



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

March 10, 2015

5:30 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. Water and Sewer Rate Study - Bartel Wells 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. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney
3. 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

4. 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

 5. Public Employment
Pursuant to Government Code section 54957(b)(1)
Title: *Chief of Police*
-

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

6. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney

7. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
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8. 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

9. Public Employment
Pursuant to Government Code section 54957(b)(1)
Title: *Chief of Police*
-

Presentations

10. Riverside County Department of Public Health Community Forums
-

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

11. **Approval of Minutes** – March 24, 2015
12. **Receive and File** - Investment Portfolio as of January 2015
13. **Receive and File** – Warrant Register
- a. Warrant register dated February 19, 2015 in the amount of \$723,171.07. Payroll for the period of February 2, 2015 to February 15, 2015 was \$569,673.71.
14. **Recommendation by City Manager** – Real Property Purchase Offer Acceptance Authority
- a. Authorize the City Manager to accept any offers to purchase City property that are at or above 90% of the appraised value, if a response to the seller is required before the next Council meeting.
15. **Recommendation by Public Works** - Amend Chapter 34, Article IV of the Hemet Municipal Code pertaining to Smoking in Public Areas and Places of Employment
- a. Adopt an ordinance amending Chapter 34, Article IV (Smoking in Public Areas and Places of Employment) of the Hemet Municipal Code.
- Ordinance Bill No. 15-008**

16. **Recommendation by Engineering** – Award of Bid for the Citywide Emergency Preemption (EVP) Installation, CIP No. 5608
 - a. Award the contract to the lowest, responsive bidder, Pro Tech Engineering Corporation for the Citywide Emergency Preemption (EVP) Installation CIP 5608 in the amount of \$168,800 and reject all other bids; and
 - b. Authorize the City Manager to enter into an installation contract for the improvements; and
 - c. Authorize the Deputy City Manager/Administrative Services Director to record a supplemental appropriation in the amount of \$2,600 from the Street DIF to cover the unbudgeted portion of the project; and
 - d. Establish budget in the amount of \$186,800 in DIF Fund No. 329-5608-5500 for the cost of installation, \$9,800 in DIF Fund 329-5608-2710, various accounts, for salaries and benefits being the cost of design engineering, construction management, administration, construction engineering and inspection. Total cost of the project is estimated to be \$178,600.

17. **Recommendation by Engineering** – Award of Bid for the Citywide Police and Fire Vehicle Emitter Installation Opticom Activation, CIP No. 5609
 - a. Award the contract to one and only, responsive bidder, DDL Traffic, Inc. for the Citywide Police and Fire Emitter Installation CIP 5609 in the amount of \$81,900; and
 - b. Authorize the City Manager to enter into an installation contract for the improvements; and
 - c. Authorize the Deputy City Manager/Administrative Services Director to record a supplemental appropriation of \$14,500 from the Street DIF Fund to cover the unbudgeted portion of the project, as this project is one component of the Emergency Vehicle Preemption system of the City's Traffic Signals; and
 - d. Budget \$6,000 from the Fire DIF Fund 332-5032-5300 and \$67,500 from the Capital Projects Fund 370-3100-5400 were established through the 5 Year CIP in FY 14/15. The supplemental appropriation \$14,500 is needed from the Street DIF Fund 329-5609 to cover the cost of installation for the cost of design engineering, administration, inspection and contingencies. Total cost of the project is estimated to be \$88,000.

18. **Recommendation by Engineering** – Reject all Bids Received for Fire Station No. 5 - Site Improvements, CIP No. 5610
 - a. Reject all bids received on January 13, 2015 for Fire State No. 5 – Site Improvements, City Project No. 5610; and
 - b. Authorize the City Manager to relieve "Allied Erosion Specialists" of forfeiture of their 10% bid bond; and
 - c. Authorize the City Manager to direct staff to re-bid the project for the improvements.

19. **Recommendation by Public Works** – Award of Bid to L.O. Lynch Quality Wells & Pumps, Inc., Rehabilitation of Well 12, Project No. 5603
 - a. Award bid to L.O. Lynch Quality Wells & Pumps, Inc. of San Jacinto, in the amount of \$128,831.00 for the rehabilitation of Well 12; and

- b. Authorize the City Manager to enter into a construction contract for the improvements; and
- c. Authorize the Deputy City Manager/Administrative Services Director to record a budget transfer in the amount of \$128,831.00 from 571-9000-2450 to project number 571-5603.

20. **Recommendation by Economic Development** – Sale of 327 S. Taylor Street Property
- a. Adopt a resolution authorizing the City Manager to complete the sale of the property located at 327 S. Taylor Street. **Resolution Bill No. 15-012**

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. **Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC** – City Manager Hill
- a. Approval of a Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC regarding solar fees, required improvements, and assurances associated with a solar power generation facility at the southwest corner of Sanderson Avenue and Acacia Avenue.

City Council Reports

22. 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 Transportation Commission (RCTC)
 - 8. Western Riverside Council of Governments (WRCOG)

 - F. Ad-Hoc Committee Reports
 - 1. West Hemet MSHCP Ad-Hoc Committee
 - 2. Regent Development Agreement Ad-Hoc Committee
 - 3. Diamond Valley Lake Recreation 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, March 24, 2015 at 7:00 p.m. for consideration of items placed on that agenda. The next regular meeting will be held April 14, 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.



11

MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

February 24, 2015

5:30 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 5:33 p.m.

Roll Call

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

ABSENT: Council Members Raver and Youssef

Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to excuse Council Members Raver and Youssef. Motion carried 3-0.

Work Study

Discussion regarding these items, with possible direction to staff

1. Climate Action Plan - Western Riverside Council of Governments (WRCOG)
Jennifer Ward, WRCOG, gave a powerpoint presentation to the City Council on WRCOG's Climate Action Plan (CAP). Ms. Ward thanked Deanna Elliano for her participation in WRCOG. 5 jurisdictions have adopted or are in the process of adopting the CAP: Corona, Lake Elsinore, Murrieta, Temecula, and the County of Riverside. Riverside, Moreno Valley and Temecula have Sustainability or Energy Action Plans. 12 member cities are participating in the WREL. Agencies are preparing a CAP to comply with state regulations and guidelines. This plan will provide a framework for many things we already do: land use; design, healthy communities, transportation; and utility infrastructure. State law does not require a local agency to prepare a CAP, but does incentivize it. WRCOG's CAP does not impose mandatory new requirements on existing homeowners and businesses. It does not replace SCAG's SB 375 obligations or replace existing development regulations or policies affecting new development. A CAP will streamline the CEQA requirements. Agencies with a CAP will receive priority funding and increased grant eligibility. Agencies will have local control and regional economies of scale. Agencies will receive a number of additional co-benefits. A CAP seeks to make improvements in various areas through the reduction of GHG emissions. The first step is to inventory your existing emissions, then set target that align with the state and region and comply with mandates, and then develop measurements to achieve those reductions, implement and track progress and re-inventory. A graph showing the 2010 emission inventory, the 2020 business-as-usual emissions forecast and the % of change for the subregion was displayed. A graph showing the 2020 reduction achieved by city for the subregion was also displayed. 77% of the reductions are being accomplished through state and WRCOG regional measures. Local reductions account for 23% of total reductions. A 5-page form with potential measures was distributed for the following categories: transportation and land use; energy; waste; water;

and other carbon off-set programs. The most popular local reduction measures are: bike parking; water-efficient landscaping; bike infrastructure; traffic signal coordination; C&D waste reduction; end-of-trip travel facilities; traffic light replacements; shade trees; and increased density and mixed-use, where appropriate. The Subregional CAP is available on WRGOG's website. It includes a template for local adoption and tailoring, CEQA compliance suggestions, a CEQA consistency check list, and monitoring and implementation tools. WRCOG desires to help jurisdictions comply with existing emission reduction laws in a cost effective manner. The focus is to work with agency staff to develop reasonable strategies. If Hemet chooses to adopt the CAP, it can: adopt and implement the entire CAP; or adopt the CAP and customize/choose measures to implement.

Deanna Elliano, Community Development Director, staff sees the benefit in complying with WRCOG's plan instead of having the State set the rules. This is important if the City wants to continue to grow. We will have to mitigate the growth on our own if we don't participate with the region. The preparation of a CAP is consistent with the implementation Programs of the City's General Plan. An adopted CAP will assist in achieving grants for public improvements and CEQA streamlining for new development projects. The CAP will promote increased benefits from energy and water conservation measures and enhanced community health and recreation opportunities. Staff is seeking direction to include the preparation of Hemet's Climate Action Plan, based on the WRCOG Sub-regional CAP, in the proposed FY 15-16 Budget and allocate funding from the available fund balance in the existing General Plan update account.

Council Member Raver arrived at 5:52 p.m.

The City Council and staff discussed the reduction measures for Hemet. There is a menu if we don't think some of the things are right for Hemet we can do something else.

The City Council gave direction to staff to move forward with the preparation as part of the FY 15-16 budget.

2. Community Development Block Grant (CDBG) 2015-2019 Consolidated Plan – CDBG Coordinator Callahan

Carla Callahan, CDBG Coordinator, gave the City Council a powerpoint presentation on the draft Consolidated Plan that will be available for a 30 day public comment and public hearing. The Consolidated Plan is submitted to US Department of Housing and Urban Development, Office of Community Planning and Development (CPD), whose goal is to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment and expand economic opportunities for low and moderate income persons.

Council Member Youssef arrived at 5:58 p.m.

The Consolidate Plan is a planning document of the jurisdiction and an application for funding under any of the Community Planning and Development formula grant programs. HUD regulations require the following elements be included in the planning document: comprehensive housing affordability strategy; community development plan; and an analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan. HUD formula grant programs covered by the Consolidated Plan include: CDBG; Home Investment (HOME); Emergency Shelter Grants; and Housing Opportunities for Persons with AIDS. City of Hemet CDBG funding for 2015/16 program year will be \$744,726.00. During the five year consolidated plan period the City expects to receive between \$3.5 and \$4 million dollars. The City proposed to use CDBG to fund Code Enforcement, Crime Free Rental Housing, Fair Housing services, Infrastructure and Public Facility projects, Senior Home Repair and public

service activities. The Consolidated Plan should be prepared by involving citizens, private and public agencies, as well as government. This can be achieved through various methods: public notices; public comment periods; public hearings; public meetings; request for proposals/applications; surveys; workshops; and ad-hoc committee. The Housing Element, a section of the General Plan was found to be in compliance by the State of California, Department of Housing and Community Development on January 29, 2014. The City Council needs to establish priority needs and set goals. The draft Analysis of Impediments (AI) to Fair Housing Choice and Fair Housing Action Plan was prepared by Castaneda and Associates in accordance with the format suggested by HUD and has been reviewed by the Planning Department and City Attorney for consistency with the General Plan and City Ordinances. The fundamental purpose of the AI report is to maintain the City of Hemet's compliance. In general, the report indicates that the City of Hemet is in compliance with the fair housing requirements. Hemet's practices are consistent with fair housing laws and affirmatively further fair housing. Ms. Callahan presented a summary of recommendations to be included in the Consolidated Plan and the entire document will be submitted to HUD. Recommended actions are: update zoning ordinance disability definition; add alcoholism and drug treatment facilities to the list of Licensed Small Group Homes; implement Housing Element recommendation regarding Transitional Housing and Supportive Housing; make the community aware of the reasonable accommodation procedure; senior housing age threshold. The goal of the City of Hemet, with funding from CDBG, is to increase self-sufficiency and economic opportunity for lower-income residents and individuals with special needs so that they can achieve a reasonable standard of living. Ms. Callahan presented the 2015-2020 Consolidated Plan City of Hemet Priority Needs and CDBG Funding Goals. The overall goal of the CDBG, as a community planning and development program, is to develop viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The Annual Action Plan will provide specific one year activity objectives and CDBG funding allocation based on these priorities.

Eric Vail, City Attorney, a preliminary letter of non-compliance was received that included a number of issues that might change this plan. Their comments are based on an audit that was done in January 2012. The City Attorney's Office is reviewing the report and will work with staff.

The City Council gave direction to staff to include the presented documents in the draft Consolidated Plan.

Wally Hill, City Manager, requested that the City Council add an urgency Closed Session Item regarding property negotiations. This item arose subsequent to the posting of the agenda and requires action from the City Council prior to the next regular meeting.

Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to add Item No. 5.A to the agenda. Motion carried 5-0.

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 6:13 p.m.

3. 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
Hemet Police Officers Association
Hemet Police Management Association
4. Conference with Legal Counsel - Anticipated Litigation
Two (2) matters of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
5. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Title: *City Manager*
- 5.A Conference with Real Property Negotiators
Pursuant to Government Code section 54956.8
Property: *327 S. Taylor Street APN: 446-083-016*
Agency negotiator: *City Manager Hill*
Negotiating parties: *David Hale, Homestar Realty*
Under negotiation: *Disposition, Price and Terms*

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 7:09 p.m.

Roll Call

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

ABSENT: None

OTHERS PRESENT: City Manager Hill, City Attorney Vail and City Clerk McComas

Invocation

Invocation was given by Muriel Dufresne, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Mayor Pro Tem Wright

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
Hemet Police Officers Association
Hemet Police Management Association

The City Council did not complete discussions. This item will be continued at the end of the Regular Session.

7. Conference with Legal Counsel - Anticipated Litigation
Two (2) matters of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

The City Council received a briefing and gave direction the City Attorney on one matter of anticipated litigation. The other matter will be discussed at the end of the Regular Session.

8. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Title: *City Manager*

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

- 8.A Conference with Real Property Negotiators
Pursuant to Government Code section 54956.8
Property: *327 S. Taylor Street APN: 446-083-016*
Agency negotiator: *City Manager Hill*
Negotiating parties: *David Hale, Homestar Realty*
Under negotiation: *Disposition, Price and Terms*

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

City Council Business Consent Calendar

9. **Approval of Minutes** – February 10, 2015
10. **Receive and File** – Warrant Register
- a. Warrant registers dated February 5, 2015 in the amount of \$1,142,878.26 and February 9, 2015 in the amount of \$2,088,389.58. Payroll for the period of January 19, 2015 to February 1, 2015 was \$590,923.15.

11. **Recommendation by Community Development** - Zone Change No. 14-001 – A-10 (Heavy Agriculture) to C-1 (Neighborhood Commercial) – 11.5 acre site, southeast corner of Esplanade Avenue and Warren Road
 - a. Adopt an ordinance approving the zone change for APN: 448-060-001.
Ordinance No. 1896

12. **Recommendation by Housing** – Senior and Disable Owner Occupied Home Repair Program – Extension and Increase in amount of Agreements for Services
 - a. Approval of one year contract extension in the amount of \$90,000 for the Senior and Disabled Owner Occupied Home Repair Program. The approved contractors are: Absolute Contractors, Inc.; Ace & Sons Constructions, Inc.; Blue Ribbon Plumbing, Heating and Air Conditioning, Inc.; Dan Marana Construction; Pacific MH Construction, Inc.; and Vizion’s West.

13. **Recommendation by Fire** – Acceptance of the 2014 State Homeland Security Program (SHSP) Grant for Community Emergency Response Team (CERT) Grant Program Expenditure
 - a. Accept the grant from the California Office of Emergency Services (CalOES) for the Riverside County FY14 Homeland Security Grant Program (HSGP) awarded to the City of Hemet for the CERT Program in the amount of \$13,620.00 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 \$13,620.00 to cover the cost of training and the purchase of materials.

Item No. 12 was removed from the Consent Calendar. **Council Member Youssef moved and Council Member Milne seconded a motion to approve the remaining Consent Calendar Items as presented. Motion carried 5-0.**

Item No. 12

Mayor Pro Tem Wright, asked if the contractors were local.

Edna Lebron, Housing, only two of the 14 responses to the RFP last year were from the Valley.

Mayor Pro Tem Wright moved and Council Member Milne seconded a motion to approve this item as presented. Motion carried 5-0.

Communications from the Public

Crystal Coronado, Hemet, received a citation from Code Enforcement because her RV is not parked in accordance with the City’s ordinance.

Ms. Coronado was referred to Code Enforcement.

Discussion/Action Item

14. **Amend Chapter 34, Article IV of the Hemet Municipal Code pertaining to Smoking in Public Areas and Places of Employment** – Public Works Director Jensen

- a. Introduce, read by title only and waive further reading of an ordinance amending Chapter 34, Article IV (Smoking in Public Areas and Places of Employment) of the Hemet Municipal Code. **Ordinance Bill No. 15-008**

Kris Jensen, Public Works Director, this ordinance proposes to amend Chapter 34, Article IV of the Hemet Municipal Code, Smoking in Public Areas and Places of Employment). Previously, Hemet Community Action Network (CAN) and students from local high schools promoted their Youth on Smoke Free Parks Effort by conducting a clean-up of tobacco products in Oltman Park. The group presented their efforts to the City Council as well as results of a survey conducted and recommended that the City Council consider prohibiting smoking in City parks. Staff was directed to prepare an ordinance to that end. This ordinance also brings the City into compliance with California Labor Laws that have changed since the last amendment to this chapter specifically related to smoking in closed places of employment. This ordinance also expands the definition of smoking to include marijuana and electronic smoking devices.

Michael Ramirez, Hemet CAN, this has been a rewarding project and a real testament to the collaborative work with the other organizations, Hemet Unified School District and the City of Hemet. This ordinance amendment was recommended by Deputy Chief Webb. Mr. Ramirez thanked Rebecca Crawford for her work with the students and organizing the project. Also thanked everyone who has helped and participated. This is a collective and slow effort to change the quality of life in Hemet.

Alan Borders, Hemet CAN, acknowledged the high school students that were present. 43 students showed up to conduct second clean-up on February 13th at Weston Park along with Mayor Krupa. 3 additional students conducted a survey at the schools. Mr. Borders showed pictures of the findings and bags of smoking debris that was found. Other items of concern were found at the park near the playground. Many other agencies are doing this. During my research I discovered an Assembly Bill that was approved in 2001 that banned smoking on playgrounds statewide. This proposed ordinance goes one step further and prohibits smoking from curb to curb. Hopefully this will encourage families to use the City parks. Thank you for considering this ordinance.

Michael Ramirez, the goal of this ordinance is to set precedence in social norms. Most parks are located near schools. The hope is to influence future generations, taking this one step at a time to reduce tobacco, alcohol and drug use.

Victoria Fuentes, Hemet, thanked the school district for backing us up on this project. We will be going to Rancho Viejo Middle School to do a presentation with the hope of informing them and encouraging them to not succumb to peer pressure.

Brianna Gonzales, Hemet, participated in the clean-ups and was surprised by the amount of trash that was collected. Miss Gonzales was especially concerned with the trash that was at the dog park.

Rebecca Crawford, HUSD, this has been an incredible learning experience for all of us. We all want to thank you for supporting the program. Now we are taking the information back to their peers to let them know how they can make a difference.

Mayor Krupa, fortunate to witness both clean ups. It is good to see that our future is in good hands, great work by these teenagers spreading the word. Mayor Krupa thanked the students for their efforts.

Council Member Milne, thank you for setting an example. Council Member Milne thanked the students for taking care of the dogs and the children. You are making a difference.

Mayor Pro Tem Wright, we appreciate your selflessness. A project like this has more than just health benefits, it benefits the City. Great job setting an example for your peers.

Angel Ruiz, Hemet, it was disgusting seeing the tobacco products in the park. The parks should be for families to enjoy.

Jessica Shirley, Hemet, we surveyed some of the people there that were chewing or smoking tobacco. They use the park frequently and were opposed to the ordinance. We would suggest designated waste bins in the parks for tobacco products.

Eric Vail, City Attorney, there is one minor correction to the ordinance. Section 34-92 "Definitions" I. "*Outdoor Public Event*" second sentence should say "outdoor public event" instead of "outdoor public place". This will be corrected for the adoption.

Council Member Youssef moved and Council Member Raver seconded a motion to introduce, read by title only and waive further reading of Ordinance Bill No. 15-008 as amended. Motion carried 5-0.

The Ordinance was read by title only.

Mayor Krupa, thanked Hemet CAN and the students for a job well done. Keep telling your fellow students not to smoke.

15. **Moratorium on Massage Establishments** – City Attorney Vail

- a. Adopt an urgency ordinance to enact a moratorium on massage establishments.

Ordinance No. 1897

Eric Vial, City Attorney, staff is requesting that the City Council adopt an interim urgency ordinance placing a short term moratorium on the establishment of new massage businesses. Prior to 2009, cities in California had strong local control over the massage industry. Cities could regulate the licensing of the practitioners and the businesses, implement zoning requirements and operational requirements. In 2009, the State Legislature changed that and took local control away with the adoption of SB731. That preempted almost all of our regulations on massage establishments. There are a lot of good operators and establishments. The bad operators can be involved in prostitution and human trafficking. In response to concerns, the Legislature adopted AB1147 this year. This puts back in place some of our ability to regulate massage establishments. We will not be able to regulate massage operators, their licensing will be regulated by the State. We have taken a preliminary look at the City's ordinance and there will be necessary amendments. This ordinance will not affect the current businesses but will hold off any new businesses until we amend the ordinance. The last time we amended the ordinance there were comments from the massage community, we might want to again solicit input on what the regulations should be and that takes time. We want to allow the good operators to continue to operator and regulations that weed out the bad operators. No business, including existing businesses, can operate without hiring 100% certified state operators. This ordinance will be in effect for 45 days, prior to its expiration staff will request an continuance of the urgency ordinance.

