



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

January 12, 2016

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 Krupa, Milne, and Youssef, Mayor Pro Tem Raver and Mayor Wright

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.

1. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Names of cases: City of Hemet v. Strange Therapy Solutions, et al. RIC 1510007
Terry A. Kammer v. City of Hemet RIC 1300635
Shere Padilla v. City of Hemet RIC 1300847
 2. Conference with Legal Counsel - Anticipated Litigation
Three (3) matters of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
-

REGULAR SESSION

7:00 p.m.

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

Call to Order

Roll Call

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

Invocation

Pledge of Allegiance

City Attorney Closed Session Report

3. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Names of cases: City of Hemet v. Strange Therapy Solutions, et al. RIC 1510007
Terry A. Kammer v. City of Hemet RIC 1300635
Shere Padilla v. City of Hemet RIC 1300847
 4. Conference with Legal Counsel - Anticipated Litigation
Three (3) matters of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
-

Presentations

5. Introduction of City Manager, Alex Meyerhoff
 6. Presentation of Awards for the 2015 Hemet Christmas Parade
 7. Proclamation to the Ramona All Star Band
-

City Council Business

Notice to the Public

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

Consent Calendar

8. **Approval of Minutes** – December 8, 2015
9. **Approval of Minutes** – December 22, 2015

10. **Receive and File** – Investment Portfolio as of November 2015
11. **Receive and File** – City Council Committee Appointments
12. **Receive and File** – Warrant Registers
 - a. Warrant registers dated November 25, 2015 in the amount of \$1,635,470.65 and December 3, 2015 in the amount of \$1,823,003.93. Payroll for the period of November 9, 2015 to November 22, 2015 was \$590,707.75 and November 23, 2015 to December 6, 2015 was \$768,943.73.
13. **Recommendation by Community Development** - Zoning Ordinance Amendment (ZOA) No. 15-006
 - a. Adopt an ordinance amending portions of Hemet Municipal Code Chapter 90 (Zoning) to establish regulations for metal shipping containers for storage in the commercial and industrial zoned properties as recommended by the Planning Commission. **Ordinance Bill No. 15-021**
14. **Recommendation by Community Development** - Zoning Ordinance Amendment (ZOA) No. 15-011
 - a. Adopt an ordinance amending Hemet Municipal Code Section 90-79 regarding medical marijuana facilities. **Ordinance Bill No. 15-059**
15. **Recommendation by Administrative Services** - Update Public Works Contracting Provisions of Hemet Municipal Code
 - a. Adopt an ordinance amending sections 2-357 and 2-358 of the Hemet Municipal Code regarding bidding procedures for public projects. **Ordinance Bill No. 15-061**
16. **Recommendation by Administrative Services** – AB 1600 Annual and Five Year Reports for the City of Hemet Fiscal Year 2014-15
 - a. Adopt a resolution accepting and approve the AB1600 Annual and Five Year Development Impact Fee reports for fiscal year 2014-15 and making the findings required by Government Code Section 66001(D). **Resolution Bill No. 16-001**
17. **Recommendation by Public Works** – Award of Agreement to L.O. Lynch of San Jacinto to Perform Emergency Repairs to Well 15
 - a. Authorize award of agreement to L.O. Lynch of San Jacinto, in the amount of \$80,836 to perform emergency repair work at Well #15 located at 2570 W. Johnson Avenue; and
 - b. Authorize the City Manager to enter into an Agreement for Emergency Construction Services with L.O. Lynch, and execute purchase orders necessary to support the agreement.

18. **Recommendation by Fire** – Acceptance of the 2015 Riverside County Community Health Agency Grant (CHOG)
 - a. Accept the grant from the Riverside County Community Health Agency in the amount of \$67,000 from the period of October 1, 2015 through February 28, 2017; and
 - b. Amend the budget in the Public Safety Grant Fund #232 to reflect the award amount of \$67,000 to cover the cost of training and the purchase of hazardous materials mitigation equipment.

 19. **Recommendation by Library** – Hemet Public Library becoming a 1 Gigabyte Library
 - a. Approve the Hemet Public Library joining the California State Internet Backbone; and
 - b. Approve an appropriation of \$90,000 from the Hayden Trust for funding of the project.
-

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 your 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

20. **Presentation regarding WRCOG's Streetlight Acquisition Program** – Public Works Director Jensen
Discussion regarding this item, with possible direction to staff

21. **Authority to Approve Plans and Designs for All Public Works Projects** – Engineering Director/City Engineer Latino
 - a. Introduce, read by title only and waive further reading of an ordinance amending Chapter 2 of the Hemet Municipal Code to confer upon the City Engineer the authority to approve plans and designs for all Public Works projects.
Ordinance Bill No. 16-002

22. **First Amendment to the Solar Fee & Improvement Agreement for Sun Edison LLC** - Community Development Director Elliano
- a. Approve the terms as set forth in the First Amendment to the Solar Fee and Improvement Agreement, and authorize the City Manager to execute the First Amendment Agreement; and
 - b. Direct staff to issue an extension to the Temporary Certificate of Occupancy for the 20-megawatt solar power field located on 134 acres at the southwest corner of Acacia Avenue and Sanderson Avenue until June 1, 2016, pending receipt of the detailed mobilization and construction schedule from the applicant and the fully executed First Amendment to the Agreement.
-

City Council Reports

23. CITY COUNCIL REPORTS AND COMMENTS

- A. Council Member 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)
- B. Council Member Milne
 1. Riverside County Habitat Conservation Agency (RCHCA)
 2. Riverside Conservation Authority (RCA)
 3. Disaster Planning Commission
- C. Council Member Youssef
- D. Mayor Pro Tem Raver
 1. Planning Commission
 2. Traffic and Parking Commission
 3. Riverside Transit Agency (RTA)
 4. Riverside County Transportation Commission (RCTC)
 5. Watermaster Board
- E. Mayor 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)

- F. Ad-Hoc Committee Reports
 - 1. Diamond Valley Lake Recreation Ad-Hoc Committee (January 27, 2015)
 - 2. Public Safety Ballot Measure Ad-Hoc Committee (January 27, 2015)
 - 3. Ad-Hoc Committee to Explore Revenue Options (May 26, 2015)
 - 4. Grant Ad-Hoc Committee (June 23, 2015)
 - 5. CDBG Ad-Hoc Committee (December 8, 2015)

- G. City Manager Meyerhoff
 - 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, January 26, 2016 at 7:00 p.m. for consideration of items placed on that agenda. The next regular meeting will be held February 9, 2016.

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

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



#8

MINUTES

SPECIAL MEETING OF THE HEMET CITY COUNCIL

December 22, 2015

7:00 a.m.
City Hall Sister City Conference Room
445 E. Florida Avenue

www.cityofhemet.org
Please silence all cell phones

Call to Order

Mayor Wright called the meeting to order at 7:01 a.m.

Roll Call

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

ABSENT: Council Member Milne

Council Member Youssef moved and Council Member Krupa seconded a motion to excuse Council Member Milne. Motion carried 4-0.

Communications from the Public

There were no communications from the public presented at this time.

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 7:02 a.m.

1. Public Employee Appointment
Pursuant to Government Code section 54957
Title: *City Manager*
 2. Public Employee Performance Evaluation
Pursuant to Government Code section 54957
Title: *Chief of Police*
-

Reconvened at 7:14 a.m.

City Attorney Closed Session Report

3. Public Employee Appointment
Pursuant to Government Code section 54957
Title: *City Manager*

The City Attorney reported that there was no reportable action.

4. Public Employee Performance Evaluation
Pursuant to Government Code section 54957
Title: *Chief of Police*

The City Attorney reported that the City Council gave direction to the Interim City Manager to prepare and execute an amendment to the Employment Agreement for the Chief of Police. There was no additional reportable action.

City Council Business Consent Calendar

5. **Recommendation by Interim City Manager** - Appointment of City Manager
 - a. Approve the appointment of Mr. Alexander P. Meyerhoff as the City Manager of Hemet, California effective January 6, 2016, subject to completion of background check and approve of the employment agreement by the City Council.

Council Member Youssef moved and Council Member Krupa seconded a motion to approve the Consent Calendar as presented. Motion carried 4-0.

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 7:15 a.m. to Tuesday, January 12, 2016 at 7:00 p.m.



#9

AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

December 8, 2015

4:00 p.m.
City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org
Please silence all cell phones

Call to Order

Mayor Krupa called the meeting to order at 4:00 p.m.

Roll Call

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

ABSENT: None

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 4:02 p.m.

1. Public Employee Appointment
Pursuant to Government Code section 54957
Title: *City Manager*
-

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

Invocation

Invocation was given by Megan Owen, Hemet–San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Police Chief Brown

City Attorney Closed Session Report

2. Public Employee Appointment
Pursuant to Government Code section 54957
Title: *City Manager*

The City Attorney reported that the City Council did not complete this item and will continue after the regular session.

Presentation

3. Presentation to Mayor Krupa

Mayor Pro Tem Wright, presented Mayor Krupa with a crystal gavel for her time as Mayor. You are an incredible ambassador your love for and commitment to this community was apparent.

Council Member Youssef, even during times we disagreed you were professional. Thank you for your hard work and dedication.

Council Member Raver, sincerest appreciation for everything you did in the community I hope you continue. The Council Members were able to speak their mind because of your professionalism.

Council Member Milne, I was able to express myself because of your leadership and professionalism. We have agreed more often than not.

Gary Thornhill, Interim City Manager, I have never seen a more committed Mayor than Linda Krupa.

Mayor Krupa, thank you and I defended your right to speak even when we disagreed. It was a fantastic year I enjoyed 99.9% of it, there was a lot of learning and growth.

Council Reorganization

4. City Clerk to Call for Nominations for the Office of Mayor
City Clerk McComas called for nominations for the Office of Mayor.

Council Member Youssef moved and Council Member Raver seconded a motion to nominate Council Member Wright for the Office of Mayor. Motion carried 5-0.

5. Mayor to Call for Nominations for the Office of Mayor Pro Tem
Mayor Wright, called for nominations for the Office of Mayor Pro Tem.

Council Member Milne nominated Council Member Youssef.

Council Member Youssef respectfully declined the nomination.

Council Member Krupa moved and Mayor Wright seconded a motion to nominate Council Member Raver for the Office of Mayor Pro Tem. Motion carried 3-2. Council Members Milne and Youssef voted No.

Mayor Wright introduced her family in the attendance.

The City Council recessed briefly at 7:25 p.m.

Reconvened at 7:31 p.m.

City Council Business Consent Calendar

6. **Approval of Minutes** – November 3, 2015
7. **Approval of Minutes** – November 10, 2015
8. **Receive and File** – Warrant Register
 - a. Warrant registers dated November 4, 2015 in the amount of \$2,006,116.90 and November 12, 2015 in the amount of \$1,257,763.79. Payroll for the period of October 26, 2015 to November 8, 2015 was \$592,629.46.
9. **Receive and File** – Investment Portfolio as of October 2015
10. **Recommendation by Police** – 2015 State Homeland Security Program (SHSP) Grant for Purchase of Interoperable Handheld Radios
 - a. Accept the 2015 State Homeland Security Program Grant in the amount of \$78,267; and
 - b. Approve the grant-funded purchase of thirteen (13) Harris handheld radios from vendor, Harris Corporation in the amount of \$79,272.65; and
 - c. Authorize the City Manager to approve the purchase requisition in the amount of \$79,272.65; and
 - d. Authorize the finance department to establish an expenditure account and budget in the amount of \$78,267.
11. **Recommendation by Community Development** – Third Amendment to the Consultant Services Agreement with Moore Iacofano Goltsman, Inc. for Contract Planning Services
 - a. Approve the Third Amendment to the Consultant Services Agreement between the City of Hemet and Moore Iacofano Goltsman, Inc. (MIG), maintaining the original contract pricing and extending the term of the Agreement to June 30, 2016, and expanding the scope of services and compensation by an additional \$45,000 for a total not to exceed contract amount of \$165,000; and
 - b. Authorize the Interim City Manager to execute the Third Amendment to the Agreement with MIG, Inc. with funding allocated under the existing FY 15-16 Planning Division budget and associated developer deposits.
12. **Recommendation by Community Development** – Third Amendment to the Consultant Services Agreement for BMLA, Inc. for Contract Planning Services
 - a. Approve the Third Amendment to the Consultant Services Agreement between the City of Hemet and BMLA, Inc., maintaining the original contract pricing and extending the term of the Agreement to June 30, 2016, and updating the scope of services; and
 - b. Authorize the Interim City Manager to execute the Third Amendment to the Agreement with BMLA, Inc.

13. **Recommendation by Community Development** – Agreement for Services with BMLA, Inc. for Contract Planning assistance regarding the Hemet Downtown Specific Plan Project
 - a. Approve the Consultant Services Agreement between the City of Hemet and BMLA, Inc., for a not-to-exceed amount of \$55,000, and establish the contract term ending June 30, 2016; and
 - b. Authorize the Interim City Manager to execute the Agreement with BMLA, Inc., and appropriate the funding from the Downtown Specific Plan (Account #120-1700-2706) approved in the FY 15-16 Planning Division Budget.

14. **Recommendation by Community Development** – Agreement for Services between the City of Hemet and Disability Access Consultants
 - a. Approve the Agreement for Services between the City of Hemet and Disability Access Consultants for preparation of an Americans with Disabilities Act (ADA) Self-Evaluation and Transition Plan; and
 - b. Authorize the Interim City Manager to execute the agreement with Disability Access Consultants in the amount of \$69,850 in accordance with the funding allocated in the City's approved FY 15-16 Capital Improvement Plan (CIP) for this purpose.

15. **Recommendation by IT** – Renewal of annual support and maintenance for Tyler Technologies Eden ERP Financial Software
 - a. Approve the annual support and maintenance for continued use of the Tyler Technologies Eden ERP Financial Software in the amount of \$55,984.60; and
 - b. Authorize the City Manager to approve purchase orders in support of this purchase.

Item Nos. 10, 11, 12, 13 and 14 were removed from the Consent Calendar. **Mayor Wright moved and Council Member Krupa seconded a motion to approve the remaining Consent Calendar items as presented. Motion carried 5-0.**

Item No. 10

Council Member Krupa, asked how this request differs from the request on November 10th, the funding source and if the radios are interoperable.

Police Chief Brown, this request is slightly higher than the previous request. The November 10th staff report included an incorrect amount for the radios. Staff changed vendors. The radios are funded by a Homeland Security Grant and are quad band fully interoperable other agencies within the County and the County's regional radio system.

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

Item No. 11, 12 and 13

Council Member Krupa, requested clarification for the public that these contracts are included in the annual budget.

Deanna Elliano, Community Development Director, confirmed that they are either included the budget or paid for directly by the developers.

Council Member Krupa moved and Mayor Pro Tem Raver seconded a motion to approve Item Nos. 11, 12 and 13 as presented. Motion carried 5-0.

Item No. 14

Council Member Milne, requested clarification for the public given the amount of the contract. Council Member Milne requested an update on where the City is and the headway that has been made over the last couple of years.

Deanna Elliano, Community Development Director, these requirements are both from CalTrans and Federal Housing and Urban Development. Every agency undergoes an ADA self-evaluation of their public facilities, parks, sidewalks and buildings for compliance. The City is required to have a "Transition Plan" in place to address any areas of non-compliance. The City's Transition Plan is not up to date however, we have been diligently addressing and correcting ADA facilities. This is a requirement of the State based on an audit conducted. The "Transition Plan" will be incorporated into the City's 5-year CIP.

Council Member Milne, noted that the City has approved CDBG funding to improve ADA facilities for the last three fiscal years.

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

Communications from the Public

Michael Ramirez and Dana Mazzei, Jacob Weins Elementary School presented to Police Chief Brown a poster from the 1st graders and a basket of Christmas Thank You cards from the 1st to 5th grade students for the employees and volunteers of HPF.

Police Chief Brown, thanked Mr. Ramirez, Ms. Mazzei and the students from Jacob Weins on behalf of the employees and volunteers of Hemet PD.

Public Hearing

16. **2016-2017 Housing and Community Development Needs** – CDBG Coordinator Callahan

- a. Conduct a public hearing to elicit comments of citizens, public agencies, and other interested parties regarding community needs and priorities; and
- b. Receive and consider all comments for incorporation in the City of Hemet 2016-2017 Annual Action Plan draft; and
- c. Appoint two Council Members to the 2016/17 CDBG application selection and funding recommendations ad hoc committee.

Carla Callahan, CDBG Coordinator, this is the beginning of the 2016/2017 annual action plan process. Staff is recommending that the City Council conduct a public hearing to elicit comments. This is one of several opportunities to involve the community in the CDBG process. It is anticipated that the City will receive \$744,000 in CDBG funding for 2016/2017 program year. HUD regulations require citizen participation in evaluating funding needs and priorities which will be considered in the program year funding recommendations and recorded in the annual action plan. Staff is also recommending that the City Council to reactive the 2016/2017 CDBG Ad-Hoc Committee and select two members to serve in the application selection and funding recommendation process. Application packets are available on the City's website and are due on December 22, 2015.

Mayor Wright declared the Public Hearing opened at 7:43 p.m.

Gayle Hepner, CASA, forensic exams are now being done locally at Hemet Valley Hospital and recommended that the City Council continue funding the program. Prior survivors had to

go to either Rancho Springs Medical Center or Riverside County Regional Center. This is also a benefit to the law enforcement officers getting them back on the streets in a timely manner. This was a community effort and again recommended continued support.

Tom Donahue, Family Service Association, we have been providing meals in this region for 63 years. Previously a partner with the City of Hemet providing meals out of the Simpson Center for about 10 years. For the last 5 years we have been providing meals from the San Jacinto Senior Center. We also manage a child care and family clinic for the residents of the community. FSA is not just a one dimensional organization, we handle programs and family needs from Pre-K to Gray. Mr. Donahue distributed information on FSA and their programs. 60% of our lunch patrons are Hemet residents. 80% of the homebound residents that receive meals are in Hemet. We will be serving over 45,000 meals this fiscal year at a cost of \$50,000. This is not a free or an entitlement program. It is a grassroots program with three partners; government, local communities and the clients themselves. Currently there are 250 people on the waiting list for homebound meals. We understand that Hemet has had financial trouble but as that improves we are recommending that you consider funding these programs that benefit Hemet residents.

Mayor Wright declared the Public Hearing closed at 7:53 p.m.

Mayor Wright, Council Members Krupa and Milne were the previous member of the Ad-Hoc Committee.

Council Member Youssef moved and Mayor Pro Tem Raver seconded a motion to appoint Council Members Krupa and Milne to the CDBG Ad-Hoc Committee. Motion carried 5-0.

17. **Zoning Ordinance Amendment (ZOA) No. 15-006** – Community Development Director Elliano
 - a. Introduce, ready by title only and waive further reading on an ordinance amending portions of Hemet Municipal Code Chapter 90 (Zoning) to establish regulations for metal shipping containers for storage in the commercial and industrial zoned properties as recommended by the Planning Commission **Ordinance Bill No. 15-021**; and
 - b. Adopt a resolution establishing a permit fee of \$388.00 for the review and permitting of permanent Metal Storage Containers in accordance with the standards in the ordinance **Resolution No. 4651**; and
 - c. Direct staff to file a Notice of Exemption for the ordinance with the County Clerk in accordance with CEQA Guidelines.

Deanna Elliano, Community Development Director, Metal Storage Containers (MSC) or Cargo containers have been used by businesses in the Commercial and Industrial Zones in the City for temporary purposes (construction, seasonal), and permanent storage. The City's existing code only allows for temporary placement of containers up to 90 days (with a Temporary Use Permit) – resulting in code enforcement action to gain compliance. The ZOA was initiated by the Planning Commission in 2014 in response to business owner request to allow for use as permanent storage. The Planning Commission directed staff to study appropriate standards and a permit process that would allow containers under certain conditions. Pictures of containers used as permanent storage were displayed. Staff met with members of the Chamber of Commerce to get feedback and understanding of business needs for the MSC and discovered they had been in use for several years even though not allowed in the code. These MSC are essential for some small and large businesses in their daily

operation. A field survey by staff determined the use of MSC for permanent storage in Commercial and Industrial Zones was much more prevalent than initially thought. The Planning Commission held five public hearings over the course of the past 6 months to review versions of the draft ordinance and hear public testimony. There is a need to balance business interest with desired image of the City. Ordinances from other cities were reviewed. On November 17, 2015 the Planning Commission recommended approval of the draft ordinance. The Portable Storage structures under 120 square feet will be allowed as an accessory structure per the requirements of the zone. Portable Moving Containers or "PODS" will be allowed for up to 14 days on the property. They may not be located in the street or public right of way. MSC at construction sites will be allowed in conjunction with an active building permit and removed prior to Certificate of Occupancy. Any placed by public agencies for emergency response purposes will be allowed. Any placed at schools and public parks of 5 acres and greater with setbacks from streets and residential will be allowed. Temporary or seasonal use requires Temporary Use Permit (TUP) and is allowed in the C-1, C-2, C-M, M-1, M-2 and B-P zones. The storage container is to be used for seasonal activities and need for additional storage on a short-term basis and limited to 90 days maximum unless extended by the Director. One TUP allowed annually. The specific standards must be met: placement on the site; operational standards; and painted and in good condition. A new Metal Storage Container Permit (MSCP) permit was created to allow the use of permanent metal storage containers on an on-going basis in the C-1, C-2, C-M, M-1 and M-2 zones. Requirements for a MSCP are: adherence to locational and operational standards; a site plan and field inspection by staff; and simple application process and modest fee of \$388.00 per Resolution 4651. Existing businesses with containers must apply within six months of adoption of the ordinance. Standards and requirements per Section 90-82(g) are: 1) containers in good condition; 2) concealed from view/placed behind building or setback 25 feet, appropriate screening; 3) painted neutral color; 4) no advertising, logo, signage, etc. on the MSC; 5) not placed in parking spaces or drive aisles/clear emergency access; 6) not interfere with on-site drainage, circulation, safety, or operation; 7) not obstruct access or block visibility triangle; 8) setback of 25 ft front, 10 ft from residential, and meet zoning setbacks; 9) hazardous materials posted with Separate Fire Department approval; 10) not allowed for human/animal habitation; 11) electrical use allowed for lighting and refrigeration; and 12) other conditions to mitigate land use impacts public safety concerns. Businesses can request a "hardship provision" for existing containers that cannot meet all the newly established standards, but can meet the findings for hardship. Hardship approved by Community Development Director as part of the MSCP. Findings are: there are unique physical circumstances applicable to the subject land, including size, shape, topography, location or surroundings; and the strict application of the provisions of this section deprives the property of the right to use the land in a manner enjoyed by other conforming property in the vicinity; and the approval of a hardship determination does not constitute a grant of special privileges which other conforming properties in the vicinity do not enjoy. And decision of the Director may be appealed by an interested party to the Planning Commission as prescribed in Section 90-43.6 of the municipal code. The draft ordinance represents the best efforts of the staff and the business community to reach a compromise that recognizes an existing condition that was not previously authorized in the City's code, but is in common use by businesses. The draft ordinance established reasonable regulations for the use of containers on a go-forward basis to ensure that the impact is minimal, and does not detract from the image the City is trying to promote in its commercial and industrial districts.

Council Member Youssef, asked for clarification on the extension provision.

Ms. Elliano, the extension provision would only be allowed once for temporary storage containers and the use would have to relate to the original use and have rational for the extension.

Surrounding agencies either prohibit MSC's, do not address them or allow them only for seasonal purposes. All existing businesses using MSC's apply for a permit if unable to meet the standards can apply for a hardship if they meet the findings. Businesses will have 6 months to bring existing MSC's into compliance.

Mayor Wright declared the Public Hearing opened at 8:16 p.m.

Jim Welker, Hemet, how does this effect the recycling containers in the parking lots. They end up being used for trash.

Ms. Elliano, recycling containers are covered under another section of the Municipal Code.

Mayor Wright declared the Public Hearing closed at 8:19 p.m.

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

Ordinance was read by title only

18. **Zoning Ordinance Amendment (ZOA) No. 15-011** – Community Development
Director Elliano

- a. Introduce, read by title only and waive further reading of an ordinance amending Hemet Municipal Code Section 90-79 regarding medical marijuana facilities as recommended by the Planning Commission; and
- b. Direct staff to file a Notice of Exemption for the ordinance with the County Clerk in accordance with CEQA Guidelines. **Ordinance Bill No. 15-059**

Deanna Elliano, Community Development Director, the purpose for this ZOA is to update the City's code in response to new State legislation adopted in September regarding marijuana facilities: AB 243 – State licensing and regulation of medical marijuana cultivation; AB 266 – State licensing and regulations for dispensaries, including mobile delivery services; and SB 643 – standards for Physicians that prescribe medical marijuana. This will maintain local land use control over medical marijuana facilities, and continue the prohibition of medical marijuana facilities. The ordinance will be enacted prior to the deadline of March 1, 2016, when State authority commences if no local ban is in place. Section 90-79 of the Hemet Zoning Code currently prohibits medical marijuana dispensaries in all zones in the City. The California Supreme Court has held that existing state medical marijuana laws (Compassionate Use Act) do not preempt local agencies from adopting zoning ordinances to prohibit dispensaries within the City. Hemet has been very successful in closing down medical marijuana dispensaries through court orders and voluntary compliance by the enforcement of its ordinance. Proposed ordinance was prepared by the City Attorney's Office. Many other surrounding communities, Riverside, Corona and San Jacinto, are adopting similar ordinances. The following Ordinance amendments: adds a clear Purpose Statement to Section 90-79; Adds a prohibition against any "commercial cannabis activity", "marijuana cultivation facilities", and "medical marijuana deliveries"; applies to all zones in the City; and exceptions for delivery to a medical marijuana patient by a "primary caregiver" as defined in the State Health and Safety Code. On November 17th the Planning Commission unanimously recommended approval of the proposed ordinance. There was no public comment on the ordinance presented at the hearing or to date to the City. Staff is recommending that the City Council conduct a public hearing and consider any public testimony on the proposed ordinance and introduction of Ordinance Bill No. 15-059.

The City Council and staff discussed the cultivation facility on Yale Street and the proposed State language.

Mayor Wright declared the Public Hearing opened at 8:26 p.m.

There were no public comments presented at this time.

Mayor Wright declared the Public Hearing closed at 8:26 p.m.

