



**AGENDA**  
**CITY COUNCIL OF THE CITY OF MORENO VALLEY**  
**MORENO VALLEY COMMUNITY SERVICES DISTRICT**  
**COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF**  
**MORENO VALLEY**  
**BOARD OF LIBRARY TRUSTEES**

**June 8, 2010**

**SPECIAL PRESENTATIONS – 6:00 P.M.**  
**REGULAR MEETING – 6:30 P.M.**

**City Council Closed Session**

First Tuesday of each month – 6:00 p.m.

**City Council Study Sessions**

Third Tuesday of each month – 6:00 p.m.

**City Council Meetings**

Second and Fourth Tuesdays – 6:30 p.m.

City Hall Council Chamber - 14177 Frederick Street

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mel Alonzo, ADA Coordinator, at 951.413.3027 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

Robin N. Hastings, Mayor Pro Tem  
Jesse L. Molina, Council Member

Bonnie Flickinger, Mayor

Richard A. Stewart, Council Member  
William H. Batey II, Council Member

**AGENDA**  
**CITY COUNCIL OF THE CITY OF MORENO VALLEY**  
**June 8, 2010**

**CALL TO ORDER**

SPECIAL PRESENTATIONS

1. Officer of the Quarter Presentation to Officer Ted Morgan
2. "Saved by the Helmet" Award Presentation to Luryn Hills
3. Verizon Donation to the Moreno Valley Black Chamber of Commerce Literacy Program
4. "Spotlight on Moreno Valley Business"

**AGENDA  
JOINT MEETING OF THE  
CITY COUNCIL OF THE CITY OF MORENO VALLEY  
MORENO VALLEY COMMUNITY SERVICES DISTRICT  
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO  
VALLEY AND THE BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING - 6:30 PM  
JUNE 8, 2010**

**CALL TO ORDER**

(Joint Meeting of the City Council, Community Services District, Community Redevelopment Agency, and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item)

**PLEDGE OF ALLEGIANCE**

**INVOCATION** - Pastor Barry E. Knight, Celebration Worship Center C.O.G.I.C.

**ROLL CALL**

**INTRODUCTIONS**

PUBLIC COMMENTS ON MATTERS ON THE AGENDA WILL BE TAKEN UP AS THE ITEM IS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION (SPEAKER SLIPS MAY BE TURNED IN UNTIL THE ITEM IS CALLED FOR BUSINESS.)

PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL WILL BE HEARD PRIOR TO CITY COUNCIL REPORTS AND CLOSING COMMENTS. IN THE EVENT THAT THE AGENDA ITEM FOR SUCH PUBLIC COMMENTS HAS NOT BEEN CALLED BY 9:00 P.M., IT SHALL BE CALLED AS THE NEXT ITEM OF BUSINESS FOLLOWING THE CONCLUSION OF ANY ITEM BEING HEARD AT 9:00 P.M. Those wishing to speak should submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

**JOINT CONSENT CALENDARS (SECTIONS A-D)**

All items listed under the Consent Calendars, Sections A, B, C, and D are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the Council, Community Services District, Redevelopment Agency or the Board of Library Trustees requests that an item be removed for

separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

## **A. CONSENT CALENDAR-CITY COUNCIL**

### **A.1 ORDINANCES - READING BY TITLE ONLY**

**Recommendation:** Waive reading of all Ordinances.

### **A.2 MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report of: City Clerk's Department)**

**Recommendation:**

Approve as submitted.

### **A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk's Department)**

**Recommendation:**

Receive and file the Reports on Reimbursable Activities for the period of May 19 - June 1, 2010.

### **A.4 CONFLICT OF INTEREST CODE - AGENCY REVIEW (Report of: City Clerk's Department)**

**Recommendation:**

Direct each agency, which has adopted a Conflict of Interest Code pursuant to the provisions of the Political Reform Act of 1974 (Government Code §87100, et. seq.), to review its Conflict of Interest Code, and if a change is necessary, to submit its biennial report to the City Clerk no later than October 1, 2010.

### **A.5 APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 3 (AUTO MALL REFINANCING) (Report of: Public Works Department)**

**Recommendation:**

That the City Council, acting in their capacity as the legislative body of the Moreno Valley Community Facilities District (CFD) No. 3 (Auto Mall Refinancing) ("CFD No. 3"), approve and adopt No. 2010- 37 to accept and approve the Annual Special Tax Report for fiscal year (FY) 2010/11, on file in the office of the City Treasurer.

Resolution No. 2010-37

A Resolution of the City Council of the City of Moreno Valley, California,

Accepting and Approving the Special Tax Report for Fiscal Year 2010/11 Regarding Community Facilities District No. 3 of the City of Moreno Valley (Auto Mall Refinancing)

A.6 APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT AND ANNUAL ACCOUNTABILITY REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE) (Report of: Public Works Department)

**Recommendation:**

1. That the City Council, acting in their capacity as the legislative body of the Moreno Valley Community Facilities District (CFD) No. 87-1 (Towngate) ("CFD No. 87-1") approve and adopt the following:

Resolution No. 2010-38 to accept and approve the Special Tax Report for fiscal year (FY) 2010/11 regarding CFD No. 87-1;

Resolution No. 2010-38

A Resolution of the City Council of the City of Moreno Valley, California, Accepting and Approving the Special Tax Report for Fiscal Year 2010/11 Regarding Community Facilities District No. 87-1 (Towngate); and

2. Resolution No. 2010-39 to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 87-1.

Resolution No. 2010-39

A Resolution of the City Council of the City of Moreno Valley, California, Acting as the Legislative Body of Community Facilities District No. 87-1 (Towngate) of the City of Moreno Valley, Approving the Submittal of an Accountability Report in Compliance with Government Code Sections 53410 and 53411 for Community Facilities District No. 87-1

A.7 APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT AND ANNUAL ACCOUNTABILITY REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE) IMPROVEMENT AREA NO. 1 (Report of: Public Works Department)

**Recommendation:**

1. That the City Council, acting in their capacity as the legislative body of the Moreno Valley Community Facilities District (CFD) No. 87-1

(Towngate) Improvement Area No. 1 ("CFD No. 87-1, Improvement Area No. 1") approve and adopt the following:

Resolution No. 2010-40 to accept and approve the Annual Special Tax Report for fiscal year (FY) 2010/11 for CFD No. 87-1 Improvement Area No. 1; and

Resolution No. 2010-40

A Resolution of the City Council of the City of Moreno Valley, California, Accepting and Approving the Report for Fiscal Year 2010/11 Regarding Community Facilities District No. 87-1 (Towngate) Improvement Area No. 1; and

2. Resolution No. 2010-41 to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 87-1 Improvement Area No. 1.

Resolution No. 2010-41

A Resolution of the City Council of the City of Moreno Valley, California, Acting as the Legislative Body of Community Facilities District No. 87-1 (Towngate) Improvement Area No. 1 of the City of Moreno Valley, Approving the Submittal of the Annual Accountability Report in Compliance with Government Code Sections 53410 and 53411 for Community Facilities District No. 87-1 Improvement Area No. 1

- A.8 AUTHORIZATION FOR THE MAYOR TO SIGN THE PROPOSITION 218 LETTER FOR CITY AND COMMUNITY SERVICES DISTRICT FUNDS TO BE TRANSMITTED WITH THE FIXED CHARGE SUBMITTAL, AS REQUIRED BY THE COUNTY OF RIVERSIDE (ITEM ALSO LISTED AS B4) (Report of: Public Works Department)

**Recommendation:**

That the Mayor and City Council approve and adopt the proposed Resolution No. 2010-42 to authorize the Mayor to sign the Proposition 218 letter to be sent to the Riverside County Auditor-Controller for Fiscal Year (FY) 2010/11.

Resolution No. 2010-42

A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Mayor to Sign the Proposition 218 Letter to be Sent to the County of Riverside Auditor-Controller's Office

A.9 APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT AND ANNUAL ACCOUNTABILITY REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 5 FOR FISCAL YEAR 2010/11 (Report of: Public Works Department)

**Recommendation:**

1. That the City Council acting in their capacity as the legislative body of Moreno Valley Community Facilities District No. 5 adopt the following:

Resolution No. 2010-43 to accept and approve the Annual Special Tax Report for fiscal year (“FY”) 2010/11 regarding Community Facilities District No. 5; and

Resolution No. 2010-43

A Resolution of the City Council of the City of Moreno Valley, California, Accepting and Approving the Annual Special Tax Report for Fiscal Year 2010/11 Regarding Community Facilities District No. 5

2. Resolution No. 2010-44 to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for Community Facilities District No. 5.

Resolution No. 2010-44

A Resolution of the City Council of the City of Moreno Valley, California, Acting as the Legislative Body of Community Facilities District No. 5 of the City of Moreno Valley, Approving the Submittal of the Annual Accountability Report in Compliance with Government Code Sections 53410 and 53411 for Community Facilities District No. 5

A.10 APPROVAL AND ADOPTION OF THE SPECIAL TAX REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 4— MAINTENANCE FOR FISCAL YEAR 2010/11 (Report of: Public Works Department)

**Recommendation:**

That the City Council acting in their capacity as the legislative body of Moreno Valley Community Facilities District No. 4—Maintenance (“CFD No. 4—M”) approve and adopt Resolution No. 2010-45 to accept and approve the Annual Special Tax Report for fiscal year (“FY”) 2010/11 regarding CFD No. 4—M.

Resolution No. 2010-45

A Resolution of the City Council of the City of Moreno Valley, California, Accepting and Approving the Annual Special Tax Report for Fiscal Year 2010/11 Regarding Community Facilities District No. 4-Maintenance

- A.11 PARCEL MAP 33726 - COMMERCIAL - REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING THE PORTION OF IRIS AVENUE AND PERRIS BOULEVARD ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM - DEVELOPER: IRIS PARTNERS, LLC A CALIFORNIA LIMITED LIABILITY CORPORATION, UPLAND, CA 91784 (Report of: Public Works Department)

**Recommendation:**

1. Adopt Resolution No. 2010-46 authorizing the acceptance of the public improvements within Parcel Map 33726 - Commercial as complete and accepting the portion of Iris Avenue and Perris Boulevard associated with the project into the City's maintained street system; and

Resolution No. 2010-46

A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Acceptance of the Public Improvements as Complete within Parcel Map 33726 - Commercial, and Accepting the Portion of Iris Avenue and Perris Boulevard Associated with the Project into the City's Maintained Street System

2. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

- A.12 PARCEL MAP 33726 - STORM DRAIN - REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING THE PORTION OF RED MAPLE LANE ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM - DEVELOPER: IRIS PARTNERS, LLC A CALIFORNIA LIMITED LIABILITY COMPANY, UPLAND, CA 91784 (Report of: Public Works Department)

**Recommendation:**



1. Adopt Resolution No. 2010-47 authorizing the acceptance of the public improvements within Parcel Map 33726 - Storm Drain as complete and accepting the portion of Red Maple Lane associated with the project into the City's maintained street system; and

Resolution No. 2010-47

A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Acceptance of the Public Improvements as Complete within Parcel Map 33726 - Storm Drain, and Accepting the Portion of Red Maple Lane Associated with the Project Into the City's Maintained Street System

2. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

A.13 ANNUAL AGREEMENTS FOR SERVICES WITH THE CHAMBERS OF COMMERCE (Report of: Economic Development Department)

**Recommendation:**

Review and approve the annual Agreements for Services with two of the local chambers of commerce – The Moreno Valley Chamber of Commerce and the Moreno Valley Hispanic Chamber of Commerce.

A.14 APPROVAL OF PROGRAM SUPPLEMENT AGREEMENT FOR FEDERALLY FUNDED PROJECT NO. HSIPL 5441 (046) AND FUNDING APPROPRIATION TO RETROFIT 117 EXISTING SIGNALIZED INTERSECTIONS WITH EMERGENCY VEHICLE PRE-EMPTION SYSTEM, UNDER THE HIGHWAY SAFETY IMPROVEMENT (HSIP) PROGRAM (Report of: Public Works Department)

**Recommendation:**

1. Approve and adopt proposed Resolution No. 2010-48, and authorize the execution of Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement Program (HSIPL).

Resolution No. 2010-48

A Resolution of the City Council of the City of Moreno Valley, California, Approving and Authorizing Execution of Program Supplement No. 025-N, to Administering Agency-State Agreement

No. 08-5441R for Federal-Aid Project No. HSIP 5441 (046) Between the State of California, Acting by and Through the Department of Transportation, and the City of Moreno Valley, for the Highway Safety Improvement Program (HSIP)

2. Authorize the Public Works Director/City Engineer to execute Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement Program (HSIP).

A.15 APPROVE AND AUTHORIZE EXECUTION OF AGREEMENT REGARDING PROPOSED STREAM OR LAKE ALTERATION, AND AUTHORIZE A PURCHASE ORDER FOR THE SANTA ANA WATERSHED ASSOCIATION FOR THE INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS, AND IRONWOOD AVENUE STREET IMPROVEMENTS FROM HEACOCK STREET TO NITA DRIVE - PROJECT NO. 09-89791726 (Report of: Public Works Department)

**Recommendation:**

1. Authorize the Public Works Director/City Engineer to execute the Agreement Regarding Proposed Stream or Lake Alteration, including any amendments, subject to approval of the City Attorney;
2. Authorize the issuance of a Purchase Order for the Santa Ana Watershed Association (SAWA) for \$163,350 (\$148,500 plus 10% contingency of \$14,850) for environmental mitigation associated with the construction of the Indian Detention Basin Drainage Improvements and the Ironwood Avenue Street Improvements from Heacock Street to Nita Drive; and
3. Authorize the City Manager to execute the Purchase Requisition for the SAWA up to but not exceeding the Purchase Order amount of \$163,350.

A.16 APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES FOR MORENO VALLEY UTILITY (Report of: Public Works Department)

**Recommendation:**

Approve Resolution No. 2010-49 amending the Electric Rates for Moreno Valley Utility

Resolution No. 2010-49

A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Rates, and Electric Service Rules, Fees, and Charges

for Moreno Valley

- A.17 AUTHORIZE A CHANGE ORDER TO INCREASE THE PURCHASE ORDER WITH ENVIRONMENTAL CONSTRUCTION, INC. FOR THE SUNNYMEAD BOULEVARD REVITALIZATION PROJECT FROM FREDERICK STREET TO PERRIS BOULEVARD PROJECT NO. 04-8928022-1 (Report of: Public Works Department)

**Recommendation:**

1. Authorize a Change Order to increase the Purchase Order with Environmental Construction, Inc. in the amount of \$195,000 for additional services for the Sunnymead Boulevard Revitalization Project from Frederick Street to Perris Boulevard (Account No. 501.82125); and
2. Authorize the City Manager to execute the Purchase Order for Environmental Construction, Inc.

- A.18 APPROVAL OF AMENDMENTS TO MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF MORENO VALLEY AND THE CITY'S MANAGEMENT ASSOCIATIONS (MORENO VALLEY MANAGEMENT ASSOCIATION AND MORENO VALLEY CONFIDENTIAL MANAGEMENT EMPLOYEES (Report of: Human Resources Department)

**Recommendation: That the City Council:**

That the City Council approve amendments to the Fiscal Year 2009-10 Memoranda of Understanding between the City of Moreno Valley and the City's Management Associations (Moreno Valley Management Association and Moreno Valley Confidential Management Employees) concerning benefit levels provided to employees who voluntarily separate from City employment and then are rehired within one year.

**B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT**

- B.1 ORDINANCES - READING BY TITLE ONLY

**Recommendation:** Waive reading of all Ordinances.

- B.2 MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report of: City Clerk)

**Recommendation:**

Approve as submitted.

- B.3 APPROVAL AND ADOPTION OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 1 ANNUAL SPECIAL TAX REPORT FOR

FISCAL YEAR 2010/11 (Report of: Public Works Department)

**Recommendation:**

That the Mayor and City Council acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”) and as the legislative body of Community Facilities District No. 1 (“CFD No. 1” or “District”) approve and adopt Resolution No. CSD 2010-07 to accept and approve the Annual Special Tax Report on file in the office of the City Treasurer and authorize the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual special tax requirement of CFD No. No. 1.

Resolution No. CSD 2010-07

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Accepting and Approving the Report for Fiscal Year 2010/11 Regarding Community Facilities District No. 1

- B.4 AUTHORIZATION FOR THE MAYOR TO SIGN THE PROPOSITION 218 LETTER FOR EACH CITY AND COMMUNITY SERVICES DISTRICT FUND TO BE TRANSMITTED WITH THE FIXED CHARGE SUBMITTAL, AS REQUIRED BY THE COUNTY OF RIVERSIDE (ITEM ALSO LISTED AS A8) (Report of: Public Works Department)

**Recommendation:**

That the City Council acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), approve and adopt the proposed Resolution No. CSD 2010-08 to authorize the Mayor, acting in the capacity of the CSD President, to sign the Proposition 218 letter to be sent to the Riverside County Auditor-Controller for FY 2010/11.

Resolution No. CSD 2010-08

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Authorizing the Mayor, Acting as President of the Moreno Valley Community Services District, to Sign the Proposition 218 Letter to be Sent to the County of Riverside Auditor-Controller’s Office

**C. CONSENT CALENDAR - COMMUNITY REDEVELOPMENT AGENCY**

- C.1 ORDINANCES - READING BY TITLE ONLY

**Recommendation:** Waive reading of all Ordinances.

- C.2 MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report of: City Clerk)

**Recommendation:**

Approve as submitted.

#### **D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES**

D.1 ORDINANCES - READING BY TITLE ONLY

**Recommendation:** Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report of: City Clerk)

**Recommendation:**

Approve as submitted.

#### **E. PUBLIC HEARINGS**

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration.

Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Bailiff.

E.1 PUBLIC HEARING REGARDING THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) REGULATORY RATE SCHEDULE FOR NEW RESIDENTIAL AND COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE DEVELOPMENT PROPOSED FISCAL YEAR (FY) 2010/2011 ANNUAL RATES (Report of: Public Works Department)

**Recommendation: That the City Council:**

1. Conduct a Public Hearing to consider all objections or protests of the "NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development" as provided in the Public Notice; and
2. Adopt "Resolution No. 2010-50, A Resolution of the City of Moreno Valley, California, Authorizing and Approving the Levy of the National Pollutant Discharge Elimination System (NPDES) Regulatory Rate for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development on the County of Riverside Property Tax Roll."