The City Council and staff discussed the City's ability to regulate establishments. The City will have the ability to close any establishments that are in violation of operating standards, code violations or breaking the law. The new law allows for inspections of the business during working hours.

Mayor Krupa, the League of California Cities was working diligently on getting these changes to SB731 and getting local control back to the cities.

Barbara Broderick, Hemet, operator of La Belle Vita Spa. I worked with the City on the last ordinance and would love to participate on this one. Ms. Broderick has turned in a number of businesses that are illegitimate. Legitimate businesses are not concerned with unannounced visit in or out of uniform. Ms. Broderick expressed concern that the fines or punishment in the last ordinance was not steep enough to discourage the inappropriate action. Legitimate operators do not make as much money as the illegitimate operators do.

Council Member Raver, asked if the property owner is held liable for the actions of the business.

Mr. Vail, if it can be proven that the property owner is aware of the actions and knowingly allows it. Since the last ordinance the City Council has adopted a number of new ordinances under the Hemet ROCS program that allows staff to regulate the operator, business owner and property owner. Similar to the model used to regulate medical marijuana dispensaries.

Mayor Pro Tem Wright moved and Council Member Milne seconded a motion to adopt Urgency Ordinance No. 1897. Motion carried 5-0.

Ordinance read by title only

16. **Award of Contract for Consultant to assist in Water/Sewer System Concession Agreement Request for Proposal, Evaluation, and Negotiations – City Manager Hill**

- a. Award a consultant contract to PERC Water Corporation in the amount of \$86,000 plus other reimbursable costs to assist in developing a Request for Proposals for a water/sewer system concession agreement, evaluating the proposals, and assistance in drafting and negotiating a concession agreement; and
- b. Appropriate \$68,800 from water enterprise fund 571 reserves and \$26,756 from sewer special revenue fund 254 reserves, to establish a project budget of \$95,556.

Wally Hill, City Manager, during the last strategic planning session the City Council reaffirmed to staff to pursue a number of budget deficit strategies. One of the strategies was to look into the feasibility of a franchise or concession type of agreement for the City's water and sewer system. In order to assist us in pursuing the feasibility, we would like to engage the services of PERC Water Corporation to help us throughout the process. They would help develop the deal points, terms and conditions and the performance standards that would be included in the RFPs. They would also help us elicit market interest, evaluate the proposals, negotiate the term, and draft a franchise or concession agreement. The contract for PERC is in the amount of \$86,000 plus other reimbursable costs. Staff is requesting that the City Council approve the appropriation plus 10% in case there are any additional costs. The contract can be terminated at any time the City Council feels this is not feasible. We will pay only for service rendered to that point. Mr. Hill distributed an amended list of hourly rates for specific services that will be added as an attachment to the agreement.

Mayor Pro Tem Wright, asked if PERC Water Corporation would be able to bid on the water system and what the concession fee is based on. Mayor Pro Tem Wright asked if the City's rights over the water system will be relinquished and who will control the future water rates.

Mr. Hill, PERC Water Corporation may not participate in the bid process. The concession fee is based on the value of the enterprise. Staff is proposing an approach in which the City will retain its assets. We will be hiring someone to operate and maintain the system. The determination of water rates will be decided during the process.

Council Member Milne, the consultant was invaluable with the franchising of refuse. Council Member Milne expressed concern with the return on investment and the cost for the consultant not knowing the value of the water system and given the size of the system.

Council Member Youssef, the same concerns were expressed with using a consultant for franchising the refuse. The return on investment was enormous. We hired someone that is an expert in the field and well versed in the industry.

Mr. Hill, the contract can be terminated if it is determine half way through that it is no longer feasible.

Council Member Raver, expressed opposition. The City Council hasn't even received a report from the consultant regarding the water and sewer fees. Council Member Raver expressed concern that the City would end up getting revenue for the General Fund at an increased cost for water to the rate payers. Council Member Raver recommended that the City consider selling the surplus water to another agency instead. Instead of looking for more money for the General Fund the City Council should be looking at all of the options to pay for and provide better Police and Fire service.

Mr. Hill, a workstudy will be held on March 10th City Council agenda.

Mayor Pro Tem Wright, the City Manager indicated that a number of private/public partnership models were reviewed. Mayor Pro Tem Wright requested more information on what models are used by what agencies, particularly what agencies use the recommended model. Mayor Pro Tem Wright also asked about the decision to choose PERC Water Corporation over the other agencies that responded.

Mr. Hill, PERC Water Corporation had the most experience in operating water utilities agency. They have worked both sides and had stronger experience.

Mayor Krupa, agrees with Council Member Youssef on the value of a consultant. I would like to see the results of the rate study before we consider this.

Council Member Youssef, disagreed and stated that the water rates need to be increased regardless of the provider. Council Member Youssef requested that the City Council approve this agreement and move forward, we can pull the plug at any time.

The City Council continued discussing the timing of this agreement and the water rate study.

Eric Vail, City Attorney, PERC Water Corporation will meet with the rate study consultant to compare methodology and valuation early in the process.

Council Member Raver, again expressed opposition. The City's Water Department has minimal staffing. The only way another provider will profit is to raise the water rates. The system is old and in need of repair, they will have to sell the surplus water. This will not solve the ultimate problem.

Marie McDonald, Hemet, supports Mr. Raver's position. The City Council needs to look at the broader picture. Water is a necessity and the residents on fixed incomes will be impacted.

Council Member Milne moved and Council Member Raver seconded a motion to continue this item to March 24, 2015. Motion carried 4-1. Council Member Youssef voted No.

City Council Reports

17. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Milne

1. Riverside County Habitat Conservation Agency (RCHCA)

Council Member Milne attended the meeting. There annual audit was received and there were no problems. An RFP was issued for auditing services. The large number of sheep grazing vacant land is part of RCHCA's management plan. The Agency is concentrating on getting the Burrowing Owl numbers up, so it can be delisted.

2. Riverside Conservation Authority (RCA)
3. Disaster Planning Commission

Reading Across America is March 2nd, McSweeney Elementary School is looking for readers.

B. Council Member Raver

1. Planning Commission
2. Traffic and Parking Commission

Commissioner Berry will not be seeking reappointment.

3. Riverside Transit Agency (RTA)
4. Riverside County Transportation Commission (RCTC)
5. Watermaster Board

Council Member Raver attended the Watermaster Board meeting as a guest.

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

Mayor Krupa attended the meeting, officers were re-elected to same positions. Resolution No. 9 was approved lowering the administrative assessment to \$30/AF for the entities. Resolution No. 10 was also approved establishing a reduction in all agency base production rights by 7% for FY 15/16.

5. Library Board

The Library Board is working with RTA to selling RTA bus passes with a percentage going to the Library. If you shop on Amazon go through the Library's website, click on "Buy it Now" the Library will get a percentage of your purchase.

6. League of California Cities

7. Riverside County Transportation Commission (RCTC)

Public Hearing held on March 23rd on the Coachella Valley San Geronio Pass Corridor Rail Service. March 26th's meeting in Palm Desert will be a live broadcast at 6:00 p.m. At the Budget Implementation meeting a \$125,000 increase to the budget will be recommended to the full board for consideration to be used for improvement and maintenance of rail crossings some of which are located in Hemet.

8. Western Riverside Council of Governments (WRCOG)

F. Ad-Hoc Committee Reports

1. West Hemet MSHCP Ad-Hoc Committee
2. Regent Development Agreement Ad-Hoc Committee
3. Diamond Valley Lake Recreation Ad-Hoc Committee

Council Member Youssef announced that a meeting is tentatively scheduled for March 24th.

G. City Manager Hill

1. Manager's Reports

Council Member Raver, asked when budget hearings will be scheduled.

Wally Hill, City Manager, the City Council gave staff direction to proceed with a status quo budget.

Mayor Krupa, requested that each department present their status quo budget and their impending accomplishment for FY 15-16.

Council Member Raver, suggested that the Departments prepare a wish list budget for comparison.

Mr. Hill, the Departments are trying to meet their budget deadline this week with the previous direction from City Council.

Council Member Milne, the Departments do not have to time to prepare wish list budgets.

Mayor Krupa, announced that the City of Hemet has received statewide attention being named for an "Award of Merit" by the California Association of Local Economic Development Association for three of the City's projects: Hemet Business Recruitment and Expansion Program; Forest River RV; and Visit San Jacinto Valley Tourism Program. The Awards will be presented at CalEd's annual Conference in Riverside in April.

Continued Closed Session

The City Council recessed to Closed Session at 8:47 p.m.

Council Member Raver left at 8:47 p.m.

3. 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

Hemet Police Officers Association

Hemet Police Management Association

4. Conference with Legal Counsel - Anticipated Litigation
Two (2) matters of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
5. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Title: *City Manager*
- 5.A Conference with Real Property Negotiators
Pursuant to Government Code section 54956.8
Property: *327 S. Taylor Street APN: 446-083-016*
Agency negotiator: *City Manager Hill*
Negotiating parties: *David Hale, Homestar Realty*
Under negotiation: *Disposition, Price and Terms*

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*
 - Hemet Police Officers Association*
 - Hemet Police Management Association*

The City Council received an update on the status from the negotiating team. There was no additional reportable action.

7. Conference with Legal Counsel - Anticipated Litigation
Two (2) matters of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

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

8. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Title: *City Manager*

The City Council began the initial introductory phase of the evaluation.

- 8.A Conference with Real Property Negotiators
Pursuant to Government Code section 54956.8
Property: *327 S. Taylor Street APN: 446-083-016*
Agency negotiator: *City Manager Hill*
Negotiating parties: *David Hale, Homestar Realty*
Under negotiation: *Disposition, Price and Terms*

The City Council gave direction to the City's property negotiator. There was no additional reportable action.

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 9:26 p.m. to Tuesday, March 10, 2015 at 7:00 p.m.



AGENDA

12

Staff Report

TO: Honorable Mayor and members of the City Council
FROM: Judith L. Oltman, City Treasurer
DATE: March 10, 2015
RE: Investment Portfolio as of January 2015

RECOMMENDED ACTION:

Receive and file.

ANALYSIS:

The summary statement of activity and balances of the Treasurer's Investment Portfolio for the month of January 2015 is forwarded herewith for your review.

On 1/2/15 we closed our Rabo Bank Money Market account #5011 due to branch closing. On 1/23/15 our FFCB #2274 was called; on 1/27/15 our FHLB #2276 was called and on 1/30/15 our FHLMC #2280 was called. There were no new investments for the month.

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

JANUARY 2015

INVESTMENT CLASSIFICATIONS	MONTHLY ACTIVITY	CONSOLIDATED BALANCE
PORTFOLIO AS OF DECEMBER	58,037,824.40	
CERTIFICATES OF DEPOSIT		
Placed this month		
Matured this month		
Balance		7,183,000.00
LOCAL AGENCY INVESTMENT FUND: City of Hemet		
Deposits	14,469.75	
Withdrawals		
Balance		20,249,848.62
BANK OF NEW YORK MELLON Custodial Acct.		
Deposits	2,302,318.54	
Withdrawals	-102,318.54	
Balance		2,529,599.86
MONEY MARKET ACCTS.		
Deposits		
Withdrawals	-200,000.00	
Balance		0.00
CITIBANK: Money Market Account		
Deposits	203,178.11	
Withdrawals		
Balance		246,458.90
CITIBANK: Money Market Account 3		
Deposits	3,711,776.29	
Withdrawals	-750,000.00	
Balance		7,663,341.17
MUNICIPAL BONDS & NOTES		
Deposits		
Withdrawals		
Balance		14,345,000.00
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 DECEMBER 2014	61,217,248.55	61,217,248.55

INTEREST EARNINGS	14-15 FISCAL YEAR-TO-DATE	
EARNINGS BALANCE AS JAN. 1, 2014		132,967.43
CERTIFICATES OF DEPOSIT INT.	6,898.79	
OTHER GOVERNMENT SECURITIES	84,111.47	
CITIBANK MONEY MARKET ACCOUNT	25.57	
CITIBANK MONEY MARKET ACCOUNT 3	660.65	
BANK OF NY MONEY MARKET ACCT.	2.80	
LOCAL AGENCY INVESTMENT FUNDS	14,469.75	
City of Hemet Interest		
Closed Laif Account		
MONTHLY EARNINGS TOTAL	106,169.03	106,169.03
MEMO ONLY:		
MERCHANT BANK CHG.	-5,326.75	
LIBRARY CREDIT CARD FEES	-120.04	
ARMORED CAR	-421.36	
ASSET SEIZURE FUNDS		
Charges as of Sept. 1, 2014	-27,099.18	
	-32,967.33	
14-15 YEAR-TO-DATE INTEREST EARNINGS		239,136.46

**CITY OF HEMET
Portfolio Management
Portfolio Summary
January 31, 2015**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit - Bank	1,731,000.00	1,752,917.73	1,731,000.00	2.82	1,618	538	1.515	1.536
Managed Pool Accounts	20,235,378.87	20,235,378.87	20,235,378.87	33.01	1	1	0.256	0.260
Passbook/Checking Accounts	10,439,399.93	10,439,399.93	10,439,399.93	17.03	1	1	0.336	0.341
Local Government Bonds	9,345,000.00	9,495,742.35	9,424,401.96	15.37	2,043	1,505	3.097	3.140
Medium Term Notes	5,000,000.00	5,106,330.00	5,026,333.57	8.20	1,792	1,476	1.843	1.869
Federal Agency Issues - Coupon	9,000,000.00	9,012,954.35	9,000,000.00	14.68	1,826	1,305	1.356	1.375
Negotiable CDs	5,452,000.00	5,520,785.47	5,452,000.00	8.89	1,735	1,149	1.567	1.588
Investments	61,202,778.80	61,563,508.70	61,308,514.33	100.00%	929	662	1.150	1.166
Cash and Accrued Interest								
Accrued Interest at Purchase		24,986.69	24,986.69					
Subtotal		24,986.69	24,986.69					
Total Cash and Investments	61,202,778.80	61,588,495.39	61,333,501.02		929	662	1.150	1.166

Total Earnings	January 31 Month Ending	Fiscal Year To Date
Current Year	61,850.96	369,459.98
Average Daily Balance	58,785,833.85	
Effective Rate of Return	1.24%	

JUDITH L. OLTMAN, TREASURER

Reporting period 01/01/2015-01/31/2015

Run Date: 02/24/2015 - 16:34

Portfolio COFH
AP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.5

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
January 31, 2015

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
02004MB51	3124	Ally Bank		07/30/2010	247,000.00	249,619.61	247,000.00	2.450		2.451	179	07/30/2015
06740KEX1	3146	BARCLAYS BANK DE		12/07/2011	247,000.00	252,554.54	247,000.00	1.900		1.902	675	12/07/2016
SYS3174	3174	BANK OF HEMET		09/06/2013	494,000.00	494,000.00	494,000.00	0.500		0.500	583	09/06/2016
SYS3144	3144	BANK OF THE WEST		10/12/2011	249,000.00	253,619.45	249,000.00	1.750		1.750	619	10/12/2016
SYS3136	3136	CIT BANK		08/24/2011	247,000.00	251,513.63	247,000.00	1.800		1.800	570	08/24/2016
36160WVR7	3132	G.E. Capital Financial, Inc.		08/12/2011	247,000.00	251,610.50	247,000.00	1.850		1.850	558	08/12/2016
Subtotal and Average			1,731,000.00		1,731,000.00	1,752,917.73	1,731,000.00			1.536	538	
Managed Pool Accounts												
SYS1001	1001	LOCAL AGENCY INVESTMENT FUND			20,235,378.87	20,235,378.87	20,235,378.87	0.260		0.260	1	
Subtotal and Average			20,235,378.87		20,235,378.87	20,235,378.87	20,235,378.87			0.260	1	
Passbook/Checking Accounts												
SYS5009	5009	BANK OF NEW YORK			2,529,599.86	2,529,599.86	2,529,599.86			0.000	1	
SYS5001	5001	Citibank			246,458.90	246,458.90	246,458.90	0.450		0.450	1	
SYS5004	5004	CITIBANK3			7,663,341.17	7,663,341.17	7,663,341.17	0.450		0.450	1	
Subtotal and Average			6,206,136.81		10,439,399.93	10,439,399.93	10,439,399.93			0.341	1	
Local Government Bonds												
044555PA2	5025	ASHLAND OREGON		10/23/2014	1,145,000.00	1,151,938.70	1,132,744.72	2.800	AA	2.926	3,469	08/01/2024
048339SE6	5018	ATLANTIC CITY N.J.		06/02/2014	465,000.00	476,829.60	488,887.17	3.953	A	2.075	1,155	04/01/2018
048339SF3	5019	ATLANTIC CITY N.J.		06/02/2014	440,000.00	453,389.20	467,401.96	4.253	A	2.651	1,520	04/01/2019
13124MAH8	5026	CALLEGUAS CA MUNI WATER DIST		10/23/2014	745,000.00	762,850.20	760,116.26	2.601	AAA	2.018	1,977	07/01/2020
156792GW7	5027	CERRITOS COMMUNITY COLLEGE DIS		12/01/2014	1,260,000.00	1,297,699.20	1,272,720.52	2.971	AA	2.821	2,738	08/01/2022
404476HH9	5022	HABERSHAM COUNTY HOSPITAL AUTH		08/13/2014	795,000.00	805,955.10	800,133.09	2.250		2.080	1,461	02/01/2019
423542KL2	5006	HEMET UNIFIED SCHOOL DISTRICT		07/22/2010	2,000,000.00	2,019,200.00	1,998,313.66	5.375		5.609	150	07/01/2015
533020DC4	5012	CITY OF LINCOLN		03/02/2013	995,000.00	1,004,880.35	995,000.00	3.000		3.000	213	09/02/2015
650035J66	5015	NEW YORK STATE REVENUE BONDS		03/25/2014	500,000.00	507,030.00	499,021.72	2.000		2.050	1,503	03/15/2019
13063CKL3	5017	STATE OF CALIFORNIA		05/16/2014	1,000,000.00	1,015,970.00	1,010,062.86	2.250		2.000	1,550	05/01/2019
Subtotal and Average			9,425,052.24		9,345,000.00	9,495,742.35	9,424,401.96			3.140	1,505	
Medium Term Notes												
037833AQ3	5016	APPLE		05/15/2014	1,000,000.00	1,027,920.00	1,005,656.62	2.100		1.960	1,555	05/06/2019
084670BL1	5023	BERKSHIRE HATHAWAY		08/14/2014	1,000,000.00	1,027,440.00	1,004,291.16	2.100		2.000	1,655	08/14/2019

Portfolio COFH
AP
PM (PRF_PM2) 7.3.0

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
January 31, 2015

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Medium Term Notes												
14912L6B2	5020	CATERPILLAR		06/09/2014	1,000,000.00	1,022,550.00	1,003,301.51	2.100	A	2.020	1,589	06/09/2019
36962G7G3	5014	G.E. CAPITAL CORP.		03/14/2014	500,000.00	515,335.00	508,478.03	2.300		1.932	1,443	01/14/2019
68389XAN5	5010	ORACLE		03/28/2013	500,000.00	502,255.00	500,657.46	1.200		1.150	987	10/15/2017
90261XHE5	5024	UBS AG STAMFORD CT		08/18/2014	500,000.00	509,355.00	501,809.39	2.375		2.290	1,655	08/14/2019
94974BFG0	5013	WELLS FARGO		04/26/2013	500,000.00	501,475.00	502,139.40	1.500		1.350	1,080	01/16/2018
Subtotal and Average			5,026,588.51		5,000,000.00	5,106,330.00	5,026,333.57			1.869	1,476	
Federal Agency Issues - Coupon												
313381MV4	2254	FEDERAL HOME LOAN BANK		01/17/2013	500,000.00	499,245.00	500,000.00	1.050		1.050	1,081	01/17/2018
313383GY1	2261	FEDERAL HOME LOAN BANK		06/13/2013	500,000.00	500,025.00	500,000.00	1.170		1.170	1,228	06/13/2018
313383JZ53	2263	FEDERAL HOME LOAN BANK		06/27/2013	500,000.00	500,870.00	500,000.00	1.450		1.450	1,242	06/27/2018
3134G37C8	2256	FEDERAL HOME LOAN MTG ASSOC.		04/17/2013	500,000.00	500,805.00	500,000.00	1.100		1.100	1,171	04/17/2018
3134G37H7	2257	FEDERAL HOME LOAN MTG ASSOC.		04/25/2013	500,000.00	500,550.00	500,000.00	1.150		1.150	1,179	04/25/2018
3134G47G7	2262	FEDERAL HOME LOAN MTG ASSOC.		06/26/2013	500,000.00	500,835.00	500,000.00	1.400		1.400	1,241	06/26/2018
3134G4BG2	2265	FEDERAL HOME LOAN MTG ASSOC.		07/17/2013	500,000.00	500,781.25	500,000.00	1.550		1.550	1,262	07/17/2018
3134G5GY5	2279	FEDERAL HOME LOAN MTG ASSOC.		09/19/2014	1,000,000.00	1,002,370.00	1,000,000.00	2.000		2.000	1,691	09/19/2019
3135G0NF6	2252	FEDERAL NTL MORTGAGE ASSOC.		08/21/2012	500,000.00	499,390.00	500,000.00	1.000		1.000	932	08/21/2017
3136G04U2	2253	FEDERAL NTL MORTGAGE ASSOC.		11/29/2012	500,000.00	498,900.00	500,000.00	1.000		1.000	1,032	11/29/2017
3135G0UN1	2255	FEDERAL NTL MORTGAGE ASSOC.		02/28/2013	500,000.00	499,965.00	500,000.00	1.150		1.146	1,123	02/28/2018
3135G0WV9	2258	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	497,630.00	500,000.00	1.000		1.000	1,184	04/30/2018
3136G1LB3	2259	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	500,160.00	500,000.00	0.750		0.740	1,184	04/30/2018
3135G0XG3	2260	FEDERAL NTL MORTGAGE ASSOC.		05/21/2013	500,000.00	498,203.10	500,000.00	1.000		1.000	1,205	05/21/2018
3136G23T2	2277	FEDERAL NTL MORTGAGE ASSOC.		08/27/2014	500,000.00	504,235.00	500,000.00	2.000		2.000	1,668	08/27/2019
3136G25Q6	2278	FEDERAL NTL MORTGAGE ASSOC.		09/18/2014	1,000,000.00	1,008,990.00	1,000,000.00	2.000		2.000	1,690	09/18/2019
Subtotal and Average			10,709,677.42		9,000,000.00	9,012,954.35	9,000,000.00			1.375	1,305	
Negotiable CDs												
02437PAG8	3173	AMERICAN NATIONAL BANK DALLAS		08/12/2013	248,000.00	248,000.00	248,000.00	1.250		1.251	923	08/12/2017
02587DVK0	3184	AMERICAN EXPRESS CENTURIAN		11/28/2014	247,000.00	247,000.00	247,000.00	2.200		2.012	1,762	11/29/2019
02587CAW0	3180	AMERICAN EXPRESS FSB		08/21/2014	247,000.00	256,015.18	247,000.00	2.100		2.101	1,662	08/21/2019
0606247B3	3176	BANK OF BARODA N.Y.		11/12/2013	248,000.00	248,000.00	248,000.00	2.150		2.151	1,381	11/13/2018
856284-E3-4	3147	BANK OF INDIA NEW YORK		04/27/2012	248,000.00	254,816.23	248,000.00	2.000		2.001	816	04/27/2017
17037TDV6	3169	CHOICE FINANCIAL GROUP		11/20/2012	248,000.00	248,422.67	248,000.00	1.000		1.001	1,023	11/20/2017
20033AAG13	3168	COMENITY CAPITAL BANK		10/25/2012	249,000.00	249,913.85	249,000.00	1.050		1.065	997	10/25/2017
20451PEN2	3175	COMPASS BANK		09/25/2013	247,000.00	254,838.03	247,000.00	2.000		2.001	1,332	09/25/2018