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

Ordinance was read by title only

Discussion/Action Item

19. **Update Public Works Contracting Provisions of Hemet Municipal Code –**
Deputy City Manager/Administrative Services Director Hurst

- a. Introduce, read by title only and waive further reading of an ordinance amending sections 2-357 and 2-358 of the Hemet Municipal Code regarding bidding procedures for public projects. **Ordinance Bill No. 15-061**

Jessica Hurst, Deputy City Manager/Administrative Services Director, this ordinance amends sections 2-357 and 2-358 of the Hemet Municipal Code increasing the thresholds amounts bringing it in line with the Public Contract Code. Last update was in 1996. The City Attorney's Office also included a requirement per SB 184 effective January 1, 2016 to changing the timing of notices to contractors for public projects. Staff is recommending approval of these clean up items.

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

Ordinance was read by title only.

City Council Reports

20. 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

Council Member Milne went on a Ride Along with HPD. The level of disrespect these officers receive and the level of their professionalism and courtesy is unbelievable.

Mayor Wright concurred that the professionalism of the officers when being treated so poorly is amazing. It wasn't just because we were there it is their nature, training and professionalism.

Council Member Milne attended the Borders Committee for WRCOG in San Diego. A recently passed Senate Bill gives the Indian Tribes additional lee weigh through the planning process. They have the right to weigh in on land that they might have owned or have something to do with at one time. I am not a voting member only there to observe. Council Member Milne sent an email to Rick Bishop after the meeting expressing her concerns.

Christmas parade was great kudos to staff for their participation and float.

B. Mayor Pro Tem 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

Council Member Youssef also participating in the parade and had a great time.

D. Mayor 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)

Mayor Wright attended WRCOG's meeting. Updates on the HERO and TUMF nexus were presented. RuthAnn Berger retired after 30+ years.

Mayor Wright attended the workshop conducted by Chief Brown. Great speaker and there were close to 300 in attendance.

E. Council Member Krupa

1. Riverside Conservation Authority (RCA)

Council Member Krupa attended the RCA meeting. One of the items was regarding the means in which Executive Board members are appointed. An Urgency Item was added regarding RCA's desire to absorb RCHCA with the intent to try to delist the Stephan's Kangaroo Rat. If that happens RCHCA would be dissolved, leaving only the MSHCP.

2. Ramona Bowl Association
3. Riverside Transit Agency (RTA)
4. Watermaster Board

Watermaster Board met and lowered the Administrative Fee for 2016 to \$30 per acre foot.

5. Library Board
6. League of California Cities

Council Member Krupa was re-appointed to the Community Services Policy Committee and received a Presidential appointment to the State Transportation Public Works and Communications Committee.

7. Riverside County Transportation Commission (RCTC)
8. Western Riverside Council of Governments (WRCOG)

Council Member Krupa attended a very positive meeting with Walt Wilson, Riverside County Board of Realtors, regarding the HERO Program.

Council Member Krupa thanked the Paramedics from Station 1 for their recent assistance.

F. Ad-Hoc Committee Reports

1. Diamond Valley Lake Recreation Ad-Hoc Committee (January 27, 2015)

Next meeting, December 10, 2015

2. Public Safety Ballot Measure Ad-Hoc Committee (January 27, 2015)
3. Ad-Hoc Committee to Explore Revenue Options (May 26, 2015)
4. Grant Ad-Hoc Committee (June 23, 2015)

Mayor Wright, requested an update and status on the Ad-Hoc Committees in January.

- G. Interim City Manager Thornhill
 - 1. Manager's Reports
 - 2. Update on the Potato Shed

Gary Thornhill, Interim City Manager, the abatement process will begin next week. Demolition of the structure will begin the first week of January and end the middle of February if not delayed by rain. All that will remain will be a rough grade pad in the near future. The best news is that the insurance company will pay \$614,000 for the demolition, leaving \$5,000 for the City to pay. Mr. Thornhill thanked Jessica Hurst and Kris Jensen for their efforts.

The City Council recessed to the Housing Authority at 8:46 p.m.
Reconvened at 8:48 p.m.

The City Council recessed to Closed Session at 8:52 p.m.

Continued Closed Session

- 1. Public Employee Appointment
Pursuant to Government Code section 54957
Title: *City Manager*
-

Reconvened at 9:35 p.m.

City Attorney Continued Closed Session Report

- 2. Public Employee Appointment
Pursuant to Government Code section 54957
Title: *City Manager*

The City Attorney reported that the City Council completed interviews and authorized the Interim City Manager and City Attorney to negotiate with the successful candidate. A full announcement will be made after the completion of the negotiations and a background check.

Future Agenda Items

Update on boarded up buildings
Disaster Planning Commission Ordinance
El Nino Presentation by RCFC

Adjournment

Adjourned at 9:37 p.m. to Tuesday, January 12, 2016 at 7:00 p.m.



AGENDA

10

Staff Report

TO: Honorable Mayor and members of the City Council
FROM: Judith L. Oltman, City Treasurer
DATE: January 12, 2016
RE: Investment Portfolio as of November 2015

RECOMMENDED ACTION:

Receive and file.

ANALYSIS:

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

On 11/27/15 our FNMA #2281 was called. On 11/30/15 we purchased a 5yr/3 month call FHLMC #2286 for \$1,000,000 at 2% and on 11/30/15 we purchased a 5 year L.A. Municipal Improvement Corp. revenue bond for \$520,000 with a yield of 2.62%.

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

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

Respectfully Submitted,

Judith L. Oltman
City Treasurer

attachment

CITY OF HEMET, CALIFORNIA
Monthly Report of Investment Activities

NOVEMBER 2015

INVESTMENT CLASSIFICATIONS	MONTHLY ACTIVITY	CONSOLIDATED BALANCE
PORTFOLIO AS OF OCTOBER	58,668,967.05	
CERTIFICATES OF DEPOSIT Placed this month Matured this month		
Balance		7,677,000.00
LOCAL AGENCY INVESTMENT FUND: City of Hemet Deposits Withdrawals		
Balance		20,298,871.65
BANK OF NEW YORK MELLON Custodial Acct. Deposits Withdrawals	1,046,145.22 -1,579,182.28	
Balance		1,247,688.79
CITIBANK: Money Market Account Deposits Withdrawals	46,023.43	
Balance		247,887.92
CITIBANK: Money Market Account 3 Deposits Withdrawals	768,570.96 -2,300,000.00	
Balance		3,175,492.22
MUNICIPAL BONDS & NOTES Deposits Withdrawals	520,000.00	
Balance		18,523,583.80
GOVERNMENT AGENCIES		
2253 1.0% FNMA 11/29/17		500,000.00
2255 1.15% FNMA 2/28/18		500,000.00
2258 1.0% 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
2281 2.0% FNMA 2/27/20	-1,000,000.00	
2283 2.05% FHLMC 9/14/20		1,000,000.00
2284 2.0% FHLMC 9/30/20		500,000.00
2285 2.0% FHLMC 10/15/20		1,000,000.00
2286 2.0% FHLMC 11/25/20	1,000,000.00	1,000,000.00
PORTFOLIO BALANCE AS OF NOV. 2015	57,170,524.38	57,170,524.38

INTEREST EARNINGS	15-16 FISCAL YEAR-TO-DATE	
EARNINGS BALANCE AS NOVEMBER 1, 2015		73,882.11
CERTIFICATES OF DEPOSIT INT.	9,345.57	
OTHER GOVERNMENT SECURITIES	33,937.50	
ACCRUED INTEREST	-4,105.57	
CITIBANK MONEY MARKET ACCOUNT	28.30	
CITIBANK MONEY MARKET ACCOUNT 3	470.96	
BANK OF NY MONEY MARKET ACCT.	12.59	
LOCAL AGENCY INVESTMENT FUNDS		
CITY OF HEMET INTEREST		
MONTHLY EARNINGS TOTAL	<u>39,689.35</u>	39,689.35
MEMO ONLY:		
MERCHANT BANK CHG.		
LIBRARY CREDIT CARD FEES		
ARMORED CAR		
ASSET SEIZURE FUNDS		
Charges as of Oct. 1, 2015	<u>-14,731.06</u>	
	-15,162.20	
15-16 YEAR-TO-DATE INTEREST EARNINGS		113,571.46

**CITY OF HEMET
Portfolio Management
Portfolio Summary
November 30, 2015**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit - Bank	1,733,000.00	1,741,344.94	1,733,000.00	3.05	1,619	509	1.452	1.473
Managed Pool Accounts	20,298,871.65	20,298,871.65	20,298,871.65	35.69	1	1	0.316	0.320
Passbook/Checking Accounts	4,671,068.93	4,671,068.93	4,671,068.93	8.21	1	1	0.310	0.314
Local Government Bonds	12,523,583.80	12,638,052.42	12,670,530.36	22.28	2,303	2,000	2.450	2.484
Medium Term Notes	6,000,000.00	6,046,500.00	6,034,778.44	10.61	1,793	1,272	1.889	1.915
Federal Agency Issues - Coupon	6,000,000.00	5,996,455.00	5,516,944.44	9.70	1,820	1,356	1.563	1.585
Negotiable CDs	5,944,000.00	6,043,906.00	5,944,000.00	10.45	1,879	1,219	1.730	1.754
Investments	57,170,524.38	57,436,198.94	56,869,193.82	100.00%	1,126	855	1.261	1.279
Cash and Accrued Interest								
Accrued Interest at Purchase		23,558.59	23,558.59					
Subtotal		23,558.59	23,558.59					
Total Cash and Investments	57,170,524.38	57,459,757.53	56,892,752.41		1,126	855	1.261	1.279

Total Earnings	November 30 Month Ending	Fiscal Year To Date
Current Year	68,219.26	299,745.03
Average Daily Balance	57,493,263.79	62,163,663.75
Effective Rate of Return	1.44%	1.15%

JUDITH L. OLTMAN, TREASURER

Reporting period 11/01/2015-11/30/2015

Run Date: 12/21/2015 - 17:06

Portfolio COFH
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PM (PRF_PM1) 7.3.0
Report Ver. 7.3.5

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
November 30, 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												
06740KEX1	3146	BARCLAYS BANK DE		12/07/2011	247,000.00	249,351.79	247,000.00	1.900		1.902	372	12/07/2016
SYS3174	3174	BANK OF HEMET		09/06/2013	494,000.00	494,000.00	494,000.00	0.500		0.500	280	09/06/2016
SYS3144	3144	BANK OF THE WEST		10/12/2011	249,000.00	251,006.89	249,000.00	1.750		1.750	316	10/12/2016
SYS3136	3136	CIT BANK		08/24/2011	247,000.00	248,993.96	247,000.00	1.800		1.800	267	08/24/2016
SYS2231	3190	CITADEL FEDERAL CREDIT UNION		10/20/2015	249,000.00	249,000.00	249,000.00	2.000		2.000	1,785	10/20/2020
36160WVR7	3132	G.E. Capital Financial, Inc.		08/12/2011	247,000.00	248,992.30	247,000.00	1.850		1.850	255	08/12/2016
Subtotal and Average			1,733,000.00		1,733,000.00	1,741,344.94	1,733,000.00			1.473	509	
Managed Pool Accounts												
SYS1001	1001	LOCAL AGENCY INVESTMENT FUND			20,298,871.65	20,298,871.65	20,298,871.65	0.320		0.320	1	
Subtotal and Average			20,298,871.65		20,298,871.65	20,298,871.65	20,298,871.65			0.320	1	
Passbook/Checking Accounts												
SYS5009	5009	BANK OF NEW YORK			1,247,688.79	1,247,688.79	1,247,688.79			0.000	1	
SYS5001	5001	Citibank			247,887.92	247,887.92	247,887.92	0.150		0.150	1	
SYS5004	5004	CITIBANK3			3,175,492.22	3,175,492.22	3,175,492.22	0.450		0.450	1	
Subtotal and Average			5,912,260.19		4,671,068.93	4,671,068.93	4,671,068.93			0.314	1	
Local Government Bonds												
044555PA2	5025	ASHLAND OREGON		10/23/2014	1,145,000.00	1,141,656.60	1,133,819.75	2.800	AA	2.926	3,166	08/01/2024
048339SE6	5018	ATLANTIC CITY N.J.		06/02/2014	465,000.00	473,616.45	482,601.08	3.953	A	2.075	852	04/01/2018
048339SF3	5019	ATLANTIC CITY N.J.		06/02/2014	440,000.00	448,914.40	461,921.56	4.253	A	2.651	1,217	04/01/2019
04780NHS9	5030	ATLANTA DEVELOPMENT AUTHORITY		07/09/2015	825,000.00	824,917.50	829,177.94	2.518	A	2.400	1,674	07/01/2020
13124MAH8	5026	CALLEGUAS CA MUNI WATER DIST		10/23/2014	745,000.00	754,781.85	757,790.68	2.601	AAA	2.201	1,674	07/01/2020
156792GW7	5027	CERRITOS COMMUNITY COLLEGE DIS		12/01/2014	1,260,000.00	1,281,432.60	1,271,307.13	2.971	AA	2.821	2,435	08/01/2022
404476HH9	5022	HABERSHAM COUNTY HOSPITAL AUTH		08/13/2014	795,000.00	801,296.40	799,063.70	2.250		2.080	1,158	02/01/2019
413450HY6	5034	HARPER CREEK COMM. SCH. DIST.		10/06/2015	600,000.00	602,436.00	605,806.23	2.743		2.550	1,978	05/01/2021
544587C30	5036	L.A. MUNI IMPROVEMENT CORP		11/30/2015	520,000.00	532,677.60	532,530.12	3.146		2.620	1,797	11/01/2020
45462TEJ7	5032	INDIANA BOND BANK		09/15/2015	990,000.00	989,881.20	1,001,684.97	2.710	AA	2.501	2,237	01/15/2022
650035J66	5015	NEW YORK STATE REVENUE BONDS		03/25/2014	500,000.00	504,110.00	499,219.49	2.000		2.050	1,200	03/15/2019
64971WMC1	5031	NEW YORK CITY TRANSITIONA; FIN		08/03/2015	1,000,000.00	1,000,190.00	1,016,984.91	2.840		2.560	2,435	08/01/2022
73474TAG5	5033	PORT OF MORROW ORE TRANS FAC		09/14/2015	740,000.00	756,553.80	749,317.80	2.737		2.500	2,101	09/01/2021
767169DY8	5028	RIO RANCHO		02/12/2015	498,583.80	493,578.02	501,438.22	3.200	A	3.122	3,105	06/01/2024
786134VB9	5029	SACRAMENTO CO. SANITATION DIST		03/02/2015	1,000,000.00	1,021,030.00	1,019,777.03	2.810	AA	2.451	2,192	12/01/2021
13063CKL3	5017	STATE OF CALIFORNIA		05/16/2014	1,000,000.00	1,010,980.00	1,008,089.75	2.250		2.000	1,247	05/01/2019

Portfolio COFH
AP

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
November 30, 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
Subtotal and Average			12,157,057.14		12,523,583.80	12,638,052.42	12,670,530.36			2.484	2,000	
Medium Term Notes												
037833AQ3	5016	APPLE		05/15/2014	1,000,000.00	1,015,220.00	1,004,551.09	2.100		1.960	1,252	05/06/2019
084670BL1	5023	BERKSHIRE HATHAWAY		08/14/2014	1,000,000.00	1,011,530.00	1,003,502.83	2.100		2.000	1,352	08/14/2019
14912L6B2	5020	CATERPILLAR		06/09/2014	1,000,000.00	1,001,720.00	1,002,669.84	2.100	A	2.020	1,286	06/09/2019
36962G7G3	5014	G.E. CAPITAL CORP.		03/14/2014	500,000.00	508,570.00	506,690.67	2.300		1.932	1,140	01/14/2019
02665WAZ4	5035	AMERICAN HONDA FINANCE		10/23/2015	1,000,000.00	1,005,040.00	1,013,895.31	2.450		2.144	1,759	09/24/2020
68389XAN5	5010	ORACLE		03/28/2013	500,000.00	501,170.00	500,454.96	1.200		1.150	684	10/15/2017
90261XHE5	5024	UBS AG STAMFORD CT		08/18/2014	500,000.00	502,305.00	501,476.99	2.375		2.290	1,352	08/14/2019
94974BFG0	5013	WELLS FARGO		04/26/2013	500,000.00	500,945.00	501,536.75	1.500		1.350	777	01/16/2018
Subtotal and Average			6,035,158.15		6,000,000.00	6,046,500.00	6,034,778.44			1.915	1,272	
Federal Agency Issues - Coupon												
313383GY1	2261	FEDERAL HOME LOAN BANK		06/13/2013	500,000.00	500,035.00	500,000.00	1.170		1.170	925	06/13/2018
3134G7SY8	2283	FEDERAL HOME LOAN MTG ASSOC.		09/14/2015	1,000,000.00	1,000,530.00	1,000,000.00	2.050		2.050	1,749	09/14/2020
3134G7UY5	2284	FEDERAL HOME LOAN MTG ASSOC.		09/30/2015	500,000.00	500,330.00	16,944.44	2.000		2.000	0	09/30/2020
3134G7YY1	2285	FEDERAL HOME LOAN MTG ASSOC.		10/15/2015	1,000,000.00	1,001,120.00	1,000,000.00	2.000		2.000	1,780	10/15/2020
3134G84G1	2286	FEDERAL HOME LOAN MTG ASSOC.		11/30/2015	1,000,000.00	1,000,520.00	1,000,000.00	2.000		2.000	1,821	11/25/2020
3136G04U2	2253	FEDERAL NTL MORTGAGE ASSOC.		11/29/2012	500,000.00	500,715.00	500,000.00	1.000		1.000	729	11/29/2017
3135G0UN1	2255	FEDERAL NTL MORTGAGE ASSOC.		02/28/2013	500,000.00	500,690.00	500,000.00	1.150		1.146	820	02/28/2018
3135G0WN9	2258	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	496,975.00	500,000.00	1.000		1.000	881	04/30/2018
3135G0XG3	2260	FEDERAL NTL MORTGAGE ASSOC.		05/21/2013	500,000.00	495,540.00	500,000.00	1.000		1.000	902	05/21/2018
Subtotal and Average			5,412,916.67		6,000,000.00	5,996,455.00	5,516,944.44			1.585	1,356	
Negotiable CDs												
02437PAG8	3173	AMERICAN NATIONAL BANK DALLAS		08/12/2013	248,000.00	249,110.40	248,000.00	1.250		1.251	620	08/12/2017
02587DWK0	3184	AMERICAN EXPRESS CENTURIAN		11/28/2014	247,000.00	254,684.64	247,000.00	2.200		2.012	1,459	11/29/2019
02587CAW0	3180	AMERICAN EXPRESS FSB		08/21/2014	247,000.00	253,695.13	247,000.00	2.100		2.101	1,359	08/21/2019
05580ACF9	3187	BMW BANK OF NORTH AMERICA, UT		07/17/2015	247,000.00	255,242.76	247,000.00	2.250		2.253	1,690	07/17/2020
0606247B3	3176	BANK OF BARODA N.Y.		11/12/2013	248,000.00	254,788.45	248,000.00	2.150		2.151	1,078	11/13/2018
856284-E3-4	3147	BANK OF INDIA NEW YORK		04/27/2012	248,000.00	251,572.76	248,000.00	2.000		2.001	513	04/27/2017
14042E4P2	3186	CAPITAL ONE NA		07/15/2015	247,000.00	255,790.68	247,000.00	2.300		2.303	1,688	07/15/2020
140420SQ4	3185	CAPITAL ONE		06/24/2015	247,000.00	254,731.08	247,000.00	2.200		2.202	1,667	06/24/2020
17037TDV6	3169	CHOICE FINANCIAL GROUP		11/20/2012	248,000.00	248,029.12	248,000.00	1.000		1.001	720	11/20/2017
20033AAG13	3168	COMENITY CAPITAL BANK		10/25/2012	249,000.00	249,276.02	249,000.00	1.050		1.065	694	10/25/2017

Portfolio COFH
AP

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
November 30, 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												
20451PEN2	3175	COMPASS BANK		09/25/2013	247,000.00	252,699.77	247,000.00	2.000		2.001	1,029	09/25/2018
20786AAL9	3177	CONNECTONE BANK N.J.		12/13/2013	247,000.00	251,574.12	247,000.00	1.850		1.851	1,108	12/13/2018
2546714X5	3181	DISCOVER BANK		08/27/2014	247,000.00	253,723.88	247,000.00	2.100		2.101	1,365	08/27/2019
29976DNY2	3166	EVERBANK		10/15/2012	248,000.00	248,036.18	248,000.00	1.000		1.001	685	10/16/2017
373128DS3	3167	GEORGIA BANK AND TRUST		10/17/2012	249,000.00	249,037.60	249,000.00	1.000		1.014	686	10/17/2017
38148JBU4	3183	GOLDMAN SACHS		11/05/2014	247,000.00	254,082.63	247,000.00	2.150		2.151	1,432	11/02/2019
40434AZA0	3189	HSBC BANK USA NA		09/25/2015	248,000.00	248,407.46	248,000.00	2.500		2.502	3,586	09/25/2025
48124JSB5	3171	JP MORGAN CHASE BANK		01/28/2013	248,000.00	247,112.88	248,000.00	0.850		0.850	789	01/28/2018
628779FJ4	3178	NBT BANK		06/06/2014	247,000.00	251,030.20	247,000.00	1.800		1.801	1,283	06/06/2019
700654AV8	3182	PARK NATIONAL BANK		09/26/2014	249,000.00	255,691.18	249,000.00	2.100		2.099	1,211	03/26/2019
74267GUQ8	3179	PRIVATEBANK & TRUST CO.		07/21/2014	247,000.00	252,799.68	247,000.00	2.000		2.001	1,329	07/22/2019
87165FJG0	3188	SYNCHRONY BANK		07/31/2015	247,000.00	255,583.57	247,000.00	2.300		2.303	1,704	07/31/2020
909557CL2	3170	UNITED BANKERS' BANK		11/29/2012	249,000.00	249,529.62	249,000.00	1.100		1.115	729	11/29/2017
94986TMF1	3172	WELLS FARGO		03/28/2013	248,000.00	247,676.19	248,000.00	1.000		1.000	848	03/28/2018
Subtotal and Average			5,944,000.00		5,944,000.00	6,043,906.00	5,944,000.00			1.754	1,219	
Total and Average			57,493,263.79		57,170,524.38	57,436,198.94	56,869,193.82			1.279	855	

**CITY OF HEMET
Portfolio Management
Portfolio Details - Cash
November 30, 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		23,558.59	23,558.59				0
				Subtotal		23,558.59	23,558.59				
Total Cash and Investments			57,493,263.79		57,170,524.38	57,459,757.53	56,892,752.41			1.279	855

CITY OF HEMET
Received Interest
Sorted by Issuer
Received November 1, 2015 - November 30, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Due	Date Received	Interest		Variance
								Amount Due	Amount Received	
APPLE	037833AQ3	5016	MTN	1,000,000.00	2.100	11/06/2015	11/09/2015	10,500.00	10,500.00	-
							Subtotal	10,500.00	10,500.00	
BANK OF BARODA N.Y.	0606247B3	3176	NC2	248,000.00	2.150	11/12/2015	11/24/2015	2,687.91	2,687.91	-
							Subtotal	2,687.91	2,687.91	
BANK OF HEMET	SYS3174	3174	BCD	494,000.00	0.500	11/06/2015	11/09/2015	209.78	209.78	-
							Subtotal	209.78	209.78	
BANK OF THE WEST	SYS3144	3144	BCD	249,000.00	1.750	11/12/2015	11/17/2015	370.09	370.09	-
							Subtotal	370.09	370.09	
CHOICE FINANCIAL GROUP	17037TDV6	3169	NC2	248,000.00	1.000	11/20/2015	11/23/2015	1,250.19	1,250.19	-
							Subtotal	1,250.19	1,250.19	
CITADEL FEDERAL CREDIT UNION	SYS2231	3190	BCD	249,000.00	2.000	11/20/2015	11/05/2015	436.60	150.09	-286.51
							Subtotal	436.60	150.09	
COMENITY CAPITAL BANK	20033AAG13	3168	NC2	249,000.00	1.050	11/25/2015	11/30/2015	225.14	222.05	-3.09
							Subtotal	225.14	222.05	
CONNECTONE BANK N.J.	20786AAL9	3177	NC2	247,000.00	1.850	11/13/2015	11/17/2015	388.09	388.09	-
							Subtotal	388.09	388.09	
FEDERAL NTL MORTGAGE ASSOC.	3135G0WN9	2258	FAC	500,000.00	1.000	10/31/2015	11/02/2015	2,500.00	2,500.00	-
	3136G1LB3	2259	FAC	0.00	0.875	10/30/2015	11/02/2015	2,187.50	2,187.50	-
	3135G0XG3	2260	FAC	500,000.00	1.000	11/21/2015	11/24/2015	2,500.00	2,500.00	-
	3135G0C84	2281	FAC	0.00	2.000	11/27/2015	11/30/2015	5,000.00	5,000.00	-
							Subtotal	12,187.50	12,187.50	
GEORGIA BANK AND TRUST	373128DS3	3167	NC2	249,000.00	1.000	11/17/2015	11/18/2015	214.42	211.48	-2.94
							Subtotal	214.42	211.48	

CITY OF HEMET
Received Interest
Received November 1, 2015 - November 30, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Due	Date Received	Interest		Variance
								Amount Due	Amount Received	
GOLDMAN SACHS	38148JBU4	3183	NC2	247,000.00	2.150	11/05/2015	11/09/2015	2,677.07	2,677.07	-
								Subtotal	2,677.07	2,677.07
HSBC BANK USA NA	40434AZA0	3189	NC2	248,000.00	2.500	11/25/2015	11/30/2015	526.58	509.59	-16.99
								Subtotal	526.58	509.59
PARK NATIONAL BANK	700654AV8	3182	NC2	249,000.00	2.100	11/26/2015	11/30/2015	444.11	444.11	-
								Subtotal	444.11	444.11
STATE OF CALIFORNIA	13063CKL3	5017	NCB	1,000,000.00	2.250	11/01/2015	11/03/2015	11,250.00	11,250.00	-
								Subtotal	11,250.00	11,250.00
UNITED BANKERS' BANK	909557CL2	3170	NC2	249,000.00	1.100	10/28/2015	11/02/2015	228.25	225.12	-3.13
								Subtotal	228.25	225.12
Total								43,595.73	43,283.07	
Total Cash Overpayment								0.00		
Total Cash Shortfall								-312.66		

CITY OF HEMET
 Received Interest
 Received November 1, 2015 - November 30, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest	
						Date Received	Amount Received
Cash Accounts							
BANK OF NEW YORK	SYS5009	5009	PA1	2,780,725.85		11/03/2015	12.59
						Subtotal	12.59
Citibank	SYS5001	5001	PA1	239,887.66	0.150	11/30/2015	28.30
						Subtotal	28.30
CITIBANK3	SYS5004	5004	PA1	3,175,021.26	0.450	11/30/2015	470.96
						Subtotal	470.96
						Total	511.85

