2, 2014 in the amount of \$3,198,881.02 and December 11, 2014 in the amount of \$1,408,297.09. Payroll for the period of November 24, 2014 to December 7, 2014 was \$685,005.84 and December 8, 2014 to December 21, 2014 was \$584,098.48.
14. **Receive and File** – Investment Portfolio as of October 2014
15. **Receive and File** – FY 2014 Comprehensive Annual Financial Report (CAFR)
16. **Recommendation by Finance** – Amendment of Certain User Fees
 - a. Adopt a resolution to amend certain fees for service adopted by Resolution No. 4603. **Resolution No. 4612**
17. **Recommendation by Finance** - Comprehensive Fee Schedule
 - a. Adopt an ordinance amending Sections 2-379 and 2-380 of the Hemet Municipal Code regarding user fees. **Ordinance No. 1893**
18. **Recommendation from Traffic and Parking Commission** – Speed Limits
 - a. Adopt a resolution adopting speed limits on various streets in the city. **Resolution No. 4613**
19. **Recommendation by Economic Development** – Real Property Advisory, Marketing and Sales Services
 - a. Authorize the City Manager to execute a contract for services with RSG, Inc. to provide real property advisory services to the City for certain City-owned real property; and
 - b. Authorize the City Manager execute customary and standard California real estate industry documents and contracts per property, (brokerage, disclosure and listing agreements) with HomeStar Real Estate Services to market and sell certain City-owned real property; and
 - c. Appropriate \$144,770 from the General Fund uncommitted fund balance to FY14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.
20. **Approval of Minutes** – December 9, 2014

Item Nos. 17, 18 and 19 and 20 were removed from the Consent Calendar. **Mayor Pro Tem Wright moved and Council Member Milne seconded a motion to approve the remaining Consent Calendar Items as presented. Motion carried 5-0.**

Item No. 17

Council Member Raver, distributed a letter to the City Council and expressed concern with the fees that will automatically adjust with the budget without a public hearing.

Council Member Milne, these adjustments are long overdue. A number of the fees went down. Thank you for moving forward.

Mr. Hill, explained that these fees are based on a % of recovery and will only adjust if the departmental budget changes, the fee can increase or decrease based on the budget approved by the City Council in a public hearing.

Council Member Youssef moved and Council Member Milne seconded a motion to approve this item as presented and that a schedule of fees be maintained and available. Motion carried 4-1. Council Member Raver voted No.

Item No. 18

Wally Hill, City Manager, periodically traffic speed studies are conducted on streets to determine the prevailing speed traveled on that roadway. This allows the City to post and enforced the speed limits by radar. If the speed limits are not posted at the rate determined by the speed studies, the State of California will not allow the use of radar to enforce speed limits. The proposal is to increase the speed limit to 30 mph on Seven Hills Drive is due to the fact that 85% of the traffic is at 33 mph. We do understand that the golf cart traffic is of great interest and there are some restrictions on unregistered golf carts. We understand the concern is that you cannot travel on a road that is posted over 25 mph with unregistered golf carts, however, you can cross it. If we keep the speed limit at 25 mph we can't enforce it by radar.

Eric Vail, City Attorney, golf carts have a unique definition in the vehicle code. To be classified as a golf cart the vehicle must have at least 3 wheels and can have 4. A golf cart can have no more than 2 seats and cannot be over 1,300 lbs. A golf cart may not exceed 15 mph. Golf carts as defined by the vehicle code can travel on a city street with speed limits of 25 mph and less with an ordinance adopted by the City Council. Mr. Vail did check the City's MC and was unable to determine if an ordinance has been adopted. Low Speed Vehicles with 4 wheels can drive up to 20-25 mph on paved roads with a gross vehicle weight of 3,000 lbs. These vehicles can drive on streets posted up to 35 mph and are required to be registered with the DMV. If the residents drive "golf carts", the City Council can adopt an ordinance or resolution allowing "golf cart" crossing on Seven Hills Drive.

Council Member Youssef, confirmed for the public that if the speed limit remains at 25 mph, vehicles traveling at excessive speed can be pulled over but citations for speeding will not be enforced by the court. If we increase the speed limit to 30 mph we can enforce it.

Mr. Vail, cities are required to do periodic speed review, monitored by what is being driven on the street. If the warrants require the speed limit to be raised you either raise the limit or you are unable to use radar or other electronic gauges to enforce the speed limit.

Council Member Milne, what does that mean when an accident occurs?

Mr. Vail, reckless driving, DUI and other traffic violations can still be enforced.

Frank Bruno, General Manager Seven Hills Golf Club, expressed concerned that this will affect the golf cart rentals and the use of the golf course. For 40 years the golf carts have been crossing Seven Hills Drive. Registering all of my carts will require me to increase rental fees. I have never seen a speeding ticket issued on Seven Hills Drive. Mr. Bruno expressed concern for the safety of the golfers is the speed limit is increased.

Mr. Vail, according to Vehicle Code section 21115.1, a resolution or ordinance can be adopted by the City Council allowing residents to cross city streets in golf carts. This will require some secondary action as long as the speed limit is below 45 mph.

Joy Ward, Hemet, Seven Hills Drive is not a thru street and has 4 golf cart crossings. Ms. Ward expressed concern with increasing the speed on a road where vehicles already drive to fast.

Council Member Youssef, Ms. Ward you expressed concern with vehicles driving too fast. If we increase the speed limit we can enforce it. If we do not increase the speed limit we cannot enforce it according to the California Vehicle Code.

Don Kritzer, President Seven Hills Property Association, Mr. Kritzer read the email that was submitted recommending reconsideration of the speed limit increase on Seven Hills Drive. Some time ago the speed limit was increased on Kirby Street to 40 mph and vehicles traveling south on Kirby cross Stetson and continue on Seven Hills Drive at 40 mph. Seven Hills Drive makes two gentle curves south of Stetson, immediate followed by a golfers crossing. Vehicles parked in driveways block the view of the golf path and drivers cannot see golf carts or pedestrians. For many years I have asked for traffic control. The speed limit sign was placed on Seven Hills Drive one time for 4 hours. The property owners association paid for the current speed limit signs. Mr. Kritzer asked if the association will be expected to pay for the speed signs that they are opposed to. California Code 1957 indicates that a speed limit of 25 is reasonable for communities with golf traffic. I recommend that you come to Seven Hills and take a ride with me to see the dangers that this increase in the speed limits poses. Mr. Kritzer asked why Seven Hills Drive was picked for a speed survey over Stetson Avenue, the vehicles drive at high speeds on that street. There are a number of accidents at Stetson and Seven Hills Drive. Mr. Kritzer expressed concern with the financial impact this decision will have on the residents with golf carts. I made my golf cart street legal at a cost of \$300.00 and I had most of the equipment. Mr. Bruno cannot afford to make the club's carts street legal.

Brian Rubin, Hemet, expressed concern with the recommendation for Mustang Way. The section between Fisher and Cawston is currently posted at 45 mph I'm glad to see that being lowered to 40 mph. However between Fisher and Warren that is not posted and it should be posted and remain at 40 mph.

CW Cecchi, Hemet, recommended that this item be tabled and sent back to the Traffic and Parking Commission allowing for more public comment.

Mr. Hill, emails in opposition to the speed increase on Seven Hills Drive were received from Ted Isham, Ken Graff, David Cramer and Don Kritzer as well as two phone calls.

Mayor Krupa, recommended that the speed adjustment on Seven Hills Drive be removed and the rest of the recommended adjustments per approved. Mayor Krupa asked about a resolution or ordinance that will allow for golf cart travel in the community.

Mr. Vail, if the speed limit on Seven Hills Drive is increased to 30 mph an ordinance can be considered to allow for golf cart crossing.

Frank Bruno, the golfers only cross Seven Hills Drive. The residents that golf need to be able to travel on Seven Hills Drive to get to the golf course.

Council Member Youssef, Seven Hills Drive can remain at 25 mph but the residents need to understand that the speed limits will not be enforceable. Council Member Youssef recommended that the residents contact Governor Brown if you want the California Vehicle Code changed.

Mayor Krupa, there are a number of issues that need to be considered. Mayor Krupa recommended that Seven Hills Drive speed limit adjustment be removed and the remaining speed adjustments be approved. Mayor Krupa also recommended that additional research be done to see how we can solve the issue for Seven Hills.

Council Member Milne, recommended that the City Council do a town hall meeting in Seven Hills Community to hear their concerns.

Mary Owens, Hemet, expressed concern with the pedestrian traffic on Seven Hills Drive and recommended that speed bumps be considered instead of increasing the speed limit.

Council Member Raver, expressed concern with the speeding that happens on that street. The City is required to do the speed testing that resulted in an average speed travel of 33 mph. According to existing law the City cannot enforce the 25 mph because it constitutes a speed trap. The only way to resolve the matter is to attempt to get legislation changed. Even if the City has a town hall meeting with your community the results of the meeting will be the same message.

Council Member Youssef moved and Council Member Milne seconded a motion to approve Item No. 18 excluding Seven Hills Drive and requested that additional research be conducted on options for Seven Hills Drive. Motion carried 5-0.

Item No. 19

Gene Hikel, Hemet, expressed concerned with the City's consideration of selling 18 pieces of property especially a portion of Gibbel Park. The City's reserves should be critically low before you consider selling property. The City owned property should be used for new parks, new roads or new buildings. Mr. Hikel asked what the money would be used for. Concern was expressed with the Gibbel Park property on the corner of Kirby and Florida. Mr. Hikel recommended that this item be removed.

Marie McDonald, Hemet, recommended that the City Council ask the residents how they feel about this prior to you getting a real estate experts price. A park is the joy of living in a City.

Lori VanArsdale, Hemet, Olive Garden offered to come here many years ago if we gave them that corner. I truly believe that park is more valuable to the community as a park and a war memorial than what you would get for a commercial piece of property. \$144,000 for someone to tell you what to do with these properties seems high. Ms. VanArsdale recommended broader discussions and additional input from the community before this is considered. At the least remove Gibbel Park from the list and request more information.

Seth Weinger, Hemet, expressed opposition to taking part of the history for more potential commercial space. Mr. Weinger recommended that the City rehab the commercial property that exists instead of creating more.

Mr. Hill, explained the services that will be provided for the \$144,000. Mr. Hill also explained that if the property sells the 2% commission will be credited against the \$144,000.

Council Member Youssef left at 9:00 p.m.

Council Member Milne, \$144,000 does seem like a lot of money. I am in favor of removing the park property from the list.

Mayor Pro Tem Wright, concurs with removing the park property from the list and recommended that external funding sources be considered to improve the park and use the back of it. The park is underutilized with a lot of the area not used and safety issues due to the mound.

Council Member Raver, expressed opposition to the proposal to consider developing the frontage of the park. There has been more community outcry in San Jacinto regarding the closure of their parks than the cutting back of public safety services. There is significant vacant land north of the mall and along Florida Avenue for commercial development.

Eric Vail, City Attorney, the City has a number of large vacant parcels that have sat empty and have not generated revenue for a long period of time. The City's continuing fiscal problem has led to discussion regarding better use of these parcels. At the City's current budget expenditures the big reserve will be gone in 3 to 5 years if the City doesn't solve the problem. What dollar amount the City Council would consider selling the properties for is up to them. The City is considering hiring a consultant because of the complexity of the commercial real estate process. The City spent a number of years with Stetson Crossing and that didn't work out. City staff is great, but none of us are commercial developers. An expert in the field is necessary to tell the City Council what a buyer of that property wants. We need to obtain the highest value for that property, a market plan and a process. The property might need to be zoned differently to accomplish that. Many people have said that the City needs more economic development and needs to try new things. The residents don't want to pay for taxes. This action is part of a pro-active economic development program.

Mr. Hill, if the City Council chooses to remove Gibbel Park from the list staff will need to renegotiate the contract. The City Council can still move forward with Item No. 19.b at this time.

Mayor Pro Tem Wright moved and Council Member Milne seconded a motion to approve Item No. 19.b. Motion carried 4-0.

Item No. 20

Mayor Krupa moved and Mayor Pro Tem Wright seconded a motion to approve Item No. 20 as presented. Motion carried 3-1. Council Member Milne Abstained.

Communications from the Public

Dee Cozart, Soroptimist, told the City Council about the upcoming "Girls Empowerment Conference" to be held on January 24th, Upstairs Hemet Public Library.

Laura Anderson, Hemet Teacher's Association, updated the City Council on the negotiations and asked the City Council for support and assistance. Next HUSD Board Meeting will be held on January 20th.

Richard Wind, Hemet, expressed concern with drag racing that occurs on Fisher Street on the weekends, mostly in the summer months, at approximately 11:00 p.m. Mr. Wind asked about speed bumps.

Mayor Krupa asked City Manager Hill to follow-up with Mr. Wind.

Brian Rubin, Hemet, expressed concern that Warren Road is not repaired. Mr. Rubin expressed concern with the light at Thornton and Sanderson. Mr. Rubin expressed concern with grass being allowed in the Landscape district on Warren Rd. and suggested more drought tolerant landscaping.

Don Kritzer, Hemet, expressed concern with the potential safety problems at Lake Maybe and asked about the ownership of the property.

Mayor Krupa asked City Manager Hill to follow-up with Mr. Kritzer.

Discussion/Action Item

21. **City Council Town Hall Meetings** – City Manager Hill

- a. Provide direction to staff as to the Council's interest in holding town hall meetings and the nature, timing, and location of them.

Wally Hill, City Manager, presented options in conducting town hall meetings. Mr. Hill explained that any options that require staff to set up audio/recording equipment, take and transcribe minutes or the set up City facilities will increase the cost to conduct the meetings. The City Council would be limited to no more than two council members in attendance in order to avoid having the meeting agendaized and memorialized that would defeat the purpose and intent of the town hall meeting.

Mayor Krupa, in the past the City Council conducted town hall meetings at various locations, completely hosted by the communities. City Manager attended and management staff that wanted to attend was welcome, council members would sign up to participate. Mayor Krupa recommended that type of forum again.

Mayor Pro Tem Wright, concurred and recommended that the first one be scheduled in the next four months.

Council Member Milne, it is a great way to get the correct information to the residents.

The City Council directed staff to move forward on scheduling town hall meetings to be hosted by the communities and attended by no more than two rotational volunteer council members.

City Council Reports

22. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Milne

1. Library Board
2. League of California Cities
3. Riverside County Habitat Conservation Agency (RCHCA)
4. Riverside Transit Agency (RTA)
5. Riverside Conservation Authority (RCA)
6. Disaster Planning Commission

Council Member Milne announced that Deputy Chief Webb was invited to speak at the Inland Regional Center about the PD's Special Needs Registry.

B. Council Member Raver

C. Council Member Youssef

1. Western Riverside County of Governments (WRCOG)
2. Riverside County Transportation Commission (RCTC)

D. Mayor Pro Tem Wright

1. Park Commission
2. Planning Commission
3. Indian Gaming Distribution Fund
4. Riverside County Habitat Conservation Agency (RCHCA)
5. Ramona Bowl Association

Mayor Pro Tem Wright attended the Voice of the Valley.

Mayor Pro Tem Wright attended that League of Cities meeting. An enlightening and positive presentation was given by Gene Wunderlich regarding the trends in the housing market and the median income.

E. Mayor Krupa

1. Traffic and Parking Commission
2. Riverside Conservation Authority (RCA)
3. Ramona Bowl Association

The President's Gala will be held on Friday, January 23rd at Soboba Country Club.

4. Indian Gaming Distribution Fund
5. Riverside Transit Agency (RTA)
6. Watermaster Board

Mayor Krupa attended the Hometown Christmas and the Tree lighting, great event.

F. Ad-Hoc Committee Reports

1. Crime Stoppers Plus Ad-Hoc Committee
2. West Hemet MSHCP Ad-Hoc Committee
3. Regent Development Agreement Ad-Hoc Committee

G. City Manager Hill

1. Manager's Reports

The City Council recessed to Closed Session at 9:44 p.m.

Continued Closed Session

2. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

*Service Employees International Union General Employees
Hemet Fire Fighters Association*

3. Conference with Legal Counsel - Existing Litigation

Pursuant to Government Code section 54956.9(d)(1)

Name of cases: *Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175*

Reconvened at 10:10 p.m.

City Attorney Continued Closed Session Report

6. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

*Service Employees International Union General Employees
Hemet Fire Fighters Association*

The City Council received an update. There was no additional reportable action.

7. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of cases: *Hemet Firefighters Association, et al. v. City of Hemet, et al.*
RSC Case No. RIC 1400175

The City Council received a briefing from the City Attorney and gave direction. There was no additional reportable action.

Future Agenda Items

Joint Hemet and San Jacinto City Council Committee to look at alternative organizational and funding options for Public Safety.

Adjournment

Adjourned at 10:13 p.m. to Tuesday, January 27, 2015 at 7:00 p.m.



#9

MINUTES

SPECIAL MEETING OF THE HEMET CITY COUNCIL

January 17, 2015

8:00 a.m.

Hemet Public Library, 2nd Floor
300 E. Latham Avenue, Hemet CA 92543

www.cityofhemet.org

Please silence all cell phones

Call to Order

The meeting was called to order by Mayor Krupa at 8:01 a.m.

PRESENT: Mayor Krupa, Mayor Pro Tem Wright, Council Member Milne

ABSENT: Council Members Raver and Youssef

1. Overview of agenda and recap of July 26, 2014 strategic planning session

City Manager Hill. described the three discussion items on the agenda and reviewed the direction given at the prior strategic planning session on July 26, 2014. Mr. Hill reviewed the contents of the handouts provided to the Council for the session.

2. Discussion of City's financial situation, five year financial forecast, and deficit reduction strategies

Deputy City Manager/Administrative Services Director Hurst, provided a presentation on the City's financial position from FY10 through FY14 and changes in the General Fund fund balance during that period. Ms. Hurst then presented a five year financial forecast covering the period of FY15 through FY20. Based on the revenue and expenditure assumptions in the forecast, the City is expected to have a General Fund deficit of \$2,343,164 in FY15, with a structural deficit (excluding one-time revenues and expenditures) of \$2,138,260 that year. For the years FY16 through FY20, the structural deficit is expected to grow from \$2,140,847 in FY16 to \$2,749,143 in FY20.

The Council reviewed the seven deficit reduction strategies that the Council approved on July 26, 2014 and City Manager Hill provides updates on the status of each. He indicated that all the strategies together would likely not be enough to eliminate the current structural deficit and that a tax increase would likely be needed in the future. The Council reaffirmed that the identified strategies were still appropriate ones to pursue. Those strategies are:

- a) Sell city-owned properties that are no longer needed
- b) Research the feasibility of privatizing/franchising the City's water/sewer systems
- c) Develop marketing and economic development strategies
- d) Form a Blue Ribbon Committee to study city services and finances and advise the City Manager
- e) Conduct managed competition but with Council approval of the functions to be competed
- f) Consider consolidations of functions with other local governments
- g) Engage labor organizations in ways to reduce retiree medical costs

City Manager Hill, described the recommendations of the Blue Ribbon Committee on City Services and Finances, particularly noting some that were related to deficit reduction strategies. After discussion, the Council approved two additional deficit reduction strategies that were recommended by the Blue Ribbon Committee:

- h) Place a greater emphasis on securing grants, preferring those in which grant writers work on a commission basis
- i) Make another attempt to induce current recipients of the Aetna retiree medical managed care benefits option to either cash out or leave that plan for more economical ones

There was a consensus of the Council members that no City services should be degraded in FY16, nor should any service enhancements be recommended, except for the Police Department initiatives described below. Council members reserved judgment on potential Fire/EMS service enhancements, pending the completion of a study also described below. The Council members understood that General Fund reserves would need to be drawn down to sustain this level of spending.

3. Discussion of desired police and fire/EMS service levels and alternative organizational and funding options

Police Chief Brown, made a presentation on the first year implementation strategies for the Police Departments long-term strategic plan. For each item, he indicated which items are currently budgeted and which require additional funding. The items requiring additional funding included:

- * Add Media and intelligence Analyst position to better utilize the media, social media and available data in the crime-fighting effort (\$113,743)
- * Develop and implement enhanced recruitment program to more effectively attract experienced officers (\$30,000)
- * Increase Community Service Officer staffing from 3 to 7 in order to reduce the amount of time sworn officers spend on non-emergency calls (\$267,272)
- * Expand city-wide Automatic License Plate Reader System (ALPR) with one stationary location to improve crime prevention and apprehensions (\$30,000)

The total additional funding for these items is \$441,015.

Police Chief Brown, also presented an analysis of the full staffing needed for essential police functions not being performed at optimum levels. He indicated that 25 additional positions would be needed to reach those optimum levels, at an additional cost of \$3,000,000 per year. After discussion, the Council directed staff to include \$441,015 in funding in the proposed FY16 budget for the first year Police Department strategic plan implementation initiatives.

Interim Fire Chief Brown, provided an overview of current Fire/EMS operations and outlined service delivery performance areas that need further study. Those included a study of service demand projections; future delivery system options; an exploration of alternate funding sources for the new ALS/paramedic program; technology enhancements; and community-based paramedicine programs and non-traditional approaches to treating and transporting non-emergency patients. After discussion, the Council supported hiring a consultant to conduct a Standards of Coverage/Deployment Study, which is expected to cost \$20,000 to \$25,000. Council is aware that this study is not currently budgeted. Council deferred any discussions of fire/EMS service enhancements in FY16 until the study results are available.

4. Discussion of economic development planning & marketing strategies

Community Development Director Jansons, provided an overview of the current economic development program, and the tools used in that program. Mr. Jansons described the types of businesses that are currently targeted. He identified various partnerships and collaborations that Hemet currently participates in, as well as other opportunities for partnerships and collaborations. He described the assessment the Economic Prosperity Advisory Committee made of our strengths, weaknesses, opportunities, and threats, and how that compared to the Council's assessment in July, 2014.

After discussion, the Council agreed to fund tourism program advisory services through June, 2015, which is expected to cost \$9,000. They emphasized promoting Hemet over the next year as the Home of the New Ramona, while also promoting other tourism opportunities in Hemet. They also agreed that funding for a branding effort should be included in the proposed FY16 budget for Council consideration. They urged that the City's web site be enhanced to help promote the City and be more useful for residents and visitors.

Adjournment:

Adjourned at 11:45 a.m. to January 27, 2015 at 7:00 p.m.



AGENDA

10

Staff Report

TO: Honorable Mayor and members of the City Council
FROM: Judith L. Oltman, City Treasurer
DATE: January 27, 2015
RE: Investment Portfolio as of November 2014

RECOMMENDED ACTION:

Receive and file.

ANALYSIS:

The summary statement of activity and balances of the Treasurer's Investment Portfolio for the month of November 2014 is forwarded herewith for your review.

On 11/5/14 we purchased a five year Goldman Sachs NCD #3183 for \$247,000 at 2.15% and on 11/28/14 we purchased a five year American Express Centurian NCD #3184 for \$247,000 at 2.2%.

I hereby certify that this report accurately reflects all City of Hemet pooled investments and is in conformity with the investment policy of the City of Hemet and that a copy hereof is on file in the office of the City Clerk. Our third party custodial bank, Bank of New York Mellon, has provided us with the monthly market values.

It is further certified that there is sufficient liquidity to meet the next six months' estimated day-to-day operational expenses.