Portfolio COFH
AP
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CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
January 31, 2015

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Negotiable CDs												
20786AAL9	3177	CONNECTONE BANK N.J.		12/13/2013	247,000.00	253,392.16	247,000.00	1.850		1.851	1,411	12/13/2018
2546714X5	3181	DISCOVER BANK		08/27/2014	247,000.00	256,046.40	247,000.00	2.100		2.101	1,668	08/27/2019
29976DNY2	3166	EVERBANK		10/15/2012	248,000.00	248,000.00	248,000.00	1.000		1.001	988	10/16/2017
373128DS3	3167	GEORGIA BANK AND TRUST		10/17/2012	249,000.00	249,568.32	249,000.00	1.000		1.014	989	10/17/2017
36159CRZ1	3126	GE Money Bank		07/30/2010	247,000.00	249,557.64	247,000.00	2.400		2.400	179	07/30/2015
38148JBU4	3183	GOLDMAN SACHS		11/05/2014	247,000.00	256,517.60	247,000.00	2.150		2.151	1,735	11/02/2019
48124JSB5	3171	JP MORGAN CHASE BANK		01/28/2013	248,000.00	248,000.00	248,000.00	0.850		0.850	1,092	01/28/2018
628779FJ4	3178	NBT BANK		06/06/2014	247,000.00	252,724.15	247,000.00	1.800		1.801	1,586	06/06/2019
700654AV8	3182	PARK NATIONAL BANK		09/26/2014	249,000.00	258,000.20	249,000.00	2.100		2.099	1,514	03/26/2019
74267GUQ8	3179	PRIVATEBANK & TRUST CO.		07/21/2014	247,000.00	247,000.00	247,000.00	2.000		2.001	1,632	07/22/2019
7865803L2	3164	SAFRA NATIONAL BANK		09/27/2012	249,000.00	249,000.00	249,000.00	0.800		0.800	239	09/28/2015
795450NR2	3163	SALLIE MAE		07/25/2012	248,000.00	248,000.00	248,000.00	1.200		1.200	176	07/27/2015
909557CL2	3170	UNITED BANKERS' BANK		11/29/2012	249,000.00	249,973.04	249,000.00	1.100		1.115	1,032	11/29/2017
94986TMF1	3172	WELLS FARGO		03/28/2013	248,000.00	248,000.00	248,000.00	1.000		1.000	1,151	03/28/2018
Subtotal and Average			5,452,000.00		5,452,000.00	5,520,785.47	5,452,000.00			1.588	1,149	
Total and Average			58,785,833.85		61,202,778.80	61,563,508.70	61,308,514.33			1.166	662	

**CITY OF HEMET
Portfolio Management
Portfolio Details - Cash
January 31, 2015**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Average Balance			0.00	Accrued Interest at Purchase		24,986.69	24,986.69				0
				Subtotal		24,986.69	24,986.69				
Total Cash and Investments			58,785,833.85		61,202,778.80	61,588,495.39	61,333,501.02			1.166	662

CITY OF HEMET
Received Interest
Sorted by Issuer
Received January 1, 2015 - January 31, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Due	Date Received	Interest		Variance
								Amount Due	Amount Received	
BANK OF HEMET	SYS3174	3174	BCD	494,000.00	0.500	01/06/2015	01/07/2015	209.78	209.78	-
							Subtotal	209.78	209.78	
BANK OF THE WEST	SYS3144	3144	BCD	249,000.00	1.750	01/12/2015	01/13/2015	370.09	370.09	-
							Subtotal	370.09	370.09	
CALLEGUAS CA MUNI WATER DIST	13124MAH8	5026	NCB	745,000.00	2.601	01/01/2015	01/06/2015	3,660.19	9,688.73	6,028.54
							Subtotal	3,660.19	9,688.73	
COMENITY CAPITAL BANK	20033AAG13	3168	NC2	249,000.00	1.050	01/25/2015	01/28/2015	225.14	222.05	-3.09
							Subtotal	225.14	222.05	
CONNECTONE BANK N.J.	20786AAL9	3177	NC2	247,000.00	1.850	01/13/2015	01/14/2015	388.09	388.09	-
							Subtotal	388.09	388.09	
FEDERAL FARM CREDIT BANKS	3133EDA51	2274	FAC	0.00	1.810	01/23/2015	01/26/2015	1,608.89	1,608.89	-
							Subtotal	1,608.89	1,608.89	
FEDERAL HOME LOAN BANK	313381MV4 3130A1GQ5	2254 2276	FAC FAC	500,000.00 0.00	1.050 2.070	01/17/2015 01/27/2015	01/21/2015	2,625.00	2,625.00	-
							01/28/2015	2,932.50	2,932.50	-
							Subtotal	5,557.50	5,557.50	
FEDERAL HOME LOAN MTG ASSOC.	3134G4BG2	2265	FAC	500,000.00	1.550	01/17/2015	01/21/2015	3,875.00	3,875.00	-
							Subtotal	3,875.00	3,875.00	
G.E. CAPITAL CORP.	36962G7G3	5014	MTN	500,000.00	2.300	01/14/2015	01/15/2015	5,750.00	5,750.00	-
							Subtotal	5,750.00	5,750.00	
GEORGIA BANK AND TRUST	373128DS3	3167	NC2	249,000.00	1.000	01/17/2015	01/21/2015	214.42	211.48	-2.94
							Subtotal	214.42	211.48	

CITY OF HEMET
Received Interest
Received January 1, 2015 - January 31, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest				
						Date Due	Date Received	Amount Due	Amount Received	Variance
HEMET UNIFIED SCHOOL DISTRICT	423542KL2	5006	NCB	2,000,000.00	5.375	01/01/2015	01/06/2015	53,750.00	53,750.00	-
								Subtotal	53,750.00	53,750.00
JP MORGAN CHASE BANK	48124JSB5	3171	NC2	248,000.00	0.850	01/28/2015	01/29/2015	1,054.00	1,062.66	8.66
								Subtotal	1,054.00	1,062.66
PARK NATIONAL BANK	700654AV8	3182	NC2	249,000.00	2.100	01/26/2015	01/28/2015	444.11	444.11	-
								Subtotal	444.11	444.11
PRIVATEBANK & TRUST CO.	74267GUQ8	3179	NC2	247,000.00	2.000	01/22/2015	01/22/2015	2,490.30	2,490.30	-
								Subtotal	2,490.30	2,490.30
SALLIE MAE	795450NR2	3163	NC2	248,000.00	1.200	01/25/2015	01/28/2015	1,488.00	1,500.23	12.23
								Subtotal	1,488.00	1,500.23
WELLS FARGO	94974BFG0	5013	MTN	500,000.00	1.500	01/16/2015	01/19/2015	3,750.00	3,750.00	-
								Subtotal	3,750.00	3,750.00
Total								84,835.51	90,878.91	
Total Cash Overpayment								6,049.43		
Total Cash Shortfall								-6.03		

CITY OF HEMET
 Received Interest
 Received January 1, 2015 - January 31, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Received	Interest
							Amount Received
Cash Accounts							
BANK OF NEW YORK	SYS5009	5009	PA1	2,529,599.86		01/13/2015	2.80
						Subtotal	2.80
Citibank	SYS5001	5001	PA1	246,458.90	0.450	01/30/2015	25.57
						Subtotal	25.57
CITIBANK3	SYS5004	5004	PA1	7,663,341.17	0.450	01/30/2015	660.65
						Subtotal	660.65
LOCAL AGENCY INVESTMENT FUND	SYS1001	1001	LA1	20,235,378.87	0.260	01/15/2015	14,469.75
						Subtotal	14,469.75
RABOBANK	SYS5011	5011	PA1	0.00	0.260	01/13/2015	131.35
						Subtotal	131.35
						Total	15,290.12

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

www.treasurer.ca.gov/pmia-laif/laif.asp
 February 24, 2015

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

January 2015 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/15/2015	1/14/2015	QRD	1455034	SYSTEM	14,469.75

Account Summary

Total Deposit:	14,469.75	Beginning Balance:	20,235,378.87
Total Withdrawal:	0.00	Ending Balance:	20,249,848.62

HEMET SUCCESSOR AGENCY to
Former Hemet Redevelopment Project Area
Cash W/Fiscal Agent: MUFJ Union Bank N.A.
2014 Hemet Refunding Project TAB Series A

Date	Activity	6712115701 Revenue Fund	6712115702 Interest Fund	6712115703 Principal Fund	6712115704 Bond Purchase Fund	6712115705 Cost of Issuance Fund	6712115800 Trustee Account	6712115801 Debt Service Fund	6712115802 Interest Account	6712115803 Principal Account	6712115804 Reserve Account	6712115805 Redemption Account	6712115806 Refunding Fund	TOTAL All Accounts
	BALANCE	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/31/2014	Interest													0.00
	Interfund transfer				(11,752,198.80)	263,583.72							11,468,615.08	0.00
	Debt Service from City of Hemet													0.00
	Debt Service Pmt													0.00
	Bond Proceeds				11,752,198.80									11,752,198.80
	C.M. De Crinis & Co., Inc.					(68,250.00)								(68,250.00)
	Best, Beset & Krieger, LLP					(35,000.00)								(35,000.00)
	Jones Hall, A Professional Law Grp					(50,000.00)								(50,000.00)
	Urban Analytics					(25,000.00)								(25,000.00)
	Proyce Printing					(3,000.00)								(3,000.00)
	To Prior Trustee, Series 1999												(5,790,768.04)	(5,790,768.04)
	To Prior Trustee, Series 2002												(5,677,847.04)	(5,677,847.04)
														0.00
	BALANCE	0.00	0.00	0.00	0.00	102,333.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	102,333.72
1/31/2015	Interest					1.28								1.28
	Interfund transfer													0.00
	Debt Service from City of Hemet													0.00
	Debt Service Pmt													0.00
	Trustee Fee PE 12/31/2015					(5,951.00)								(5,951.00)
	BALANCE	0.00	0.00	0.00	0.00	96,384.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	96,384.00
	Morgan Stanley Prime Instl													96,384.00
	Municipal Bond Insurance - BAM													1.00
	Cash held by FA, net of Escrow acct													<u>96,385.00</u>
														0.00

CITY OF HEMET SUCCESSOR AGENCY to
former 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	98510820 Escrow 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	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	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	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	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	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	0.00	607,194.86	0.00	0.00	(0.00)	607,195.90
12/31/2014	Interest					8.00				8.00
	Interfund transfer			607,195.90		(607,195.90)				0.00
	Debt Service from City of Hemet									0.00
	Debt Service Payment									0.00
	Proceeds of Debt			5,790,768.04						5,790,768.04
	BALANCE	0.35	0.69	6,397,963.94	0.00	6.96	0.00	0.00	(0.00)	6,397,971.94
1/31/2015	Interest	97,963.94				5.86				97,969.80
	Interfund transfer	24.39	(0.69)	(6,397,963.94)		(12.82)	6,300,000.00			(97,953.06)
	Debt Service from City of Hemet									0.00
	Debt Service Payment	(97,988.68)								(97,988.68)
	Redemption Acct						(6,300,000.00)			(6,300,000.00)
	BALANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.00)	0.00

First American Treas Oblig CL D Corp Tr
Money Market/RDA

0.00

0.00

0.00

CITY OF HEMET SUCCESSOR AGENCY to
former HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK
2002 TAX ALLOCATION BONDS/RDA

Date	Activity	98510818 496-1504 Interest Fund	98510819 Principal Fund	98510821 Escrow Fund	98510822 Redemption Fund	98510816 496-1506 Reserve Fund	98510815 Redemption Fund	98510817 389-1502 Cost of Issuance	RDA 389-1503 Acquisition Fund	TOTAL All Accounts
	BALANCE	6.76	0.32	0.00	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	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	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	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	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	0.00	477,081.67	0.00	(0.00)	0.00	477,082.34
12/31/2014	Interest					6.28				6.28
	Interfund transfer			477,082.34		(477,082.34)				0.00
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	Proceeds of Debt			5,677,847.04						5,677,847.04
	BALANCE	0.34	0.33	6,154,929.38	0.00	5.61	0.00	(0.00)	0.00	6,154,935.66
1/31/2015	Interest	99,929.38				4.61				99,933.99
	Interfund transfer		(0.33)	(6,154,929.38)	6,055,000.00	(10.22)				(99,939.93)
	Debt Service from City of Hemet									0.00
	Debt Service Pmt	(99,929.72)								(99,929.72)
	Redemption Acct				(6,055,000.00)					(6,055,000.00)
	BALANCE	0.00	0.00	0.00	0.00	(0.00)	0.00	(0.00)	0.00	0.00
	First American Treas Oblig CL D Corp Tr		0.00							0.00
	LAIF/RDA		0.00							0.00
			<u>0.00</u>							0.00

CITY OF HEMET SUCCESSOR AGENCY to
former HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK
2002 TAX ALLOCATION BONDS/RDA

Date	Activity	98510818 496-1504 Interest Fund	98510819 Principal Fund	98510821 Escrow Fund	98510822 Redemption Fund	98510816 496-1506 Reserve Fund	98510815 Redemption Fund	98510817 389-1502 Cost of Issuance	RDA 389-1503 Acquisition Fund	TOTAL All Accounts
	BALANCE	6.76	0.32	0.00	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	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	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	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	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	0.00	477,081.67	0.00	(0.00)	0.00	477,082.34
12/31/2014	Interest					6.28				6.28
	Interfund transfer			477,082.34		(477,082.34)				0.00
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	Proceeds of Debt			5,677,847.04						5,677,847.04
	BALANCE	0.34	0.33	6,154,929.38	0.00	5.61	0.00	(0.00)	0.00	6,154,935.66

Revised
Dec 14
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CITY OF HEMET SUCCESSOR AGENCY to
former HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK and LAIF
1999 TAX ALLOCATION BONDS/RDA

Date	Activity	98510810	98510811	98510820	98510812	98510813	98510814	98510815	RDA	TOTAL All Accounts
		496-1502 Interest Fund	Principal Fund	Escrow Fund	Sinking Fund	496-1503 Reserve Fund	Redemption Fund	390-1502 Cost of Issuance	390-1503 Acquisition Fund	
	BALANCE	8.36	0.66	0.00	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	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	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	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	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	0.00	607,194.86	0.00	0.00	(0.00)	607,195.90
12/31/2014	Interest					8.00				8.00
	Interfund transfer			607,195.90		(607,195.90)				0.00
	Debt Service from City of Hemet									0.00
	Debt Service Payment									0.00
	Proceeds of Debt			5,790,768.04						5,790,768.04
	BALANCE	0.35	0.69	6,397,963.94	0.00	6.96	0.00	0.00	(0.00)	6,397,971.94



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: March 10, 2015

RE: Warrant Register

The City of Hemet's warrant register dated February 19, 2015 in the amount of \$723,171.07 is currently posted on the City's website in the Finance Department section, under *Financial Information*. Payroll for the period of February 2, 2015 to February 15, 2015 was \$569,673.71.

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,

A handwritten signature in cursive script that reads 'Jessica A. Hurst'.

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 Krupa and City Council
 FROM: Wally Hill, City Manager *Wally Hill*
 DATE: March 10, 2015
 SUBJECT: Real Property Purchase Offer Acceptance Authority

RECOMMENDATION:

Authorize the City Manager to accept any offers to purchase City property that are at or above 90% of the appraised value, if a response to the seller is required before the next Council meeting.

BACKGROUND and DISCUSSION:

On February 24, the City Council discussed the status of proposed real property sales and active sales negotiations. In those discussions, it became evident that the City was unable to effectively respond to offers for purchase of City-owned property if each offer must be presented to the City Council directly on their scheduled Council meeting dates.

In order to be able to respond within the real estate industry standard of 72 hours for acceptance, rejections or counter-proposal(s) of a purchase offer received by the City, it is recommended that the City Council bestow authority on the City Manager to consider acceptance of offers at, or above 90% of appraised value to expedite potential sales and allow the City Manager to respond accordingly to such offers.

CONCLUSION:

That the City Council authorize the City Manager to accept any offers to purchase City property that are at or above 90% of the appraised value, if a response to the seller is required before the next Council meeting.

Respectfully Requested,

Wally Hill

 Wally Hill
 City Manager

Prepared By:

John Jansons

 John Jansons
 Director of Community Investment

#15



**CITY OF HEMET
Hemet, California
ORDINANCE BILL NO. 15-008**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
HEMET, CALIFORNIA, AMENDING CHAPTER 34, ARTICLE IV
(SMOKING IN PUBLIC AREAS AND PLACES OF
EMPLOYMENT) OF THE HEMET MUNICIPAL CODE .**

WHEREAS, Chapter 34, Article IV of the Hemet Municipal Code prohibits smoking in places of employment and in enclosed public places; and,

WHEREAS, the provisions of Chapter 34, Article IV predate the adoption of California Labor Code section 6404.5, which banned smoking in enclosed places of employment with certain exceptions and expressly preempted local ordinances doing the same; and,

WHEREAS, the City Council desires to amend Chapter 34, Article IV of the Hemet Municipal Code to be consistent with Labor Code section 6404.5; and,

WHEREAS, due to the extraordinary health risks presented by secondhand smoke, the City Council also desires to amend Chapter 34, Article IV of the Hemet Municipal Code to restrict smoking in public parks and other unenclosed public places.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HEMET DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION 1: Amendment of Chapter 34, Article IV of the Hemet Municipal Code.

Chapter 34, Article IV (Smoking in Public Areas and Places of Employment) is amended to read as shown in Exhibit "A" to this Ordinance.

SECTION 2: SEVERABILITY.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of

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any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 3: EFFECTIVE DATE.

This Ordinance shall take effect thirty (30) days from its passage by the City Council of the City of Hemet.

SECTION 4: PUBLICATION.

The City Clerk is authorized and directed to cause this Ordinance to be published within fifteen (15) days after its passage in a newspaper of general circulation and circulated within the City in accordance with Government Code Section 36933(a) or, to cause this Ordinance to be published in the manner required by law using the alternative summary and pasting procedure authorized under Government Code Section 39633(c).

INTRODUCED at the regular meeting of Hemet City Council on February 24, 2015.

APPROVED AND ADOPTED this 10th day of March 2015.