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

www.treasurer.ca.gov/pmia-laif/laif.asp
December 01, 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

November 2015 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	20,298,871.65
Total Withdrawal:	0.00	Ending Balance:	20,298,871.65

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

Date	Activity		103852000 788-1508 Bond	103852001 788-1508 Prepayment	103852002 Special	103852003 788-1510 Escrow	103852004 788-1502 Cost of	103852005 788-1506 Reserve	TOTAL
	BALANCE	0.00	776,803.08	302,771.66	(0.00)	0.00	0.00	274,141.25	1,353,715.99
7/31/2015	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	776,803.08	302,771.66	(0.00)	0.00	0.00	274,141.25	1,353,715.99
8/31/2015	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	776,803.08	302,771.66	(0.00)	0.00	0.00	274,141.25	1,353,715.99
9/30/2015	Interest								0.00
	Transfer funds								0.00
	City of Hemet		(543,371.25)						(543,371.25)
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	233,431.83	302,771.66	(0.00)	0.00	0.00	274,141.25	810,344.74
10/31/2015	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	233,431.83	302,771.66	(0.00)	0.00	0.00	274,141.25	810,344.74
11/30/2015	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	233,431.83	302,771.66	(0.00)	0.00	0.00	274,141.25	810,344.74
	First American Treasury Oblig		810,344.74						
	US Treasury Notes, various								not carried on COH books
	Misc Assets		1.00						
			<u>810,345.74</u>						
	Cash held by FA, net of Escrow acct		810,344.74						
			0.00						

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

		Riverside County Public Financing - Fiscal Agent					City of Hemet as SA to former Hemet RDA							
Date	Activity	6712115701	6712115702	6712115703	6712115704	6712115705	6712115800	6712115801	6712115802	6712115803	6712115804	6712115805	6712115806	TOTAL All Accounts
		Revenue Fund	Interest Fund	Principal Fund	Bond Purchase Fund	Cost of Issuance Fund	SA to Hemet RDA 2014 TTE	Debt Service Fund	Interest Account	Principal Account	Reserve Account	Redemption Account	Refunding Fund	
	BALANCE	0.00	0.00	0.00	11,109,999.00	0.00	0.00	7,899.19	0.00	0.00	0.00	0.00	0.00	7,899.19
7/31/2015	Interest							0.16						0.16
	Interfund transfer							(0.16)	0.16					0.00
	Debt Service from SA Hemet Redev													0.00
	Debt Service Pmt													0.00
	SA to Redevelopment Agcy													0.00
	BALANCE	0.00	0.00	0.00	11,109,999.00	0.00	0.00	7,899.19	0.16	0.00	0.00	0.00	0.00	7,899.35
8/31/2015	Interest							0.59	0.59					1.18
	Interfund transfer							(797,822.47)	217,821.88	580,000.00				(0.59)
	Debt Service from SA Hemet Redev													0.00
	Debt Service Pmt							789,922.69						789,922.69
	SA to Redevelopment Agcy													0.00
	BALANCE	0.00	0.00	0.00	11,109,999.00	0.00	0.00	0.00	217,822.63	580,000.00	0.00	0.00	0.00	797,822.63
9/30/2015	Interest								18.41					18.41
	Interfund transfer								6.73	(6.73)				0.00
	Debt Service from SA Hemet Redev				(580,000.00)				(217,821.88)	(579,993.27)				(797,815.15)
	Debt Service Pmt													0.00
	SA to Redevelopment Agcy													0.00
	BALANCE	0.00	0.00	0.00	10,529,999.00	0.00	0.00	0.00	25.89	0.00	0.00	0.00	0.00	25.89
10/31/2015	Interest													0.00
	Interfund transfer													0.00
	Debt Service from SA Hemet Redev													0.00
	Debt Service Pmt													0.00
	SA to Redevelopment Agcy													0.00
	BALANCE	0.00	0.00	0.00	10,529,999.00	0.00	0.00	0.00	25.89	0.00	0.00	0.00	0.00	25.89
11/30/2015	Interest													0.00
	Interfund transfer													0.00
	Debt Service from SA Hemet Redev													0.00
	Debt Service Pmt													0.00
	SA to Redevelopment Agcy													0.00
	BALANCE	0.00	0.00	0.00	10,529,999.00	0.00	0.00	0.00	25.89	0.00	0.00	0.00	0.00	25.89

Morgan Stanley Prime Inst 10,529,999.00
 Municipal Bond Insurance - BAM 1.00 not carried on City books
 Held by Fiscal Agent 10,530,000.00

0.00



January 2016

#11

COUNCIL COMMITTEES AND LIAISONS TO OUTSIDE ORGANIZATIONS

COUNCIL STANDING COMMITTEES	MEMBER(S)	ADMIN	CLERICAL	MEETING DATES/TIMES
Housing	Krupa/Wright		Aguilar	As Needed
LIAISON TO CITY BOARDS/COMMISSIONS				
Library Board	Krupa	Caines	Caines	3rd Friday/ 10:00 a.m.
Park Commission	Wright	Jensen	Jensen	Last Monday/4:00 p.m.
Planning Commission	Youssef	Elliano	Hernandez	1st & 3rd Tuesdays/6:00p.m.
Traffic and Parking Commission	Raver	Latino	Robinson	2nd Tuesday/9:00 a.m.
Disaster Planning Commission	Milne	S. Brown	N/A	As Needed
LIAISON TO OUTSIDE ORGANIZATIONS				
League of CA Cities	Krupa/Wright			2nd Monday/6:00 p.m.
Riverside County Transportation Commission	Krupa/Raver	Latino/Elliano		2nd Weds/9:00 a.m./ Riverside
Riverside County Habitat Conservation Agency Contact: Carolyn Syms-Luna	Milne/Wright	Elliano		As Needed, 3-6 meetings per year on Thursdays at 2:00 p.m./Riverside
Riverside Transit Agency	Krupa/Raver			4th Thurs/ 2:00 p.m./ Riverside (Nov & Dec - 3 rd Thurs)
RCA Contact: Honey	Krupa/Milne			1 st Monday/12:30 p.m. Riverside
Ramona Bowl Board of Dir. Ex-Officio	Krupa/Wright			As Needed
Watermaster Board	Krupa/Raver	Vail/Jensen		4 th Monday in Feb., May, Aug., and Nov. 4:00 p.m./EMWD
WRCOG	Wright/Krupa			1st Mon. / 2:00 p.m./ Riverside Admin Comm/2nd Wed/1:00pm/RCTC Building



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Jessica A. Hurst, DCM/Administrative Services
Alexander P. Meyerhoff, City Manager

DATE: January 12, 2016

RE: Warrant Register

The City of Hemet's warrant registers dated November 25, 2015 in the amount of \$1,635,470.65 and December 3, 2015 in the amount of \$1,823,003.93 are currently posted on the City's website in the Finance Department section, under *Financial Information*. Payroll for the period of November 9, 2015 to November 22, 2015 was \$590,707.75 and November 23, 2015 to December 6, 2015 was \$768,943.73.

CLAIMS VOUCHER APPROVAL

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

Respectfully submitted,

Jessica A. Hurst
Deputy City Manager/Administrative Services

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

#13



**CITY OF HEMET
Hemet, California**

ORDINANCE BILL. NO 15-021

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF HEMET, CALIFORNIA AMENDING PORTIONS OF
HEMET MUNICIPAL CODE CHAPTER 90 (ZONING) TO
ESTABLISH REGULATIONS FOR METAL STORAGE
CONTAINERS USE IN THE CITY OF HEMET.**

WHEREAS, the proposed amendments implement General Plan Implementation Program LU-P-3 (Comprehensive Municipal Code Update) and LU-P-10 (Business Assistance & Retention Program) to regulate the use and placement of the metal storage containers; and

WHEREAS, the proposed amendments clarifies the zoning and standards of the metal storage container uses; and

WHEREAS, the proposed amendments update the City's metal storage container regulations; and

WHEREAS, approval of these zoning ordinance amendments will not detrimentally affect the health, safety, and welfare of residents of the City of Hemet; and

WHEREAS, on November 17, 2015, the Planning Commission was presented with a draft of this Ordinance Bill No. 15-021 and, after conducting a duly noticed public hearing and after due consideration of the testimony, voted to adopt Planning Commission Resolution No. 15-020, recommending that the City Council approve Ordinance Bill No. 15-021; and

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

1 **SECTION 1: ADDITION OF ARTICLE III SECTION 90-82.**

2 Article III of the Hemet Municipal Code is amended as shown in Exhibit "A" hereto.

3 **SECTION 2: CEQA FINDINGS.**

4 The City has analyzed this proposed project and has determined that it is
5 exempt from the California Environmental Quality Act ("CEQA") under section
6 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects
7 that have the potential for causing a significant effect on the environment. Where as
8 here, it can be seen with certainty that there is no possibility that the activity in question
9 may have a significant effect on the environment, the activity is not subject to CEQA.
10 The addition and amendment of these sections to Chapter 90 referenced herein bring
11 the zoning ordinance into compliance with the General Plan. The proposed text
12 changes do not relate to any physical project and will not result in any physical change
13 to the environment. Therefore, it can be seen with certainty that there is no possibility
14 that this Ordinance may have a significant adverse effect on the environment and,
15 therefore, the adoption of this Ordinance is exempt from CEQA pursuant to Section
16 15061(b)(3) of the CEQA Guidelines.

17 **SECTION 3: SEVERABILITY.**

18 If any section, subsection, subdivision, sentence, clause, phrase, or portion of
19 this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of
20 any court of competent jurisdiction, such decision shall decision shall not affect the
21 validity of the remaining portions of this Ordinance. The City Council hereby declares
22 that it would have adopted this Ordinance, and each section, subsection, subdivision,
23 sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or
24 more sections, subsections, subdivisions, sentences, clauses, phrases, or portions
25 thereof be declared invalid or unconstitutional.

26 **SECTION 4: EFFECTIVE DATE**

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

1 **SECTION 5: PUBLICATION.**

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

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1 **INTRODUCED** at the regular meeting of Hemet City Council on December 8, 2015.

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3 **APPROVED AND ADOPTED** this 12th day of January 2016.

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Bonnie K. Wright, Mayor

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10 **ATTEST:**

APPROVED AS TO FORM:

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Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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1 State of California)
2 County of Riverside)
3 City of Hemet)

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5 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
6 foregoing Ordinance was introduced and first read on the 8th day of December 2015,
7 and had its second reading at the regular meeting of the Hemet City Council on the 12th
8 day of January, 2016, and was passed by the following vote:

9

10 **AYES:**

11 **NOES:**

12 **ABSTAIN:**

13 **ABSENT:**

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Sarah McComas, City Clerk

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EXHIBIT A

Article II. Special Uses and Conditions

NEW Sec. 90-82: – Metal Storage Containers.

- (a) **Purpose.** The purpose of this section is to establish regulations and application procedures for the placement and use of metal storage containers in specified zones to ensure public safety and compatibility with the surrounding uses and neighborhoods. The City recognizes that certain businesses have relied on the long-term use of storage containers without any previous authority for such use in the municipal code. The establishment of this section seeks to bring these existing storage containers into compliance where possible, while also setting reasonable standards for the future use of storage containers by new businesses and development.
- (b) **Definitions.**
- (1) *A metal storage container (MSC)* is a portable shipping or cargo container made of metal that is used for the onsite storage of property, equipment, documents or goods associated with the primary business housed in an enclosed building on the property, or construction site. A metal shipping container is considered to be a maximum of eight (8) feet wide, and extend to a maximum of 53 feet long. For the purposes of this section, the MSC shall not be used as habitable space.
 - (2) *A Portable Moving Container* or “Portable on Demand” (POD) is a container that is rented by the user for a short period of time for the purpose of moving personal goods. The container shall not to exceed 8x8x16 feet in size.
- (c) **Exemptions.** The following uses are exempt from the metal storage container permit requirements:
- (1) A portable storage structure of 120 square feet or less, that is in compliance with the accessory structure provisions of the zone in which it is located.
 - (2) A portable moving container located on the driveway of private property for moving purposes only and for duration not to exceed 14 days. The container shall not be placed in the street or extend into the sidewalk or public right-of-way, or be placed in the front or side yard areas.
 - (3) Metal storage container(s) at a construction site with an active building permit in effect. The containers shall be removed within seven days of expiration of the building permit or prior to the issuance of a certificate of occupancy, whichever occurs first. The placement of the containers onsite shall be in compliance with the standards contained in Section (g), unless otherwise approved by the Community Development Director.
 - (4) Metal storage containers(s) at an existing and active agricultural operation in an Agricultural Zone, provided that the site is a minimum of five (5) acres in area, and the storage containers are setback a minimum of 25 feet from adjacent property lines or public rights of way.
 - (5) The placement of metal storage containers by public agencies for the storage of equipment and materials in the deployment of emergency preparedness or emergency response operations.
 - (6) Metal storage containers placed at public or private K-12 schools and public parks on sites of five (5) acres in area or larger for the storage of equipment and materials related to the

Sec. 90-82

Metal Storage Containers

operational use of the site, provided that the containers are setback a minimum of 25 feet from adjacent residential uses and public rights of way.

- (d) **Applicability.** The placement of any metal storage container in the City will require a permit from the Planning Division, exempt as exempted in subsection (c) above. Permits may only be obtained for those zones which allow metal storage containers per the permitted land use matrix of the applicable zone. Metal Storage Containers are not permitted in Specific Plan (SP) and Planned Community Development (PCD) zones unless specifically allowed per the SP or PCD document or referenced to this section.
- (e) **Permit Required - Temporary and Seasonal Uses.** A Temporary Use Permit (TUP) is required for any metal storage containers placed in Commercial and Industrial Zones for the purposes of seasonal over-stocking, or other temporary placement less than 90 days, pursuant to the following conditions:
- (1) A metal storage container shall not be placed on any property without the approval of a Temporary Use Permit pursuant to Sec. 90-73 unless otherwise specifically described in the exemption section (c) of this ordinance.
 - (2) The time limit will be capped at a maximum of 90 calendar days in a calendar year unless extended by the Community Development Director, based on unforeseen circumstances. Only one extension may be granted for any valid TUP.
 - (3) The placement of a temporary or seasonal container pursuant to this section may only be allowed in those Commercial and Industrial Zones allowing such use in the permitted uses matrix of the applicable zone.
 - (4) The placement of the containers onsite shall be in compliance with the standards contained in subsection (g) of this ordinance, unless otherwise approved by the Community Development Director for the temporary duration.
- (f) **Permit Required – Permanent Use.** A Metal Storage Container Permit (MSCP) is required to be issued by the City's Planning Division for any storage container remaining on a commercial or industrial property for longer than a 90-day period, and shall be subject to the following requirements:
- (1) An application for a metal storage container permit shall be filed on forms prescribed by the director and subject to a fee to cover the costs of processing the application in accordance with a schedule adopted from time to time by City Council resolution. A site plan showing the location of the container(s) in relation to the primary building and adjacent streets and properties, with all appropriate dimensions to scale, shall be required at the time of submittal.
 - (2) The permanent use of the metal storage container will only be allowed in the applicable commercial and industrial zoning designations that allow containers per the permitted uses matrix of the zone, Specific Plan, or Planned Community Development.
 - (3) A permit shall not be granted unless the placement and appearance of the metal storage container is in compliance with all of the standards contained in subsection (g) of this ordinance.
 - (4) Existing businesses with existing containers shall apply for the MSC permit within 180 days from the effective date of this ordinance. For existing businesses with existing containers documented as of the effective date of this ordinance that are not able to meet all of the standards contained in subsection (g), they may request the granting of a hardship

Sec. 90-82

Metal Storage Containers

provision by the Community Development Director, pursuant to subsection (h) of this ordinance.

- (g) **Standards.** All metal storage containers shall be subject to the following requirements, unless otherwise specifically exempted pursuant to this chapter, or a hardship determination is approved by the Community Development Director pursuant to subsection (h).
- (1) The container shall be maintained in good condition with intact structural integrity, free of obvious deterioration, rust or graffiti, with exterior surface areas painted, and in compliance with all applicable federal, state and local laws. If any graffiti is found, it shall be removed by the property owner or business within 48 hours of notice.
 - (2) Metal storage containers shall be concealed from view from the public right-of-way and adjacent land uses to the extent possible through placement on the site behind the primary building, or appropriate screening by walls, fences or landscaping.
 - (3) The color of the metal storage container shall be painted a neutral color or match or complement the main building color. The container shall blend in with the surrounding area and buildings to limit its appearance as much as possible.
 - (4) Metal storage containers shall not contain advertising, logos, or signage for the business, or other text that calls attention to the container.
 - (5) Metal storage containers shall not be placed in any required parking spaces or drive aisles, and shall maintain a clear travel area for fire department and emergency access at all times.
 - (6) A MSC shall not be placed in any location that interferes with the on-site drainage system, circulation, safety, or the operations of the uses on the site.
 - (7) A MSC shall not obstruct access to any building or block the visibility triangle of any roadway or driveway approach.
 - (8) In no case shall the container be placed within 25 feet of the front property line or visible from the primary street frontage. Where the property line of the business abuts a residential zone, the container must be setback a minimum of 10 feet at the adjoining property line and screened from view. In all other cases, the setback requirements of the underlying zone shall apply, and no container shall be placed in the required front or side-yard setback, or required landscape area.
 - (9) A site shall be limited to one metal storage container unless unique conditions are demonstrated to the satisfaction of the director at the time of permit.
 - (10) If hazardous materials or chemicals are proposed to be stored in the container, a separate approval is required by the Fire Department. A list of any hazardous materials pursuant to fire and building codes shall be posted on the container at all times.
 - (11) The container is prohibited from being used for any human or animal habitation.
 - (12) Containers are allowed to have electrical connections for the purpose of providing interior lighting and/or refrigeration to the storage unit.
 - (13) Other conditions to mitigate potential land use impacts and public safety concerns may be required at the time of permit issuance on a case-by-case basis.
- (h) **Determination of Hardship.**
- (1) Businesses that cannot meet all the established standards in subsection (g), but can meet the findings for hardship can request a "hardship determination" by the Community Development Director as part of MSCP application review. The hardship determination is

Sec. 90-82

Metal Storage Containers

intended to assist businesses in existing buildings constructed prior to the effective date of the ordinance, and is generally not intended for new development.

- (2) To be granted a hardship determination for one or more of the standards in subsection (g), the following findings must be demonstrated by the applicant and approved by the Director:
 - I. There are unique physical circumstances applicable to the subject land, including size, shape, topography, location or surroundings; and
 - II. The strict application of the provisions of this section deprives the property of the right to use the land in a manner enjoyed by other conforming property in the vicinity; and
 - III. The approval of a hardship determination does not constitute a grant of special privileges which other conforming properties in the vicinity do not enjoy.
- (i) **Denial of a metal storage container permit.** The director may deny issuance of a metal storage permit for one or more of the following reasons:
 - (1) The placement and use of the metal storage container is incompatible with or would adversely affect adjacent uses, buildings, or the natural environment.
 - (2) The placement and use of the metal storage container would jeopardize, endanger, or otherwise hinder the public convenience, health, safety, or general welfare.
 - (3) The proposed site is inadequate in size or shape to accommodate the metal storage container.
 - (4) Provisions for vehicular access and circulation, off-street parking, pedestrian safety, and/or operational considerations are inadequate to accommodate the metal storage container.
 - (5) The proposed storage container does not meet the required standards in subsection (g) and has otherwise not been granted a hardship determination.
- (j) **Appeals.** Any decision of the Director may be appealed by an interested party to the Planning Commission as prescribed in section 90-43.6. of the municipal code.

Sec. 90-82
Metal Storage Containers

Exhibit B

Article XXX. – Manufacturing Zones

Sec. 90-1046(G)(2)D – Site Development Requirements

- ~~d. Temporary outdoor storage containers may be permitted for a period not exceeding 90 days in a calendar year upon review and approval of a temporary use permit by the community development director.~~
- **(2) d. Outdoor metal storage containers may be permitted subject to the requirements of Section 90-82.**

Sec. 90-82
Metal Storage Containers

Exhibit C

Article III. – Special Uses and Conditions

Sec. 90-73. – Temporary uses.

- (c) *Temporary uses and conditions.* The following is a list of temporary uses along with the conditions by which the use shall operate. When a temporary use permit is approved by the director it shall be subject to the limitations prescribed in this section.
- (17) **Temporary Metal Storage Containers for seasonal or temporary use may be permitted subject to the requirements of Section 90-82, Metal Storage Containers.**

**Sec. 90-82
Metal Storage Containers**

Exhibit D

Article XXVI. Commercial Zones

Sec. 90-892. Permitted uses

Commercial Land Use Matrix

COMMERCIAL LAND USE MATRIX P=Permitted Use A=Administrative Use (AUP) C=Conditionally Permitted Use (CUP) T=Temporary Use Permit (TUP)						
		R-P	O-P	C-1	C-2	C-M
G.	Accessory Uses					
5.	<u>Metal Storage Containers</u>	<u>90-82</u>	<u>90-82</u>	<u>90-82</u>	<u>90-82</u>	<u>90-82</u>
	<i>a. <u>Temporary Use Per HMC 90-82 and 90-73</u></i>	<u>X</u>	<u>X</u>	<u>TUP</u>	<u>TUP</u>	<u>TUP</u>
	<i>b. <u>Permanent Accessory Structure – requires a Metal Storage Container Permit per the requirements of HMC 90-82</u></i>	<u>X</u>	<u>X</u>	<u>P</u>	<u>P</u>	<u>P</u>

**Sec. 90-82
Metal Storage Containers**

Exhibit E

Article XXX. Manufacturing Zones

Sec. 90-1043. Permitted uses

Manufacturing Land Use Matrix

MANUFACTURING ZONES LAND USE MATRIX					
P = Permitted Use A = Administratively Permitted Use C = Conditionally Permitted Use X = Not Permitted					
Requirements: Additional or explanatory regulations or requirements					
ZONE	BP	M-1	M-2	Code Section Requirement	
H.	Industrial Uses				
<u>30.</u>	Storage facility (personal, mini-storage)	X	C	C	<u>90-4</u> <u>90-82</u> <u>90-81</u>
K.	Accessory Uses				
	<i>Metal Storage Containers</i>				90-82
1.	<u>Temporary Use Per HMC 90-82 and 90-73</u>	TUP	TUP	TUP	90-82 90-73
2.	<u>Permanent Accessory Structure – requires a Metal Storage Container Permit per the requirements of HMC 90-82</u>	X	P	P	90-82

#14



**CITY OF HEMET
Hemet, California
ORDINANCE BILL NO. 15-059**

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AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, AMENDING HEMET MUNICIPAL CODE SECTION 90-79 REGARDING MEDICAL MARIJUANA FACILITIES.

WHEREAS, Hemet Municipal Code section 90-79 prohibits medical marijuana dispensaries in all zones in the city; and,

WHEREAS, the California Supreme Court ruled unanimously in *City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc.* (2013) 56 Cal.4th 729, that the Compassionate Use Act (Proposition 215) (“CUA”) and the Medical Marijuana Program Act of 2004 (“MMPA”), do not preempt local ordinances that completely and permanently ban medical marijuana dispensaries, collectives, and cooperatives; and,

WHEREAS, in *Maral v. City of Live Oak* (2013) 221 Cal.App.4th 975, the Third District Court of Appeal held, based on *Inland Empire*, that there was no right to cultivate medical marijuana and that a city could implement and enforce a complete ban on this activity; and,

WHEREAS, on September 11, 2015, the California Legislature passed Assembly Bills 243 and 266 and Senate Bill 643, which taken together create a broad state regulatory and licensing system governing the cultivation, testing, and distribution of medical marijuana, the manufacturing of marijuana products, and physician recommendations for medical marijuana; and,

WHEREAS, Governor Brown signed each bill on October 9, 2015; and,

1 **WHEREAS**, the new legislation expressly preserves local control over medical
2 marijuana facilities and land uses, including the authority to prohibit medical marijuana
3 businesses completely; and,

4 **WHEREAS**, newly-enacted Health and Safety Code section 11362.777(c)(4)
5 provides that if a city does not have a land use regulation or ordinance regulating or
6 prohibiting marijuana cultivation, either expressly or otherwise under the principles of
7 permissive zoning, or chooses not to administer a conditional permit program, then
8 commencing March 1, 2016, the state Department of Food and Agriculture will be the
9 sole licensing authority for the commercial cultivation of medical marijuana in that
10 jurisdiction; and,

11 **WHEREAS**, under newly-enacted Business and Professions Code section
12 19340(a), a state-licensed dispensary can only deliver marijuana in a city that does not
13 explicitly prohibit marijuana deliveries by ordinance; and,

14 **WHEREAS**, the Municipal Code does not have express provisions regarding
15 medical marijuana cultivation and deliveries; and,

16 **WHEREAS**, such medical marijuana businesses and activities are not listed as
17 permitted or conditionally permitted land uses in the Hemet Zoning Code and are
18 therefore prohibited in Hemet under principles of permissive zoning (*City of Corona v.*
19 *Naulls* (2008) 166 Cal.App.4th 418, 431-433); and,

20 **WHEREAS**, despite the prohibition against all types of medical marijuana
21 businesses, the City has experienced numerous adverse impacts from medical
22 marijuana establishments that have operated illegally, including medical marijuana
23 cultivation sites; and,

24 **WHEREAS**, such adverse impacts have included hazardous construction and
25 electrical wiring and noxious odors and fumes affecting neighboring properties and
26 businesses; and,

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1 **WHEREAS**, other communities have experienced similar, if not worse, adverse
2 impacts resulting from medical marijuana establishments operating both legally and
3 illegally within their jurisdictions, including burglaries, robberies, violence, and illegal
4 diversion of marijuana to minors; and,

5 **WHEREAS**, there is significant evidence that medical marijuana delivery services
6 are also targets of violent crime and pose a danger to the public; and,

7 **WHEREAS**, a California Police Chiefs Association compilation of police reports,
8 news stories, and statistical research regarding crimes involving medical marijuana
9 businesses and their secondary impacts on the community is contained in a 2009 white
10 paper report which is attached to the staff report presented to the City Council with this
11 ordinance and on file with the City Clerk; and,

12 **WHEREAS**, the Santa Clara County District Attorney's Office issued a May 2014
13 memorandum entitled "Issues Surrounding Marijuana in Santa Clara County," which
14 outlined many of the negative secondary effects resulting from marijuana cultivation, a
15 copy of which is attached to the staff report presented to the City Council with this
16 ordinance and on file with the City Clerk; and,

17 **WHEREAS**, the Santa Clara County Public Defender issued a May 2014
18 memorandum entitled "Substance-Related Suspensions in the East Side Union High
19 School District," describing a correlation between substance abuse-related suspensions
20 in local high schools and a proliferation of medical marijuana dispensaries in the area, a
21 copy of which is attached to the staff report presented to the City Council with this
22 ordinance and on file with the City Clerk; and,

23 **WHEREAS**, news stories regarding adverse impacts of medical marijuana
24 business, including cultivation sites and delivery services, are attached to the staff
25 report presented to the City Council with this ordinance and on file with the City Clerk;
26 and,

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WHEREAS, it is reasonable to conclude that similar adverse impacts on the public health, safety, and welfare will likely occur in Hemet as a result of medical marijuana establishments and businesses, including medical marijuana deliveries; and,

WHEREAS, the City Council has determined that the City’s marijuana regulations should include express provisions regarding marijuana cultivation and marijuana deliveries in order to avoid a piecemeal regulatory approach in which certain activities are prohibited expressly while others are prohibited under permissive zoning principles; and

WHEREAS, in order to protect the public health, safety, and welfare, the City Council desires to amend Hemet Municipal Code section 90-79 to prohibit medical marijuana cultivation facilities and medical marijuana deliveries and to address the new categories of marijuana businesses created by AB 243, AB 266, and SB 643.