Respectfully Submitted,

Judith L. Oltman
City Treasurer

attachment

CITY OF HEMET, CALIFORNIA
Monthly Report of Investment Activities

NOVEMBER 2014

INVESTMENT CLASSIFICATIONS	MONTHLY ACTIVITY	CONSOLIDATED BALANCE
PORTFOLIO AS OF OCTOBER	60,419,103.40	
CERTIFICATES OF DEPOSIT		
Placed this month	494,000.00	
Matured this month		
Balance		7,183,000.00
LOCAL AGENCY INVESTMENT FUND: City of Hemet		
Deposits		
Withdrawals		
Balance		23,235,378.87
BANK OF NEW YORK MELLON Custodial Acct.		
Deposits	1,539,510.21	
Withdrawals	-533,510.21	
Balance		1,603,746.90
MONEY MARKET ACCTS.		
Deposits		
Withdrawals		
Balance		200,000.00
CITIBANK: Money Market Account		
Deposits	39,583.84	
Withdrawals		
Balance		610,105.68
CITIBANK: Money Market Account 3		
Deposits	749,039.22	
Withdrawals	-3,620,000.00	
Balance		2,170,495.01
MUNICIPAL BONDS & NOTES		
Deposits		
Withdrawals		
Balance		13,085,000.00
GOVERNMENT AGENCIES		
2252 1.0% FNMA 8/21/17		500,000.00
2253 1.0% FNMA 11/29/17		500,000.00
2254 1.05 FHLB 1/17/18		500,000.00
2255 1.15% FNMA 2/28/18		500,000.00
2256 1.10% FHLMC 4/17/18		500,000.00
2257 1.15% FHLMC 4/25/18		500,000.00
2258 1.0% FNMA 4/30/18		500,000.00
2259 .70% FNMA 4/30/18		500,000.00
2260 1.0% FNMA 5/21/18		500,000.00
2261 1.17% FHLB 6/13/18		500,000.00
2262 1.40% FHLMC 6/26/18		500,000.00
2263 1.45% FHLB 6/27/18		500,000.00
2265 1.55% FHLMC 7/17/18		500,000.00
2274 1.81% FFCB 11/19/18		500,000.00
2276 2.07% FHLB 4/15/19		500,000.00
2277 2.00% FNMA 8/27/19		500,000.00
2278 2.0% FNMA 9/18/19		1,000,000.00
2279 2.0% FHLMC 9/19/19		1,000,000.00
2280 2.15% FHLMC 10/30/19		1,000,000.00
PORTFOLIO BALANCE AS OF NOVEMBER 2014	59,087,726.46	59,087,726.46

INTEREST EARNINGS	14-15 FISCAL YEAR-TO-DATE	
EARNINGS BALANCE AS NOV. 1, 2014		58,077.10
CERTIFICATES OF DEPOSIT INT.	7,983.68	
OTHER GOVERNMENT SECURITIES	33,150.00	
CITIBANK MONEY MARKET ACCOUNT	73.63	
CITIBANK MONEY MARKET ACCOUNT 3	424.69	
BANK OF NY MONEY MARKET ACCT.	17.20	
LOCAL AGENCY INVESTMENT FUNDS		
City of Hemet Interest		
Closed Laif Account	1,881.67	
MONTHLY EARNINGS TOTAL	43,530.87	43,530.87
MEMO ONLY:		
MERCHANT BANK CHG.	-3,629.58	
LIBRARY CREDIT CARD FEES	-85.07	
ARMORED CAR	-449.38	
ASSET SEIZURE FUNDS		
Charges as of Sept. 1, 2014	-18,797.60	
	-22,961.63	
14-15 YEAR-TO-DATE INTEREST EARNINGS		101,607.97

CITY OF HEMET
Received Interest
Sorted by Issuer
Received November 1, 2014 - November 30, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest				
						Date Due	Date Received	Amount Due	Amount Received	Variance
APPLE	037833AQ3	5016	MTN	1,000,000.00	2.100	11/06/2014	11/12/2014	10,500.00	10,500.00	-
								Subtotal	10,500.00	10,500.00
BANK OF BARODA N.Y.	0606247B3	3176	NC2	248,000.00	2.150	05/12/2014	11/17/2014	2,644.09	2,644.09	-
	0606247B3	3176	NC2	248,000.00	2.150	11/12/2014	11/17/2014	2,687.91	2,687.91	-
								Subtotal	5,332.00	5,332.00
BANK OF HEMET	SYS3174	3174	BCD	494,000.00	0.500	11/06/2014	11/06/2014	209.78	209.78	-
								Subtotal	209.78	209.78
BANK OF THE WEST	SYS3144	3144	BCD	249,000.00	1.750	11/12/2014	11/13/2014	370.09	370.09	-
								Subtotal	370.09	370.09
CHOICE FINANCIAL GROUP	17037TDV6	3169	NC2	248,000.00	1.000	11/20/2014	11/24/2014	1,250.19	1,250.19	-
								Subtotal	1,250.19	1,250.19
COMENITY CAPITAL BANK	20033AAG13	3168	NC2	249,000.00	1.050	11/25/2014	11/26/2014	225.14	222.05	-3.09
								Subtotal	225.14	222.05
CONNECTONE BANK N.J.	20786AAL9	3177	NC2	247,000.00	1.850	11/13/2014	11/18/2014	388.09	388.09	-
								Subtotal	388.09	388.09
FEDERAL FARM CREDIT BANKS	3133EDA51	2274	FAC	500,000.00	1.810	11/19/2014	11/20/2014	4,525.00	4,525.00	-
								Subtotal	4,525.00	4,525.00
FEDERAL NTL MORTGAGE ASSOC.	3135G0WN9	2258	FAC	500,000.00	1.000	10/31/2014	11/03/2014	2,500.00	2,500.00	-
	3136G1LB3	2259	FAC	500,000.00	0.750	10/31/2014	11/03/2014	1,875.00	1,875.00	-
	3135G0XG3	2260	FAC	500,000.00	1.000	11/21/2014	11/24/2014	2,500.00	2,500.00	-
								Subtotal	6,875.00	6,875.00
GEORGIA BANK AND TRUST	373128DS3	3167	NC2	249,000.00	1.000	11/17/2014	11/17/2014	214.42	211.48	-2.94
								Subtotal	214.42	211.48

CITY OF HEMET
Received Interest
Received November 1, 2014 - November 30, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest				
						Date Due	Date Received	Amount Due	Amount Received	Variance
STATE OF CALIFORNIA	13063CKL3	5017	NCB	1,000,000.00	2.250	11/01/2014	11/04/2014	11,250.00	11,250.00	-
Subtotal								11,250.00	11,250.00	
Total								41,139.71	41,133.68	
Total Cash Overpayment								0.00		
Total Cash Shortfall								-6.03		

CITY OF HEMET
 Received Interest
 Received November 1, 2014 - November 30, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Received	Interest
							Amount Received
Cash Accounts							
BANK OF NEW YORK	SYS5009	5009	PA1	1,603,746.90		11/17/2014	17.20
						Subtotal	17.20
Citibank	SYS5001	5001	PA1	610,105.68	0.450	11/28/2014	73.63
						Subtotal	73.63
CITIBANK3	SYS5004	5004	PA1	2,170,495.01	0.450	11/28/2014	424.69
						Subtotal	424.69
LOCAL AGENCY INVEST. FUND	SYS1002	1002	LA1	0.00	0.260	11/01/2014	1,881.67
						Subtotal	1,881.67
						Total	2,397.19

LIBRARY
Received Interest
Sorted by Issuer
Received November 1, 2014 - November 30, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest				
						Date Due	Date Received	Amount Due	Amount Received	Variance
FEDERAL NATL MORTGAGE	3135G0RQ8	3303	FAC	500,000.00	1.000	11/15/2014	11/17/2014	2,500.00	2,500.00	
							Subtotal	2,500.00	2,500.00	
						Total		2,500.00	2,500.00	
						Total Cash Overpayment		0.00		
						Total Cash Shortfall		0.00		

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp

December 22, 2014

CITY OF HEMET

CITY TREASURER
445 EAST FLORIDA AVENUE
HEMET, CA 92543-4209

PMIA Average Monthly Yields

Account Number:
98-33-362

Tran Type Definitions

November 2014 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	23,235,378.87
Total Withdrawal:	0.00	Ending Balance:	23,235,378.87

CITY OF HEMET
Cash W/Fiscal Agent: US BANK
2006 Refunding Bonds Series Heartland Project

Date	Activity	103852000 788-1508 Bond	103852001 788-1508 Prepayment	103852002 Special	103852003 788-1510 Escrow	103852004 788-1502 Cost of	103852005 788-1506 Reserve	TOTAL	
	BALANCE	0.00	0.00	3,002,471.66	(0.00)	0.00	0.00	466,136.25	3,468,607.91
7/31/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	0.00	3,002,471.66	(0.00)	0.00	0.00	466,136.25	3,468,607.91
8/31/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet		259,046.25						259,046.25
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	0.00	3,261,517.91	(0.00)	0.00	0.00	466,136.25	3,727,654.16
9/30/2014	Interest								0.00
	Transfer funds	3,150,741.25	(2,958,746.25)					(191,995.00)	0.00
	City of Hemet								0.00
	Debt Service	(2,958,746.25)							(2,958,746.25)
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
10/31/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
11/30/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
	First American Treasury Oblig		768,907.91						
	US Treasury Notes, various								not carried on COH books
	Misc Assets		1.00						
			768,908.91						
	Cash held by FA, net of Escrow acct		768,907.91						
			0.00						

HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK and LAIF
1999 TAX ALLOCATION BONDS/RDA

Date	Activity	98510810 496-1502 Interest Fund	98510811 Principal Fund	98510812 Sinking Fund	98510813 496-1503 Reserve Fund	98510814 Redemption Fund	98510815 390-1502 Cost of Issuance	RDA 390-1503 Acquisition Fund	TOTAL All Accounts
	BALANCE	8.36	0.66	0.00	607,203.12	0.00	0.00	(0.00)	607,212.14
7/31/2014	Interest				8.00				8.00
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	8.36	0.66	0.00	607,211.12	0.00	0.00	(0.00)	607,220.14
8/31/2014	Interest				8.26				8.26
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	8.36	0.66	0.00	607,219.38	0.00	0.00	(0.00)	607,228.40
9/30/2014	Interest				8.26				8.26
	Interfund transfer	49.04			(49.04)				0.00
	Debt Service from City of Hemet	157,743.85	314,999.34						472,743.19
	Debt Service Payment	(157,801.25)	(315,000.00)						(472,801.25)
	BALANCE	0.00	0.00	0.00	607,178.60	0.00	0.00	(0.00)	607,178.60
10/31/2014	Interest	0.35	0.69		8.00				9.04
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.35	0.69	0.00	607,186.60	0.00	0.00	(0.00)	607,187.64
11/30/2014	Interest				8.26				8.26
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.35	0.69	0.00	607,194.86	0.00	0.00	(0.00)	607,195.90
	First American Treas Oblig CL D Corp Tr		607,195.90						
	Money Market/RDA		<u>607,195.90</u>						
			0.00						

HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK and LAIF
2002 TAX ALLOCATION BONDS/RDA

Date	Activity	98510818	98510819		98510816	98510815	98510817	RDA	TOTAL
		496-1504 Interest Fund	Principal Fund	Sinking Fund	496-1506 Reserve Fund	Redemption Fund	389-1502 Cost of Issuance	389-1503 Acquisition Fund	
	BALANCE	6.76	0.32	0.00	477,088.16	0.00	(0.00)	0.00	477,095.24
7/31/2014	Interest				6.28				6.28
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Pmt								0.00
	BALANCE	6.76	0.32	0.00	477,094.44	0.00	(0.00)	0.00	477,101.52
8/31/2014	Interest				6.49				6.49
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Pmt								0.00
	BALANCE	6.76	0.32	0.00	477,100.93	0.00	(0.00)	0.00	477,108.01
9/30/2014	Interest				6.49				6.49
	Interfund transfer	38.52	(150,000.00)		(38.52)				(150,000.00)
	Debt Service from City of Hemet	156,917.23	149,999.68						306,916.91
	Debt Service Pmt	(156,962.51)							(156,962.51)
	BALANCE	0.00	0.00	0.00	477,068.90	0.00	(0.00)	0.00	477,068.90
10/31/2014	Interest	0.34	0.33		6.28				6.95
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Pmt								0.00
	BALANCE	0.34	0.33	0.00	477,075.18	0.00	(0.00)	0.00	477,075.85
11/30/2014	Interest				6.49				6.49
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Pmt								0.00
	BALANCE	0.34	0.33	0.00	477,081.67	0.00	(0.00)	0.00	477,082.34

First American Treas Oblig CL D Corp Tr	477,082.34
LAIF/RDA	0.00
	<u>477,082.34</u>
	0.00



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Jessica A. Hurst, DCM/Administrative Services Director;
Wally Hill, City Manager *Wally Hill*

DATE: January 27, 2015

RE: Warrant Register

The City of Hemet's warrant registers dated January 7, 2015 in the amount of \$1,849,354.39 and January 8, 2015 in the amount of \$1,915,205.37 is currently posted on the City's website in the Finance Department section, under *Financial Information*. Payroll for the period of December 22, 2014 to January 4, 2015 was \$662,851.79.

CLAIMS VOUCHER APPROVAL

"I, Jessica A. Hurst, Deputy City Manager/Administrative Services, do hereby certify that to the best of my knowledge and ability, that the warrant register posted on the city's website is a true and correct list of warrants for bills submitted to the City of Hemet, and the payroll register through the dates listed above, and that there will be sufficient monies in the respective funds for their payment."

Respectfully submitted,

Jessica A. Hurst
Deputy City Manager/Administrative Services Director

JAH: mh

CITY OF HEMET
VOUCHER/WARRANT REGISTER
FOR ALL PERIODS

CLAIMS VOUCHER APPROVAL

I, JESSICA A. HURST, DO HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND ABILITY, THAT THE WR POSTED ON THE CITY WEBSITE IS A TRUE AND CORRECT LIST OF WARRANTS FOR BILLS SUBMITTED TO THE CITY OF HEMET THROUGH THE DATES LISTED ABOVE, AND THAT THERE WILL BE SUFFICIENT MONIES IN THE RESPECTIVE FUNDS FOR THEIR PAYMENT.

JESSICA A. HURST
DCM/ADMINISTRATIVE SERVICES DIRECTOR



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*

DATE: January 27, 2015

RE: Ratification of professional services contract with Tri Lake Consultants for Interim City Engineer services

RECOMMENDED ACTION:

That the City Council ratify a professional services contract with Tri Lake Consultants to provide Interim City Engineer services, effective 1/15/15.

BACKGROUND:

Jorge Biagioni has retired as Hemet's City Engineer. A national recruitment has begun to fill the position. However, there is a need to obtain interim City Engineer services until the position is filled. A contract has been negotiated for Tri Lake Consultants to provide those services by Mr. Habib Montlagh, PE. Because the interim services may eventually involve expenses in excess of \$50,000, City Council ratification of the contract is being sought at this time.

ANALYSIS:

Mr. Montlagh's resume is attached. He has served as the contracted City Engineer for Perris, San Jacinto, and Canyon Lake for 16+ years, and as the contracted Public Works Engineer for the March Joint Powers Authority for 17 years. He is a registered Civil Engineer in both California and Arizona. He will be compensated for his services on an hourly basis, at a rate of \$100 per hour for services funded by the General Fund, and at a rate of \$135 per hour for services that are reimbursable from developer accounts, or capital projects not funded by the General Fund. He will receive no other City benefits. Those rates compare to the currently budgeted cost of \$102.71 per hour in all salaries and benefits for the City Engineer position.

FISCAL IMPACT:

The services will be reimbursed on an hourly basis, and costs will be assigned to non-General Fund accounts or projects wherever possible. Funds are budgeted in the General Fund and three other funds for the City Engineer position. However, the payout of accrued leave benefits for the retired Mr. Biagioni was not expected or budgeted, and the consulting engagement will need to be maintained on a part-time basis to reduce chances of exceeding the Engineering Department budget.

Respectfully submitted,



Wally Hill
City Manager



Eric Vail
City Attorney

Attachment(s): 1) Resume of Habib Motlagh, PE
2) Interim City Engineer Services Agreement



HABIB MOTLAGH, PE

Registration State of California – Registered Civil Engineer
State of Arizona – Registered Civil Engineer

Education 1976, University of Missouri, Columbia
• B.S. Civil Engineering.

Professional Experience

1988-Present Tri Lake Consultants, Inc. Perris, CA

Principal

- Contract City Engineer – City of Perris – Nov. 1988 to Present
- Contract City Engineer – City of San Jacinto – Dec. 96 to Present
- Contract City Engineer – City of Canyon Lake – Nov. 98 to Present
- Contract Public Works Engineer – March Joint Powers Authority – Aug. 97 to Present

Responsible for survey, design, construction management, inspection of all Agency related capital improvement projects, plan check and inspection all of developer's funded projects. Supervise engineers, inspectors and other technical staff.

1984–1988 NBS/Lowry, Engineers & Planner Hemet, CA

Vice President, Deputy City Engineer for City of Perris

Plan, supervise and review activities of draftsmen, designers, engineers, project managers and surveyors in this diversified engineering and planning office. Promote client relations and market firm's services. Management of a variety of private and public projects. Coordinate and supervise day-to-day activities of team members. Design, construction management.

1979-1984 NBS/Lowry, Engineers & Planner

Project Engineer

Design and supervise preparation of improvement plans related to subdivision and public works projects. Process and obtain approval of subdivision plans through appropriate public agencies. Assist project managers in budget estimating and billing.

1977–1979 Eastern Municipal Water District Hemet, CA

Civil Engineer

Plan check and design variety of water and sewer projects. Coordinate district activities with private developers.

INTERIM CITY ENGINEER SERVICES AGREEMENT

By and Between

**THE CITY OF HEMET,
a municipal corporation**

and

TRI LAKE CONSULTANTS, INC.

**AGREEMENT FOR INTERIM CITY ENGINEER SERVICES
BETWEEN
THE CITY OF HEMET, CALIFORNIA
AND
TRI LAKE CONSULTANTS, INC.**

This Agreement for Interim City Engineer Services ("Agreement") is entered into as of this ____ day of January, 2015 by and between the City of Hemet, a municipal corporation ("City") and Tri Lake Consultants, Inc., a California corporation ("Tri Lake"). City and Tri Lake are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

A. City has sought, by direct negotiations the performance of the engineering services defined and described particularly in Section 2 of this Agreement.

B. Tri Lake, following negotiations for the performance of the services defined and described particularly in Section 2 of this Agreement, was selected by the City to perform those services and to serve as the City's Interim City Engineer.

C. Tri Lake was selected by the City on the basis of Tri Lake's demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required.

D. Pursuant to the City of Hemet's Municipal Code, City has authority to enter into this Interim City Engineer Services Agreement and the City Manager has authority to execute this Agreement.

E. The Parties desire to formalize the selection of Tri Lake for performance of those services defined and described particularly in Section 2 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained here and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of Section 20 "Termination of Agreement" of this Agreement, the Term of this Agreement is for one (1) year commencing on the date first ascribed above.

SECTION 2. SCOPE OF SERVICES

Tri Lake agrees to perform the services set forth in Exhibit "A" "Scope of Services" (hereinafter, the "Services") and made a part of this Agreement by this reference.

SECTION 3. ADDITIONAL SERVICES.

Tri Lake shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this Agreement, City agrees to pay Tri Lake the amounts specified in Exhibit "B" "Compensation" and made a part of this Agreement by this reference.

(b) Each month Tri Lake shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall include detailed descriptions of task performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Tri Lake to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Tri Lake for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by Tri Lake which are disputed by City, City will use its best efforts to cause Tri Lake to be paid within forty-five (45) days of receipt of Tri Lake's correct and undisputed invoice.

(d) Payment to Tri Lake for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Tri Lake.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Tri Lake's work under this Agreement, either during performance or when completed. City shall reject or finally accept Tri Lake's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Tri Lake's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Tri Lake's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 "Indemnification" and Section 17 "Insurance."

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Tri Lake in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Tri Lake. Upon completion, expiration or termination of this Agreement, Tri Lake shall turn over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Tri Lake in the course of providing the Services pursuant to this Agreement, Tri Lake's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 7. TRI LAKE'S BOOKS AND RECORDS.

(a) Tri Lake shall maintain any and all documents and records demonstrating or relating to Tri Lake's performance of the Services. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Tri Lake pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Tri Lake's address indicated for receipt of notices in this Agreement.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Tri Lake's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR.

(a) Tri Lake is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Tri Lake shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City,

whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the Services under this Agreement on behalf of Tri Lake shall at all times be under Tri Lake's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Tri Lake or any of Tri Lake's officers, employees, or agents except as set forth in this Agreement. Tri Lake shall not at any time or in any manner represent that Tri Lake or any of Tri Lake's officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Tri Lake, nor any of Tri Lake's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Tri Lake expressly waives any claim Tri Lake may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Tri Lake represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Tri Lake shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Tri Lake shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Tri Lake under this Agreement, and shall use such skill, prudence, and diligence as other members of Tri Lake's profession commonly possess and exercise. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Work" that shall also be applicable to Tri Lakes work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Tri Lake shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Tri Lake shall obtain any and all licenses, permits and authorizations necessary to perform the Services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Tri Lake to comply with this section.

SECTION 11. PREVAILING WAGE LAWS.

It is the understanding of City and Tri Lake that California prevailing wage laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in

whole or in part out of public funds. In this context, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work. Tri Lake is providing a single person to perform the role of Tri Lake for a limited duration due to the retirement of the previous City Engineer. The position of City Engineer is regularly served by a City employee.

SECTION 12. NONDISCRIMINATION.

Tri Lake shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 13. UNAUTHORIZED ALIENS.

Tri Lake hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Tri Lake so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Tri Lake hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 14. CONFLICTS OF INTEREST.

(a) Tri Lake covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Tri Lake's performance of the Services. Tri Lake further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, or agent without the express written consent of the City Manager. Tri Lake agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

(b) City understands and acknowledges that Tri Lake is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Tri Lake is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

(c) City understands and acknowledges that Tri Lake will, perform non-related services for other governmental agencies and private parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Tri Lake in performance of this Agreement shall be considered confidential, unless such information is in the public domain

or already known to Tri Lake. Tri Lake shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

(b) Tri Lake, its officers, employees, or agents, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Tri Lake gives City notice of such court order or subpoena.

(c) If Tri Lake, or any officer, employee, or agent of Tri Lake, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Tri Lake for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Tri Lake's conduct.

(d) Tri Lake shall promptly notify City should Tri Lake, its officers, employees, or agents be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Tri Lake or be present at any deposition, hearing or similar proceeding. Tri Lake agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Tri Lake. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 16. INDEMNIFICATION.

(a) Indemnification by Tri Lake. As provided under Civil Code Section 2782.8, Tri Lake shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all claims, actions and proceedings (whether at law or equity, administrative or judicial), demands, orders, judgments, losses, liabilities, damages, costs and expenses, including attorney's fees and costs, (collectively "Claims") to the extent same arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Tri Lake, its officers, agents, or employees (or any entity or individual that Tri Lake shall bear the legal liability thereof) in the performance of professional services under this Agreement, with the understanding that in the event Claims are found by the trier of fact to have been caused by the joint or concurrent negligence of the City and its contractors and Tri Lakes, and Tri Lake, damages and expenses from both indemnity and duty to defend obligations shall be borne by each party in proportion to its negligence.

(b) City's Negligence. The provisions of this section do not apply to Claims occurring as a result of City's sole negligence. The provisions of this section shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officials, employees and agents.

SECTION 17. INSURANCE.

Tri Lake agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit "C" "Insurance" and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Tri Lake agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Tri Lake are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Tri Lake under this Agreement. In recognition of that interest, Tri Lake shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Tri Lake's duties or obligations under this Agreement without the prior written consent of the City. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 "Termination of Agreement." Design Profession shall not utilize subcontractors to perform any of the Services.

SECTION 19. CONTINUITY OF PERSONNEL.

Tri Lake has designated Habib Motlagh as the person who will serve as Interim City Engineer and who will provide all Services under this Agreement. Tri Lake will not change the person designated to serve as Interim City Engineer and provide the Services without the prior written approval of the City, which the City is under no obligation to provide.

SECTION 20. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Tri Lake. In the event such notice is given, Tri Lake shall cease immediately all work in progress.

(b) Tri Lake may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Tri Lake or City fails to perform any material obligation under this Agreement, then, in addition to any other remedies, either Tri Lake, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Tri Lake or City, all property belonging exclusively to City which is in Tri Lake's possession shall be returned to City. Tri Lake shall furnish to City a final invoice for work performed and expenses incurred by Tri Lake, prepared as set forth in Section 4 of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.

SECTION 21. DEFAULT.

In the event that Tri Lake is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Tri Lake for any work performed after

the date of default. Instead, the City may give notice to Tri Lake of the default and the reasons for the default. The notice shall include the timeframe in which Tri Lake may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Tri Lake is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Tri Lake does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20. Any failure on the part of the City to give notice of the Tri Lake's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Tri Lake shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Tri Lake. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Tri Lake in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Hemet
Attn: City Manager
445 E. Florida Avenue
Hemet, CA 92543

To Tri Lake: Tri Lake Consultants, Inc.
Attn: Habib Motlagh, Principal
P.O. Box 606
Perris, CA 92572

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Tri Lake represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Tri Lake to the performance of its obligations hereunder.

SECTION 26. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Hemet Municipal Code.

SECTION 27. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 28. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Tri Lake and by the City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Hemet Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 29. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Tri Lake shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 30. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 31. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 32. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits "A" through "C", is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Tri Lake and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 33. SEVERABILITY.

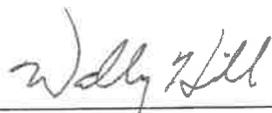
If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 34. CONFLICTING TERMS.

Except as otherwise stated herein, if the terms of this Agreement conflict with the terms of any Exhibit hereto, or with the terms of any document incorporated by reference into this Agreement, the terms of this Agreement shall control.

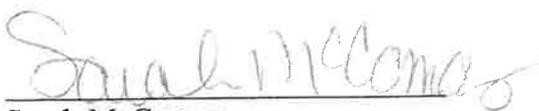
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF HEMET



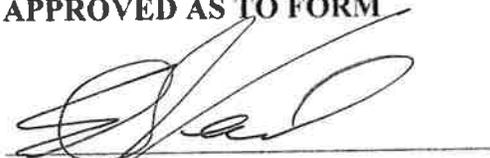
Wally Hill
City Manager

ATTEST:



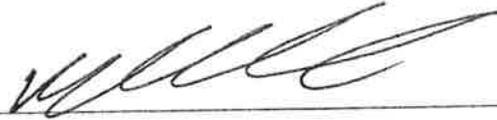
Sarah McComas
City Clerk

APPROVED AS TO FORM



Eric S. Nail
City Attorney

TRI LAKE CONSULTANTS, INC.

By: 

Habib Motlagh
Its: Principal

By: _____

Its: _____

NOTE: TRI LAKE'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO TRI LAKE'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Riverside)

On January 14, 2015 before me Marilyn Beth Fernholz, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Habile Motlagh
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Marilyn Beth Fernholz
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

EXHIBIT "A"
SCOPE OF SERVICES

Tri Lake shall provide Interim City Engineer services the term of this Agreement and Mr. Habib Motlagh is designated to serve as the City's Interim City Engineer. The duties and functions of the position of City Engineer, which Tri Lake is required to provide, are described below. Mr. Motlagh is the only individual who shall provide Services to the City on behalf of Tri Lake under this Agreement.

SUMMARY OF DUTIES

Under administrative direction, plans, organizes, directs and is responsible for all activities of the Engineering Department, including traffic engineering, development engineering, construction management, major capital improvement projects, and land development programs; serves as the City Engineer; provides engineering consultations to other City Departments; and does other work as required.

ESSENTIAL FUNCTIONS

Plans, organizes, directs, and coordinates the activities of the Engineering Department; develops and implements policies and procedures; reviews recommendations and actions of subordinates; and solves department's problems.

Represents the Engineering Department before the City Council, boards, commissions and other government bodies on extremely controversial items; recommends and explains Engineering Department policies to the City Manager, board members, commission members, community groups, and the general public; and maintains liaison with Federal, State, and local agencies that govern public work activities.

Serves as the City Engineer and as the City's primary representative for engineering matters with other agencies, consultants, developers and contractors.

Manages and approves engineered plans for all City projects; manages the administration of all major city construction projects; approves all construction contract change orders and consultant extra services.

Directs the development and administration of the department budget and directs the preparation of reports on the budgetary and staffing requirements of proposed policies and projects.

Selects and evaluates Engineering Department employees; assigns projects; coordinates work of subordinates; has general accountability for the effectiveness of all operations; and takes corrective action on employee relations problems.

Develops long-range plans for the Engineering Department, based upon an analysis of the needs and interest of the community, projected future demands, capacity of facilities and funding opportunities; and supervises the development and implementation of capital programs.