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 Ordinance was introduced and first read on the 24th day of February 2015,
6 and had its second reading at the regular meeting of the Hemet City Council on the 10th
7 day of March 2015, and was passed by the following vote:

8 **AYES:**

9 **NOES:**

10 **ABSTAIN:**

11 **ABSENT:**

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13 _____
14 Sarah McComas, City Clerk

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EXHIBIT "A"

ARTICLE IV. SMOKING IN PUBLIC PLACES

- 34-91. Purpose and Findings
- 34-92. Definitions
- 34-93. Smoking Near Enclosed Areas
- 34-94. Smoking in Unenclosed Areas
- 34-95. Smoking in Enclosed Common Areas of Multifamily Housing
- 34-96. Signage
- 34-97. Penalties and Enforcement

34-91. Purpose and Findings

A. Purpose: The purposes of this article are to:

1. Protect the public health, safety, and general welfare by prohibiting smoking in public places and in the interior common areas of multi-family residential housing under circumstances where one or more persons will be exposed to secondhand smoke;
2. Ensure a cleaner and more hygienic environment for the city, its residents, its guests, and its natural resources;
3. Strike a reasonable balance between the needs of persons who smoke and the needs of nonsmokers, including children, to breathe smoke free air, by recognizing the threat to public health and the environment that smoking causes, and by acknowledging that, when these needs conflict, the need to breathe smoke free air must prevail; and
4. Recognize the right of city residents, workers, and visitors to be free from unwelcome secondhand smoke.
5. Impose restrictions on smoking that supplement and are consistent with the prohibition on smoking in enclosed places of employment in California Labor Code section 6404.5.

B. Findings: The city council hereby finds, determines, and declares that:

1. It is estimated that only fifteen percent (15%) of a cigarette's smoke is inhaled by the smoker, while eighty five percent (85%) is released into the air for others to breathe;
2. Extensive medical and scientific research confirms that tobacco smoke is harmful to smokers and nonsmokers alike, triggering eye, nose, throat, and sinus irritation; hastening lung disease, including emphysema; and causing heart disease and lung cancer;
3. In 1992, the United States surgeon general reported that involuntary smoking by inhaling secondhand smoke (also called "environmental tobacco smoke") can cause lung cancer in healthy nonsmokers and poses a significant public health hazard;
4. In 2006, the United States surgeon general concluded that a risk free level of exposure to secondhand smoke does not exist, and neither separating smokers from nonsmokers nor installing ventilation systems effectively eliminates secondhand smoke;

5. The United States environmental protection agency ("U.S. EPA") has classified secondhand smoke as a group A carcinogen, the most dangerous class of carcinogen;
6. The United States centers for disease control and prevention ("CDC") has concluded that secondhand smoke contains approximately seventy (70) cancer causing chemicals;
7. The CDC has concluded that secondhand smoke causes approximately three thousand (3,000) lung cancer deaths per year among adult nonsmokers in the United States, and that even brief exposure can damage cells in ways that set the cancer process in motion;
8. The CDC has found that secondhand smoke causes children to suffer from lower respiratory tract illness, such as bronchitis and pneumonia; exacerbates childhood asthma; and increases the risk of acute chronic middle ear infections in children;
9. The California environmental protection agency has concluded that secondhand smoke causes coronary heart disease in nonsmokers;
10. The California air resources board has put secondhand smoke in the same category as the most toxic automotive and industrial air pollutants by categorizing it as a toxic air contaminant for which no safe level of exposure exists;
11. Secondhand smoke is especially hazardous to particular groups, including those with chronic health problems, the elderly, and children;
12. Inside buildings, tobacco smoke contributes significantly to indoor air pollution;
13. The aesthetic impacts and odors of secondhand smoke pose a nuisance and annoyance to nonsmokers when in close proximity to people who are smoking;
14. Smoking in parks or recreational facilities endangers children and other users by exposing them to secondhand smoke;
15. In outdoor dining areas; outdoor service areas; outdoor gathering and event areas; enclosed common areas of multi-unit residential housing complexes; in proximity to entrances/exits, windows, and vents of buildings open to the public, smoking endangers the health of nonsmokers who are in the same area;
16. Neither the United States constitution nor the California constitution gives a person a constitutional right to smoke;
17. The consumption of controlled substances in certain enclosed and unenclosed areas of the city poses a risk to the health, safety, and welfare of the public, including, but not limited to, in many of the same manners as the consumption of tobacco products.

34-92. Definitions

A. "*Business*" means any sole proprietorship, partnership, joint venture, corporation, association, or other entity formed for profit-making purposes.

B. "*City property*" means, for the purposes of this chapter, property owned or controlled by the City, including those areas that a business has the use of, with or without the benefit of an encroachment permit.

C. "*Common areas*" means any area of a multifamily housing complex accessible to and usable by the residents of one or more unit, including but not limited to, hallways, enclosed stairwells, lobby areas, elevators, laundry rooms, enclosed common cooking areas, playrooms, fitness rooms, swimming pools, and parking areas.

D. *“Electronic smoking device”* means an electronic or battery-operated device that delivers vapors for inhalation. This term shall include every variation and type of such devices whether they are manufactured, distributed, marketed or sold as an electronic pipe, an electronic hookah, or any other product name or descriptor.

E. *“Enclosed area”* means an area in which outside air cannot circulate freely to all parts of the area, and includes an area that has:

1. Any type of overhead cover whether or not that cover includes vents or other openings and at least three walls or other vertical constraint to airflow including, but not limited to, vegetation of any height whether or not those boundaries include vents or other openings; or
2. Four walls or other vertical constraints to airflow including, but not limited to, vegetation that exceeds six feet in height whether or not those boundaries include vents or other openings.

F. *“Marijuana”* shall have the same definition as set forth in the “California Uniform Controlled Substances Act” (contained within California Health & Safety Code Sections 11000 et seq.).

G. *“Multifamily Housing Complex”* means a residential premises that contains two (2) or more dwelling units, including but not limited to apartments, condominiums, duplexes, and mobile home parks.

H. *“Outdoor dining area”* means any unenclosed area located on private property, public property, or a combination of both private and public property, which is available to or customarily used by the general public or employees, and which is designed, established, or regularly used for consuming food or drink.

I. *“Outdoor public event”* means any publicly or privately owned unenclosed area, including, but not limited to streets, highways, alleys, rights-of-way, parkways, sidewalks, parking lots or pathways, open to the general public for a public event, regardless of any fee or age requirement. The term “outdoor public event” also includes, but is not limited to, a farmers’ market, parade, craft fair, festival, concert, play, or any other event open to the general public.

J. *“Outdoor recreational area”* means any publicly or privately owned unenclosed area that is open to the general public for recreational purposes, regardless of any fee or age requirement. The term “outdoor recreational area” also includes, but is not limited to, parks, picnic areas, playgrounds, sports fields, walking paths, gardens, hiking trails, bike paths, riding trails, swimming pools, roller- and ice-skating rinks, skateboard parks, and amusement parks.

K. *“Outdoor service area”* means any publicly or privately owned unenclosed area, including, but not limited to, streets, highways, alleys, rights-of-way, parkways, sidewalks, parking lots or pathways, designed to be used or is regularly used by one or more persons to receive a service, wait to receive a service or to make a transaction, whether or not such service or transaction includes the exchange of money. The term “outdoor service area” also includes, but is not limited to, areas at and adjacent to information kiosks, automated teller machines (ATMs), ticket lines, bus stops or shelters, mobile vendor lines or cab stands.

L. *“Smoking”* means possessing a lighted tobacco product, lighted tobacco paraphernalia, lighted marijuana, or any other lighted weed or plant (including but not limited to, a lighted pipe, lighted hookah pipe, lighted cigar, lighted cigarette of any kind), an electronic smoking device of any kind, or the lighting or emitting or exhaling the smoke or vapor of a tobacco product, tobacco paraphernalia, marijuana product, or

any other weed or plant (including but not limited to, a pipe, a hookah pipe, cigar, marijuana product, electronic cigarette or cigarette of any kind).

M. "*Unenclosed area*" means an area in which outside air can circulate freely to all parts of the area, and includes an area that has:

1. Any type of overhead cover, and no more than two walls or other vertical constraint to airflow including, but not limited to, vegetation of any height; or
2. No more than three walls or other vertical constraint to airflow including, but not limited to, vegetation of any height, and which has no overhead cover of any type.

34-93. Smoking Near Enclosed Areas

A. Prohibition. Smoking is prohibited within twenty five (25) feet of any doorway, window, opening, crack or vent of an enclosed area where smoking is prohibited by this code or by provisions of state or federal law, including but not limited to California Labor Code section 6404.5.

B. Exceptions. Notwithstanding the foregoing, this section does not prohibit the following:

1. Smoking in enclosed or unenclosed areas of private residential property.
2. Smoking while passing by an enclosed area where smoking is prohibited on the way to another destination.

34-94. Smoking In Unenclosed Areas

A. Prohibition. Smoking is prohibited in the following unenclosed areas:

1. City property;
2. Outdoor public events;
3. Outdoor recreational areas;
4. Outdoor service areas;
5. Outdoor dining areas.

B. Exceptions. Notwithstanding the foregoing, this section does not prohibit the following:

1. Smoking in enclosed or unenclosed areas of private residential property.
2. Smoking while passing by an unenclosed area where smoking is prohibited on the way to another destination.

34-95. Smoking in Enclosed Common Areas of Multifamily Housing

Smoking is prohibited in enclosed common areas of multifamily housing complexes.

34-96. Signage

"No Smoking" or "Smoke Free" signs, with letters of not less than one (1) inch in height, or the international "No Smoking" symbol (a pictorial representation of a burning cigarette enclosed in a red circle with a red bar across it), or any alternative signage

approved by the city manager, shall be conspicuously posted by the person, employer, business, or nonprofit entity who or which has legal or de facto control of any area in which smoking is prohibited by this article. The city manager or his or her designee shall post signs at each entrance to City property in which smoking is prohibited by this article. The absence of signage as required by this section shall not be a defense to a charge of smoking in violation of any provision of this article.

34-97. Penalties and Enforcement

- A. The remedies provided by this article are cumulative and in addition to any other remedies available at law or in equity.
- B. Each violation of this article is punishable in accordance with Section 1-8 of this code.
- C. The city prosecutor, city attorney, any peace officer, any city code enforcement officer, or any other city official designated by the city manager may enforce this article.
- C. Causing, permitting, aiding, abetting, or concealing a violation of any provision of this article shall also constitute a violation of this article.
- D. Any violation of this article is hereby declared to be a nuisance.
- E. Except as otherwise provided, enforcement of this chapter is at the sole discretion of the City. Nothing in this chapter shall create a right of action in any person against the City or its agents to compel public enforcement of this chapter against private parties.



AGENDA # 16

Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager; *Wally Hill*
Habib Motlagh, City Engineer; *H*

DATE: March 10, 2015

RE: Award of Bid for the Citywide Emergency Preemption (EVP) Installation
C.I.P. No. 5608

RECOMMENDED ACTION:

That the City Council award the contract to the lowest, responsive bidder, Pro Tech Engineering Corporation for the Citywide Emergency Preemption (EVP) Installation CIP 5608 in the amount of \$168,800 and reject all other bids;

1. Authorize the City Manager to enter into an installation contract for the improvements;
2. Authorize the Deputy City Manager to record a supplemental appropriation in the amount of \$2,600 from the Street DIF to cover the unbudgeted portion of the project;
3. Establish budget in the amount of \$168,800 in DIF Fund No. 329-5608-5500 for the cost of installation, \$9,800 in DIF Fund 329-5608-2710, various accounts, for salaries and benefits being the cost of design engineering, construction management, administration, construction engineering and inspection. Total cost of the project is estimated to be \$178,600.

BACKGROUND:

The City of Hemet receives DIF funds annually to pay for safety improvement with the improvements to local streets and road projects. The Emergency Vehicle Preemption (EVP) systems will outfit the remaining 12 traffic signal systems owned and operated by the City of Hemet to improve emergency vehicle response time and safety for the emergency related vehicles. In addition, staff coordinated with AMR Ambulance to confirm the compatibility with their vehicle emitter systems. The project was approved in the City's 5 Year CIP. (See attached Exhibit "A")

PROJECT DESCRIPTION:

The project will primarily consist of the installation of new Emergency Vehicle Preemption, (EVP), detector system to the existing traffic signal systems at (12) intersections throughout the City of Hemet and allow for the rewiring of (5) of the older traffic signal systems. (See Exhibit "B" Citywide Map of Traffic Signals)

ANALYSIS:

On January 29, 2015 the Purchasing offices received three (3), responsive, sealed bids, with the three lowest shown below; (See attached Exhibit "B" for Bid Results).

Pro Tech Engineering Corporation of Anaheim, CA	\$ 168,800
Macadee Electrical Construction, Inc. of Chino, CA	\$ 175,412
Flatiron Electric Group, Inc. of Chino, CA	\$ 213,965

COORDINATION & REVIEW:

The project 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.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The project is categorically exempt from CEQA under section 15301 (c) existing highways and streets for traffic signals rehabilitation.

FISCAL IMPACT:

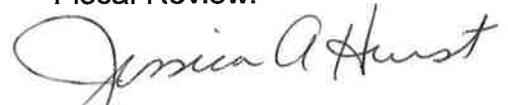
No General Fund Impact. The construction of the project, inspection and project administration will be funded by Streets DIF329 for a total estimated cost of \$176,800.

Respectfully submitted,



Victor Monz, P.E.
Principal Engineer

Fiscal Review:



Jessica Hurst
Deputy CM/Admin. Services
Director

Attachment(s): Exhibit "A" 5 Year CIP
Exhibit "B" Citywide Plan of Traffic Signals
Exhibit "C" Bid Results

EXHIBIT "A"

Capital Improvement Plan Project Details	<i>Project No.</i> <i>Title:</i> Traffic Signals Retrofit <i>Category:</i> Improvement <i>Priority:</i> <i>Department</i> Public Safety	
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Project Description

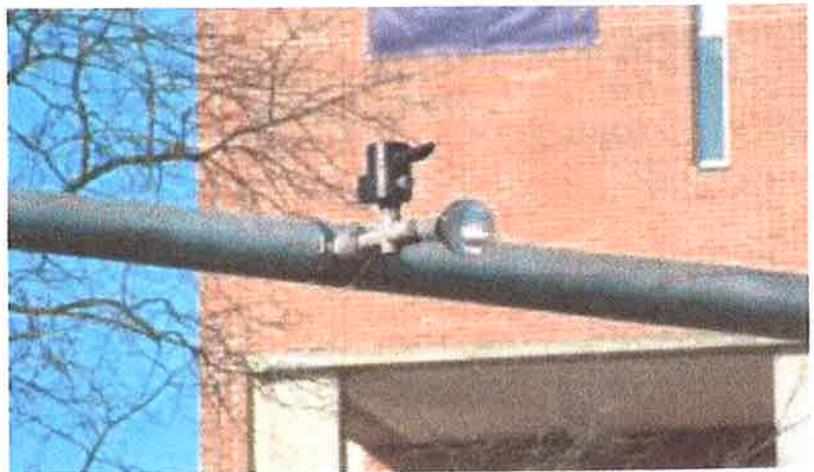
Retrofit eleven (11) existing City-owned traffic signals with emergency vehicles pre-empting devices

Justification/Requirement for project:

Police and Fire services will be able to reach their destination in a safer and faster way.

Consequences of Not Completing Project:

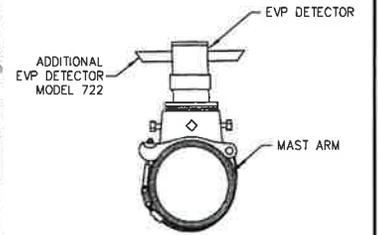
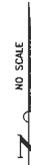
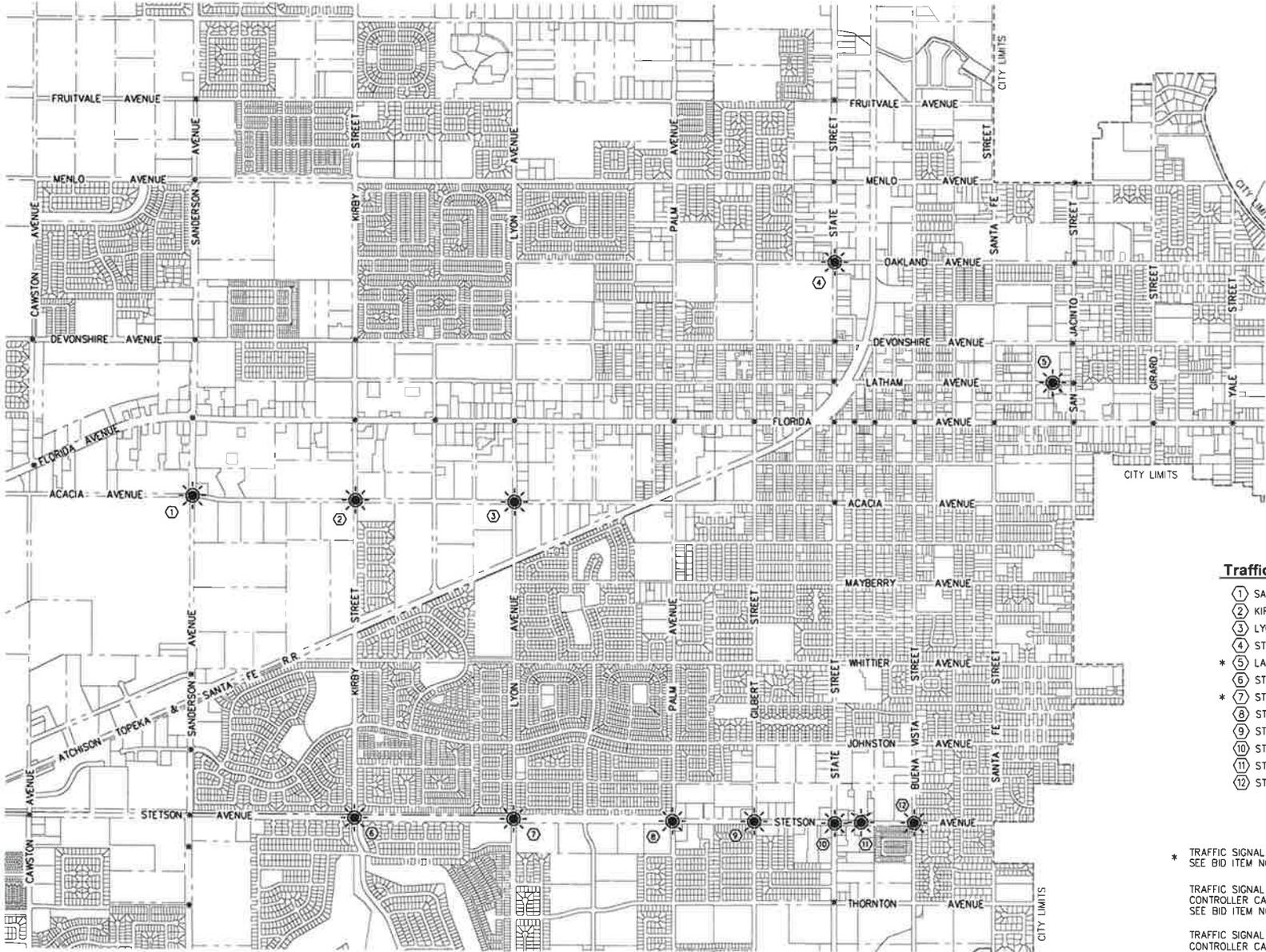
Delay in emergency responses.



	Budget	Fiscal Year					Total
		2014-15	2015-16	2016-17	2017-18	2018-19	
Funding Sources							
329 DIF - Streets	176,000	176,000					176,000
Measure A							0
Grant							0
Other							0
Total Funding Sources	\$176,000	\$176,000	\$0	\$0	\$0	\$0	\$176,000
Project Items							
Design/Engrg.							0
Acquisitions	176,000	176,000					176,000
Administration							0
Installation							0
Inspection							0
O & M							0
Other							0
Total Project Items	\$176,000	\$176,000	\$0	\$0	\$0	\$0	\$176,000

EXHIBIT "B"

Citywide E.V.P. Installations
C.I.P. No. 5608



3M OPTICOM MODEL 721 (ONE WAY) & 722 (TWO WAY)
**Emergency Vehicle Preemption (EVP)
Detector Mounting Detail**
NO SCALE

Traffic Signals - E.V.P. Installations

- ① SANDERSON AVENUE & ACACIA AVENUE
- ② KIRBY STREET & ACACIA AVENUE
- ③ LYON AVENUE & ACACIA AVENUE
- ④ STATE STREET & OAKLAND AVENUE
- * ⑤ LATHAM AVENUE & HOSPITAL MID-BLOCK
- * ⑥ STETSON AVENUE & KIRBY STREET
- * ⑦ STETSON AVENUE & LYON AVENUE
- ⑧ STETSON AVENUE & PALM AVENUE
- ⑨ STETSON AVENUE & GILBERT STREET
- ⑩ STETSON AVENUE & STATE STREET
- ⑪ STETSON AVENUE & SHOPPING CENTER
- ⑫ STETSON AVENUE & BUENA VISTA STREET

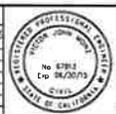
* TRAFFIC SIGNAL WITH 170 CONTROLLER CABINET.
SEE BID ITEM NO. 4

TRAFFIC SIGNAL TO BE INSTALLED WITH EVP CABLE WIRING FROM CONTROLLER CABINET TO EVP DETECTOR, TO BE DETERMINED.
SEE BID ITEM NO. 5

TRAFFIC SIGNAL TO BE INSTALLED WITH EVP CABLE WIRING FROM CONTROLLER CABINET TO EVP DETECTOR AND RE-WIRING THE ENTIRE TRAFFIC SIGNAL SYSTEM, TO BE DETERMINED.
SEE BID ITEM NO. 6

Underground Service Alert
Call: TOLL FREE
1-800
227-2600
TWO WORKING DAYS BEFORE YOU DIG

REVISIONS			APPROVED
NO.	DATE	BY	
DESIGNED BY	DHM	DRAWN BY	DHM
CHECKED BY	VJM		



PREPARED UNDER THE SUPERVISION OF
VICTOR J. MCZY
CITY OF HEMET, PUBLIC WORKS DEPT.
PRINCIPAL ENGINEER

DATE: N/A BENCHMARK: N/A

SCALE: N/A

DATE: 10/08/14



City of Hemet
ENGINEERING DIVISION
188 E. FLORIDA AVENUE
HEMET, CA 93843
(851) 765-7500

CITY OF HEMET
C.I.P. No. 5608
Citywide E.V.P. Installations

City of Hemet - Engineering Division

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Citywide Emergency Vehicle Preemption (EVP) Installations
CIP 5608**EXHIBIT "C"**

Bid Opening Date: January 29, 2015

Time: 2:00 P.M.