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

SECTION 1: Amendment of Hemet Municipal Code section 90-79. Hemet Municipal Code section 90-79 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 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: FINDINGS. The following findings are made under Hemet Municipal Code section 90-41.5:

1 (1) The proposed Ordinance conforms with the latest adopted general plan for
2 the City in that a prohibition against medical marijuana dispensaries, marijuana
3 cultivation facilities, commercial cannabis activities, and medical marijuana delivery
4 services does not conflict with any allowable uses in the land use element and does not
5 conflict with any policies or programs in any other element of the general plan.

6 (2) The proposed Ordinance will protect the public health, safety, and welfare in
7 that prohibiting medical marijuana dispensaries, marijuana cultivation facilities,
8 commercial cannabis activities, and medical marijuana delivery services will protect the
9 City from the adverse impacts and negative secondary effects connected with these
10 activities.

11 **SECTION 4: CEQA**

12 This Ordinance is not a project within the meaning of section 15378 of the
13 California Environmental Quality Act ("CEQA") Guidelines because it has no potential
14 for resulting in physical change in the environment, either directly or ultimately. In the
15 event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA
16 exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen
17 with certainty to have no possibility of a significant effect on the environment.

18 **SECTION 5: EFFECTIVE DATE.**

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

21 **SECTION 6: PUBLICATION.**

22 The City Clerk is authorized and directed to cause this Ordinance to be published
23 within fifteen (15) days after its passage in a newspaper of general circulation and
24 circulated within the City in accordance with Government Code Section 36933(a) or, to
25 cause this Ordinance to be published in the manner required by law using the
26 alternative summary and pasting procedure authorized under Government Code
27 Section 39633(c).
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INTRODUCED at the regular meeting of Hemet City Council on December 8, 2015.

APPROVED AND ADOPTED this 12th day of January 2016.

Bonnie K. Wright, 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 8th day of December 2015,
6 and had its second reading at the regular meeting of the Hemet City Council on the 12th
7 day of January, 2016, 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"

Sec. 90-79. - Medical marijuana facilities.

(a) Purpose. The purpose and intent of this section is to prohibit medical marijuana dispensaries, marijuana cultivation facilities, commercial cannabis activities, and medical marijuana deliveries, as defined below, within the city limits. It is recognized that it is a Federal violation under the Controlled Substances Act to possess or distribute marijuana even if for medical purposes. Additionally, there is evidence of an increased incidence of crime-related secondary impacts in locations associated with marijuana cultivation facilities and medical marijuana dispensaries and in connection with medical marijuana deliveries. Such negative impacts are contrary to and undermine policies that are intended to promote and maintain the public's health, safety, and welfare.

(b) Definitions.

(1) "Commercial cannabis activity" shall have the meaning set forth in Business and Professions Code section 19300.5(k).

(2) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of marijuana.

(3) "Establish" or "operate" a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity (as defined in this section) means and includes any of the following:

a. The opening or commencement of the operation of a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity;

b. The conversion of an existing business, facility, use, establishment, property, or location to a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity;

c. The addition of a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity to any other existing business, facility, use, establishment, property, or location.

(4) "Marijuana" means all parts of the plant Cannabis, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It includes marijuana infused in foodstuff, and concentrated cannabis and the separated resin, whether crude or petrified, obtained from

marijuana. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except resin extracted therefrom), fiber, oil, or cake, or the sterilized seeds of the plant that are incapable of germination.

(5) "Medical marijuana" is marijuana used for medical purposes where that medical use is deemed appropriate and has been recommended by a physician who has determined that the person's health would benefit from the use of marijuana in the treatment of acquired immune deficiency syndrome ("AIDS"), anorexia, arthritis, cancer, chronic pain, glaucoma, migraine, spasticity, or any other serious medical condition for which marijuana is deemed to provide relief as defined in subsection (h) of Health and Safety Code § 11362.7.

(6) "Marijuana cultivation facility" means any business, facility, use, establishment, property, or location where the cultivation of marijuana occurs.

(7) "Medical marijuana dispensary" means any business, facility, use, establishment, property, or location, whether fixed or mobile, where medical marijuana is sold, made available, delivered, and/or distributed by or to three or more of the following: a "primary caregiver," "a qualified patient," or a person with an "identification card," as these terms are defined in California Health and Safety Code § 11362.5 and following. A "medical marijuana dispensary" does not include the following uses, as long as the location of such uses are otherwise regulated by this Code or applicable law: a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code, a health care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code, a residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code, a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code, a residential hospice, or a home health agency licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code, as long as any such use complies strictly with applicable law including, but not limited to, Health and Safety Code § 11362.5 and following.

(c) Medical marijuana dispensaries, marijuana cultivation facilities, commercial cannabis activities, and medical marijuana deliveries prohibited.

(1) Medical marijuana dispensaries are prohibited in all zones in the city and shall not be established or operated anywhere in the city.

(2) Marijuana cultivation facilities are prohibited in all zones in the city and shall not be established or operated anywhere in the city.

(3) Commercial cannabis activities are prohibited in all zones in the city and shall not be established or operated anywhere in the city.

(4) No person may own, establish, open, operate, conduct, or manage a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity in the city, or be the lessor of property where a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity is located. No person may participate as an employee, contractor, agent, volunteer, or in any manner or capacity in any medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity in the city.

(5) No use permit, site development permit, tentative map, parcel map, variance, grading permit, building permit, building plans, zone change, business license, certificate of occupancy or other applicable approval will be accepted, approved or issued for the establishment or operation of a medical marijuana dispensary, marijuana cultivation facility, or commercial cannabis activity.

(6) No person and/or entity may deliver or transport medical marijuana from any fixed or mobile location, either inside or outside the city, to any person in the city, except that a person may deliver or transport medical marijuana to a qualified patient or person with an identification card, as those terms are defined in Health and Safety Code section 11362.7, for whom he or she is the primary caregiver within the meaning of Health and Safety Code sections 11362.5 and 11362.7(d).

(7) Nothing contained in this section shall be deemed to permit or authorize any use or activity which is otherwise prohibited by any state or federal law.

(d) Enforcement. The city may enforce this section in any manner permitted by law. The violation of this section shall be and is hereby declared to be a public nuisance and contrary to the public interest and shall, at the discretion of the city, create a cause of action for injunctive relief.

#15



**CITY OF HEMET
Hemet, California
ORDINANCE BILL NO. 15-061**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
HEMET, CALIFORNIA, AMENDING SECTIONS 2-357 AND 2-358
OF THE HEMET MUNICIPAL CODE REGARDING BIDDING
PROCEDURES FOR PUBLIC PROJECTS.**

WHEREAS, on October 25, 1988, the City Council adopted Resolution No. 2683 electing to be subject to the Uniform Public Construction Cost Accounting Act ("UPCCAA") (codified at California Public Contract Code section 22000 *et seq.*); and

WHEREAS, the City Council adopted Ordinance No. 1305, implementing the requirements of the UPCCAA, which is codified at Sections 2-356 through 2-358 of the Hemet Municipal Code; and

WHEREAS, the California State Legislature has adopted AB 720 (2011) and SB 184 (2015) since Hemet Municipal Code sections 2-356 through 2-358 were last updated; and

WHEREAS, the City Council now desires to amend Sections 2-357 and 2-358 to include the updated bidding procedures and dollar thresholds of the UPCCAA, pursuant to AB 720 (2011) and SB 184 (2015).

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

SECTION 1: AMEND SECTIONS 2-357 AND 2-358. Sections 2-357 and 2-358 of the HMC are hereby 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

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

7 **SECTION 3: EFFECTIVE DATE.**

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

10 **SECTION 4: PUBLICATION.**

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

17 **INTRODUCED** at the regular meeting of Hemet City Council on December 8th 2015.

18 **APPROVED AND ADOPTED** this 12th day of January 2016.

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21 _____
Bonnie K. Wright, Mayor

22 **ATTEST:**

APPROVED AS TO FORM:

23
24 _____
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 8th day of December, 2015,
6 and had its second reading at the regular meeting of the Hemet City Council on the 12th
7 day of January, 2016, and was passed by the following vote:

8 **AYES:**

9 **NOES:**

10 **ABSTAIN:**

11 **ABSENT:**

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13 Sarah McComas, City Clerk

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EXHIBIT "A"

Sec. 2-357. - Categories of public projects.

- (a) Public projects of \$45,000.00 or less may be performed by the employees of the city by force account, by negotiated contract, or by purchase order.
- (b) Public projects of \$175,000.00 or less may be let to contract by informal procedures as set forth in section 2-358
- (c) Public projects of more than \$175,000.00 shall, except as otherwise provided in this chapter, be let to contract by formal bidding procedure.
- (d) The dollar amounts stated in subsections (a) through (c) of this section shall automatically update to reflect the dollar thresholds stated in Public Contracts Code section 22032.

Sec. 2-358. - Informal bidding procedure.

Informal bidding procedures to govern the selection of contractors to perform public projects pursuant to section 2-357(b) shall be as follows:

- (a) Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.
 - (1) The city shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.
 - (2) The city may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Public Contract Code Section 22036.
- (b) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- (c) If all bids received are in excess of one hundred seventy-five thousand dollars (\$175,000), the City Council may, by adoption of a resolution by a four-fifths vote, award the contract, at one hundred eighty-seven thousand five hundred dollars (\$187,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the city was reasonable.
- (d) The authority to award informal contracts is delegated to the city manager.



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Alexander P. Meyerhoff, City Manager 
Jessica A. Hurst, Deputy City Manager/Administrative Services Director

DATE: January 12, 2016

RE: AB 1600 Annual and Five Year Reports for the City of Hemet Fiscal Year 2014-15, and Approval of a Resolution to reaffirm the necessity of Development Impact Fees Government Code Section 66001.

RECOMMENDED ACTION:

It is recommended that the City Council adopt Resolution Bill No. 16-001 accepting and approving the AB1600 Annual and Five Year Development Impact Fee Reports for Fiscal Year 2014-15.

BACKGROUND:

In 1987, Government Code Section 66000 et seq. became effective with the passage of Assembly Bill 1600 (AB 1600). AB 1600 requires the City to annually prepare a report for the preceding fiscal year concerning the activity of the City's Development Impact Fees (Gov. Code Section 66006 (b) (1) and (2)). AB 1600 was enacted to regulate the establishment of any new development fee or fee increase after January 1, 1989. The primary purpose of the annual report is to show the necessity of continued imposition of development impact fees. AB 1600 requires the annual report to be reviewed by the City Council at least 15 days after the report is made available for public review.

To be in full compliance with State law, the City must:

1. Spend or commit Development Impact Fees (DIF) within five years of collection; or
2. Adopt a resolution that makes the findings as required by Government Code section 66001(d) every five years.

The City currently collects seven different categories of impact fees, and retains a balance for an additional category, as outlined in the section below.

ANALYSIS:

A key provision of the legislation, namely, Section 66006 (b) (1) of the Government Code requires that local agency shall, within 180 days of the close of each fiscal year, make available to the public the following information for each separate account or fund:

- a) A brief description of the type of fee in the account or fund

- b) The amount of the fee
- c) The beginning and ending balance of the account or fund
- d) The amount of fees collected and interest earned
- e) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees
- f) An identification of an approximate date by which construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete
- g) A description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended. In the case of an interfund loan, an identification of that date on which the loan will be repaid, and the rate of interest the account will receive on the loan
- h) The amount of refunds made and any allocations of unexpended fees that are not refunded (Gov. Code Section 66006 (b) (1))

As of June 30, 2015, the City has eight (8) DIF funds subject to the requirements of Government Code Section 66000. The fund establishment dates and resolution histories are available in the report for:

- a) Law Enforcement Facilities Fee
- b) Fire Suppression Facilities Fee
- c) Road Facilities Fee
- d) Drainage Facilities Fee
- e) Parks and Recreation Facilities Fee / Valley Wide Facilities Fee
- f) General Facilities Fee
- g) Library Facilities Fee
- h) Public Meeting Facilities Fee (collection ceased August 22, 2007)

To meet the five-year reporting compliance requirements the AB1600 report includes the following:

- a) Identification of the purposes and use/application of the fee;

- b) A definition of the “reasonable relationship” between the fee and the purpose for which it is charged;
- c) Identification of all sources and amount of funding anticipated to complete financing for any incomplete improvements; and
- d) The approximate dates when additional funding is anticipated to be deposited into the appropriate account or fund.

Development Impact Fees are generally collected at the time building permits are issued for new residential and commercial construction. The impact fees are established by a resolution of the City Council and are deposited into separate development impact fee funds.

PUBLIC OUTREACH AND REVIEW:

The following DIF reports have been mailed on December 15, 2015, to the Building Industry Association (BIA) Riverside County Chapter for their review.

The following DIF reports have been posted on the City website under the FINANCE Department webpage available for public review since December 15, 2015.

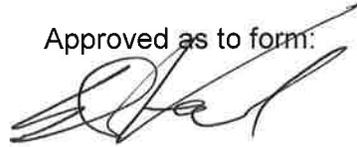
FISCAL IMPACT:

There is no General Fund impact. The City must expend or commit Developer Impact Fees collected within five years of receipt of funds. Each fee will continue to be accounted for in a separate fund. (Gov Code Section 66006 (a)).

Respectfully submitted,


Jessica A. Hurst
Deputy City Manager/Admin. Services

Approved as to form:


Eric S. Vail
City Attorney

Attachment(s): Resolution Bill No. 16-001
Exhibit A: Annual and Five Year Reports for Fiscal Year 2014-15



CITY OF HEMET
Hemet, California

RESOLUTION BILL NO. 16-001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
HEMET, CALIFORNIA APPROVING THE ANNUAL AND FIVE
YEAR AB 1600 REPORTS FOR FISCAL YEAR 2014-15 AND
MAKING THE FINDINGS REQUIRED BY GOVERNMENT CODE
SECTION 66001(D)

WHEREAS, Government Code section 66000 et seq. ("AB 1600) authorizes local agencies to adopt and impose development impact fees on new development within the jurisdiction of the local agency; and

WHEREAS, the City of Hemet has adopted several development impact fees in accordance with AB 1600; and

WHEREAS, AB 1600 requires the City of Hemet to make certain information available regarding the development impact fees collected and expended within 180 days of the close of each fiscal year (Government Code section 66006(b)), and to make certain findings every five years with respect to any unexpended fund balances of development impact fee funds (California Government Code Section 66001(d)); and

WHEREAS, documents reflecting the balance of each development impact fee fund or account, accrued interest in said fund or account and the amount of expenditure by public facility for the fiscal year have been made available for public review as required by Government Code Section 66006.

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

Section 1. That the recitations above are true and correct.

Section 2. That the following findings are made as required under the Government Code Section 66001(d):

- A. The purpose to which each development impact fee is to be put has been identified.
- B. There is a continued need for the improvements and that there is a reasonable relationship between the fee and the impacts for development for which the fees are collected.

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- C. The sources and amounts of funding anticipated to complete the financing of capital projects have been identified and will be deposited into the appropriate account upon receipt or during the normal Capital Improvement Program budget cycle.

- D. The approximate dates on which the funding referred to in subparagraph (C) is expected to be deposited into the appropriate account or fund have been identified.

These findings are based on information provided in the AB 1600 Annual and Five Year Reports for Fiscal Year 2014-15 attached hereto as Exhibit "A."

Section 3. The City Council hereby accepts and approves the AB 1600 Annual and Five Year Report attached hereto as Exhibit "A."

PASSED, APPROVED, AND ADOPTED this 12th day of January, 2016.

Bonnie Wright, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

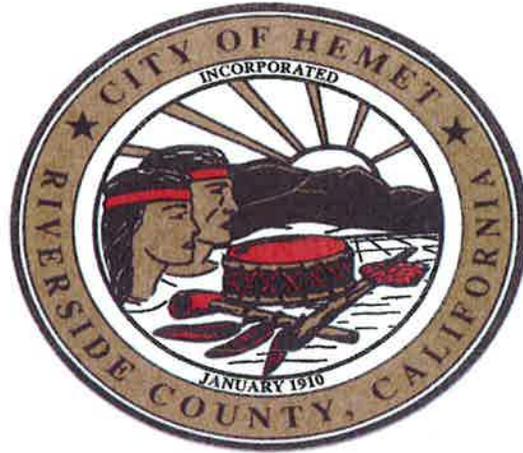
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State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing 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 14th day of April, 2015 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk



City of Hemet

Annual and Five Year Reports Development Impact Fees

**GOVERNMENT CODE SECTIONS 66006 AND 66001
ANNUAL AND FIVE YEAR REPORTS
FOR FISCAL YEARS 2010-11 THROUGH 2014-15**

December 15, 2015

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I. INTRODUCTION

Sections 66001 and 66006 of the Government Code provide that the City of Hemet ("City") shall make available to the public certain information and adopt described findings relative to development impact fees ("Reportable Fees") collected pursuant to Section 66000 *et seq.* of the Government Code. The described information and findings relate to Reportable Fees received, expended or to be expended in connection with public facilities to accommodate new development if funded or partially funded with Reportable Fees. The Reportable Fees do not include mitigation payments, special tax proceeds, proceeds of bonds, or letters of credit to secure payment of Reportable Fees at a future date. Reportable Fees have not been levied, collected, or imposed for general revenue purposes.

The following Annual Report for fiscal year 2014-15 and Five-Year Report for fiscal years 2010-11 through 2014-15 include the information and proposed findings the City intends to review and adopt in accordance with Sections 66001 and 66006 of the Government Code.

II. FISCAL YEAR 2014-15 ANNUAL REPORT

In accordance with Government Code Section 66006(b)(1) and (2), the City hereby presents the following information for fiscal year 2014-15.

The Reportable Fees of the City for fiscal year 2014-15 consist of development impact fees for the following facilities:

- A. Law Enforcement Facilities
- B. Fire Suppression Facilities
- C. Road Facilities
- D. Drainage Facilities
- E. Parks and Recreation Facilities/Valley Wide Facilities
- F. General Facilities
- G. Library Facilities
- H. Public Meeting Facilities

The fees were originally adopted by Ordinance No. 1639 on January 23, 2001 (the "Ordinance") which revised and renumbered the City Code, including Ordinance No. 1354 which established the fees. The dollar amount of the fees was adopted by resolution. The fee amounts were last updated by Resolution No. 3981 on January 23, 2006 for residential property and Resolution No. 3837 on July 26, 2004 for non-residential property. The Valley Wide Facilities Fee Fund was authorized on August 22, 2006, and allocated 16.3% of all new park impact fees. The Public Meeting Facilities Fee is no longer collected.

The most recent City of Hemet Development Impact Fee Nexus Study was prepared by TischlerBise, Fiscal, Economic and Planning Consultants, dated January 3, 2006. City Council adopted Resolution No. 3981, on January 23, 2006, which approved the Nexus Study methodology and amended Resolution No. 3837 as it related to Development Impact Fees for Residential Development Projects.

A. Law Enforcement Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Law Enforcement Facilities Fee finances law enforcement facilities, including law enforcement stations, vehicles and vehicle equipment, officer apparel and equipment, and communications and electronic equipment.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

**Table A-1
Law Enforcement Facility Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$298.00 per unit
Single Family	\$471.00 per unit
Townhomes/Duplexes	\$357.00 per unit
Multi-Family	\$404.00 per unit
Commercial/Office	\$0.223 per bldg sq. ft.
Industrial/Manufacturing	\$0.013 per bldg sq. ft.

3. **Beginning and Ending Balance of Account and Sub-Account(s).**

Appendix A lists the beginning and ending balances for the Law Enforcement Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. **Amount of the Reportable Fees Collected and Interest Earned.**

Appendix A shows the amount of Law Enforcement Facilities Fee collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. **Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.**

**Table A-2
Fiscal Year 2014-15
Reportable Law Enforcement Facility Fee Expenditures**

Project	Amount	Percentage of Project Funded by Fees
Improvements – Detective/Dispatch Building	\$540,473	100%
Major Machinery & Equipment	\$8,136	100%
Administrative Expenses	\$911	100%
<i>Total</i>	<i>\$549,520</i>	<i>NA</i>

6. **Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.**

The City has determined that it has or will obtain sufficient funds to finance the law enforcement facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from Law Enforcement Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the Law Enforcement Facilities Fee Account in fiscal year 2014-15.

B. Fire Suppression Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Fire Suppression Facilities Fee finances fire suppression facilities, including fire stations, response and prevention vehicles and equipment, and firefighter apparel and equipment.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

**Table B-1
Fire Suppression Facility Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$354.00 per unit
Single Family	\$560.00 per unit
Townhomes/Duplexes	\$424.00 per unit
Multi-Family	\$480.00 per unit
Commercial/Office	\$0.240 per bldg sq. ft.
Industrial/Manufacturing	\$0.056 per bldg sq. ft.

3. Beginning and Ending Balance of Account and Sub-Account(s).

Appendix A-2 lists the beginning and ending balances for the Fire Suppression Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. Amount of the Reportable Fees Collected and Interest Earned.

Appendix A-2 shows the amount of Fire Suppression Facilities Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.

Table B-2
Fiscal Year 2014-15
Reportable Fire Suppression Facility Fee Expenditures

Project	Amount	Percentage of Project Funded by Fees
Improvements – Detective/Dispatch Building	\$396,740	100%
Traffic Signal Emitters – Fire Dept	\$5,494	100%
Site Improvements – Fire Station #5	\$7,457	100%
Administrative Expenses	\$9,939	100%
<i>Total</i>	<i>\$419,631</i>	<i>NA</i>

6. Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.

The City determined that it has sufficient funds to finance the fire suppression facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the Fire Suppression Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the Fire Suppression Facilities Fee Account in fiscal year 2014-15.

C. Road Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Road Facilities Fee finances highways, roads, bridges, and traffic signals.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

Table C-1

Road Facility Fee by Land Use

Land Use	Fee Amount
Mobile Homes (Senior)	\$1,537.00 per unit
Single Family	\$2,948.00 per unit
Townhomes/Duplexes	\$1,805.00 per unit
Multi-Family	\$2,030.00 per unit
Commercial/Office	\$2.460 per bldg sq. ft.
Industrial/Manufacturing	\$0.414 per bldg sq. ft.

3. Beginning and Ending Balance of Account and Sub-Account(s).

Appendix A-3 lists the beginning and ending balances for the Road Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. Amount of the Reportable Fees Collected and Interest Earned.

Appendix A-3 shows the amount of Road Facilities Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.

Table C-2
Fiscal Year 2014-15
Reportable Road Facility Fee Expenditures

Project	Amount	Percentage of Project Funded by Fees
Major Machinery and Equipment – Opticom materials	\$9,575	100%
Signal @ Warren and Esplanade	\$2,356	17%
Sanderson Widening Project Phase II & III	\$85,488	100%
Stetson Ave Bridge Replacement	\$11,820	5%
Cawston and Menlo Traffic Signal & Intersection Improvements	\$559,525	100%
Sanderson and Thornton Traffic Signal	\$53,548	100%
Missing Link Sidewalk Improvements and ADA Improvements	\$2,285	100%
Mountain and Soboba Traffic Signal	\$102,797	100%
Gilbert Street ADA Ramps	\$7,553	100%
State and Devonshire Traffic Signal	(\$633)	n/a
Traffic Signal Emitters Retrofit	\$11,408	100%
Administrative Expenses	\$26,063	100%
<i>Total</i>	<i>\$871,786.</i>	<i>NA</i>

6. Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.

The City has determined that it has or will obtain sufficient funds to finance the road facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the Road Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

DIF credits in the amount of \$69,411 were refunded from the Road Facilities Fee Account in FY 2014-15 to Jeffrey MDM Partners VII LLC for completed public intersection improvements at Stoney Mountain Ranch, Tract 29129, per Section 2.2 of the Developer Agreement.

**Table C-3
Fiscal Year 2014-15
Refunds of Road Facility Fee**

Project	Fiscal Year	Amount Refunded
Jeffrey MDM Partners VII LLC	2014-15	\$69,411
<i>Total</i>	<i>NA</i>	<i>\$69,411</i>

D. Drainage Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Drainage Facilities Fee finances street gutter facilities, inlets, and a pipeline network of storm drain lines which convey runoff to various smaller lines, creeks, aqueducts, and channels throughout the City.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

**Table D-1
Drainage Facilities Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$1,147.00 per unit
Single Family	\$1,405.00 per unit
Townhomes/Duplexes	\$1,013.00 per unit
Multi-Family	\$474.00 per unit
Commercial/Office	\$0.402 per bldg sq. ft.
Industrial/Manufacturing	\$0.344 per bldg sq. ft.

3. Beginning and Ending Balance of Account and Sub-Account(s).

Appendix A-4 lists the beginning and ending balances for the Drainage Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. Amount of the Reportable Fees Collected and Interest Earned.

Appendix A-4 shows the amount of Drainage Facilities Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.

**Table D-2
Fiscal Year 2014-15
Reportable Drainage Facilities Fee Expenditures**

Project	Amount	Percentage of Project Funded by Fees
Master Drainage Plan	\$80,598	100%
State Street and Menlo Storm Drain Improvements	\$87,629	100%
Administrative Expenses	\$823	100%
<i>Total</i>	<i>\$169,050</i>	<i>NA</i>

6. Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.