WORK HOURS/LOCATION/SUPPORT STAFF

Mr. Motlagh is expected to work as needed to provide the Services. Office space will be provided to Mr. Motlagh in the Covell Building. Mr. Motlagh may work remotely. There is no set schedule of office hours where Mr. Motlagh's presence will be required in the Covell Building or at City Hall. Mr. Motlagh may be asked to represent the City at off-site meetings from time to time. Mr. Motlagh is not expected to attend City Council meetings unless there is an Engineering item on the agenda for which he will be presenting the staff report.

The City will provide support staff to work with Mr. Motlagh, including secretarial support.

EXHIBIT "B"
COMPENSATION

Tri Lake shall use the following rates of pay in the performance of the Services:

A. Work that is subject to reimbursement from a developer or other third party, or is chargeable to a non-General Fund City project: \$135 per hour

B. All other work: \$100 per hour

The City will not pay for, and Tri Lake shall not bill the City for, any work performed by employees or contractors of Tri Lake other than Mr. Habib Motlagh. The City will not pay for any overhead costs, such as copying charges, phone charges, or fax charges incurred by Tri Lake in providing the Services.

EXHIBIT "C" INSURANCE

A. Insurance Requirements. Tri Lake shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Tri Lake, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. Tri Lake shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Tri Lake shall maintain professional liability insurance appropriate to the Tri Lake's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to Services performed under this Agreement. The insurance must be maintained for at least three (3) consecutive years following the completion of Tri Lake's services or the termination of this Agreement. During this additional three (3) year period, Tri Lake shall annually and upon request of the City submit written evidence of this continuous coverage.

2. Minimum Limits of Insurance. Tri Lake shall maintain limits of professional liability insurance no less than \$1,000,000 per occurrence.

B. Other Provisions. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after 30 days' prior written notice by certified mail, return receipt requested, has been given to City.

C. Other Requirements. Tri Lake agrees to deposit with City, at or before the effective date of this contract, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Tri Lake furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Tri Lake shall furnish certificates and endorsements from each subcontractor identical to those Tri Lake provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Tri Lake shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Tri Lake's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

AGENDA # 13



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Scott Brown, Interim Fire Chief
Wally Hill, City Manager *Wally Hill*

DATE: January 27, 2015

RE: Acceptance of the 2014 Riverside County Community Health Agency Grant (CHOG)

RECOMMENDED ACTION:

1. Accept the grant from the Riverside County Community Health Agency in the amount of \$67,000 for the period of October 10, 2014 through February 28, 2016.
2. Amend the budget in the Public Safety Grant Fund #232 to reflect the award amount of \$67,000 to cover the cost of training and the purchase of hazardous materials mitigation equipment.

BACKGROUND:

- Beginning in 2007 as the Applicant Agency for the Riverside County HazMat Operational Group, the Riverside County Health Agency has applied and been awarded grant funding to distribute to requesting agencies for the purchase of hazardous materials mitigation equipment and training to help combat bio-terrorism.
- City of Hemet Fire Department was also awarded the CHOG grant funding of \$67,000 in 2013.

PROJECT DESCRIPTION:

- Upon acceptance of the CHOG Grant funding the City of Hemet Fire Department agrees to adhere to the spending plan.
- The City of Hemet Fire Department must participate in 75% of all CHOG sponsored exercises/drills to be held four times a calendar year.
- The City of Hemet Fire Department must participate in 75% of all CHOG Meetings held four times per calendar year.

ANALYSIS:

Under the current 2014 CHOG grant the funding will once again be used to purchase hazardous materials mitigation equipment and training to help combat bio-terrorism.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

- The City of Hemet's Hazardous Materials Response Team, within the Fire Department, utilizes these funds for training and equipment to be prepared to meet the needs of the citizens of Hemet in a public health emergency.

FISCAL IMPACT:

None, no additional matching funds are required.

Respectfully submitted,



Scott Brown
Interim Fire Chief

Fiscal Review:



Jessica A. Hurst
Deputy City Manager/Administrative Services



County of Riverside – Department of Public Health
INTERNAL SUPPORT SERVICES-
PROCUREMENT & CONTRACTS DIVISION



Susan D. Harrington, M.S. R.D.
Director, Department of Public Health

Jeff Stone, Chairman
Board of Supervisors

City of Hemet Fire Department —
Hazardous Materials Team
Attn: Peter Bryan
510 E. Florida Avenue
Hemet, CA 92543

**Re: The Agreement with the County of Riverside Department of Public Health —
Contract File # 15-085 City of Hemet Fire Department – Hazardous Materials Team —
County-Wide HazMat Operational Group (CHOG -14).**

Dear: Peter Bryan,

Enclose are three (3) of the above referenced Agreement. If satisfactory, please have an authorized person sign all three (3) originals of said document, **USING BLUE INK**, and return an original document to my attention as soon as possible.

Riverside County Department of Public Health
Debbie Plasencia, Office Assistant III
4065 County Circle Drive, Room #403
Riverside, CA 92503

We would like to express our appreciation to you and your staffs for working with the County of Riverside Department of Public Health, if you have any questions, please feel free to call me at (951) 358-7563 for assistance.

Sincerely,

A handwritten signature in blue ink that reads "Debbie Plasencia".

Debbie Plasencia
Office Assistant III

Encl.

COUNTY OF RIVERSIDE
DEPARTMENT OF PUBLIC HEALTH

FOR COUNTY USE ONLY



COUNTY DEPT/DIVISION DOPH/Public Health Emergency Preparedness and Response		CONTRACT NO. 15-085	RFP NO. N/A
FUND: 10000	DEPARTMENT IDs: 4200102100	PROJECT-GRANT HS100123	PROGRAM 75640
CLASS/LOCATION: 6610-33201		CONTRACT AMOUNT \$67,000	ACCOUNT NO. 525440
PERIOD OF PERFORMANCE: October 10, 2014 to February 28, 2016			
COUNTY CONTACT: Kim Saruwatari (951) 358-7100		CONTRACTOR REPRESENTATIVE: ... Scott Brown Fire Chief (951) 765-2450	
PROGRAM NAME: CHOG - 14			

This agreement is made and entered into by and between the County of Riverside, a political subdivision of the State of California, through its Department of Public Health Public Health Emergency Preparedness and Response Branch, hereinafter referred to as ("COUNTY"), and **City of Hemet Fire Department** hereinafter referred to as ("CITY").

WITNESSETH:

WHEREAS, the State of California has allocated funds, from the United States Homeland Security to County of Riverside Operational Area (OA) to assist the State with its effort to prepare to terrorist attack and other major disasters; and

WHEREAS, the County's Board of Supervisors appointed a five-member Anti-Terrorism Approval Authority (ATAA) to manage the distribution of Homeland Security Grant Program (HSGP) funding; and

WHEREAS, Public Health is a Board appointed member to the ATAA committee.

NOW THEREFORE in consideration of the mutual promises, covenants and conditions hereinafter contained, the Parties hereto mutually agree as provided on pages 1 through 13, Exhibit A, consisting of three (3) page(s) Exhibit B, consisting of two (2) page(s), and Attachment A, consisting of one (1) page(s), attached hereto and incorporated herein.

CONTRACTOR

City of Hemet Fire Department

By Scott Brown 1-13-2015

Don Scott Brown

Print Name

Date 1-13-2015

COUNTY

By _____
Susan Harrington, Director of Public Health

Print Name

Date _____

1 **1. BACKGROUND:**

- 2 **1.1** The United States Department of Homeland Security awarded 2014
3 Homeland Security Grant Program, grant funds to California to enhance the
4 State's ability to prepare for, prevent, and respond to terrorist attacks and other
5 major disasters.
- 6 **1.2** The State of California allocated funds from this grant to Riverside County
7 Operational Area, hereafter referred to as "OA", so that the OA can assist the
8 State with its effort to prepare for, prevent, and respond to terrorist attacks and
9 other major disasters.
- 10 **1.3** The Riverside County Board of Supervisors appointed a five-member Anti
11 Terrorism Approval Authority, hereafter referred to as "ATAA", to manage the
12 distribution of Homeland Security Grant Program funding and authorized the
13 Riverside County Fire Department Office of Emergency Services, hereafter
14 referred to as "OES", to serve as the lead agency on behalf of the OA.
- 15 **1.4** The Homeland Security Grant Funding to reimburse the CITY for participation in
16 drills, training- sponsored by the County-wide HazMat Operations Group,
17 hereafter referred to as "CHOG", and other hazardous material related drills,
18 training and equipment as allowed by the State's Homeland Security Grant
19 Program.

20 **2. DEFINITIONS:**

- 21 **2.1** Material Deviation: Requests of such a significant nature that knowledge of the
22 item merits attention or would affect the ATAA's decision-making process.
- 23 **2.2** Sole Source: The supply of a good or service from only one supplier.

24 **3. DESCRIPTION OF SERVICES** – CITY shall provide all services as outlined and
25 specified in Exhibit A, SCOPE OF WORK (SOW), and Attachment A, SPENDING
26 PLAN, attached hereto and by this reference incorporated herein.

27 **4. PERIOD OF PERFORMANCE** - This Agreement shall be effective from October 10,
28 2014 through February 28, 2016.

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5. **COMPENSATION:**

5.1 In consideration of services provided by CITY pursuant to Exhibit A, SCOPE OF WORK, and Attachment A, SPENDING PLAN, attached hereto and incorporated herein, CITY shall be entitled to receive payment as specified in Exhibit B, PAYMENT PROVISIONS, attached hereto and incorporated herein.

5.2 Payment by COUNTY to CITY shall not exceed sixty-seven thousand dollars (\$67,000), including all expenses.

5.3 This Agreement shall be deemed terminated and of no further force and effect immediately on receipt of COUNTY'S notification by CITY. In the event of such termination, CITY shall be entitled to reimbursement of its costs.

5.4 No legal liability on the part of the COUNTY shall arise for payment beyond the agreement's period of performance as stated in Section 4, PERIOD OF PERFORMANCE, nor beyond the maximum amount of compensation as stated in Section 5.2 above.

6. **HOLD HARMLESS/INDEMNIFICATION:**

6.1 CITY shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnities' from any liability whatsoever, based or asserted upon any services of CITY, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CITY, its officers, employees, subcontractors, agents or representatives Indemnities' from this Agreement. CITY shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnities in any claim or action based upon such alleged acts or omissions.

6.2 With respect to any action or claim subject to indemnification herein by CITY, CITY shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or

1 claim without the prior consent of COUNTY; provided, however, that any such
2 adjustment, settlement or compromise in no manner whatsoever limits or
3 circumscribes CITY'S indemnification to Indemnities as set forth herein.

4 **6.3** CITY'S obligation hereunder shall be satisfied when CITY has provided to
5 COUNTY the appropriate form of dismissal relieving COUNTY from any
6 liability for the action or claim involved.

7 **6.4** The specified insurance limits required in this Agreement shall in no way limit or
8 circumscribe CITY'S obligations to indemnify and hold harmless the
9 Indemnities herein from third party claims.

10 **6.5** In the event there is conflict between this clause and California Civil Code
11 Section 2782, this clause shall be interpreted to comply with Civil Code 2782.
12 Such interpretation shall not relieve the CITY from indemnifying the
13 Indemnities to the fullest extent allowed by law.

14 **7. INDEPENDENT CONTRACTOR** - It is the parties' intention that CITY is an
15 independent contractor and not an employee of the COUNTY, and in conformity,
16 therewith that CITY shall retain sole and absolute discretion and judgment in the manner
17 and means of carrying out his/her duties. Therefore, CITY is fully aware no relationship
18 of employer-employee exists between the parties hereto. CITY shall not be entitled to
19 any benefits payable to employees of COUNTY including COUNTY Workers'
20 Compensation benefits. COUNTY is not required to make any deductions from the
21 compensation payable to CITY under the provisions of this Agreement; and as an
22 independent contractor, CITY hereby holds COUNTY harmless from any and all claims
23 that may be made against COUNTY based upon any contention by any third party that an
24 employer- employee relationship exists because of this Agreement.

25 **8. LIABILITY INSURANCE** – Without limiting or diminishing the CITY'S obligation to
26 indemnify or hold the COUNTY harmless, CITY shall procure and maintain or cause to
27 be maintained, at its sole cost and expense, the following insurance coverage's during the
28 term of this Agreement.

8.1 Workers' Compensation:

If the CITY has employees as defined by the State of California, the CITY shall
maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed

1 by the laws of the State of California. Policy shall include Employers' Liability
2 (Coverage B) including Occupational Disease with limits not less than \$1,000,000
3 per person per accident. The policy shall be endorsed to waive subrogation in
4 favor of The County of Riverside, and, if applicable, to provide a Borrowed
5 Servant/Alternate Employer Endorsement.

6 **8.2 Commercial General Liability:**

7 Commercial General Liability insurance coverage, including but not limited to,
8 premises liability, contractual liability, products and completed operations
9 liability, personal and advertising injury, and cross liability coverage, covering
10 claims which may arise from or out of CITY'S performance of its obligations
11 hereunder. Policy shall name the County of Riverside, its Agencies, Districts,
12 Special Districts, and Departments, their respective directors, officers, Board of
13 Supervisors, employees, elected or appointed officials, agents or representatives
14 as Additional Insured's. Policy's limit of liability shall not be less than
15 \$1,000,000 per occurrence combined single limit. If such insurance contains a
16 general aggregate limit, it shall apply separately to this agreement or be no less
17 than two (2) times the occurrence limit.

18 **8.3 Vehicle Liability:**

19 If vehicles or mobile equipment are used in the performance of the
20 obligations under this Agreement, then CITY shall maintain liability insurance for
21 all owned, non-owned or hired vehicles so used in an amount not less than
22 \$1,000,000 per occurrence combined single limit. If such insurance contains a
23 general aggregate limit, it shall apply separately to this agreement or be no less
24 than two (2) times the occurrence limit. Policy shall name the County of
25 Riverside, its Agencies, Districts, Special Districts, and Departments, their
26 respective directors, officers, Board of Supervisors, employees, elected or
27 appointed officials, agents or representatives as Additional Insured's.

28 **8.4 General Insurance Provisions - All lines -** For all insurances coverage

provided by a commercial insurance carrier, policies shall comply with the
following general insurance provisions:

8.4.1 Any insurance carrier providing insurance coverage hereunder shall be

1 admitted to the State of California and have an A M BEST rating of not
2 less than A: VIII (A:8) unless such requirements are waived, in writing,
3 by the County Risk Manager. If the County's Risk Manager waives a
4 requirement for a particular insurer such waiver is only valid for that
5 specific insurer and only for one policy term.

6 **8.4.2** The CITY'S insurance carrier(s) must declare its insurance self-insured
7 retentions. If such self-insured retentions exceed \$500,000 per occurrence
8 such retentions shall have the prior written consent of the County Risk
9 Manager before the commencement of operations under this Agreement.
10 Upon notification of self insured retention unacceptable to the COUNTY,
11 and at the election of the Country's Risk Manager, CITY'S carriers shall
12 either; 1) reduce or eliminate such self-insured retention as respects this
13 Agreement with the COUNTY, or 2) procure a bond which guarantees
14 payment of losses and related investigations, claims administration, and
15 defense costs and expenses.

16 **8.4.3** CITY shall cause CITY'S insurance carrier(s) to furnish the County of
17 Riverside with either 1) a properly executed original Certificate(s) of
18 Insurance and certified original copies of Endorsements effecting coverage
19 as required herein, and 2) if requested to do so orally or in writing by the
20 County Risk Manager, provide original Certified copies of policies
21 including all Endorsements and all attachments thereto, showing such
22 insurance is in full force and effect. Further, said Certificate(s) and
23 policies of insurance shall contain the covenant of the insurance carrier(s)
24 that thirty (30) days written notice shall be given to the County of
25 Riverside prior to any material modification, cancellation, expiration or
26 reduction in coverage of such insurance. In the event of a material
27 modification, cancellation, expiration, or reduction in coverage, this
28 Agreement shall terminate forthwith, unless the County of Riverside
receives, prior to such effective date, another properly executed original
Certificate of Insurance and original copies of endorsements or certified
original policies, including all endorsements and attachments thereto

1 evidencing coverage's set forth herein and the insurance required herein is
2 in full force and effect. CITY shall not commence operations until the
3 COUNTY has been furnished original Certificate (s) of Insurance and
4 certified original copies of endorsements and if requested, certified
5 original policies of insurance including all endorsements and any and all
6 other attachments as required in this Section. An individual authorized
7 by the insurance carrier to do so on its behalf shall sign the original
8 endorsements for each policy and the Certificate of Insurance.

8 **8.4.4** It is understood and agreed to by the parties hereto that the
9 CITY'S insurance shall be construed as primary insurance, and the
10 COUNTY'S insurance and/or deductibles and/or self-insured retention's
11 or self-insured programs shall not be construed as contributory.

11 **8.4.5** If, during the term of this Agreement or any extension thereof, there is a
12 material change in the scope of services; or, there is a material change in
13 the equipment to be used in the performance of the scope of work which
14 will add additional exposures (such as the use of aircraft, watercraft,
15 cranes, etc.); or, the term of this Agreement, including any extensions
16 thereof, exceeds five (5) years the COUNTY reserves the right to adjust
17 the types of insurance required under this Agreement and the monetary
18 limits of liability for the insurance coverage's currently required herein,
19 if; in the County Risk Manager's reasonable judgment, the amount or
20 type of insurance carried by the CITY has become inadequate.

21 **8.4.6** CITY shall pass down the insurance obligations contained herein to all
22 tiers of subcontractors working under this Agreement.

23 **8.4.7** The insurance requirements contained in this Agreement may be met
24 with a program(s) of self-insurance acceptable to the COUNTY.

25 **8.4.8** CITY agrees to notify COUNTY of any claim by a third party or any
26 incident or event that may give rise to a claim arising from the
27 performance of this Agreement.
28

1 **9. LICENSE:**

2 **9.1** CITY shall, through the term of this Agreement, maintain all licenses necessary
3 for the provision of the services hereunder and required by the laws and
4 regulations of the United States, the State of California, County of Riverside, and
5 all other governmental agencies. CITY shall notify COUNTY immediately, in
6 writing, of inability to obtain or maintain such license. Said inability shall be
 cause for termination of this Agreement.

7 **9.2** CITY shall ensure that CITY'S employees, agents and other CITY'S performing
8 services under the terms of this Agreement are in compliance with all relative
9 licensing requirements. CITY hereby agrees to notify COUNTY immediately, in
10 writing, of inability of CITY or any of CITY'S employees, agents and other
11 CITY'S, to obtain or maintain such license(s). Said inability shall be cause for
 termination of this Agreement.

12 **9.3** A copy of each such license, permit, approval, waiver, exemption, registration,
13 accreditation, and certificate shall be provided to Contracts Administration.

14 **10. OSHA REGULATIONS** - CITY hereby certifies awareness of the Occupational Safety
15 and Health Administration (OSHA) standards and codes as set forth by the U.S.
16 Department of Labor, and the derivative Cal/OSHA standards, laws and regulations
17 relating thereto, and verifies that all performance under this Agreement shall be in
18 compliance therewith.

19 **11. STANDARDIZED EMERGENCY MANAGEMENT SYSTEM (SEMS)** – CITY
20 shall comply with SEMS requirements as stated in the California Emergency Services
21 Act, Government Code, Chapter 7 of Division 1 of Title 2, Section 8607.1(e) and CCR
22 Title 19, Sections 2445, 2446, 2447, and 2448.

23 **12. NATIONAL INITIATIVES** - CITY warrants and agrees to become fully compliant
24 with National Incident Management System (NIMS) in the timeframe mandated by the
25 federal government; and also support the Homeland Security Presidential Directive-5
 (HSPD-5) and National Response Plan.

26 **13. COMPLIANCE WITH STATUTES AND REGULATIONS** - CITY warrants and
27 certifies that in the performance of this Agreement, CITY will comply with all applicable
28 federal statutes, regulations, policies, guidelines, and requirements, including OMB

1 Circulars A-21, A-87, A-102, A-110, A-122, and A-133, E.O. 12372 and Uniform
2 Administrative Requirements for Grants and Cooperative Agreements contained in Title
3 28, Code of Federal Regulations, Part 66 or 70, which govern the application, acceptance
4 and use of federal funds for this federally-assisted project.

4 **14. RECORDS AND DOCUMENTS:**

5 **14.1** CITY shall make available, upon written request by any duly authorized Federal,
6 State or COUNTY agency, a copy of this grant Agreement and such books, documents
7 and records as are necessary to certify the nature and extent of the costs of the services
8 provided by CITY. All such books and records shall be maintained by CITY for at least
9 five years from termination of this Agreement.

10 **14.2** CITY to provide COUNTY with reports and information relative to this grant
11 Agreement and in accordance with terms set forth herein, as may be requested by
12 COUNTY.

13 **14.3** Failure to maintain all grant records for the required retention period could result
14 in a reduction of eligible grant activities, and an invoice to return costs associated with
15 the unsupported activities.

15 **15. CONDUCT OF CONTRACTOR:**

16 **15.1** CITY agrees to inform the COUNTY of all the CITY'S interest, in any, which are
17 or which the CITY believes to be incompatible with any interest of the COUNTY.

18 **15.2** CITY shall not, under circumstances, which might reasonably be interpreted as an
19 attempt to influence the recipient in the conduct of his duties, accept any gratuity
20 or special favor from individuals or organizations with whom the CITY is doing
21 business or proposing to do business, in accomplishing the work under the
22 contract.

23 **15.3** CITY shall not use for personal gain or make other improper use of privileged
24 information, which is acquired in connection with this contract. In this
25 connection, the term of "privileged information" includes, but is not limited to,
26 unpublished information relating to technological and scientific development;
27 medical, personnel, or security records of the individuals; anticipated materials
28 requirements or pricing actions; and knowledge of selection of contractors or
subcontractors in advance of official announcement.

1 **15.4** CITY or employees thereof shall not offer gifts, gratuity, favors, and
2 entertainment directly or indirectly to COUNTY employees.

3 **16. MONITORING** - CITY hereby agrees to establish procedures for self monitoring and
4 shall permit an appropriate official of the COUNTY, State or Federal government to
5 monitor, assess or evaluate CITY'S performance under this Agreement upon reasonable
6 notice to CITY and at any reasonable time.

7 **17. AUDITS** - CITY shall give the federal government, the General Accounting
8 Office, the Comptroller General of the United States, and Riverside County, through any
9 authorized representative, access to and the right to examine all paper or electronic
10 records, books, papers, or documents related to this Agreement; and will establish a
11 proper accounting system in accordance with generally accepted accounting standards or
ATAA directives.

12 **18. TERMINATION :**

13 **18.1** COUNTY or CITY may terminate this Agreement without cause upon 10 days
14 written notice served upon the COUNTY or CITY stating the extent and effective date of
15 termination.

16 **18.2** COUNTY, with five (5) days written notice, may terminate this agreement for
17 CITY'S default or if CITY refuses or fails to comply with the provisions of this
18 Agreement or fails to make progress to endanger performance and does not cure such
19 failure within a reasonable period. In the event of such termination, the COUNTY may
20 proceed with the work in any manner deemed proper to COUNTY.

21 **18.3** After receipt of the Notice of Termination pursuant to section 18.1 or 18.2 above,
22 CITY shall:

23 **18.3.1** Stop all work under this Agreement on the date specified in the Notice of
24 Termination;

25 **18.3.2** Transfer to COUNTY and deliver in the manner, and to the extent, if
26 any, as directed by COUNTY, any equipment, data or reports which, if
27 the Agreement had been completed, would have been required to be
28 furnished to COUNTY;

18.4 After termination pursuant to section 18.1 or 18.2 above, COUNTY shall
make payment for all services performed in accordance with this Agreement to

1 the date of termination, a total amount which bears the same ratio to the total
2 maximum fee otherwise payable under this Agreement as the services actually
3 bear to the total services necessary for performance of this Agreement.

4 **18.5** Notwithstanding any of the provisions of this Agreement, CITY'S rights under
5 this Agreement shall terminate (except for fees accrued prior to the date of
6 termination) upon dishonesty, or a willful or material breach of this Agreement.
7 CITY'S unwillingness or inability for any reasons whatsoever to perform the
8 duties hereunder; or if the Agreement results in termination pursuant to section
9 18, CITY shall not be entitled to any further compensation under this Agreement.

10 **18.6** The rights and remedies of COUNTY provided in this section shall not be
11 exclusive and are in addition to any other rights and remedies provided by law or
12 under this Agreement.

13 **19. FORCE MAJEURE-** Neither Party shall be liable nor deemed to be in default for any
14 delay or failure in performance under this Agreement or other interruption of service or
15 employment deemed resulting, directly or indirectly, from acts of God.

16 **20. NONDISCRIMINATION AND ELIGIBILITY:**

17 **20.1** The CITY shall not discriminate in the provision of services, allocation of
18 benefits, accommodation in facilities, or employment of personnel, on the basis of
19 ethnic group identification, race, color, creed, ancestry, religion, national origin,
20 sexual preference, sex, age (over 40), marital status, medical attention, or physical
21 or mental handicap, and shall comply with all other requirements of law regarding
22 nondiscrimination and affirmative action including those laws
23 pertaining to the prohibition of discrimination against qualified handicapped
24 persons in all programs or activities.

25 **20.2** For the purpose of this Agreement, distinctions on the grounds of race, religion,
26 color, sex, national origin, age, or physical or mental handicap include, but are not
27 limited to, the following:

28 **20.2.1** Denying an eligible person or providing to an eligible person any services
or benefit which is different, or is provided in a different manner or at a
different time from that provided to other eligible persons under this
Agreement.

1 **20.2.2** Subjecting an eligible person to segregation or separate treatment in any
2 matter related to his receipt of any service, except when necessary for
3 infection control.

4 **20.2.3** Restricting an eligible person in any way in the enjoyment of any
5 advantage or privilege enjoyed by others receiving a similar service or
6 benefit.

7 **20.2.4** Treating an eligible person differently from others in determining whether
8 she/he satisfied any eligibility, membership, or other requirement or
9 condition which individuals must meet in order to be provided a similar
10 service or benefit.

11 **20.2.5** The assignment of times or places for the provision of services on the
12 basis of race, religion, color, sex, national origin, age, or physical or
13 mental handicap of the eligible person to be served.

14 **21. CONFLICT OF INTEREST** - CITY and CITY'S employees shall have no interest, and
15 shall not acquire any interest, direct or indirect, which will conflict in any manner or
16 degree with the performance of services required under this Agreement.