Resolution No. 2010-50

A Resolution of the City of Moreno Valley, California, Authorizing and Approving the Levy of the National Pollutant Discharge Elimination System (NPDES) Regulatory Rate for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development on the County of Riverside Property Tax Roll

E.2 PUBLIC HEARING TO CONSIDER APPROVING THE CONTINUANCE OF CURRENT MORENO VALLEY COMMUNITY SERVICES DISTRICT ANNUAL PARCEL CHARGES PROPOSED FOR FISCAL YEAR 2010/11 (Report of: Public Works Department)

**Recommendation: That the City Council:**

1. That the City Council, acting in their capacity as President and Members of the Board of Directors of the Moreno Valley CSD ("CSD Board") conduct a Public Hearing for the CSD Zones A, B, C, D, E, E-1A, E-3A, E-4A, M, and S; and approve and adopt the proposed resolution for CSD 2010-09 (Zone A);

Resolution No. CSD 2010-09

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone A (Parks and Community Services) Services During Fiscal Year 2010/2011

2. Approve and adopt the proposed Resolution No. CSD 2010-10 (Zone B);

Resolution No. CSD 2010-10

A Resolution of the Moreno Valley Community Services District of the City Of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone B (Residential Street Lighting) Services During Fiscal Year 2010/2011

3. Approve and adopt the proposed Resolution No. CSD 2010-11 (Zone C);

Resolution No. CSD 2010-11

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone C (Arterial Street Lighting and Intersection Lighting) Services During Fiscal Year 2010/2011

4. Approve and adopt the proposed Resolution No. CSD 2010-12 (Zone D);

Resolution No. CSD 2010-12

A Resolution of the Moreno Valley Community Services District of the City Of Moreno Valley, California, Approving the Calculation of the

Parcel Charge for Providing Zone D (Parkway Landscape Maintenance) Services During Fiscal Year 2010/2011

5. Approve and adopt the proposed Resolution No. CSD 2010-13 (Zone E);

Resolution No. CSD 2010-13

A Resolution of the Moreno Valley Community Services District of the City Of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone E (High-Service-Level Parkway Landscape Improvement and Maintenance) Services During Fiscal Year 2010/2011

6. Approve and adopt the proposed Resolution No. CSD 2010-14 (Zone E-1A);

Resolution No. CSD 2010-14

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone E-1A (Renaissance Park – Walls/Internal Parkway Landscape Maintenance) Services During Fiscal Year 2010/2011

7. Approve and adopt the proposed Resolution No. CSD 2010-15 (Zone E-3A);

Resolution No. CSD 2010-15

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone E-3A (Lasselle Powerline Parkway – Walls/Internal Parkway Landscape Maintenance) Services During Fiscal Year 2010/2011

8. Approve and adopt the proposed Resolution No. CSD 2010-16 (Zone E-4A);

Resolution No. CSD 2010-16

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone E-4A (Daybreak Development – Internal Parkway Landscape Maintenance) Services During Fiscal Year 2010/2011

9. Approve and adopt the proposed Resolution No. CSD 2010-17 (Zone

M); and

Resolution No. CSD 2010-17

A Resolution of the Moreno Valley Community Services District of the City Of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone M (Commercial/Industrial/Multifamily Improved Median Maintenance) Services During Fiscal Year 2010/2011

10. Approve and adopt the proposed Resolution No. CSD 2010-18 (Zone S)

Resolution No. CSD 2010-18

A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Approving the Calculation of the Parcel Charge for Providing Zone S (Sunnymead Boulevard Maintenance) Services During Fiscal Year 2010/2011

**F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION**

**G. REPORTS**

- G.1 CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES (Informational Oral Presentation - not for Council action)

- a) Council Member Richard A. Stewart report on March Joint Powers Commission (MJPC)

- G.2 GENERAL MUNICIPAL ELECTION – NOVEMBER 2, 2010 RESOLUTIONS CALLING AND GIVING NOTICE; REQUESTING CONSOLIDATION WITH STATEWIDE GENERAL ELECTION; AND ADOPTING REGULATIONS PERTAINING TO CANDIDATES' STATEMENTS; ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF TWO ADVISORY BALLOT MEASURES RELATING TO CHANGING FROM AN APPOINTED TO AN ELECTED MAYOR; DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS; AND PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR BALLOT MEASURES (Report of: City Clerk and City Attorney)

**Recommendation: That the City Council:**

1. Adopt:

Resolution No. 2010-51, calling and giving notice of the holding of a



general municipal election on Tuesday, November 2, 2010 of certain officers as required by the provisions of the laws of the State of California relating to general law cities;

Resolution No. 2010-51

A Resolution of the City Council of the City of Moreno Valley, California, Calling and Giving Notice of the Holding of a General Municipal Election on Tuesday, November 2, 2010, of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to General Law Cities

2. Resolution No. 2010-52, requesting the Board of Supervisors of the County of Riverside to consolidate a general municipal election with the statewide general election to be held on Tuesday, November 2, 2010, pursuant to §10403 of the California Elections Code;

Resolution No. 2010-52

A Resolution of the City Council of the City of Moreno Valley, California, Requesting the Board of Supervisors of the County of Riverside to Consolidate a General Municipal Election With the Statewide General Election to be Held on Tuesday, November 2, 2010, Pursuant to Section 10403 of the California Elections Code

3. Resolution No. 2010-53, adopting regulations for candidates for elective office pertaining to candidates' statements submitted to the voters at an election to be held on Tuesday, November 2, 2010;

Resolution No. 2010-53

A Resolution of the City Council of the City of Moreno Valley, California, Adopting Regulations for Candidates for Elective Office Pertaining to Candidates' Statements Submitted to the Voters for the Election to be Held on Tuesday, November 2, 2010

4. Resolution No. 2010-54, ordering the submission to the qualified electors of the City of Moreno Valley at the general municipal election to be held on Tuesday, November 2, 2010 of two advisory ballot measures relating to changing from an appointed to an elected mayor;

Resolution No. 2010-54

A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Submission to the Qualified Electors of the

City of Moreno Valley at the General Municipal Election to be Held on Tuesday, November 2, 2010 of Two Advisory Ballot Measures Relating to Changing from an Appointed to An Elected Mayor

5. Resolution No. 2010-55, directing the City Attorney to prepare an impartial analysis regarding the advisory ballot measures relating to changing from an appointed to an elected mayor for the general municipal election to be held on November 2, 2010; and

Resolution No. 2010-55

A Resolution of the City Council of the City of Moreno Valley, California, Directing the City Attorney to Prepare an Impartial Analysis Regarding the Advisory Ballot Measure Relating to Changing From an Appointed to an Elected Mayor for the General Municipal Election to be Held on November 2, 2010

6. Resolution No. 2010-56, providing for the filing of rebuttal arguments for ballot measures submitted at municipal elections.

Resolution No. 2010-56

A Resolution of the City Council of the City of Moreno Valley, California, Providing for the Filing of Rebuttal Arguments for Ballot Measures Submitted at the November 2, 2010 Municipal Election

7. Approve the attached Municipal Information Form and authorize the City Clerk to submit the completed form and the resolutions to the Registrar of Voters.

G.3 SHOP MOVAL PROGRAM (Report of: Economic Development Department)

**Recommendation: That the City Council:**

Provide feedback and/or input as to the proposed components of the expanding SHOP MOVAL program.

G.4 ORDINANCE NO. 811, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING CHAPTER 11.04 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE, RELATING TO DRINKING IN PUBLIC AND TRESPASSING OFFENSES AND AMENDING SECTION 6.04.080 RELATING TO NOTICE OF NUISANCE VIOLATIONS (CONTINUED FROM MAY 11, 2010) (Report of: City Attorney)

**Recommendation: That the City Council:**

Introduce Ordinance No. 811, an ordinance amending Chapter 11.04 to add new sections relating to drinking in public and trespassing and amending Section 6.04.080 relating to notice of nuisance violations.

Ordinance No. 811

An Ordinance of the City Council of the City of Moreno Valley, California, Amending Chapter 11.04 of the City of Moreno Valley Municipal Code, Relating to Drinking in Public and Trespassing Offenses and Amending Section 6.04.080 Relating to Notice of Nuisance Violations

- G.5 A PROPOSED AMENDMENT TO CHAPTER 12.14, POLICE AND CITY OF MORENO VALLEY ROTATIONAL TOW SERVICE OF THE MORENO VALLEY MUNICIPAL CODE AND REQUEST FOR PROPOSALS FOR THE IMPLEMENTATION OF A CITYWIDE ROTATIONAL TOW SERVICE PROGRAM (CONTINUED FROM MAY 25, 2010) (Report of: City Manager's Office)

**Recommendation: That the City Council:**

1. Introduce Ordinance No. 812 amending Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service of Title 12 of the Moreno Valley Municipal Code, and

Ordinance No. 812

An Ordinance of the City Council of the City of Moreno Valley, California Amending Title 12 of the City of Moreno Valley Municipal Code by Repealing Chapter 12.14 Relating to Rotational Towing Services for the City of Moreno Valley and adding Thereto a New Chapter 12.14 Entitled Police and City of Moreno Valley Rotational Tow Service

2. Approve the Request for Proposals (RFP) to solicit proposal to participate in the City's Rotational Tow Service Program and authorize City Staff to circulate the RFP to qualified tow operators and businesses.

- G.6 CONTINUED DISCUSSION OF FISCAL YEAR 2010-11 OPERATING BUDGET AND DEFICIT REDUCTION PLAN (Report of: Financial & Administrative Services Department)

**Recommendation: That the City Council:**

1. Continue discussion of the Fiscal Year 2010-11 Operating Budget and Deficit Reduction Plan; and

2. Consider the Interim City Manager's proposed budget balancing plan.

G.7 FY 2010-11 PROPOSED CAPITAL IMPROVEMENT PLAN REVIEW (CONTINUED FROM MAY 25, 2010) (Report of: Public Works Department)

**Recommendation: That the City Council:**

Review and discuss the FY 2010-11 Proposed Capital Improvement Plan (CIP) and provide concurrence with the proposed priorities or direction for new priorities for implementation of capital projects.

G.8 PA07-0090 – ACCEPT THE AGREEMENT FOR LINE 'F' STORM DRAIN SECURITY ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK, BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE, AND REDLANDS BOULEVARD AND THEODORE STREET - DEVELOPER: HF LOGISTICS - SKX T1, LLC, MORENO VALLEY, CA (Report of: Public Works Department)

**Recommendation: That the City Council:**

1. Accept the Agreement for Line 'F' Storm Drain Security;
2. Authorize the Mayor to execute the Agreement contingent upon the cash security being placed into the two (2) escrow accounts;
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation; and
4. Authorize the City Engineer to execute any future time extensions amendments to the agreement, subject to City Attorney approval, if the required storm drain improvements are not completed within said timeframe.

G.9 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

**H. LEGISLATIVE ACTIONS**

H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

**PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL**

Those wishing to speak should complete and submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

**CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, OR COMMUNITY REDEVELOPMENT AGENCY**

Materials related to an item on this Agenda submitted to the City Council/Community Services District/Community Redevelopment Agency or the Board of Library Trustees after distribution of the agenda packet are available for public inspection in the City Clerk's office at 14177 Frederick Street during normal business hours.

## **CLOSED SESSION**

A Closed Session of the City Council, Community Services District and Community Redevelopment Agency of the City of Moreno Valley will be held in the City Manager's Conference Room, Second Floor, City Hall. The City Council will meet in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

### **• PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL**

There is a three-minute time limit per person. Please complete and submit a BLUE speaker slip to the City Clerk. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

The Closed Session will be held pursuant to Government Code:

1 SECTION 54956.9(b)(1) - CONFERENCE WITH LEGAL COUNSEL - SIGNIFICANT EXPOSURE TO LITIGATION

Number of Cases: 2

2 SECTION 54956.9(c) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: 2

3 SECTION 54957.6 - LABOR NEGOTIATIONS

a) Agency Representative: William Bopf  
Employee Organization: MVCEA

b) Agency Representative: William Bopf  
Employee Organization: MVMA

c) Agency Representative: William Bopf  
Employee Organization: Moreno Valley Confidential  
Management Employees

4 SECTION 54957 - PUBLIC EMPLOYEE APPOINTMENT/PUBLIC EMPLOYMENT

a) a) City Manager Recruitment

**REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY**

**ADJOURNMENT**

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**MINUTES**  
**CITY COUNCIL OF THE CITY OF MORENO VALLEY**  
**May 25, 2010**

**CALL TO ORDER**

SPECIAL PRESENTATIONS

1. Proclamation Recognizing University of California Riverside (UCR) Women's Basketball Team
2. Proclamation Recognizing National Public Works Week - Above, Below and All Around You
3. Proclamation Recognizing Mental Health Month – May 2010
4. Recognition of Vista Heights Middle School – California State History Day Winners
5. "Spotlight on Moreno Valley Business"

**MINUTES  
JOINT MEETING OF THE  
CITY COUNCIL OF THE CITY OF MORENO VALLEY  
MORENO VALLEY COMMUNITY SERVICES DISTRICT  
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY  
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:30 PM  
May 25, 2010**

**CALL TO ORDER**

Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, the Community Redevelopment Agency of the City of Moreno Valley and the Board of Library Trustees was called to order at 6:47 p.m. by Mayor Flickinger in the Council Chamber located at 14177 Frederick Street.

**PLEDGE OF ALLEGIANCE** was led by Council Member William H. Batey II

**INVOCATION** - Reverend Joven Junio, St. Christopher Catholic Church

**ROLL CALL**

Council:

Bonnie Flickinger	Mayor
Robin N. Hastings	Mayor Pro Tem
William H. Batey II	Council Member
Jesse L. Molina	Council Member
Richard A. Stewart	Council Member

Staff:

Jane Halstead	City Clerk
Julienne Clay	Administrative Assistant
Steve Elam	Interim Financial and Admin. Director
William Bopf	Interim City Manager
Robert Hansen	City Attorney
Rick Hartmann	Interim Assistant City Manager
Ernie Baker	Lieutenant
Steve Curley	Fire Chief
Chris Vogt	Public Works Director
Kyle Kollar	Interim Community Development Director
Barry Foster	Economic Development Director
Paula Smus	Acting Principal Librarian
Mike McCarty	Parks & Community Service
John Ruiz	Interim Human Resources Director

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**JOINT CONSENT CALENDARS (SECTIONS A-D) OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, MORENO VALLEY COMMUNITY SERVICES DISTRICT, COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE BOARD OF LIBRARY TRUSTEES**

**Motion to Continue Agenda Item G7 by m/Council Member William H. Batey II, s/Mayor Pro Tem Robin N. Hastings**  
**Approved by a voice vote of 5-0.**

Mayor Flickinger opened the agenda items for the Consent Calendars for public comments, which were received from Pete Bleckert (Item A14).

**A. CONSENT CALENDAR-CITY COUNCIL**

**A.1 ORDINANCES - READING BY TITLE ONLY**

**Recommendation:** Waive reading of all Ordinances.

**A.2 MINUTES - REGULAR MEETING OF MAY 11, 2010 (Report of: City Clerk)**

**Recommendation:**

Approve as submitted.

**A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk)**

**Recommendation:**

Receive and file the Reports on Reimbursable Activities for the period of May 5-18, 2010.

**A.4 APPROVAL OF CHECK REGISTER FOR MARCH, 2010 (Report of: Financial & Administrative Services Department)**

**Recommendation:**

Adopt Resolution No. 2010-34, approving the Check Register for the month of March, 2010 in the amount of \$67,977,881.05.

Resolution No. 2010-34

A Resolution of the City Council of the City of Moreno Valley, California, Approving the Check Register for the Month of March, 2010

**A.5 APPROVAL OF AMENDMENT NO.1 TO AGREEMENT TO FORM THE LAKE ELSINORE AND CANYON LAKE TOTAL MAXIMUM DAILY LOAD (TMDL) TASK FORCE (Report of: Public Works Department)**

**Recommendation:**

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1. Approve Amendment No. 1 to Agreement to Form the Lake Elsinore and Canyon Lake TMDL Task Force approved as to form by the City Attorney
2. Authorize the Mayor to execute Amendment No. 1 to Agreement
3. Authorize the Public Works Director/City Engineer to execute future amendments to the Agreement
4. Direct the City Clerk to attest to the Mayor's signature and transmit the executed Amendment No. 1 to Agreement to the Santa Ana Watershed Project Authority

A.6 APPROVE AND AUTHORIZE CONSTRUCTION COOPERATIVE AGREEMENT WITH THE STATE OF CALIFORNIA FOR THE SR-60/NASON STREET OVERCROSSING - PROJECT NO. 07-41570024 (Report of: Public Works Department)

**Recommendation:**

1. Approve the "Construction Cooperative Agreement (District Agreement No. 08-1463)" with the State of California for the construction phase of the SR-60/Nason Street Overcrossing project;
2. Authorize the City Manager to execute the "Construction Cooperative Agreement (District Agreement No. 08-1463)" with the State of California; and
3. Authorize the City Manager and Public Works Director/City Engineer to execute any future amendments to the "Construction Cooperative Agreement (District Agreement No. 08-1463)," if needed, subject to the approval of the City Attorney.

A.7 NOTICE OF COMPLETION AND ACCEPTANCE OF TRAFFIC SIGNAL, STREET AND STORM DRAIN IMPROVEMENTS FOR STATE ROUTE 60 EASTBOUND RAMPS AND REDLANDS BOULEVARD - PROJECT NO. 06-12566625 (Report of: Public Works Department)

**Recommendation:**

1. Accept the work as complete for Traffic Signal, Street and Storm Drain Improvements for State Route 60 Eastbound Ramps and Redlands Boulevard, which was constructed by Murrieta Development Company, Inc., 42540 Rio Nedo Road, Temecula, CA 92590;

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2. Direct the City Clerk to record the Notice of Completion within ten (10) calendar days at the office of the County Recorder of Riverside County, as required by Section 3093 of the California Civil Code;
3. Authorize the Financial and Administrative Services Director to release the retention to Murrieta Development Company, Inc., thirty-five (35) calendar days after the date of recordation of the Notice of Completion, if no claims are filed against the project; and
4. Accept the improvements into the City's maintained road system.

A.8 PA04-0016 – RESIDENTIAL - ACCEPT AGREEMENT AND IRREVOCABLE LETTERS OF CREDIT FOR PUBLIC IMPROVEMENTS, SOUTHEAST CORNER OF PIGEON PASS ROAD AND SUNNYMEAD RANCH PARKWAY - DEVELOPER: PIGEON PASS, LLC, UPLAND, CA 91786 (Report of: Public Works Department)

**Recommendation:**

1. Accept the Agreement and Irrevocable Letters of Credit for Public Improvements for PA04-0016;
2. Authorize the Mayor to execute the agreement;
3. Direct the City Clerk to forward the signed agreement to the County Recorder's office for recordation; and
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

A.9 RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED MARCH 31, 2010 (Report of: Financial & Administrative Services Department)

**Recommendation:**

Receive and file the Quarterly Investment Report, in compliance with the City's Investment Policy.

A.10 AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT FOR DAY STREET ROADWAY IMPROVEMENTS FROM ALESSANDRO BOULEVARD TO COTTONWOOD AVENUE PROJECT NO. 02-89266920 (ALSO LISTED AS ITEM C. 3) (Report of: Public Works Department)

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**Recommendation:**

1. Award the construction contract for Day Street Roadway Improvements from Alessandro Boulevard to Cottonwood Avenue to Hillcrest Contracting, Inc., 1467 Circle City Drive, Corona, CA 92879, the lowest responsible bidder;
2. Authorize the City Manager to execute the contract with Hillcrest Contracting, Inc., and to subsequently assign said contract to the Community Redevelopment Agency;
3. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Hillcrest Contracting, Inc. up to, but not exceeding, the contingency amount of \$249,470.71, subject to the approval of the City Attorney;
4. Authorize a full road closure of Day Street from Alessandro Boulevard to Cottonwood Avenue, including adjacent side streets, as necessary, for the construction of roadway improvements from June 2010 to December 2010; and
5. Authorize the Public Works Director/City Engineer to allow for an additional 60 day extension to the proposed road closure window if the project is delayed due to unforeseen construction issues.

- A.11 APPROVE AND EXECUTE THE AGREEMENT FOR CONVEYANCE OF PROPERTY FOR THE ACQUISITION OF APN 475-272-054 FOR THE IRONWOOD AVENUE WIDENING PROJECT FROM HEACOCK STREET TO PERRIS BOULEVARD - PROJECT NO. 06-50182625-2 (Report of: Public Works Department)

**Recommendation:**

1. Approve the Agreement for Conveyance of Property for the acquisition of APN 475-272-054 for the Ironwood Avenue Widening Project from Heacock Street to Perris Boulevard;
2. Authorize a Purchase Order in the amount of \$124,500 plus escrow fees when the Agreement has been signed by all parties (Account No. 415.70227);
3. Authorize the City Manager to execute the Agreement upon concurrence by the property owners and authorize the City Manager to approve any changes, subject to the approval of the City Attorney; and

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4. Authorize the Financial and Administrative Services Director to wire transfer funds into escrow in the amount of the acquisition price of \$124,500 plus the escrow fees for the acquisition of APN 475-272-054.

A.12 AUTHORIZATION TO AWARD THE CONSTRUCTION CONTRACT FOR THE 2010 PAVEMENT RESURFACING PROJECT - PROJECT NO. 10-12556330 (Report of: Public Works Department)

**Recommendation:**

1. Award the construction contract for the 2010 Pavement Resurfacing Project to Hardy & Harper, Inc., 1312 East Warner Avenue, Santa Ana, CA 92705, the lowest responsible bidder;
2. Authorize the City Manager to execute a contract with Hardy & Harper, Inc.;
3. Authorize the issuance of a Purchase Order to Hardy & Harper, Inc. in the amount of \$1,304,600.00 (bid amount \$1,186,000.00 plus 10% contingency of \$118,600.00) when the contract has been signed by all parties (Account Nos. 225.68722 and 226.79728); and
4. Authorize the Public Works Director/City Engineer to execute any subsequent change orders to the contract with Hardy & Harper, Inc., up to but not to exceed the Purchase Order contingency of \$118,600.00.

A.14 CONSIDERATION AND APPROVAL OF SETTLEMENT AGREEMENT IN ENCO UTILITY SERVICES MORENO VALLEY, LLC, V. CITY OF MORENO VALLEY - CASE NO. RIC478023 (CONTINUED FROM MAY 11, 2010) (Report of: City Attorney)

**Recommendation:**

Review and approve the Settlement Agreement in ENCO Utility Services Moreno Valley, LLC v. City of Moreno Valley, Case No. RIC478023 (Attachment 1), and authorize the Mayor to sign the agreement in behalf of the City.

**B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT**

B.1 ORDINANCES - READING BY TITLE ONLY

**Recommendation:** Waive reading of all Ordinances.

B.2 MINUTES - REGULAR MEETING OF MAY 11, 2010 (Report of: City Clerk)

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**Recommendation:**  
Approve as submitted.

**C. CONSENT CALENDAR - COMMUNITY REDEVELOPMENT AGENCY**

C.1 ORDINANCES - READING BY TITLE ONLY  
**Recommendation:** Waive reading of all Ordinances.

C.2 MINUTES - REGULAR MEETING OF MAY 11, 2010 (Report of: City Clerk)

**Recommendation:**  
Approve as submitted.

C.3 AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT FOR DAY STREET ROADWAY IMPROVEMENTS FROM ALESSANDRO BOULEVARD TO COTTONWOOD AVENUE PROJECT NO. 02-89266920 (ALSO LISTED AS ITEM A.10) (Report of: Public Works Department)

**Recommendation:**

1. That the Community Redevelopment Agency accept the assignment of the contract with Hillcrest Contracting, Inc. from the City;
2. Authorize the City Manager, acting in his capacity as the Executive Director for the Community Redevelopment Agency of the City of Moreno Valley, to execute the Assignment Agreement on behalf of the Community Redevelopment Agency; and
3. Authorize the issuance of a Purchase Order to Hillcrest Contracting, Inc. in the amount of \$1,912,608.76 (\$1,663,138.05 for the bid amount plus 15% contingency) for Day Street Roadway Improvements from Alessandro Boulevard to Cottonwood Avenue (Account No. 897.91724).