The City has determined that it has or will obtain sufficient funds to finance the drainage facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the Drainage Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the Drainage Facilities Fee Account in fiscal year 2014-15.

E. Parks and Recreation Facilities/Valley Wide Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Parks and Recreation Facilities Fee finances parks and recreational facilities. The Valley Wide Facilities Fee finances improvements at Diamond Valley Lake Community Park, which is owned and operated by Valley Wide Recreation and Park District. The Valley Wide Facilities Fee Fund was authorized on August 22, 2006, and allocated 16.3% of all new park impact fees.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

**Table E-1
Parks and Recreation Facilities Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$920.00 per unit
Single Family	\$1,453.00 per unit
Townhomes/Duplexes	\$1,101.00 per unit
Multi-Family	\$1,247.00 per unit

**Table E-2
Valley Wide Facilities Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$179.00 per unit
Single Family	\$283.00 per unit
Townhomes/Duplexes	\$214.00 per unit
Multi-Family	\$243.00 per unit

3. **Beginning and Ending Balance of Account and Sub-Account(s).**

Appendix A-5 lists the beginning and ending balances for the Parks and Recreation Fee Account for all fiscal years through fiscal year 2014-15. Appendix A-5 lists the beginning and ending balances for the Valley Wide Fee Account for all fiscal years through fiscal year 2014-15.

4. **Amount of the Reportable Fees Collected and Interest Earned.**

Appendix A-5 shows the amount of Parks and Recreation Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15. Appendix A-5 shows the amount of Valley Wide Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. **Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.**

**Table E-3
Fiscal Year 2014-15
Reportable Parks and Recreation Facilities Fee Expenditures**

Project	Amount	Percentage of Project Funded by Fees
Administrative Expenses	\$823	100%
Total	\$823	NA

6. **Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.**

The City has determined that it has or will obtain sufficient funds to finance the parks and recreation and Valley-Wide facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the Parks and Recreation Fee Account or Valley Wide Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the Parks and Recreation Fee Account in fiscal year 2014-15.

DIF credits in the amount of \$130,000 were refunded from the Valley Wide Development Park Facilities Fee Account on October 30, 2014 to Valley Wide Recreation & Park District for the City portion of construction of the Diamond Valley Lake Concession Facility per the Reimbursement Agreement dated October 9, 2012 per the City of Hemet and Valley-Wide Recreation and Park District.

Table E-4
Fiscal Year 2014-15
Refunds of Valley Wide Development Park Facilities Fee

Project	Fiscal Year	Amount Refunded
Diamond Valley Lake Concession and Restroom Facility	2014-15	\$130,000
<i>Total</i>	<i>NA</i>	<i>\$130,000</i>

F. General Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The General Facilities Fee finances general office or work facilities and equipment used by City staff to undertake their daily duties.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

**Table F-1
General Facilities Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$493.00 per unit
Single Family	\$780.00 per unit
Townhomes/Duplexes	\$591.00 per unit
Multi-Family	\$669.00 per unit
Commercial/Office	\$0.116 per bldg sq. ft.
Industrial/Manufacturing	\$0.116 per bldg sq. ft.

3. Beginning and Ending Balance of Account and Sub-Account(s).

Appendix A-6 lists the beginning and ending balances for the General Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. Amount of the Reportable Fees Collected and Interest Earned.

Appendix A-6 shows the amount of General Facilities Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.

**Table F-2
Fiscal Year 2014-15
Reportable General Facilities Fee Expenditures**

Project	Amount	Percentage of Project Funded by Fees
Administrative Expenses	\$823	100%
Total	\$823	NA

6. Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.

The City has determined that it has or will obtain sufficient funds to finance the general facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the General Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the General Facilities Fee Account in fiscal year 2014-15.

G. Library Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Library Facilities Fee finances library facilities.

2. Amount of the Reportable Fees established by Ordinance No. 1639, adopted 1/23/2001. Resolution No. 3981, adopted 1/23/2006, established current fee amount for residential property. Resolution No. 3837, adopted 7/26/2004, established current fee amounts for non-residential property.

**Table G-1
Library Facilities Fee by Land Use**

Land Use	Fee Amount
Mobile Homes (Senior)	\$465.00 per unit
Single Family	\$735.00 per unit
Townhomes/Duplexes	\$557.00 per unit
Multi-Family	\$631.00 per unit

3. Beginning and Ending Balance of Account and Sub-Account(s).

Appendix A-7 lists the beginning and ending balances for the Library Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. Amount of the Reportable Fees Collected and Interest Earned.

Appendix A-7 shows the amount of Library Facilities Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.

Table G-2
Fiscal Year 2014-15
Reportable Library Facilities Fee Expenditures

Project	Amount	Percentage of Project Funded by Fees
Capital outlay for books, audio visual materials, databases for patron use	\$115,086	100%
Capital outlay for computers and library software systems for patron use	\$14,700	100%
<i>Total</i>	<i>\$129,786</i>	<i>NA</i>

6. Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.

The City has determined that it has or will obtain sufficient funds to finance the library facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the Library Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the Library Facilities Fee Account in fiscal year 2014-15.

H. Public Meeting Facilities

1. Description of the Type of Reportable Fees in the Account or Sub-account(s) of the City.

The Public Meeting Facilities Fee finances community centers and public buildings available for community use. This category of buildings differs from general facilities, which are facilities used by the City staff to undertake their municipal service duties.

2. Amount of the Reportable Fees.

The City stopped collecting the Public Meeting Facilities Fee as of August 2007.

3. Beginning and Ending Balance of Account and Sub-Account(s).

Appendix A-8 lists the beginning and ending balances for the Public Meeting Facilities Fee Account for all fiscal years through fiscal year 2014-15.

4. Amount of the Reportable Fees Collected and Interest Earned.

Appendix A-8 shows the amount of Public Meeting Facilities Fees collected, interest earned, and miscellaneous income during all fiscal years through 2014-15.

5. Identification of Each Improvement on Which Reportable Fees Were Expended and the Amount of the Expenditures on Each Improvement, Including the Total Percentage of the Cost of Each Project of the City that Was Funded with Reportable Fees.

During FY 2014-15 the Fire Facility and Suppression Fee Account was reimbursed \$36,100 to correctly record prior period construction costs for public meeting facility improvements located in Fire Station #4, paid from the Fire Facility and Suppression Fee Account.

6. Identification of an Approximate Date by Which the Construction of Project(s) of the City will Commence if the City Determines that Sufficient Funds have been Collected to Complete Financing on an Incomplete Project of the City, as Identified in Paragraph (2) of Subdivision (A) of Section 66001, and the Project of the City Remains Incomplete.

The City has determined that it has sufficient funds to finance the public meeting facilities projects shown in Table 2 in Section III of this report.

7. Description of each Interfund Transfer or Loan Made from the Account or Sub-Account(s), Including Project(s) of the City on which the Transferred or Loaned Reportable Fees will be Expended, and, in the Case of an Interfund Loan, the Date on Which the Loan will be Repaid, and the Rate of Interest that the Account or Sub-Account(s) will Receive on the Loan.

No transfers or loans were made from the Public Meeting Facilities Fee Account in fiscal year 2014-15.

8. The Amount of Refunds made or Revenues Allocated for Other Purposes if the Administrative Costs of Refunding Unexpended Revenues Exceed the Amount to be Refunded.

No refunds were made from the Public Meeting Facilities Fee Account in fiscal year 2014-15.

III. FISCAL YEAR 2014-15 FIVE YEAR REPORT

In accordance with Government Code Section 66001, the City provides the following information with respect to that portion of the account or sub-account(s) remaining unexpended, whether committed or uncommitted:

A. Identification of the Purpose to which the Reportable Fees are to be Put

The purpose of the Reportable Fees imposed and collected on new development within the City during fiscal year 2014-15 was to fund the additional general facilities, public facilities, drainage facilities, park and recreation facilities, and library facilities needed to serve new development within the City.

B. Demonstration of a Reasonable Relationship Between the Reportable Fees and the Purposes for which they are Charged

The most recent City of Hemet Development Impact Fee Nexus Study was prepared by TischlerBise, Fiscal, Economic and Planning Consultants, dated January 3, 2006. City Council adopted Resolution No. 3981, on January 23, 2006, which approved the Nexus Study methodology and amended Resolution No. 3837 as it related to Development Impact Fees for Residential Development Projects.

This 2006 Nexus Study methodology illustrated the roughly proportional, reasonable relationship between the new development upon which the Reportable Fees are charged and the need for the additional general facilities, public facilities, drainage facilities, park and recreation facilities, and library facilities by reason of the fact that additional residents and employees will be generated by additional development within the City and the City does not have capacity in its existing general facilities, public facilities, drainage facilities, park and recreation facilities, and library facilities to accommodate these new residents and employees. Furthermore, the Reportable Fees charged on new development will be used to fund additional general facilities, public facilities, drainage facilities, park and recreation facilities, and library facilities which will be used to serve the residents and employees generated from new development.

C. Identification of All Sources and Amounts of Funding Anticipated to Complete Financing of the General Facilities, Public Facilities, Drainage Facilities, Park and Recreation Facilities, and Library Facilities the City has Identified in the City's Reports

Table 1 on the following page is a summary of the amount of fees on hand for each fund as of June 30, 2015, as well as the costs of the pending general facility, public facility, drainage facility, park and recreation facility, and library facility projects currently identified by the City as shown in further detail in Table 2. As indicated in the table below, the current fee balances are needed to complete the pending projects.

**Table 1
Fees on Hand for Each Fund as of June 30, 2015**

Fund	Fees on hand as of 6/30/2015	Costs of future projects as shown in Table 2
Law Enforcement Facilities	\$6,134	\$111,962
Fire Suppression Facilities	\$364,882	\$412,373
Road Facilities	\$3,232,426	\$7,189,700
Drainage Facilities	\$3,254,478	\$10,023,106
Parks and Recreation Facilities	\$1,406,874	\$1,616,000
Valley Wide Facilities	\$105,963	\$150,000
General Facilities	\$1,738,547	\$2,455,800
Library Facilities	\$1,262,429	\$1,850,000
Public Meeting Facilities	\$549,212	\$550,000
Totals	\$11,920,945	\$24,358,941

D. Identification of the Approximate Dates on Which the Funding Referred to in Section III.C is Expected to be Deposited into the Appropriate Account or Fund

Table 2 on the following page lists the approximate dates on which the funds are expected to be available for the General Facility, Public Facility, Drainage Facility, Park and Recreation Facility, and Library Facility projects presently identified by the City.

Table 2

Proposed Funding Sources				Description of Funding Sources		
Fee / Project	Reportable Fees	Other Sources of Funds	Total	Reportable Fees	Other Sources of Funds	Timeframe
Law Enforcement Facilities						
Server migration/upgrades-Comtronix	\$ 82,825	\$ -	\$ 82,825	On Deposit with City and Future Fee Collections	None	2015 to 2018
Capital Imp-Evidence Bldg - Design Phase	\$ 29,137	\$ -	\$ 29,137	On Deposit with City and Future Fee Collections	None	2015 to 2016
Subtotal	\$ 111,962	\$ -	\$ 111,962			
Fire Suppression Facilities						
Misc tools, fire fighting equipment	\$ 27,373	\$ -	\$ 27,373	On Deposit with City and Future Fee Collections	None	2015 to 2016
Fire Station #5 - Building Improvements for Public	\$ 175,000	\$ -	\$ 175,000	On Deposit with City and Future Fee Collections	None	2015 to 2018
Additional vehicles due to Service Area Expansion - Command Vehicle	\$ 80,000	\$ -	\$ 80,000	On Deposit with City and Future Fee Collections	None	2015 to 2017
Traffic Signal Emitters - Fire	\$ 90,000	\$ -	\$ 90,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Electronic Patient Care Reporting Tablets (EPCR)						
Upgrade per County-Mandated Program for Patient Documentation	\$ 40,000	\$ -	\$ 40,000	On Deposit with City and Future Fee Collections	None	2015 to 2017
Subtotal	\$ 412,373	\$ -	\$ 412,373			
Road Facilities						
Signal @ Warren & Esplanade	\$ 97,000	\$ 478,000	\$ 575,000	On Deposit with City and Future Fee Collections	Soboba Tribal Grant; Riverside County	2014 to 2018
State Street Multi Use Path	\$ 774,000	\$ -	\$ 774,000	On Deposit with City and Future Fee Collections	Possible Grant Source	2015 to 2020
State Street Improvements - Florida to Johnston	\$ 1,240,000	\$ -	\$ 1,240,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Menlo Widening Project	\$ 1,000,000	\$ -	\$ 1,000,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Carmalita Parking Improvement 2	\$ 80,000	\$ -	\$ 80,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Cawston & Menlo Traffic & Intersection Improvements	\$ 57,850	\$ 707,850	\$ 765,700	On Deposit with City and Future Fee Collections	Safe Routes to School	2016 to 2017
Juanita St Improvements	\$ 450,000	\$ -	\$ 450,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Gilbert Roadway Improvements	\$ 56,721	\$ 443,279	\$ 500,000	On Deposit with City and Future Fee Collections	CalTrans STP MAP 21	2016 to 2017
Stetson Ave Bridge Replacement	\$ 50,000	\$ 955,000	\$ 1,005,000	On Deposit with City and Future Fee Collections	HBRRP Grant (Federal)	2015 to 2018
SCE - LED Streetlight Transition	\$ 500,000	\$ -	\$ 500,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Warren & Auto Traffic Signal	\$ 300,000	\$ -	\$ 300,000	On Deposit with City and Future Fee Collections	None	2015 to 2017
Subtotal	\$ 4,605,571	\$ 2,584,129	\$ 7,189,700			
Drainage Facilities						
Cactus Valley Channel	\$ 1,161,081	\$ -	\$ 1,161,081	On Deposit with City and Future Fee Collections	None	2018 to 2020
Avery Canyon	\$ 2,050,776	\$ -	\$ 2,050,776	On Deposit with City and Future Fee Collections	None	2019 to 2020
Pepper Creek	\$ 4,985,758	\$ -	\$ 4,985,758	On Deposit with City and Future Fee Collections	None	2019 to 2020
Menlo Avenue	\$ 1,459,886	\$ -	\$ 1,459,886	On Deposit with City and Future Fee Collections	None	2018 to 2019
Menlo/Cawston	\$ 365,605	\$ -	\$ 365,605	On Deposit with City and Future Fee Collections	None	2018 to 2019
Subtotal	\$ 10,023,106	\$ -	\$ 10,023,106			
Parks & Recreation Facilities						
Security Cameras/Security Camera system/Various Parks	\$ 41,000	\$ -	\$ 41,000	On Deposit with City and Future Fee Collections	None	2014 to 2016
Skate Park	\$ 400,000	\$ -	\$ 400,000	On Deposit with City and Future Fee Collections	None	2017 to 2019
City-wide Park Master Plan	\$ 300,000	\$ -	\$ 300,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Salt Creek Trail Project	\$ 500,000	\$ -	\$ 500,000	On Deposit with City and Future Fee Collections	None	2016 to 2019
Splash Park	\$ 200,000	\$ -	\$ 200,000	On Deposit with City and Future Fee Collections	None	2017 to 2019
Handi-capable Park Play Area	\$ 175,000	\$ -	\$ 175,000	On Deposit with City and Future Fee Collections	None	2017 to 2019
Subtotal	\$ 1,616,000	\$ -	\$ 1,616,000			
Valley Wide Development Park						
Park expansion in coordination with Valley Wide Recreation & Parks - proposed Park Master Plan land purchase and facilities - City portion	\$ 150,000	\$ -	\$ 150,000	On Deposit with City and Future Fee Collections	None	2017 to 2020
Subtotal	\$ 150,000	\$ -	\$ 150,000			
General Facilities						
City Hall gate	\$ 5,800	\$ -	\$ 5,800	On Deposit with City and Future Fee Collections	None	2016 to 2019
ADA Compliance Improvements	\$ 500,000	\$ -	\$ 500,000	On Deposit with City and Future Fee Collections	None	2015 to 2017
ERP upgrades	\$ 1,500,000	\$ -	\$ 1,500,000	On Deposit with City and Future Fee Collections	None	2016 to 2020
Municipal Building Energy Management System Update	\$ 450,000	\$ -	\$ 450,000	On Deposit with City and Future Fee Collections	None	2016 to 2017
Subtotal	\$ 2,455,800	\$ -	\$ 2,455,800			
Library Facilities						
Capital outlay for books, audio visual materials, databases for patron use	\$ 350,000	\$ -	\$ 350,000	On Deposit with City and Future Fee Collections	None	2015 to 2016
Solar parking covers	\$ 400,000	\$ -	\$ 400,000	On Deposit with City and Future Fee Collections	None	2015 to 2016
Energy upgrades: Chillers, Energy Management System	\$ 650,000	\$ -	\$ 650,000	On Deposit with City and Future Fee Collections	None	2015 to 2018
Generator	\$ 200,000	\$ -	\$ 200,000	On Deposit with City and Future Fee Collections	None	2016 to 2020
Exterior book vending device	\$ 200,000	\$ -	\$ 200,000	On Deposit with City and Future Fee Collections	None	2015 to 2016
Early Learning Center	\$ 50,000	\$ -	\$ 50,000	On Deposit with City and Future Fee Collections	None	2015 to 2016
Subtotal	\$ 1,850,000	\$ -	\$ 1,850,000			
Public Meeting Facilities						
Expansion for Library Program space	\$ 300,000	\$ -	\$ 300,000	On Deposit with City	None	2016 to 2017
Library Second Floor Energy Enhancement						
Construction/ Expansion/ Reconfigure Lighting, Audio/Visual, HVAC ducting	\$ 250,000	\$ -	\$ 250,000	On Deposit with City	None	2015 to 2017
Subtotal	\$ 550,000	\$ -	\$ 550,000			

APPENDIX A-1

**Law Enforcement Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Law Enforcement Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ 629,076	\$ 77,107	\$ 7,079	\$ 713,262	\$ -	\$ -
2002-03	-	119,605	3,310	-	122,915	-	-
2003-04	-	312,062	2,746	-	314,808	-	-
2004-05	-	259,942	7,671	-	267,613	-	0
2005-06	0	442,420	10,330	-	452,750	-	0
2006-07	0	174,609	9,624	54,017	53,868	-	184,382
2007-08	184,382	142,816	8,982	-	-	-	336,180
2008-09	336,180	89,517	6,816	-	41,622	453	390,438
2009-10	390,438	133,675	4,393	-	62,341	-	466,165
2010-11	466,165	36,905	3,982	-	3,612	-	503,440
2011-12	503,440	35,008	4,221	-	10,712	-	531,957
2012-13	531,957	54,830	3,789	-	141,450	-	449,128
2013-14	449,128	68,279	3,798	-	29,644	-	491,561
2014-15	491,561	61,244	2,849	-	549,520	-	6,134

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	6,134	-	-	-	-	-	6,134

APPENDIX A-2

**Fire Suppression Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Fire Suppression Facilities Account

Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ 868,908	\$ 8,554	\$ 42,828	\$ 920,290	\$ -	\$ -
2002-03	-	232,008	-	-	232,008	-	-
2003-04	-	344,846	-	-	344,846	-	-
2004-05	-	328,376	-	-	328,376	-	-
2005-06	-	551,353	-	-	1,419,015	-	(867,663)
2006-07	(867,663)	209,039	-	621,176	97,440	-	(134,887)
2007-08	(134,887)	170,449	80,065	351,203	172,911	-	293,919
2008-09	293,919	106,521	86,415	-	64,780	1,953	420,122
2009-10	420,122	147,029	38,219	-	184,842	-	420,528
2010-11	420,528	43,700	23,623	-	22,658	-	465,193
2011-12	465,193	41,608	41,678	-	26,077	-	522,402
2012-13	522,402	64,001	27,372	-	57,359	-	556,416
2013-14	556,416	79,855	35,392	-	25,724	-	645,940
2014-15	645,940	73,415	29,058	36,100	419,631	-	364,882

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	138,573	115,248	91,373	19,688	-	-	364,882

APPENDIX A-3

**Road Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Road Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2002-03	-	440,617	27,789	2,006,993	2,475,400	-	-
2003-04	-	1,634,055	37,476	159,136	1,830,667	-	-
2004-05	-	1,261,172	55,865	-	1,317,037	-	-
2005-06	-	2,133,646	39,065	730,375	2,903,087	-	-
2006-07	-	1,173,132	105,367	935,181	1,884,140	329,540	-
2007-08	-	960,667	72,201	2,201,965	1,068,303	160,354	2,006,175
2008-09	2,006,175	587,731	65,025	2,556,049	1,397,788	284,127	3,533,065
2009-10	3,533,065	2,207,609	52,130	526,757	499,658	-	5,819,903
2010-11	5,819,903	410,465	35,246	1,428,743	1,391,916	229,192	6,073,249
2011-12	6,073,249	199,894	64,125	714,651	3,175,486	-	3,876,433
2012-13	3,876,433	380,113	8,603	39,914	251,954	-	4,053,110
2013-14	4,053,110	433,811	39,382	-	1,080,169	-	3,446,134
2014-15	3,446,134	352,613	28,692	346,184	871,786	69,411	3,232,426

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	727,489	473,193	428,631	978,670	624,443	-	3,232,426

APPENDIX A-4

**Drainage Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Drainage Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ (552,851)	\$ 3,552,591	\$ 743,020	\$ 656,607	\$ 4,846,378	\$ -	\$ (447,010)
2002-03	(447,010)	404,018	28,688	14,305	1,049,514	-	(1,049,513)
2003-04	(1,049,513)	1,275,005	41,122	78,839	345,452	-	0
2004-05	0	651,500	71,313	-	315,699	-	407,115
2005-06	407,115	1,753,566	30,754	207,414	-	-	2,398,849
2006-07	2,398,849	753,818	132,347	350,486	-	-	3,635,500
2007-08	3,635,500	536,540	191,413	409,782	-	-	4,773,236
2008-09	4,773,236	312,616	103,516	-	359,670	-	4,829,698
2009-10	4,829,698	410,138	44,868	-	754,621	-	4,530,083
2010-11	4,530,083	21,442	23,766	-	577,960	-	3,997,331
2011-12	3,997,331	89,661	38,003	-	175,177	1,186,659	2,763,159
2012-13	2,763,159	210,716	4,828	-	(62)	-	2,978,765
2013-14	2,978,765	267,485	24,368	-	113,949	-	3,156,670
2014-15	3,156,670	244,395	22,463	-	169,050	-	3,254,478

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	266,858	291,853	215,544	127,664	45,208	2,307,351	3,254,478

APPENDIX A-5

**Parks and Recreation Facilities
Valley Wide Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Park and Recreation Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ 117,787	\$ 2,160,449	\$ 316,874	\$ 558,391	\$ 3,153,501	\$ -	\$ -
2002-03	-	192,621	11,377	-	203,998	-	-
2003-04	-	405,982	15,561	-	421,543	-	-
2004-05	-	365,286	27,542	387,477	780,305	-	-
2005-06	-	786,155	12,180	47,678	846,013	-	-
2006-07	-	340,832	45,634	24,456	136,365	-	274,558
2007-08	274,558	347,924	42,354	164,780	-	-	829,616
2008-09	829,616	253,180	18,365	240,010	203,752	-	1,137,419
2009-10	1,137,419	307,778	11,288	-	382,703	-	1,073,782
2010-11	1,073,782	108,975	6,215	-	269,910	-	919,062
2011-12	919,062	108,000	7,414	-	126,187	-	908,289
2012-13	908,289	136,582	6,805	-	976	-	1,050,700
2013-14	1,050,700	167,095	10,256	-	682	-	1,227,370
2014-15	1,227,370	170,001	10,326	-	823	-	1,406,874

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	180,327	177,352	143,387	115,414	115,190	675,184	1,406,854

Valley Wide Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2002-03	-	-	-	-	-	-	-
2003-04	-	-	-	-	-	-	-
2004-05	-	-	-	-	-	-	-
2005-06	-	-	-	-	-	-	-
2006-07	-	42,005	507	-	-	-	42,512
2007-08	42,512	63,711	2,602	-	-	-	108,825
2008-09	108,825	49,451	2,581	-	-	-	160,857
2009-10	160,857	59,660	1,868	-	-	-	222,385
2010-11	222,385	21,225	1,928	-	-	-	245,538
2011-12	245,538	21,040	2,085	-	-	-	268,663
2012-13	268,663	26,602	1,970	-	-	-	297,235
2013-14	297,235	32,545	1,747	-	-	130,000	201,527
2014-15	201,527	33,111	1,325	-	-	130,000	105,963

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	34,436	34,292	28,572	8,663	-	-	105,963

APPENDIX A-6

**General Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

General Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ 1,555,931	\$ 187,890	\$ 201,727	\$ 1,883,320	\$ 62,228	\$ -
2002-03	-	254,602	5,735	-	245,777	14,559	-
2003-04	-	497,945	11,200	-	493,809	15,336	-
2004-05	-	462,616	25,139	-	472,031	15,724	-
2005-06	-	833,009	15,020	-	457,214	16,500	374,315
2006-07	374,315	264,621	31,403	54,097	-	17,665	706,772
2007-08	706,772	218,551	27,152	24,845	-	-	977,320
2008-09	977,320	162,335	23,976	-	89,922	-	1,073,709
2009-10	1,073,709	211,405	12,162	-	1,559	-	1,295,717
2010-11	1,295,717	86,262	8,367	-	3,612	-	1,386,734
2011-12	1,386,734	75,525	15,585	-	-	-	1,477,844
2012-13	1,477,844	78,811	2,914	-	-	-	1,559,569
2013-14	1,559,569	99,717	14,432	-	44,589	-	1,629,128
2014-15	1,629,128	97,127	13,115	-	823	-	1,738,547

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	110,242	114,149	81,725	91,110	94,629	1,246,692	1,738,547

APPENDIX A-7

**Library Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Library Facilities Account

Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ 739,483	\$ 85,821	\$ 9,803	\$ 835,108	\$ -	\$ -
2002-03	-	151,088	6,061	-	157,149	-	-
2003-04	-	312,621	9,638	-	322,259	-	-
2004-05	-	384,837	19,132	-	275,434	-	128,535
2005-06	128,535	745,247	14,527	-	-	-	888,309
2006-07	888,309	227,939	63,069	-	-	-	1,179,317
2007-08	1,179,317	184,617	58,152	-	-	-	1,422,086
2008-09	1,422,086	128,128	33,557	-	143,417	-	1,440,354
2009-10	1,440,354	204,940	14,992	-	255,936	-	1,404,350
2010-11	1,404,350	167,567	8,583	-	225,509	-	1,354,991
2011-12	1,354,991	54,640	14,431	-	123,072	-	1,300,990
2012-13	1,300,990	69,090	2,477	-	88,503	-	1,284,054
2013-14	1,284,054	88,200	11,508	-	91,275	-	1,292,487
2014-15	1,292,487	89,670	10,057	-	129,785	-	1,262,429

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	99,727	99,708	71,567	69,071	176,150	746,206	1,262,429

APPENDIX A-8

**Public Meeting Facilities
Fee Account Summary**

All Fiscal Years through 2014-2015

Public Meeting Facilities Account							
Fiscal Year	Beg Bal	DIF fees	Interest Income	Transfers In	AB 1600 Expenses	Transfers Out	End Bal
Prior Years Bal Fwd	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2002-03	-	5,013	-	-	5,013	-	-
2003-04	-	101,108	808	-	3,987	-	97,929
2004-05	97,929	125,616	3,605	-	-	-	227,150
2005-06	227,150	235,724	10,058	-	-	-	472,932
2006-07	472,932	37,407	17,728	-	-	-	528,067
2007-08	528,067	1,240	16,413	-	-	-	545,720
2008-09	545,720	-	10,563	-	-	-	556,283
2009-10	556,283	-	5,271	-	-	-	561,554
2010-11	561,554	-	4,566	-	-	-	566,120
2011-12	566,120	-	4,579	-	-	-	570,699
2012-13	570,699	-	4,006	-	-	-	574,705
2013-14	574,705	-	4,607	-	-	-	579,312
2014-15	579,312	-	6,000	-	-	36,100	549,212

Aging of Funds Held

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Old Funds	Total Funds Held
2015	6,000	4,607	4,006	4,579	4,566	525,754	549,512

City of Hemet
 Government Code Sections 66006 & 66001
 Annual and Five Year Reports
 Financial Summary Report for Fiscal Year 2014-2015

Account Description	Law Enforcement Facilities	Fire Suppression Facilities	Road Facilities	Drainage Facilities	Parks & Recreation Facilities	Valley-Wide Facilities	General Facilities	Library Facilities	Public Meeting Facilities
Beginning Fund Balance 7/1/2014	\$ 491,561	\$ 645,940	\$ 3,446,134	\$ 3,156,670	\$ 1,227,370	\$ 201,527	\$ 1,629,128	\$ 1,292,488	\$ 579,312
Sources of Funds									
Fee Revenues	\$ 61,244	\$ 109,515	\$ 352,613	\$ 244,395	\$ 170,001	\$ 33,111	\$ 97,127	\$ 89,670	\$ -
Interest Income	\$ 2,849	\$ 29,057	\$ 28,692	\$ 22,463	\$ 10,326	\$ 1,325	\$ 13,115	\$ 10,057	\$ 6,000
Other	\$ -	\$ -	\$ 346,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sources of Funds	\$ 64,093	\$ 138,572	\$ 727,489	\$ 266,858	\$ 180,327	\$ 34,436	\$ 110,242	\$ 99,727	\$ 6,000
Uses of Funds									
Capital Improvement Projects	\$ (549,520)	\$ (419,631)	\$ (871,786)	\$ (169,050)	\$ (823)	\$ (130,000)	\$ (823)	\$ (129,786)	\$ (36,100)
Refund of Fees			\$ (69,411)						
Total Uses of Funds	\$ (549,520)	\$ (419,631)	\$ (941,196)	\$ (169,050)	\$ (823)	\$ (130,000)	\$ (823)	\$ (129,786)	\$ (36,100)
Ending Fund Balance 6/30/2015	\$ 6,134	\$ 364,882	\$ 3,232,426	\$ 3,254,478	\$ 1,406,874	\$ 105,963	\$ 1,738,547	\$ 1,262,429	\$ 549,212



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Alexander P. Meyerhoff, City Manager
Kristen Jensen, Public Works Director

DATE: January 12, 2016

RE: Award of Agreement to L.O. Lynch of San Jacinto to Perform Emergency Repairs to Well 15 located at 2570 W. Johnston Avenue.