17 **22. ALTERATION:**

18 **22.1** COUNTY must forward and secure prior approval from ATAA (via OES) for any
19 CITY requests for modifications/alterations that are material deviations from
20 Exhibit A. If ATAA approves, COUNTY will notify CITY and execute an
21 amendment to this Agreement that reflects the material modification.

22 **22.2** No alteration or variation of the terms of this Agreement shall be valid unless
23 made in writing and signed by the parties hereto, and no oral understanding or
24 agreement not incorporated herein, shall be binding on any of the parties hereto.

25 **22.3** Only the County Board of Supervisors or the County Purchasing Agent may
26 authorize any alteration or revision of this Agreement. The parties expressly
27 recognize that COUNTY personnel are without authorization to either change or
28 waive any requirements of this Agreement.

29 **23. SEVERABILITY**- If any provision in this Agreement is held by a court of competent
30 jurisdiction to be invalid, void or unenforceable, the remaining provisions will
31 nevertheless continue in full force without being impaired or invalidated in any way.

1 24. **ASSIGNMENT** - CITY may not delegate the obligations hereunder, either in whole or in
2 part, without prior written consent of COUNTY provided, however, obligations
3 undertaken by CITY pursuant to this Agreement may be carried out by means of
4 subcontracts if approved by COUNTY. No subcontract shall terminate or alter the
5 responsibilities of CITY to COUNTY pursuant to this Agreement. CITY may not assign
6 the rights hereunder, either in whole or in part, without the prior written consent of
7 COUNTY. Any attempted assignment or delegation in derogation of this paragraph shall
8 be void. A change in the business structure of CITY, including but not limited to, change
9 in the majority ownership, change in the form of CITY'S business organization,
10 management of CITY, CITY'S ownership of other business dealing with CITY under this
11 Agreement, or filing of bankruptcy by CITY, shall be deemed an assignment for purposes
12 of this paragraph.

13 25. **ADMINISTRATION** - The COUNTY Director of the Department of Public Health, or
14 designee, shall administer this Agreement on behalf of the COUNTY.

15 26. **WAIVER** - Any waiver by COUNTY of any breach of any one or more of the terms of
16 this Agreement shall not be construed to be a waiver of any subsequent or other breach of
17 the same or of any other term thereof. Failure on the part of the COUNTY to require
18 exact, full and complete compliance with any terms of this Agreement shall not be
19 construed as in any manner changing the terms hereof or stopping COUNTY from
20 enforcement hereof.

21 27. **JURISDICTION, VENUE, ATTORNEY FEES**- This Agreement shall be governed
22 by, and construed in accordance with, the laws of the State of California. CITY agrees
23 and consents to the exclusive jurisdiction of the courts of the State of California for all
24 purposes regarding this Agreement and further agrees and consents that venue of any
25 action brought hereunder shall be exclusively in the County of Riverside, California.

26 28. **CAPTIONS AND PARAGRAPH HEADINGS** - Captions and paragraph headings
27 used in this Agreement are for convenience only and are not a part of this Agreement and
28 shall not be used in construing this Agreement.

29. **NOTICES**- All correspondence and notices required or contemplated by this

1 Agreement shall be delivered to the respective parties at the addresses set forth below
2 and are deemed submitted one day after their deposit in the United States mail, postage
3 prepaid:

4 **COUNTY:**

5 County of Riverside, Department of Public Health
6 Contracts Unit
7 4065 County Circle Drive, Ste. 412
8 Riverside, CA 92503

9 **CITY:**

10 Hemet Fire Department
11 510 E. Florida Avenue
12 Hemet, CA 92543
13 Attn: Fire Chief

14 or to such other address(es) as the parties may hereafter designate.

15 **30. ENTIRE AGREEMENT.** This Agreement, including any Exhibits and Attachments,
16 constitutes the entire agreement of the parties hereto with respect to its subject matter and
17 supersedes all prior and contemporaneous representations, proposals, discussions and
18 communications, whether oral or in writing.

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EXHIBIT A

SCOPE OF WORK

Fire Department Hazardous Materials Teams, which includes the CITY, shall provide services outlined and specified as follows:

1. Project Description:

1.1 Spending Plan

1.1.1 CITY shall adhere to the spending plan as outlined in Attachment A.

1.2 Exercises/Drills

1.2.1 CITY must participate in a minimum of 75% of all CHOG sponsored exercises/drills; unless an emergency response precludes team participation, to be eligible for reimbursement.

1.2.2 Scope and duration of the training and exercises shall be determined and specified by the CHOG committee.

1.2.3 The exercises/drills shall be on the following dates:

1.2.3.1 Quarter 1, 2015

1.2.3.2 Quarter 2, 2015

1.2.3.3 Quarter 3, 2015

1.2.3.4 Quarter 4, 2015

1.3 Meeting Schedule

1.3.1 CITY must participate in a minimum of 75% of all CHOG meetings

1.3.2 The meetings shall be on the following dates:

1.3.2.1 March 2015

1.3.2.2 June 2015

1.3.2.3 September 2015

1.3.2.4 December 2015

1 **1.3.3** Additional meetings shall be determined by the CHOG committee

2 **1.3.4** Agenda and duration of the meeting shall be determined and specified by
3 the CHOG committee.

4 **2. Suspension.** COUNTY may suspend CITY'S funding, in whole or in part, for the
5 following reasons:

6 **2.1** Failure to participate in a minimum of 75% of all CHOG sponsored trainings and
7 exercises as outlined in Section 1.2.3, Exercises/Drills, above unless an
8 emergency response precludes team participation.

9 **2.2** Failure to participate in a minimum of 75% of all CHOG meetings as outlined in
10 Section 1.3.2, Meeting Schedule, above unless an emergency response precludes
11 team participation.

12 **2.3** Failure to submit for reimbursement and include all required backup
13 documentation.

14 **2.4** Failure to comply with Anti-Terrorism Approval Authority (ATAA) requirements
15 or other statutory requirements set forth in the 2014 Homeland Security Grant
16 Program (HSGP) guidance. [http://www.fema.gov/media-library-](http://www.fema.gov/media-library-data/1395161200285-b07ed0456056217175fbdee28d2b06e/FY_2014_HSGP_FOA_Final.pdf)
17 [data/1395161200285-](http://www.fema.gov/media-library-data/1395161200285-b07ed0456056217175fbdee28d2b06e/FY_2014_HSGP_FOA_Final.pdf)
18 [b07ed0456056217175fbdee28d2b06e/FY_2014_HSGP_FOA_Final.pdf](http://www.fema.gov/media-library-data/1395161200285-b07ed0456056217175fbdee28d2b06e/FY_2014_HSGP_FOA_Final.pdf)

19 **2.5** In the event of such suspension, CITY shall be entitled to reimbursement for
20 previous participations.

21 **3. Disputes.**

22 **3.1** The parties shall deal in good faith and attempt to resolve potential disputes
23 informally. If the dispute persists, the CITY shall submit to COUNTY a written
24 demand for a final decision regarding the disposition of the dispute between the
25 parties arising under, related to or involving this Agreement, unless the
26 COUNTY, on its own initiative, has already rendered such a final decision. If the
27 CITY is not satisfied with the decision of COUNTY, the CITY may appeal the
28 decision to the Office of Emergency Services (OES) and/or ATAA.

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3.2 Pending the final resolution of any dispute arising under, related to or involving this Agreement, CITY agrees to diligently proceed with the performance of this Agreement. Failure of the CITY to diligently proceed shall be considered a material breach of this Agreement.

3.3 Any final decision of the COUNTY, OES or ATAA shall be expressly identified as such, shall be in writing, and shall be signed by the Director of Public Health, Deputy Director, Office of Emergency Services, or ATAA representatives, as appropriate.

3.4 If CITY is not satisfied with the whole or part of the decision, CITY has the right to pursue legal actions.

4. Supplanting - CITY agrees that funds reimbursed under this Agreement will be used to supplement existing funds and will not supplant (replace) non-federal funds.

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2 **EXHIBIT B**

3 **PAYMENT PROVISIONS**

4
5 **1. Amount Awarded**

6 **1.1** This Agreement is in an amount not to exceed sixty-seven thousand dollars
7 **(\$67,000)** including all expenses.

8 **1.2** Battalion Chief, Captain, Engineer and Firefighter classifications are eligible for
9 reimbursement for overtime and backfill hours for participation in CHOG sponsored
10 training and exercises.

11 **1.3** Spend according to spending plan.

12 **2. Payment Request Process**

13 **2.1** COUNTY shall reimburse CITY for services performed 30 NET working days
14 after submission of invoice by CITY. COUNTY is not responsible for any costs incurred
15 above or beyond the Agreement amount.

16 **2.2** Said reimbursement to CITY shall be in accordance with periodic payment
17 requests invoices, and other supporting documentation submitted to COUNTY by CITY.
18 Supporting documentation will be in the form of copies of original invoices, receipts,
19 purchase orders, bids, certificates, equipment inventory tracking sheets, packing slips,
20 copies of receipts, proof of payment or bank statements, and time sheets that document
21 overtime and/or backfill costs incurred for participation in any CHOG sponsored training
22 or exercise. CITY is eligible for participation in any of the training/exercises outlined in
23 Exhibit A.

24 **2.3** Each invoice shall contain a minimum of the following information:

25 Agency name, agreement number; remittance address; summary of hours (names, ranks,
26 dates, hours, salary, and benefits) for all staff participating in a CHOG approved training
27 or exercise; copies of timesheets; copies of certificates earned (if applicable); copies of
28 purchase orders; copies of bids (if applicable); copies of vendor invoices; copies of

1 packing slips; copies of receipts; proof of payment such as copies of cancelled checks to
2 the vendor or bank statements; and the equipment inventory tracking sheet. In the State of
3 California, government agencies are not allowed to pay late charges, per Government
4 Codes, Section 926.10.

5 **2.4** CITY shall ensure that grant funds are only used for allowable, fair, and
6 reasonable costs.

7 **2.5** CITY shall promptly return to COUNTY all funds received which exceed the
8 approved, actual expenditures as identified in this Agreement. Failure to spend within
9 the performance period will result in forfeiture of funds.

10 **2.6** The original invoice and supporting documentation will be sent to:
11

12 **Address:**

13 Riverside County Department of Public Health
14 Fiscal Accounts Payable
15 P.O. Box 7849
16 Riverside, CA 92513-7849

17 **Copy:**

18 Riverside County Department of Public Health
19 Public Health Emergency Preparedness and Response Branch
20 Attn: Kim Saruwatari
21 P.O. Box 7600
22 Riverside, CA 92513-7600
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ATTACHMENT A
CHOG SPENDING PLAN HS2014

Quantity	Description	AEL #	Costs	Total Dollar Amount
1	First Defender RMX	07CD-01-ENSM	56,800	56,800
4	HazMat Spec		10,200	10,200

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Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: David M. Brown, Chief of Police; Wally Hill, City Manager

DATE: January 27, 2015

RE: Purchase of 4 Vehicles for Police Department

RECOMMENDATION:

1. Approve the purchase of 4 police department replacement vehicles and related emergency and safety equipment as follows:
 - Raceway Ford (4 vehicles): \$105,599.60
 - West Coast Lights & Sirens (vehicle up-fit): \$25,980.92
 - High Desert Communications (interop radios): \$27,749.20
 - Southern Computer Warehouse (mobile data computer): \$3,545.40
2. Authorize the City Manager to approve the purchase requisitions in the amounts listed under the Fiscal Impact section below.

BACKGROUND:

The police department's vehicle fleet is almost exclusively funded by alternative (non-general fund) funding sources. The four vehicles recommended for purchase in this report are to replace (3) existing vehicles with excessive mileage and (1) existing vehicle that was totaled in a traffic accident where the city was not at fault.

The City Council has previously approved the funding sources for these vehicles from the 2013 and 2014 Indian Gaming Grants, 2013/2014 State COPS Grant Allocations, the Traffic Offender Fund, and the Vehicle Replacement Fund.

DISCUSSION/ANALYSIS:

The department has an opportunity to purchase 4 vehicles from a competitive bid completed by the Riverside Police Department on October 2, 2014 (Bid 7279). By "piggybacking" on this bid, the department is able to obtain the competitive bid pricing without expending the staff time normally required for such a process.

Sec. 2-329 (b) of the Hemet Municipal Code allows " the purchasing agent may also buy directly from a vendor at a price established by competitive bidding by another federal, state, county or local government agency in substantial compliance with sections 2-334, 2-335 and 2-336 even if the city has not joined with that public agency in a cooperative purchase agreement."

Police vehicles are purchased in a "stock" condition and additional equipment such as lights, sirens, radios, and other safety equipment are purchased and installed through specialty vendors. This process was competitively bid and provides for a custom fit to the agency.

SR-PD Vehicle Purchase, Page 2

The vehicles are being purchased to replace an aging vehicle fleet. Over thirty vehicles in the police fleet have over 100,000 miles. Three of the vehicles are 2000 models and five are 2001 models. The police department will work with Fleet Maintenance at the end of the year to reevaluate the status of the fleet.

COORDINATION AND REVIEW:

The City of Hemet Procurement Administrator worked with department staff to verify the competitive bid process was followed in obtaining the Riverside bid. The procurement administrator has received the purchasing requisitions associated with the vehicles and safety equipment.

This purchase supports the following police department strategic priorities:

Reduce Crime and the Fear of Crime: Equipping front line officers with necessary equipment to perform their crime reduction activities efficiently and effectively.

Engage in Smart Policing: These vehicles are equipped with interoperable radios to enhance cooperation with other agencies, mobile data browsers to connect the officer with real-time data and GPS automatic vehicle locator technology to improve response times through better resource management.

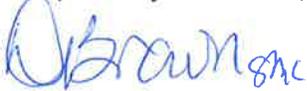
FISCAL IMPACT:

The total cost of these vehicles will be \$162,875.12. Approximately half of the cost will be covered by grants and state allocations. The account breakdown is as follows:

2013 Indian Gaming Grant	\$21,625.55
2014 Indian Gaming Grant	\$19,913.17
12/13 State COPS	\$ 7,260.31
13/14 State COPS	\$26,170.50
Traffic Offender Fund	\$54,474.78
Vehicle Replacement	\$33,430.81

The maintenance and fuel cost savings will result in a net savings to the general fund.

Respectfully submitted,



David M. Brown
Chief of Police

Fiscal Review:



Jessica A. Hurst
DCM/Admin Services Director



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: David M. Brown, Chief of Police; Wally Hill, City Manager

DATE: January 27, 2015

RE: Purchase of new Tasers for Police Department

RECOMMENDATIONS:

1. Approve the grant-funded purchase of (65) X-26P model Tasers from Taser International in order to ensure the deployment of the best Electronic Control Device (ECD) technology to all field personnel.
2. Authorize the City Manager to approve the purchase requisition in the amount of \$86,497.79 to Taser International.

BACKGROUND:

The City Council approved the 2014 Indian Gaming Grant (on August 26, 2104) and the 14/15 State COPS Allocation (on December 9, 2014). The expenditure plans for both were also approved. The 2014 Indian Gaming Grant included \$45,928.85 for Electronic Control Device (Taser) Technology Upgrade. The 14/15 State COPS Allocation included \$42,000 for Safety Equipment.

DISCUSSION/ANALYSIS:

The Tasers are being purchased to replace the Police Department's current outdated Taser model. Taser no longer maintains, repairs or supports our current platform/model (X-26). Due to cost, the Department has recommended new model (X-26P) over the other available model (X-2). Both new models have many improved technological advances over the current one. These advances include superior weather protection, increased battery life, update firmware over the internet as well as the ability to modify internal settings. Additionally, the new devices also record and report more information.

FISCAL IMPACT:

There is no impact to the general fund. The entire cost will be covered by a grant and state allocation funds. The total upfront cost of the Tasers will be \$86,497.79. There will be an additional annual payment for all necessary repairs and hardware each of the next four years. This payment will also be covered by grants and/or state allocation funds.

Respectfully submitted,

David M. Brown
Chief of Police

Fiscal Review:

Jessica A. Hurst
DCM/Admin Services Director



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Scott Brown, Interim Fire Chief
Wally Hill, City Manager *Wally Hill*

DATE: January 27, 2015

RE: Professional Services Contract, Emergency Services Consulting International (ESCI)

RECOMMENDED ACTION:

1. That the City Council approve a Professional Services Contract not to exceed \$27,000 with the consulting firm of Emergency Services Consulting International (ESCI) to conduct a comprehensive Fire /EMS Services Delivery Analysis.
2. Authorize the City Manager to approve a Professional Services Contract with ESCI to conduct this analysis, direct the Fire Chief to oversee and monitor the performance of the consultant and deliverables as identified in the scope of work plan. Timeline for completion of project is 90-120 days.

BACKGROUND:

The purpose of the Service Delivery Options Analysis will be to place focus on a baseline assessment of current conditions and current service performance by the Hemet Fire Department. Previous studies have placed emphasis on both the compare and contrast of alternate service delivery and associated cost by both Hemet Fire and an outside Fire Agency.

The purpose of this study will be to serve as both an analytical review as well as an assessment of HFD's operations in comparison to industry standards and best practices. The findings will create a performance benchmark against options for future service delivery considerations.

A number of internal and external factors have resulted in the need to evaluate the current operational capacity of the Hemet Fire Department, including but not limited to operational impacts associated with increased demands for service, the implementation of the Paramedic Program as well as associated budgetary challenges faced by the HFD associated with the economic down turn.

This study will provide important data as well as recommendations for future strategic based discussions on service delivery for both Fire and EMS services by the Hemet Fire Department.

PROJECT DESCRIPTION:

(ESCI) will develop a comprehensive work plan based on the scope of work as defined. For purposes of this plan, this will include an Evaluation of Current Conditions, Organizational review, Service Delivery and Performance – The elements of the plan will serve as the baseline for the following study activities;

- Future System Demand projections
 - o Population Growth Projections
 - o Community Risk Review
 - o Service Demand Projections

- Future Delivery System Options
 - o Development of Response Standards and Targets
 - o Service Delivery Options
 - Any relocation of existing facilities
 - General locations of future stations
 - Selection, Deployment of apparatus by type
 - Deployment of Operations personnel
 - Deployment of special units or resources
 - Additional infrastructure/ facilities for administrative and support programs

- Development, Review and Delivery Service Delivery Analysis report

Additionally, (ESCI) has been tasked to evaluate HFD’s Service and Delivery areas, to include, but not limited to the following areas; Demand, Distribution, Concentration, Reliability, Performance, Incident Control and Management methods as well as Mutual Aid and Automatic Aid Systems.

Additionally, (ESCI) will identify future service opportunities for cooperative efforts.

ANALYSIS:

The International City Managers Association (ICMA) recommends that Fire Departments conduct Standards of Coverage reviews every 5-years. The Hemet Fire Department last conducted a review such as this over ten years ago. (ESCI) has a broad depth of experience in conducting an analysis such as this, both with Large Urban Metropolitan and smaller departments such as Hemet.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The Study and subsequent recommendations will serve to guide future policy discussions regarding operational and administrative related funding requirements of Hemet FIRE/EMS Services, including future service delivery requirements.

FISCAL IMPACT:

There is no current line item budget identified for this special project. Funding for this project (\$27,000) will be redirected within the Fire Departments budget. Fire Chief will monitor budget to ensure Fire Department is not negatively impacted as a result of this appropriation.

Respectfully submitted,

Fiscal Review:



Scott Brown
Interim Fire Chief



Jessica A Hurst
Deputy City Manager/Administrative Services

Attachment: Professional Services Agreement

AGREEMENT FOR SERVICES

By and Between

**THE CITY OF HEMET,
a municipal corporation**

and

**Emergency Services Consulting International
(ESCI)**

**AGREEMENT FOR SERVICES
BETWEEN
THE CITY OF HEMET, CALIFORNIA
AND
EMERGENCY SERVICES CONSULTING INTERNATIONAL (ESCI)**

This Agreement for Services ("Agreement") is entered into as of this 27th day of January 2015 by and between the City of Hemet, a municipal corporation ("City") and Emergency Services Consulting International (ESCI), a ("Service Provider"). City and Service Provider are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

A. City has sought, by direct negotiation, the performance of the services defined and described particularly in Section 2 of this Agreement.

B. Service Provider, following submission of a Scope of Work for the performance of the services defined and described particularly in Section 2 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Hemet's Municipal Code, City has authority to enter into this Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Service Provider for performance of those services defined and described particularly in Section 2 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained here and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of Section 20 "Termination of Agreement" of this Agreement, the Term of this Agreement is for 120 days commencing on the date first ascribed above.

SECTION 2. SCOPE OF SERVICES & SCHEDULE OF PERFORMANCE.

(a) Scope of Services. Service Provider agrees to perform the services set forth in Exhibit "A" "Scope of Services" (hereinafter, the "Services") and made a part of this Agreement by this reference.

(b) Schedule of Performance. The Services shall be completed pursuant to the schedule specified in Exhibit "A." Should the Services not be completed pursuant to that schedule, the Service Provider shall be deemed to be in Default of this Agreement. The City, in

its sole discretion, may choose not to enforce the Default provisions of this Agreement and may instead allow Service Provider to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Service Provider shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this Agreement, City agrees to pay Service Provider the amounts specified in Exhibit "B" "Compensation" and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Twenty seven thousand dollars (\$27,000), unless additional compensation is approved in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement.

(b) Each month Service Provider shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-Service Provider contracts. Sub-Service Provider charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of task performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by Service Provider which are disputed by City, City will use its best efforts to cause Service Provider to be paid within forty-five (45) days of receipt of Service Provider's correct and undisputed invoice.

(d) Payment to Service Provider for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Service Provider's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider's work within sixty (60) days after submitted to City. City shall reject work by

a timely written explanation, otherwise Service Provider's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 "Indemnification" and Section 17 "Insurance."

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Service Provider in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Service Provider. Upon completion, expiration or termination of this Agreement, Service Provider shall turn over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Service Provider in the course of providing the Services pursuant to this Agreement, Service Provider's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 7. SERVICE PROVIDER'S BOOKS AND RECORDS.

(a) Service Provider shall maintain any and all documents and records demonstrating or relating to Service Provider's performance of the Services. Service Provider shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Service Provider pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider's address indicated for receipt of notices in this Agreement.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination

of Service Provider's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR.

(a) Service Provider is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the Services under this Agreement on behalf of Service Provider shall at all times be under Service Provider's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider or any of Service Provider's officers, employees, or agents except as set forth in this Agreement. Service Provider shall not at any time or in any manner represent that Service Provider or any of Service Provider's officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Service Provider, nor any of Service Provider's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider expressly waives any claim Service Provider may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Service Provider represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider under this Agreement. In addition to the general standards of performance set forth in this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Work" that shall also be applicable to Service Provider's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Service Provider shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider shall obtain any and all licenses, permits and authorizations necessary to perform the Services set forth in this Agreement. Neither City, nor any elected or

appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

It is the understanding of City and Service Provider that California prevailing wage laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 12. NONDISCRIMINATION.

Service Provider shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 13. UNAUTHORIZED ALIENS.

Service Provider hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Service Provider so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Service Provider hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 14. CONFLICTS OF INTEREST.

(a) Service Provider covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider's performance of the Services. Service Provider further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

(b) City understands and acknowledges that Service Provider is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

(c) City understands and acknowledges that Service Provider will perform non-related services for other governmental agencies and private Parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Service Provider in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider. Service Provider shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

(b) Service Provider, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider gives City notice of such court order or subpoena.

(c) If Service Provider, or any officer, employee, agent or subcontractor of Service Provider, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Service Provider's conduct.

(d) Service Provider shall promptly notify City should Service Provider, its officers, employees, agents or subcontractors, be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider or be present at any deposition, hearing or similar proceeding. Service Provider agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 16. INDEMNIFICATION.

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Service Provider's services, to the fullest extent permitted by law, Service Provider shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees) arise out of, are a consequence of, or are in any way attributable to, in whole or in part, any negligent or wrongful act, error or omission of Service Provider, or by any individual or entity for which Service Provider is legally liable, including but not limited to officers, agents,

employees or sub-contractors of Service Provider, in the performance of professional services under this Agreement.

(b) Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Service Provider shall indemnify, protect, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Service Provider, or by any individual or entity for which Service Provider is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider.

(c) Indemnification from Sub-Service Providers. Service Provider agrees to obtain executed indemnity agreements with provisions identical to those set forth in this section from each and every sub-Service Provider or any other person or entity involved by, for, with or on behalf of Service Provider in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Service Provider fails to obtain such indemnity obligations from others as required herein, Service Provider agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider and shall survive the termination of this Agreement or this section.

(d) Limitation of Indemnification. Notwithstanding any provision of this section to the contrary, design professionals are required to defend and indemnify the City only to the extent permitted by Civil Code Section 2782.8, which limits the liability of a design professional to claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. The term "design professional," as defined in Section 2782.8, is limited to licensed architects, licensed landscape architects, registered professional engineers, professional land surveyors, and the business entities that offer such services in accordance with the applicable provisions of the California Business and Professions Code.

(e) City's Negligence. The provisions of this section do not apply to claims occurring as a result of City's sole negligence. The provisions of this section shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officials, employees and agents.

SECTION 17. INSURANCE.

Service Provider agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit "C" "Insurance" and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content.

These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Service Provider are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider under this Agreement. In recognition of that interest, Service Provider shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider's duties or obligations under this Agreement without the prior written consent of the City. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 "Termination of Agreement." City acknowledges, however, that Service Provider, in the performance of its duties pursuant to this Agreement, may utilize sub-contractors.

SECTION 19. CONTINUITY OF PERSONNEL.

Service Provider shall make every reasonable effort to maintain the stability and continuity of Service Provider's staff and sub-contractors, if any, assigned to perform the Services. Service Provider shall notify City of any changes in Service Provider's staff and sub-contractors, if any, assigned to perform the Services prior to and during any such performance.

SECTION 20. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Service Provider. In the event such notice is given, Service Provider shall cease immediately all work in progress.

(b) Service Provider may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Service Provider or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Service Provider or City, all property belonging exclusively to City which is in Service Provider's possession shall be returned to City. Service Provider shall furnish to City a final invoice for work performed and expenses incurred by Service Provider, prepared as set forth in Section 4 "Compensation and Method of Payment" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.