**D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES**

D.1 ORDINANCES - READING BY TITLE ONLY  
**Recommendation:** Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF MAY 11, 2010 (Report of: City Clerk)

**Recommendation:**  
Approve as submitted.

**Motion to Approve Joint Consent Calendar Items A1 – D2, except Items**

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**A13 and A15, which were pulled for separate discussion/action. Motion by m/Council Member Richard A. Stewart, s/Council Member William H. Batey II**  
**Approved by a vote of 5-0.**

## **AGENDA ORDER**

### **G.5 PARTICIPATION AGREEMENT WITH MOSS BROS. AUTOGROUP (Report of: Economic Development Department)**

Council Member Richard A. Stewart stated due to a business relationship with his law office with other auto dealers, other than Moss Bros., he would abstain from participating, discussing or voting on Item G5, and he would be absent from the dais until completed.

Council Member Richard A. Stewart recused himself due to a business relationship.

Mayor Flickinger opened the agenda item for public comments, which were received from Glenn Moss, Deanna Reeder, and Pete Bleckert.

#### **Recommendation: That the RDA:**

Adopt Resolution RDA No. 2010-02, approving and authorizing a Participation Agreement with Moss Bros. Autogroup.

Resolution RDA No. 2010-02

A Resolution of the Community Redevelopment Agency of the City of Moreno Valley, California adopting Resolution RDA No. 2010-02, approving and authorizing a Participation Agreement with Moss Bros. Autogroup

**Motion to Approve by m/Council Member William H. Batey II, s/Mayor Pro Tem Robin N. Hastings**  
**Approved by a vote of 4-0-1, Council Member Richard A. Stewart recused.**

Council Member Richard A. Stewart returned to the Dias at 7:24 p.m.

## **AGENDA ORDER**

### **E. PUBLIC HEARINGS**

#### **E.1 PUBLIC HEARING TO CONSIDER FEE SCHEDULE FOR FISCAL YEAR 2010-11 (CONTINUED FROM MAY 11, 2010) (Report of: Financial & Administrative Services Department)**

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Mayor Flickinger opened the public testimony portion of the public hearing; there being none, public testimony was closed.

**Recommendation: That the City Council:**

1. Conduct a Public Hearing to receive public input on the proposed Fee Schedule for Fiscal Year (FY) 2010-11; and
2. Adopt Resolution No. 2010-23, approving the Fee Schedule for FY 2010-11.

Resolution No. 2010-23

A Resolution of the City Council of the City of Moreno Valley, California, Establishing Specified Fees for Various Services for Fiscal Year 2010-11 and Repealing Prior Resolutions that may be in Conflict

**Motion to adopt Resolution No. 2010-23 approving the fee schedule for 2010-11 with the changes made tonight, which are 1) projects equal to or in excess of \$50,000,000 in total value will qualify to be considered for inclusion in the City's pilot program utilizing Time-and-Material charging/billing methodology for Development Services activities; this program encompasses all Departments and all fees for projects in the program; 2) fees for non-residents to participate in Recreation Programs will be charged at full cost recovery, which is the Resident Fee plus 30%; 3) subject to confirmation that the Animal Services fee changes do not exceed actual cost recovery, the specific fee changes are for Animal Redemption – a) 1<sup>st</sup> impound from \$20 to \$25, 2<sup>nd</sup> impound from \$40 to \$50, 3<sup>rd</sup> Impound from \$56 to \$75; b) Boarding – Re-inspection Fee from \$18 to \$50; c) Licensing – Potentially Dangerous/Vicious from \$77 to \$99 by m/Council Member Richard A. Stewart, s/Council Member Jesse L. Molina**  
**Approved by a 5–0 vote.**

**F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION**

- A.13 RESOLUTION TO JOIN ICLEI AS A FULL MEMBER AND PLEDGE TO TAKE A LEADERSHIP ROLE IN PROMOTING PUBLIC AWARENESS ABOUT THE CAUSES AND IMPACTS OF CLIMATE CHANGE (CONTINUED FROM MAY 11, 2010) (Report of: Community Development Department)

Mayor Flickinger opened the agenda item for public comments; there being none, public comments were closed.

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**Recommendation:**

Approve Resolution No. 2010-30, thereby agreeing to join (ICLEI) Local Governments for Sustainability and pursue efforts to address goals and objectives of ICLEI

Resolution No. 2010-30

A Resolution of the City Council of the City of Moreno Valley, California, to join ICLEI as a Full Member and Pledge to take a Leadership Role in Promoting Public Awareness about the Causes and Impacts of Climate Change

**No action was taken.**

- A.15 REVISED RESOLUTIONS FOR TWO APPLICATIONS TO MODIFY VARIOUS CONDITIONS OF APPROVAL (P09-038 AND P09-039) FOR THE APPROVED HIGHLAND FAIRVIEW CORPORATE PARK PROJECT TENTATIVE PARCEL MAP NO. 35629 (PA07-0090) AND PLOT PLAN (PA07-0091) INCLUDING THE MODIFICATION OF HIGHWAY 60 LANDSCAPE REQUIREMENTS, THE TIMING AND RESPONSIBILITY FOR AN EASEMENT AND CONSTRUCTION OF A REQUIRED MULTI-USE TRAIL ALONG THE PROJECT FRONTAGE AND FUTURE EUCALYPTUS AVENUE AND VARIOUS PUBLIC WORKS CONDITIONS RELATED TO THE DEDICATION AND IMPROVEMENT OF PUBLIC IMPROVEMENTS. THE PROJECT SITE IS LOCATED ADJACENT TO AND SOUTH OF HIGHWAY 60 ALONG FUTURE EUCALYPTUS AVENUE (FIR AVENUE) BETWEEN REDLANDS BOULEVARD AND THEODORE STREET. THE APPLICANT IS HIGHLAND FAIRVIEW PROPERTIES (CONTINUED FROM MAY 11, 2010) (Report of: Community Development Department)

Mayor Flickinger opened the agenda item for public comments, which were received from Deanna Reeder, Kathleen Dale, and Susan Gilchrist.

**Recommendation:**

1. Approve ~~revised~~ Resolution No. 2010-35 for various modifications (PA09-0038) to approved conditions of approval for PA07-0090 (Tentative Parcel Map No. 35629) for the placement of landscape within the future Highway 60/Caltrans right of way area, deferral of timing for multi-use trail improvements to Phase 3 and minor changes related to the dedication and construction of public improvements, with findings included within the resolution and modified conditions of approval attached as Exhibits A and B to the resolution; and

Resolution No. 2010-35

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A Resolution of the City Council of the City of Moreno Valley, California recommending approval of modifications of various Conditions of Approval (P09-038) for PA07-0090 (Tentative Parcel Map No. 35629) generally located north of future Eucalyptus Avenue (Fir Avenue) adjacent to and south of Highway 60 between Redlands Boulevard and Theodore Street

**Motion to Approve by m/Council Member William H. Batey II, s/Council Member Richard A. Stewart**  
**Approved by a 5-0 vote.**

2. Approve ~~revised~~ Resolution No. 2010-36 for various modifications (PA09-0039) to approved conditions of approval for PA07-0091 (Plot Plan) for the placement of an erosion control hydroseed landscape mix within the future Highway 60/Caltrans right of way area, deferral of timing for multi-use trail improvements to Phase 3 and minor changes related to the dedication and construction of public improvements, with findings included within the resolution and modified conditions of approval attached as Exhibits A and B to the resolution.

Resolution No. 2010-36

A Resolution of the City Council of the City of Moreno Valley, California approving various modification of project Conditions of Approval (P09-039) For PA07-0091 (Plot Plan) generally located north of future Eucalyptus Avenue (Fir Avenue) adjacent to and south of Highway 60 between Redlands Boulevard and Theodore Street

**Motion to Approve by m/Council Member William H. Batey II, s/Council Member Richard A. Stewart**  
**Approved by a 5-0 vote.**

Meeting reconvened after a brief break.

#### **AGENDA ORDER**

PUBLIC COMMENTS **ON ANY SUBJECT NOT ON THE AGENDA** UNDER THE JURISDICTION OF THE CITY COUNCIL

Deanna Reeder

1. Vote for Paul Zellerbach and reject Rod Pacheco

Jose Chavez

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1. Community Park

Charlene Weddington

1. Careers of members of Trail Seekers
2. Equestrian Park accomplishments

Daryl Terrell

1. Job loss and home foreclosures

Tom Jerele, Sr.

1. Trail Seekers
2. Development Impact Fees
3. June 10 - Free Concert

Pete Bleckert

1. Trail Seekers
2. Red Lights

## **AGENDA ORDER**

### **G. REPORTS**

#### G.1 CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES (Informational Oral Presentation - not for Council action)

- a) Mayor Pro Tem Robin N. Hastings report on Western Riverside Council of Governments (WRCOG) (Continued from May 11, 2010)

Regarding AB 811 Senator Feinstein put in for \$5M and applied to the California Energy Commission for \$20M. Out of \$110.3M available, only \$4.6M came to Southern California, which is where two-thirds of the population is. The Administrative and Finance Committee took it to court, sued the state, and won. The Judge granted all relief requested including a Writ of Mandate ordering the Department of General Services to adjudicate WRCOG's protest, and a permanent injunction prohibiting the distribution of any funds until they have met WRCOG's concerns and answered their protest.

- b) Council Member Richard A. Stewart report on March Joint Powers Commission (MJPC) (Continued from May 11, 2010)

March Healthcare is moving ahead. It's a \$3B project, and it will create 8,200 jobs, and most will be higher end jobs. There will be around 1,100 construction jobs. The demolition of some of the buildings is currently being coordinated. The Discovery Channel is looking at filming a sequential film on the demolition of the hospital. Mr. Russell came in from

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Washington, D.C., and during lunch with him mutual concerns and issues were shared. A variety of general aviation plans are moving ahead. Several lawsuits were settled. The demur was sustained on the challenge by Ray Johnson to the expansion of the Fresh and Easy. Washington, D.C. is supporting the Free Trade Zone.

G.2 REPORT TO CONSIDER PUBLIC COMMENTS REGARDING THE MORENO VALLEY COMMUNITY SERVICES DISTRICT PROPOSED FISCAL YEAR 2010/11 ANNUAL CHARGES (Report of: Public Works Department)

Mayor Flickinger opened the agenda item for public comments; there being none, public comments were closed.

**Recommendation: That the City Council:**

Acting in their capacities as President and Members of the Board of Directors of the CSD ("CSD Board"), accept public comments regarding the proposed fiscal year (FY) 2010/11 annual CSD charges. The proposed charges shall provide funding of maintenance services for parks, recreation, residential street lighting, arterial street lighting, parkway landscaping, high-service-level parkway landscaping, internal parkway landscaping/walls, medians, and Sunnymead Boulevard improvements, as submitted in the Preliminary Annual Levy Report on file in the office of the City Clerk.

**No action required.**

**AGENDA ORDER**

G.8 PROPOSED RANCHO BELAGO SIGN PROGRAM (AKA "RANCHO BELAGO COMMUNITY SIGNAGE DESIGN SUBMITTAL) (CONTINUED FROM MAY 11, 2010) (Report of: Community Development Department)

Mayor Flickinger opened the agenda item for public comments, which were received from Deanna Reeder, Kathleen Dale, Susan Gilchrist, Darryl Terrell, and Pete Bleckert.

**Recommendation: That the City Council:**

1. Consider the Rancho Belago Sign Program and take action as deemed appropriate; and

Resolution No. 2010-33

A Resolution of the City Council of the City of Moreno Valley, California, Adopting the Rancho Belago Sign Program

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**Motion to adopt resolution 2010-33 and have the sign design change be brought back to Council for final approval at a future date, and that such sign design shall comply with the legal requirements as well as include the city seal or some other specific Moreno Valley identification, and the redesign will become the template for all communities in the city by m/Council Member Richard A. Stewart, s/Mayor Bonnie Flickinger Approved by a vote of 5-0.**

2. Consider appropriating \$85,000 from the General Fund— Account Number 00010.66010—toward the manufacture, installation, or maintenance of signs included in the Rancho Belago Sign Program and take action as necessary.

**Motion to Approve by m/Council Member Richard A. Stewart, s/Council Member William H. Batey II Approved by a vote of 3-2, Mayor Bonnie Flickinger and Mayor Pro Tem Robin N. Hastings voted no.**

A brief recess was held at 9:58 p.m.

#### **AGENDA ORDER**

- G.3 REPORT TO CONSIDER PUBLIC COMMENTS REGARDING THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) REGULATORY RATE SCHEDULE FOR NEW RESIDENTIAL AND COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE DEVELOPMENT PROPOSED FISCAL YEAR 2010/2011 ANNUAL RATES (Report of: Public Works Department)

Mayor Flickinger opened the agenda for public comments; there being none, public comments were closed.

**Recommendation: That the City Council:**

Hold a public meeting to accept public comments regarding the “NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development” proposed Fiscal Year 2010/2011 annual rates.

**No action required.**

- G.4 CONTINUED DISCUSSION OF FISCAL YEAR 2010-11 OPERATING BUDGET AND DEFICIT REDUCTION PLAN (Report of: Financial & Administrative Services Department)

Mayor Flickinger opened the agenda item for public comments, which were received by Deanna Reeder.

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**Recommendation: That the City Council:**

1. Continue discussion of the Fiscal Year 2010-11 Operating Budget and Deficit Reduction Plan; and
2. Provide direction to staff regarding the Deficit Reduction Options to be implemented in order to balance the Fiscal Year 2010-11 Operating Budget.

**It was agreed the lawsuit settlement will be put against the deficit. The Council unanimously agreed on the BDO Recommendations as follows:**

**City Council/City Clerk**

1. Defund Assistant City Clerk Position
2. Defund Administrative Assistant Position from Council Office.

**City Attorney**

1. Defund Assistant City Attorney Position

**City Manager**

1. Reduce PR/Advertising Budget by 40% in Media and Communications
2. Reduce City Manager Contingency to \$140,000
3. Defund vacant Executive Assistant to the City Manager Position
4. Defund Deputy City Manager Position and not Replace with a Sr. Management Analyst Position

**Community Development**

1. In Code/Building and Safety – Revenue Enhancement – Hire two Temp Parking Control Officers to work on Career Employee Furlough Days; Other Miscellaneous Revenue Increases and Reductions

**Economic Development**

1. .6235 – Public Relations: Reduce Advertising, Broker Events, Regional Event Sponsorships, Shop Moreno Valley Campaign
2. Consolidating Several Object Codes
  - .6252 – Dues and Subscriptions: Reduced IEEP Membership for City
  - .6255 – Other Professional Services
  - .6221 – Training and Travel
  - .6215 – Communications
  - .6231 – Advertising

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- .6256 – Legal Services
- .6310 – Copier Charges
- .6311 – Office Supplies
- .6321 – Postage and Mail
- .6391 – Other Materials
- 3. **Salaries/Benefits: Reimbursing ED Admin Salaries by 50% of Management Analyst’s Salary, Which is Charged to the CDBG for the ERC. Reallocating 10% of the Senior Office Assistant’s Salary to HOME Funds to More Accurately Reflect Current Workload**

**Financial and Administrative Services**

- 1. **Facilities CIP – Defund City Hall Annex 1 Capital Improvement Project Since the Facility is Not Currently Needed for Staff Expansion**

**Fire**

- 1. **Fire Prevention – Suspend Funding for Permit Plus Changes**
- 2. **Fire Ops – Defund Paramedic Captain Position**
- 3. **Emergency Ops – Increase CPR Fees from \$30 to \$65 Per Class**

**Human Resources**

- 1. **Workers’ Comp – Reduce Workers’ Compensation Reserves (Original Fund Balance of \$4.5M Less DRO of \$1.3 Will Leave a New Balance of \$3.2M, Which is Approximately 85% Confidence Level Per Actuarial Review)**
- 2. **General Liability – Reduce Liability Reserves (Original Fund Balance of \$2.0M Less DRO of \$80K Will Leave a New Balance of \$1.9M, Which is Approximately 85% Confidence Level Per Actuarial Review)**

**Public Works**

- 1. **Street Sweeping – Eliminate Contract Sweeping and Create Additional Equipment Operator Position in Lieu of Existing Maintenance Worker II Position Via an Existing Eligibility List From a Recent Internal Recruitment to Replace Contract Sweeping Function**

**Discussion will continue to the next Study Session.**

G.6 FY 2010-11 PROPOSED CAPITAL IMPROVEMENT PLAN REVIEW (CONTINUED FROM MAY 11, 2010) (Report of: Public Works Department)

**Recommendation: That the City Council:**

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Review and discuss the FY 2010-11 Proposed Capital Improvement Plan (CIP) and provide concurrence with the proposed priorities or direction for new priorities for implementation of capital projects.

**Item continued. Approved by a 5-0 vote.**

- G.7 A PROPOSED AMENDMENT TO CHAPTER 12.14, POLICE AND CITY OF MORENO VALLEY ROTATIONAL TOW SERVICE OF THE MORENO VALLEY MUNICIPAL CODE AND REQUEST FOR PROPOSALS FOR THE IMPLEMENTATION OF A CITYWIDE ROTATIONAL TOW SERVICE PROGRAM (Report of: City Manager's Office)

**Recommendation: That the City Council:**

1. Introduce Ordinance No. 812 amending Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service of Title 12 of the Moreno Valley Municipal Code; and

Ordinance No. 812

An Ordinance of the City Council of the City of Moreno Valley, California Amending Title 12 of the City of Moreno Valley Municipal Code by Repealing Chapter 12.14 Relating to Rotational Towing Services for the City of Moreno Valley and Adding Thereto a New Chapter 12.14 Entitled Police and City of Moreno Valley Rotational Tow Service

2. Approve the Request for Proposals (RFP) to solicit proposal to participate in the City's Rotational Tow Service Program and authorize City Staff to circulate the RFP to qualified tow operators and businesses.

**Item continued. Approved by a 5-0 vote.**

- G.9 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

**No report given.**

**H. LEGISLATIVE ACTIONS**

- H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE
- H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE
- H.3 ORDINANCES - URGENCY ORDINANCES - NONE

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H.4 RESOLUTIONS - NONE

**CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL,  
COMMUNITY SERVICES DISTRICT, OR COMMUNITY REDEVELOPMENT  
AGENCY**

**No comments given.**

**CLOSED SESSION**

**PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA  
UNDER THE JURISDICTION OF THE CITY COUNCIL**

- a) Agency Representative: William Bopf  
Employee Organization: MVCEA
- b) Agency Representative: William Bopf  
Employee Organization: MVMA
- c) Agency Representative: William Bopf  
Employee Organization: Moreno Valley Confidential  
Management Employees

a) City Manager Recruitment

**REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY**

**ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 10:50 p.m. by unanimous informal consent.

Submitted by:

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Jane Halstead, City Clerk, CMC  
Secretary, Moreno Valley Community Services District  
Secretary, Community Redevelopment Agency of the City of Moreno Valley  
Secretary, Board of Library Trustees

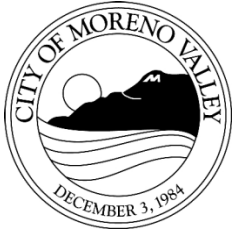
Approved by:

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Bonnie Flickinger  
President, Moreno Valley Community Services District  
Chairperson, Community Redevelopment Agency of the City of Moreno Valley  
Chairperson, Board of Library Trustees

MINUTES  
May 25, 2010



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Jane Halstead, City Clerk

**AGENDA DATE:** June 8, 2010

**TITLE:** CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

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### RECOMMENDED ACTION

Staff recommends that the City Council receive and file the Reports on Reimbursable Activities for the period of May 19 – June 1, 2010.

<i>Reports on Reimbursable Activities</i> May 19 – June 1, 2010		
Council Member	Date	Meeting
William H. Batey II	5/26/10	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley
Bonnie Flickinger	5/26/10	UCR Citizens University Committee
	6/01/10	Moreno Valley Hispanic Chamber of Commerce Adelante
Robin N. Hastings	5/26/10	32 <sup>nd</sup> Annual Law Enforcement Appreciation and Awards Ceremony
Jesse L. Molina		None
Richard A. Stewart		None

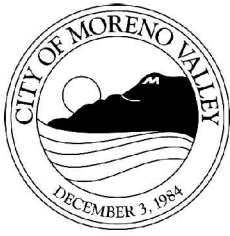
Prepared By:  
Cindy Miller  
Executive Assistant to the Mayor/City Council

Department Head Approval:  
Jane Halstead  
City Clerk

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RW</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council  
**FROM:** Jane Halstead, City Clerk  
**AGENDA DATE:** June 8, 2010  
**TITLE:** CONFLICT OF INTEREST CODE – AGENCY REVIEW

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### **RECOMMENDED ACTION**

Staff recommends that the City Council, as the code reviewing body of the City of Moreno Valley, direct each agency, which has adopted a Conflict of Interest Code pursuant to the provisions of the Political Reform Act of 1974 (Government Code §87100, et. seq.), to review its Conflict of Interest Code, and if a change is necessary, to submit its biennial report to the City Clerk no later than October 1, 2010.

### **ADVISORY BOARD/COMMISSION RECOMMENDATION**

Not applicable.

### **BACKGROUND**

The California Government Code §87306.5 provides that by no later than July 1 of each even-numbered year, the code reviewing body (City Council) shall direct every local agency, which has adopted a Conflict of Interest Code in accordance with the Political Reform Act of 1974 (Government Code §87100, et. seq.) to review its Conflict of Interest Code and, if a change in its code is necessitated by changed circumstances, submit an amended Conflict of Interest Code in accordance with subdivision (a) of §87302 and §87303 to the code reviewing body.