RECOMMENDED ACTION:

It is respectfully recommended that the City Council:

- Authorize award of agreement to L.O. Lynch of San Jacinto, in the amount of \$80,838 to perform emergency repair work at Well #15; and
- Authorize the City Manager to enter into an Agreement for Emergency Construction Services (Exhibit "A") with L.O. Lynch, and execute purchase orders necessary to support the agreement.

BACKGROUND:

Well #15 is one of five operable potable wells available to supply water to City residents. On Monday, December 21, 2015, the well experienced mechanical issues and was taken out of operation to avoid additional damage. At the time of the equipment failure, only four wells, including Well 15, were available for production. The fifth well was offline, undergoing planned preventative maintenance rehabilitation work. This left only three operational wells available for water production. The output of these three wells, collectively, cannot meet the winter seasons highest daily customer demands.

On December 22, 2015, staff contacted LO Lynch, a company familiar with this specific well site and known qualified vendor for the City, and requested a quote for emergency repair work. A quote in the amount of \$80,838 was submitted. Due to the urgency created by the well failure, and the need to quickly get the well back online, staff sought approval from the Deputy City Manager to move forward with the emergency work via purchase order. This was done with the understanding that Council approval of award of contract would be required at the earliest meeting following the emergency work authorization. L.O. Lynch began work, via purchase order authorization, on December 28, 2015.

Staff is now recommending that Council approve the necessary contract document related to the emergency work. Had this been a planned rehabilitation project, staff would have obtained Council approval prior to the start of the project. Funding for this emergency work is available in the existing Water Department operating budgets. The emergency work is expected to be completed within 30 days.

PROJECT DESCRIPTION:

Well #15 Emergency Repair work will primarily consist of the following:

- Cleaning, brushing, bailing and videoing the well casing.
- Inspecting, servicing, and repairing column pipe, pump, and well head seal;

- Furnishing and installing new airline and sounding tubing, column tube and pump shaft, and disinfecting the well.

FISCAL IMPACT:

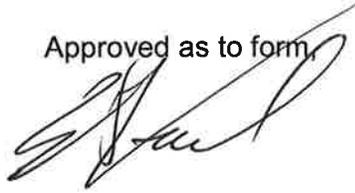
No General Fund Impact. Funding for this project is available through existing FY15/16 Operating Budgets in Water Fund 571.

Respectfully submitted,



Kris Jensen
Public Works Director

Approved as to form,



Eric S. Vail
City Attorney

Fiscal Review,



Jessica A. Hurst
Deputy City Manager

Attachments: Exhibit "A" - Agreement for Emergency Construction Services between the City of Hemet and L.O. Lynch Quality Wells and Pumps, Inc.

**AGREEMENT FOR
EMERGENCY CONSTRUCTION SERVICES**

Between

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

and

**L.O. LYNCH QUALITY WELLS & PUMPS, INC.,
a California corporation**

Dated: December 28, 2015

**AGREEMENT FOR
EMERGENCY CONSTRUCTION SERVICES
Well 15 Rehabilitation Project #5621**

This Agreement for Emergency Construction Services ("**Agreement**") is entered into as of the date referenced on the cover page ("**Effective Date**") between the City of Hemet, a municipal corporation ("**City**") and L.O. Lynch Quality Wells & Pumps, Inc., a California Corporation ("**Contractor**") (collectively the "**Parties**"). In consideration of the mutual promises and covenants made by the parties and contained here and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

SECTION 1. SCOPE OF SERVICES

1.1 **Term.** Subject to the provisions of Section 8 [Termination] of this Agreement, the term of this Agreement is for 30 days commencing on the Effective Date ("**Term**").

1.2 **Contractor Services.** Subject to the terms and conditions of this Agreement, Contractor agrees to perform for City those emergency construction services specified in the Scope of Services attached hereto and incorporated herein by reference as Exhibit "A" [Scope of Services] ("**Services**"). Contractor agrees to furnish, for the compensation provided for herein, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately perform and complete the Services. The Services shall be subject to inspection and approval by City. Contractor agrees to work closely with City staff in the performance of the Services and shall be available to City's staff and consultants at all reasonable times.

1.3 **Extra Work.** Contractor shall not be compensated for any work or services rendered in connection with its performance of this Agreement, which are in addition to or outside of the Services ("**Extra Work**"), except as expressly provided for herein. It shall be Contractor's responsibility to ensure that the scope and price of any Extra Work to be performed by Contractor is approved by City in writing in advance of Contractor's commencement of the Extra Work in accordance with Section 9.10 [Amendments] and Section 9.19 [Administration and Implementation]. City shall not be obligated to pay for or otherwise be liable for unauthorized Extra Work performed by Contractor.

1.4 **Schedule of Performance.** Contractor agrees to diligently perform and complete the Services in accordance with the schedule of performance attached hereto and incorporated herein by reference as Exhibit "B" [Schedule of Performance] ("**Schedule of Performance**"). Modifications to the Schedule of Performance must be agreed upon in writing in advance by the City Manager pursuant to Section 9.19 [Administration and Implementation] and Contractor.

1.5 **General Warranty.** Contractor warrants all Services under this Agreement (which for purposes of this Section shall be deemed to include unauthorized Extra Work which has not been removed and any non-conforming materials incorporated into the Services) to be of good quality and free from any defective or faulty material and workmanship. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Services, whether express or implied, are deemed to be obtained by Contractor for the benefit of City, regardless of whether or not such warranties and guarantees have been transferred or assigned to City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of City.

1.6 **Repair of Defects.** Contractor agrees that for a period of one (1) year from and after final acceptance of the Services, or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Services, whichever is later, Contractor shall within ten (10) days after being notified in writing by City of any defect in the Services or non-conformance of the Services, commence and prosecute with due diligence all work and services necessary to fulfill the terms of the warranty at its sole cost and expense. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the work, facilities, fixtures, or materials damaged by its defective Services or which becomes damaged in the course of repairing or replacing defective Services. For any Services so corrected, Contractor's obligation hereunder to correct defective Services shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Services. Contractor shall perform such tests as City may require to verify that any corrective actions are adequate to remedy the defective condition. In the event that Contractor fails to perform its obligations under this Section to the reasonable satisfaction of City, then City shall have the right to correct and replace any defective, non-conforming, or damaged Services at Contractor's sole expense. Contractor shall be obligated to fully reimburse City for any expenses incurred hereunder upon demand.

1.7 **Contractor's Representative.** Contractor hereby designates the representative named in Exhibit "D" [Representatives], or his or her designee, to act as its representative for the performance of this Agreement ("**Contractor's Representative**"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. Contractor's Representative shall supervise and direct the Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

SECTION 2. COMPENSATION AND METHOD OF PAYMENT

2.1 **Compensation.** City shall pay to Contractor for non-disputed Services rendered, the compensation set forth in Exhibit "C" [Compensation] attached hereto and incorporated herein by reference. Total compensation to Contractor for the Services

shall not exceed the total price or "not to exceed" amount set forth in Exhibit "C," without the prior written approval of City in accordance with Section 9.10 [Amendments] and Section 9.19 [Administration and Implementation].

2.2 Payment of Compensation. Contractor shall submit periodic (monthly or quarterly as specified in Exhibit "C") invoices together with an itemized statement of Services provided. The statement shall describe the Services provided, the percent of work completed by item, together with such other reasonable detail and supporting documentation as may be required by the City Manager, or his/her designee. City will review the statement and pay, with the exception of any charges for work performed or expenses incurred by Contractor which are disputed by City, within 30 days of receiving such statement, all approved charges thereon. Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defect in work performed by Contractor.

SECTION 3. RESPONSIBILITIES OF CONTRACTOR

3.1 Control and Payment of Subordinates; Independent Contractor. Contractor agrees that all Services shall be performed by Contractor or under its supervision. The personnel performing the Services under this Agreement on behalf of Contractor shall at all times be under the Contractor's exclusive direction and control. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. Contractor is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Contractor shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Neither Contractor, nor any of Contractor's officers, employees or agents, shall obtain any rights to retirement, healthcare or any other benefits which may otherwise accrue to City's employees. Contractor expressly waives any claim Contractor may have to any such rights.

3.2 Standard of Care and Licenses. Contractor agrees that all Services shall be performed in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and warrants that it, its employees and subcontractors shall have sufficient skill and experience to perform the Services and that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained in good standing throughout the term of this Agreement.

3.3 Required Corrections. Contractor shall perform, at its own expense and without reimbursement from the City, any work necessary to correct errors or omissions

that are caused by the Contractor's failure to comply with the standard of care provided for herein.

3.4 Law and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services.

3.5 Safety. Contractor shall perform the Services, and maintain its work area, so as to avoid injury or damage to any person or property and shall otherwise exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.6 Labor Code and Prevailing Wage Requirements.

3.6.1 Apprenticeable Crafts. To the extent applicable, Contractor shall comply with the provisions of Section 1777.5 of the Labor Code with respect to the employment of properly registered apprentices upon public works.

3.6.2 Hours of Work. Contractor shall comply with the legal days work and overtime requirements of Section 1813 of the Labor Code.

3.6.3 Payroll Records. In accordance with the requirements of Labor Code Section 1776, Contractor shall keep accurate payroll records which are either on forms provided by the Division of Labor Standards Enforcement or which contain the same information required by such forms. Contractor shall make all such records available for inspection at all reasonable hours.

3.6.4 Prevailing Wage Laws. Contractor represents and warrants that it is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("**Prevailing Wage Laws**"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and any location where the Services are performed.

3.7 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor,

employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sexual orientation, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.8 **Unauthorized Aliens.** Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein.

SECTION 4. INDEMNIFICATION

4.1 **Indemnity.** Except as to the sole negligence, active negligence, gross negligence or willful misconduct of City, Contractor expressly agrees to, and shall, indemnify, defend, release, and hold City, and its respective officials, officers, employees, agents, and contractors harmless from and against any Action, liability, loss, damage, entry, judgment, order, lien, and Costs and Expenses which arises out of, or are in any way related to, any act or omission of Contractor, or its officers, directors, employees, agents, or contractors, connected with the performance or failure to perform under this Agreement, notwithstanding that City may have benefited therefrom, or any challenge to this Agreement. This Section shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Contractor's officers, directors, employees, agents and contractors, including but not limited to acts or omissions in any way related to, the release, treatment, use, generation, transportation, storage, or disposal in, on, under, to, or from the location at which work under this Agreement is performed of any Hazardous Substances by Contractor or its officers, directors, employees, agents, and subcontractors. The Parties expressly agree that any payment, or Costs and Expenses City incurs or makes to, or on behalf of, an injured employee under City's workers' compensation or other insurance, is included as a loss or Costs and Expenses for the purpose of this Section. City shall not be responsible for any acts, errors or omissions of any person or entity except City and its officers, agents, servants, employees or contractors. The Parties expressly agree that the obligations of Contractor under this Section shall survive the expiration or early termination of the Agreement.

4.2 **Action.** For purposes of this Agreement, "**Action**" shall mean any suit (whether legal, equitable, or declaratory in nature), proceeding or hearing (whether administrative or judicial), arbitration or mediation (whether voluntary, court-ordered, binding, or non-binding), or other alternative dispute resolution process, and the filing, recording, or service of any process, notice, claim, demand, lien, or other instrument which is a prerequisite or prelude to commencement of the Action.

4.3 **Costs and Expenses.** For purposes of this Agreement, "**Costs and 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 investigation,

prosecution or defense of an Action, including, but not limited to, court costs, filing, recording, and service fees, copying costs, exhibit production costs, special media rental costs, attorney's fees, consultant fees, fees for investigators, witness fees (both lay and expert), travel expenses, deposition and transcript costs, and any other costs or expenses, the award of which a court of competent jurisdiction may determine to be just and reasonable.

4.4 Hazardous Substances. For purposes of this Agreement, "Hazardous Substances" shall mean any and all of the following:

a. any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or for which liability arises for misuse, pursuant to the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §1801, *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §6901, *et seq.*; the Toxic Substances Control Act, 15 U.S.C.S. §2601, *et seq.*; the Clean Water Act, 33 U.S.C. §1251, *et seq.*; the Insecticide, Fungicide, Rodenticide Act, 7 U.S.C. §136, *et seq.*; the Superfund Amendments and Reauthorization Act, 42 U.S.C. §6901, *et seq.*; the Clean Air Act, 42 U.S.C. §7401, *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §300f, *et seq.*; the Solid Waste Disposal Act, 42 U.S.C. §6901, *et seq.*; the Surface Mining Control and Reclamation Act, 30 U.S.C. §1201, *et seq.*; the Emergency Planning and Community Right to Know Act, 42 U.S.C. §11001, *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §§655 and 657; the Hazardous Waste Control Act, California Health and Safety Code ("H.&S.C.") §25100, *et seq.*; the Hazardous Substance Account Act, H.&S.C. §25330, *et seq.*; the California Safe Drinking Water and Toxic Enforcement Act, H.&S.C. §25249.5, *et seq.*; the Underground Storage of Hazardous Substances, H.&S.C. §25280, *et seq.*; the Carpenter-Presley-Tanner Hazardous Substance Account Act, H.&S.C. §25300, *et seq.*; the Hazardous Waste Management Act, H.&S.C. §25170.1, *et seq.*; the Hazardous Materials Response Plans and Inventory, H.&S.C. §25001, *et seq.*; the Porter-Cologne Water Quality Control Act, Water Code §13000, *et seq.*, all as they may from time to time be amended; and

b. any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or for which liability for misuse arises pursuant to any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree due to its hazardous, toxic or dangerous nature.

SECTION 5. RECORDS AND DOCUMENTS

5.1 Accounting Records.

5.1.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all expenses incurred under this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to

permit an accurate evaluation of the Services provided by Contractor pursuant to this Agreement. All such records shall be clearly identifiable.

5.1.2 Inspection and Copying. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement. At no cost to City, Contractor shall provide copies of such documents or records directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Contractor's address indicated for receipt of notices in this Agreement.

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

SECTION 6. INSURANCE

6.1 **Maintenance of Insurance**. Prior to the beginning of and throughout the term of this Agreement, Contractor will maintain insurance in conformance with requirements established by City for the type of Services being performed. Contractor acknowledges that prior to the Effective Date of this Agreement, City provided to Contractor the applicable insurance requirements, a copy of which are attached hereto as Exhibit "F" [Insurance]. Contractor acknowledges that the insurance coverage and policy limits provided by City constitute the minimum amount of coverage required. Any insurance proceeds in excess of the limits and coverage required in this Agreement and which are applicable to a given loss, will be available to the City.

6.2 **Subcontractors Insurance**. Contractor agrees to ensure that subcontractors, and any other party involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

6.3 **Modification of Insurance Provisions**. The City Manager may make reasonable amendments to the insurance requirements of this section, with the written concurrence of the Finance Director or Risk Manager, in accordance with Section 9.19

[Administration and Implementation] after considering the Scope of Services, potential liabilities, and the required level of insurance to adequately protect the City.

SECTION 7. BONDS

7.1 Performance and Payment Bonds. If required by law or specifically required by City as set forth in Exhibit "E" [Bonds Required], attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with Contractor's execution of this Agreement, but in no event later than the Effective Date of this Agreement, a Performance Bond and/or a Payment Bond in the amount of the total, not-to-exceed compensation indicated in Exhibit C, and in a form provided or approved by the City.

7.2 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this section are accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, without further notice from City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety.

7.3 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety with a current A.M. Best's rating no less than A:VIII and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

SECTION 8. TERMINATION.

8.1 Termination by City. City may, by written notice to Contractor, terminate with or without cause, and without any prior notice of default or right to cure by Contractor, the whole or any part of this Agreement at any time and by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least five (5) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those non-disputed Services that have been

adequately rendered to City, and Contractor shall be entitled to no further compensation.

8.2 Termination by Contractor. Contractor may, by written notice to City, terminate this Agreement based upon City's failure to timely cure a default under this Agreement as provided herein. At least forty-five (45) days prior to termination, Contractor shall provide City with a written notice specifying City's alleged default and providing City with a forty-five (45) day period to cure the default. Should City timely cure such default, the Agreement shall continue. Should City fail to timely or adequately cure such default, Contractor may terminate this Agreement by issuance of written notice to City.

SECTION 9. GENERAL PROVISIONS

9.1 Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

9.2 Loss and Damage. Contractor shall be responsible for all loss and damage which may arise out of the nature of the Services agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Services until the same is fully completed and accepted by City.

9.3 Liquidated Damages. The Parties agree that City has a legitimate interest in ensuring that Contractor provides the Services (including performance of all duties and responsibilities) required under this Agreement in a consistent and reliable manner, and that Contractor's failure to timely provide such Services or to provide them in an inadequate manner will cause City to suffer damages and that it is, and will be, impractical and extremely difficult to ascertain and determine the exact amount of damages or to calculate actual damages. Therefore, in addition to City's right to treat such non-performance as a material breach of, and to terminate, this Agreement, the Parties agree that liquidated damages, as provided herein, represent a reasonable estimate of the monetary damages that reasonably could be anticipated and that proof of actual damages would be costly or impractical. The Parties specifically confirm the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that the Agreement was made. Therefore, in lieu of actual damages, Contractor is subject to payment of \$500 per failure to perform, per day. City may, at its election, deduct any assessed liquidated damages from payment due, or that will become due, to Contractor from City.

9.4 Excusable Delays. Contractor shall not be liable for damages, including liquidated damages, if any, caused by delay in performance of failure to perform due to

causes beyond the control of Contractor. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

9.5 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 the Agreement.

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

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

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

9.9 Prohibited Interests. Contractor represents and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement.

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

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

9.12 **Delivery Of Notices.** All notices required or permitted to be given under this Agreement shall be in writing and shall be given to the respective parties at the addresses listed in Exhibit "D", or at such other address as the respective parties may provide in writing for this purpose. Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

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

9.14 **Waiver.** Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party or any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any Services by Contractor shall not constitute a waiver of any of the provisions of this Agreement.

9.15 **Attorney's Fees, Costs and Expenses.** In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees and Costs and Expenses, in addition to any other relief to which it may be entitled.

9.16 **Subcontracting.** Contractor shall not subcontract any portion of the Services, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions of this Agreement.

9.17 **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original.

9.18 **Authority To Execute.** The person or persons executing this Agreement on behalf of Contractor represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Contractor to the performance of its obligations hereunder.

9.19 **Administration and Implementation.** This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds,

consistent with Section 9.10 [Amendment] and the City Manager's contracting authority under the Hemet Municipal Code.

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

CITY OF HEMET

L.O. LYNCH QUALITY WELLS & PUMPS, INC.:

Gary Thornhill, Interim City Manager

(Authorized Officer)

Title _____

ATTEST:

Print Name: _____

Sarah McComas, City Clerk

(Authorized Officer)

Title _____

ATTEST:

Print Name: _____

Eric S. Vail, City Attorney

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

ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR CALIFORNIA

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
COUNTY OF RIVERSIDE)

On _____, 2015, before me, _____,
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

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

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

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

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

CAPACIT(IES) CLAIMED BY SIGNER(S)

DESCRIPTION OF ATTACHED DOCUMENT

Signer's Name: _____

- 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

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

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personally appeared _____,
Name of Signer(s)

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

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DESCRIPTION OF ATTACHED DOCUMENT

Signer's Name: _____

- Individual
Corporate Officer

Title(s)

Title or Type of Document

- Partner(s)
Limited
General

Number Of Pages

- Attorney-In-Fact
Trustee(s)
Guardian/Conservator
Other: _____

Date Of Document

Signer is representing:
Name Of Person(s) Or Entity(ies)

Signer(s) Other Than Named Above

EXHIBIT "A"
SCOPE OF SERVICES

Well 15 Emergency Rehabilitation located at 2570 W. Johnston Avenue, Hemet, CA 92545. Work will consist of cleaning , brushing, sonar jetting and videoing the well casing; inspecting, servicing and repairing column pipe, pump and well head seal; remove well motor, furnish and install new 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.

Item #1: Mobilization, demobilization, clean-up, removal of all debris and excess materials from site, restore site (Bonding Costs included).

Item #2: Remove and reinstall column piping, suction pipe, pump and related equipment (Pump set at 400ft).

Item #3: Brush and bail existing 500ft of 16" well casing with new nylon brush.

Item #4: Sonar Jet 500ft of existing well casing.

Item #5: Furnish and install new pump. (VFD design) Goulds or equal to supplying 1200gpm's against 110 PSI.

Item #6: Furnish and install up too, new 10" x 20' column piping, inspect and make recommendations on existing column pipe.

Item #7: Furnish and install new pump shafts & bearings 1-11/16" seamless 3" oil tube.

Item #8: Furnish and install two 1" Sch. 80 PVC pipes (total of 800ft), flush thread (sounding & transducer cable). Strap SS bands every 20 feet.

Item #9: Furnish and install 400ft of continuous new 1/4" stainless steel airline .

Item #10: Furnish and install new cone strainer made of 304S.

Item #11: Disinfect well and perform (2) separate bac-t tests 15 minutes apart and pass.

Item #12: 2 Video Logs

Item #13: Furnish 10" Stinger – 60LF of Blank & 100LF of screen with Solid Cap (SDR21 PVC) with adaptor.

EXHIBIT "B"

SCHEDULE OF PERFORMANCE

Work will need to be completed within 30 days

EXHIBIT "C"
COMPENSATION

Item #1 – \$4,000
Item #2 – \$10,500
Item #3 – 12 hours @ \$350/hour = \$4,200
Item #4 – \$7,000
Item #5 – \$8,500
Item #6 – 400 LF @ \$35/LF = \$14,000
Item #7 – 400 LF @ \$54/LF = \$21,600
Item #8 – 800 LF @ \$3.10/LF = \$2,480
Item #9 – 400LF @ \$1.40/LF = \$560
Item #10 – \$951
Item #11 – \$1,000
Item #12 – 2 Video Logs @ \$1,000/ea = \$2,000
Item #13 – 160 LF @ \$25.29375/LF = \$4,047

Total Cost Not to Exceed– \$80,838

EXHIBIT "D"
REPRESENTATIVES

CITY'S REPRESENTATIVE

City of Hemet
Public Works Water Division
Attn: Ron Proze
445 East Florida Avenue
Hemet, California 92543
Facsimile: (951) 765-3878

CONTRACTOR'S REPRESENTATIVE

L.O. Lynch Quality Wells & Pumps
Michael Nichols
856 W. Seventh Street
San Jacinto, CA 92582
Phone: (951) 654-7724

EXHIBIT "E"

BONDS REQUIRED

1. Performance Bond required at 100% of contracted price.
2. Material Bond required at 100% of contracted price

EXHIBIT "F"

INSURANCE REQUIREMENTS FOR CITY OF HEMET

The City requires a certificate of insurance, including an underwriter's endorsement, prior to commencement of the Services.