SECTION 21. DEFAULT.

In the event that Service Provider is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Service Provider for any work

performed after the date of default. Instead, the City may give notice to Service Provider of the default and the reasons for the default. The notice shall include the timeframe in which Service Provider may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Service Provider is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Service Provider does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20 "Termination of Agreement." Any failure on the part of the City to give notice of the Service Provider's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Service Provider shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Service Provider. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Service Provider in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Hemet
Attn: City Manager
445 E. Florida Avenue
Hemet, CA 92543

To Service Provider: Emergency Services Consulting International
25030 SW Parkway Ave., Ste. 330
Wilsonville, OR 97070
Attn: Jack Snook

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider to the performance of its obligations hereunder.

SECTION 26. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Hemet Municipal Code.

SECTION 27. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 28. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Service Provider and by the City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Hemet Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 29. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 30. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

EXHIBIT "A"
SCOPE OF SERVICES



Staff Report

TO: Honorable Mayor Krupa and City Council

FROM: John Jansons, Community Investment Director
Economic Development Department

DATE: January 27, 2015

SUBJECT: Real Property Advisory, Marketing and Sales Services

RECOMMENDATION:

That the City Council authorize the City Manager to:

1. Execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APNs: 456-050-013, 456-050-044, and 465-140-032, and
2. Appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.

BACKGROUND

On January 13, 2015, the Council directed staff to list and market several city-owned properties for sale. The Council further directed staff to revise its January 13, 2015 recommendation to reduce the number of properties to be included in the analysis, evaluation and brokerage assignment from three properties to two.

DISCUSSION:

As a result of the January 13, 2015 direction by Council, staff has revised the proposed contract with RSG Inc., (Attachment 1) to perform professional real estate advisory and brokerage services for City-owned properties (all or part) of the Sanderson / Stetson property (APN#s: 456-050-013 and 456-050-044), and the Dominegoni / Simpson property (APN # 465-140-032).

ALTERNATIVES:

None proposed – the recommendation fulfills the Council's previous direction of January 13, 2015, August 12, 2014 and July 8, 2014.

FISCAL IMPACT:

The fiscal impacts are yet to be specifically determined. But, in order to proceed with Council's direction, a budget allocation to fund the real estate advisory work needs to occur. Eventual sales proceeds from the properties will repay the cost of advisory services and commissions to the City General Fund. Under this proposal, the cost of advisory services will be deducted from future commission payments when the properties are sold by RSG Inc. Assuming a market rate sale of any property and costs associated with those sales, the sale of city-owned property will return significant revenue to the City near the estimated or appraised values. As previously

discussed above, any transaction or advisory costs would be paid or reimbursed from sales proceeds.

COORDINATION AND REVIEW:

The recommended action(s) has been coordinated with the City Manager, City Attorney and the Deputy City Manager - Department of Administrative Services.

CONCLUSION:

That the City Council authorize the City Manager to:

1. Execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APNs: 456-050-013, 456-050-044, and 465-140-032, and
2. Appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.

ATTACHMENTS:

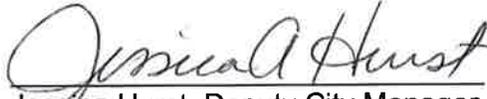
- 1) Draft Professional Services Agreement w/ RSG Inc.

Approved By:



Wally Hill, City Manager

Reviewed By:



Jessica Hurst, Deputy City Manager

Prepared By:



John Jansons,
Director of Community Investment
Economic Development Department

**AGREEMENT FOR REAL ESTATE ADVISORY AND BROKER
SERVICES**

By and Between

**THE CITY OF HEMET,
a municipal corporation**

and

**ROSENOW SPEVACEK GROUP, INC.
a California corporation**

DRAFT

**AGREEMENT FOR REAL ESTATE ADVISORY AND BROKER SERVICES
BETWEEN
THE CITY OF HEMET, CALIFORNIA
AND
ROSENOW SPEVACEK GROUP, INC.**

This Agreement for Real Estate Advisory and Broker Services (“Agreement”) is entered into as of this ____ day of _____, 2015 by and between the City of Hemet, a municipal corporation (“City”) and Rosenow Spevacek Group, Inc., a corporation in the State of California (CalBRE #01930929) (“Service Provider/Broker”) and has been executed to facilitate the sale of certain real property of the City, and provide other related real estate advisory services.

City and Service Provider/Broker are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

A. City has sought, by request for proposals, the performance of the services defined and described particularly in Section 2 of this Agreement.

B. Service Provider/Broker, following submission of a proposal, for the performance of the services defined and described particularly in Section 2 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Hemet’s Municipal Code, City has authority to enter into this Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Service Provider/Broker for performance of those services defined and described particularly in Section 2 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained here and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of Section 20 "Termination of Agreement" of this Agreement, the Term of this Agreement is for eighteen (18) months (the Parties estimate six months for analysis and advisory services and up to twelve months for initial brokerage service period) commencing on the date first ascribed above.

SECTION 2. SCOPE OF SERVICES & SCHEDULE OF PERFORMANCE.

(a) Scope of Services. Service Provider/Broker agrees to perform the services set forth in Exhibit "A" "Scope of Services" (hereinafter, the "Services") and made a part of this Agreement by this reference.

(b) Schedule of Performance. The Services shall be completed pursuant to the schedule specified in Exhibit "A." Should the Services not be completed pursuant to that schedule, the Service Provider/Broker shall be deemed to be in Default of this Agreement. The City, in its sole discretion, may choose not to enforce the Default provisions of this Agreement and may instead allow Service Provider/Broker to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Service Provider/Broker shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. EXCLUSIVE AGENT.

City authorizes Service Provider/Broker to act as the exclusive agent for the City in the sale of real estate comprised of land and/or improved real property located in the City identified as APN Nos. 456-050-013, 456-050-044, and 465-140-032 (the "Properties"), as may be approved by the City. During the Term of this Agreement, City will not engage other brokers, representatives or agents of buyers for the sale of the Properties without prior written authorization from Service Provider/Broker. City shall remain liable to pay Service Provider/Broker the full commission authorized and payable under Section 5 herein on any sale of one or more of the Properties procured by Service Provider/Broker during the Term of this Agreement, notwithstanding closing of the sale of such property(ies) after expiration or early termination of the Term.. Service Provider/Broker will represent only the City and shall not engage in representing any other party to a prospective sale of the properties identified herein. City is not required to sell all properties within any specified time.

SECTION 5. COMPENSATION AND METHOD OF PAYMENT.

(a) City agrees to pay Service Provider/Broker total compensation in an amount not to exceed One Hundred and One Thousand, One Hundred and Fifty-Five Dollars (\$101,155) for the Services provided under this Agreement, excluding real estate broker fees/commissions paid to Service Provider/Broker out of escrow from the sale of one or more of the Properties, as follows:

(i) For the work outlined in the Scope of Work (Tasks 1, 2, 3 and 6 ("Advisory Services")) the total compensation shall not exceed seventy-one thousand one hundred and thirty five dollars (\$71,135), unless additional compensation is approved in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement.).

(ii) For the work outlined in the Scope of Work (Tasks 4 and 5) (“Transactional Work”) the total compensation shall not to exceed twenty-eight thousand eight hundred twenty dollars (\$28,820), unless additional compensation is approved in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement.

(iii) For Reimbursable Expenses, defined below, incurred by Service Provider/Broker, in an amount not to exceed one thousand two hundred dollars (\$1, 200). For the purpose of this Agreement “Reimbursable Expenses” are those costs actually and reasonably incurred by Service Provider in the performance of the Advisory Services and Transactional Services.

(iv) For real estate broker fees/commissions, Service Provider/Broker shall be entitled to a real estate broker fee/commission equal to 2.5% of the Gross Purchase Price (“Commission”) of any one or more of the Properties for which Service Provider procures a buyer during the Term of the Agreement, after the prior deduction from the Commission, and reimbursement to the City, of the total compensation paid to Service Provider/Broker by City for Advisory Services (not to exceed \$71,135) and Transactional Services (not to exceed \$28,820).

(1) For example, the Parties estimate that total Commissions from the sale of all of the Properties would be approximately \$194,000, from which the City would be reimbursed first up to \$101,155 and Service Provider/Broker would receive a total of approximately \$92,845.. This example is not a representation by or to either Party concerning the actual value, sales price or Commission related to any particular property or sale.

(2) The Commission shall be due and payable to Service Provider/Broker through escrow on the date such grant deed is recorded in the Official Records. Service Provider/Broker expressly acknowledges and agrees that such Commission shall not be earned, due, or payable UNLESS AND UNTIL the grant deed or other property conveyance agreement for the Property is recorded in the Official Records in favor of the Buyer (the “Sale Date”).

(3) No Party represents to the other what the actual value or sales price of the Properties will be provided. City does not represent that Service Provider/Broker will in fact earn any Commission and Service Provider/Broker does not represent to City that the sale of the Properties will generate sufficient Commission to reimburse the City for compensation paid to Service Provider/Broker. Should the Commission for the sale of such of the Properties that are sold pursuant to this Agreement be insufficient to offset the amounts paid by City to Service Provider/Broker for services rendered under this Agreement, then Service Provider/Broker shall not receive any Commission or further compensation for its brokerage services..

(4) The City acknowledges and agrees that the time period identified in Section 1 shall be extended for any option to purchase or lease option time period agreed by and between the City and the buyer of one or more Properties.

(b) Each month Service Provider/Broker shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-Service Provider/Broker contracts. Sub-Service Provider/Broker

charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of task performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider/Broker to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider/Broker for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by Service Provider/Broker which are disputed by City, City will use its best efforts to cause Service Provider/Broker to be paid within forty-five (45) days of receipt of Service Provider/Broker's correct and undisputed invoice.

(d) Payment to Service Provider/Broker for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider/Broker.

SECTION 6. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Service Provider/Broker's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider/Broker's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Service Provider/Broker's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider/Broker's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 "Indemnification" and Section 17 "Insurance."

SECTION 7. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Service Provider/Broker in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Service Provider/Broker. Upon completion, expiration or termination of this Agreement, Service Provider/Broker shall turn over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Service Provider/Broker in the course of providing the Services pursuant to this Agreement, Service Provider/Broker's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not

extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 8. SERVICE PROVIDER/BROKER'S BOOKS AND RECORDS.

(a) Service Provider/Broker shall maintain any and all documents and records demonstrating or relating to Service Provider/Broker's performance of the Services. Service Provider/Broker shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Service Provider/Broker pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider/Broker's address indicated for receipt of notices in this Agreement.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Service Provider/Broker's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

SECTION 9. INDEPENDENT CONTRACTOR.

(a) Service Provider/Broker is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider/Broker shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the Services under this Agreement on behalf of Service Provider/Broker shall at all times be under Service Provider/Broker's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider/Broker or any of Service Provider/Broker's officers, employees, or agents except as set forth in this Agreement. Service Provider/Broker shall not at any time or in any manner represent that Service Provider/Broker or any of Service Provider/Broker's

officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Service Provider/Broker, nor any of Service Provider/Broker's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider/Broker expressly waives any claim Service Provider/Broker may have to any such rights.

SECTION 10. STANDARD OF PERFORMANCE.

Service Provider/Broker represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider/Broker shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider/Broker shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider/Broker under this Agreement. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Work" that shall also be applicable to Service Provider/Broker's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 11. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Service Provider/Broker shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider/Broker shall obtain any and all licenses, permits and authorizations necessary to perform the Services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider/Broker to comply with this section.

SECTION 12. PREVAILING WAGE LAWS

It is the understanding of City and Service Provider/Broker that California prevailing wage laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 13. NONDISCRIMINATION.

Service Provider/Broker shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap,

medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 14. UNAUTHORIZED ALIENS.

Service Provider/Broker hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Service Provider/Broker so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Service Provider/Broker hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 15. CONFLICTS OF INTEREST.

(a) Service Provider/Broker covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider/Broker's performance of the Services. Service Provider/Broker further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider/Broker agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

(b) City understands and acknowledges that Service Provider/Broker is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider/Broker is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

(c) City understands and acknowledges that Service Provider/Broker will perform non-related services for other governmental agencies and private Parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 16. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Service Provider/Broker in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider/Broker. Service Provider/Broker shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

(b) Service Provider/Broker, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested

by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider/Broker gives City notice of such court order or subpoena.

(c) If Service Provider/Broker, or any officer, employee, agent or subcontractor of Service Provider/Broker, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider/Broker for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Service Provider/Broker's conduct.

(d) Service Provider/Broker shall promptly notify City should Service Provider/Broker, its officers, employees, agents or subcontractors, be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider/Broker or be present at any deposition, hearing or similar proceeding. Service Provider/Broker agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider/Broker. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 17. INDEMNIFICATION.

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Service Provider/Broker's services, to the fullest extent permitted by law, Service Provider/Broker shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees) arise out of, are a consequence of, or are in any way attributable to, in whole or in part, any negligent or wrongful act, error or omission of Service Provider/Broker, or by any individual or entity for which Service Provider/Broker is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider/Broker, in the performance of professional services under this Agreement.

(b) Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Service Provider/Broker shall indemnify, protect, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Service Provider/Broker, or by any individual or entity for

which Service Provider/Broker is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider/Broker.

(c) Indemnification from Sub-Service Provider/Brokers. Service Provider/Broker agrees to obtain executed indemnity agreements with provisions identical to those set forth in this section from each and every sub-Service Provider/Broker or any other person or entity involved by, for, with or on behalf of Service Provider/Broker in the performance of this Agreement naming the Indemnified Parties as additional indemnities. In the event Service Provider/Broker fails to obtain such indemnity obligations from others as required herein, Service Provider/Broker agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider/Broker and shall survive the termination of this Agreement or this section.

(d) Limitation of Indemnification. Notwithstanding any provision of this section to the contrary, design professionals are required to defend and indemnify the City only to the extent permitted by Civil Code Section 2782.8, which limits the liability of a design professional to claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. The term “design professional,” as defined in Section 2782.8, is limited to licensed architects, licensed landscape architects, registered professional engineers, professional land surveyors, and the business entities that offer such services in accordance with the applicable provisions of the California Business and Professions Code.

(e) City’s Negligence. The provisions of this section do not apply to claims occurring as a result of City’s sole negligence. The provisions of this section shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officials, employees and agents.

SECTION 18. INSURANCE.

Service Provider/Broker agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit “D” “Insurance” and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider/Broker agrees to provide City with copies of required policies upon request.

SECTION 19. ASSIGNMENT.

The expertise and experience of Service Provider/Broker are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider/Broker under this Agreement. In recognition of that interest, Service Provider/Broker shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider/Broker’s duties or obligations under this Agreement without the prior written consent of

the City. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 "Termination of Agreement." City acknowledges, however, that Service Provider/Broker, in the performance of its duties pursuant to this Agreement, may utilize sub-contractors.

SECTION 20. CONTINUITY OF PERSONNEL.

Service Provider/Broker shall make every reasonable effort to maintain the stability and continuity of Service Provider/Broker's staff and sub-contractors, if any, assigned to perform the Services. Service Provider/Broker shall notify City of any changes in Service Provider/Broker's staff and sub-contractors, if any, assigned to perform the Services prior to and during any such performance.

SECTION 21. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Service Provider/Broker. In the event such notice is given, Service Provider/Broker shall cease immediately all work in progress.

(b) Service Provider/Broker may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Service Provider/Broker or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider/Broker, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Service Provider/Broker or City, all property belonging exclusively to City which is in Service Provider/Broker's possession shall be returned to City. Service Provider/Broker shall furnish to City a final invoice for work performed and expenses incurred by Service Provider/Broker, prepared as set forth in Section 4 "Compensation and Method of Payment" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.

SECTION 22. DEFAULT.

In the event that Service Provider/Broker is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Service Provider/Broker for any work performed after the date of default. Instead, the City may give notice to Service Provider/Broker of the default and the reasons for the default. The notice shall include the timeframe in which Service Provider/Broker may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Service Provider/Broker is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Service Provider/Broker does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20 "Termination of

Agreement.” Any failure on the part of the City to give notice of the Service Provider/Broker’s default shall not be deemed to result in a waiver of the City’s legal rights or any rights arising out of any provision of this Agreement.

SECTION 23. EXCUSABLE DELAYS.

Service Provider/Broker shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Service Provider/Broker. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 24. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Service Provider/Broker in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 25. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Hemet
Attn: City Manager
445 E. Florida Avenue
Hemet, CA 92543

To Service Provider/Broker: RSG, Inc.
309 West 4th Street
Santa Ana, CA 92701

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 26. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider/Broker represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider/Broker to the performance of its obligations hereunder.

SECTION 27. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Hemet Municipal Code.

SECTION 28. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 29. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Service Provider/Broker and by the City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Hemet Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 30. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider/Broker shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 31. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 32. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 33. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits "A" through "C", is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Service Provider/Broker and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 34. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 35. CONFLICTING TERMS.

Except as otherwise stated herein, if the terms of this Agreement conflict with the terms of any Exhibit hereto, or with the terms of any document incorporated by reference into this Agreement, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF HEMET

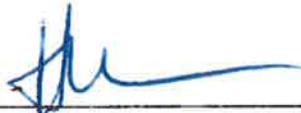
City Manager

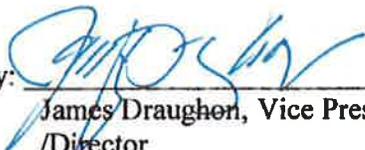
ATTEST:

Sarah McComas
City Clerk

APPROVED AS TO FORM

Eric S. Vail
City Attorney

By: 
Hitta Mosesman, Principal
Its: RSG

By: 
James Draughon, Vice President
/Director
Its: RSG

NOTE: SERVICE PROVIDER/BROKER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO SERVICE PROVIDER/BROKER'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		_____
<input type="checkbox"/> CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT
_____	TITLE(S)	
<input type="checkbox"/> PARTNER(S)	<input type="checkbox"/> LIMITED	_____
	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT		_____
<input type="checkbox"/> TRUSTEE(S)		DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR		
<input type="checkbox"/> OTHER _____		

SIGNER IS REPRESENTING:		_____
(NAME OF PERSON(S) OR ENTITY(IES))		SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

On _____, ____ before me, _____, personally appeared _____,

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(SIGNATURE OF NOTARY)

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL
 CORPORATE OFFICER

TITLE(S)

TITLE OR TYPE OF DOCUMENT

PARTNER(S) LIMITED
 GENERAL

NUMBER OF PAGES

ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER _____

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"
SCOPE OF SERVICES

I. Service Provider/Broker will perform the following Services:

- **Task 1: Feasibility for Highest and best use options**

Task 1a. Property Data Analysis

Meet with the Director of Community Investment and other City staff to review and discuss the specifics of each disposition or a Broker Property Offering Memorandum, the most beneficial disposition process, any previous development proposals or plans for the property, and the current City economic development goals, objectives and priorities.

Collect any relevant City documents and information that would assist with determining potential highest-and-best use development options, such as City entitlement and existing market data. This information will also be incorporated as an attachment to the property marketing material.

Task 1b. Competitive Market and Valuation Analyses

Gather and analyze real estate and property information to understand the market demand for commercial retail uses, business parks, and other potential uses for the properties. This research would include the review and analysis of the following:

- Property research and comparable sales data
- Vacancy rates
- Rents
- Recent new construction projects
- Pipeline projects (approved)
- Potential for site consolidation with adjacent properties
- Demographic statistics (U.S. Census, Bureau of Labor Statistics, ESRI, and SCAG)

Evaluate highest-and-best use to establish the individual properties' value based on the respective market demand. As part of this valuation analysis, a formal Broker Opinion of Value may be prepared by RSG or an independent third-party property appraisal may be utilized for the properties, as coordinated by RSG and City staff.

- **Task 2: Feasibility Analysis**

RSG staff will perform financial pro forma analyses to determine reasonable and financially feasible development options for the individual properties. These pro formas will be prepared utilizing the competitive market analyses from Task 1b above, development cost

data identified in Marshal and Swift Valuation Services (a national industry construction costs data source), and RSG's independent construction cost experience.

Further, RSG will identify those uses that can be brought to market quickly and efficiently given current supply and demand conditions.

- **Task 3: Identify Prospective Buyers/Market Outreach**

In a real estate advisory and broker capacity, RSG will prepare a property disposition strategy and marketing materials for the properties, consisting of:

- Background
- Market analysis
- Development feasibility and recommendations
- Marketing opportunities
- Disposition terms and conditions that would satisfy the City's goals and objectives.

RSG would proceed with the marketing the sale of the property, which would include either soliciting developer interest through a broker Property Offering Memorandum or an RFP/Q process through to the development community.

It is important to note that there would be substantial similarities between the content and materials that would be provided in either an Offering Memorandum or an RFQ/P. However, we believe that the Memorandum provides for a far more streamlined process in effecting a timely Purchase and Sale Agreement, which can result in achieving the same City economic development goals and objectives.

The marketing materials would be submitted to staff for review, and upon completion of edits, RSG would finalize and post the property offerings on appropriate real estate marketing sites including, but not limited to, LoopNet.com, Real Capital Markets (www.RCM1.com) and other related industry and broker property listing sites.

RSG would maintain a complete broker contact list of developers and investors expressing property interest and a record of all market discussions, which would be shared at least weekly with City staff. RSG staff would network with other brokers, developers and investors and respond to property interest inquiries as well as host site visits. RSG staff would also be available for status update meetings with City staff as needed.

- **Task 4: Negotiate and Prepare Transaction Documents**

RSG would represent the City exclusively under a Real Estate Broker Agreement (see Exhibit C to this Agreement) in all property offering discussions and transaction negotiations with prospective developers and investors. In coordination with City staff and the City's attorney, RSG would:

- Evaluate and negotiate purchase offer terms, including attendance by RSG's Principal-in-Charge and Vice President/Director for meetings with the City staff, City Attorney, City Manager and City Council to review all negotiations with prospective buyers of the properties
- Prepare all transaction documents (including purchase and sale agreements, Disposition and Development Agreement or other property disposition agreements)

- **Task 5: Transaction Management**

RSG would oversee the entire transaction process to ensure that sales close in a timely manner. More specifically, RSG will manage and coordinate the following:

- Transaction due-diligence activities
- Opening escrow and funding
- Preliminary title reports
- Phase 1 Environmental investigations (if applicable)
- Property condition assessments
- Soils and geologic investigations (if applicable)
- Planning, zoning and building entitlements
- Other conditions precedent to closing
- Escrow closing and recording

- **Task 6: Attendance at up to nine (9) City Coordination Meetings, Public Hearings, and City Council Meetings as Needed (per hourly fee schedule)**

This Scope of Services and Cost Estimate include the attendance of RSG's Principal-in-Charge and Vice President/Director at a total of up to six (6) meetings with the City staff, City Additional meetings would be billed in accordance with the hourly fee schedule in Exhibit "B").

II. As part of the Services, Service Provider/Broker will prepare and deliver the following tangible work products to the City:

- A. Summary Memorandum of Project Work Scope & Data Needs
- B. Market Comparable Summaries and Properties Data Sheets (2)

- C. Competitive Market and Valuation Analysis (2)
- D. Broker Opinion of Valuation Reports for Each Property (2)
- E. Highest & Best Use Analyses for Each Property (2)
- F. Financial Pro Forma Feasibility Analyses (2)
- G. Market Study (2)
- H. Summary Property Disposition Strategy Memorandum
- I. Broker Offering Memorandum [Alt. RFP] (2)
- J. Draft Purchase and Sale Agreements (2)
- K. Final Purchase and Sale Agreements (2)
- L. City Council Property Disposition Reports (2)

Work product items B through G and I through L will include one per property, for total of two each.

III. During performance of the Services, Service Provider/Broker will keep the City apprised of the status of performance by delivering the following status reports:

- A. RSG will provide monthly status reports via email to John Jansons and other designated City staff as directed by City.

IV. The tangible work products and status reports will be delivered to the City pursuant to the following schedule:

- A. Tasks 1 through 3 – 8 to 10 weeks
- B. Tasks 4 and 5 – Timing will be dependent on responses and offers.

V. Service Provider/Broker will utilize the following personnel to accomplish the Services:

- A. Hitta Mosesman, Principal
- B. Jim Draughon, Director/Real Estate Broker
- C. Andrew Gee, Senior Associate/Real Estate Broker
- D. Dmitry Galkin, Analyst
- E. Michael Dietz, Research Assistant

VI. Service Provider/Broker will utilize the following subcontractors to accomplish the Services:

A. N/A

.

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EXHIBIT "B"
COMPENSATION

I. Service Provider/Broker shall use the following rates of pay in the performance of the Services:

Principal / Director	\$ 210
Senior Associate	\$ 165
Associate	\$ 150
Senior Analyst	\$ 125
Analyst	\$ 115
Research Assistant	\$ 100
Technician	\$ 75
Clerical	\$ 60
Reimbursable Expenses	NTE \$1,200

II. Service Provider/Broker may not utilize sub-contractors as indicated in this Agreement without prior written consent of City.

The hourly rate for any subcontractor is not to exceed \$ N/A per hour without written authorization from the City Manager or his designee.

IV. The total compensation for the Services shall not exceed \$101,155 inclusive of expenses as provided in Section 5 "Compensation and Method of Payment" of this Agreement.

Should Service Provider/Broker . consummate sales of one or more of the Properties, then Service Provider/Broker (under CA DRE Brokers License #01930929) will be entitled to Commission net of reimburse to City of compensation paid by City to Service Provider/Broker as provided in Section 5 of the Agreement. .

EXHIBIT "D"

INSURANCE

A. Insurance Requirements. Service Provider/Broker shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Service Provider/Broker, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Service Provider/Broker shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Commercial General Liability. Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Automobile. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of the City.

(3) Workers' Compensation. Workers' Compensation insurance as required by the Labor Code of State of California covering all persons providing Services on behalf of the Service Provider/Broker and all risks to such persons under this Agreement.

(4) Professional Liability. Professional liability insurance appropriate to the Service Provider/Broker's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to Services performed under this Agreement. The insurance must be maintained for at least three (3) consecutive years following the completion of Service Provider/Broker's services or the termination of this Agreement. During this additional three (3) year period, Service Provider/Broker shall annually and upon request of the City submit written evidence of this continuous coverage.