The code is not effective until approved by the code reviewing body. Within 90 days after receiving any proposed amendments or revisions, the code reviewing body shall do one of the following: (a) approve the proposed code as submitted; (b) revise the proposed code and approve it as revised; or (c) return the proposed code to the agency for revision and resubmission within 60 days. The code reviewing body shall either approve the revised code or revise it and approve it. When an amendment is approved

by the code reviewing body, it will be deemed adopted and will be promulgated by the agency.

Upon review of its code, if no change in the code is required, the local agency head (City Manager) shall submit a written statement to that effect to the code reviewing body no later than October 1 of the same year.

**DISCUSSION**

Attached to this report are the following documents provided by the Fair Political Practices Commission for each agency’s consideration and use:

- Biennial Notice Worksheet
- Overview of Political Reform Act’s Conflict of Interest Laws

Upon receipt of any amendments to the Conflict of Interest Code, which may include the addition or deletion of any staff positions in the City, staff will present the appropriate resolutions for Council approval.

**ALTERNATIVES**

Not applicable. The biennial review by every local government agency of its conflict of interest is a statutory requirement. As code reviewing body, the City Council must direct each local agency, which has adopted such conflict of interest code, to review its code and determine whether any changes are necessary.

**FISCAL IMPACT**

There is no fiscal impact associated with the recommended action.

**NOTIFICATION**

Publication of the agenda.

**EXHIBITS**

- A. Biennial Notice Worksheet
- B. Overview of the Political Reform Act’s Conflict of Interest Laws

Prepared By  
Jane Halstead

Department Head Approval  
Jane Halstead

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:



# Local Agency Biennial Notice Worksheet

The following checklist may assist in the review of an agency's conflict-of-interest code. This is only a guide and is not intended to be an exclusive list of issues that may need review.

## Does the code contain the following three basic components?

- √ Language that incorporates FPPC Reg. 18730 or contains the basic provisions required in Government Code section 87302
- √ A list of designated positions whose duties include making or participating in making governmental decisions
- √ Disclosure categories specifying financial interests (investments, interests in real property, income, and business positions) that filers in designated positions must disclose

## Review the agency's organization chart and duty statements

- √ Do positions need to be added or deleted?
- √ Is there a need to reclassify disclosure for any positions?
- √ Are consultants designated?
- √ Do any officials/consultants manage public investments?
- √ Amendments needed? Use underline and strikeout to illustrate changes.

## Review the minutes of the agency's boards, commissions and committees

- √ Are they solely advisory or do they have decision-making authority?

<p>III. PUBLIC WORKS OFFICE MAINTENANCE DIVISION</p> <p>1. Maintenance Superintendent ..... 2 <u>2. Maintenance Supervisor ..... 2</u> <del>2. Asst. Maintenance Superintendent ..... 2</del> 3. Senior Equipment Technician ..... 3 <del>4. Equipment Services Technician ..... 3</del></p> <ul style="list-style-type: none"><li>• The Public Works Office became the Maintenance Division.</li><li>• The Asst. Maintenance Superintendent was reclassified to Maintenance Supervisor.</li><li>• The Equipment Services Technician is a manual position and was deleted.</li></ul>
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## Other Documentation

- √ A review of joint powers agreements, minutes and annual reports may assist in determining whether designated positions and their respective disclosure categories are accurately reflected.

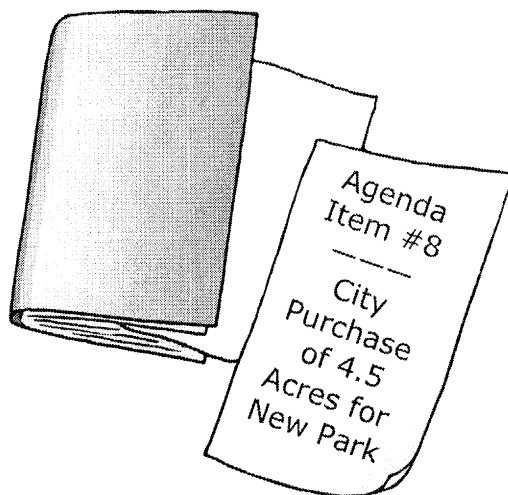
## Notification

- √ If amendments are needed, notify employees and the public.

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# ***Can I vote?***

**A Basic Overview  
Of Public Officials'  
Obligations Under the  
Political Reform Act's  
Conflict-of-Interest Rules**



**California  
Fair Political  
Practices  
Commission**

EXHIBIT B

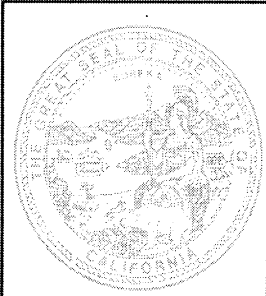
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***“My home is near the proposed new shopping mall. Can I vote on the issue at next month’s Planning Commission meeting?”***

Many of you may have been confronted with such questions. This booklet is offered by the FPPC as a general overview of your obligations under the Political Reform Act’s conflict-of-interest rules. Using non-technical terms, the booklet is aimed at helping you understand your obligations at the “big picture” level and to help guide you to more detailed resources.

Stripped of legal jargon:

➤ You have a conflict of interest with regard to a particular government decision if it is sufficiently likely that



**Fair  
Political  
Practices  
Commission**

**Toll-free Advice Line: 1-866-ASK-FPPC**

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the outcome of the decision will have an important impact on your economic interests, **and**

➤ a significant portion of your jurisdiction does not also feel the important impact on their economic interests.

The voters who enacted the Political Reform Act by ballot measure in 1974 judged such circumstances to be enough to influence, or to appear to others to influence, your judgment with regard to that decision.

The most important thing you can do to comply with this law is to learn to recognize the economic interests from which a conflict of interest can arise. No one ever has a conflict of interest under the Act “on general principles” or because of personal bias regarding a person or subject. A conflict of interest can only arise from particular kinds of economic interests, which are explained in non-technical terms later in this booklet.

### ***An important note...***

You should not rely solely on this booklet to ensure compliance with the Political Reform Act, but should also consult the Act and Commission regulations. The Political Reform Act is set forth at Cal. Gov. Code §§81000-91014, and the Fair Political Practices Commission regulations are contained in Title 2, Division 6 of the California Code of Regulations. Both the Act and regulations are available on the FPPC’s web site, <http://www.fppc.ca.gov>. Persons with obligations under the Act or their authorized representatives are also encouraged to call the FPPC toll-free advice line — **1-866-ASK-FPPC** — as far in advance as possible.

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If you learn to understand these interests and to spot potential problems, the battle is mostly won because you can then seek help on the more technical details of the law from your agency's legal counsel or from the California Fair Political Practices Commission. **The Commission's toll-free advice line is 1-866-ASK-FPPC (1-866-275-3772).**

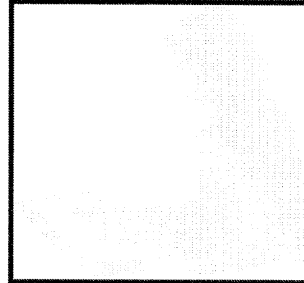
Under rules adopted by the FPPC, deciding whether you have a financial conflict of interest under the Political Reform Act is an eight-step process. If you methodically think through the steps whenever there may be a problem, you can avoid most — if not all — mistakes. These steps are spelled out and explained in general terms in this booklet.

**If you learn nothing else from this booklet, remember these things:**

- **This law applies only to financial conflicts of interest; that is, conflicts of interest arising from economic interests.**
- **Whether you have a conflict of interest that disqualifies you depends heavily on the facts of each governmental decision.**
- **The most important proactive step you can take to avoid conflict of interest problems is learning to recognize the economic interests from which conflicts of interest can arise.**

On the next page are the eight steps:

***Eight steps  
to help you decide***



**Step One:** Are you a “public official” within the meaning of the rules?

**Step Two:** Are you making, participating in making, or influencing a governmental decision?

**Step Three:** What are your economic interests? That is, what are the possible sources of a financial conflict of interest?

**Step Four:** Are your economic interests directly or indirectly involved in the governmental decision?

**Step Five:** What kinds of financial impacts on your economic interests are considered important enough to trigger a conflict of interest?

**Step Six:** The important question: Is it substantially likely that the governmental decision will result in one or more of the materiality standards being met for one or more of your economic interests?

**Step Seven:** If you have a conflict of interest, does the “public generally” exception apply?

**Step Eight:** Even if you have a disqualifying conflict of interest, is your participation legally required?

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Next, here is a non-technical explanation of each:

## **Public Official**

### **Step One — Are you a “public official,” within the meaning of the rules?**

The Act’s conflict-of-interest rules apply to “public officials” as defined in the law. This first step in the analysis is usually a formality — you are probably a public official covered by the rules. If you are an elected official or an employee of a state or local government agency who is designated in your agency’s conflict-of-interest code, you are a “public official.” If you file a Statement of Economic Interests (Form 700) each year, you are a “public official” under the Act (even if you are not required to file a Form 700, in some cases you may still be considered a public official because the definition covers more than specifically designated employees). The cases that are tougher to determine typically involve consultants, investment managers and advisers, and public-private partnerships. If you have any doubts, contact your agency’s legal counsel or the FPPC.

## **Governmental Decision**

### **Step Two — Are you making, participating in making, or influencing a governmental decision?**

The second step in the process is deciding if you are engaging in the kind of conduct regulated by the



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conflict-of-interest rules. The Act's conflict-of-interest rules apply when you:

- **Make** a governmental decision (for example, by voting or making an appointment).
- **Participate** in making a governmental decision (for example, by giving advice or making recommendations to the decision-maker).
- **Influence** a governmental decision (for example, by communicating with the decision-maker).

A good rule of thumb for deciding whether your actions constitute making, participating in making, or influencing a governmental decision is to ask yourself if you are exercising *discretion* or *judgment* with regard to the decision. If the answer is "yes," then your conduct with regard to the decision is very probably covered.

**When you have a conflict —  
Regulation 18702.5 (special rule for  
section 87200 public officials)**

Government Code section 87105 and regulation 18702.5 outline a procedure that public officials specified in section 87200 must follow for disclosure of economic interests when they have a conflict of interest at a public meeting. The full text of this law and regulation may be viewed in the Library and Publications section of the FPPC's website at <http://www.fppc.ca.gov>.

Public officials specified in section 87200 of the Government Code, such as council members, planning commissioners, and boards of supervisors, must pub-

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licly identify in detail the economic interest that creates the conflict, step down from the dais **and must then leave the room**. This identification must be following the announcement of the agenda item to be discussed or voted upon, but before either the discussion or vote commences.

Additionally, the disqualified official may not be counted toward achieving a quorum while the item is being discussed.

The identification of the conflict and economic interest must be made orally and shall be made part of the public record.

***Exceptions:***

- If the decision is to take place during a closed session, the identification of the economic interest must be made during the public meeting prior to the closed session but is limited to a declaration that the official has a conflict of interest. The economic interest that is the basis for the conflict need not be disclosed. The official may not be present during consideration of the closed session item and may not obtain or review any non-public information regarding the decision.
- A public official is not required to leave the room for an agenda item on the consent calendar provided that the official recuses himself or herself and publicly discloses the economic interest as described above.

- 
- A public official may speak as a member of the general public only when the economic interest that is the basis for the conflict is a personal economic interest, for example, his or her personal residence or wholly owned business. The official must leave the dais to speak from the same area as the members of the public and may listen to the public discussion of the matter.

**Examples:**

— *The Arroyo City Council is considering widening the street in front of council member Smith's personal residence, which he solely owns. Council member Smith must disclose on the record that his home creates a conflict of interest preventing him from participating in the vote. He must leave the dais but can sit in the public area, speak on the matter as it applies to him and listen to the public discussion.*

— *Planning Commissioner Garcia is a greater than 10% partner in an engineering firm. The firm represents a client who is an applicant on a project pending before the planning commission. Commissioner Garcia must publicly disclose that the applicant is a source of income to her requiring her recusal. Commissioner Garcia must step down from the dais and leave the room. Since this is not a personal interest that is the basis for the conflict, she **may not** sit in the public area and listen to the discussion.*

— *Supervisor Robertson rents a home to a county employee. The county employee is the sub-*

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*ject of a disciplinary matter in a closed session of the Board of Supervisors. During the open session prior to adjourning to closed session, Supervisor Robertson announces that he must recuse himself from participating in the closed session **but does not disclose that the reason for his recusal is a source of income nor does he name the county employee that is the source of income to him.** He may not attend the closed session or obtain any non-public information from the closed session.*

## **Economic Interests**

### **Step Three — What are your economic interests? That is, what are the possible sources of a financial conflict of interest?**

From a practical point of view, this third step is the most important part of the law for you. The Act's conflict-of-interest provisions apply only to conflicts of interest arising from economic interests. There are six kinds of such economic interests from which conflicts of interest can arise:

- **Business Investment.** You have an economic interest in a business entity in which you, your spouse, your registered domestic partner, or your dependent children or anyone acting on your behalf has invested \$2,000 or more.
- **Business Employment or Management.** You have an economic interest in a business entity for which you are a director, officer, partner, trustee, employee, or hold any position of management.

- 
- **Real Property.** You have an economic interest in real property in which you, your spouse, your registered domestic partner, or your dependent children or anyone acting on your behalf has invested \$2,000 or more, and also in certain leasehold interests.

*“The most important thing you can do to comply with this law is to learn to recognize the economic interests from which a conflict of interest can arise.”*

- **Sources of Income.** You have an economic interest in anyone, whether an individual or an organization, from whom you have received (or from whom you have been promised) \$500 or more in income within 12 months prior to the decision about which you are concerned. When thinking about sources of income, keep in mind that you have a community property interest in your spouse’s or registered domestic partner’s income — a person from whom your spouse or registered domestic partner receives income may also be a source of a conflict of interest to you. Also keep in mind that if you, your spouse, your registered domestic partner or your dependent children own 10 percent or more of a business, you are considered to be receiving “pass-through” income from the business’s clients. In other words, the business’s clients may be considered sources of income to you.
- **Gifts.** You have an economic interest in anyone, whether an individual or an organization, who has

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given you gifts which total \$390 or more within 12 months prior to the decision about which you are concerned.

- **Personal Financial Effect.** You have an economic interest in your personal expenses, income, assets, or liabilities, as well as those of your immediate family. This is known as the “personal financial effects” rule. If these expenses, income, assets or liabilities are likely to go up or down by \$250 or more in a 12-month period as a result of the governmental decision, then the decision has a “personal financial effect” on you.

On the Statement of Economic Interests (Form 700) you file each year, you disclose many of the economic interests that could cause a conflict of interest for you. However, be aware that not all of the economic interests that may cause a conflict of interest are listed on the Form 700. A good example is your home. It is common for a personal residence to be the economic interest that triggers a conflict of interest even though you are not required to disclose your home on the Form 700.



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**FPPC**

**12**

**(revised 7/05)**

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## **Directly or Indirectly Involved?**

### **Step Four — Are your economic interests directly or indirectly involved in the governmental decision?**

An economic interest which is directly involved in — and therefore directly affected by — a governmental decision creates a bigger risk of a conflict of interest than does an economic interest which is only indirectly involved in the decision. As a result, the FPPC's conflict-of-interest regulations distinguish between economic interests that are directly involved and interests that are indirectly involved.

Once you have identified your economic interests, you must next decide if they are directly involved in the governmental decision about which you are concerned. The FPPC has established specific rules for determining whether each kind of economic interest is directly or indirectly involved in a governmental decision.

The details of these rules are beyond the scope of this guide. In general, however, an economic interest is directly involved if it is the subject of the governmental decision. For example, if the interest is real property, and the decision is about building a donut shop down the block from the property, then the interest is directly involved. If the interest is a business, and the decision is whether to grant a license for which the business has applied, the interest is directly involved.

These are just examples; you should contact your agency counsel, the FPPC and the specific regulations

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if you have questions as each case arises. Note also that the next step in the analysis — applying the right standard to determine whether an impact is material — depends in part on whether the interest is directly or indirectly involved. The regulations — Sections 18704 through 18704.5 — and other helpful information can be found on the FPPC's web site, <http://www.fppc.ca.gov>.

## **Materiality (Importance)**

### **Step Five — What kinds of financial impacts on your economic interests are considered important enough to trigger a conflict of interest?**

At the heart of deciding whether you have a conflict of interest is a prediction: Is it sufficiently likely that the governmental decision will have a material financial effect on your economic interests? As used here, the word “material” is akin to the term “important.” You will have a conflict of interest only if it is reasonably foreseeable that the governmental decision will have an important impact on your economic interests.

The FPPC has adopted rules for deciding what kinds of financial effects are important enough to trigger a conflict of interest. These rules are called “materiality standards,” that is, they are the standards that should be used for judging what kinds of financial impacts resulting from governmental decisions are considered material or important.

There are too many of these rules to review in detail in this booklet. Again, you can seek advice for your



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*“Public officials, whether elected or appointed, should perform their duties in an impartial manner, free from bias caused by their own financial interests or the financial interests of persons who have supported them.”*

*-- California Political Reform Act of 1974*

agency counsel or the FPPC. However, to understand the rules at a “big picture” level, remember these facts:

- If the economic interest is directly involved in the governmental decision, the standard or threshold for deeming a financial impact to be material is stricter (i.e. lower). This is because an economic interest that is directly involved in a governmental decision presents a bigger conflict-of-interest risk for the public official who holds the interest.
- On the other hand, if the economic interest is not directly involved, the materiality standard is more lenient because the indirectly involved interest presents a lesser danger of a conflict of interest.
- There are different sets of standards for the different types of economic interests. That is, there is one set of materiality standards for business entities, another set for real property interests, and so on.
- The rules vary by the size and situation of the economic interest. For example, a moment's thought will tell you that a \$20,000 impact resulting from a governmental decision may be crucial to a small business, but may be a drop in the bucket for a big corporation. For example, the materiality standards

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distinguish between large and small businesses, between real property which is close or far from property which is the subject of the decision.

## **Does a Conflict of Interest Result?**

**Step Six — Is it substantially likely that the governmental decision will result in one or more of the materiality standards being met for one or more of your economic interests?**

As already mentioned in the introduction, the heart of the matter is deciding whether it is sufficiently likely that the outcome of the decision will have an important impact on your economic interests.

What does “sufficiently likely” mean? Put another way, how “likely” is “likely enough?” The Political Reform Act uses the words “reasonably foreseeable.” The FPPC has interpreted these words to mean “substantially likely.” Generally speaking, the likelihood need not be a certainty, but it must be more than merely possible.

A concrete way to think about this is to ask yourself the following question: Is it substantially likely that one of the materiality standards I identified in step five will be met as a result of the government decision? Step six calls for a factual determination, not necessarily a legal one. Also, an agency may sometimes segment (break down into separate decisions) a decision to allow participation by an official if certain conditions are

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met. Therefore, you should always look at your economic interest and how it fits into the entire factual picture surrounding the decision.

## **“Public Generally” Exception**

### **Step Seven — If you have a conflict of interest, does the “public generally” exception apply?**

Now that you have determined that you will have a conflict of interest for a particular decision, you should see if the exceptions in Step 7 and Step 8 permit you to participate anyway. Not all conflicts of interest prevent you from lawfully taking part in the government decision at hand. Even if you otherwise have a conflict of interest, you are not disqualified from the decision if the “public generally” exception applies.

This exception exists because you are less likely to be biased by a financial impact when a significant part of the community has economic interests that are substantially likely to feel essentially the same impact from a governmental decision that your economic interests are likely to feel. If you can show that a significant segment of your jurisdiction has an economic interest that feels a financial impact which is substantially similar to the impact on your economic interest, then the exception applies.

The “public generally” exception must be considered with care. You may not just assume that it applies. There are specific rules for identifying the specific seg-

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ments of the general population with which you may compare your economic interest, and specific rules for deciding whether the financial impact is substantially similar. Again, contact your agency counsel, the FPPC and the specific rules for advice and details. The regulations outlining the steps to apply the “public generally” exception can be found on the FPPC website at <http://www.fppc.ca.gov> under regulations 18707-18707.9.

### **Are you required to participate?**

#### **Step Eight — Even if you have a disqualifying conflict of interest, is your participation legally required?**

In certain rare circumstances, you may be called upon to take part in a decision despite the fact that you have a disqualifying conflict of interest. This “legally required participation” rule applies only in certain very specific circumstances in which your government agency would be paralyzed, unable to act. You are most strongly encouraged to seek advice from your agency legal counsel or the FPPC before you act under this rule.

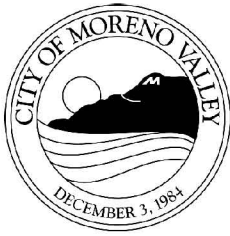
### **Conclusion**

Generally speaking, here are the keys to meeting your obligations under the Political Reform Act’s conflict-of-interest laws:

- 
- Know the purpose of the law, which is to prevent biases, actual and apparent, which result from the financial interests of the decision-makers.
  - Learn to spot potential trouble early. Understand which of your economic interests could give rise to a conflict of interest.
  - Understand the “big picture” of the rules. For example, know why the rules distinguish between directly and indirectly involved interests, and why the public generally exception exists.
  - Realize the importance of the facts. Deciding whether you have a disqualifying conflict of interest depends just as much — if not more — on the facts of your particular situation as it does on the law.
  - Don’t try to memorize all of the specific conflict-of-interest rules. The rules are complex, and the penalties for violating them are significant. Learn to understand the “big picture.” You’ll then be able to look up or ask about the particular rules you need to apply to any given case.
  - Don’t be afraid to ask for advice. It is available from your agency’s legal counsel and from the FPPC.