<u>Item No. & Description</u>	<u>Unit</u>	<u>Quantity</u>	Pro Tech Engineering Corporation		Macadee Electrical Construction, Inc.		Flatiron Electric Group, Inc.	
			<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>
1. Mobilization/demobilization	L.S.	1	\$ 5,000.00	\$ 5,000.00	\$ 8,771.00	\$ 8,771.00	\$ 20,000.00	\$ 20,000.00
2. F/I Opticom Detector	EA.	23	\$ 1,850.00	\$ 42,550.00	\$ 1,298.00	\$ 29,854.00	\$ 910.00	\$ 20,930.00
3. Equip. ex. Cabinet 2100	EA.	10	\$ 5,000.00	\$ 50,000.00	\$ 5,234.00	\$ 52,340.00	\$ 4,890.00	\$ 48,900.00
4. Equip. ex. Cabinet 170	EA.	2	\$ 4,900.00	\$ 9,800.00	\$ 5,234.00	\$ 10,468.00	\$ 4,375.00	\$ 8,750.00
5. F/I cable, controller to EVP	EA.	6	\$ 500.00	\$ 3,000.00	\$ 900.00	\$ 5,400.00	\$ 5,785.00	\$ 34,710.00
6. F/I cable, entire T.S. system	EA.	5	\$ 8,500.00	\$ 42,500.00	\$ 11,398.00	\$ 56,990.00	\$ 13,135.00	\$ 65,675.00
7. Test & certify all systems	L.S.	1	\$ 10,950.00	\$ 10,950.00	\$ 10,072.00	\$ 10,072.00	\$ 10,000.00	\$ 10,000.00
8. Traffic Control Plan	L.S.	1	\$ 5,000.00	\$ 5,000.00	\$ 1,517.00	\$ 1,517.00	\$ 5,000.00	\$ 5,000.00
TOTAL BID AMOUNT				\$ 168,800.00		\$ 175,412.00		\$ 213,965.00



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*
Habib Motlagh, City Engineer;

DATE: March 10, 2015

RE: Award of Bid for the Citywide Police and Fire Vehicle Emitter Installation
Opticom Activation - C.I.P. No. 5609

RECOMMENDED ACTION:

That the City Council award the contract to one and only, responsive bidder, DDL Traffic, Inc. for the Citywide Police and Fire Vehicle Emitter Installation CIP 5609 in the amount of \$81,900;

1. Authorize the City Manager to enter into an installation contract for the improvements;
2. Authorize the Deputy City Manager to record a supplemental appropriation of \$14,500 from the Street DIF Fund to cover the unbudgeted portion of the project, as this project is one component of the Emergency Vehicle Preemption system of the City's Traffic Signals;
3. Budget \$6,000 from the Fire DIF Fund 332-5032-5300 and \$67,500 from the Capital Projects Fund 370-3100-5400 were established through the 5 Year CIP in FY 14/15. The supplemental appropriation \$14,500 is needed from the Street DIF Fund 329-5609 to cover the cost of installation for the cost of design engineering, administration, inspection and contingencies. Total cost of the project is estimated to be \$88,000.

BACKGROUND:

The City of Hemet receives DIF funds annually to pay for safety improvement covering (4) Fire Department Vehicle and the remaining costs from the General Fund will cover the (45) Police Department Vehicles. The project was included in the approved 5 Year Capital Improvement Program for 2014/2015 at a cost of \$73,500 and a supplemental appropriation is necessary to cover the additional competitive bid price in the amount of \$14,500. (See Exhibit "A" 2014/2015 -5 Year CIP Approved by City Council)

PROJECT DESCRIPTION:

The project will primarily consist of installation of new infrared system LED Emitters on existing police and fire vehicles that are compatible with all the owned and operated traffic signal systems throughout the City of Hemet. Project Design Team meetings were held by staff from the Police Department, Engineering and Facilities Maintenance to coordinate the proper equipment and scheduling of installation.

ANALYSIS:

On January 29, 2015 the Purchasing Offices received one (1), responsive, sealed bid. (See Exhibit "B" Bid Result)

DDL Traffic, Inc. of Chino, CA

\$ 81,900

COORDINATION & REVIEW:

The project 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.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The project is categorically exempt from CEQA under section 15301 (c) existing highways and streets for traffic signals rehabilitation.

FISCAL IMPACT:

Budget of \$73,500 has been established in the existing 5 Year CIP FY14/15 Budget. A supplemental appropriation of \$14,500 is needed in Fund 329 to cover the difference of the estimated budget and the actual bid price received.

Respectfully submitted,



Victor Monz, P.E.
Principal Engineer

Fiscal Review:



Jessica Hurst
Deputy CM/Admin. Services
Director

City of Hemet - Engineering Division

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Citywide Police and Fire Vehicle Emitter Installations
CIP 5609

EXHIBIT "B"

Bid Opening Date: January 29, 2015

Time: 2:30 P.M.

DDL Traffic , Inc.				
<u>Item No. & Description</u>	<u>Unit</u>	<u>Quantity</u>	<u>Unit Bid</u>	<u>Total Bid</u>
1. Mobilization/demobilization	L.S.	1	\$ 3,500.00	\$ 3,500.00
2. F/I Emitter on Police vehicles	EA.	45	\$ 1,500.00	\$ 67,500.00
3. F/I Emitter on Fire vehicles	EA.	4	\$ 1,500.00	\$ 6,000.00
4. Test & certify all Emitters	L.S.	1	\$ 4,900.00	\$ 4,900.00
TOTAL BID AMOUNT				\$ 81,900.00

EXHIBIT "A"

Capital Improvement Plan Project Details	<i>Project No.</i> Title: Emitters for Opticom Activation <i>Category:</i> Priority: High <i>Department:</i> Police & Fire						
Project Description							
To fit four (4) Fire Department units and forty five (45) Police Department units with emitters.							
Justification/Requirement for project: Police and Fire services will be able to reach their destination in a safer and faster way. These vehicle-mounted devices allow emergency units to turn traffic signals to "green", providing a safer and faster responses.							
Consequences of Not Completing Project: Delay in emergency responses.							
							
	Budget	Fiscal Year					
		2014-15	2015-16	2016-17	2017-18	2018-19	Total
Funding Sources							
332	DIF-Fire	6,000	6,000				6,000
	Measure A						0
	General Fund	67,500	67,500				67,500
	Grant						0
	Other						0
Total Funding Sources		\$73,500	\$73,500	\$0	\$0	\$0	\$73,500
Project Items							
	Design/Engrg.						0
	Acquisitions	61,250	61,250				61,250
	Installation	12,250	12,250				12,250
	Administration						0
	Construction						0
	Contingency						0
	Other						0
Total Project Items		\$73,500	\$73,500	\$0	\$0	\$0	\$73,500



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Mr. Wally Hill, City Manager, *Wally Hill*
Habib Motlagh, City Engineer; *Habib Motlagh*

DATE: March 10, 2015

RE: Reject all Bids Received for the "Fire Station No. 5 – Site Improvements"
CIP No. 5610

RECOMMENDED ACTION:

That the City Council rejects all bids received on January 13, 2015 for "Fire Station No. 5 – Site Improvements", City Project No. 5610;

Authorize the City Manager to relieve "Allied Erosion Specialists" of forfeiture of their 10% bid bond;

Authorize the City Manager to direct staff to re-bid the project for the improvements;

BACKGROUND:

Sealed bids were received on January 13, 2015 for "Fire Station No. 5 – Site Improvements" to improve the drainage onto and off of the site where Fire Station No. 5 was constructed. The original project included filling areas of the site to construct the driveway access and building pads for the temporary structures consisting of a station garage for fire vehicles and living quarters for staff. The apparent low bidder, Allied Erosion Specialists of Hemet (Allied), contacted staff on January 14, 2015 and requested relief from the City to withdraw their bid due to a mathematical error and not be penalized by claiming against their bid bond. City staff met with the owners and their sub-contractors where Allied proved their mathematical error in extending their unit prices, thus resulting in a total bid 60% below the second bidder. The Public Contract Code allows the Agency to relieve contractors who have made mathematical errors in extending unit prices resulting in a bid where the contractor is unable to perform the intended work for the mistaken price. In addition, Allied neglected to name their sub-contractors in their bid documents, which is a violation of the Public Contract Code precluding "bid shopping" by contractors after being awarded a public contract.

PROJECT DESCRIPTION:

The site improvement project will be re-designed with changes to reflect additional water run-off management, retaining walls along the north property limits, curb and gutter along a portion of Hemet Street and earthen swales onsite to manage water run-off and potential alterations for the intended reuse as a Fire Station as was recently decided by the City of Hemet. (See attached Exhibit "A")

ANALYSIS:

On Tuesday, January 13, 2015 the Purchasing offices received nine (9), responsive, sealed bids, with the three lowest shown below; (See attached Exhibit "B" Bid Results).

Allied Erosion Specialists of Hemet, CA	\$ 112,076
Cooley Construction of Hesperia, CA	\$ 179,977
Wheeler Paving, Inc. of Riverside, CA	\$ 180,305

COORDINATION & REVIEW:

The project 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.

FISCAL IMPACT:

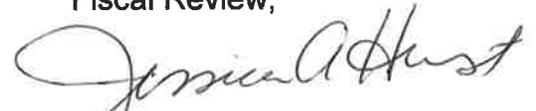
No General Fund Impact. Funding for this project is available from the Fire DIF, however at this time no contract work will be underway nor budget established.

Respectfully submitted,



Victor Monz
Principal Engineer

Fiscal Review,



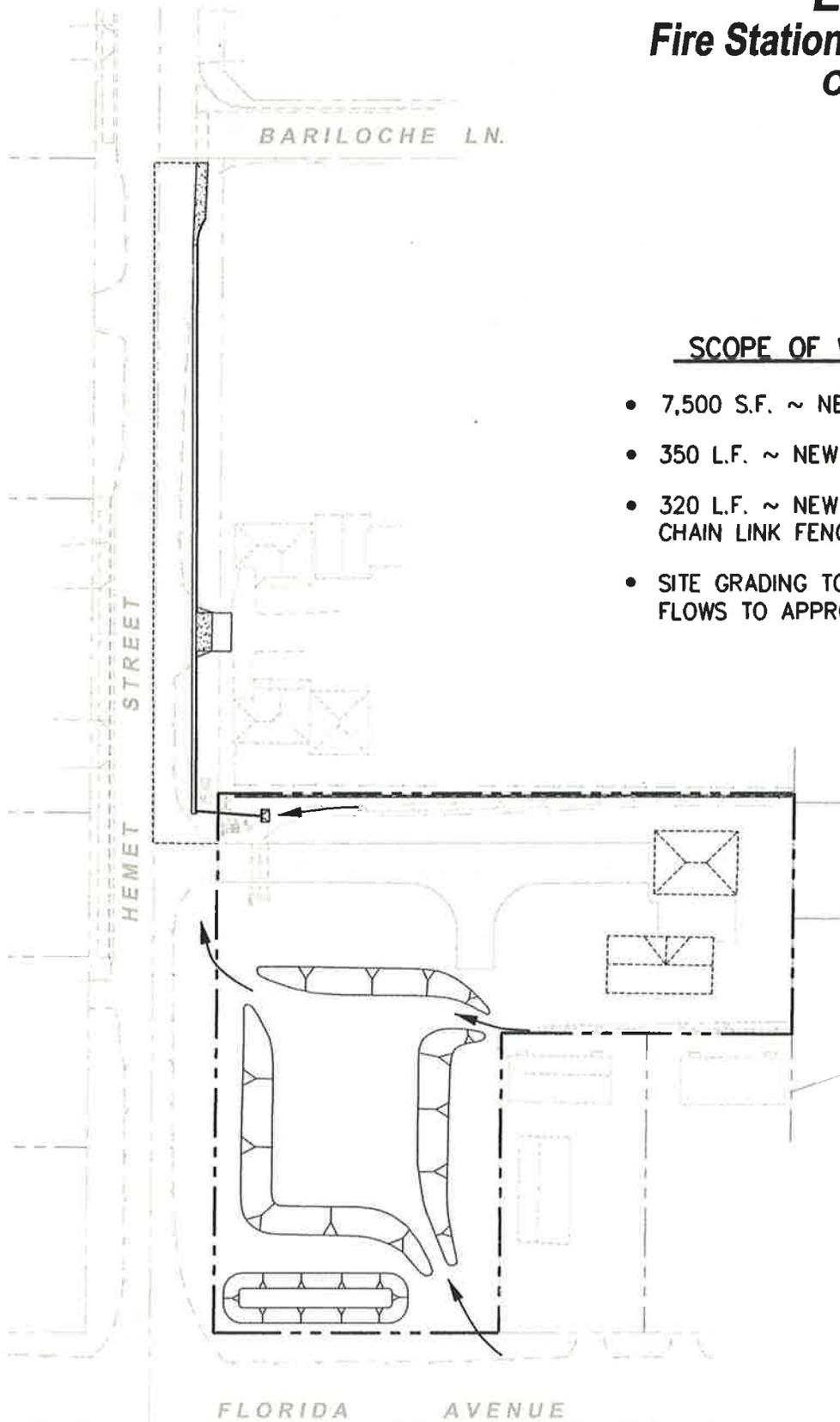
Jessica Hurst
Deputy CM/Admin. Services
Director

Attachment(s): Exhibit "A" Plan View
Exhibit "B" Bid Results

Exhibit "A"
Fire Station No.5 ~ Site Improvemnts
C.I.P. No. 5610

SCOPE OF WORK

- 7,500 S.F. ~ NEW PAVEMENT
- 350 L.F. ~ NEW CURB & GUTTER
- 320 L.F. ~ NEW RETAINING WALL TOPPED WITH CHAIN LINK FENCE WITH 90% PRIVACY SLATS
- SITE GRADING TO RE-DIRECT DRAINAGE FLOWS TO APPROPRIATE LOCATIONS



NO SCALE



City of Hemet
ENGINEERING DIVISION

510 E. FLORIDA AVENUE
HEMET, CA 92543
(951) 765-2360

City of Hemet - Engineering Division

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Fire Station No. 5 - Site Improvements

CIP 5610

EXHIBIT "B"

Bid Opening Date: January 13, 2015

Time: 2:00 P.M.

Sheet 1 of 3

Item No. & Description	Unit	Quantity	Allied Erosion Specialists, Inc.		Cooley Construction, Inc.		Wheeler Paving, Inc.	
			Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid
1. Mobilization/demobilization	L.S.	1	\$ 3,875.00	\$ 3,875.00	\$ 13,450.00	\$ 13,450.00	\$ 6,500.00	\$ 6,500.00
2. Sawcut ex. A.c. pavement	L.F.	500	\$ 3.00	\$ 1,500.00	\$ 2.53	\$ 1,265.00	\$ 2.40	\$ 1,200.00
3. R/D ex. a.c. pavement	S.F.	6,500	\$ 1.37	\$ 8,905.00	\$ 0.70	\$ 4,550.00	\$ 1.10	\$ 7,150.00
4. Uncl. Roadway excavation	S.F.	7,500	\$ 1.18	\$ 8,850.00	\$ 0.97	\$ 7,275.00	\$ 1.30	\$ 9,750.00
5. F/I 8" CAB	TONS	500	\$ 25.93	\$ 12,965.00	\$ 27.00	\$ 13,500.00	\$ 31.00	\$ 15,500.00
6. F/I 2" AC base	TONS	120	\$ 54.02	\$ 6,482.40	\$ 107.00	\$ 12,840.00	\$ 103.00	\$ 12,360.00
7. F/I 2" AC overlay	TONS	120	\$ 54.02	\$ 6,482.40	\$ 108.00	\$ 12,960.00	\$ 103.00	\$ 12,360.00
8. Construct 8" C&G	L.F.	350	\$ 7.27	\$ 2,544.50	\$ 28.60	\$ 10,010.00	\$ 32.00	\$ 11,200.00
9. Const. dwy approach	S.F.	250	\$ 10.63	\$ 2,657.50	\$ 14.50	\$ 3,625.00	\$ 7.50	\$ 1,875.00
10. Const. AC dwy transition	S.F.	250	\$ 10.63	\$ 2,657.50	\$ 6.80	\$ 1,700.00	\$ 8.80	\$ 2,200.00
11. Const. cross gutter	S.F.	250	\$ 32.96	\$ 8,240.00	\$ 12.00	\$ 3,000.00	\$ 8.40	\$ 2,100.00
12. Const. ret.wall w/c.l.fence	L.F.	320	\$ 68.25	\$ 21,840.00	\$ 185.00	\$ 59,200.00	\$ 130.00	\$ 41,600.00
13. R/D trees & stumps	EA.	17	\$ 200.00	\$ 3,400.00	\$ 263.00	\$ 4,471.00	\$ 870.00	\$ 14,790.00
14. R/D Irrigation line & cap	L.S.	1	\$ 500.00	\$ 500.00	\$ 2,300.00	\$ 2,300.00	\$ 3,230.00	\$ 3,230.00
15. Clrg. & Grbg. Ret Wall Ftg.	L.S.	1	\$ 500.00	\$ 500.00	\$ 2,800.00	\$ 2,800.00	\$ 1,710.00	\$ 1,710.00
16. Const. drainage swale	L.F.	750	\$ 5.33	\$ 3,997.50	\$ 3.10	\$ 2,325.00	\$ 5.10	\$ 3,825.00
17. Constr. conc. drainage inlet	EA.	1	\$ 2,000.00	\$ 2,000.00	\$ 1,100.00	\$ 1,100.00	\$ 1,940.00	\$ 1,940.00
18. F/I 3" PVC drain outlet	L.F.	125	\$ 6.40	\$ 800.00	\$ 11.90	\$ 1,487.50	\$ 19.00	\$ 2,375.00
19. Const. L.E.D.	S.F.	16,000	\$ 0.18	\$ 2,880.00	\$ 0.26	\$ 4,160.00	\$ 0.60	\$ 9,600.00
20. Regrade area site	L.S.	1	\$ 2,000.00	\$ 2,000.00	\$ 5,239.00	\$ 5,239.00	\$ 7,650.00	\$ 7,650.00
21. Const. overflow swale	L.S.	1	\$ 1,000.00	\$ 1,000.00	\$ 670.00	\$ 670.00	\$ 1,725.00	\$ 1,725.00
22. Stockpile area	L.S.	1	\$ 1,500.00	\$ 1,500.00	\$ 1,620.00	\$ 1,620.00	\$ 3,265.00	\$ 3,265.00
23. Traffic Control	L.S.	1	\$ 4,000.00	\$ 4,000.00	\$ 6,330.00	\$ 6,330.00	\$ 2,050.00	\$ 2,050.00
24. SWPPP	L.S.	1	\$ 2,500.00	\$ 2,500.00	\$ 4,100.00	\$ 4,100.00	\$ 4,350.00	\$ 4,350.00
TOTAL BID AMOUNT				\$ 112,076.80		\$ 179,977.50		\$ 180,305.00

City of Hemet - Engineering Division

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Fire Station No. 5 - Site Improvements

CIP 5610

EXHIBIT "B"

Bid Opening Date: January 13, 2015

Time: 2:00 P.M.