2. Minimum Limits of Insurance. Service Provider/Broker shall maintain limits of insurance no less than:

(1) Commercial General Liability. \$1,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile. \$1,000,000 per accident for bodily injury and property damage. A combined single limit policy with aggregate limits in an amount of not less

than \$2,000,000 shall be considered equivalent to the said required minimum limits set forth above.

(3) Workers' Compensation. Workers' Compensation as required by the Labor Code of the State of California of not less than \$1,000,000 per occurrence.

(4) Professional Liability. \$1,000,000 per occurrence.

B. Other Provisions. Insurance policies required by this Agreement shall contain the following provisions:

1. All Policies. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after 30 days' prior written notice by certified mail, return receipt requested, has been given to City.

2. Commercial General Liability and Automobile Liability Coverages.

(1) City, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities Service Provider/Broker performs; products and completed operations of Service Provider/Broker; premises owned, occupied or used by Service Provider/Broker; or automobiles owned, leased, hired or borrowed by Service Provider/Broker. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, or employees.

(2) Service Provider/Broker's insurance coverage shall be primary insurance with respect to City, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by City, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, Service Provider/Broker's insurance.

(3) Service Provider/Broker's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the insurance policies, including breaches of warranties, shall not affect coverage provided to City, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation Coverage. Unless the City Manager otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against City, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by Service Provider/Broker.

C. Other Requirements. Service Provider/Broker agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City may require that Service Provider/Broker furnish City with copies of original endorsements effecting coverage required by this Exhibit "C". The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Service Provider/Broker shall furnish certificates and endorsements from each sub-contractor identical to those Service Provider/Broker provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers, or the Service Provider/Broker shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Service Provider/Broker's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

**Staff Report**

TO: Honorable Mayor Krupa and City Council

FROM: John Jansons, Community Investment Director
Economic Development Department

DATE: January 27, 2015

SUBJECT: Interim Tourism Services Contract

RECOMMENDATION:

That the City Council authorize the City Manager to Execute a Contract for Professional Services with Leslie McLennan to provide tourism services through July 31, 2015, in support of the *Visit San Jacinto Valley* tourism program in an amount Not to Exceed, \$9,000 funded from the FY 14/15 Economic Development Department Budget Account #120-8500-2710.

BACKGROUND

In 2012/13, the City of San Jacinto began to develop a tourism marketing program to promote the Hemet-San Jacinto Valley. The City of Hemet joined this effort in 2013 and has actively participated in the program since its inception. The *Visit San Jacinto Valley* tourism program has since grown into a burgeoning public-private partnership with several key community organizations actively supporting the program, including: the Soboba Band of Luiseño Indians, the Hemet-San Jacinto Valley Regional Chamber of Commerce, the San Jacinto Chamber of Commerce, the Ramona Bowl Association, Golden Village Palms RV Resort, the Hemet Hampton Inn, EMWD, the Hemet Medical Center and Physicians for Healthy Hospitals, the clinics of Dr. Koka, and representatives of various tourist-serving businesses in the Hemet-San Jacinto Valley.

DISCUSSION:

To date, the *Visit San Jacinto Valley* tourism program has produced positive results, including: creation of a program website (www.visitsanjacintovalley.com), a community events calendar, social media program, tourism asset inventory, statewide and national advertising, tourism industry outreach, and specialty marketing and events to enhance the business of tourism in Hemet and San Jacinto.

Since the program's inception, the City of San Jacinto has provided the primary funding and oversight to support and manage the program. With the defeat of Measure CC in the City of San Jacinto on November 4, 2014, the City of San Jacinto immediately eliminated any further financial support of the program and terminated its contract with Ms. McLellan for tourism services. In order to avoid an immediate cessation of current work to grow tourism and the accompanying benefits accrued to the two cities, an interim solution is desired that will fund and continue tourism services over the next six months.

On January 17, 2015 in their discussion of goals, objectives, and strategic initiatives, the Hemet City Council directed staff to utilize existing Economic Development Department funds in the amount of \$9,000 to fund a continuation of the tourism program for six months. To that end, Staff has negotiated a Professional Services Agreement with Leslie McLellan to continue to provide tourism program management and work through July 31, 2015 for a fixed cost of \$1500 per month (Attachment 1).

The provision of funding by the Hemet City Council will allow the program to continue for six months. In addition to continuing the implementation of current program activities for the next six months, strategies to increase private funding will be explored and a plan to create a possible path of independence and self-sufficiently will be proposed to maintain the program in future years.

ALTERNATIVES:

None proposed – the recommendation fulfills the Council’s direction of January 17, 2015.

FISCAL IMPACT:

The amount requested by the City Council is available in the adopted FY 14-15 Economic Development Department budget. Use of the requested \$9,000 for tourism program support will result in a reduction, by like cost, in other economic development marketing and professional services procured during the remainder of FY 14-15.

COORDINATION AND REVIEW:

The recommended action has been coordinated with, and reviewed by a majority of the City Council and City Manager.

CONCLUSION:

That the City Council authorize the City Manager to Execute a Contract for Professional Services with Leslie McLennan to provide tourism services through July 31, 2015, in support of the *Visit San Jacinto Valley* tourism program in an amount Not to Exceed, \$9,000 funded from the FY 14/15 Economic Development Department Budget Account #120-8500-2710.

ATTACHMENTS:

- 1) Draft Professional Services Agreement w/ Leslie McLellan

Approved By:



Wally Hill, City Manager

Prepared By:



John Jansons
Director of Community Investment
Economic Development Department

AGREEMENT FOR SERVICES

By and Between

**THE CITY OF HEMET,
a municipal corporation**

and

**Leslie McLellan,
An Individual (Consultant)**

**AGREEMENT FOR SERVICES
BETWEEN
THE CITY OF HEMET, CALIFORNIA
AND
LESLIE MCLELLAN**

This Agreement for Services (“Agreement”) is entered into as of this 1st day of February, 2015 by and between the City of Hemet, a municipal corporation (“City”) and Leslie McLellan, an Individual Consultant (“Service Provider”). City and Service Provider are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

A. City has sought, by direct negotiation the performance of the services defined and described particularly in Section 2 of this Agreement.

B. Service Provider, following submission of a quote and scope of work, for the performance of the services defined and described particularly in Section 2 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Hemet’s Municipal Code, City has authority to enter into this Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Service Provider for performance of those services defined and described particularly in Section 2 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained here and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of Section 20 "Termination of Agreement" of this Agreement, the Term of this Agreement is for six months commencing on the date first ascribed above.

SECTION 2. SCOPE OF SERVICES & SCHEDULE OF PERFORMANCE.

(a) Scope of Services. Service Provider agrees to perform the services set forth in Exhibit “A” “Scope of Services” (hereinafter, the “Services”) and made a part of this Agreement by this reference.

(b) Schedule of Performance. The Services shall be completed pursuant to the schedule specified in Exhibit “A.” Should the Services not be completed pursuant to that schedule, the Service Provider shall be deemed to be in Default of this Agreement. The City, in

its sole discretion, may choose not to enforce the Default provisions of this Agreement and may instead allow Service Provider to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Service Provider shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this Agreement, City agrees to pay Service Provider the amounts specified in Exhibit "B" "Compensation" and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Nine Thousand dollars (\$9,000), unless additional compensation is approved in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement.

(b) Each month Service Provider shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-Service Provider contracts. Sub-Service Provider charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of task performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by Service Provider which are disputed by City, City will use its best efforts to cause Service Provider to be paid within forty-five (45) days of receipt of Service Provider's correct and undisputed invoice.

(d) Payment to Service Provider for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Service Provider's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider's work within sixty (60) days after submitted to City. City shall reject work by

a timely written explanation, otherwise Service Provider's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 "Indemnification" and Section 17 "Insurance."

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Service Provider in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Service Provider. Upon completion, expiration or termination of this Agreement, Service Provider shall turn over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Service Provider in the course of providing the Services pursuant to this Agreement, Service Provider's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 7. SERVICE PROVIDER'S BOOKS AND RECORDS.

(a) Service Provider shall maintain any and all documents and records demonstrating or relating to Service Provider's performance of the Services. Service Provider shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Service Provider pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider's address indicated for receipt of notices in this Agreement.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination

of Service Provider's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

SECTION 8. INDEPENDENT CONTRACTOR.

(a) Service Provider is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the Services under this Agreement on behalf of Service Provider shall at all times be under Service Provider's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider or any of Service Provider's officers, employees, or agents except as set forth in this Agreement. Service Provider shall not at any time or in any manner represent that Service Provider or any of Service Provider's officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Service Provider, nor any of Service Provider's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider expressly waives any claim Service Provider may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Service Provider represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider under this Agreement. In addition to the general standards of performance set forth in this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Work" that shall also be applicable to Service Provider's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Service Provider shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider shall obtain any and all licenses, permits and authorizations necessary to perform the Services set forth in this Agreement. Neither City, nor any elected or

appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

It is the understanding of City and Service Provider that California prevailing wage laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 12. NONDISCRIMINATION.

Service Provider shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 13. UNAUTHORIZED ALIENS.

Service Provider hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Service Provider so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Service Provider hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 14. CONFLICTS OF INTEREST.

(a) Service Provider covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider's performance of the Services. Service Provider further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

(b) City understands and acknowledges that Service Provider is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

(c) City understands and acknowledges that Service Provider will perform non-related services for other governmental agencies and private Parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Service Provider in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider. Service Provider shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

(b) Service Provider, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider gives City notice of such court order or subpoena.

(c) If Service Provider, or any officer, employee, agent or subcontractor of Service Provider, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Service Provider's conduct.

(d) Service Provider shall promptly notify City should Service Provider, its officers, employees, agents or subcontractors, be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider or be present at any deposition, hearing or similar proceeding. Service Provider agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 16. INDEMNIFICATION.

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Service Provider's services, to the fullest extent permitted by law, Service Provider shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees) arise out of, are a consequence of, or are in any way attributable to, in whole or in part, any negligent or wrongful act, error or omission of Service Provider, or by any individual or entity for which Service Provider is legally liable, including but not limited to officers, agents,

employees or sub-contractors of Service Provider, in the performance of professional services under this Agreement.

(b) Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Service Provider shall indemnify, protect, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Service Provider, or by any individual or entity for which Service Provider is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider.

(c) Indemnification from Sub-Service Providers. Service Provider agrees to obtain executed indemnity agreements with provisions identical to those set forth in this section from each and every sub-Service Provider or any other person or entity involved by, for, with or on behalf of Service Provider in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Service Provider fails to obtain such indemnity obligations from others as required herein, Service Provider agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider and shall survive the termination of this Agreement or this section.

(d) Limitation of Indemnification. Notwithstanding any provision of this section to the contrary, design professionals are required to defend and indemnify the City only to the extent permitted by Civil Code Section 2782.8, which limits the liability of a design professional to claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. The term "design professional," as defined in Section 2782.8, is limited to licensed architects, licensed landscape architects, registered professional engineers, professional land surveyors, and the business entities that offer such services in accordance with the applicable provisions of the California Business and Professions Code.

(e) City's Negligence. The provisions of this section do not apply to claims occurring as a result of City's sole negligence. The provisions of this section shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officials, employees and agents.

SECTION 17. INSURANCE.

Service Provider agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit "C" "Insurance" and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content.

These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Service Provider are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider under this Agreement. In recognition of that interest, Service Provider shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider's duties or obligations under this Agreement without the prior written consent of the City. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 "Termination of Agreement." City acknowledges, however, that Service Provider, in the performance of its duties pursuant to this Agreement, may utilize sub-contractors.

SECTION 19. CONTINUITY OF PERSONNEL.

Service Provider shall make every reasonable effort to maintain the stability and continuity of Service Provider's staff and sub-contractors, if any, assigned to perform the Services. Service Provider shall notify City of any changes in Service Provider's staff and sub-contractors, if any, assigned to perform the Services prior to and during any such performance.

SECTION 20. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Service Provider. In the event such notice is given, Service Provider shall cease immediately all work in progress.

(b) Service Provider may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Service Provider or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Service Provider or City, all property belonging exclusively to City which is in Service Provider's possession shall be returned to City. Service Provider shall furnish to City a final invoice for work performed and expenses incurred by Service Provider, prepared as set forth in Section 4 "Compensation and Method of Payment" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.

SECTION 21. DEFAULT.

In the event that Service Provider is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Service Provider for any work

performed after the date of default. Instead, the City may give notice to Service Provider of the default and the reasons for the default. The notice shall include the timeframe in which Service Provider may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Service Provider is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Service Provider does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20 "Termination of Agreement." Any failure on the part of the City to give notice of the Service Provider's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Service Provider shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Service Provider. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Service Provider in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Hemet
445 E. Florida Avenue
Hemet, CA 92543

Attn: City Manager

To Service Provider:
Leslie McLellan
PO Box 425
Lake Arrowhead, CA 92352

Attn: Leslie McLellan

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider to the performance of its obligations hereunder.

SECTION 26. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Hemet Municipal Code.

SECTION 27. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 28. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Service Provider and by the City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Hemet Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 29. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 30. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 31. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 32. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits "A" through "C", is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Service Provider and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 33. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 34. CONFLICTING TERMS.

Except as otherwise stated herein, if the terms of this Agreement conflict with the terms of any Exhibit hereto, or with the terms of any document incorporated by reference into this Agreement, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first-above written.

CITY OF HEMET

City Manager

ATTEST:

Sarah McComas
City Clerk

APPROVED AS TO FORM

Eric S. Vail
City Attorney

By: _____

Its: _____

By: _____

Its: _____

NOTE: SERVICE PROVIDER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO SERVICE PROVIDER'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER _____ <div style="text-align: center;">TITLE(S)</div>	_____ <div style="text-align: center;">TITLE OR TYPE OF DOCUMENT</div>
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER _____ _____	_____ <div style="text-align: center;">NUMBER OF PAGES</div>
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____	_____ <div style="text-align: center;">DATE OF DOCUMENT</div>
	_____ <div style="text-align: center;">SIGNER(S) OTHER THAN NAMED ABOVE</div>

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

On _____, ____ before me, _____, personally appeared _____,

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(SIGNATURE OF NOTARY)

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL		_____
<input type="checkbox"/> CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT
_____	TITLE(S)	
<input type="checkbox"/> PARTNER(S)	<input type="checkbox"/> LIMITED	_____
	<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT		_____
<input type="checkbox"/> TRUSTEE(S)		DATE OF DOCUMENT
<input type="checkbox"/> GUARDIAN/CONSERVATOR		
<input type="checkbox"/> OTHER _____		

SIGNER IS REPRESENTING:		_____
(NAME OF PERSON(S) OR ENTITY(IES))		SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"
SCOPE OF SERVICES

I. Service Provider will perform the following Services:

- A. Tourism Program Implementation and Marketing as Described in Attachment 1 to this Exhibit, "A".

II. As part of the Services, Service Provider will prepare and deliver the following tangible work products to the City:

- A. Updates to Program Website
- B. Social Media Postings
- C. Media Analytical Reports
- D. Advisory Memorandum

III. During performance of the Services, Service Provider will keep the City appraised of the status of performance by delivering the following status reports:

- A. Monthly Status and Progress Reports

IV. The tangible work products and status reports will be delivered to the City pursuant to the following schedule:

- A. Monthly (by the 10th day of each month)
- B. Issue and Recommendation Memos as requested by City within two weeks, (14 days) or as mutually agreed upon by City and Consultant.

V. Service Provider will utilize the following personnel to accomplish the Services:

- A. Leslie McLellan

VI. Service Provider will utilize the following subcontractors to accomplish the Services:

- A. None proposed – any future subcontractors to be approved by City.

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Attachment 1

SCOPE OF SERVICES TOURISM MARKETING

The following proposal outlines a continued plan to provide contracted services to The City of San Jacinto for the development and implementation of a Tourism Marketing program from July 2014 – June 2015 with focus on growing the multicultural visitor experience.

The goal is to increase awareness and multicultural visitation to the San Jacinto Valley. The foundation has been laid and via Visit San Jacinto Valley authentic connections will continue to be made with America's largest and fastest growing demographic, the Hispanic market, by celebrating both American and Latin Heritage.

The objective of the second full year of destination marketing will continue to increase visibility of the San Jacinto Valley to the Southern California market through community involvement, increased visitor and local attendance at events, the creation of targeted promotional collateral, continual enhancement of the tourism website, social media channels and other traditional forms of marketing.

Key points of interest, activities and established events within the San Jacinto Valley will continue to be the focus, along with its rich history and the fact that it is one of the oldest American cities in Southern California representing many customs, traditions, and trades of early California. Now that the foundation for Visit San Jacinto Valley has been established, the second year will focus on low cost marketing of the tourism events, venues and offerings that will attract visitors across Southern California.

TOURISM MARKETING PROGRAM (Phase III)

The first stage is to begin the process of researching, developing and implementing an effective Tourism Marketing plan. In order to achieve this, it will be important to work closely with the community. Their input and buy-in to the plan is essential to its overall success. The following outlines the recommended steps, which are subject to adjustment as may be agreed upon in writing by the City and Consultant:

- Continual meetings with key community partners and business owners to keep them abreast of the tourism program
- Regular tourism committee meetings to help guide the effort and provide important insight
- Work with local event organizers to promote events

- Offer 2 social media training sessions to businesses (complimentary on my end, but perhaps charge for attendance and money go to Visit San Jacinto Valley program)
- Enhance Snowbird marketing via blogger outreach and section on website
- Continue multicultural tourism marketing primarily via event marketing
- Keep tourism website information current
- Collateral development as needed
- Continual enhancement of photograph library for marketing purposes
- Social media management
- Media list/ media relations management in order to promote the destination and events via press releases (at least 1 per month) and other marketing platforms
- Ongoing development of advertising budget and identification of potential advertising opportunities via a variety of mediums including print, radio, and on-line marketing
- Work towards "tourism independence" by establishing a membership based program for Visit San Jacinto Valley.
- Inland Empire Tourism Council liaison
 - a. Work with IETC on video marketing, rack card program, press release program, and other possible marketing options.
- Additional marketing as deemed necessary by the city
- Possible addition of events as program grows

COMPENSATION

The services set forth above shall be compensated on a lump sum basis of One Thousand Five Hundred Dollars (\$1,500) per month for up to 25 hours of work per month. This includes the following:

- One (1) part-time, contract employee, Leslie McLellan.
- Development and implementation of a Tourism based marketing program

** Specific budget dollars for various components of the marketing plan such as advertising, membership fees, registration fees, etc. will be developed in conjunction with the City of Hemet and are not included in the \$1,500.00 per month contracted fee.

The City may request, in writing, that the Consultant perform Extra Work, as set forth in the Agreement. Extra Work shall be performed at the rate of \$125.00 per hour.

EXHIBIT "B"
COMPENSATION

I. Service Provider shall use the following rates of pay in the performance of the Services:

- A. Program Implementation and Management – \$1,500.00 / month
- B. Additional Work Authorized by City - \$125.00 / hour

II. Service Provider may utilize sub-contractors as indicated in this Agreement. The hourly rate for any subcontractor is not to exceed \$ N/ A per hour without written authorization from the City Manager or his designee.

IV. The total compensation for the Services shall not exceed, *Nine Thousand Dollars and No Cents*, (\$9,000.00), as provided in Section 4 “Compensation and Method of Payment” of this Agreement.

EXHIBIT "C" INSURANCE

A. Insurance Requirements. Service Provider shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Service Provider, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Service Provider shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Commercial General Liability. Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Automobile. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of the City.

(3) Workers' Compensation. Workers' Compensation insurance as required by the Labor Code of State of California covering all persons providing Services on behalf of the Service Provider and all risks to such persons under this Agreement.

(4) Professional Liability. Professional liability insurance appropriate to the Service Provider's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to Services performed under this Agreement. The insurance must be maintained for at least three (3) consecutive years following the completion of Service Provider's services or the termination of this Agreement. During this additional three (3) year period, Service Provider shall annually and upon request of the City submit written evidence of this continuous coverage.

2. Minimum Limits of Insurance. Service Provider shall maintain limits of insurance no less than:

(1) Commercial General Liability. \$1,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile. \$1,000,000 per accident for bodily injury and property damage. A combined single limit policy with aggregate limits in an amount of not less than \$2,000,000 shall be considered equivalent to the said required minimum limits set forth above.

(3) Workers' Compensation. Workers' Compensation as required by the Labor Code of the State of California of not less than \$1,000,000 per occurrence.

(4) Professional Liability. \$1,000,000 per occurrence.

B. Other Provisions. Insurance policies required by this Agreement shall contain the following provisions:

1. All Policies. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after 30 days' prior written notice by certified mail, return receipt requested, has been given to City.

2. Commercial General Liability and Automobile Liability Coverages.

(1) City, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities Service Provider performs; products and completed operations of Service Provider; premises owned, occupied or used by Service Provider; or automobiles owned, leased, hired or borrowed by Service Provider. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, or employees.

(2) Service Provider's insurance coverage shall be primary insurance with respect to City, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by City, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, Service Provider's insurance.

(3) Service Provider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the insurance policies, including breaches of warranties, shall not affect coverage provided to City, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation Coverage. Unless the City Manager otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against City, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by Service Provider.

C. Other Requirements. Service Provider agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the

insurance provisions of this contract have been complied with. The City may require that Service Provider furnish City with copies of original endorsements effecting coverage required by this Exhibit "C". The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Service Provider shall furnish certificates and endorsements from each sub-contractor identical to those Service Provider provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers, or the Service Provider shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Service Provider's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager; *Wally Hill*
Kris Jensen, Public Works Director

DATE: January 27, 2015

RE: Award of Bid for Tank Painting (Project No. 5582) to Paso Robles, Inc. of Hemet – Supplemental Appropriation

RECOMMENDED ACTION:

It is respectfully recommended that the City Council:

- 1.) Award bid to Paso Robles, Inc. of Hemet, California, in the amount of \$274,800.00 to perform Tank Painting at water storage tanks No. 2, No. 3, and No. 4; and
- 2.) Authorize the City Manager to execute a contract with Paso Robles to perform the work; and
- 3.) Authorize the Deputy City Manager to record a supplemental appropriation in the amount of \$99,800 from Water Reserve Fund No. 571 to cover unbudgeted portion of project; and
- 4.) Establish Tank Painting Project Number 571-5582 for tracking of all project related expenses.

BACKGROUND:

The City of Hemet Water Department owns and maintains four water storage tanks capable of storing a total of 5.13 million gallons of potable water. Maintenance of the tanks consists of monthly inspections by Water Department staff, contracted diving of the tanks every three years for interior inspection, and exterior tank painting/coating as needed.

Performing tank painting is necessary to ensure the integrity of the tank steel and extend the life of the tanks. If not maintained properly, constant exposure to the elements can result in a tank's exterior coating cracking, leaving the steel vulnerable to rusting which can result in structural instability. Based on staff research, it has been decades since complete painting maintenance has been performed on three of the tanks. The following reflects the most recent painting/recoating activities at each of the City's tank sites:

- Tank No. 1 – Park Hill - built 1954 - last painted 2002.
- Tank No. 2 – Park Hill - built 1962 - last painted 1983.
- Tank No. 3 – Echo Hills - built 1967 – last painted 1983.
- Tank No. 4 – Echo Hills – built 1979 – last painted 1993.

PROJECT DESCRIPTION:

The project will consist of the removal of loose faded paint on the City’s water storage tanks and repainting of the tanks to ensure extended infrastructure life and integrity. Staff recommends performing this maintenance on all three water tanks at this time.

The original funding was expected to cover painting of two tanks. Given the results of the bid, and the fact that the vendor will already be onsite at Echo Hills No. 3, staff is requesting to add a third tank to the project cost. This will bring all storage tanks up to date on painting maintenance, and avoid the need to perform another bid solicitation in the upcoming budget year.

COORDINATION & REVIEW:

Public Works and Engineering staff worked closely together to prepare specifications, conduct initial paint condition inspections, and prioritize tank maintenance needs. Staff then worked with the Procurement Administrator for bid solicitation, coordination of mandatory job walks, and issuance of addendums to interested bidders.

In October, 2014, a Notice Inviting Bids was circulated for Public Bidding purposes by publishing an advertisement in the Press Enterprise and the following contractor plan rooms: McGraw Hill, Reed Construction Data, iSqFt Planroom, Association of General Contractors and Bid America. A mandatory job walk was conducted in November, and on December 2, 2014, the Purchasing offices received three (3) responsive, sealed bids.

The project requested that bidders submit separate bid amounts for the painting of each of three tanks. The bid results below reflect each bidders total cost to paint all three tanks.

Paso Robles, Inc. of Hemet, CA	\$ 274,800.
Spieß Construction, Inc. of Santa Maria, CA	\$ 468,840.
Tony Painting of Garden Grove, CA	\$ 618,400.

After reviewing all bids received, staff found Paso Robles, Inc. to be the lowest, responsive, responsible bidder. Staff is recommending award of painting for three tanks at this time.

ALTERNATIVE RECOMMENDATIONS:

Paint only tank No. 2 and No. 3.

- 1.) Award bid to Paso Robles, Inc. of Hemet, California, in the amount of \$179,650.00 to perform Tank Painting at water storage tanks No. 2 (Park Hill) and No. 3 (Echo Hills); and
- 2.) Authorize the City Manager to execute a construction contract with Paso Robles to perform the work; and
- 3.) Authorize the Deputy City Manager to record a supplemental appropriation in the amount of \$4,650.00 from Water Reserve Fund No. 571 to cover unbudgeted portion of project; and
- 4.) Establish Tank Painting Project Number 571-5582 for tracking of all project related expenditures.

FISCAL IMPACT:

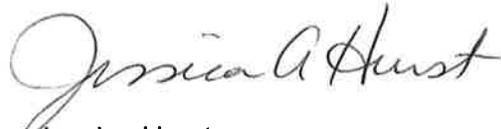
No General Fund Impact. Initial funding for this project was established in Water Fund 571 FY14/15 budgets in the amount of \$175,000. Funding for supplemental appropriation request of \$99,800 is available in Water Fund No.571 Fund Balance.