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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Rev</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council Acting in their Capacity as the Legislative Body of the Moreno Valley Community Facilities District No. 3 of the City of Moreno Valley (Auto Mall Refinancing)

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 3 (AUTO MALL REFINANCING)

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### **RECOMMENDED ACTION**

Staff recommends that the City Council, acting in their capacity as the legislative body of the Moreno Valley Community Facilities District (CFD) No. 3 (Auto Mall Refinancing) ("CFD No. 3"), approve and adopt Resolution No. 2010-37 to accept and approve the Annual Special Tax Report for fiscal year (FY) 2010/11, on file in the office of the City Treasurer.

### **ADVISORY BOARD/COMMISSION RECOMMENDATION**

Not Applicable.

### **BACKGROUND**

The City of Moreno Valley Community Facilities District No. 2 (Auto Mall) ("CFD No. 2") formation permitted a bonded indebtedness in an amount not to exceed \$14,700,000. The sale of bonds in June 1989 financed infrastructure improvements and acquisition. Except for funds set aside for traffic signal construction at the eastbound off ramp of State Route 60 and Moreno Beach Dr., the improvements were declared complete in 1993, and the excess improvement funds were used to retire \$2,805,000 in bonds in December 1993. The traffic signal construction was completed June 14, 1996, and the remaining funds were used to call \$95,000 in bonds on June 2, 1997.

There were special tax payment delinquencies on eleven (11) parcels within CFD No. 2. Landmark Land Company of California failed to remit their payments starting with the April 10, 1994 through December 10, 1999 installments on nine parcels. Foreclosure proceedings began in May 1994. The foreclosure was delayed due to bankruptcy proceedings against Oak Tree Federal Savings Bank, Landmark Land Company's parent corporation. On February 7, 1997, a judicial foreclosure sale was held at the Riverside County Courthouse. No bids were received for the properties. In addition to the nine Landmark Land Company delinquencies, the Federal Deposit Insurance Corporation (FDIC) failed to make the April 10, 1997, through December 10, 1999, payments on two (2) parcels.

The bonds defaulted on December 1999, requiring City staff to work with the current auto dealerships and professional consultants to resolve the delinquencies by refinancing the outstanding debt and providing for the acquisition of the nonperforming parcels by new property owners.

On January 25, 2000, a Settlement Agreement, as developed through a combined effort of City staff, the Auto Mall dealerships, and professional consultants, was approved by the City Council. The City Council adopted the Amended and Restated Agreement on March 7, 2000. These agreements provided for the refinancing of the CFD No. 2 Special Tax Bonds and restructuring of the special taxes, remedied the Event of Default on December 1, 1999, reduced and discharged the delinquent ad valorem taxes and special taxes, provided for the disposition of the nonperforming parcels, facilitated development of the nonperforming parcels, established a defined interpretation of the calculation of special tax, and settled all claims. In March 2000, the City formed Community Facilities District No. 3 ("CFD No. 3") for the purpose of restructuring the special tax and issuing bonds to refinance CFD No. 2. On April 5, 2000, \$8,075,000 of CFD No. 3 bonds were sold to refinance the outstanding CFD No. 2 bonds. At formation of CFD No. 3, the rate and method of apportionment ("RMA") established a maximum special tax rate that could be levied against properties within CFD No. 3.

Proposition 218, a constitutional initiative known as the Right to Vote on Taxes Act, was approved by California voters in November 1996. CFD No. 2 was established to finance the capital costs for public improvements, including grading, paving, sewers, sidewalks, landscaping, etc. Bonds were sold to provide the funding for acquisition of these improvements. Only properties benefiting from the improvements had annual special tax levies placed on the property tax roll to repay the bonded indebtedness. CFD No. 3 Special Tax Bonds, Series 2000 (the "Bonds"), were issued to refinance the CFD No. 2 bonds. Due to these factors, CFD No. 3 is exempt from the provisions of Proposition 218. Subsequent increases if required, not addressed in the March 7, 2000, CFD Report, will be subject to a two-thirds voter approval by the property owners.

## **DISCUSSION**

The City Council shall have the opportunity to consider implementing the RMA required to cover the special tax requirement for CFD No. 3, as submitted in the Special Tax



Report on file in the office of the City Treasurer. Detailed within the Annual Special Tax Report is the calculation of the special tax levy as per the RMA to meet the FY 2010/11 special tax requirement. The maximum special tax rates are based upon the assigned zone and development status for each parcel within CFD No. 3, as determined by the timing of the building permit. Developed parcels are those parcels that have a building permit issued prior to January of the current year. For each fiscal year following 2000/01, the Maximum Special Tax rates shall increase by an amount equal to 2% of the Maximum Special Tax in effect for the prior fiscal year. The Maximum Special Tax applicable to each parcel, or portion thereof, shall be obtained by multiplying the taxable acreage for the parcel or portion thereof by the appropriate maximum special tax rate for the parcel's assigned zone as shown within the table below.

<i>Community Facilities District No. 3 (Auto Mall Refinancing)</i> MAXIMUM SPECIAL TAX RATES BY LAND USE CLASSIFICATION FOR FISCAL YEAR 2010/11		
Zone	Developed Property	Undeveloped Property
A	NA*	NA*
B	\$14,628/Taxable Acres	\$7,905/Taxable Acres
C	\$9,751/Taxable Acres	\$3,279/Taxable Acres

*Based upon the application of the RMA, properties located within Zone A of CFD No. 3 are not taxable after FY 2009/10.*

The special tax levy is applied only to those taxable parcels within the boundaries of CFD No. 3 and will be collected on the annual tax bills prepared by the County of Riverside. The debt service shall be paid from a combination of CFD special taxes and Redevelopment tax increment and limited project specific sales tax.

### **ALTERNATIVES**

1. Approve and adopt the proposed resolution to implement the rate and method of apportionment of the special tax levy required to cover the annual debt service of CFD No. 3, as submitted in the Annual Special Tax Report on file in the office of the City Treasurer. *This approval would allow collection of funds necessary to pay the annual debt service on CFD No. 3 Bonds.*
2. Do not approve and adopt the proposed resolution to implement the rate and method of apportionment of the special tax levy required to cover the annual debt service of CFD No. 3, as submitted in the Annual Special Tax Report on file in the office of the City Treasurer. *If the collection of the special taxes are not approved, there will be a shortage of funds necessary to pay the annual debt service on CFD No. 3 Bonds. Bond reserves cover the shortfall and/or the payments to the bondholders to prevent an event of default. Default to bondholders may significantly impact the City of Moreno Valley's reputation in the bond market, thereby, possibly affecting viability of future bond sales.*

**FISCAL IMPACT**

The fiscal impact will be a special tax applied to the CFD No. 3 property owner's 2010/11 tax bill. The amounts of the individual charges are reported in the Annual Special Tax Report on file in the office of the City Treasurer. **The funds collected through the CFD No. 3 are restricted funds, which may only be used to pay the debt service for CFD No. 3.** There are no general fund expenditures involved with this special tax obligation. Specific uses of parcel Redevelopment tax increment and sales tax revenues, as defined in various Participation Agreements, may offset the special tax.

**CITY COUNCIL GOALS**

**Revenue Diversification and Preservation**

Special taxes necessary to repay the CFD No. 3 bonded indebtedness shall be collected in accordance with the provisions outlined within the RMA and the Bond Indenture.

**SUMMARY**

City Council, acting in their capacity as the legislative body of the Moreno Valley CFD No. 3, shall have an opportunity to consider implementing the RMA to provide the payment of the annual debt service of CFD No. 3, as submitted in the Annual Special Tax Report on file in the office of the City Treasurer.

**NOTIFICATION**

Not Applicable

**ATTACHMENTS/EXHIBITS**

Exhibit A      A proposed resolution to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 3

Exhibit B      Boundary Map of CFD No. 3

Prepared By  
Sharon Sharp  
Senior Management Analyst

Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred By  
Sue Anne Maxinoski  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING AND APPROVING THE SPECIAL TAX REPORT FOR FISCAL YEAR 2010/11 REGARDING COMMUNITY FACILITIES DISTRICT NO. 3 OF THE CITY OF MORENO VALLEY (AUTO MALL REFINANCING)

WHEREAS, the CITY COUNCIL of the CITY OF MORENO VALLEY, CALIFORNIA, did form Community Facilities District No. 3 of the City of Moreno Valley (Auto Mall Refinancing) ("District") pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and,

WHEREAS, following approval by the qualified electors of the District, the legislative body did adopt Resolution No. 2000-27 ("Resolution") approving the form of the Bond Indenture ("Indenture") terms and conditions pertaining to the issuance of the Community Facilities District No. 3 of the City of Moreno Valley (Auto Mall Refinancing) Special Tax Bond, Series 2000 in the amount of \$8,075,000 of the; and,

WHEREAS, the City has prepared and submitted the Annual Special Tax Report ("Report") for fiscal year ("FY") 2010/11, which fully sets forth all information concerning the District, which is on file in the office of the City Treasurer and is incorporated herein by this reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are all true and correct.
2. That the Report for FY 2010/11, as on file in the office of the City Treasurer, is hereby approved.
3. That this legislative body hereby authorizes the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual debt service of Community Facilities District No. 3 as set forth in the Report and hereby is levied during FY 2010/11 against the parcels within the District, excluding parcels not subject to the special tax.

Resolution No. 2010-\_\_  
Date Adopted: \_\_\_\_\_

APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

**[Note: Any attachments or exhibits to this resolution should follow this jurat.]**

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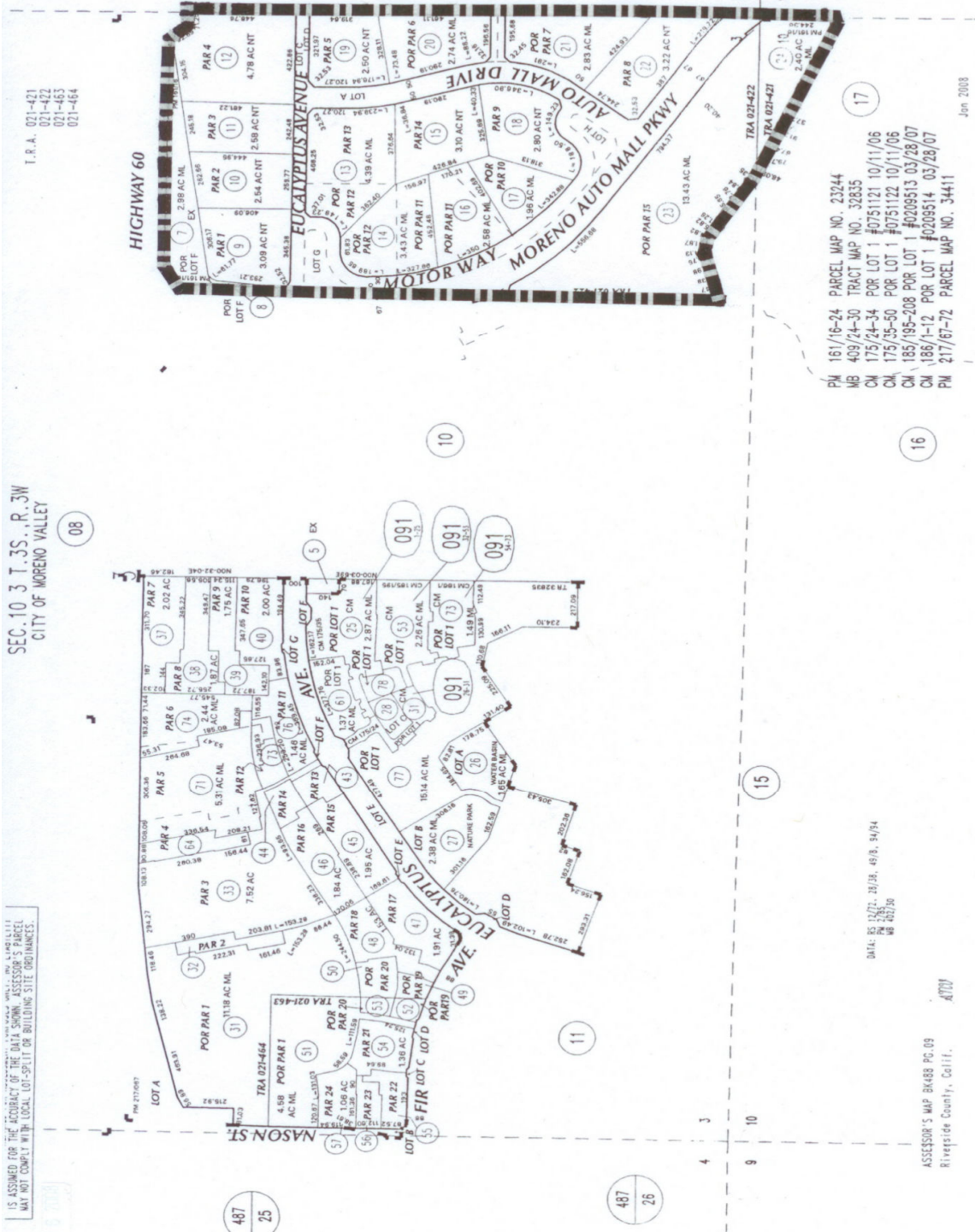
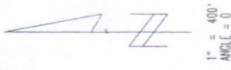
# City of Moreno Valley

488-09  
477-13  
SHEET 1 OF 2

I.R.A. 021-421  
021-422  
021-483  
021-484

SEC. 10 3 T. 35. R. 3W  
CITY OF MORENO VALLEY

IT IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN HEREON THAT THE PARCELS AND LOT SPLITTING SHOWN ON THIS MAP ARE IN ACCORDANCE WITH THE LOCAL LOT-SPLITTING ORDINANCES.



- PM 181/16-24 PARCEL MAP NO. 23244
- MB 409/24-30 TRACT MAP NO. 32835
- CM 175/24-34 POR LOT 1 #0751121 10/11/06
- CM 175/35-50 POR LOT 1 #0751122 10/11/06
- CM 185/195-208 POR LOT 1 #0208513 03/28/07
- CM 186/1-12 POR LOT 1 #0208514 03/28/07
- PM 217/67-72 PARCEL MAP NO. 34411

Jan 2008

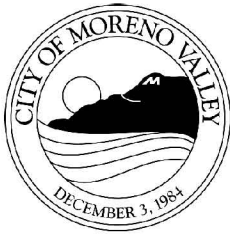
TRACT OR LOT NUMBER	PER NUMBER
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1707	100

CFD NO. 3 (AUTO MALL REFINANCE) BOUNDARY

ASSESSOR'S MAP BK488 PG.09  
Riverside County, Calif. A7707

Exhibit B

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RW</i>
CITY MANAGER	<i>WJB</i>

## Report to City Council

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**TO:** Mayor and City Council Acting in their Capacity as the Legislative Body of Moreno Valley Community Facilities District No. 87-1 (Towngate)

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT AND ANNUAL ACCOUNTABILITY REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE)

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### RECOMMENDED ACTION

Staff recommends that the City Council, acting in their capacity as the legislative body of the Moreno Valley Community Facilities District (CFD) No. 87-1 (Towngate) ("CFD No. 87-1") approve and adopt the following:

1. Resolution No. 2010-38 to accept and approve the Special Tax Report for fiscal year (FY) 2010/11 regarding CFD No. 87-1; and
2. Resolution No. 2010-39 to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 87-1.

### ADVISORY BOARD/COMMISSION RECOMMENDATION

Not Applicable.

### BACKGROUND

As part of the formation proceedings, CFD No. 87-1 was authorized to issue bonds. In April 1988, the Series A Bonds were sold in the amount of \$9,000,000 to finance Phase I improvements. The Series B Bonds were sold in August 1991 in the amount of \$12,000,000 to fund the remaining improvements within CFD No. 87-1.

In May of 1994, the legislative body of CFD No. 87-1 approved the issuance of the Special Tax Refunding Series A (\$14,170,000) and Series B (\$8,530,000) Bonds, which were sold on June 24, 1994. These bonds are collectively known as the "Prior Bonds".

In October of 2007, the legislative body of CFD No. 87-1 adopted Resolution Nos. 2007-119 and 2007-120 to authorize the issuance of 2007 Special Tax Refunding Bonds ("Bonds") for CFD No. 87-1 and CFD No. 87-1 (Towngate) Improvement Area No. 1. On November 29, 2007, \$10,665,000 of CFD No. 87-1 Bonds and \$4,075,000 of CFD No. 87-1 Improvement Area No. 1 Bonds were sold. The issuance of the Bonds accomplished a net reduction in debt service requirements from the Prior Bonds as a result of receiving favorable interest rates. Construction and acquisition of public improvements within CFD No. 87-1 have been completed for more than a decade.

Proposition 218, a constitutional initiative known as the Right to Vote on Taxes Act, was approved by California voters in November 1996. CFD No. 87-1 was established to finance the capital costs for roadway improvements, including grading, paving, sewers, sidewalks, landscaping, etc. Bonds were issued to provide funding for these improvements. Only commercial properties within the CFD No. 87-1 are subject to the annual special tax to repay the bonded indebtedness. Subsequent increases in the special tax, not addressed in the original CFD Report, will be subject to a two-thirds voter approval of the property owners.

## **DISCUSSION**

The City Council shall have the opportunity to consider implementing the rate and method of apportionment of the special tax ("RMA") required to meet the special tax requirement for CFD No. 87-1, as submitted in the Annual Special Tax Report on file in the office of the City Treasurer. Detailed within the Annual Special Tax Report is the calculation of the special tax levy as per the RMA to meet the FY 2010/11 special tax requirement.

The maximum special tax rate for CFD No. 87-1 is \$11,500 per net acre. This amount is uniformly applied to developed property and may only be applied to undeveloped property if the maximum special tax levy on the developed property is insufficient to cover the annual special tax requirement.

The special tax will be levied per parcel and collected on the annual property tax bills, which are prepared by the County of Riverside. Only taxable parcels within the boundaries of CFD No. 87-1 shall be subject to the special tax. The total special tax requirement will be funded through a combination of CFD No. 87-1 special tax, TownGate Specific Plan Area tax increment as provided by the Redevelopment Agency, and excess Reserve Fund interest earnings.

Additionally, City Council is being asked to approve and adopt a resolution to approve the submittal of the CFD 87-1 Annual Accountability Report in compliance with

California Government Code Sections 53410 and 53411 (“Code Sections”). Sales of local bonds require the chief fiscal officer of the issuing local agency to file a report with its governing body at least once a year (“Annual Accountability Report”). Beginning with Fiscal Year (FY) 2008/09, and every year thereafter, Special Districts shall include the requirements of this Annual Accountability Report as part of the CFD 87-1 Annual Special Tax and Bond Accountability Report which is on file in the office of the City Treasurer. The Annual Accountability Report provides the following information, as required by the Code Sections:

- a) A statement indicating the specific purpose of the bonds;
- b) Verification that the bond proceeds are being utilized for the purposes identified in the CFD formation and bond financing documents, which includes creation of an account into which the bond proceeds were deposited upon bond issuance;
- c) The amount of funds collected and expended; and
- d) The status of the project.

### **ALTERNATIVES**

1. Approve and adopt the proposed resolutions to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 87-1 and approve the submittal of the Annual Accountability Report in compliance with the Code Sections, as submitted in the Annual Special Tax and Bond Accountability Report on file in the office of the City Treasurer. *This approval would allow collection of funds necessary to pay the annual debt service on CFD No. 87-1 (Towngate) Special Tax Refunding Bonds and comply with state reporting requirements.*
2. Do not approve and adopt the proposed resolutions to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 87-1 and the Annual Accountability Report, as submitted in the Annual Special Tax and Bond Accountability Report, in compliance with Code Sections, on file in the office of the City Treasurer. *If the collection of the special taxes are not approved, there would be a shortage of funds necessary to pay the annual debt service on CFD No. 87-1 (Towngate) Special Tax Refunding Bonds. Bond reserves would be used to cover the shortfall and a technical default would occur. Default to bondholders may significantly impact the City of Moreno Valley’s reputation in the bond market, thereby, possibly affecting viability of future bond sales. Failure to file the Annual Accountability Report would be a violation of the Code Sections.*

### **FISCAL IMPACT**

The fiscal impact will be a special tax applied to the FY 2010/11 tax bill for each of the taxable parcels within the boundary of CFD No. 87-1. **Funds collected through CFD No. 87-1 are restricted funds, which may only be used to pay the debt service for CFD No. 87-1.** The amounts of the individual charges are reported in the Annual Special Tax and Bond Accountability Report on file in the office of the City Treasurer.

There are no general fund expenditures involved with this special tax obligation. Specific uses of parcel Redevelopment tax increment, as defined in various Owner Participation Agreements, may offset the special taxes. No single family residential property is affected by this special tax levy. There is no fiscal impact associated with filing a report in compliance with the Code Sections.

**CITY COUNCIL GOALS**

**Revenue Diversification and Preservation**

Special taxes necessary to repay the CFD No. 87-1 bonded indebtedness shall be collected and accounted for in accordance with the provisions outlined within the RMA and the Bond Indenture.

**SUMMARY**

City Council, acting in their capacity as the legislative body of the Moreno Valley CFD No. 87-1, shall have an opportunity to consider implementing the RMA to provide the payment of annual debt service for the Bonds, as submitted in the Annual Special Tax and Bond Accountability Report on file in the office of the City Treasurer. There are two similar reports on the agenda tonight. This report approves the special tax levy and reporting of the Code Sections for CFD No. 87-1. The other report approves the special tax levy and reporting requirements for CFD No. 87-1 Improvement Area No. 1.