Sheet 2 of 3

Item No. & Description	Unit	Quantity	AToM Engineering Construction, Inc.		Dependable Grading, Inc.		Roadway Engineering & Contracting, Inc.	
			Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid
1. Mobilization/demobilization	L.S.	1	\$ 20,000.00	\$ 20,000.00	\$ 9,000.00	\$ 9,000.00	\$ 19,800.00	\$ 19,800.00
2. Sawcut ex. A.c. pavement	L.F.	500	\$ 2.00	\$ 1,000.00	\$ 1.60	\$ 800.00	\$ 1.15	\$ 575.00
3. R/D ex. a.c. pavement	S.F.	6,500	\$ 1.00	\$ 6,500.00	\$ 1.85	\$ 12,025.00	\$ 1.10	\$ 7,150.00
4. Uncl. Roadway excavation	S.F.	7,500	\$ 1.00	\$ 7,500.00	\$ 2.00	\$ 15,000.00	\$ 1.25	\$ 9,375.00
5. F/I 8" CAB	TONS	500	\$ 28.00	\$ 14,000.00	\$ 36.00	\$ 18,000.00	\$ 24.70	\$ 12,350.00
6. F/I 2" AC base	TONS	120	\$ 115.00	\$ 13,800.00	\$ 123.60	\$ 14,832.00	\$ 95.00	\$ 11,400.00
7. F/I 2" AC overlay	TONS	120	\$ 115.00	\$ 13,800.00	\$ 123.60	\$ 14,832.00	\$ 95.00	\$ 11,400.00
8. Construct 8" C&G	L.F.	350	\$ 40.00	\$ 14,000.00	\$ 30.00	\$ 10,500.00	\$ 8.00	\$ 2,800.00
9. Const. dwy approach	S.F.	250	\$ 11.00	\$ 2,750.00	\$ 18.00	\$ 4,500.00	\$ 8.00	\$ 2,000.00
10. Const. AC dwy transition	S.F.	250	\$ 16.00	\$ 4,000.00	\$ 10.00	\$ 2,500.00	\$ 10.70	\$ 2,675.00
11. Const. cross gutter	S.F.	250	\$ 6.00	\$ 1,500.00	\$ 15.20	\$ 3,800.00	\$ 8.00	\$ 2,000.00
12. Const. ret.wall w/c.l.fence	L.F.	320	\$ 140.00	\$ 44,800.00	\$ 150.00	\$ 48,000.00	\$ 167.00	\$ 53,440.00
13. R/D trees & stumps	EA.	17	\$ 180.00	\$ 3,060.00	\$ 411.00	\$ 6,987.00	\$ 240.00	\$ 4,080.00
14. R/D Irrigation line & cap	L.S.	1	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,300.00	\$ 1,300.00
15. Clrg. & Grbg. Ret Wall Ftg.	L.S.	1	\$ 2,500.00	\$ 2,500.00	\$ 3,500.00	\$ 3,500.00	\$ 4,900.00	\$ 4,900.00
16. Const. drainage swale	L.F.	750	\$ 8.00	\$ 6,000.00	\$ 4.00	\$ 3,000.00	\$ 3.50	\$ 2,625.00
17. Constr. conc. drainage inlet	EA.	1	\$ 1,700.00	\$ 1,700.00	\$ 5,500.00	\$ 5,500.00	\$ 1,800.00	\$ 1,800.00
18. F/I 3" PVC drain outlet	L.F.	125	\$ 10.00	\$ 1,250.00	\$ 11.20	\$ 1,400.00	\$ 16.25	\$ 2,031.25
19. Const. L.E.D.	S.F.	16,000	\$ 0.56	\$ 8,960.00	\$ 0.44	\$ 7,040.00	\$ 0.90	\$ 14,400.00
20. Regrade area site	L.S.	1	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00
21. Const. overflow swale	L.S.	1	\$ 2,200.00	\$ 2,200.00	\$ 5,000.00	\$ 5,000.00	\$ 9,200.00	\$ 9,200.00
22. Stockpile area	L.S.	1	\$ 2,261.00	\$ 2,261.00	\$ 5,000.00	\$ 5,000.00	\$ 2,650.00	\$ 2,650.00
23. Traffic Control	L.S.	1	\$ 4,500.00	\$ 4,500.00	\$ 2,500.00	\$ 2,500.00	\$ 4,000.00	\$ 4,000.00
24. SWPPP	L.S.	1	\$ 3,000.00	\$ 3,000.00	\$ 2,500.00	\$ 2,500.00	\$ 8,600.00	\$ 8,600.00
TOTAL BID AMOUNT				\$ 185,581.00		\$ 202,716.00		\$ 200,551.25

City of Hemet - Engineering Division

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Fire Station No. 5 - Site Improvements

CIP 5610

EXHIBIT "B"

Bid Opening Date: January 13, 2015

Time: 2:00 P.M.

Sheet 3 of 3

Item No. & Description	Unit	Quantity	PTM General		Jergensen Construction		The Richards Group	
			Engineering Services, Inc.					
			Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid
1. Mobilization/demobilization	L.S.	1	\$ 10,000.00	\$ 10,000.00	\$ 18,900.00	\$ 18,900.00	\$ 55,000.00	\$ 55,000.00
2. Sawcut ex. A.c. pavement	L.F.	500	\$ 3.50	\$ 1,750.00	\$ 3.00	\$ 1,500.00	\$ 3.00	\$ 1,500.00
3. R/D ex. a.c. pavement	S.F.	6,500	\$ 1.20	\$ 7,800.00	\$ 2.00	\$ 13,000.00	\$ 4.00	\$ 26,000.00
4. Uncl. Roadway excavation	S.F.	7,500	\$ 2.00	\$ 15,000.00	\$ 4.00	\$ 30,000.00	\$ 10.00	\$ 75,000.00
5. F/I 8" CAB	TONS	500	\$ 40.00	\$ 20,000.00	\$ 55.00	\$ 27,500.00	\$ 100.00	\$ 50,000.00
6. F/I 2" AC base	TONS	120	\$ 112.00	\$ 13,440.00	\$ 149.00	\$ 17,880.00	\$ 150.00	\$ 18,000.00
7. F/I 2" AC overlay	TONS	120	\$ 112.00	\$ 13,440.00	\$ 149.00	\$ 17,880.00	\$ 150.00	\$ 18,000.00
8. Construct 8" C&G	L.F.	350	\$ 35.00	\$ 12,250.00	\$ 40.00	\$ 14,000.00	\$ 45.00	\$ 15,750.00
9. Const. dwy approach	S.F.	250	\$ 10.00	\$ 2,500.00	\$ 20.00	\$ 5,000.00	\$ 10.00	\$ 2,500.00
10. Const. AC dwy transition	S.F.	250	\$ 10.00	\$ 2,500.00	\$ 5.12	\$ 1,280.00	\$ 10.00	\$ 2,500.00
11. Const. cross gutter	S.F.	250	\$ 18.00	\$ 4,500.00	\$ 10.00	\$ 2,500.00	\$ 10.00	\$ 2,500.00
12. Const. ret.wall w/c.l.fence	L.F.	320	\$ 190.00	\$ 60,800.00	\$ 175.00	\$ 56,000.00	\$ 200.00	\$ 64,000.00
13. R/D trees & stumps	EA.	17	\$ 350.00	\$ 5,950.00	\$ 200.00	\$ 3,400.00	\$ 200.00	\$ 3,400.00
14. R/D Irrigation line & cap	L.S.	1	\$ 5,000.00	\$ 5,000.00	\$ 1,500.00	\$ 1,500.00	\$ 4,000.00	\$ 4,000.00
15. Crg. & Grbg. Ret Wall Ftg.	L.S.	1	\$ 5,000.00	\$ 5,000.00	\$ 2,000.00	\$ 2,000.00	\$ 15,000.00	\$ 15,000.00
16. Const. drainage swale	L.F.	750	\$ 5.00	\$ 3,750.00	\$ 3.00	\$ 2,250.00	\$ 3.00	\$ 2,250.00
17. Constr. conc. drainage inlet	EA.	1	\$ 2,500.00	\$ 2,500.00	\$ 1,200.00	\$ 1,200.00	\$ 2,500.00	\$ 2,500.00
18. F/I 3" PVC drain outlet	L.F.	125	\$ 10.00	\$ 1,250.00	\$ 3.00	\$ 375.00	\$ 30.00	\$ 3,750.00
19. Const. L.E.D.	S.F.	16,000	\$ 1.50	\$ 24,000.00	\$ 1.50	\$ 24,000.00	\$ 2.85	\$ 45,600.00
20. Regrade area site	L.S.	1	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 12,000.00	\$ 12,000.00
21. Const. overflow swale	L.S.	1	\$ 3,000.00	\$ 3,000.00	\$ 1,500.00	\$ 1,500.00	\$ 5,000.00	\$ 5,000.00
22. Stockpile area	L.S.	1	\$ 3,000.00	\$ 3,000.00	\$ 2,000.00	\$ 2,000.00	\$ 5,000.00	\$ 5,000.00
23. Traffic Control	L.S.	1	\$ 7,000.00	\$ 7,000.00	\$ 4,500.00	\$ 4,500.00	\$ 9,000.00	\$ 9,000.00
24. SWPPP	L.S.	1	\$ 2,593.00	\$ 2,593.00	\$ 3,500.00	\$ 3,500.00	\$ 7,000.00	\$ 7,000.00
TOTAL BID AMOUNT				\$ 232,023.00		\$ 254,165.00		\$ 445,250.00



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager; *Wally Hill*
Kristen Jensen, Public Works Director *KJ.*

DATE: March 10, 2015

RE: Award of Bid to L.O. Lynch Quality Wells & Pumps, Inc. in the amount of \$128,381.00 for the Rehabilitation of Well 12 - Project No. 5603

RECOMMENDED ACTION:

It is respectfully recommended that the City Council:

- 1.) Award bid to L.O. Lynch Quality Wells & Pumps, Inc. of San Jacinto California, in the amount of \$128,831.00, for the Rehabilitation of Well 12, and;
- 2.) Authorize the City Manager to enter into a construction contract for the improvements; and
- 3.) Authorize the Deputy City Manager to establish Project No. 5603 and record a budget transfer in the amount of \$128,831.00 from 571-9000-2450 to project number 571-5603.

BACKGROUND:

Well 12 is one of five potable wells currently operational for the City to supply water to its residents. Regular rehabilitation is necessary to ensure maximum production and efficiency of the wells. Rehabilitation work is best performed during the cooler months when water demand is at its lowest.

Staff has budgeted for the planned rehab work for Well 12 in FY14/15. At the point that this well rehabilitation is completed, SCE has designated this site to be eligible for a one time rebate of approximately \$ 5,200 to help offset work costs. An additional \$5,000 in future annual energy cost savings is anticipated as completion of this project will qualify the site for SCE tier incentive rates.

PROJECT DESCRIPTION:

Work will primarily consist of cleaning, brushing, sonar jetting, and videoing the well casing; inspecting, servicing, and repairing column pipe, pump, and well head seal; furnishing and installing new motor, airline and sounding tubing, transducer cable conduit; and disinfecting the well. Furnishing and installing new column pipe, pump or bowls may be needed based on inspection results. No pre-bid meeting is schedule for this project. A C-57 Well Driller's State Contractor License is required for this project.

COORDINATION & REVIEW:

Public Works and Engineering staff worked closely together to prepare specifications and bid documents. Staff then worked with the Procurement Administrator for bid solicitation, coordination, and issuance of addendums to interested bidders.

On February 2, and again on February 9, 2015, a Notice Inviting Bids was circulated for Public Bidding purposes by publishing an advertisement in the Press Enterprise. On February 17, 2015, the Purchasing offices held a bid opening, at which the City received six (6) sealed bids. The abstract summary of these bids is attached to this report as "Exhibit A".

The table below reflects the three lowest, responsive, responsible bidders. Staff is recommending award of bid for the Rehabilitation of Well 12 to L.O. Lynch Quality Wells of San Jacinto, based on them being the lowest responsive, responsible bidder.

<u>Bidder</u>	<u>Amount</u>
L.O. Lynch Quality Wells of San Jacinto, CA	\$128,831
Hidden Valley Pump Systems, Inc.	\$151,711
Fain Drilling & Pump Co., Inc.	\$152,579

FISCAL IMPACT:

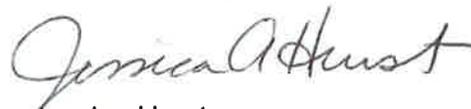
No General Fund Impact. Funding for this project is available through existing operating budgets in Water Fund 571.

Respectfully submitted,



Kris Jensen
Public Works Director

Fiscal Review,



Jessica Hurst
Deputy City Manager

City of Hemet - Engineering Division

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Well No. 12 Rehabilitation
CIP 5603

EXHIBIT "A"

Bid Opening Date: February 17, 2015

Time: 2:00 P.M.

<u>Item No. & Description</u>	<u>Unit</u>	<u>Quantity</u>	<u>L.O. Lynch Quality Wells & Pumps, Inc.</u>		<u>Hidden Valley Pump Systems, Inc.</u>		<u>Fain Drilling & Pump Co., Inc.</u>	
			<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>
1. Mobilization/demobilization	L.S.	1	\$ 4,900.00	\$ 4,900.00	\$ 13,193.00	\$ 13,193.00	\$ 6,900.00	\$ 6,900.00
2. R/R column, suction, pump & equipment	L.S.	1	\$ 11,200.00	\$ 11,200.00	\$ 24,000.00	\$ 24,000.00	\$ 21,000.00	\$ 21,000.00
3. Brush & bail 14" well casing	Hrs.	8	\$ 350.00	\$ 2,800.00	\$ 591.25	\$ 4,730.00	\$ 440.00	\$ 3,520.00
4. Sonar Jet exist. 14" casing	L.S.	1	\$ 9,000.00	\$ 9,000.00	\$ 7,270.00	\$ 7,270.00	\$ 10,830.00	\$ 10,830.00
5. F/I new pump	L.S.	1	\$ 13,195.00	\$ 13,195.00	\$ 24,687.00	\$ 24,687.00	\$ 14,136.00	\$ 14,136.00
6. F/I new motor	L.S.	1	\$ 20,023.00	\$ 20,023.00	\$ 19,503.00	\$ 19,503.00	\$ 25,326.00	\$ 25,326.00
7. F/I new column piping, I/R ex.column pipe	L.F.	410	\$ 30.00	\$ 12,300.00	\$ 24.70	\$ 10,127.00	\$ 28.00	\$ 11,480.00
8. F/I new line shaft & bearings, oil tube	L.F.	820	\$ 56.00	\$ 45,920.00	\$ 52.80	\$ 43,296.00	\$ 61.57	\$ 50,487.40
9. F/I 2-1" sch. 80 PVC pipes	L.F.	1,640	\$ 3.00	\$ 4,920.00	\$ 0.57	\$ 934.80	\$ 1.00	\$ 1,640.00
10. F/I new 1/4" airline	L.F.	820	\$ 1.40	\$ 1,148.00	\$ 1.43	\$ 1,172.60	\$ 1.95	\$ 1,599.00
11. F/I new cone strainer	EA.	1	\$ 425.00	\$ 425.00	\$ 608.00	\$ 608.00	\$ 916.50	\$ 916.50
12. Disinfect well, bacti tests	L.S.	1	\$ 1,000.00	\$ 1,000.00	\$ 500.00	\$ 500.00	\$ 2,600.00	\$ 2,600.00
13. Video Log	EA.	2	\$ 1,000.00	\$ 2,000.00	\$ 845.00	\$ 1,690.00	\$ 1,072.50	\$ 2,145.00
TOTAL BID AMOUNT				\$ 128,831.00		\$ 151,711.40		\$ 152,579.90

<u>Item No. & Description</u>	<u>Unit</u>	<u>Quantity</u>	<u>Weber Water Resources CA, LLC</u>		<u>South West Pump & Drilling, Inc.</u>		<u>Layne Christensen Company</u>	
			<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>
1. Mobilization/demobilization	L.S.	1	\$ 18,000.00	\$ 18,000.00	\$ 6,700.00	\$ 6,700.00	\$ 21,910.00	\$ 21,910.00
2. R/R column, suction, pump & equipment	L.S.	1	\$ 10,800.00	\$ 10,800.00	\$ 12,640.00	\$ 12,640.00	\$ 28,567.00	\$ 28,567.00
3. Brush & bail 14" well casing	Hrs.	8	\$ 450.00	\$ 3,600.00	\$ 330.00	\$ 2,640.00	\$ 689.00	\$ 5,512.00
4. Sonar Jet exist. 14" casing	L.S.	1	\$ 8,130.00	\$ 8,130.00	\$ 8,973.00	\$ 8,973.00	\$ 9,087.00	\$ 9,087.00
5. F/I new pump	L.S.	1	\$ 27,142.00	\$ 27,142.00	\$ 27,986.00	\$ 27,986.00	\$ 15,312.00	\$ 15,312.00
6. F/I new motor	L.S.	1	\$ 20,010.00	\$ 20,010.00	\$ 22,290.00	\$ 22,290.00	\$ 21,875.00	\$ 21,875.00
7. F/I new column piping, I/R ex.column pipe	L.F.	410	\$ 28.13	\$ 10,713.30	\$ 28.00	\$ 11,480.00	\$ 34.00	\$ 13,940.00
8. F/I new line shaft & bearings, oil tube	L.F.	820	\$ 55.20	\$ 45,264.00	\$ 60.00	\$ 49,200.00	\$ 61.00	\$ 50,020.00
9. F/I 2-1" sch. 80 PVC pipes	L.F.	1,640	\$ 0.68	\$ 1,115.20	\$ 4.60	\$ 7,544.00	\$ 1.00	\$ 1,640.00
10. F/I new 1/4" airline	L.F.	820	\$ 1.62	\$ 1,328.40	\$ 3.00	\$ 2,460.00	\$ 2.00	\$ 1,640.00
11. F/I new cone strainer	EA.	1	\$ 450.00	\$ 450.00	\$ 695.00	\$ 695.00	\$ 703.00	\$ 703.00
12. Disinfect well, bacti tests	L.S.	1	\$ 3,850.00	\$ 3,850.00	\$ 3,500.00	\$ 3,500.00	\$ 4,248.00	\$ 4,248.00
13. Video Log	EA.	2	\$ 1,150.00	\$ 2,300.00	\$ 1,500.00	\$ 3,000.00	\$ 591.50	\$ 1,183.00
TOTAL BID AMOUNT				\$ 152,702.90		\$ 159,108.00		\$ 175,637.00



Staff Report

TO: Honorable Mayor and Members of the City Council
FROM: John Jansons, Community Investment Director
DATE: March 10, 2015
RE: Sale of 327 S. Taylor Street Property

RECOMMENDATION:

That the City Council adopt Resolution Bill No. 15-012, authorizing the City Manager to complete the sale of the property located at 327 S. Taylor Street.

BACKGROUND:

The City Council previously directed City staff to sell several small City-owned properties, including the property located at 327 S. Taylor Street. A buyer has been located for this property, and the property is in escrow. The escrow company, Hemet Escrow, has requested that the City submit a formal resolution of the City Council authorizing the sale of the property.

ANALYSIS:

This resolution authorizes the City Manager, or his designee, to execute all documents necessary to complete the sale of the property located at 327 South Taylor Street. This resolution will satisfy the request of the escrow company and ensure that the sale of the property is completed.

FISCAL IMPACT:

This resolution will help complete the sale of the property, which will be a positive fiscal impact on the City.

Respectfully submitted,


John Jansons, Community Investment Director



**CITY OF HEMET
Hemet, California
RESOLUTION BILL NO. 15-012**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF HEMET, CALIFORNIA, AUTHORIZING THE SALE OF
THE PROPERTY LOCATED AT 327 SOUTH TAYLOR
STREET, HEMET, CALIFORNIA.**

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WHEREAS, the City Council has previously directed City staff to market certain City-owned properties for sale, including the property located at 327 South Taylor Street, Hemet, California, 92543 (the "Property"); and,

WHEREAS, an offer has been made and accepted by the City for the sale of the Property; and,

WHEREAS, the escrow company handling the purchase and sale of the property has requested a formal resolution of the City Council authorizing City staff to complete the sale of the Property.

NOW, THEREFORE, the City Council of the City of Hemet does hereby resolve:

1. The City Manager, or his designee, is hereby authorized to execute all documents necessary to complete the sale of the Property.

PASSED, APPROVED, AND ADOPTED this 10th day of March, 2015.

Linda Krupa, Mayor

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 10th day of March, 2015 by
5 the following vote:

6 AYES:
7 NOES:
8 ABSTAIN:
9 ABSENT:

10 Sarah McComas, City Clerk

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Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*

DATE: March 10, 2015

RE: Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC regarding solar fees, required improvements, and assurances associated with a solar power generation facility at the southwest corner of Sanderson Avenue and Acacia Avenue

RECOMMENDED ACTION:

Approval of a Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC regarding solar fees, required improvements, and assurances associated with a solar power generation facility at the southwest corner of Sanderson Avenue and Acacia Avenue.

BACKGROUND:

AP Northlake Solar LP and SunE DB APNL, LLC propose to build a photovoltaic solar power generation facility on 134 acres of property at the southwest corner of Sanderson Avenue and Acacia Avenue. The City Council had a work study discussion of this project on October 28, 2014. The Planning Commission subsequently granted a conditional use permit for this project on December 16, 2014, subject to 124 conditions. One of those conditions requires the City Council approval of an agreement between the City and the applicant (AP Northlake Project LP and SunE DB APNL, LLC) regarding the payment of annual solar fees. The Agreement may also include the City Council's authorization to defer any public improvements otherwise required for the project, prior to the issuance of grading and building permits.

PROJECT DESCRIPTION:

Staff has negotiated possible terms for the Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC regarding solar fees and required improvements associated with the project. Those terms are described on the attached proposed Improvement Agreement. Council direction is sought on these proposed terms.

ANALYSIS:

The proposed terms call for an annual solar fee to be paid to the City for the 25 year life of the power purchase agreement this project will serve, which increases annually by 1.5%. The solar fee would total \$1,999,191.07 over the 25 year term. In the event the applicant is able to secure a power provision agreement that goes beyond the 25 year term, up to an additional five years, the annual solar fee would continue to be paid during this extended term, increasing annually by 1.5%. In the event, a power provision agreement beyond 30 years is obtained, the power lines would have to be undergrounded at that point, and the annual solar fees would continue for each

additional year of operation. The solar fee is in recognition of the opportunity cost of devoting this site to uses below the highest and best uses that might otherwise have been made of the site, under its existing General Plan designation of "Business Park".