Respectfully submitted,

Fiscal Review,



Kris Jensen
Public Works Director



Jessica Hurst
Deputy City Manager



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*
Kristen Jensen, Public Works Director

DATE: January 27, 2015

RE: Adoption of Resolution Bill No. 15-002 for Authorization to Submit an Application for Funding Under the Drinking Water State Revolving Fund for Planning and Design of a Well Nitrate Removal System Project

RECOMMENDED ACTION:

It is respectfully recommended that the City Council adopt Resolution Bill No. 15-002 authorizing the submission of an application for funding in the amount of \$150,000 under the Drinking Water State Revolving Fund for planning and design of a well nitrate removal system project.

BACKGROUND:

The Federal Safe Drinking Water Act (SDWA) Amendments of 1996 authorized the creation of a drinking water state revolving fund program for public water systems (PWS) infrastructure needs and other drinking water-related activities. The purpose of the program is to provide low interest loans/grants to assist public water systems in achieving or maintaining compliance with the SDWA.

On June 4, 2014, the City of Hemet was issued a citation for non-compliance due to a nitrate concentration in water samples exceeding the Maximum Containment Level (MCL). As a result, Well No. 4 and No. 14 were removed from operation, reducing the City's water supply capacity by approximately 1,200 gallons per minute (GPM) or 1.744 gallons per day (MGD). The five remaining well sources, one emergency intertie connection with Eastern Municipal Water District (EMWD) and existing storage capacity have allowed the City to meet maximum day demand (MDD) of 7.84 MGD. However, the system does not have adequate reserve source capacity to meet peak day water demands. Ongoing drought conditions and reduced groundwater levels appear to be contributing to changes in water quality, including increased nitrate concentrations. Construction of a nitrate removal system would treat water from Well No. 4 and No. 14, reducing nitrate levels, which would allow both wells to be returned to service. In addition, Well No. 3, taken out of service in FY 2006-2007 for similar nitrate issues, would be brought back online with treatment. This would significantly improve the source capacity of the system.

This application requests funding for the planning and design of a nitrate removal system, which will include a feasibility analysis of alternate technologies to evaluate process chemistry, pre-treatment requirements, unit sizing, construction costs, waste disposal, energy consumption, media replacement, long-term operation and maintenance costs, and waste handling including the impact of the water treatment process waste stream on the wastewater treatment plant.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

GOAL CSI-2 Maintain a water delivery system that is capable of meeting daily and peak demands of Hemet residents and businesses in an efficient and environmentally sound manner.

FISCAL IMPACT:

This application is for a loan of up to \$150,000 from the Drinking Water State Revolving Fund. The City of Hemet Water Department serves a "Disadvantaged Community" (median household income is less than eighty percent (80%) of the statewide median household income) and is therefore eligible for zero percent (0%) interest rate financing. The City may also receive principal forgiveness (only offered if the water system cannot afford to repay all or part of a loan at the time of the project's credit evaluation). A final determination regarding the interest rate and level of principal forgiveness will be made after the application is reviewed and processed.

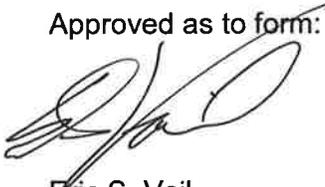
Respectfully submitted,

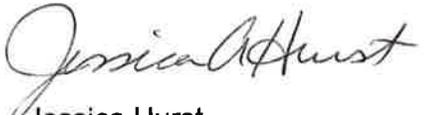
Approved as to form:

Fiscal Review:

KMJ.

Linda Nixon
Environmental Services Manager


Eric S. Vail
City Attorney


Jessica Hurst
Deputy City Manager/
Administrative Services



**CITY OF HEMET
Hemet, California
RESOLUTION NO. 15-002**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO SIGN FINANCING AGREEMENT, AMENDMENTS, AND CERTIFICATIONS FOR FUNDING UNDER THE DRINKING WATER STATE REVOLVING FUND (DWSRF); AUTHORIZING THE PUBLIC WORKS DIRECTOR TO APPROVE CLAIMS FOR REIMBURSEMENT AND TO EXECUTE BUDGET AND EXPENDITURE SUMMARY; AND PLEDGING AND DEDICATING NET WATER REVENUES TO PAYMENT OF DWSRF FINANCING.

WHEREAS, the City of Hemet seeks financing from the State Water Resources Control Board for a project commonly known as Well Nitrate Removal System ("Project"); and

WHEREAS, until May 2014 the City of Hemet's primary source of water supply consisted of local groundwater produced by seven active wells; and

WHEREAS, in May 2014 two City of Hemet wells were removed from operation due to nitrate concentration levels that exceeded the acceptable drinking water levels as established by the State of California; and

WHEREAS, the City of Hemet's well water blending programs no longer meet the City's nitrate treatment objectives; and

WHEREAS, the planning and design of a nitrate removal system is necessary to allow the City of Hemet to construct said system to treat water from wells removed from operation in May 2014, as well as from a third well removed from operation in FY 2006-2007 due to elevated nitrate levels, therefore;

BE IT RESOLVED AND ORDERED, that

1. The **City Manager** is hereby authorized and directed to sign and file, for and on behalf of the City of Hemet a financial assistance application for a financing agreement from the State Water Resources Control Board for the Project;

1 2. The **City Manager** or designee is hereby authorized to sign the DWSRF program
2 financing agreement for the Project and any amendments thereto, and provide the
3 assurances, certifications and commitments required therefor;
4

5 3. The **Public Works Director** or designee is hereby authorized to represent the **City**
6 **of Hemet** in carrying out the **City of Hemet's** responsibilities under the financing
7 agreement, including approving and submitting disbursement requests (including
8 Claims for Reimbursement) or other required documentation, compliance with
9 applicable state and federal laws, and making any other necessary certifications;
10

11 4. The **City of Hemet** does hereby dedicate and pledge its net water revenues and its
12 water enterprise fund to payment of the DWSRF financing for the Project. The **City of**
13 **Hemet** commits to collecting such revenues and maintaining such fund(s) throughout
14 the term of such financing and until the **City of Hemet** has satisfied its repayment
15 obligation thereunder unless modification or change is approved in writing by the State
16 Water Resources Control Board. So long as the financing agreement(s) are
17 outstanding, the **City of Hemet** pledge hereunder shall constitute a lien in favor of the
18 State Water Resources Control Board on the foregoing fund(s) and revenue(s) without
19 any further action necessary. So long as the financing agreement(s) are outstanding,
20 the **City of Hemet** commits to maintaining the fund(s) and revenue(s) at levels sufficient
21 to meet its obligations under the financing agreement(s). If for any reason, the said
22 source of revenues proves insufficient to satisfy the debt service of the DWSRF
23 obligation, sufficient funds shall be raised through increased water rates, user charges,
24 or assessments or any other legal means available to meet the DWSRF obligation and
25 to operate and maintain the project.; and
26

27 5. The authority granted hereunder shall be deemed retroactive. All acts authorized
28 hereunder and performed prior to the date of this Resolution are hereby ratified and
29 affirmed. The State Water Resources Control Board is authorized to rely upon this
30 Resolution until written notice to the contrary, executed by each of the undersigned, is
31 received by the State Water Resources Control Board. The State Water Resources
32 Control Board shall be entitled to act in reliance upon the matters contained herein,
33 notwithstanding anything to the contrary contained in the formation documents of the
34 **City of Hemet** or in any other document.
35
36

37 PASSED, APPROVED, AND ADOPTED this 27th day of January, 2015.
38
39
40

41 _____
Linda Krupa, Mayor

42
43 ATTEST:

44 APPROVED AS TO FORM:
45

46 _____
Sarah McComas, City Clerk

47 _____
Eric S. Vail, City Attorney

1 State of California)
2 County of Riverside)
3 City of Hemet)
4

5 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
6 foregoing Resolution is the actual Resolution adopted by the City Council of the City
7 of Hemet and was passed at a regular meeting of the City Council on the 27th day of
8 January, 2015 by the following vote:
9

10 AYES:
11 NOES:
12 ABSTAIN:
13 ABSENT:
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27

Sarah McComas, City Clerk



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Carla Callahan, CDBG Coordinator
Jessica Hurst, Deputy City Manager/Administrative Services

DATE: January 27, 2015

RE: Consideration of Allocations for 2015-2016 Program Year Community Development Block Grant entitlement and previously unexpended funding.

RECOMMENDATION:

That the City Council accepts and approves the City Council Ad Hoc Committee recommended allocations of \$737,698 in 2015-2016 Community Development Block Grant (CDBG) funding and previously unexpended funding of \$223,330.80.

BACKGROUND:

The City of Hemet (City) is an entitlement city of the Community Development Block Grant (CDBG) program and as such, receives annual grants on a formula basis from U.S. Department of Housing and Urban Development (HUD). The purpose of CDBG is to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services, with maximum feasible priority given to activities which benefit low and moderate income persons. The City is responsible for developing its own programs and funding priorities within CDBG and HUD requirements, as well as monitoring sub-recipients of the funds awarded under this grant.

During this year's annual CDBG funding process the City received a total of twenty applications by the December 18, 2014 due date. Of these applications, totaling \$1,699,758, eighteen met the HUD established criteria for eligibility. On December 9, 2014 the City Council reactivated the Ad Hoc City Council Committee (Ad Hoc) comprised of Councilpersons Linda Krupa and Shellie Milne to review the eligible applications and provide funding recommendations for full council consideration. The Ad Hoc Committee members and staff met January 12, 2014 to review and discuss the 2015-2016 CDBG applications.

The Annual Action Plan is a short range (one year) planning document used to address the City's annual needs, goals and objectives by allocating funds to eligible activities. CDBG allocation funding for the 2015-2016 Program Year will be incorporated into the Annual Action Plan (AAP) draft. The AAP draft will be available for 30 days for public review and comment

before a Public Hearing of the City Council, tentatively scheduled for April 14, 2015, before final approval and submission to HUD. The final AAP must be submitted no later than May 16, 2015.

DISCUSSION:

In their recommendation, the Ad Hoc Committee targets 2015-2016 CDBG funding allocations toward activities that improve the quality of life, enhance neighborhood stabilization and provide the basis for economic growth in the City of Hemet. The funding recommendations presented in **Attachment 1**, are a result of these discussions and based on the anticipated City of Hemet 2015-2016 Program Year CDBG Allocation of \$737,698 and previously unexpended funding of \$223,330.80. Notification from HUD of 2015-2016 CDBG allocations is expected by the end of February. Adjustments, to the included recommendations, based on actual HUD allocations will be as follows: Administration (+/- to meet 20% cap), Care-A-Van Transit (+/- to meet the 15% PS cap), and any remaining balance to Public Works.

FISCAL IMPACT:

No impact to the General fund. Approval of the recommendation of the Ad Hoc Committee will advance the potential receipt of CDBG funds to benefit the City of Hemet and the community.

Respectfully submitted,


Carla Callahan
CDBG Coordinator

Reviewed:


Jessica Hurst
Deputy City Manager/
Administrative Services

Approved:


Wally Hill
City Manager

ATTACHMENT:

- 1) Copy of 2015/16 CDBG Funding Recommendations by the Ad Hoc Committee

2015/16 CDBG Applications Received

Agency/Department	Activity	Activity Type	Requested \$	Eligible?	\$Recommended	P.S. 15% cap
City of Hemet - Community Development	Code Enforcement	Housing	\$180,000.00	Y	\$ 180,000.00	
City of Hemet - Community Investment	Crime Free Rental Housing Program	Public Service	\$55,000.00	Y	\$ 55,000.00	\$ 55,000.00
City of Hemet - Engineering	ADA Ramps and sidewalk infill	Infrastructure	\$272,500.00	Y	\$ 277,705.80	
City of Hemet - Finance	Senior or Disabled Home Repair Program	Housing	\$150,000.00	Y	\$ 150,000.00	
City of Hemet - Fire	Equipment replacement	Public Facilities	\$95,129.64	Y	\$ 95,130.00	
		Total COH	\$752,629.64		\$ 757,835.80	
California Family Life Center	Kin Care	Public Service	\$25,000.00	Y		
Care-A-Van Transit	Care-A-Van Transit	Public Service	\$25,000.00	Y	\$ 10,313.00	\$ 10,313.00
Center Against Sexual Assault (C.A.S.A.)	Sexual Assault Response Team for Hemet	Public Service	\$14,626.00	Y	\$ 14,626.00	\$ 14,626.00
Community Pantry	Utility Assistance	Public Service	\$10,000.00	Y		
EEK Fitness, Inc.	Enrichment for Special Needs Students	Public Service	\$15,000.00	Y		
Fair Housing Council of Riverside County, Inc.	Fair Housing and Landlord/Tenant Counseling	Public Service or Admin	\$30,715.00	Y	\$ 30,715.00	\$ 30,715.00
					<i>*required element of CDBG</i>	
Family Services Association dba FSA	FSA - Senior Nutrition Program	Public Service	\$14,500.00	Y		
Grid Alternatives	City of Hemet Solar Affordable Housing Program	Housing	\$24,000.00	Y		
Hemet Police Activities League	Hemet P.A.L. Free Afterschool Program	Public Service	\$20,000.00	Y		
Neighborhood Housing Services of the Inland Empire	City of Hemet Owner Occupied Rehab	Housing	\$330,000.00	Y		
Oak Grove Center for Education, Treatment and Therapy for Handicapable Equestrians Center, Inc	City of Hemet C.H.O.I.C.E Pilot Program	Public Service	\$350,000.00	N		
	Veterans Programming & Learning Center	Public Service +	\$19,600.00	Y		
The Wheelhouse Skate Center	ADA upgrade and Storefront Improvements	Economic Development	\$40,687.50	N		
Valley-Wide Recreation	Senior Scholarship Program	Public Service	\$18,000.00	Y		
Valley-Wide Recreation	Youth Scholarship Program	Public Service	\$10,000.00	Y		
		Total Community Agencies	\$947,128.50			
City of Hemet - Community Investment	CDBG Administration (20% Cap)	Administration	\$ 152,000.00		\$ 147,539.00	

1/21/2015

Total Requests	\$1,851,758.14	\$ 961,028.80	\$ 110,654.00
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previously unexpended = \$223,330.80
 14/15 (\$752,753)x 98% = \$737,698
 15/16 expected balance = \$961,028.80

PS limit \$737,698 x 15% = \$110,654
 Admin limit \$737,698 x 20% = \$147,539



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*

DATE: January 27, 2015

RE: Possible ballot measure regarding preventing outsourcing of public safety functions without voter approval

RECOMMENDED ACTION:

Discussion and possible direction to staff regarding a possible ballot measure regarding preventing outsourcing of public safety functions without voter approval

BACKGROUND:

On January 13, 2015, the City Council conducted a work-study regarding a possible ballot measure regarding outsourcing of public safety functions. Council asked that this item be brought back for further discussion at your meeting on January 27, 2015.

ANALYSIS:

City Attorney Eric Vail provided a PowerPoint presentation at the work-study regarding procedures for Council-initiated ballot measures, and identified some of the issues that would need clarification for the drafting of any such ballot measure. That PowerPoint presentation is an attachment to this staff report.

March 6, 2015 is the last day to adopt a resolution calling and consolidating the June 2, 2015 election. It is also the last day to add a measure to that election. The last day to withdraw a measure called for the June 2, 2015 election would be March 11, 2015. August 7, 2015 is the last day to adopt a resolution calling and consolidating the November 3, 2015 election, and the last day to add a measure. The last day to withdraw a measure called for the November 3, 2015 election is August 12, 2015.

FISCAL IMPACT:

The Riverside County Registrar of Voters estimates the cost of an election at approximately \$67,000 to \$100,000, depending on whether it is a consolidated or standalone election. The costs to prepare the ballot measure can be better estimated by the City Attorney once the nature of the ballot proposition is determined. The costs of any educational program associated with the ballot measure would depend upon the scale and type of educational effort desired by the Council.

Respectfully submitted,



Wally Hill
City Manager



Eric Vail
City Attorney

Attachment: City Attorney's PowerPoint presentation from January 13, 2015 Council meeting



- **Council Work-study on Potential Public Safety Ballot Measure**

Presented by: Eric Vail, City Attorney
City of Hemet



Council-Initiated Ballot Measure Procedures (Elections Code §9222)

- ❑ Draft the proposed Ordinance
- ❑ Call for an Election:
 - Adopt a resolution calling for the draft Ordinance to be submitted to the voters for adoption; **OR**
 - Adopt the proposed Ordinance and submit it as a referendum to the voters for approval.
- ❑ Hold the Election:
 - Election must be at least 88 days after the call for election.
 - Next available regular election dates are 6/2 and 11/3.
 - Special elections can be held on any Tuesday that is not on or within 1 day of a state holiday.
- ❑ Simple majority required for adoption.





Ballot Arguments (Elections Code §§ 9280-9287)

- Council may direct City Attorney to prepare impartial analysis.
- Ballot arguments for or against the Ordinance may be submitted by:
 - The City Council
 - Any member or members of the City Council authorized by the Council to submit an argument
 - Any individual voter who is eligible to vote on the measure
 - Any bona fide association of citizens.
- Only one argument for and one argument against will be published.
- Persons whose arguments are published will be given the opportunity to submit rebuttal arguments.

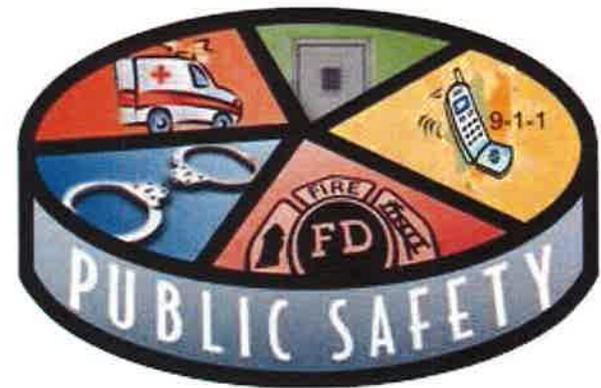


Purpose & Objective of the Initiative

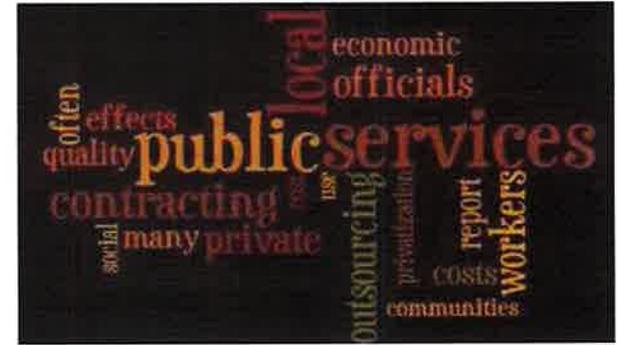
- To be responsive to public sentiment regarding public safety outsourcing?
- To enhance public safety recruiting and retention?
- To prohibit the “Outsourcing” of “Public Safety Services” without a vote of the people?
- Other?

Narrowing the Focus I

- What do we mean by “Public Safety”
 - All Police and Fire Services?
 - Only core components?
 - Fire suppression
 - Emergency Medical Services
 - Community Risk Reduction (Fire Prevention / Emergency Preparation)
 - Crime Prevention
 - Traffic Safety
 - Gang Suppression
 - Public Facility Security



Narrowing the Focus II



- What do we mean by “Outsourcing”
 - Contracting for services with a public or private entity?
 - Contracting to provide services for another entity?
 - Contracting that is beneficial?
 - Highway Patrol contract re Florida Avenue
 - EMS Medical Director
 - Special Purpose Contracts
 - PC 290 Registrants
 - Data Analysis
 - Mutual & Auto Aid Agreements
 - Joining a Joint Powers Authority or formation of a Special District?

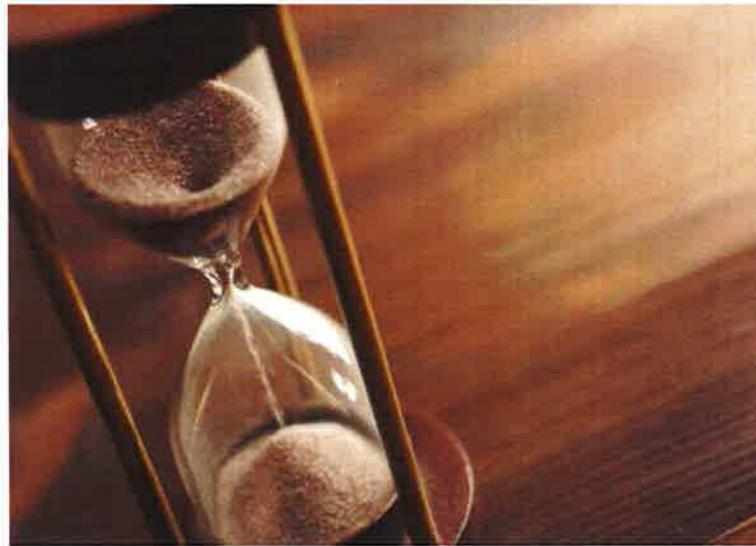


Legality and Policy Issues

- Essential Function Doctrine.
 - The Legislative has granted city councils authority to provide for, by contract or otherwise, municipal services and functions.
 - Some cases may support an argument that municipal services and functions not proper subjects for initiatives or referendum.
- Restraint of Future Council's Authority
 - There may be long-term practical ramifications of constraining the ability of future City Councils to deal with unknown circumstances confronting the City.

Timing

- Target election dates.
- Length of educational program needed.
- Any necessary negotiations with the affected collective bargaining groups.



Cost

- Cost to prepare the ballot measure.
- Cost of general versus special election.
- Cost of educational program.



DISCUSSION





Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*
Kristen Jensen, Public Works Director

DATE: January 27, 2015

RE: Adoption of Resolution No. 15-004 to Activate Phase 2 of the City of Hemet Water Rationing Plan; and
Adoption of Urgency Ordinance No. 15-003 to Appoint the City Council as the Water Conservation Commission

RECOMMENDED ACTION:

It is respectfully recommended that the City Council:

1. Adopt a resolution to Activate Phase 2 of the water rationing plan contained in City's Water Conservation Plan (Hemet Municipal Code section 82-121 et seq.), which includes a mandatory restriction on watering landscaping between the hours of 6:00 a.m. and 6:00 p.m., among other restrictions, codified in section 82-128(c)(2)(c).
 - a. Compliance with the water allotments contained in section 82-128(c)(2)(a)-(b) should be voluntary since these allocations are based on 1990/1991 average water use, which would not apply to most current water system customers.
 - b. Compliance with the water use restrictions contained in section 82-128(c)(2)(c) should be mandatory.
2. Adopt an urgency ordinance to appoint the City Council as the Water Conservation Commission to enable effective enforcement of mandatory water use reductions.

BACKGROUND:

On July 15, 2014, the State Water Resources Control Board (SWRCB) adopted Resolution 2014-0038, an Emergency Regulation for Statewide Urban Water Conservation pursuant to Water Code section 1058.5. Among other things, the SWRCB Emergency Regulation requires each urban water supplier to "implement all requirements and actions of the stage of its water shortage contingency plan that imposes mandatory restrictions on outdoor irrigation or ornamental landscapes or turf with portable water."

Beginning in August 2014, the City of Hemet Water Department implemented a variety of actions to achieve compliance with the SWRCB Emergency Regulation including:

- Distribution of conservation information to City of Hemet water customers through bill inserts requesting a 20-percent voluntary reduction in both indoor and outdoor water use.
- Posting of information on the City website about the SWRCB Emergency Regulation

- Posting resource links to tips for saving water, additional conservation approaches, rebates, and incentives.
- Reducing City irrigation by a minimum of 20-percent at all city facilities, city parks, and special assessment landscape districts.
- Auditing and documenting water waste incidents.
- Implementing improvement to our structured water waste incident notice and follow-up process.
- Conducting site inspections, follow-up meetings, and engaging with the public to provide education on reducing water waste.

Despite these efforts, on December 8, 2014, the City received a notice of potential non-compliance from the SWRCB. In a subsequent phone call with the SWRCB Office of Enforcement, we were advised that while our actions to date were commendable, these actions were not a substitute for implementing a stage of our water shortage contingency plan that includes mandatory restrictions on outdoor irrigation.

The City has a Water Conservation Plan (Hemet Municipal Code section 82-121 et seq.) which contains a four phase water rationing plan that may be implemented on a voluntary or mandatory basis. Implementing Phase 2 of this plan would meet the requirements of the State Emergency Regulation. However, the City's ability to enforce the requirements of the Water Conservation Plan is currently limited due to the fact that the City has not appointed a Water Conservation Commission, as required by section 82-125, to review appeal requests to the mandatory water use restrictions.

To satisfy the requirements of the SWRCB Emergency Regulation, it recommended that the City Council Activate Phase 2 of the water rationing plan via resolution, and adopt an urgency ordinance to appoint the City Council as the Water Conservation Commission to enable effective enforcement of mandatory water use reductions.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

Goal OS-5 Conserve and protect surface water, groundwater, and imported water resources

FISCAL IMPACT:

Failure to activate mandatory water use restrictions in a timely manner could subject the City of Hemet to a \$500/day fine retroactive to July 15, 2014 when the SWRCB Emergency Regulation was adopted.

Respectfully submitted,

Linda Nixon
Environmental Services Manager

Approved as to form:

Eric S. Vail
City Attorney

Fiscal Review:

Jessica Hurst
Deputy City Manager/
Administrative Services

Attachment(s): Water Conservation Plan—Hemet Municipal Code Section 82-121 et seq.

DIVISION 3. - WATER CONSERVATION PLAN

FOOTNOTE(S):

--- (4) ---

Cross reference— Building regulations pertaining to water conservation, § 14-381 et seq. [\(Back\)](#)

Sec. 82-121. - Declaration of policy.

- (a) Water Code § 350 et seq. permits public entities which supply water at retail to adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving the water supply. The city council hereby establishes a comprehensive water conservation plan pursuant to the state Water Code to conserve water supplies and to avoid or minimize the effects of any future shortage.
- (b) Water Code § 351 provides as follows: "Excepting in event of a breakage or failure of a dam, pump, pipe line or conduit causing an immediate emergency, the declaration shall be made only after a public hearing at which consumers of such water supply shall have an opportunity to be heard to protest against the declaration and to present their respective needs to said governing board."
- (c) No customer of the city shall knowingly make, cause, use or permit the use of water supplied by the city for residential, commercial, industrial, agricultural, governmental or any other purpose in a manner contrary to any provisions of this division. Any of the restrictions described in this division shall take effect by adoption of an implementing resolution by the city council as provided in this division.