The insurance policies are to include additional endorsements that contain the following provisions:

1. That the City of Hemet and its respective officers and employees are additional insureds under the policy;
2. The policies are primary and non-contributory to any insurance that may be carried by City;
3. The City is entitled to thirty (30) days' prior written notice (10 days for cancellation due to non-payment of premium) of cancellation, material reduction, or non-renewal of the policy or policies.
4. The insurance shall be carried only by responsible insurance companies that have rated "A-" and "V" or better by the A.M. Best Key Rating Guide, that are licensed to do business in the State of California. City will accept insurance provided by non-admitted "surplus lines" carriers only if the carrier is authorized to do business in the State of California.

Only the following "marked" requirements are applicable:

 X **Commercial General Liability (CGL):** Insurance written on an occurrence basis to protect Contractor and City against liability or claims of liability which may arise out of this order in the amount of one million dollars (\$1,000,000) per occurrence and subject to an annual aggregate of one million dollars (\$1,000,000). There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. additional insured claims or contractual liability. All defense costs shall be outside the limits of the policy.

 X **Vehicle Liability Insurance:** Contractor shall also procure and shall maintain during the term of this order vehicle liability insurance in an amount not less than \$1,000,000 for injuries, including accidental death, to any one person, and subject to the same minimum for each person, in an amount not less than one million dollars (\$1,000,000) for each accident, and property damage insurance in an amount of not less than one million dollars (\$1,000,000).

 X **Workers' Compensation Insurance:** For all of Contractor's employees who are subject to this order and to the extent required by applicable state or federal law,

Contractor shall keep in full force and effect a Workers' Compensation policy. That policy shall provide a minimum of one million dollars (\$1,000,000) of employers' liability coverage, and Contractor shall provide an endorsement that the insurer waives the right of subrogation against the City and its respective elected officials, officers, employees, agents and representatives. In the event a claim under the provisions of the California Workers' Compensation Act is filed against City by a bona fide employee of Contractor participating under this Agreement, Contractor is to defend and indemnify the City from such claim.



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Scott Brown, Fire Chief
Alexander P. Meyerhoff, City Manager 

DATE: January 12, 2016

RE: Acceptance of the 2015 Riverside County Community Health Agency Grant (CHOG)

RECOMMENDED ACTION:

1. Accept the grant from the Riverside County Community Health Agency in the amount of \$67,000 for the period of October 1, 2015 through February 28, 2017.
2. Amend the budget in the Public Safety Grant Fund #232 to reflect the award amount of \$67,000 to cover the cost of training and the purchase of hazardous materials mitigation equipment.

BACKGROUND:

- Beginning in 2007 as the Applicant Agency for the Riverside County HazMat Operational Group, the Riverside County Health Agency has applied and been awarded grant funding to distribute to requesting agencies for the purchase of hazardous materials mitigation equipment and training to help combat bio-terrorism.
- City of Hemet Fire Department was also awarded the CHOG grant funding of \$67,000 in 2014.

PROJECT DESCRIPTION:

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

ANALYSIS:

Under the current 2015 CHOG grant the funding will once again be used to purchase hazardous materials mitigation equipment and training to help combat bio-terrorism.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

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

FISCAL IMPACT:

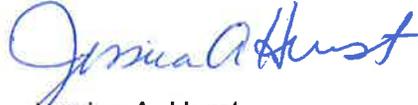
None, no additional matching funds are required.

Respectfully submitted,



Scott Brown
Fire Chief

Fiscal Review:



Jessica A. Hurst
Deputy City Manager/Administrative Services

ATTACHMENT A
CHOG SPENDING PLAN HS 2014
City of Hemet Fire Department

Quantity	Description	AEL #	Costs	Total Dollar Amount
6	Level A vapor protective suit		2,000	12,000
4	PAPR	01AR-03-PAPA	1,000	4,000
4	PAPR Battery Pack	01AR-03-PABP	375	1,500
6	PAPR CBRN Canister	01AR-03-PABC	125	500
30	Outer footwear covers	01ZA-02-FTWC	8.33	250
4	Colorimetric tube chip kits	07CD-01-KCTC	187.50	750
14	Non flame resistant clothing	01ZA-05-UNDR	214	3,000
1	Tax	21GN-00-STAX	2,000	2,000
1	Shipping	21GN-00-SHIP	500	500
	CHOG Exercises		12,500	12,500
	PER-230- IRTB - New Mexico		10,000	10,000
	PER-261-WMD - Alabama		6,000	6,000
	PER-241-Radiation - Nevada		6,000	6,000
	CSTI HM Specialist		12,000	12,000
			Total:	67,000

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TO: Honorable Mayor and Members of the Hemet City Council

FROM: Kathy Caines, Library Manager
Alexander P. Meyerhoff, City Manager *A*

DATE: January 12, 2016

RE: Hemet Public Library becoming a 1 gigabyte Library

RECOMMENDED ACTION:

That the City Council:

1. Approve the Hemet Public Library join the California State Internet Backbone, and
2. Approve an appropriation of \$90,000 from the Hayden Trust for funding of the project

BACKGROUND:

The Hemet Public Library (Library) provides public access internet service to the community. The current internet speed available to the public is 50 megabytes per second at a cost of over \$1,700 per month (\$20,400 annually). The Hemet Public Library has a need to increase the internet speed and service availability to the community, while reducing cost impacts on the General Fund. The Library believes joining the Corporation for Network Initiatives in California (CENIC) high-capacity fiber network to increase internet connectivity speeds to one gigabyte through the California State Internet Backbone, available exclusively for California Public Libraries, K-12 schools, and California State Universities and Community Colleges, and other select institutions of higher learning, will provide the needed capacity. The up-front cost to join the California State Internet Backbone is anticipated at approximately \$90,000.

In order to offset the cost of joining CENIC, and to reduce the costs of ongoing internet service, the Hemet Public Library will be applying for federal E-rate funding through The CALIFA Group, a consortium that negotiates discounted rates for California Public Libraries. The federal E-rate funding program is available for four categories of service: telecommunication services, internet access, internal connections and basic maintenance of internal connections. The E-rate program provides discounts for eligible school districts and libraries of up to 90% of the costs of eligible services. Libraries funded with E-rate are required to filter content according to the Children's Internet Protection Act of 2000 which requires the blocking or filtering of internet access to pictures that are obscene, child pornography, or harmful to minors (for computers that are

accessed by minors). Current content filtering at the Hemet Public Library already meets this requirement.

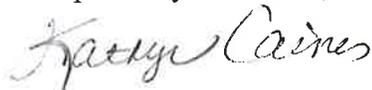
The application process for E-rate funding is very extensive and will be completed with the help of CALIFA. Once E-rate funding is approved, annual internet service will cost approximately \$7,500 per year, a savings of over \$19,500 annually. Additionally, up-front costs of approximately \$68,000, for joining the high-capacity fiber network, will be returned to the City. The Library will also apply for grant funding of \$30,000 through the California State Library to fund necessary equipment such as firewalls and routers. This grant does not require matching funds.

If approved, the engineering process for this project will begin after July 1, 2016 with completion scheduled by March 2017. The Information Technology Division will work with the Library on the planning and implementation of this project.

FISCAL IMPACT:

No General Fund impact. An appropriation of \$90,000 from the Hayden Trust will provide the up-front costs necessary to complete the project. A refund of approximately \$68,000 will be received after the first year and returned to the Trust. Anticipated annual savings from reduced monthly internet fees are expected to be over \$19,500 annually.

Respectfully submitted,



Kathye Caines
Senior Librarian- Library Manager

Fiscal Review:



Jessica A. Hurst
Deputy City Manager/
Administrative Services

Attachment(s):

1. Quote for Hemet Public Library as provided by CENIC
2. Califa/CENIC Flyer



Library Year 2 Quote Summary

Hemet Public Library

Description

Option 1	Price
100M to CalREN	
Service	
Non-Recurring	\$ 74,400.01
Discount (E-rate)	-\$66,960.01
Monthly	\$ 731.00
Discount (E-rate)	-\$657.90
Discount (CTF)	-\$36.55
Total First Year:	\$7,878.60
Total On-going years:	\$438.60
Option 2	Price
250M to CalREN	
Service	
Non-Recurring	\$ 74,400.01
Discount (E-rate)	-\$66,960.01
Monthly	\$ 892.50
Discount (E-rate)	-\$803.25
Discount (CTF)	-\$44.63

Hemet Public Library					
AT&T (5 year term)					
		OPTION 1			
		100M to CalREN			
Summary Totals		Pre Discount Costs (not including Taxes & Surcharges)		Estimated Net Costs, after discounts applied (not including Taxes & Surcharges)	
		NRC*	Monthly	NRC*	Monthly
		\$ 74,400.01	\$ 731.00	\$ 7,440.00	\$ 36.55
Note1: Design is for a 100Mbps circuit from Hemet Public Library to a CalREN Hub site.					
		100M Circuit to CalREN			
Connection to HUB	Disc %	Pre Discount Costs		Estimated Net Costs, after discounts applied	
E-rate Discount for Hemet Public**:	0.9				
CTF Discount**:	0.5				
Connection to CalREN Hub at Hemet Public		NRC*	Monthly	NRC*	Monthly
Link 1: 100M to CalREN Hub		\$ 74,400.01	\$ 731.00	\$ 7,440.00	\$ 36.55
Taxes & Surcharges on links		<i>Varies</i>			
Library Equipment		Hemet Public is responsible to provide a router with a 100 Mbps interface and at least one LAN interface. This router should support BGP and NAT. An upgraded Firewall appliance may also be needed to support 100 Mbps data streams.			

Hemet Public Library					
AT&T (5 year term)					
		OPTION 2			
		250M to CalREN			
Summary Totals		Pre Discount Costs (not including Taxes & Surcharges)		Estimated Net Costs, after discounts applied (not including Taxes & Surcharges)	
		NRC*	Monthly	NRC*	Monthly
		\$ 74,400.01	\$ 892.50	\$ 7,440.00	\$ 44.63
Note1: Design is for a 250Mbps circuit from Hemet Public Library to a CalREN Hub site.					
		250M Circuit to CalREN			
Connection to HUB	Disc %	Pre Discount Costs		Estimated Net Costs, after discounts applied	
E-rate Discount for Hemet Public**:	0.9				
CTF Discount**:	0.5				
Connection to CalREN Hub at Hemet Public		NRC*	Monthly	NRC*	Monthly
Link 1: 250M to CalREN Hub		\$ 74,400.01	\$ 892.50	\$ 7,440.00	\$ 44.63
Taxes & Surcharges on links		<i>Varies</i>			
Library Equipment		Hemet Public is responsible to provide a router with a 1 Gbps interface and at least one LAN interface. This router should support BGP and NAT. An upgraded Firewall appliance may also be needed to support 1 Gbps data streams.			

Hemet Public Library					
AT&T (5 year term)					
		OPTION 3			
		500M to CalREN			
Summary Totals		Pre Discount Costs (not including Taxes & Surcharges)		Estimated Net Costs, after discounts applied (not including Taxes & Surcharges)	
		NRC*	Monthly	NRC*	Monthly
		\$ 74,400.01	\$ 1,003.00	\$ 7,440.00	\$ 50.15
Note1: Design is for a 500Mbps circuit from Hemet Public Library to a CalREN Hub site.					
		500M Circuit to CalREN			
Connection to HUB	Disc %	Pre Discount Costs		Estimated Net Costs, after discounts applied	
E-rate Discount for Hemet Public**:	0.9				
CTF Discount**:	0.5				
Connection to CalREN Hub at Hemet Public		NRC*	Monthly	NRC*	Monthly
Link 1: 500M to CalREN Hub		\$ 74,400.01	\$ 1,003.00	\$ 7,440.00	\$ 50.15
Taxes & Surcharges on links		<i>Varies</i>			
Library Equipment		Hemet Public is responsible to provide a router with a 1 Gbps interface and at least one LAN interface. This router should support BGP and NAT. An upgraded Firewall appliance may also be needed to support 1 Gbps data streams.			

Hemet Public Library					
AT&T (5 year term)					
		OPTION 4			
		1G to CalREN			
Summary Totals		Pre Discount Costs (not including Taxes & Surcharges)		Estimated Net Costs, after discounts applied (not including Taxes & Surcharges)	
		NRC*	Monthly	NRC*	Monthly
		\$ 74,400.01	\$ 1,232.50	\$ 7,440.00	\$ 61.63
Note1: Design is for a 1Gbps circuit from Hemet Public Library to a CalREN Hub site.					
		1G Circuit to CalREN			
Connection to HUB	Disc %	Pre Discount Costs		Estimated Net Costs, after discounts applied	
E-rate Discount for Hemet Public**:	0.9				
CTF Discount**:	0.5				
Connection to CalREN Hub at Hemet Public		NRC*	Monthly	NRC*	Monthly
Link 1: 1G to CalREN Hub		\$ 74,400.01	\$ 1,232.50	\$ 7,440.00	\$ 61.63
Taxes & Surcharges on links		<i>Varies</i>			
Library Equipment		Hemet Public is responsible to provide a router with a 1 Gbps interface and at least one LAN interface. This router should support BGP and NAT. An upgraded Firewall appliance may also be needed to support 1 Gbps data streams.			



TO: California Public Library Community

FROM: Greg Lucas, California State Librarian

DATE: July 6, 2015

SUBJECT: High-speed Broadband in California Public Libraries, Year 2

There are 75 library jurisdictions connected to or in the process of connecting to the California Research and Education Network (CalREN), a high-capacity fiber network operated by CENIC, the Corporation for Education Network Initiatives in California.

The Califa Group, a non-profit library consortium, is partnering with the State Library to help connect libraries to CENIC's network.

Better bandwidth allows public libraries to truly be community information hubs, providing Californians with the essential online resources necessary for 21st Century digital citizenship.

Improved connectivity allows for video-conferencing and streaming media and lets librarians and patrons create content as well as boost wireless access. Libraries will be able to collaborate with each other on digital offerings and engage with arts, cultural, research and education institutions throughout the state -- and beyond.

We're now giving another group of public libraries the opportunity to connect to CalREN. CENIC and Califa have developed a toolkit to provide libraries with an understanding of what to expect when they join the network. The toolkit includes the following information:

- Project Overview
- Year 2 Project Calendar
- List of Library Jurisdictions Connecting in Year 1
- A postcard to indicate Interest in joining the project and pointers to Information on the project website

There's also information on the letters of agency that must be submitted in order to obtain federal E-rate discounts and California Teleconnect Fund discounts that can mean libraries receive significantly better connectivity at far lower cost.



califa

CENIC

CENIC & CALIFA Connecting California Libraries
High-Speed Broadband in California Public Libraries



Gigabit Libraries for California. Work is underway to bring high-speed broadband to all of California's public libraries over the next three years by connecting them to CalREN, a high-capacity 3,800-mile fiber optic network operated by CENIC, the Corporation for Education Network Initiatives in California, a non-profit California corporation that connects California to the world. The Califa Group, a non-profit library consortium, has been appointed by the California State Library to manage the rollout process with CENIC.

Because libraries are central to their communities, connecting them to CalREN will effectively provide all of California's residents with high-performance access to the myriad resources that constitute 21st century digital citizenship and will provide California with all of the economic benefits of a digitally empowered population.



Expand your connectivity and get the right level of service for your needs.

Most library jurisdictions connecting to CalREN will be connected at 1000 Mbps or 1 Gigabit. Some jurisdictions may choose a 10 Gigabit connection, if needed. CENIC does not limit its members to a one-size-fits-all solution. Members are always able to choose the right level of services for them with cost-efficient scalability as their needs evolve.



Count on access to the most advanced technologies.

The cost per megabit of connectivity will decline dramatically. Libraries in Year 1 are expected to realize a savings of more than 50% for 25 times more bandwidth. CENIC provides broad access to the most advanced technologies by passing along the pricing advantages of our large economies of scale. By keeping network-related costs low and predictable, we help organizations meet challenging budget constraints.



Obtain federal E-rate discounts on one-time and recurring costs.

Because of CENIC's ability to file for E-rate discounts for libraries as a California Library Consortium, all libraries are expected to receive these discounts on both one-time and recurring costs without having to go through the complicated process of filing themselves.

High-Speed Broadband in California Public Libraries : Year 2 Project Calendar

7/15/2015 - 9/15/2015

Library jurisdictions decide to join the project in Year 2

- Library provides Letters of Agency (for E-rate and CTF) to Califa
- Library director and technical staff participate in an interview to collect all information needed to connect to CalREN and also provide a network topology
- CENIC/Califa provides libraries with detailed information on steps to connect to CalREN

7/17/2015 - 8/25/2015

Project overview meetings and webinars for California Public Libraries

8/3/2015 - 10/1/2015

Technical Discussions
CENIC & libraries work on network designs

10/1/2015 - 11/16/2015

CENIC files consortium E-rate form 470 and associated circuit RFP

Receives circuit bids, prepares quotes for libraries

11/2/2015 - 3/25/2016

Libraries follow E-rate process, if necessary

- File for E-rate discounts on circuits to be used until connection to CalREN goes live
- File for E-rate discounts on equipment (if Library wants to)

11/2/2015 - 1/15/2016

Review quotes for circuits

- Quotes mailed to libraries
- Phone meeting with project staff to review quote
- Libraries decide which circuit(s) CENIC will order for them

2/1/2016 - 5/2/2016

Consolidated hardware purchase

Libraries can order hardware they need for their site to receive a discount of at least 50% on Cisco hardware

3/1/2016 - 7/1/2016

Preparing for Circuit Installation

- CENIC and/or circuit provider conducts a site survey of each library
- CENIC orders hardware delivered to library sites
- Libraries order additional hardware needed
- Libraries make additional modifications to their sites, such as adding rack space
- Libraries install hardware, if possible

7/1/2016 - 12/31/2016

Deployment: Installation, Testing and Turn-Up of circuits



Scan for a direct link

Get all of the information you need to connect your library here:

<http://cenic.org/network/BroadbandLibraries>

Sign up to receive periodic updates on the project:

To subscribe to the CENIC newsletter visit: www.cenic.org/news

To subscribe to the Califa newsletter contact: tnovak@califa.org



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Steve Latino, City Engineer

DATE: January 12, 2016

RE: Ordinance Bill No.16-002 Conferring Upon the City Engineer the Authority to Approve Plans and Designs for All Public Works Projects

RECOMMENDATION:

That the City Council introduce, read by title only and waive further reading of Ordinance Bill No. 16-002, entitled: "An Ordinance of the City of Hemet, California, Amending Chapter 2 of the Hemet Municipal Code to Confer Upon the City Engineer the Authority to Approve Plans and Designs for All Public Works Projects."

BACKGROUND:

Under the California Government Code section 830.6, a public entity is not liable for an injury caused by "the plan or design of a construction of, or an improvement to, public property if the plan or design was approved in advance of the construction of improvement." This liability defense, also known as "design immunity," only applies if the design was approved, in advance, by either the city council or an approved city employee.

ANALYSIS:

Currently, no city employee has been designated by the City Council as having the authority to approve a design in advance of construction, for design immunity purposes. While in most cases the City Council approves the design of a public improvement prior to the construction, from time to time it is necessary to make minor modifications to the approved design after approval to accommodate for unanticipated issues that arise. To preserve the design immunity and to expedite the construction of public works, City staff is recommending that the City Council delegate authority to the City Engineer to approve public works

construction plans and design. This will allow the City Engineer to approve changes to the approved plans rather than having to halt work on the project and wait until the next City Council meeting for the Council to approve the change.

FISCAL IMPACT:

None.



Steve Latino, City Engineer



**CITY OF HEMET
Hemet, California
ORDINANCE BILL NO. 16-002**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, AMENDING CHAPTER 2 OF THE HEMET MUNICIPAL CODE TO CONFER UPON THE CITY ENGINEER THE AUTHORITY TO APPROVE PLANS AND DESIGNS FOR ALL PUBLIC WORKS PROJECTS.

WHEREAS, California Government Code section 830.6 provides that a public entity is not liable for an injury caused by the plan or design of a construction of, or an improvement to, public property where such plan or design has been approved in advance of the construction of improvement by the legislative body of the public entity or by some other body or employee exercising discretionary authority to give such approval; and

WHEREAS, in order to trigger the design immunity defense, the City Council or a designated City employee or body must approve the plan or design; and

WHEREAS, to preserve the City's design immunity protection and expedite the approval of plans and designs or amendment or modification to plans and designs, the City Council desires to amend Chapter 2 of the Hemet Municipal Code to authorize the City Engineer, or his or her designee, to approve plans and designs for all construction of, or improvement to, public property.

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

SECTION 1: AMEND CHAPTER 2 to add section 2-136. Chapter 2, Article III, Division 4, of the Hemet Municipal Code is hereby amended as shown in Exhibit "A" to this Ordinance.

1 **SECTION 2: SEVERABILITY.**

2 If any section, subsection, subdivision, sentence, clause, phrase, or portion of this
3 Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any
4 court of competent jurisdiction, such decision shall not affect the validity of the
5 remaining portions of this Ordinance. The City Council hereby declares that it would
6 have adopted this Ordinance, and each section, subsection, subdivision, sentence,
7 clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,
8 subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared
9 invalid or unconstitutional.

10 **SECTION 3: EFFECTIVE DATE.**

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

13 **SECTION 4: PUBLICATION.**

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

19 **INTRODUCED** at the regular meeting of Hemet City Council on January 12, 2016

20 **APPROVED AND ADOPTED** this ___ day of _____ 2016.

21
22 _____
23 **Bonnie Wright, Mayor**

24 **ATTEST:**

24 **APPROVED AS TO FORM:**

25
26 _____
27 **Sarah McComas, City Clerk**

26 _____
27 **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 12th day of January 2016, and
6 had its second reading at the regular meeting of the Hemet City Council on the ___ day
7 of _____, 2016, and was passed by the following vote:

- 8 **AYES:**
- 9 **NOES:**
- 10 **ABSTAIN:**
- 11 **ABSENT:**

12
13 _____
14 Sarah McComas, City Clerk
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EXHIBIT "A"

Chapter 2- Administration

ARTICLE III. - Officers and Employees

Division 4- City Engineer (currently, "Reserved")

Sec. 2-136.

- (a) The City Engineer is hereby authorized by the City Council to approve and exercise authority as to the plan or design, or to the amendment or modification of a plan or design, of a construction of, or an improvement to, any public facility, structure or property in advance of the construction or improvement.
- (b) The City Engineer shall affix the following statement, his or her signature, and the date thereof to the plan or design of a construction of, or an improvement to, public works projects before said plan or design in advertised for public bid, and to any amendment, alteration, or change to said plan or design of improvement to public property before said improvement is constructed:

In accordance with Section ___ of Chapter ___ or Title ___ of the Hemet Municipal code, as City Engineer for the City of Hemet, I do hereby exercise the discretion delegated to me and approve the plan or design, or amendment or modification to the plan or design, of a construction of, or an improvement to the public facility, structure, or property to which this statement and my signature is affixed. Executed this ___ day of _____, 20__.

[Name], City Engineer



AGENDA # 22

Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Alex Meyerhoff, City Manager *AM*
Deanna Elliano, Community Development Director *DE*

DATE: January 12, 2016

RE: **FIRST AMENDMENT TO THE SOLAR FEE & IMPROVEMENT AGREEMENT FOR SUN EDISON, LLC:** Request for an Amendment to the Solar Fee & Improvement Agreement and an Extension of the Temporary Certificate of Occupancy for the 20-megawatt solar power field located on 134 acres at the southwest corner of Acacia Avenue and Sanderson Avenue. (Applicant: SunE DB APNL, LLC and Sun Edison, LLC)

RECOMMENDED ACTION:

That the City Council:

1. *Approve the terms as set forth in the First Amendment to the Solar Fee and Improvement Agreement, and authorize the City Manager to execute the First Amendment Agreement, and;*
2. *Direct staff to issue an extension to the Temporary Certificate of Occupancy until June 1, 2016, pending receipt of a detailed mobilization and construction schedule from the Applicant and the fully executed First Amendment to the Agreement.*

BACKGROUND:

On December 16, 2014, the City of Hemet Planning Commission approved a Conditional Use Permit (CUP 14-006) for the operation of a 20-megawatt, ground-mounted, solar power generation facility located on a 134-acre property at the southwest corner of Acacia Avenue and Sanderson Avenue. Sun Edison is the operator of the facility under a 25-year lease from the property owner, the Breliant family trust. The electricity that is produced is sold to the Riverside Public Utility to assist in meeting the State requirements under AB 32 to generate 30% of its power from renewable sources by 2030. The solar generated electricity is connected to the Southern California Edison (SCE) power grid and distributed over SCE's existing power network. The location of the site and solar facility is shown in Attachment No. 4 to this report.

The approval of CUP 14-006 was subject to 124 conditions, including the requirement to fully improve the Acacia Avenue and Sanderson Avenue street frontages, sidewalks, streetlights, and landscaped setbacks adjacent to the project. The project was also conditioned to enter into a Solar Fee and Improvement Agreement which established an annual solar fee to be paid to the city for the life of the project at a value of \$700 per useable acre, with an escalation rate of 1.5% annually. The solar fee was in recognition of the "opportunity cost" to the City of committing the centrally

located 134-acre site to a solar field for the 25 to 30 year duration of the project, instead of its potential "highest and best use" under the General Plan designation for the site of "Business Park". The Agreement was entered into on March 11, 2015. A letter of credit securing the payment of the solar fee over the 25 year life of the project has been provided to the City in the amount of \$1,999,191.07.

The Agreement also recognized that in order to develop Acacia Avenue to its full improvement, the existing SCE power poles along the perimeter would need to be relocated. Given the very aggressive schedule that Sun Edison was under to start generating power at the facility and the uncertainty as to when SCE could relocate the poles, the Agreement allowed Sun Edison the opportunity to obtain a Temporary Certificate of Occupancy (TCO) for a maximum six month period, provided that adequate security in the form of a cash deposit or letter of credit was provided to the City.

Pursuant to the provisions of the Agreement, on July 16, 2015, the City issued a TCO for the project for a six month period expiring on January 16, 2016. The TCO was requested by Sun Edison because while the solar facility itself was completed, the street improvement plans, power pole relocation, and street and landscape improvements were delayed. The TCO identified 15 incomplete requirements for the project, and Sun Edison provided an additional Letter of Credit to the City in the amount of \$2,133,111.00 to secure the completion of the remaining improvements and conditions.