The terms also address required improvements along Acacia Avenue and Sanderson Avenue, as described in the Solar Fee and Improvement Agreement. These include widening of Acacia Avenue, construction of curb and gutter and sidewalks, landscaping, fencing, and installations of streetlights. On Sanderson Avenue, construction of a meandering sidewalk, landscaping, fencing, and streetlights are required. Other conditions of approval from the December 16, 2014 conditional use permit that are not modified by the Solar Fee and Improvement Agreement and would still apply. The applicant is required to join a Lighting and Landscaping Maintenance District to ensure future maintenance of the landscaping and landscaping setback. The Improvement Agreement requires that a cash deposit, letter of credit, or other form of security approved by the City Manager and City Attorney would be provided to ensure future completion of all required public improvements and fee payments.

COORDINATION & REVIEW:

The Planning Commission reviewed the conditional use permit request on December 16, 2014 and granted it with listed conditions of approval. Initial grading and building plan reviews are being conducted by Engineering and Community Development. The City Attorney worked with the applicant's attorney to develop the language for the Improvement Agreement.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The Planning Commission's review included a determination of consistency with the General Plan.

FISCAL IMPACT:

The initial year solar fee would be \$66,500, escalating 1.5% per year through the 25 year term of the project, for a total of \$1,999,191.07. The applicant would be responsible for other development related fees associated with the project. In the event power purchase agreements are obtained that extend beyond 25 years, the annual solar fees would continue for each year of extended operations.



Wally Hill
City Manager



Eric Vail
City Attorney

Attachment(s): Proposed Solar Fee and Improvement Agreement with AP Northlake Solar LP/SunE DB APNL, LLC

**RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:**

(Document exempt from recording fees
pursuant to Cal. Gov. Code § 27383)

CITY OF HEMET
Attn: City Manager
445 East Florida Avenue
Hemet, California 92543

THIS SPACE FOR RECORDER'S USE ONLY

SOLAR FEE & IMPROVEMENT AGREEMENT

AP NORTH LAKE SOLAR PROJECT

By and Between

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

and

**SunE DB APNL, LLC,
a California limited liability company,**

and

**SUNEDISON,
a California corporation.**

DATED _____, 2015

SOLAR FEE & IMPROVEMENT AGREEMENT

AP NORTH LAKE SOLAR PROJECT

This Solar Fee & Improvement Agreement (“**Agreement**”) is entered into as of this ____ day of _____ 2015 by and between the City of Hemet, a municipal corporation (“**City**”) on one hand and SunE DB APNL, LLC, a California limited liability company, and SunEdison, a California corporation (collectively, “**Developer**”) on the other hand. City and Developer are sometimes hereinafter individually referred to as “**Party**” and hereinafter collectively referred to as the “**Parties**.”

RECITALS

A. Developer has an equitable interest in real property located within the City at the southwest corner of Sanderson Avenue and Acacia Avenue (commonly known as APN 456-030-002) and more particularly described in **Exhibit A** of this Agreement (the “**Property**”). Developer entered into the Solar Energy Lease Agreement to lease Property from landowner, Janet Brelant, Trustee of the Brelant Revocable Trust dated March 19, 1993 (“**Landowner**”), on April 17, 2014, as evidenced by that certain Memorandum of Solar Energy Lease Agreement, dated as of May 17, 2014, and recorded on September 22, 2014, as Document No. 2014-0357855 in the Official Records of Riverside County, California.

B. On December 16, 2014, the City Planning Commission adopted a mitigated negative declaration concerning the construction of a 20-megawatt photovoltaic solar power generation facility (“**Project**”) on the Property pursuant to the California Environmental Quality Act (“**CEQA**”) and adopted written findings and a mitigation monitoring program.

C. On December 16, 2014, the City Planning Commission approved Conditional Use Permit No. 14-006 (the “**CUP**”) to authorize development and operation of the Project on the Property. City and Developer have entered into this Agreement to effectuate certain conditions of approval set forth in the CUP.

D. Condition 19 of the CUP requires Developer to submit a solar fee proposal to the City Manager for the review and approval by the City Council and to seek agreement concerning the scope of required public improvements prior to the issuance of any grading or building permits. This agreement is intended by the Parties to satisfy Condition 19.

E. The Parties agree that it would be mutually advantageous to cooperate to allow Developer to develop the Project on the Property.

DEFINED TERMS

“**Developer**” shall mean SunE DB APNL, LLC a California limited liability company, and SunEdison, a California corporation. The term “Developer” shall also include all assignees and successors-in-interest, to the extent permitted under this Agreement, of the rights and obligations

of Developer under this Agreement, and any assignees or successors-in-interest to Developer having a legal and/or equitable interest in the Property, including without limitation the Lease.

“Estimated Costs” shall mean the City Engineer’s approximation of the actual cost to construct all Public Improvements.

“Lease” shall mean the Solar Energy Lease Agreement between Developer and Janet Breliant, Trustee of the Breliant Revocable Trust dated March 19, 1993, to lease Property, dated April 17, 2014, as evidenced by that certain Memorandum of Solar Energy Lease Agreement, dated as of May 17, 2014, and recorded on September 22, 2014, as Document No. 2014-0357855 in the Official Records of Riverside County, California.

“Litigation Expenses” shall mean all costs and expenses, to the extent reasonable in amount, actually and necessarily incurred by a party in good faith in the prosecution of an action or proceeding, including, but not limited to, court costs, filing, recording, and service fees, copying costs, exhibit production costs, special media rental costs, attorneys’ fees, fees for investigators, witness fees (both lay and expert), travel expenses, deposition and transcript costs and any other cost or expense, the award of which a court of competent jurisdiction may determine to be just and reasonable.

“Modified Acacia Avenue Improvements” shall mean all improvements required by the CUP and applicable City codes, regulations, and policies for Acacia Avenue, except as modified by **Exhibit C**.

“Property” shall mean the all of the real property contained within the boundaries of APN 456-030-002 located in the City of Hemet, California, as is more particularly described in the legal description and attached hereto and incorporated hereby by reference at **Exhibit A**.

“Public Improvements” shall include, but not be limited to, all grading, roads, streets, paving, curbs and gutters, sidewalks, pathways, trails, utilities, traffic controls, landscaping, street lights, relocation of power lines, and all other facilities required to be constructed and dedicated to the City or other public entity as conditions of approval of the CUP.

“Required Insurance” shall mean the insurance required to be maintained by Developer under Section 16.

“Security” shall mean cash deposit or letter of credit in the amounts and under the terms of Section 12.

“Standard Acacia Avenue Improvements” shall mean all improvements required by the CUP and applicable City codes, regulations, and policies for Acacia Avenue.

“Warranty” shall mean the Warranty provided by Developer to City for the Public Improvements as provided in Section 11 of this Agreement.

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:

1. **SCOPE OF AGREEMENT.** Except for the clarifications to CUP Conditions of Approval Nos. 6, 15, 16, 17, 18, 19, 68, 70, 73, 74, 75, 76, 77, 78, 79, 98, 99, and 100 (“**Adjusted Conditions**”) set forth below in this Agreement, all other CUP Conditions of Approval remain unchanged as set forth in the CUP. In the event of a conflict between the terms of this Agreement, including the Adjusted Conditions, with CUP Condition of Approval No. 11 (requiring satisfaction of all conditions of approval prior to the issuance of the certificate of occupancy (“**C/O**”), this Agreement shall prevail. The obligations in this Agreement attach to Developer as leaseholder of the Property and to any assigns and successors in interest.

2. **PUBLIC IMPROVEMENTS.** Developer shall construct and install or have constructed and installed at its own cost, expense, and liability the Public Improvements, as defined herein, within the time and in the manner required under this Agreement and under the CUP. Construction of the Public Improvements shall include all requirements set forth in the CUP, except as specifically modified herein. Developer further promises and agrees to provide all equipment, tools, materials, labor, tests, design work, and engineering services necessary or required by City to fully and adequately complete the Public Improvements. Except as stated in Section 2.2.4, Developer shall provide all dedications as required by the CUP. Pursuant to the Lease, Landowner is required to assist and fully cooperate with Developer in complying with all conditions of approval, including those requiring dedications and Public Improvements.

2.1 Acacia Avenue Street Improvements.

2.1.1 Except as provided in Sections 2.1.2 or 2.1.4 below, if Southern California Edison can relocate its existing Acacia Avenue power lines, prior to Developer having satisfied all other conditions necessary to obtain a C/O for the Project, then Developer shall construct the Standard Acacia Avenue Improvements as set forth in CUP conditions 76, 77, 78 & 79. Relocation of the power lines shall be performed by Southern California Edison at Developer’s expense.

2.1.2 If Southern California Edison does not, or states in writing that it will not be able to, timely relocate its power lines and this reasonably prevents Developer from completing the Standard Acacia Avenue Street Improvements by the time Developer has satisfied all other conditions necessary to obtain a C/O for the Project, then Developer may provide adequate security for the completion of such Acacia Avenue Improvements not completed by that time, in accordance with Section 12.0 et seq. of this Agreement.

2.1.3 If Developer is permitted to provide adequate security for the Acacia Avenue Street Improvements pursuant to Section 2.1.2, then upon provision of adequate security to City and assuming that all other conditions of approval and permit requirements have been satisfactorily completed, City shall issue an interim C/O, with final C/O contingent only upon completion of the Standard Acacia Avenue Improvements and such other improvements for

which Developer may have also been permitted to provide adequate security pursuant to this Agreement.

2.1.4 If Southern California Edison cannot relocate the Acacia Avenue power lines due to physical or engineering impediments that make such relocation impossible, Developer shall construct the Modified Acacia Avenue Improvements per the diagram attached as **Exhibit C** and consistent with this Section 2.1 et seq. In such case, Developer shall provide the City with adequate security for the cost of the Standard Acacia Avenue Improvements not completed due directly to the inability to relocate the power lines. Developer shall complete the Modified Acacia Avenue Improvements and make in-lieu payment to City prior to issuance of C/O. To the extent in-lieu cash payments are allowed under this Section 2.1.4, such payments shall be based on the estimate of a licensed civil engineer and shall be approved by the City Engineer.

2.1.5 Given the interim nature of the Project, City hereby defers any requirement to underground aerial utilities for the Project, whether arising under CUP condition 78 or Hemet Municipal Code Section 82-172, until such time as either a new permanent use is approved for the Property by City, or the Project is deemed a permanent use by continuing to operate for longer than twenty-five (25) years, the term of Developer's existing power purchase agreement. At the end of this twenty-five (25) year term, Developer may desire to sell power into the merchant energy market for up to an additional five (5) years. Provided that Developer continues to pay the annual solar fee to the City, as discussed in Section 13 and as set forth in **Exhibit B** of this Agreement, City shall continue to defer any requirement to underground utilities for this additional period of time. No less than thirty (30) days prior to the termination of Developer's power purchase agreement, Developer shall notify City in writing of its desire to continue to sell power in the year following expiration of the power purchase agreement and shall at that time provide a letter of credit or other security instrument, the form of which is reasonably acceptable to City, from a financial institution or entity reasonably acceptable to the City, securing the payment of the annual solar fee for that year. Developer may repeat this process annually for four (4) additional years by providing notice and security to City, as provided in this Section 2.1.5, thirty (30) days prior to termination of the previous one year extension period. Developer shall be subject to the requirement to underground aerial utilities should Developer continue to operate the Project for more than thirty (30) years. Should the Developer continue to operate the Project for more than thirty (30) years, Developer shall continue to pay the annual Solar Fee at an escalation rate of 1.5 percent.

2.2 Sanderson Avenue Street Improvements.

2.2.1 With respect to complying with CUP Conditions of Approval 73 and 74, Developer shall install meandering 6-foot decomposed granite trail and 6-foot concrete sidewalk in accordance with the modified Scenic Highway Setback Design Criteria for the Sanderson Avenue road segment as approved by the Community Development Director. Due to the interim nature of the Project, City's City Council expressly authorizes the Community Development Director to interpret and make modifications of the Scenic Highway Setback Design Criteria as applied to this Project to accomplish the intent of the paragraph.

2.2.2 Developer shall also install decorative fencing, as approved by the Community Development Director, at the edge of the scenic highway setback. Developer shall maintain the fencing in good condition for the duration of the Project.

2.2.3 Developer shall also install streetlights pursuant to CUP Condition 70. These street lights shall have a decorative nature consistent with the adopted Scenic Highway Setback requirements as approved by the Community Development Director. Due to the interim nature of the Project, City's City Council expressly authorizes the Community Development Director to interpret and make modifications of the Scenic Highway Setback Design Criteria as applied to the Project to accomplish the intent of this paragraph.

2.2.4 With respect to CUP Condition of Approval No. 75 (provide corner cut dedication at the corner of Sanderson Avenue and Acacia Avenue based upon a 35 foot curb return), City has determined this condition is satisfied because the City already owns the subject property.

2.3 Landscaping and Fencing in General. This section modifies CUP conditions 15, 16, 17, 18, 68 and 98. Except as expressly provided in Section 2.3.4, Developer shall install landscaping and fencing approved by the Community Development Director within the undeveloped portions of the Acacia Avenue right-of-way (+/- 25 feet width, including trail) and within the Sanderson Avenue scenic highway setback (+/- 25 feet width, including trail/sidewalk) prior to issuance of a C/O for the Project.

2.3.1 Landscape and irrigation plans, shall be prepared by a Licensed Landscape Architect, shall specify the species, sizes, and spacing of all shrubs, groundcover, and trees and shall be submitted to the Community Develop Director and City Engineer for approval. Proposed landscaping shall be consistent with the Scenic Highway Setback Design Criteria unless modifications are specifically approved by the Community Development Director. Due to the interim nature of the Project, City's City Council hereby expressly authorizes the Community Development Director to make interpretations and modifications to the Scenic Highway Setback Design Criteria as applied to this Project to accomplish the intent of the paragraph.

2.3.2 **Approval of Landscape Plan.** CUP Condition No. 98 requires, among other things, Developer to submit a landscape plan for improvements within the public right-of-way to the City Engineer for review and approval prior to issuance of a grading permit. Since this plan would need to comply with the Scenic Highway Setback Design Criteria the application of which the Parties are contemplating adjusting for this Project, it is not feasible for the landscape plan to be completed by Developer and approved by City prior to issuance of grading permit. The Parties agree that Developer will submit to the Community Development Director and City Engineer a landscape plan in accordance with Section 2.3.1 above within thirty (30) days after the issuance of a grading permit. Developer shall make such changes as are required by the Community Development Director and City Engineer to complete the landscape plans within fifteen (15) days of receipt of all comments. City shall promptly review the landscape plans for approval thereafter.

2.3.3 Developer shall ensure automatic irrigation systems and timers for the approved landscaping for the duration of the Project as necessary for plant establishment and to ensure long-term plant survival as determined by the Community Development Director and

City Engineer. Landscaping will be irrigated with a water connection provided by the Eastern Municipal Water District for the life of the Project and in accordance with City standards. The irrigation plans shall be submitted to the City for review and approval in conjunction with the landscape plans specified in Section 2.3.2.

2.3.4 If Eastern Municipal Water District does not timely approve, or states in writing that it will not be able to timely approve, a water line connection to the Project and this reasonably prevents Developer from completing some or all of the Acacia Avenue landscaping or Sanderson Avenue landscaping by the time Developer has satisfied all other conditions necessary to obtain a C/O for the Project, then Developer may provide adequate security for the completion of such landscaping in accordance with Section 12.0 of this Agreement. Upon provision of adequate security consistent with Section 12.0 and assuming that all other conditions of approval and permit requirements have been satisfactorily completed, City shall issue a temporary C/O, with final C/O contingent only upon completion of Acacia Avenue landscape Public Improvements or the Sanderson Avenue landscape Public Improvements, or both, as the case may be, and such other improvements Developer may have also been permitted to provide adequate security for pursuant to this Agreement.

2.3.5 **Fencing.** Pursuant to CUP Condition 18, Developer shall install fencing along future property boundaries and right-of-way dedications. Such fencing shall be of the kind and quality reasonably required by the Community Development Director. Developer shall maintain the fencing in good condition for the duration of the Project.

2.4 **Permits.** Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and approvals and give all necessary and incidental notices required for the lawful construction of the Public Improvements pursuant to this Agreement. Developer shall conduct the work in full compliance with the regulations, rules, and other requirements contained in any permit or approval issued to Developer. City will not unreasonably refuse to issue permits and approvals required for the construction of such Public Improvements.

2.5 **Approval of Plans and Specifications.** Developer shall not commence work on any Public Improvement until all plans and specifications for such Public Improvement have been submitted to and approved by the City Engineer, or his or her designee. The City Engineer's approval shall not unreasonably be withheld.

2.6 **Quality of Work; Compliance with Laws and Codes.** The construction plans and specifications for the Public Improvements shall be prepared in accordance with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements. The Public Improvements shall be completed in accordance with all approved maps, plans, specifications, standard drawings, and special amendments thereto on file with City, as well as all applicable federal, state, and local laws, ordinances, regulations, codes, standards, and other requirements applicable at the time work is actually commenced.

2.7 **Standard of Performance.** Developer and its contractors, if any, shall perform all work required to construct the Public Improvements under this Agreement in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Developer

represents and maintains that it or its contractors shall be skilled in the professional calling necessary to perform the work.

2.8 **Alterations to Improvements.** All work shall be done and improvements made and completed as shown on approved plans and specifications, and any subsequent alterations thereto. If during the course of construction and installation of the Public Improvements it is determined that the public interest requires alterations in the Public Improvements, Developer shall undertake such design and construction changes as may be reasonably required by City. Any and all alterations in the plans and specifications and the Public Improvements to be completed may be accomplished without giving prior notice thereof to Developer's surety for this Agreement.

3. MAINTENANCE OF PUBLIC IMPROVEMENTS AND PUBLIC LANDSCAPING. City shall not be responsible or liable for the maintenance or care of the Public Improvements and/or Public Landscaping (landscaping to be maintained by an LLMD in accordance with Section 3.2) unless and until City formally approves and accepts them in accordance with its policies and procedures. Developer shall maintain all the Public Improvements and Public Landscaping in a state of good repair until they are completed by Developer and approved and accepted by City. If Developer fails to properly execute its maintenance obligation under this section, City may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. City shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the Public Improvements or Public Landscaping or their condition prior to acceptance.

3.1 **Lighting and Landscaping Maintenance District (LLMD).** CUP Condition of Approval No. 99 states that a LLMD may be established or joined prior to C/O for the purpose of maintaining the perimeter landscaping along the Scenic Highway Setback area for Sanderson Avenue and the landscaped setback along Acacia Avenue. Developer agrees to take reasonable measures necessary to join a LLMD prior to issuance of C/O for the Project. If Developer has acted in good faith and taken all reasonable measures to join a LLMD but due to reasons beyond Developer's reasonable control, the process to join that LLMD will not be completed prior to Developer having satisfied all other conditions necessary to obtain a C/O for the Project, then Developer may provide adequate security for the completion of the process in accordance with Section 12.0 of this Agreement. Upon provision of adequate security consistent with Section 12.0 and assuming that all other conditions of approval and permit requirements have been satisfactorily completed, City shall issue a temporary C/O, with final C/O contingent only upon joining of the LLMD and such other improvements for which Developer may have also been permitted to provide adequate security pursuant to this Agreement.

4. CONSTRUCTION SCHEDULE. Unless extended or adjusted pursuant to Section 2.0 et seq. or Section 5 of this Agreement, Developer shall fully and adequately complete the Public Improvements by C/O. Subject to Section 5 below, Developer shall complete all improvements for which City allowed Developer to provide adequate security for their completion within six (6) months of issuance of any temporary C/O.

5. **EXTENSIONS.** City may, in its sole and absolute discretion, provide Developer with additional time within which to complete the Public Improvements. It is understood that by providing the Security required under Section 12.0 *et seq.* of this Agreement, Developer and its surety consent in advance to any extension of time as may be given by City to Developer, and waives any and all right to notice of such extension(s).

6. **UTILITIES.** Developer shall secure utility services as needed by Developer to serve the Project.

7. **FEES AND CHARGES.** As provided in CUP Condition 6 and as modified herein, Developer shall, at its sole cost, expense, and liability, pay all fees and charges arising out of construction of the Project determined by City to be applicable to the Project, including, but not limited to, all plan check, grading permit, building permit, design review, engineering, inspection, TUMF, MSHCP, Stephens Kangaroo Rat Habitat Conservation Plan Fees, and the Development Impact Fees listed on **Exhibit D** to this Agreement.

8. **CITY INSPECTION OF PUBLIC IMPROVEMENTS.** Developer shall, at its sole cost, expense, and liability, and at all times during construction of the Public Improvements, maintain reasonable and safe facilities and provide safe access for inspection by City of the Public Improvements and areas where construction of the Public Improvements is occurring or will occur.

9. **ADMINISTRATIVE COSTS.** If Developer fails to construct and install all or any part of the Public Improvements within the time required by this Agreement, or if Developer fails to comply with any other obligation contained herein, Developer shall be liable to City for all administrative expenses, fees, and costs, including reasonable attorney's fees and costs, incurred in obtaining compliance with this Agreement or in processing any legal action or for any other remedies permitted by law.

10. **ACCEPTANCE OF IMPROVEMENTS; AS-BUILT OR RECORD DRAWINGS.** The City Council may, in its sole and absolute discretion, accept fully completed portions of the Public Improvements prior to such time as all of the Public Improvements are complete, which shall not release or modify Developer's obligation to complete the remainder of the Public Improvements within the time required by this Agreement.

10.1 **Developer's Notice of Completion.** Upon the total or partial acceptance of the Public Improvements by City, Developer shall file with the Recorder's Office of the County of Riverside a notice of completion for the accepted Public Improvements in accordance with California Civil Code section 3093, at which time the accepted Public Improvements shall become the sole and exclusive property of City without payment therefor.