(Ord. No. 1442, § 1, 2-25-92)

Sec. 82-122. - CEQA exemption.

The city finds actions taken pursuant to this division to be exempt from the California Environmental Quality Act (CEQA) as specific actions necessary to prevent or mitigate an emergency pursuant to Public Resources Code § 15269(c).

(Ord. No. 1442, § 2, 2-25-92)

Sec. 82-123. - Effective date of plan.

This division shall be effective upon its adoption. Specific water conservation phases described in this division shall be effective by subsequent action of the city council in the case of a water supply shortage or by action of the city water superintendent in the case of an emergency water shortage.

(Ord. No. 1442, § 3, 2-25-92)

Sec. 82-124. - Applicability of division.

The provisions of this division shall apply to all persons, customers and property served by the city.

(Ord. No. 1442, § 4, 2-25-92)

Sec. 82-125. - Implementation of division; water conservation commission.

- (a) The city manager, the water superintendent or a designated representative is hereby authorized and directed to implement the provisions of this division as approved by the city council.

- (b) A water conservation commission shall be appointed by the city council. The commission shall be comprised of five members, including one representative from each of the following water customer groups: single-family, multifamily, mobile home and commercial, and one at-large member.

(Ord. No. 1442, § 5, 2-25-92)

Sec. 82-126. - Findings.

- (a) The city council does hereby find, determine and declare as follows:

- (1) *Water consumption summary for water department service area.*

- a. The city obtains most of the potable water needed to serve its customers from groundwater wells. The normal operating production of the wells equals the total capacity of all wells times 80 percent. The city also has an agreement with Eastern Municipal Water District (EMWD) for an additional 575 acre-feet per year (AFY). When additional import water is available, the maximum water flow rate from the Eastern Municipal Water District through the Lake Hemet Water District is eight acre-feet per day using three points of connection.
- b. The water in the underground aquifer is measured by the height of water above the pumps in the wells. The height of water currently ranges from 31 feet to 207 feet above the pumps, with an average height of 122 feet.
- c. With minimum precipitation the city does not foresee any significant reduction in the water supply in the next three years, with the exception of an emergency such as an earthquake or a total power outage causing the water pumps to fail. During the last five years the state has been experiencing drought and there has been only a slight decline in the city water system.
- d. The following chart shows the annual water production totals from 1986 through 1990. A breakdown of the actual water consumption amount for each water use category is not available.

PAST WATER PRODUCTION

Year	Acre-Feet per Year
1986	5227
1987	4555
1988	5813
1989	5967
1990	5406

- e. The following chart shows the current (September 1990 through August 1991) water consumption amounts and a breakdown of those uses for residential single-family (single-

family detached units and individually metered mobile homes), multifamily (apartment complexes) and commercial accounts and mobile home parks on a single water meter.

CURRENT WATER CONSUMPTION

Customer Category	Number of Water Services	Acre-Feet per Year	Average Annual Acre-Feet per Service
Single-family	7,607	2,584.92	0.34
Multifamily	406	811	2.00
Commercial	886	1641	1.85
Mobile homes	39	381.9	9.79
Totals	8,938	5,416.7	0.61

- f. Currently, the City of Hemet Water District is 80 percent built out. The water use is projected to increase 1.44 percent per year through the year 2001. The population is projected to increase 1.27 percent per year through the year 2001. The city estimates that by the year 2010 the water district will be 100 percent built out and will require an additional 2,200 acre-feet per year. These figures have been documented in the city general plan and Metcalf and Eddy's water and sewer master plan.

PROJECTED WATER CONSUMPTION

Fiscal Year Projection	Acre-Feet per Year Increase
1991/92	5,496
1992/93	5,576
1993/94	5,657

- (2) *Possibility of water shortage.* A water shortage could exist based upon the occurrence of one or more of the following conditions:
- a. A major failure of any or all supply, storage or distribution facilities of the city water and reservoir system.
 - b. A water supply shortage due to the inability to meet acceptable water quality standards mandated by the state health department.
 - c. A general water supply shortage due to increased demand or limited supplies.
 - d. A decline in the underground aquifer as measured by the height of water in the wells.
 - e. A complete power failure of all four electrical connections from Southern California Edison. The city water department would be able to maintain minimum water supply to all of its customers using only auxiliary connections from the Eastern Municipal Water District and Lake Hemet.
- (b) The council also finds and determines that the water resources available to the city service area shall be put to the maximum beneficial use in the interests of the people of the city and for the public welfare, and that waste, unreasonable use or unreasonable method of use of water shall be prohibited. The City of Hemet Water District shall provide a copy of this division to the city office of emergency services, the county office of emergency service, the Eastern Municipal Water District and the Lake Hemet Water District.

(Ord. No. 1442, § 6, 2-25-92)

Sec. 82-127. - Water waste prevention.

- (a) *Nonessential application of water.* No customer shall cause or permit any water furnished to his property by the city to run to waste or be used for nonessential application of water. Hoses used for any purpose shall be equipped with a positive shutoff device. Leaks must be repaired as soon as discovered, and shall not be allowed to continue. The following is a partial list of nonessential applications of water, which include but are not limited to:
- (1) Watering to excess, which allows water to run off the landscaped area or allows the landscape to become supersaturated.
 - (2) Potable water used for earthwork, grading or road construction purposes when nonpotable water is available.
 - (3) Washing down any paved surface except to alleviate immediate fire, sanitation or health hazards.

Draining and filling of above- or below-grade swimming pools with a capacity of 1,500 gallons or greater, or a depth of four feet or greater, regardless of capacity, shall require a permit for such draining or filling.

- (b) *Permits.* The city water superintendent or a designated representative is authorized to grant permits as he may deem necessary for reasons such as draining swimming pools or repairing leaks, or for health and safety reasons.
- (c) *Notice of water waste incident.* The city shall give notice to the customer at the premises at which the incident occurred. All notices shall contain the facts of the incident, recommendations to remedy the incident, a statement of the possible penalties for each incident, a statement informing the customer of his right to appeal the incident, and a brief summary of the appeal process specified in this section. In addition, some notices shall contain the date and time that installation of a flow restriction device or termination of water service may occur. All penalties shall be paid to the city water department within 15 days after the notice of water waste incident or upon final determination of an appeal.

- (1) For a first incident, a city representative shall advise the citizen of the provisions of this division verbally and in writing. Water conservation advice and information shall be given to assist the citizen in eliminating the water waste problem.
 - (2) For a second incident, the city shall give written notice of the water waste to the customer personally, or tag the door and mail a certified notice to the name on the water service. An inspection date shall be set within ten days to verify that the water waste incident has been remedied. The cost of issuance for the second incident will be billed according to Executive Order No. S-128, Water Waste Second Incident.
 - (3) For a third incident, the city shall assess a penalty, equal to two times the customer's prior bimonthly water bill amount, to the customer personally, or tag the door and mail a certified notice of the penalty to the name on the water service. A bimonthly billing period includes all water consumed from one meter reading date to the next meter reading date.
 - (4) For any additional incident, the city may assess an additional penalty or give the date and time that a flow restricting device shall be installed on the service or that the service shall be terminated. The customer shall be notified personally or by tagging the door, and a certified notice shall be sent to the name on water service.
- (d) *Appeals.* Any customer against whom a penalty is to be levied shall have a right to an appeal. A written appeal request and a copy of the notification must be received by the city clerk within ten days of the date of notification of the notice of penalty. If appealed, penalties, including installation of a flow restricting device on water service, shall be stayed until a written decision is made by the water conservation commission.
- (e) *Restoration of service.* Where water service is disconnected or a flow restriction device has been installed as authorized in this section, normal service shall be restored upon correction of the condition or activity and payment of the reconnection charge and penalties. The reconnection charge shall include all costs associated with disconnecting and reconnecting the service or installing and removing the flow restricting device. Restoration of normal service shall be performed during the hours of 8:00 a.m. to 4:00 p.m. on regular working days.

(Ord. No. 1442, § 7, 2-25-92)

Sec. 82-128. - Water rationing.

- (a) *Phases established.* This section establishes four water rationing phases to be implemented in the case of an emergency water shortage or water supply shortage. The four phases are progressively more stringent water conservation measures which include additional mandatory water use restrictions.

Phase	Water Shortage	Target Water Savings
I	Minor shortage	10%
II	Moderate shortage	25%
III	Serious shortage	35%
IV	Critical shortage	50%

- (b) *Emergency water shortage response.* The city water superintendent or a designated representative may invoke emergency water shortage response restrictions when a major failure occurs, whether temporary or permanent, in the supply, the water quality, the distribution lines or the reservoirs of the city's water system.
- (c) *Water rationing phases.* Based on the severity of the water shortage, the city council shall direct the city manager, the water superintendent or a designated representative to implement the provisions of this division. Phases I, II, III and IV shall be implemented and shall continue as voluntary use reduction phases with additional mandatory water use restrictions as long as the target water savings are achieved. The level of water use reduction achieved shall be monitored through monthly or weekly, depending on the severity of the rationing, systemwide production amounts compared to 1988/89 fiscal year production amounts. Any time the conservation goals are not achieved, the appropriate phase shall be implemented as a mandatory use reduction. The level of water use reduction achieved shall be monitored through weekly systemwide production amounts compared to 1988/89 fiscal year production amounts.
- (1) *Phase I, target water savings ten percent.* When normal operating production drops by ten percent during the highest production time of the year (May 15 through October 15) or the water level in the underground aquifer, as measured above the pumps in the wells, drops by an average of 25 feet, the city council may activate by resolution a voluntary or mandatory use reduction program to achieve a ten percent savings in the overall water use as follows:
- a. All single-family residential accounts (single-family detached units and individually metered mobile homes) shall be allocated their 1990/91 district average adjusted to achieve a ten percent reduction in the single-family category, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period per service. Annually, there are currently 205 (or 2.7 percent) single-family accounts that fall into this minimum category.
 - b. All other accounts (multifamily, apartment complexes, commercial, irrigation and mobile home parks on a single water meter) shall be allotted their historic consumption during the 1990/91 fiscal year less ten percent, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period. All other accounts without historic consumption shall be allotted 2,000 cubic feet per bimonthly billing period per service. Annually, there are 34 (or 0.7 percent) non-single-family accounts that fall into this minimum category.
 - c. Additional mandatory water use restrictions are as follows:
 1. Restaurants, cafes, cafeterias or other public places where food is sold shall serve water to customers only upon request.
 2. Additional water shall not be allowed for new landscaping or expansion of existing facilities unless low water use landscape designs and efficient irrigation systems are used.
- (2) *Phase II, target water savings 25 percent.* When normal operating production drops by 25 percent during the highest production time of the year (May 15 through October 15) or the water level in the underground aquifer, as measured above the pumps in the wells, drops by an average of 50 feet, the city council may activate by resolution a voluntary or mandatory use reduction program to achieve a 25 percent savings in the overall water use as follows:
- a. All single-family residential accounts (single-family detached units and individually metered mobile homes) shall be allocated their 1990/91 district average adjusted to achieve a 25 percent reduction in the single-family category, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period per

service. Annually, there are currently 205 (or 2.7 percent) single-family accounts that fall into this minimum category.

- b. All other accounts (multifamily, apartment complexes, commercial accounts, irrigation and mobile home parks on a single water meter) shall be allotted their historic consumption during the 1990/91 fiscal year less 25 percent, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period. All other accounts without historic consumption shall be allotted 2,000 cubic feet per bimonthly billing period per service. Annually, there are 34 (or 0.7 percent) non-single-family accounts that fall into this minimum category.
 - c. Additional mandatory water use restrictions include the mandatory water use restrictions included in phase I, and the following items:
 1. Commercial carwash businesses must recycle their water.
 2. Car washing is prohibited except with a bucket or container not exceeding a three-gallon capacity. Hoses for rinsing must be equipped with a positive shutoff nozzle.
 3. No water shall be used for fire drills.
 4. Landscape watering is prohibited between 6:00 a.m. and 6:00 p.m. except for performing regular maintenance checks and repairs, watering golf course greens and tees, using a hand-held hose equipped with a positive shutoff nozzle, using a hand-held bucket of five gallons in capacity or less, or watering with a drip irrigation system. Watering between 6:00 a.m. and 6:00 p.m. may be allowed if freezing temperatures prevent irrigation at night.
- (3) *Phase III, target water savings 35 percent.* When normal operating production drops by 35 percent during the highest production time of the year (May 15 through October 15) or the water level in the underground aquifer, as measured above the pumps in the wells, drops by an average of 60 feet, the city council may activate by resolution a voluntary or mandatory use reduction program to achieve a 35 percent savings in the overall water use as follows:
- a. All single-family residential accounts (single-family detached units and individually metered mobile homes) shall be allocated their 1990/91 district average adjusted to achieve a 35 percent reduction in the single-family category, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period per service. Annually, there are currently 205 (or 2.7 percent) single-family accounts that fall into this minimum category.
 - b. All other accounts (multifamily, apartment complexes, commercial accounts and mobile home parks on a single water meter) shall be allotted their historic consumption during the 1990/91 fiscal year less 35 percent, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period. All other accounts without historic consumption shall be allotted 2,000 cubic feet per bimonthly billing period per service. Annually, there are 34 (or 0.7 percent) non-single-family accounts that fall into this minimum category.
 - c. Additional mandatory water use restrictions include the mandatory water use restrictions included in phase I and phase II, and the following items:
 1. No water is to be used for filling of new pools.
 2. Operation of decorative fountains is prohibited unless water is recycled.
 3. Water shall not be used to clean, fill or maintain levels in decorative fountains, ponds or artificial lakes.
- (4) *Phase IV, target water savings 50 percent.* When normal operating production drops by 50 percent during the highest production time of the year (May 15 through October 15) or the water level in the underground aquifer, as measured above the pumps in the wells, drops by an

average of 70 feet, the city council may activate by resolution a voluntary or mandatory use reduction program to achieve a 50 percent savings in the overall water use as follows:

- a. All single-family residential accounts (single-family detached units and individually metered mobile homes) shall be allocated their 1990/91 district average adjusted to achieve a 50 percent reduction in the single-family category, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period per service. Annually, there are currently 205 (or 2.7 percent) single-family accounts that fall into this minimum category.
- b. All other accounts (multifamily, apartment complexes, commercial accounts and mobile home parks on a single water meter) shall be allotted their historic consumption during 1990/91 fiscal year less 50 percent, but in no case shall consumers be asked to reduce their consumption to less than 2,000 cubic feet per bimonthly billing period. All other accounts without historic consumption shall be allotted 2,000 cubic feet per bimonthly billing period per service. Annually, there are 34 (or 0.7 percent) non-single-family accounts that fall into this minimum category.
- c. Additional mandatory water use restrictions include the mandatory water use restrictions included in phase I, phase II and phase III, and the following item: no installation of new turf.

(Ord. No. 1442, § 8, 2-25-92)

Sec. 82-129. - Appeals and variances.

- (a) *Appeal process.* Any customer who requests an adjustment to his billing allotment shall have a right to the appeal process. A written appeal request form must be completed and filed with the city clerk. All appeal requests shall be reviewed by city staff. Any appeal request that is denied by staff shall automatically be forwarded to the water conservation commission for review. Any allotment adjustment shall start with the appealed billing period.
- (b) *General variance criteria.* No relief shall be granted unless the customer demonstrates maximum practical water reduction, including the installation of low flow showerheads and water conserving aerators on all faucets and the repair of all leaks. The city water superintendent or his designated representative may require a water audit.
- (c) *Residential variance criteria.* A variance may be granted to provide relief to a residential customer that reflects extraordinary water needs, such as:
 - (1) Irrigation of new plantings, when their installation was required prior to adoption of mandatory water use restrictions.
 - (2) Previous conservation.
 - (3) Medical reasons.
 - (4) Abatement of health or safety hazards.
- (d) *Nonresidential variance criteria.* A variance may be granted to provide relief to a nonresidential customer to reflect changes in circumstances which have occurred subsequent to the base period, such as:
 - (1) Irrigation of new plantings, when their installation was required prior to adoption of mandatory water use restrictions.
 - (2) Increased number of employees.
 - (3) Production of new products which require process water.
 - (4) Customers without historic water consumption during the base period.
 - (5) Increase in business.

(6) Abatement of health or safety hazards.

(Ord. No. 1442, § 9, 2-25-92)

Sec. 82-130. - Incentive tiered water rates.

The current tiered water rates shall be increased to create an incentive rate structure to achieve the required reduction in consumption. The incentive rates will depend on the current mandatory rationing phase of the conservation plan. Consistent with various published studies on the relationship between water rates and consumption, the incentive water rate will call for a minimum ten percent rate increase for every five percent of desired decrease in water consumption. Any customer who exceeds his water allotment during the various phases of mandatory water rationing will be billed at a new incentive water rate structure. The entire water consumption for that period will be calculated using the new incentive rates.

(Ord. No. 1442, § 10, 2-25-92)

Sec. 82-131. - Restoration of water service.

Where water service is disconnected or a flow restriction device has been installed, as authorized in this division, normal water service shall be restored upon correction of the condition or activity and payment of the reconnection charge and penalties. The reconnection charge shall include all costs associated with disconnecting and reconnecting the service or installing and removing the flow restricting device. Restoration of normal service shall be performed during the hours of 8:00 a.m. to 4:00 p.m. on regular working days.

(Ord. No. 1442, § 11, 2-25-92)

Sec. 82-132. - Maintenance of public health and safety.

Nothing contained in this division shall be construed to require the city to curtail the supply of water to any customer when, in the discretion of the city water superintendent, such water is required by that customer to maintain an adequate level of public health and safety.

(Ord. No. 1442, § 12, 2-25-92)

Sec. 82-133. - Rights of city; disposition of fees.

The rights of the city under this division shall be cumulative to any other rights of the city to discontinue service. All monies collected by the city pursuant to this division shall be deposited in the city water fund.

(Ord. No. 1442, § 13, 2-25-92)

Sec. 82-134. - Analysis of fiscal impact.

City staff will prepare an analysis of the effect of water conservation plan on the revenues and expenditures of the urban water supplier. The incentive rates structure is adopted to overcome those impacts. The analysis will be submitted to the department of water resources as part of the city's water shortage contingency plan.

(Ord. No. 1442, § 14, 2-25-92)

Secs. 82-135—82-160. - Reserved.



**CITY OF HEMET
Hemet, California
RESOLUTION NO. 15-004**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF HEMET, CALIFORNIA, ACTIVATING PHASE 2 OF
THE CITY'S WATER CONSERVATION PLAN**

WHEREAS, Chapter 82, Article 3, Division 3 of the Hemet Municipal Code contains the City's Water Conservation Plan, which serves as the City's required water supply contingency plan for its Urban Water Management Plan; and,

WHEREAS, section 82-128 contains a four phase water rationing plan that may be implemented on a voluntary or mandatory basis in the case of a water supply shortage; and,

WHEREAS, Phase 2 of the water rationing plan includes a mandatory restriction on watering landscaping between the hours of 6:00 a.m. and 6:00 p.m., among other restrictions, codified in section 82-128(c)(2)(c); and,

WHEREAS, the State Water Resources Control Board (SWRCB) has adopted an Emergency Regulation requiring all urban water producers, including the City, to activate the phase of their water supply contingency plan that includes mandatory restrictions on watering ornamental landscaping and turf; and,

WHEREAS, to satisfy the requirements of the SWRCB Emergency Regulations, the City Council desires to activate Phase 2 of the City's Water Conservation Plan.

NOW, THEREFORE, the City Council of the City of Hemet does hereby resolve:

1. Phase 2 of the City's Water Conservation Plan, set forth in section 82-128(c)(2) of the Hemet Municipal Code, is hereby activated.
2. Compliance with the water allotments contained in section 82-128(c)(2)(a)-(b) shall be voluntary.
3. Compliance with the water use restrictions contained in section 82-128(c)(2)(c) shall be mandatory.

PASSED, APPROVED, AND ADOPTED this 27th day of January, 2015

Linda Krupa, Mayor

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ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

1 State of California)
County of Riverside)
2 City of Hemet)

3 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing
4 Resolution is the actual Resolution adopted by the City Council of the City of Hemet and
was passed at a regular meeting of the City Council on the 27th day of January, 2015
5 by the following vote:

6 AYES:
7 NOES:
8 ABSTAIN:
9 ABSENT:

Sarah McComas, City Clerk

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**CITY OF HEMET
Hemet, California**

ORDINANCE BILL NO. 15-003

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF HEMET, CALIFORNIA, APPOINTING THE
CITY COUNCIL AS THE CITY'S WATER CONSERVATION
COMMISSION.**

WHEREAS, Chapter 82, Article 3, Division 3 of the Hemet Municipal Code (Water Conservation Plan) restricts activities that produce water waste and authorizes the City to implement phased water rationing when there is a water supply shortage; and,

WHEREAS, the Water Conservation Plan calls for the creation of a Water Conservation Commission, which hears appeals of citations issued for violation of the Water Conservation Plan and requests for variances from water allotments; and,

WHEREAS, due to the severe drought conditions in California, the State Water Resources Control Board (SWRCB) has adopted an Emergency Regulation requiring all urban water producers to activate the water rationing phase that restricts outdoor irrigation of ornamental landscaping and turf; and,

WHEREAS, as required by the SWRCB Emergency Regulation, the City has activated Phase 2 of the Water Conservation Plan, which aims to achieve a 25% reduction in water usage and imposes certain mandatory restrictions on water usage; and,

WHEREAS, the City's ability to enforce the requirements of the Water Conservation Plan have been limited due to the fact that the City has not appointed a Water Conservation Commission; and,

1 **WHEREAS**, constituting a Water Conservation Commission would take a
2 significant amount of time because HMC section 82-125(b) prescribes the membership
3 of the commission; and,

4 **WHEREAS**, due to the severity of the drought and the pressing need to actively
5 enforce the Water Conservation Plan, the City Council desires to appoint itself as the
6 City's Water Conservation Commission; and,

7 **WHEREAS**, Government Code section 36937 authorizes ordinances to take
8 effect immediately if they are for the immediate preservation of the public peace, health
9 or safety, contain a declaration of the facts constituting the urgency, and are passed by
10 a four-fifths vote of the city council.

11 **NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HEMET DOES**
12 **HEREBY ORDAIN AS FOLLOWS:**

13 **SECTION 1: APPOINTMENT OF CITY COUNCIL AS WATER CONSERVATION**
14 **COMMISSION.** The City Council hereby designates the City Council to act as the City's
15 Water Conservation Commission pursuant to Hemet Municipal Code section 82-125(b).
16 The City Council shall be vested with all of the rights and duties of the Water
17 Conservation Commission contained in Chapter 18, Article 3, Division 3 of the Hemet
18 Municipal Code.

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20 **SECTION 2: DECLARATION OF FACTS CONSTITUTING URGENCY.** The State of
21 California is experiencing a severe drought. The SWRCB has adopted an Emergency
22 Regulation that has the effect of requiring the City to activate "Phase 2" water rationing
23 under the City's Water Conservation Plan. However, the City has been unable to
24 effectively enforce the requirements of the Water Conservation Plan because the City
25 does not have a Water Conservation Commission as required by the Plan. The Plan
26 requires the Water Conservation Commission to consist of five members, with four
27 members representing each of the following categories of water users: single-family

1 residential, multi-family residential, mobile homes, and commercial. The City has
2 historically had difficulty constituting commissions that require the membership to
3 represent specific sectors. Constituting a Water Conservation Commission could take
4 several months, and there is no guarantee that volunteers would step forward from each
5 of the four mandatory sectors. According to the SWRCB, the City has not been meeting
6 its water reduction targets. There is an immediate need to take more active measures
7 to meet the City's water reduction targets. Therefore, the City Council is appointing
8 itself to act as the City's Water Conservation Commission so the City can more
9 effectively enforce the Water Conservation Plan and protect the public health and safety
10 by reducing water waste and overall water usage to ensure water supply for years to
11 come.

12 **SECTION 3: CEQA.** The City has analyzed this proposed project and has determined
13 that it is exempt from the California Environmental Quality Act ("CEQA") under Section
14 15061(b)(3) of the CEQA Guidelines which provides that CEQA only applies to projects
15 that have the potential for causing a significant effect on the environment. Where, as
16 here, it can be seen with certainty that there is no possibility that the activity in question
17 may have a significant effect on the environment, the activity is not subject to CEQA.
18 This ordinance is enacted for the immediate preservation of the public peace, health
19 and safety by appointing the City Council to serve as the Water Conservation
20 Commission. There is no change in the duties or responsibilities of the Commission.
21 Therefore, it can be seen with certainty that there is no possibility that this ordinance
22 may have a significant adverse effect on the environment, and therefore the adoption of
23 this ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA
24 Guidelines.

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1 **SECTION 4: SEVERABILITY.**

2 If any section, subsection, subdivision, sentence, clause, phrase, or portion of
3 this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of
4 any court of competent jurisdiction, such decision shall not affect the validity of the
5 remaining portions of this Ordinance. The City Council hereby declares that it would
6 have adopted this Ordinance, and each section, subsection, subdivision, sentence,
7 clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,
8 subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared
9 invalid or unconstitutional.

10 **SECTION 5: EFFECTIVE DATE.**

11 This Ordinance shall take effect immediately after its passage by the City Council
12 of the City of Hemet.

13 **SECTION 6: PUBLICATION.**

14 The City Clerk is authorized and directed to cause this Ordinance to be published
15 within fifteen (15) days after its passage in a newspaper of general circulation and
16 circulated within the City in accordance with Government Code Section 36933(a) or, to
17 cause this Ordinance to be published in the manner required by law using the
18 alternative summary and posting procedure authorized under Government Code
19 Section 39633(c).

20 **PASSED, APPROVED AND ADOPTED** this 27th day of January, 2015.

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Linda Krupa, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

1 State of California)
2 County of Riverside)
3 City of Hemet)

4 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
5 foregoing Urgency Ordinance was passed, approved and adopted on the 27th day of
6 January, 2015, by the following vote:

7 **AYES:**

8 **NOES:**

9 **ABSTAIN:**

10 **ABSENT:**

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12 _____
13 Sarah McComas, City Clerk
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