The solar field has been in operation and generating electricity since the issuance of the TCO six months ago. While the applicant has completed many of the outstanding requirements under the TCO (see Attachment No. 3 for a status of the conditions), the power pole relocation and street improvements have still not commenced construction. Because the TCO is due to expire on January 16, 2016 and cannot be extended without an Amendment to the Agreement, the applicant has submitted a letter request for the Amendment and the extension of the TCO, which is included as Attachment No. 2 to this report. The applicant, Mr. Jeff Spinardi of Sun Edison, indicates in his letter that SCE is anticipated to start the relocation of the poles on February 9th with completion by February 27th. According to Mr. Spinardi, the street and landscaping improvements would then require an additional four months of work, with construction complete at the end of June, 2016.

PROPOSED FIRST AMENDMENT TO THE AGREEMENT:

The proposed First Amendment to the Agreement is provided as Attachment No. 1. The Amendment recitals provide an update on the current status of the project in terms of the requirements under the Temporary Certificate of Occupancy (TCO) and Agreement. The Amendment modifies specific sections of the original Agreement in order to set forth the following terms:

1. Section 4 of the Agreement is amended to allow for the extension of the TCO, subject to the submittal to the City of a detailed construction schedule and timeline for completion of the remaining plans and improvements.
2. Section 5 of the Agreement is amended to specify that any extension under the TCO shall terminate on June 1, 2016. After that date, if the work is still not complete the City may grant extensions of time in one month increments, provided that Sun Edison pays \$10,000 for each monthly extension requested after the June 1, 2016 date. In addition, because the Letter of Credit for the improvements expires on June 22, 2016; any requested extensions will require that the Letter of Credit be extended as well.
3. Section 13 of the Agreement is amended to change the date in which the Solar Fee is due to the City. The existing Agreement states that the payments of the solar fee shall

commence after the issuance of the C of O on the first business day of December. Therefore, since the Final C of O has not yet been issued, no payments have been made to date, and the soonest the first payment would be due to the City is December 1, 2016. Because the solar facility has been in operation for 6 months already, and is requesting an additional minimum 6 month extension, the Amendment requires that the payment schedule be adjusted to have the annual payments being due on January 31st of each calendar year, with the first payment due on January 31, 2016. The amount of the annual payment would not change from the original Agreement. Per the schedule included as Exhibit A of the Amended Agreement, the first Solar Fee payment due to the City is \$66,500.

4. A new Section 18.6 is added to the Amended Agreement regarding "Force Majeure", which recognizes that there are acts such as severe weather events and other extreme events that may result in delays in performance outside the control of the Developer. Such delays shall not be deemed a default under the Agreement.

COORDINATION AND REVIEW:

The draft First Amendment to the Agreement was prepared by the City Attorney's office in consultation with the Interim City Manager, Community Development Director, Engineering Director and Public Works Director. Because the applicant did not submit the required letter and application deposit for the Amendment until December 23 and 31, 2015, respectively, the draft Amendment was prepared and distributed to the applicant for their review the following week on January 6, 2016. As of the preparation of this report, staff has not received any requested changes or questions regarding the terms of the First Amendment. Mr. Spinardi of Sun Edison has advised staff that he will be unable to attend the City council meeting on January 12, 2016, but will be sending a representative to speak on Sun Edison's behalf.

CONCLUSION:

Staff recommends that the City Council approve the First Agreement to the Amendment to allow for the requested extension of the TCO until June 1, 2016, subject to the terms as presented in the Amendment. Sun Edison is continuing to make progress on the completion of the required public improvements, and can reasonably complete the remaining requirements in the timeframe allowed under the extension. In consideration of the City's willingness to extend the TCO, the First Amendment requires an earlier annual payment schedule for the Solar Fee. In addition, to encourage the applicant to move forward diligently to complete the improvements by June 1, 2016, the First Amendment requires a \$10,000 fee to be assessed on a month to month basis for any extensions required after the June 1, 2016 date.

FISCAL IMPACT:

The amount of the Solar Fee set forth in the original agreement remains unchanged, although the timing of the payment of the fee is changed in the Amendment, to the fiscal benefit of the City. The Amendment continues to maintain the required financial security in the form of a Letter of Credit for the public improvements that have not yet been completed, and establishes a \$10,000 fee per month for any further extensions requested beyond the June 1, 2016 due date.

Prepared by:



Deanna Elliano
Community Development Director

ATTACHMENTS:

1. Proposed First Amendment to the Solar Fee & Improvement Agreement for the Sun Edison Solar Field (CUP-14-006)
2. Letter request from Jeff Spinardi, Associate Project Manager of Sun Edison, dated December 22, 2015
3. Temporary Certificate of Occupancy Conditions Letter, dated July 16, 2015 and annotated with the January 1, 2016 status of the TCO Conditions
4. Aerial Photo and Site Plan of the Project Site

Attachment 1

**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

**FIRST AMENDMENT TO
SOLAR FEE & IMPROVEMENT AGREEMENT**

by and between

the

**CITY OF HEMET,
a municipal corporation**

and

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

and

**Sun Edison, LLC
a Delaware limited liability company**

Dated January 12, 2016

FIRST AMENDMENT TO SOLAR FEE & IMPROVEMENT AGREEMENT

This First Amendment to Solar Fee & Improvement Agreement (“First Amendment”), which is dated for reference as indicated on the cover page, is hereby entered into by and between the CITY OF HEMET, a California municipal corporation (“City”), and SunE DB APNL, LLC, a Delaware limited liability company, and Sun Edison LLC, a Delaware limited liability company (collectively, “Developer”), as follows:

RECITALS

- A. City and Developer entered into a Solar Fee & Improvement Agreement on March 11, 2015 (“Agreement”). The Agreement clarifies and implements certain conditions of approval on Conditional Use Permit No. 14-006 (“CUP”) approved by the City Planning Commission on December 16, 2014 for Developer’s 20-megawatt photovoltaic solar power generation facility (“Project”).
- B. Pursuant to Section 4 of the Agreement, the City accepted a Letter of Credit from Developer to secure the completion of the public improvements required under Section 2 of the Agreement (“Public Improvements”) and issued a temporary certificate of occupancy to Developer on July 16, 2015, giving the Developer until January 16, 2016 (six months) to complete the public improvements and remaining CUP conditions of approval and receive a final certificate of occupancy.
- C. Section 5 of the Agreement allows the City to grant Developer additional time to complete the Public Improvements, in its sole and absolute discretion.
- D. Developer has not completed the Public Improvements required under Section 2.1 (Acacia Avenue Street Improvements) and Section 2.2 (Sanderson Avenue Street Improvements) of the Agreement. Developer has not been able to complete the Acacia Avenue Street Improvements because they require Southern California Edison to relocate its power lines. Developer has requested the relocation of the power lines, processed the design plans, and paid the fees to Southern California Edison to relocate the power lines. The timeframe to complete the power pole relocation is dependent upon SCE’s schedule, which currently anticipates they will be moved by March 1, 2016. Developer has not completed the Sanderson Avenue Street Improvements because Developer desires to mobilize the contractor and complete all street improvements at the same time.
- E. Developer has not completed all of the design plans related to the public improvements as required under Section 2.5 of the Agreement and pursuant to the conditions of approval for CUP 14-006, specifically the: a) Traffic Signal Relocation Plans, b) Signing & Striping Plans, and c) Construction Traffic Management Control Plans. In addition, the formation of the Landscape and Lighting Maintenance District (LLMD) for the landscaped setback on Acacia and Sanderson Avenues as required under Section 3.1 of the Agreement is currently under review by the City and has not yet been completed.
- F. Developer has requested an extension of time to complete the Public Improvements and associated plans pursuant to Section 5 of the Agreement. The City has determined that it is willing to grant an extension of time only if certain terms of the Agreement are

amended. This First Amendment amends the Agreement to incorporate the changes desired by the City and agreed to by the Developer.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises made and recited herein, the parties do hereby enter into this First Amendment which modifies and amends the Agreement as follows:

1. **AMENDMENT.** The Agreement is hereby modified and amended as follows:

1.1 **CONSTRUCTION SCHEDULE.** Section 4 of the Agreement is hereby amended to read as follows:

“4. **CONSTRUCTION SCHEDULE.** Developer shall fully and adequately complete the Public Improvements prior to the issuance of a final C/O. Pursuant to Section 2.0 et seq. or Section 5 of this Agreement, City may issue a temporary C/O prior to the completion of all Public Improvements. Any temporary C/O issued by the City shall have an initial term of no longer than six (6) months, which may be extended pursuant to Section 5 of this Agreement. Developer shall submit to the City a detailed construction schedule acceptable to the City providing a timeline for the completion of the outstanding Public Improvements in support of a request for a temporary C/O or any extension thereof. The schedule shall be submitted and accepted prior to the issuance of the temporary C/O or any extensions.”

1.2 **EXTENSIONS.** Section 5 of the Agreement is hereby amended to read as follows:

“5. **EXTENSIONS.** City may, in its sole and absolute discretion, provide Developer with additional time within which to complete the Public Improvements through the issuance of a temporary C/O. An initial extension of time shall be for no longer than six (6) months. If a second extension of time is requested, the extension of time shall terminate at midnight on June 1, 2016. Thereafter, the City may grant extensions of time in one month increments, provided that Developer pays City ten thousand dollars (\$10,000.00) for each monthly extension prior to the approval of the extension. No extension of time may be granted beyond December 31, 2016. 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).”

1.3 **SOLAR FEE.** Section 13 of the Agreement is hereby amended to read as follows:

“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 on January 31, 2016, and continue regularly each year thereafter until the Solar Fee is paid in full. 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."

1.4 **NOTICES.** Section 18.4 of the Agreement is amended to change the Developer's address for notices to the following:

"Sun Edison, LLC"
Attn: Jeff Spinardi, Associate Project Manager
600 Clipper Drive
Belmont, CA. 94002

1.5 **EXHIBIT B.** Exhibit B of the Agreement is hereby amended to read as shown in Exhibit "A" to this First Amendment.

1.6 **FORCE MAJEURE.** A new Section 18.16 is added to the Agreement to read as follows:

"18.16 **Force Majeure.** Any delay in performance or failure to perform due to causes beyond the control of Developer shall not be deemed a default under this Agreement. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The terms of this Agreement shall be equitably adjusted for any delays due to such causes."

2. GENERAL PROVISIONS.

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

2.2 **Remainder Unchanged.** Except as specifically modified and amended in this First Amendment, the Agreement remains in full force and effect and binding upon the parties.

2.3 **Integration.** This First Amendment consists of pages 1 through 7 inclusive, which constitute the entire understanding and agreement of the parties and supersedes all

negotiations or previous agreements between the parties with respect to all or any part of the transaction discussed in this First Amendment.

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

2.5 **Applicable Law.** The laws of the State of California shall govern the interpretation and enforcement of this First Amendment.

2.6 **References.** All references to the Agreement include all their respective terms and provisions. All defined terms utilized in this First Amendment have the same meaning as provided in the Agreement, unless expressly stated to the contrary in this First Amendment.

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

CITY:

THE CITY OF HEMET

By: _____
Alexander Meyerhoff, City Manager

ATTEST:

Sarah McComas, City Clerk

APPROVED AS TO FORM

Eric S. Vail, City Attorney

SUNE DB APNL, LLC

By: _____
Karleen Stern, Authorized Representative

SUN EDISON, LLC

By: _____
Karleen Stern, Authorized Representative

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 TOHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.

EXHIBIT A

EXHIBIT "B"

SOLAR FEE

Hemet Solar (APNL) Solar Fee Payment Schedule

		Year	Operational Year	Solar Fee per Acre	Annual Solar Fee Payment
Solar Fee Start Price/acre	\$700	2016	1	700.00	66,500.00
		2017	2	710.50	67,497.50
Guaranteed Term	25	2018	3	721.16	68,509.96
Optional Term	5	2019	4	731.97	69,537.61
Total Potential Term	30	2020	5	742.95	70,580.68
		2021	6	754.10	71,639.39
Escalation Rate	1.5%	2022	7	765.41	72,713.98
		2023	8	776.89	73,804.69
Acres	95	2024	9	788.54	74,911.76
		2025	10	800.37	76,035.43
Developed Area	95	2026	11	812.38	77,175.96
		2027	12	824.56	78,333.60
Payment Date	Jan 31	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

Attachment 2



December 22, 2015

City of Hemet
445 E. Florida Ave.
Hemet, CA 92543

Dear Deanna,

This letter is in response to your email communication last week requesting an update on the SunEdison AP North Lake Solar Project. I'm the new manager of this project and will be taking it through completion of improvements early next year. We look forward to working cooperatively with the City in completing the street and landscape improvements.

SunEdison has worked aggressively to complete all required items related to the Temporary Certificate of Occupancy (TCO). To recap the many steps SunEdison has taken to meet its obligations:

- A Letter of Credit has been provided in the amount of \$2,133,111 to guarantee completion of the improvements.
- Irrevocable offers of dedication have been recorded for the Acacia Avenue, Sanderson Avenue, Cawston Avenue, and Whittier Avenue rights-of-way.
- Street improvement and landscape plans have been approved.
- We have provided to Psomas all required documentation needed to establish a Lighting & Landscape Maintenance District.
- Perimeter fencing has been modified as requested by a neighboring property owner.

As provided to you by email on November 24, SCE has established a tentative timeline for the initiation of the power line relocation work. This timeline, unfortunately, extends beyond the TCO timeframe, with work slated to start on February 9, 2016. SunEdison has completed all required actions to allow SCE to initiate their work, including the processing of design plans, obtaining City approval of street improvement plans, and paying the very substantial cost for the relocation. The required fees of \$295,719.94 were paid to SCE over two months ago. The timeframe for their work is now completely outside of our control. Further, I note that SCE does not provide firm commitments for the start date of any project; they will always prioritize emergency repairs and power outages ahead of non-urgency pole relocations. We continue to work with SCE staff to ensure there are no hindrances to getting their work done in a timely fashion.

The following are key dates in our schedule for completion of off-site improvements:

Completion of SCE pole relocation – 2/27/16
Start of street improvements – within 2 weeks of completion of SCE pole relocation
Completion of street improvements – 5/30 (subject to SCE completion on 2/27)
Completion of landscape installation – 6/30 (subject to SCE completion on 2/27)

RECEIVED
DEC 23 2015
PLANNING DEPT

I also bring to your attention that despite the status of off-site improvements, our project is already providing a very substantial, recurring benefit to the City, through payment of a solar fee totaling nearly \$2,000,000 over 30



years—including \$66,500 in just the first year of operation. I am not aware of any other entities that provide such a large and consistent benefit to the City of Hemet. We are active members of your business community, and will continue to be so for decades to come.

If a formal extension to the TCO is required, we ask that you process it as soon as feasible.

To date we have received no physical mail related to this issue. To avoid any delay in response, please be sure to send via email any further communications regarding this project. Emails should be directed to rhayner@sunedison.com, jspinardi@sunedison.com, and rafik@epdsolutionsinc.com.

Thank you again for working with us on this project, which has yielded and will continue to yield substantial benefits to your city.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Spinardi", written in a cursive style.

Jeff Spinardi
Associate Project Manager
North America Construction

Mobile: (209) 769-1207

Email: jspinardi@sunedison.com

Attachment 3



City of Hemet

COMMUNITY DEVELOPMENT DEPARTMENT · 445 EAST FLORIDA AVENUE · HEMET, CALIFORNIA 92543

(951) 765-2375

July 16, 2015

January 6, 2016 STATUS OF TCO CONDITIONS

Ms. Christina White
AP North Lake Solar, LP
44 Montgomery Street, Suite 2200
San Francisco, CA. 94104

**RE: CONDITIONS FOR TEMPORARY CERTIFICATE OF OCCUPANCY FOR CONDITIONAL USE PERMIT
CUP 14-006, SUN EDISON SOLAR FACILITY- SOUTHWEST CORNER OF SANDERSON AVENUE
AND ACACIA AVENUE**

Dear Ms. White:

This letter is to acknowledge that AP Solar LP (Sun Edison) has requested that the City of Hemet issue a Temporary Certificate of Occupancy for the Solar Field Project approved by the City as CUP-14-006 on December 16, 2014. Pursuant to the Solar Fee & Improvement Agreement ("Agreement") entered into between the City and SunE DB APNL, LLC and Sun Edison on March 11, 2015, a Temporary or "Interim" Certificate of Occupancy may be issued by the City prior to the completion of the project construction requirements and conditions set forth in CUP -14-006, under certain specified conditions within the Agreement.

In accordance with Section 12 of the Agreement, Sun Edison has provided the City with a Letter of Credit ("LOC") from KeyBank National Association in the amount of \$ 2,133,111.00 to secure the completion of the public improvements and conditions of approval for the project (Attachment 3). The engineer's cost estimates for completion of the project are included herewith as Attachment 4. Upon completion of the project and acceptance by the City of all the required public improvements and conditions and issuance of the Final C of O, the LOC will be released to KeyBank. Please note that the LOC will expire on June 22, 2016 (unless extended), however the TCO is only valid for 6 months per the Agreement. In the event Sun Edison does not perform and the City has to complete any of the plans, improvements, documents, or otherwise implements the conditions of approval, the City shall enforce the provisions of the Agreement and the financial obligations of the LOC.

The City's issuance of the Temporary Certificate of Occupancy (TCO) is contingent upon compliance with the following Conditions. If Sun Edison fails to meet the TCO Conditions in the timeframe provided, the TCO will be revoked and the City will take the appropriate actions to enforce the provisions of the CUP, Agreement, and LOC, as needed and applicable.

The following items will be required for compliance with the TCO and for the issuance of a Final Certificate of Occupancy for the SunEdison facility:

1. All CUP conditions and improvements shall be completed and accepted by the City within 6 months of the issuance of the TCO, unless a shorter timeframe is otherwise noted below. **INCOMPLETE AS NOTED BELOW.**
2. The City shall receive signed originals of the Irrevocable Offers of Dedication for Acacia, Sanderson, Whittier and Cawston prior to the issuance of the TCO. Two Copies of the recorded IODs and dedications

**CUP 14-006
SunEdison
Temporary C of O**

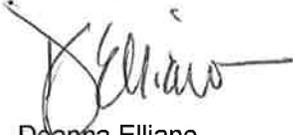
shall be provided to the City prior to Final C of O. **SIGNED ORIGINALS RECEIVED ON 7/20/15. SUBMITTED TO CITY CLERK FOR SIGNATURES AND RECORDING ON 7/20/16.**

3. Completion of the Street Improvement Plans and Street Lighting Plans to be approved and signed by the City Engineer. The plans shall incorporate the City Engineering and Public Work's corrections as included in Attachment 1 to this letter. The corrected plans shall be resubmitted for City review and approval on or before July 30, 2015. **COMPLETE**
4. Submit 5 sets of the final approved Landscape & Irrigation Plans for Sanderson Avenue and Acacia Avenue to the Planning Department on or before July 30, 2015. **COMPLETE. SUBMITTED ON 7/16/15.**
5. Completion and approval of the Signal Modification/Relocation Plans for the signal at Sanderson & Acacia within 45 days of the issuance of the TCO. **NOT SUBMITTED, INCOMPLETE**
6. Completion and approval of the Signing and Striping Plan within 45 days of the issuance of the TCO. **INCOMPLETE, IN PLAN CHECK PROCESS (SHOULD BE SUBMITTED TO ERSC BY YEAR END)**
7. Completion and approval of a Construction Traffic Management Plan pursuant to Condition # 65 of CUP-14-006 prior to the issuance of an Encroachment permit for the street improvements. **INCOMPLETE; HOWEVER, THIS WILL BE REQUIRED PRIOR TO ISSUANCE OF THE ENCROACHMENT PERMIT.**
8. Final mylars of all approved plans shall be submitted to the City in accordance with Condition # 66 of CUP -14-006. **ONLY MYLARS RECEIVED TO DATE, STREET IMPROVEMENT PLANS, STREET LIGHT PLANS. INCOMPLETE.**
9. Street improvements shall be inspected and accepted for the Acacia Avenue frontage and the Sanderson Avenue Frontage per the approved street improvement and street lighting plans, including the relocation of the signal and equipment. **INCOMPLETE, WORK HAS NOT COMMENCED**
10. Landscaping and irrigation for the Acacia Avenue frontage and Sanderson Avenue frontage shall be installed, inspected and approved prior to the issuance of the FCO and within 6 months of the TCO issuance, per the approved landscape plans. **INCOMPLETE, WORK HAS NOT COMMENCED**
11. The Edison power poles on Acacia Avenue shall be relocated per the street improvement plans. **PER PAUL CLARK, EDISON HAS NOT RECEIVED FULL PAYMENT SO JOB SCHEDULE IS NOT CONFIRMED – INCOMPLETE.**
12. Completion of the property owner and Sun Edison's participation and approval in the formation of a Lighting & Landscape Maintenance District (LLMD) for the Acacia Avenue and Sanderson Avenue right of ways, pursuant to Section 3.1 of the Agreement. The perimeter fencing shall not be included in the LLMD, and will be the maintenance responsibility of Sun Edison. **INCOMPLETE. FORMATION DOCUMENTS AND ENGINEERS REPORT UNDER REVIEW BY CITY.**
13. The perimeter fence adjacent to the neighboring property to the south shall be installed and approved pursuant to the fence plans contained in Attachment 2, on or before July 30, 2015. **COMPLETE AS OF 7/30/15.**
14. Sun Edison shall provide documentation to the City that the solar panels have anti-reflective coating to minimize glare to aircraft, in accordance with Condition # 25 of the CUP, as required by the ALUC. Documentation shall be submitted to the Planning Department on or before July 30, 2015. **COMPLETE. SUBMITTED ON 7/16/15.**

CUP 14-006
SunEdison
Temporary C of O

15. All other CUP-14-006 Conditions of Approval and provisions of the Agreement shall be satisfied prior to issuance of the Final Certificate of Occupancy, which shall occur no later than 6 months from the issuance of this TCO.

Sincerely,



Deanna Elliano
Community Development Director
City of Hemet

ATTACHMENTS:

1. Plan Check comments for the Street Improvement Plans from Engineering and Public Works departments (5th plan check).
2. Perimeter fence plans and construction details for the southern property boundary.
3. Copy of Letter of Credit issued by KeyBank International Association the amount of \$2,133,111.00 with City of Hemet as beneficiary
4. Engineer's estimates of the cost of completion of the public improvements, and estimated city costs to enforce the Agreement.
5. Copies of the Irrevocable Offers of Dedication for the street rights of way for Sanderson, Acacia, Cawston and Whittier (unrecorded version).

cc:

Jeremy Krout
EPD Solutions, Inc.
2030 Main Street, Suite 1200
Irvine, CA 92614

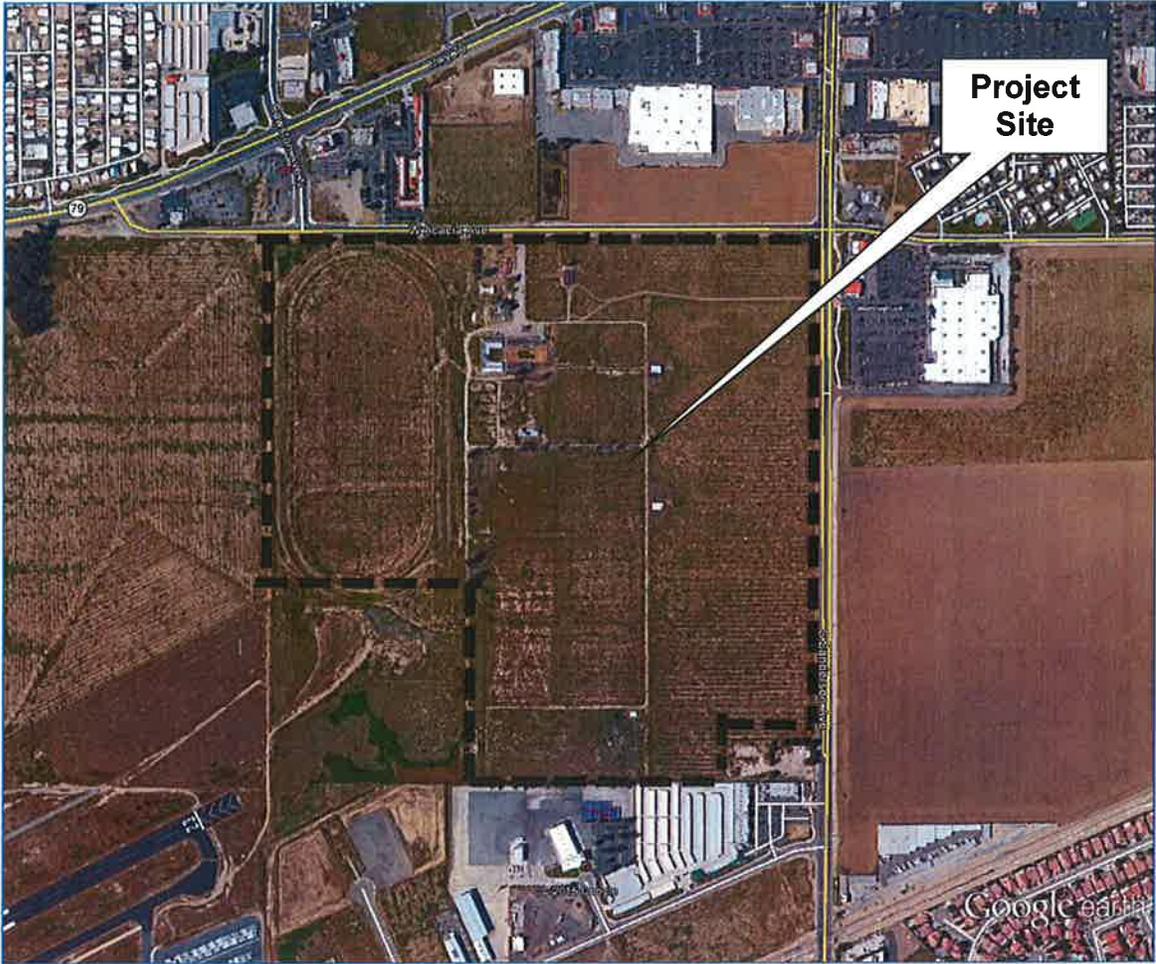
Jane Brelant
9190 W. Olympic Blvd. #409
Beverly Hills, CA 90212

Gary Thornhill, Interim City Manager
Steve Latino, City Engineering Director
Kris Jensen, Public Works Director
Jeffery Thomas, Building Official
Ron Running, Project Planner
Eric Vail, City Attorney, BWS

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Attachment 4

SUN EDISON CUP 14-006 AERIAL PHOTOGRAPH



HEMET SOLAR SITE PLAN