**NOTIFICATION**

Not Applicable

**EXHIBITS**

- Exhibit A      A proposed resolution to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 87-1
- Exhibit B      A proposed resolution to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 87-1
- Exhibit C      Boundary Map for CFD No. 87-1

Prepared By  
Sharon Sharp  
Senior Management Analyst

Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred By  
Sue Anne Maxinoski  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING AND APPROVING THE SPECIAL TAX REPORT FOR FISCAL YEAR 2010/11 REGARDING COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE)

WHEREAS, the CITY COUNCIL of the CITY OF MORENO VALLEY, CALIFORNIA, formed Community Facilities District No. 87-1 ("District") pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and,

WHEREAS, following approval by the qualified electors of the District, the legislative body did adopt Resolution No. 88-13 establishing the terms and conditions pertaining to the issuance of the \$9,000,000 City of Moreno Valley Community Facilities District No. 87-1 (Towngate) Special Tax Bonds, Series "A" ("1988 Bonds"); and, adopted Resolution No. 91-90 establishing the terms and conditions pertaining to the issuance of the \$12,000,000 City of Moreno Valley Towngate Community Facilities District No. 87-1 Special Tax Bonds, Series "B" ("1991 Bonds"); and,

WHEREAS, the District, did previously adopt Resolution No. 94-28, which established the terms and conditions pertaining to the issuance of the City of Moreno Valley Community Facilities District No. 87-1 (Towngate) \$14,170,000 Special Tax Refunding Bonds, Series A ("1994 Series A Bonds") and \$8,330,000 Special Tax Refunding Bonds, Series B ("1994 Series B Bond") (collectively, the "Prior Bonds"); and,

WHEREAS, the legislative body of the District determined that it would be prudent in the management of the fiscal affairs of the District to proceed with issuing bonds for the purpose of refunding the Prior Bonds; and,

WHEREAS, this legislative body, approved Resolution No. 2007-119 to authorize the issuance of 2007 Special Tax Refunding Bonds for CFD No. 87-1, which were sold on November 29, 2007, at \$10,665,000; and,

WHEREAS, this legislative body approved the Bond Indenture to establish the terms and conditions pertaining to the issuance of the 2007 Special Tax Refunding Bonds; and,

WHEREAS, an annual special tax report ("Report") for fiscal year ("FY") 2010/11, which fully sets forth all information concerning the District is on file in the office of the City Treasurer and is incorporated herein by this reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are all true and correct.
2. That the Report for FY 2010/11, on file in the Office of the City Treasurer, is hereby approved.
3. That this legislative body hereby authorizes the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual debt service of Community Facilities District No. 87-1 as set forth in the Report and hereby is levied during FY 2010/11 against the parcels within the District, excluding parcels not subject to the special tax.

APPROVED AND ADOPTED this day \_\_\_\_\_ of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

**[Note: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. 2010-39

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE) OF THE CITY OF MORENO VALLEY, APPROVING THE SUBMITTAL OF AN ACCOUNTABILITY REPORT IN COMPLIANCE WITH GOVERNMENT CODE SECTIONS 53410 and 53411 FOR COMMUNITY FACILITIES DISTRICT NO. 87-1

WHEREAS, Government Code §53410 requires that on or after January 1, 2001, any bond measure that is subject to voter approval that would provide for the sale of bonds by a local agency shall provide accountability measures; and,

WHEREAS, Government Code §54311 requires the chief fiscal officer of the issuing local agency to file a report with its governing body no later than January 1, 2001, and at least once a year thereafter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE that the City of Moreno Valley submits the report in compliance with the above mentioned Government Code Sections, and that a copy of the Annual Accountability Report is on file in the office of the City Treasurer for review by the public upon request.

APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

**[ NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

3

Resolution No. 2010-\_\_  
Date Adopted \_\_\_\_\_

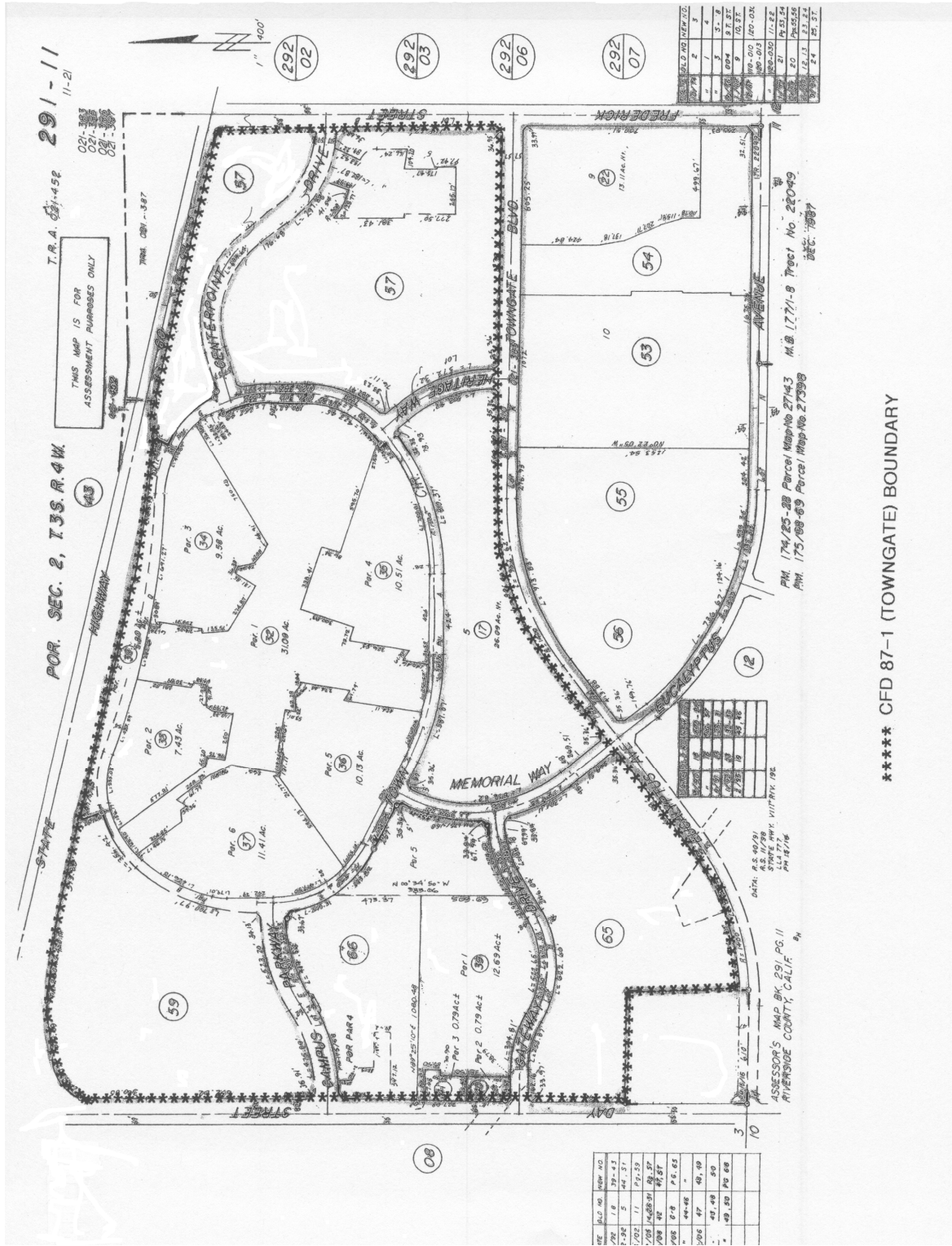
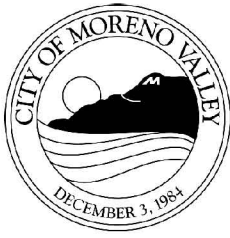


Exhibit C

\*\*\*\*\* CFD 87-1 (TOWNGATE) BOUNDARY

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>WLB</i>

## Report to City Council

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**TO:** Mayor and City Council Acting in their Capacity as the Legislative Body of Moreno Valley Community Facilities District No. 87-1 (Towngate) Improvement Area No. 1

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT AND ANNUAL ACCOUNTABILITY REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE) IMPROVEMENT AREA NO. 1

---

### RECOMMENDED ACTION

Staff recommends that the City Council, acting in their capacity as the legislative body of the Moreno Valley Community Facilities District (CFD) No. 87-1 (Towngate) Improvement Area No. 1 ("CFD No. 87-1, Improvement Area No. 1") approve and adopt the following:

- 1) Resolution No. 2010-40 to accept and approve the Annual Special Tax Report for fiscal year (FY) 2010/11 for CFD No. 87-1 Improvement Area No. 1; and
- 2) Resolution No. 2010-41 to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 87-1 Improvement Area No. 1.

### ADVISORY BOARD/COMMISSION RECOMMENDATION

Not Applicable.

### BACKGROUND

As part of the formation proceedings, CFD No. 87-1, Improvement Area No. 1 was authorized to issue bonds. On March 23, 1993, the Moreno Valley City Council approved Resolution No. 93-16 to authorize the issuance of \$5,000,000 in bonds for

CFD No. 87-1 Improvement Area No. 1, which were sold on June 24, 1994. The bonds contained a capitalized interest component, which precluded the necessity to levy a Special Tax for 1993/94; therefore, fiscal year (FY) 1994/95 was the first year for a Special Tax levy.

In October of 2007, the legislative body of CFD No. 87-1 Improvement Area No. 1 adopted Resolution Nos. 2007-119 and 2007-120 to authorize the issuance of 2007 Special Tax Refunding Bonds ("Bonds") for CFD No. 87-1 and CFD No. 87-1 Improvement Area No. 1. On November 29, 2007, \$10,665,000 of CFD No. 87-1 Bonds and \$4,075,000 of CFD No. 87-1 Improvement Area No. 1 Bonds were sold. The issuance of the Bonds accomplished a net reduction in debt service requirements from the refunded bonds as a result of receiving favorable interest rates. Construction and acquisition of public improvements within CFD No. 87-1 Improvement Area No. 1 have been completed for more than a decade.

Proposition 218, a constitutional initiative known as the Right to Vote on Taxes Act, was approved by California voters in November 1996. CFD No. 87-1 Improvement Area No. 1 was established to finance the acquisition, construction, and/or installation of public facilities, which include sewer and water improvements, traffic signals, freeway ramps and land for a detention basin. Bonds were issued to provide funding for these improvements. Only commercial properties within the District are subject to an annual special tax to repay the bonded indebtedness. Subsequent increases, not addressed in the original CFD Report, will be subject to a two-thirds voter approval of the property owners.

## **DISCUSSION**

The City Council shall have the opportunity to consider implementing the rate and method of apportionment of the special tax ("RMA") required to meet the special tax requirement for CFD No. 87-1 Improvement Area No.1, as submitted in the Special Tax Report on file in the office of the City Treasurer. Detailed within the Annual Special Tax Report is the calculation of the special tax levy as per the RMA to meet the FY 2010/11 special tax requirement. The special taxes for CFD 87-1 Improvement Area No. 1 shall be levied at a uniform rate per taxable acre on all parcels within each of two tax rate areas. Tax Rate Area 1 consists of approximately 80.15 net taxable acres, which is responsible for 59% of the special tax levy up to the maximum special tax rate of \$4,450 per taxable acre. Tax Rate Area 2 is responsible for 41% of the special tax levy up to a maximum special tax rate of \$3,850 per taxable acre.

The special tax will be levied per parcel and collected on the annual property tax bills as prepared by the County of Riverside. The special tax levy is applied only to those parcels within the boundaries of CFD No. 87-1 Improvement Area No. 1.

Additionally, City Council is being asked to approve and adopt a resolution to approve the submittal of the CFD 87-1 Improvement Area No. 1 Annual Accountability Report in compliance with California Government Code Sections 53410 and 53411 ("Code

Sections”). Sales of local bonds require the chief fiscal officer of the issuing local agency to file a report with its governing body at least once a year (“Annual Accountability Report”). Beginning with FY 2008/09, and every year thereafter, Special Districts shall include the requirements of this Annual Accountability Report as part of the CFD 87-1 Improvement Area No. 1 Annual Special Tax and Bond Accountability Report, which is on file in the office of the City Treasurer. The Annual Accountability Report provides the following information as required by the Code Sections:

- a) A statement indicating the specific purpose of the bonds;
- b) Verification that the bond proceeds are being utilized for the purposes identified in the CFD formation and bond financing documents, which includes creation of an account into which the bond proceeds were deposited upon bond issuance;
- c) The amount of funds collected and expended; and
- d) The status of the project.

### **ALTERNATIVES**

1. Approve and adopt the proposed resolutions to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 87-1 Improvement Area No. 1 and approve the submittal of the Annual Accountability Report in compliance with the Code Sections, as submitted in the Annual Special Tax and Bond Accountability Report on file in the office of the City Treasurer. *This approval will allow collection of funds necessary to pay the annual debt service on CFD No. 87-1 (Towngate) Improvement Area No. 1 Special Tax Refunding Bonds and comply with state reporting requirements.*
2. Do not approve and adopt the proposed resolutions to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 87-1 Improvement Area No. 1 and the Annual Accountability Report, as submitted in the Annual Special Tax and Bond Accountability Report, in compliance with the Code Sections, on file in the office of the City Treasurer. *If the collection of the special taxes are not approved, there will be a shortage of funds necessary to pay the annual debt service on CFD No. 87-1 Improvement Area No. 1 Special Tax Refunding Bonds. Bond reserves would be used to cover the shortfall and a technical default would occur. Default to bondholders may significantly impact the City of Moreno Valley’s reputation in the bond market, thereby, possibly affecting the viability of future bond sales. Filing of the Annual Accountability Report is a legal requirement, which would be a violation of the Code Sections.*

### **FISCAL IMPACT**

The fiscal impact will be a special tax applied to the 2010/11 tax bill for each of the taxable parcels within the boundary of CFD No. 87-1 Improvement Area No. 1. **The funds collected through the CFD No. 87-1, Improvement Area No. 1 are restricted funds, which may only be used to pay the debt service for CFD No. 87-1,**

**Improvement Area No. 1.** The amounts of the individual charges are reported in the Annual Special Tax and Bond Accountability Report on file in the office of the City Treasurer. There are no general fund expenditures involved with this special tax obligation. The property within the CFD No. 87-1 Improvement Area No. 1 boundary is commercial; therefore, there are no residential properties affected by this special tax levy. There is no fiscal impact associated with filing a report in compliance with the Code Sections.

**CITY COUNCIL GOALS**

**Revenue Diversification and Preservation**

Special taxes necessary to repay the CFD No. 87-1 Improvement Area No. 1 bonded indebtedness shall be collected and accounted for in accordance with the provisions outlined within the RMA and the Bond Indenture.

**SUMMARY**

City Council, acting in their capacity as the legislative body of the Moreno Valley CFD No. 87-1 Improvement Area No. 1, shall have an opportunity to consider implementing the RMA to provide the payment of the annual debt service for the Bonds, as submitted in the Annual Special Tax and Bond Accountability Report on file in the office of the City Treasurer. There are two similar reports on the agenda tonight. This report approves the special tax levy and reporting of the Code Sections for CFD No. 87-1 Improvement Area No. 1. The other one approves the special tax levy and reporting requirements for CFD No. 87-1.

**NOTIFICATION**

Not Applicable

**EXHIBITS**

- Exhibit A      A proposed resolution to accept and approve the Annual Special Tax Report for FY 2010/11 for CFD No. 87-1 Improvement Area No. 1
- Exhibit B      A proposed resolution to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 87-1 Improvement Area No. 1
- Exhibit C      Boundary Map CFD No. 87-1 Improvement Area No.1

Prepared By  
Sharon Sharp  
Senior Management Analyst

Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred By  
Sue Anne Maxinoski  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING AND APPROVING THE REPORT FOR FISCAL YEAR 2010/11 REGARDING COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE) IMPROVEMENT AREA NO. 1

WHEREAS, the CITY COUNCIL of the CITY OF MORENO VALLEY, CALIFORNIA, formed Community Facilities District No. 87-1 Improvement Area No. 1 ("District") pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and,

WHEREAS, following approval by the qualified electors of the District, the legislative body did adopt Resolution No. 93-16 approving the Bond Indenture terms and conditions pertaining to the issuance of the \$5,000,000 City of Moreno Valley Community Facilities District No. 87-1 (Towngate) Improvement Area No. 1 Special Tax Bonds; and,

WHEREAS, on October 27, 2007, the legislative body adopted Resolution No. 2007-120, which authorized the issuance of Special Tax Refunding Bonds for the District to accomplish a net reduction in the debt service requirement, and approved the Bond Indenture terms and conditions pertaining to the issuance of \$4,075,000 for Community Facilities District No. 87-1 Improvement Area No. 1; and,

WHEREAS, an annual special tax report ("Report") for fiscal year ("FY") 2010/11, which fully sets forth all information concerning the District is on file in the office of the City Treasurer and is incorporated herein by this reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are all true and correct.
2. That the Report for FY 2010/11, on file in the Office of the City Treasurer, is hereby approved.
3. That this legislative body hereby authorizes the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual debt service of Community Facilities District No 87-1 Improvement Area No. 1 as set forth in the Report and hereby is levied during FY 2010/11 against the parcels within the District, excluding parcels not subject to the tax.

1

Exhibit A

Resolution No. 2010-\_\_\_\_  
Date Adopted: \_\_\_\_\_

APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney



RESOLUTION JURAT

[Clerk's Office will prepare]

**[Note: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. 2010-41

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 87-1 (TOWNGATE) IMPROVEMENT AREA NO. 1 OF THE CITY OF MORENO VALLEY, APPROVING THE SUBMITTAL OF THE ANNUAL ACCOUNTABILITY REPORT IN COMPLIANCE WITH GOVERNMENT CODE SECTIONS 53410 and 53411 FOR COMMUNITY FACILITIES DISTRICT NO. 87-1 IMPROVEMENT AREA NO. 1

WHEREAS, Government Code §53410 requires that on or after January 1, 2001, any bond measure that is subject to voter approval that would provide for the sale of bonds by a local agency shall provide accountability measures; and,

WHEREAS, Government Code §54311 requires the chief fiscal officer of the issuing local agency to file an Annual Accountability Report ("Report") with its governing body no later than January 1, 2001, and at least once a year thereafter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE that the City of Moreno Valley submits the Report in compliance with the above mentioned Government Code Sections, and that the Report shall remain on file in the office of the City Treasurer for review by the public upon request.

APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

1  
EXHIBIT B

Resolution No. 2010-\_\_\_\_\_  
Date Adopted \_\_\_\_\_

RESOLUTION JURAT

[Clerk's office will prepare]

**[ NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

2

Resolution No. 2010-\_\_\_\_  
Date Adopted \_\_\_\_\_

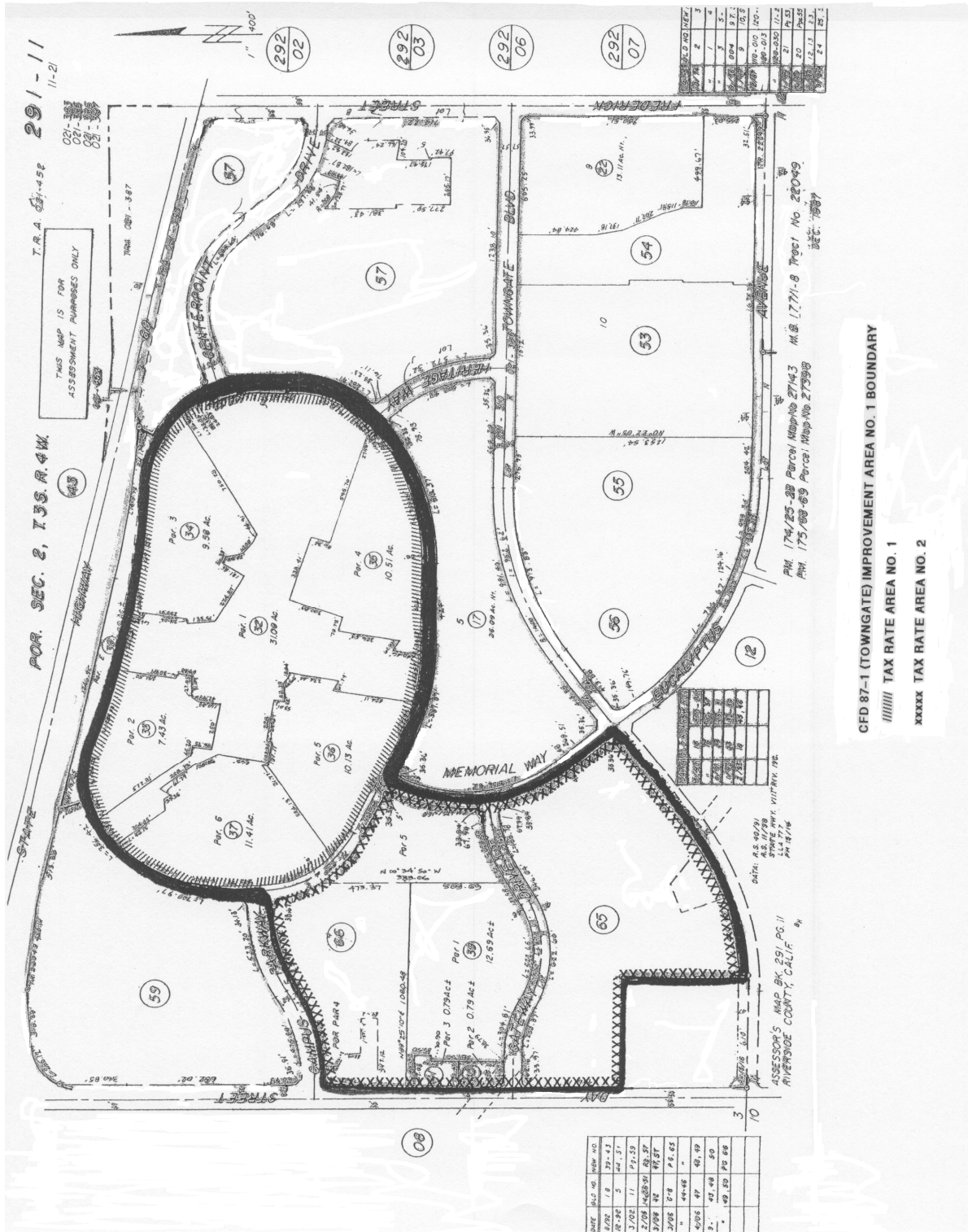
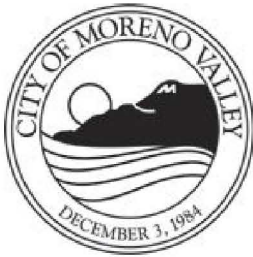


Exhibit C

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RAH</i>
CITY MANAGER	<i>WDS</i>

## Report to City Council

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**TO:** Mayor and City Council and the City Council Acting in their Capacity as the President and Members of the Board of Directors of the Moreno Valley Community Services District ("CSD")

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** AUTHORIZATION FOR THE MAYOR TO SIGN THE PROPOSITION 218 LETTER FOR CITY AND COMMUNITY SERVICES DISTRICT FUNDS TO BE TRANSMITTED WITH THE FIXED CHARGE SUBMITTAL, AS REQUIRED BY THE COUNTY OF RIVERSIDE

---

### **RECOMMENDED ACTION**

1. Staff recommends that the Mayor and City Council approve and adopt the proposed Resolution No. 2010-42 to authorize the Mayor to sign the Proposition 218 letter to be sent to the Riverside County Auditor-Controller for Fiscal Year (FY) 2010/11.
2. Staff recommends that the City Council acting in their capacity as President and Members of the Board of Directors of the CSD ("CSD Board"), approve and adopt the proposed Resolution No. CSD 2010-08 to authorize the Mayor, acting in the capacity of the CSD President, to sign the Proposition 218 letter to be sent to the Riverside County Auditor-Controller for FY 2010/11.