10.2 **Developer's Obligation to Provide As-Built or Record Drawings.** Notwithstanding the foregoing, City may not accept any Public Improvements unless and until Developer provides one (1) set of "as-built" or record drawings or plans to the City Engineer for all such Public Improvements. The drawings shall be certified and shall reflect the condition of the Public Improvements as constructed, with all changes incorporated therein.

11. **WARRANTY AND GUARANTEE.** Developer hereby warrants and guarantees all Public Improvements against any defective work or labor done, or defective materials furnished

in the performance of this Agreement, including the maintenance of all landscaping within the Property in a vigorous and thriving condition reasonably acceptable to City, for a period of one (1) year following completion of the work and acceptance by City. During the Warranty, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the Public Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of City, and to the approval of the City Engineer. All repairs, replacements, or reconstruction during the Warranty shall be at the sole cost, expense, and liability of Developer and its surety. As to any Public Improvements which have been repaired, replaced, or reconstructed during the Warranty, Developer and its surety hereby agree to extend the Warranty for an additional one (1) year period following City's acceptance of the repaired, replaced, or reconstructed Public Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any Public Improvement following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

12. ADEQUATE SECURITY. Where this Agreement allows the Developer to provide adequate security for the future completion of a Public Improvement, that security shall be provided in the form of a cash deposit or a letter of credit issued by a bank, or other financial institution, reasonably acceptable to City ("**Security**"). The City Manager and City Attorney shall approve the form of any letter of credit. The amount of the Security shall be based on a licensed civil engineer's estimate of costs, subject to approval by the City Engineer, for all Public Improvements not completed by C/O, plus a twenty-five percent contingency amount. If City determines at any time prior to Developer's completion of the Public Improvements, in its sole and absolute discretion, that the estimated costs have reasonably changed, Developer shall adjust the Security in the amount requested by City. Developer's compliance with this provision (Section 12.0 et seq.) shall in no way limit or modify Developer's indemnification obligation provided in Section 15.0 of this Agreement.

As part of the obligation secured by the Security and in addition to the face amount of the Security, the Developer or its surety shall secure the costs and reasonable expenses and fees, including reasonable attorney's fees and costs, incurred by City in enforcing the obligations of this Agreement. The Developer and its surety stipulate and agree that no change, extension of time, alteration, or addition to the terms of this Agreement, the Public Improvements, or the plans and specifications for the Public Improvements shall in any way affect its obligation on the Security.

12.1 Developer's Liability. While no action of Developer shall be required in order for City to realize on its security under any Security instrument, Developer agrees to cooperate with City to facilitate City's realization under any Security instrument, and to take no action to prevent City from such realization under any Security instrument.

13. SOLAR FEE. In satisfaction of CUP Condition of Approval No. 19, Developer shall deposit a cash payment of \$1,999,191.07 with City prior to issuance of building or grading permits in a separate, non-interest bearing account. Before the first annual payment of the Solar Fee is due, Developer, in its discretion, may provide a letter of credit or other security instrument, the form of which is reasonably acceptable to City, from a financial institution or entity reasonably acceptable to the City, securing the solar fee for the duration of the Project.

Upon City's approval of the instrument and its issuer, and assuming that the obligation to make the annual payment of the solar fee is not yet due, the City shall release the \$1,999,191.07 payment to Developer. After release of the deposit, Developer shall make annual payments in installments over 25 years, as potentially extended by Section 2.1.5, and as provided in the payment schedule attached hereto and incorporated herein by reference as **Exhibit B**. Payments shall commence after City's issuance of C/O for the Project, on the first business day of December, and continue regularly each year thereafter until the Solar Fee is paid in full. If Developer does not provide a letter of credit or other security instrument reasonably acceptable to City, then City shall draw from the cash payment as necessary to satisfy Developer's annual payment obligations, as specified in **Exhibit B**. Should the Developer continue to operate the Project for more than thirty (30) years, Developer shall continue to pay the annual Solar Fee at an escalation rate of 1.5 percent.

14. RETENTION BASIN CAPACITY FEE. The project is required to provide on-site detention capacity to mitigate the potential for increased off-site stormwater flows. If the Project results in a negligible increase in off-site storm flows as determined by the City Engineer, and will not require the City of Hemet to increase retention basin capacity, then the retention basin capacity fee shall be waived.

15. INDEMNIFICATION. Developer shall defend, indemnify, and hold harmless City, its elected officials, officers, employees, and agents from any and all actual or alleged claims, demands, causes of action, liability, loss, damage, or injury, to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state, or local governmental body or agency, arising out of or incident to any acts, omissions, negligence, or willful misconduct of Developer, its personnel, employees, agents, or contractors in connection with or arising out of construction or maintenance of the Public Improvements, or performance of this Agreement. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, officers, employees, and/or agents for all legal expenses and costs incurred by each of them. This indemnification excludes only such portion of any claim, demand, cause of action, liability, loss, damage, penalty, fine, or injury, to property or persons, including wrongful death, which is caused solely and exclusively by the gross negligence or willful misconduct of City as determined by a court or administrative body of competent jurisdiction. Developer's obligation to indemnify City shall survive the expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, officers, employees, or agents.

16. INSURANCE.

16.1 Types; Amounts. Developer shall procure and maintain, and shall require its contractors to procure and maintain, during construction of any Public Improvement pursuant to this Agreement, insurance of the types and in the amounts described below. If any of the Required Insurance contains a general aggregate limit, such insurance shall apply separately to this Agreement or be no less than two times the specified occurrence limit.

16.1.1 General Liability. Developer and its contractors shall procure and maintain occurrence version general liability insurance, or equivalent form, with a combined

single limit of not less than \$3,000,000 per occurrence for bodily injury, personal injury, and property damage.

16.1.2 **Business Automobile Liability.** Developer and its contractors shall procure and maintain business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance shall include coverage for the ownership, operation, maintenance, use, loading, or unloading of any vehicle owned, leased, hired, or borrowed by the insured or for which the insured is responsible.

16.1.3 **Workers' Compensation.** Developer and its contractors shall procure and maintain workers' compensation insurance with limits as required by the Labor Code of the State of California and employers' liability insurance with limits of not less than \$1,000,000 per occurrence, at all times during which insured retains employees.

16.1.4 **Professional Liability.** For any consultant or other professional who will engineer or design the Public Improvements, liability insurance for errors and omissions with limits not less than \$1,000,000 per occurrence, shall be procured and maintained for a period of five (5) years following completion of the Public Improvements. Such insurance shall be endorsed to include contractual liability.

16.2 **Deductibles.** Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either: (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its elected officials, officers, employees, agents, and volunteers; or (b) Developer and its contractors shall provide a financial guarantee satisfactory to City guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

16.3 **Additional Insured; Separation of Insureds.** The Required Insurance shall name City, its elected officials, officers, employees, agents, and volunteers as additional insureds with respect to work performed by or on behalf of Developer or its contractors, including materials, parts, or equipment furnished in connection therewith. The Required Insurance shall contain standard separation of insured provisions, and shall contain no special limitations on the scope of its protection to City, its elected officials, officers, employees, agents, and volunteers.

16.4 **Primary Insurance; Waiver of Subrogation.** The Required Insurance shall be primary with respect to any insurance or self-insurance programs covering City, its elected officials, officers, employees, agents, and volunteers. All policies for the Required Insurance shall provide that the insurance company waives all right of recovery by way of subrogation against City in connection with any damage or harm covered by such policy.

16.5 **Certificates; Verification.** Developer and its contractors shall furnish City with original certificates of insurance and endorsements effecting coverage for the Required Insurance. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by City before work pursuant to this Agreement can begin. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

16.6 **Term; Cancellation Notice.** Developer and its contractors shall maintain the Required Insurance for the term of this Agreement and shall replace any certificate, policy, or endorsement which will expire prior to that date. All policies shall be endorsed to provide that the Required Insurance shall not be suspended, voided, reduced, canceled, or allowed to expire except on 30 days' prior written notice to City.

16.7 **Insurer Rating.** Unless approved in writing by City, all Required Insurance shall be placed with insurers licensed to do business in the State of California and with a current A.M. Best rating of at least A:VIII.

17. DEFAULT; NOTICE; REMEDIES.

17.1 **Notice.** If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or if City determines there is a violation of any federal, state, or local law, ordinance, regulation, code, standard, or other requirement, City may at any time thereafter declare Developer to be in default or violation of this Agreement and make written demand upon Developer or its surety, or both, to immediately remedy the default or violation. Developer shall commence the work required to remedy the default or violation within ten (10) days of the written demand from the City. If the default or violation constitutes an immediate threat to the public health, safety, or welfare, City may provide the demand verbally, and Developer shall commence the required work within twenty-four (24) hours thereof. Immediately upon City's issuance of the demand to remedy the default, Developer and its surety shall be liable to City for all costs of construction and installation of the Public Improvements and all other administrative costs expenses as provided for in Section 9.0 of this Agreement.

17.2 **Failure to Remedy; City Action.** If the work required to remedy the noticed default or violation is not diligently prosecuted to a substantial completion acceptable to City within a reasonable time designated by the City, City may complete all remaining work, arrange for the completion of all remaining work, and/or conduct such remedial activity as in its sole and absolute discretion it believes is required to remedy the default or violation. All such work or remedial activity shall be at the sole and absolute cost, expense, and liability of Developer and its surety, without the necessity of giving any further notice to Developer or surety. City's right to take such actions shall in no way be limited by the fact that Developer or its surety may have constructed any, or none of the required or agreed upon Public Improvements at the time of City's demand for performance. In the event City elects to complete or arrange for completion of the remaining work and improvements, City may require all work by Developer or its surety to cease in order to allow adequate coordination by City. Notwithstanding the foregoing, if conditions precedent for reversion to acreage can be met and if the interests of City will not be prejudiced thereby, City may also process a reversion to acreage and thereafter recover from Developer or its surety the full cost and expense incurred.

17.3 **Other Remedies.** No action by City pursuant to Section 17.0 *et seq.* of this Agreement shall prohibit City from exercising any other right or pursuing any other legal or equitable remedy available under this Agreement or any federal, state, or local law. City may exercise its rights and remedies independently or cumulatively, and City may pursue

inconsistent remedies. City may institute an action for damages, injunctive relief, or specific performance.

18. GENERAL PROVISIONS.

18.1 **Authority to Enter Agreement.** Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority make this Agreement and bind each respective Party.

18.2 **Cooperation; Further Acts.** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate, or convenient to attain the purposes of this Agreement.

18.3 **Construction; References; Captions.** It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Developer include all personnel, employees, agents, and subcontractors of Developer, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

18.4 **Notices.** All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

CITY:

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

DEVELOPER:

SunE DB APNL, LLC
Attn: Christina White
44 Montgomery Street #2200
San Francisco, CA 94104

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent provided the original is contemporaneously deposited with United States Postal Service and delivered by regular mail; by messenger, as of the date delivered; and by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail.

18.5 **Amendment; Modification.** No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

18.6 **Waiver.** City's failure to insist upon strict compliance with any provision of this Agreement or to exercise any right or privilege provided herein, or City's waiver of any breach of this Agreement, shall not relieve Developer of any of its obligations under this Agreement, whether of the same or similar type. The foregoing shall be true whether City's actions are intentional or unintentional. Developer agrees to waive, as a defense, counterclaim or set off, any and all defects, irregularities or deficiencies in the authorization, execution or performance of the Public Improvements or this Agreement, as well as the laws, rules, regulations, ordinances or resolutions of City with regards to the authorization, execution or performance of the Public Improvements or this Agreement.

18.7 **Assignment or Transfer of Agreement.** Developer shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without prior written consent of City. Any attempt to do so shall be null and void, and any assignee, hypothecatee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation, or transfer. Unless specifically stated to the contrary in City's written consent, any assignment, hypothecation, or transfer shall not release or discharge Developer from any duty or responsibility under this Agreement.

18.8 **Binding Effect.** Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

18.9 **No Third Party Beneficiaries.** There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

18.10 **Invalidity; Severability.** If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

18.11 **Consent to Jurisdiction and Venue.** This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Riverside, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Developer expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

18.12 **Attorneys' Fees and Costs.** If any arbitration, lawsuit, or other legal action or proceeding is brought by one Party against the other Party in connection with

this Agreement or the Property, the prevailing party, whether by final judgment or arbitration award, shall be entitled to and recover from the other party all Litigation Expenses. Any judgment, order, or award entered in such legal action or proceeding shall contain a specific provision providing for the recovery of Litigation Expenses.

18.13 **Relationship Between The Parties.** The Parties hereby mutually agree that neither this Agreement, nor any other related entitlement, permit, or approval issued by City for the Property shall operate to create the relationship of partnership, joint venture, or agency between City and Developer. Developer's contractors and subcontractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer or its contractors an agent or contractor of City.

18.14 **Counterparts.** This Agreement may be executed in counterpart originals, which taken together, shall constitute one and the same instrument.

18.15 **Effective Date of Agreement.** This Agreement shall not become effective until the date it has been formally approved by the City and executed by the appropriate authorities of City and Developer.

[Signatures on following page]

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

CITY OF HEMET

By: _____
Wally Hill, City Manager

ATTEST:

Sarah McComas
City Clerk

APPROVED AS TO FORM

By: _____
Eric S. Vail
City Attorney

By: _____

Its: _____

By: _____

Its: _____

NOTE: DEVELOPER'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 DEVELOPER'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(S)	_____ TITLE OR TYPE OF DOCUMENT
<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) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER _____	_____ DATE OF DOCUMENT
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)
- PARTNER(S) LIMITED
 GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER _____

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

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

SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

All that real property located in the County of Riverside, State of California described as follows:

THE NORTHWEST QUARTER OF SECTION 17, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF; EXCEPT THE SOUTH 900 FEET OF THE WEST 1025 FEET THEREOF; ALSO EXCEPT, BEGINNING AT THE NORTH QUARTER SECTION CORNER OF SECTION 17; THENCE SOUTHERLY ALONG THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 17, A DISTANCE OF 90.00 FEET; THENCE WESTERLY, PARALLEL WITH THE NORTH BOUNDARY LINE OF SAID SECTION 17, A DISTANCE OF 80.00 FEET; THENCE NORTHERLY PARALLEL WITH THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 17, A DISTANCE OF 90.00 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF SAID SECTION 17; THENCE EASTERLY ALONG SAID NORTH BOUNDARY LINE OF SECTION 17, TO THE POINT OF BEGINNING; ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE EASTERN MUNICIPAL WATER DISTRICT BY DEED RECORDED AUGUST 08, 1960 AS INSTRUMENT NO. 69698 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALSO EXCEPTING THEREFROM PARCELS 1 AND 2 TOGETHER WITH LETTERED LOTS A AND B, AS SHOWN BY PARCEL MAP 27724, ON FILE IN BOOK 185, PAGE(S) 87 AND 88, OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA. SAID PROPERTY IS ALSO SHOWN AS THE REMAINDER PARCEL ON PARCEL MAP NO. 27724 AS SHOWN BY MAP ON FILE IN BOOK 85, PAGE(S) 87 AND 88 OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

APN: 456-030-002-6

EXHIBIT "B"

SOLAR FEE

		Year	Operational Year	Solar Fee per Acre	Annual Solar Fee Payment
Solar Fee Start Price/acre	700	2015	0	0.00	0.00
		2016	1	700.00	66,500.00
Guaranteed Term (years)	25	2017	2	710.50	67,497.50
Optional Term (years)	5	2018	3	721.16	68,509.96
Total Potential Term	30	2019	4	731.97	69,537.61
		2020	5	742.95	70,580.68
Escalation Rate	1.5%	2021	6	754.10	71,639.39
		2022	7	765.41	72,713.98
Acres	95	2023	8	776.89	73,804.69
		2024	9	788.54	74,911.76
Developed Area	95	2025	10	800.37	76,035.43
Payment Date	Dec. 1	2026	11	812.38	77,175.96
		2027	12	824.56	78,333.60
		2028	13	836.93	79,508.61
		2029	14	849.49	80,701.24
		2030	15	862.23	81,911.76
		2031	16	875.16	83,140.43
		2032	17	888.29	84,387.54
		2033	18	901.61	85,653.35
		2034	19	915.14	86,938.15
		2035	20	928.87	88,242.22
		2036	21	942.80	89,565.86
		2037	22	956.94	90,909.35
		2038	23	971.29	92,272.99
		2039	24	985.86	93,657.08
		2040	25	1,000.65	95,061.94
		2041	26	1,015.66	96,487.87
		2042	27	1,030.90	97,935.18
		2043	28	1,046.36	99,404.21
		2044	29	1,062.06	100,895.27
		2045	30	1,077.99	102,408.70
		Total Guaranteed Term:			1,999,191.07
		Total Optional Term:			497,131.24
		Total Potential Term:			2,496,322.31

EXHIBIT "C"

MODIFIED ACACIA AVENUE IMPROVEMENTS

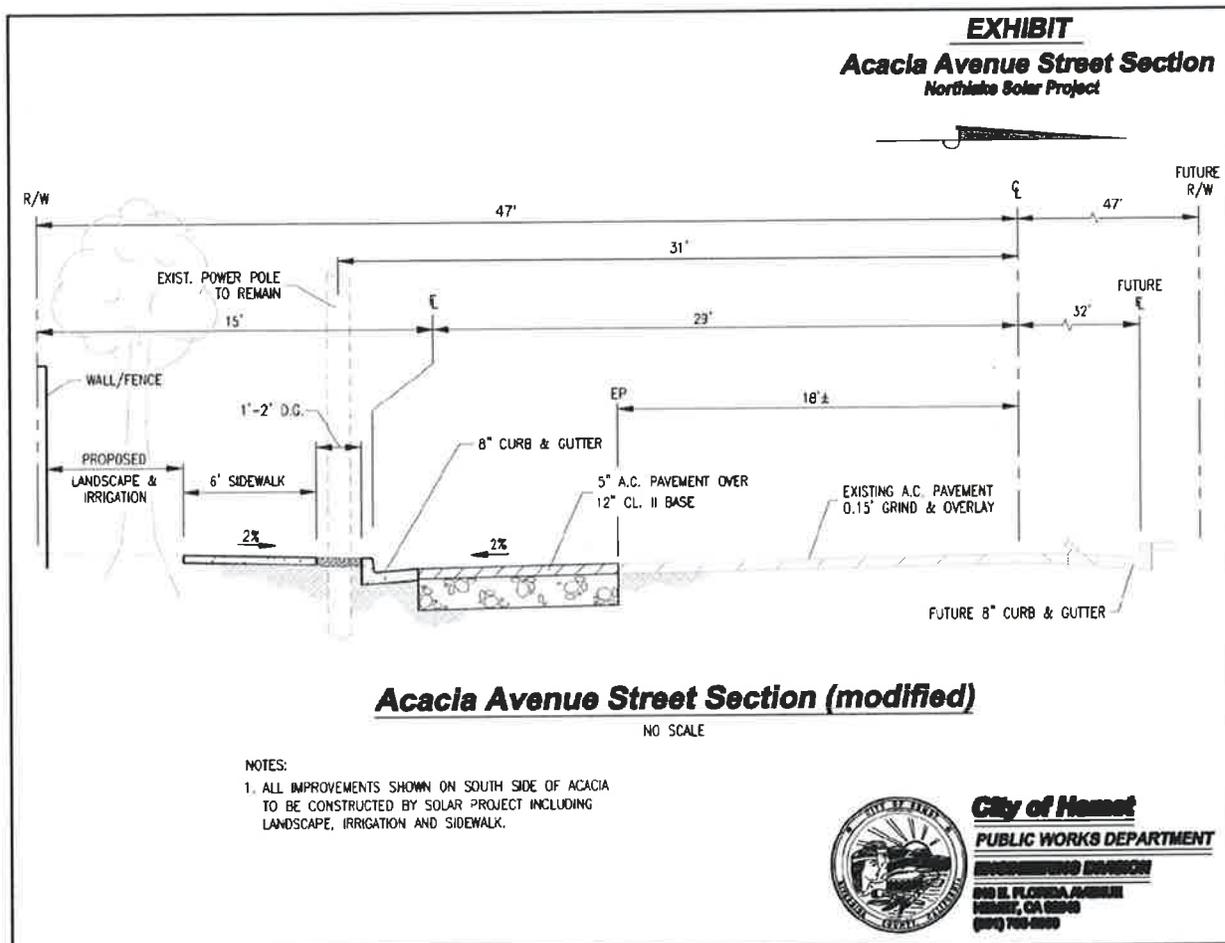


EXHIBIT “D”

PROJECT FEES AND CHARGES

Fee Type	Fee Amount
Building Permit Fees	Fee based on valuation or deposit for inspections based on Fully Burdened Hourly Rate (FBHR) for applicable staff
Grading Permit Fees	Fee based on valuation or deposit for inspections based on Fully Burdened Hourly Rate (FBHR) for applicable staff
Landscape Plan Check and Inspections Fees	Deposit for inspections based on Fully Burdened Hourly Rate (FBHR) for applicable staff
MSHCP Fees	\$6,597/ac + 1% admin fee
Stephens Kangaroo Rat Fees	\$500 /ac + 1% admin fee
LLMD District Annexation Fees	Deposit for Assessment District Engineer to complete the work and City staff costs for administration
Engineering Inspection Fees	Fee based Fully Burdened Hourly Rate (FBHR) for applicable staff