### **BACKGROUND**

Each year Special Districts prepares and sends an electronic report containing the City and the CSD charges, assessments, fees, and/or special taxes ("fixed charges") to the Riverside County Auditor-Controller for placement and collection on the property tax roll. The fixed charges are placed individually on the tax roll for services applicable to each Assessor Parcel Number (APN). The County of Riverside requires that the City/CSD submit a Proposition 218 letter for the funds transmitted for placement and collection on the property tax bill. The Proposition 218 letter (as set forth in Attachments 3 and 4) addresses compliance with Proposition 218 and liability as a result of claims filed by taxpayers against any charge,

assessment, fee and/or special tax placed on the Riverside County property tax roll on behalf of the City or the CSD.

## **DISCUSSION**

Special Districts annually reviews the fixed charges in compliance with Proposition 218 and prepares the fixed charge roll to be sent to the Riverside County Auditor-Controller by August 10, 2010, for placement on the FY 2010/11 property tax roll. The fixed charge roll shall include the following funds (“fixed charge funds”):

<b><u>Fund No.</u></b>	<b><u>Description</u></b>	<b><u>Fund No.</u></b>	<b><u>Description</u></b>
68-4271	ZONE A	68-2491	CFD No 1
68-4272	ZONE B	68-2490	CFD No 3
68-4274	ZONE C	68-4292	CFD No 4M
68-4275	ZONE D	68-4293	CFD No 5
68-4276	ZONE E	68-4294	CFD No 7
68-4281	ZONE E-1A	68-2495	CFD No 87-1
68-4284	ZONE E-3A	68-2489	CFD No 87-1 IA1
68-4282	ZONE E-4A	68-2494	NUISANCE
68-4283	ZONE M	68-4290	NPDES
68-4270	ZONE S	68-4277	SOLID WASTE
68-2483	AD 96-1		

## **ALTERNATIVES**

- 1. Adopt the enclosed resolutions authorizing the Mayor/CSD President to sign the Proposition 218 letters for FY 2010/11** for each City and CSD fixed charge fund. *Authorizing the Mayor/CSD President to sign the Proposition 218 letters for each fund submitted on behalf of the City and the CSD fulfills the County of Riverside’s requirement for placement of the fixed charges on the property tax roll.*
- 2. Do not adopt the enclosed resolutions authorizing the Mayor/CSD President to sign the Proposition 218 letters for FY 2010/11** for submittal to the Riverside County Auditor-Controller. *Not authorizing the Mayor/CSD President to sign the Proposition 218 letters, may prevent submission of the fixed charges to the Riverside County Auditor-Controller for placement on the property tax roll.*

## **FISCAL IMPACT**

The revenue from the fixed charges shall offset costs incurred in providing multiple services to the property owners and shall also provide for the annual debt service payments of outstanding bonds related to assessment and community facilities districts. **Revenue collected from the funds referenced above are restricted for use within each respective fund.**



**CITY COUNCIL GOALS**

**Community Image, Neighborhood Pride, and Cleanliness**

The revenue derived from the fixed charges allows the CSD to continue supporting and improving the community image, neighborhood pride and cleanliness through services such as: maintenance of parks and recreation areas, streetlights on arterial streets and residential roadways, graffiti removal, parkway landscape maintenance, etc.

**Revenue Diversification and Preservation**

Complying with the County of Riverside’s requirement ensures that the fixed charges are applied to the property tax roll and costs of providing the needed services to the property owners may be paid through the collection of the fixed charges.

**SUMMARY**

The action before the City Council/CSD Board is to adopt two resolutions authorizing the Mayor/CSD President to sign the Proposition 218 letters to comply with the County of Riverside’s requirement for placement of the fixed charges on the property tax roll.

**ATTACHMENTS**

- Attachment 1: City Proposition 218 Letter Resolution
- Attachment 2: CSD Proposition 218 Letter Resolution
- Attachment 3: Proposition 218 Letter for City Funds
- Attachment 4: Proposition 218 Letter for CSD Funds

Prepared by:  
Jennifer A. Terry,  
Management Analyst

Department Head Approval:  
Chris A. Vogt, P.E.,  
Public Works Director/City Engineer

Concurred by:  
Candace E. Cassel,  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\SpecialDist\Special Dist Administration\Fixed Charges\County Submission\2010-11\Prop 218 Stfprt 6.8.10.doc

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RESOLUTION NO. 2010-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE MAYOR TO SIGN THE PROPOSITION 218 LETTER TO BE SENT TO THE COUNTY OF RIVERSIDE AUDITOR-CONTROLLER'S OFFICE

WHEREAS, the City of Moreno Valley ("City") provides or will provide various services within the City through City programs and funding for such services, in part, through, charges, assessments, fees and/or special taxes; and

WHEREAS, the City Council, has determined, and hereby does determine, that it is in the best interests of the City to have said City charges, assessments, fees and/or special taxes collected on the Riverside County tax roll; and

WHEREAS, the City Council has determined and hereby does determine that in order to comply with the County of Riverside's requirements, the Mayor be given the authorization to sign the Proposition 218 letter which is submitted to the Riverside County Auditor-Controller's office along with the charges, assessments, fees, and/or special taxes to be collected on the tax roll; and

WHEREAS, the Proposition 218 letter release the County of Riverside from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any charges, assessment, fees, and/or taxes placed on the tax roll for the City by the County.

NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE AS FOLLOWS:

1. The Mayor is authorized to sign the Proposition 218 letter for fiscal year 2010/11 for the charges, assessments, fees, and/or special taxes to be levied on the tax roll, to comply with the County of Riverside's requirement.

2. The City Clerk is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Riverside County Auditor-Controller's office.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June 2010.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. CSD 2010-08

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE MAYOR, ACTING AS PRESIDENT OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT, TO SIGN THE PROPOSITION 218 LETTER TO BE SENT TO THE COUNTY OF RIVERSIDE AUDITOR-CONTROLLER'S OFFICE

WHEREAS, the Moreno Valley Community Services District ("CSD") provides or will provide various services within the CSD through CSD programs and provides funding for such services, in part, through zones of the CSD and/or subzones thereof; and

WHEREAS, the Community Services District Law of the State of California, Government Code Section 61000 et seq. states that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the CSD Board of Directors ("CSD Board"), has determined, and hereby does determine, that it is in the best interests of the CSD to have said CSD charges, assessments, fees and/or special taxes collected on the Riverside County tax roll; and

WHEREAS, the CSD Board has determined and hereby does determine that in order to comply with the County of Riverside's requirements, the Mayor, acting as the President of the CSD, be given the authorization to sign the Proposition 218 letter, which is submitted to the Riverside County Auditor-Controller's office along with the charges, assessments, fees, and/or special taxes to be collected on the tax roll; and

WHEREAS, the Proposition 218 letter release the County of Riverside from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessment, fees, charges, or taxes placed on the tax roll for the CSD by the County.

NOW, THEREFORE, THE MORENO VALLEY CSD OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The Mayor, acting in the capacity of President of the CSD, is authorized to sign the Proposition 218 letter for fiscal year 2010/11 for the charges, assessments, fees, and/or special taxes to be levied on the tax roll, to comply with the County of Riverside requirement.

2. The Secretary of the CSD is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Riverside County Auditor-Controller's office.

APPROVED AND ADOPTED this 8th day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District



RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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Robert E. Byrd, CGFM  
Riverside County Auditor-Controller  
4080 Lemon Street, 11<sup>th</sup> floor  
Riverside, CA 92502

SUBJECT: Compliance with Proposition 218

Dear Mr. Byrd:

The City of Moreno Valley represent that the charges associated with the following property tax fund numbers identified on the County Tax Roll are in compliance with the articles of Proposition 218 cited below.

<b>Fund No.</b>	<b>Description</b>	<b>Fund No.</b>	<b>Description</b>
68-2483	AD 96-1	68-2489	CFD No. 87-1 IA1
68-2490	CFD No. 3	68-2494	Nuisance
68-4292	CFD No. 4-M	68-4290	NPDES
68-4293	CFD No. 5	68-4277	Solid Waste
68-2495	CFD No. 87-1		

The County Auditor-Controller/County of Riverside agrees to enter all assessments, fees, charges, or taxes for the City of Moreno Valley upon receipt of such roll on or about August 2, 2010 based upon such certification.

The City of Moreno Valley shall be solely liable and responsible, and will defend, indemnify and hold the County and this office harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessments, fees, charges, or taxes placed on the roll for the City of Moreno Valley by the County.

ARTICLE XIII C. Sec. 2 (c) *“Any general tax imposed, extended or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).”*

ARTICLE XIII D. Sec 5 *“...this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article.”*

ATTACHMENT 3

ARTICLE XIII C. Sec. 6 (d) *“Beginning July 1, 1997, all fees or charges shall comply with this section.”*

\_\_\_\_\_  
Mayor  
City of Moreno Valley

\_\_\_\_\_  
Date

Attested by:

\_\_\_\_\_  
City Clerk  
City of Moreno Valley

Robert E. Byrd, CGFM  
Riverside County Auditor-Controller  
4080 Lemon Street, 11<sup>th</sup> floor  
Riverside, CA 92502

SUBJECT: Compliance with Proposition 218

Dear Mr. Byrd:

The Moreno Valley Community Services District (CSD) represent that the charges associated with the following property tax fund numbers identified on the County Tax Roll are in compliance with the articles of Proposition 218 cited below.

<b>Fund No.</b>	<b>Description</b>	<b>Fund No.</b>	<b>Description</b>
68-4271	CSD Zone A	68-4284	CSD Zone E-3A
68-4272	CSD Zone B	68-4282	CSD Zone E-4A
68-4274	CSD Zone C	68-4283	CSD Zone M
68-4275	CSD Zone D	68-4270	CSD Zone S
68-4276	CSD Zone E	68-2491	CFD No. 1
68-4281	CSD Zone E-1A		

The County Auditor-Controller/County of Riverside agrees to enter all assessments, fees, charges, or taxes for the CSD upon receipt of such roll on or about August 2, 2010 based upon such certification.

The CSD shall be solely liable and responsible, and will defend, indemnify and hold the County and this office harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessments, fees, charges, or taxes placed on the roll for the CSD by the County.

ARTICLE XIII C. Sec. 2 (c) *“Any general tax imposed, extended or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).”*

ARTICLE XIII D. Sec 5 *“...this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article.”*

ATTACHMENT 4

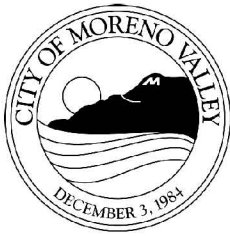
ARTICLE XIII C. Sec. 6 (d) *“Beginning July 1, 1997, all fees or charges shall comply with this section.”*

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
acting in the capacity of President of the  
Moreno Valley Community Services District

\_\_\_\_\_  
Date

Attested by:

\_\_\_\_\_  
City Clerk,  
acting in the capacity of Secretary of the  
Moreno Valley Community Services District



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>SA</i>
CITY MANAGER	<i>WB</i>

## Report to City Council

---

**TO:** Mayor and City Council Acting in their Capacity as the Legislative Body of Moreno Valley Community Facilities District No. 5

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL AND ADOPTION OF THE ANNUAL SPECIAL TAX REPORT AND ANNUAL ACCOUNTABILITY REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 5 FOR FISCAL YEAR 2010/11

---

### RECOMMENDED ACTION

Staff recommends that the City Council acting in their capacity as the legislative body of Moreno Valley Community Facilities District No. 5 adopt the following:

1. Resolution No. 2010-43 to accept and approve the Annual Special Tax Report for fiscal year ("FY") 2010/11 regarding Community Facilities District No. 5; and
2. Resolution No. 2010-44 to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for Community Facilities District No. 5.

### BACKGROUND

Community Facilities District No. 5 ("CFD No. 5" or "District") consists of Stoneridge Towne Centre, which is zoned for commercial/retail use. The site, located at the northeast corner of the Nason Street and Fir Avenue, is approximately 64 gross acres, of which 33 are net taxable acres.

On October 25, 2005, City Council adopted Resolution No. 2005-104 to form CFD No. 5 to finance the capital costs related to the Stoneridge Towne Centre commercial development for street improvements (Nason Street, Dracaea Avenue, Eucalyptus Avenue, and Fir Avenue), traffic signals, water, sewer, drainage, and electrical improvements.

California Government Code Sections 53410 and 53411 (“Code Sections”) state that any local bond measure that is subject to voter approval that would provide for the sale of bonds by a local agency shall provide accountability measures that include, but are not limited to, the chief fiscal officer of the issuing local agency filing an Annual Accountability Report with its governing body at least once a year. The Annual Accountability Report shall contain the specific purpose of the bonds, both the amount of funds collected and expended, and the status of any project required or authorized to be funded as identified in the statement indicating the specific purpose of the bonds.

## **DISCUSSION**

Each year during the term of the debt, an Annual Special Tax Report must be approved by the City Council to provide funds for the annual debt service requirements. Detailed within the Annual Special Tax Report are the total annual debt service, administrative requirements, and the calculation of the special tax levy, as per the rate and method of apportionment (“RMA”), to meet the FY 2010/11 special tax requirement. The FY 2010/11 Annual Special Tax Report is on file with the City Treasurer.

The maximum annual special tax for developed and undeveloped property has been established by the RMA at \$10,652.00 per acre for FY 2006/07. Per the RMA, the maximum annual special tax shall be increased by an amount equal to two percent (2%) each fiscal year in order to meet the annual special tax requirement. The maximum special tax rate for FY 2010/11 is \$11,530 per acre. Subsequent increases, not addressed in the RMA, will be subject to a two-thirds voter approval of the property owners. The County of Riverside collects the special tax levy per taxable parcel, not exempted, on the annual property tax bills.

The special tax is applied only to those taxable parcels within the District boundaries, excluding parcels not subject to the special tax, which includes parcels owned by Target Corp and Kohls Dept Stores, Inc. that prepaid their special tax obligation. The CFD No.5 debt service is calculated based on a total acreage of 33.

The CFD No. 5 Annual Accountability Report provides the following accountability measure as required by the Code Sections:

- a) A statement indicating the specific purpose of the bonds;
- b) Verification of the satisfaction of the requirement that the proceeds are being applied only to the specific purposes identified to the CFD formation and bond financing documents. This includes the creation of an account into which the bond proceeds were deposited upon bond issuance;
- c) The amount of funds collected and expended; and
- d) The status of the project.

The Annual Special Tax Report and the Annual Accountability Report have been consolidated into the Annual Special Tax and Bond Accountability Report, which is on file in the office of the City Treasurer.



## **ALTERNATIVES**

1. **Approve and adopt the proposed resolutions:** 1) to accept and approve the Annual Special Tax Report for FY 2010/11 for Community Facilities District No. 5 and 2) to approve the submittal of the Annual Accountability Report for CFD No. 5. *Approval of the resolutions will allow for the collection of the special taxes necessary to cover the annual debt service of CFD No. 5 and ensure reporting compliance with the Code Sections.*
2. **Do not approve or adopt the proposed resolutions:** 1) to accept and approve the Annual Special Tax Report for FY 2010/11 for Community Facilities District No. 5 and 2) to approve the submittal of the Annual Accountability Report for CFD No. 5. *If the special tax levy was not approved, there may be a shortage of funds necessary to cover the annual debt service of CFD No. 5. Not approving the Annual Accountability Report would be a violation of the Code Sections.*

## **FISCAL IMPACT**

The fiscal impact will be a special tax applied to the 2010/11 Riverside County property tax bill for those parcels subject to the special tax. **The special tax levied on properties within the boundaries of CFD No. 5 can only be used to cover the annual special tax requirement for the District. There is no fiscal impact on the General Fund associated with the annual debt service or for the submittal of the Annual Special Tax and Bond Accountability Report for CFD No. 5.**

## **CITY COUNCIL GOALS**

### **Revenue Diversification and Preservation**

Special taxes necessary to cover the annual debt service for CFD No. 5 shall be collected in accordance with the provisions outlined within the RMA.

## **SUMMARY**

The City Council shall have an opportunity to consider implementing the levy for CFD No. 5, per the RMA, required to cover the special tax requirement of CFD No. 5, as submitted in the Annual Special Tax Report on file in the office of the City Treasurer. Also being considered is the approval and submittal of the Annual Accountability Report for CFD No. 5.

## **EXHIBITS**

- EXHIBIT A A proposed resolution to accept and approve the Annual Special Tax Report on file in the office of the City Treasurer and authorize the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual debt service of Community Facilities District No. 5 as set forth in the Annual Special Tax Report

EXHIBIT B A proposed resolution to approve the submittal of the Annual Accountability Report in compliance with Government Code Sections 53410 and 53411 for CFD No. 5

EXHIBIT C Boundary Map of CFD No. 5

Prepared by:  
Jennifer A. Terry,  
Management Analyst

Department Head Approval:  
Chris A. Vogt, P.E.,  
Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\SpecialDist\Special Dist Administration\Community Facilities Districts CFD\CFD 5 Stoneridge\Administration\Annual Reports\2010-11\staff report and resolutions\CFD 5 10\_11 levy - Staff Report.doc

RESOLUTION NO. 2010-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING AND APPROVING THE ANNUAL SPECIAL TAX REPORT FOR FISCAL YEAR 2010/11 REGARDING COMMUNITY FACILITIES DISTRICT NO. 5

WHEREAS, the CITY COUNCIL of the CITY OF MORENO VALLEY, CALIFORNIA, did form Community Facilities District No. 5 ("CFD No. 5" or "District") pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and,

WHEREAS, following approval by the qualified electors of the District, the legislative body did adopt Ordinance No. 701 ("Ordinance") to authorize a levy of a special tax within CFD No. 5; and,

WHEREAS, The City has prepared and submitted the Special Tax Report ("Report") for FY 2010/11; and a copy of said Report is on file in the office of the City Treasurer and is incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are all true and correct.
2. That the Report for FY 2010/11, as on file in the office of the City Treasurer, is hereby approved.
3. That this legislative body hereby authorizes the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual debt service of Community Facilities District No. 5 as set forth in the Report and hereby is levied during FY 2010/11 against the parcels within the District, excluding parcels not subject to the special tax.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

RESOLUTION JURAT

[Clerk's Office will prepare]

**[Note: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. 2010-44

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 5 OF THE CITY OF MORENO VALLEY, APPROVING THE SUBMITTAL OF THE ANNUAL ACCOUNTABILITY REPORT IN COMPLIANCE WITH GOVERNMENT CODE SECTIONS 53410 and 53411 FOR COMMUNITY FACILITIES DISTRICT NO. 5

WHEREAS, Government Code §53410 requires that on or after January 1, 2001 any bond measure that is subject to voter approval that would provide for the sale of bonds by a local agency shall provide accountability measures; and,

WHEREAS, Government Code §54311 requires the chief fiscal officer of the issuing local agency to file an Annual Accountability Report ("Report") with its governing body no later than January 1, 2001, and at least once a year thereafter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE that the City of Moreno Valley submits the Report in compliance with the above mentioned Government Code Sections, and that the Report shall remain on file in the office of the City Treasurer for review by the public upon request.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

1

Resolution No. 2010-\_\_\_\_\_  
Adopted June 8, 2010

EXHIBIT B

RESOLUTION JURAT

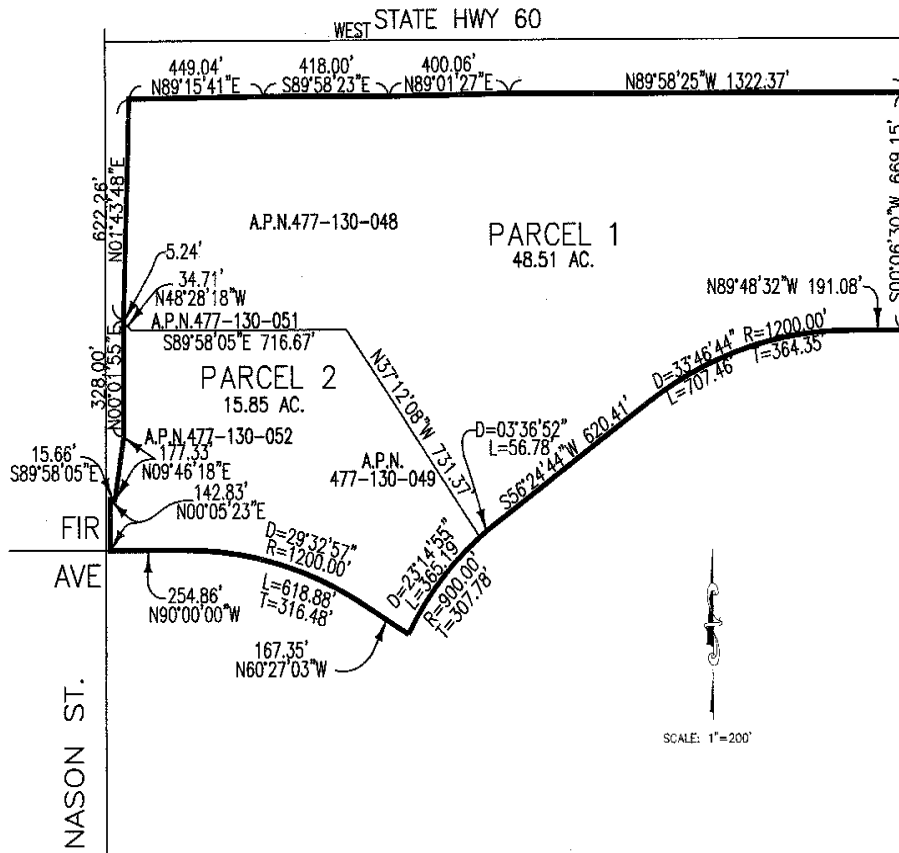
[Clerk's office will prepare]

**[ NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

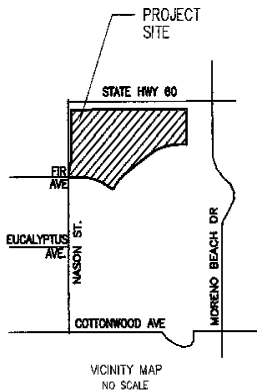


67/20  
CITY

PROPOSED BOUNDARY OF  
COMMUNITY FACILITIES DISTRICT No. 5  
OF THE CITY OF MORENO VALLEY  
COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA



SCALE: 1"=200'



LEGEND  
— DISTRICT BOUNDARY

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF MORENO VALLEY THIS 20th DAY OF July 2008.  
*[Signature]*  
CITY CLERK OF THE CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 5 CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY: AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE 13th DAY OF September 2005, BY ITS RESOLUTION No. 2005-7A.  
*[Signature]*  
CITY CLERK OF THE CITY OF MORENO VALLEY

FILED THIS 20th DAY OF July 2008, AT THE HOUR OF 3 O'CLOCK AM IN BOOK 4 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NOS 22 THROUGH — AS INSTRUMENT NO. 2008-07052 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.  
*[Signature]*  
COUNTY RECORDER OF THE COUNTY OF RIVERSIDE FEE \$7

REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

PROPOSED BOUNDARY MAP

Community Facilities District No. 5  
of the City of Moreno Valley  
County of Riverside, California

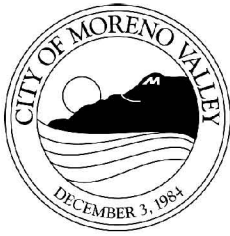
Sheet 1 OF 1

HARRIS & ASSOCIATES  
34 Executive Park, Suite 150  
Irvine, CA 92614  
(949) 655-3900 • FAX (949) 655-3995

04/22/05

© Moreno Valley, CA 92553/Map/CFD No 5 - Steeridge Ranch.dwg

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RW</i>
CITY MANAGER	<i>WDB</i>

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## Report to City Council

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**TO:** Mayor and City Council Acting in their Capacity as the Legislative Body of Moreno Valley Community Facilities District No. 4—Maintenance

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL AND ADOPTION OF THE SPECIAL TAX REPORT FOR MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 4—MAINTENANCE FOR FISCAL YEAR 2010/11

---

### **RECOMMENDED ACTION**

Staff recommends that the City Council acting in their capacity as the legislative body of Moreno Valley Community Facilities District No. 4—Maintenance (“CFD No. 4—M”) approve and adopt Resolution No. 2010-45 to accept and approve the Annual Special Tax Report for fiscal year (“FY”) 2010/11 regarding CFD No. 4—M.

### **BACKGROUND**

Centerpointe Business Park is an industrial development area, which is generally located north of Cactus Avenue, south of Alessandro Boulevard, east of Frederick Street, and west of Heacock Street. As a condition of development, stormwater and detention basin improvements were constructed to accommodate water runoff and detention for new and future developments within the industrial development area and adjoining properties.

On October 25, 2005, City Council adopted Resolution No. 2005-97 to form and establish CFD No. 4—M, to provide stormwater facilities maintenance, and to authorize the collection of a special tax against all nonexempt property within the Centerpointe Business Park industrial development, including adjacent properties that may in the future be annexed into CFD No. 4—M. Maintenance, as defined in the resolution to form CFD No. 4—M includes, but is not limited to, the provisions of all labor, materials, administration, equipment, utilities, and incidental expenses necessary to provide maintenance of the stormwater facilities. To fund the cost of maintenance, all

nonexempt properties within the boundaries of CFD No. 4—M shall be subject to an annual special tax levy.

### **DISCUSSION**

The City Council shall have the opportunity to consider implementing the rate and method of apportionment of the special tax (“RMA”) required to cover the special tax requirement for CFD No. 4—M, as submitted in the special tax report on file in the office of the City Treasurer. Detailed within the annual special tax report (“Report”) is the calculation of the special tax levy as per the RMA to meet the FY 2010/11 special tax requirement.

The maximum annual special tax for each assessor’s parcel of developed and undeveloped property, as established by the RMA, shall be increased each fiscal year thereafter, beginning in July 2007, by an amount equal to the Engineering News-Record Building Cost Index (“BCI”) for the City of Los Angeles, measured as of the end of the calendar year. The BCI for calendar year 2009 did not increase so the maximum special tax for FY 2010/11 will remain at \$0.00853 per square foot of land area. The special tax levy shall be applied proportionately on each parcel of developed and undeveloped property within the boundaries of CFD No. 4—M at up to 100% of the applicable maximum annual special tax. The special tax levy per parcel will be collected on the Riverside County property tax bill. However, the special tax levy for the United States Postal Service, assessor parcel number 297-170-071, shall be hand billed.

### **ALTERNATIVES**

1. **Approve and adopt the proposed resolution** to accept and approve the Annual Special Tax Report for FY 2010/11 for Community Facilities District No. 4—M. *This approval will allow collection of the special taxes necessary to fund ongoing administrative and maintenance costs associated with stormwater and detention basin facilities to service the properties within the boundaries of CFD No. 4—M.*
2. **Do not approve or adopt the proposed resolution** to accept and approve the Annual Special Tax Report for FY 2010/11 for Community Facilities District No. 4—M. *If the special tax levy was not approved, there may be a shortage of funds necessary to fund ongoing administrative and maintenance costs associated with stormwater and detention basin facilities to service the properties within the boundaries of CFD No. 4—M.*

### **FISCAL IMPACT**

The fiscal impact for CFD No. 4—M will be a levy of a special tax applied to the property owner’s FY 2010/11 tax bill or a hand bill for tax-exempt properties. **The special tax levied on properties within the boundaries of CFD No. 4—M can only be used to cover the annual special tax requirement for the district. There is no impact on**

**the General Fund regarding the levy of the special tax for CFD No. 4—M.** Properties within the boundaries of CFD No. 4—M consist of commercial and industrial developments; residential properties are not affected by this special tax levy.

**CITY COUNCIL GOALS**

**Revenue Diversification and Preservation**

Special taxes necessary to fund CFD No. 4—M services shall be collected in accordance with the provisions outlined within the RMA.

**SUMMARY**

The City Council shall have an opportunity to consider implementing the levy for CFD No. 4—M, per the RMA, to provide ongoing administrative and maintenance services for the stormwater and detention basin improvements.

**EXHIBITS**

- EXHIBIT A      A proposed resolution to accept and approve the Report for FY 2010/11 regarding CFD No. 4—M
  
- EXHIBIT B      Boundary Map of CFD No. 4—M
  
- EXHIBIT C      Future Annexation Area Map of CFD No. 4—M

Prepared by:  
Jennifer A. Terry,  
Management Analyst

Department Head Approval:  
Chris A. Vogt, P.E.,  
Public Works Director/City Engineer

Concurred by:  
Sue Anne Maxinoski,  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\SpecialDist\Special Dist Administration\Community Facilities Districts CFD\CFD 4—Maintenance\Administration\Annual Report\2010-11\staff report and resolution\Staff\_Report for CFD No 4—M annual report.doc

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RESOLUTION NO. 2010-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING AND APPROVING THE ANNUAL SPECIAL TAX REPORT FOR FISCAL YEAR 2010/11 REGARDING COMMUNITY FACILITIES DISTRICT NO. 4-MAINTENANCE

WHEREAS, the CITY COUNCIL of the CITY OF MORENO VALLEY, CALIFORNIA, did form Community Facilities District No. 4-Maintenance ("CFD No. 4-M" or "District") pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and,

WHEREAS, following approval by the qualified electors of the District, the legislative body did adopt Ordinance No. 697 ("Ordinance") approving the rate and method of apportionment of special taxes ("RMA") to authorize a levy of a special taxes within CFD No. 4-M; and,

WHEREAS, The City has prepared and submitted the Special Tax Report ("Report") for FY 2010/11; and a copy of said Report is on file in the office of the City Treasurer and is incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are all true and correct.
2. That the Report for FY 2010/11, as on file in the office of the City Treasurer, is hereby approved.
3. That this legislative body hereby authorizes the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual special tax requirement of CFD No. 4-M as set forth in the Report and hereby is levied during FY 2010/11 against the parcels within the District.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney



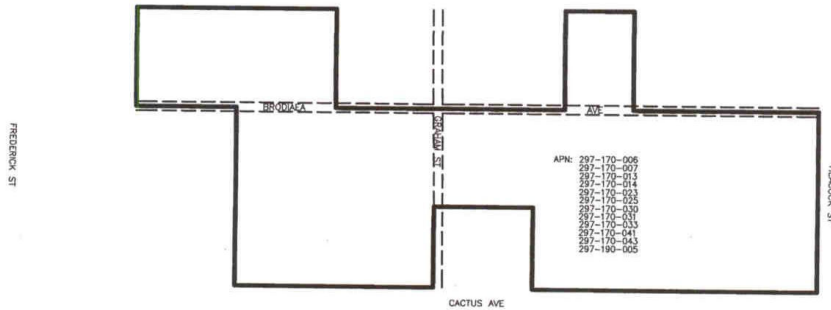
RESOLUTION JURAT

[Clerk's Office will prepare]

**[Note: Any attachments or exhibits to this resolution should follow this jurat.]**

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PROPOSED BOUNDARY OF  
 COMMUNITY FACILITIES DISTRICT No. 4 – MAINTENANCE  
 OF THE CITY OF MORENO VALLEY  
 COUNTY OF RIVERSIDE,  
 STATE OF CALIFORNIA



VICINITY MAP  
 NO SCALE  
 LEGEND  
 ——— DISTRICT BOUNDARY

REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS  
 FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF MORENO VALLEY THIS 20<sup>th</sup> DAY OF September, 2005.  
Margaret Brown  
 CITY CLERK OF THE CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT  
 NO. 4 – MAINTENANCE, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA WAS APPROVED BY  
 THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AT A REGULARLY SCHEDULED MEETING, THEREOF, HELD ON THE  
13<sup>th</sup> DAY OF September, 2005, BY ITS RESOLUTION No. 2005-071652-79  
Margaret Brown  
 CITY CLERK OF THE CITY OF MORENO VALLEY

FILED THIS 22<sup>nd</sup> DAY OF September, 2005, AT THE HOUR OF 3 O'CLOCK P.M. IN BOOK 67 OF MAPS  
 OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NOS. 78 THROUGH 81 AS INSTRUMENT NO. 2005-071652-79  
 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.  
M. King  
 COUNTY RECORDER OF THE COUNTY OF RIVERSIDE

FEE \$ 7.00

**PROPOSED BOUNDARY MAP**

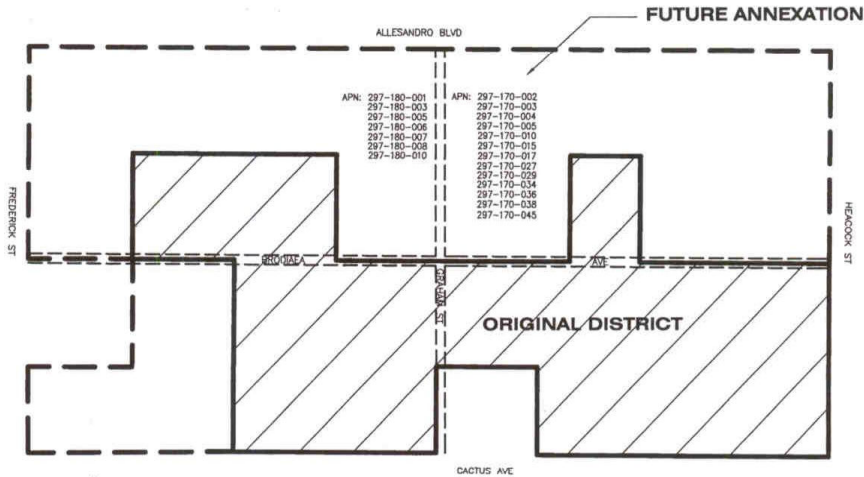
Proposed Boundary of  
 Community Facilities District No. 4—Maintenance  
 of the City of Moreno Valley  
 County of Riverside, California

Sheet 1 OF 1

**HARRIS & ASSOCIATES**  
 34 Executive Park, Suite 150  
 Irvine, CA 92614  
 (949) 655-3999 • FAX (949) 655-3995

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FUTURE ANNEXATION AREA OF  
 COMMUNITY FACILITIES DISTRICT No. 4 – MAINTENANCE  
 OF THE CITY OF MORENO VALLEY  
 COUNTY OF RIVERSIDE,  
 STATE OF CALIFORNIA



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS  
 FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF MORENO VALLEY THIS 20<sup>th</sup> DAY of September 2005.  
*Margaret Chan*  
 CITY CLERK OF THE CITY OF MORENO VALLEY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED FUTURE ANNEXATION AREA OF COMMUNITY FACILITIES DISTRICT NO. 4 – MAINTENANCE, CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, AT A REGULARLY SCHEDULED MEETING, THEREOF, HELD ON THE 13<sup>th</sup> DAY OF September, 2005. BY ITS RESOLUTION No. 2005-86.  
*Margaret Chan*  
 CITY CLERK OF THE CITY OF MORENO VALLEY

FILED THIS 22<sup>nd</sup> DAY OF September 2005, AT THE HOUR OF 8:00 O'CLOCK A.M. IN BOOK 64 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NOS. 47 THROUGH 48 AS INSTRUMENT NO. 2005-0785280 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.  
*M. Lewis*  
 COUNTY RECORDER OF THE COUNTY OF RIVERSIDE

FEE \$ 7.00

**PROPOSED BOUNDARY MAP**

Future Annexation Area of  
 Community Facilities District No. 4 – Maintenance  
 of the City of Moreno Valley  
 County of Riverside, California

Sheet 1 of 1

**HARRIS & ASSOCIATES**  
 34 Executive Park, Suite 150  
 Irvine, CA 92614  
 (949) 655-3800 • FAX (949) 655-3995

EXHIBIT C

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

---

**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** PARCEL MAP 33726 - COMMERCIAL – REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING THE PORTION OF IRIS AVENUE AND PERRIS BOULEVARD ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM

DEVELOPER – IRIS PARTNERS, LLC A CALIFORNIA LIMITED LIABILITY CORPORATION  
2005 WINSTON COURT  
UPLAND, CA 91784

---

### RECOMMENDED ACTION

Staff recommends that the City Council:

1. Adopt Resolution No. 2010-46 authorizing the acceptance of the public improvements within Parcel Map 33726 - Commercial as complete and accepting the portion of Iris Avenue and Perris Boulevard associated with the project into the City's maintained street system.
2. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

## **ADVISORY BOARD/COMMISSION RECOMMENDATION**

Not applicable.

## **BACKGROUND**

Parcel Map 33726 is a retail center and drug store located at the southeast corner of Iris Avenue and Perris Boulevard that was conditionally approved requiring construction of certain public improvements. The public improvements included asphalt paving, curb, gutter, sidewalk, driveway approaches, landscaping, street lights, and storm drain. Those improvements received on-going inspection during the construction process. Upon completion of the improvements, Public Works/Land Development performed an inspection, and a punch list was generated. The required corrective actions have been completed, and the improvements are now eligible for acceptance into the City's maintained street system.

## **DISCUSSION**

The completed improvements have received a final inspection, and the improvements were completed in accordance with the approved plans and the standards of the City of Moreno Valley. In accordance with the Streets and Highway Code, the method for acceptance of improvements, per Section 1806, (a), and (b), is by action of the governing body, by resolution. It is therefore appropriate to accept those improvements into the City's maintained street system and to provide a 90% reduction to the Faithful Performance Bond of \$538,000 issued by Developers Surety and Indemnity Company. Ninety days after City Council approves the Faithful Performance Bond reduction, the Material and Labor Bond will be exonerated by the City Engineer provided there are no stop notices or liens on file with the City Clerk. The remaining 10% of the bond will be held for the one-year guarantee and warranty period. At the end of the guarantee and warranty period the bond will be released by the City Engineer subject to completion of any defective work that may have appeared during this period.

## **ALTERNATIVES**

1. Adopt the proposed Resolution authorizing the acceptance of the public improvements within Parcel Map 33726 - Commercial as complete and accepting Iris Avenue and Perris Boulevard associated with the project into the City's maintained street system. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received. *The required improvements have been completed according to City of Moreno Valley Standards and therefore should be included in the City's maintained street system.*



2. Do not adopt the proposed Resolution authorizing the acceptance of the public improvements within Parcel Map 33726 - Commercial as complete and accepting Iris Avenue and Perris Boulevard associated with the project into the City's maintained street system. Do not authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received. *The required improvements have been completed according to City of Moreno Valley Standards and therefore should be included in the City's maintained street system.*

### **FISCAL IMPACT**

The acceptance of these street improvements into the City's maintained street system will create an additional fiscal impact to the street maintenance program of the City (Fund 121-Gas Tax, Fund 125-Measure "A", and Fund 152-NPDES. Fund 121 is restricted to the construction and maintenance of streets and roadways. Fund 125 is restricted for transportation projects only for the purposes of construction, maintenance and operation of streets and roadways. The County Service Area (CSA) levy collected from property owners support current NPDES Permit programs and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates, as administered by the State. Funds collected from the CSA 152 annual levy are restricted for use only within the Storm Water Management program).

### **CITY COUNCIL GOALS**

Not applicable

### **NOTIFICATION**

Publication of agenda

### **EXHIBITS**

Exhibit "A" - Vicinity Map

Exhibit "B" - Proposed Resolution

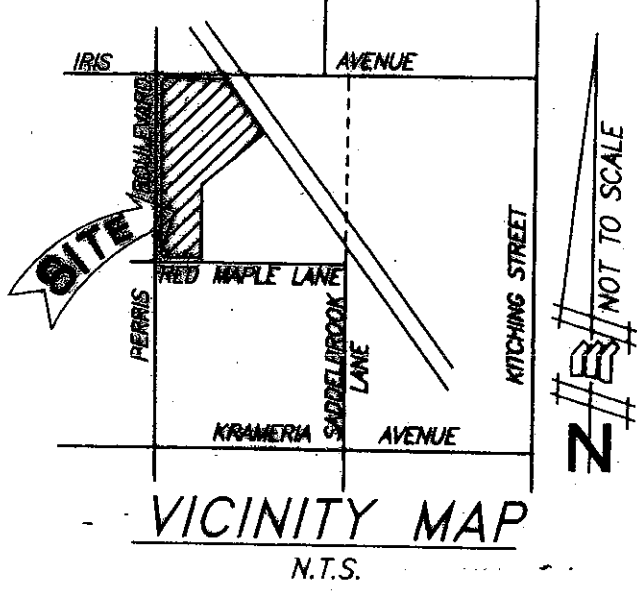
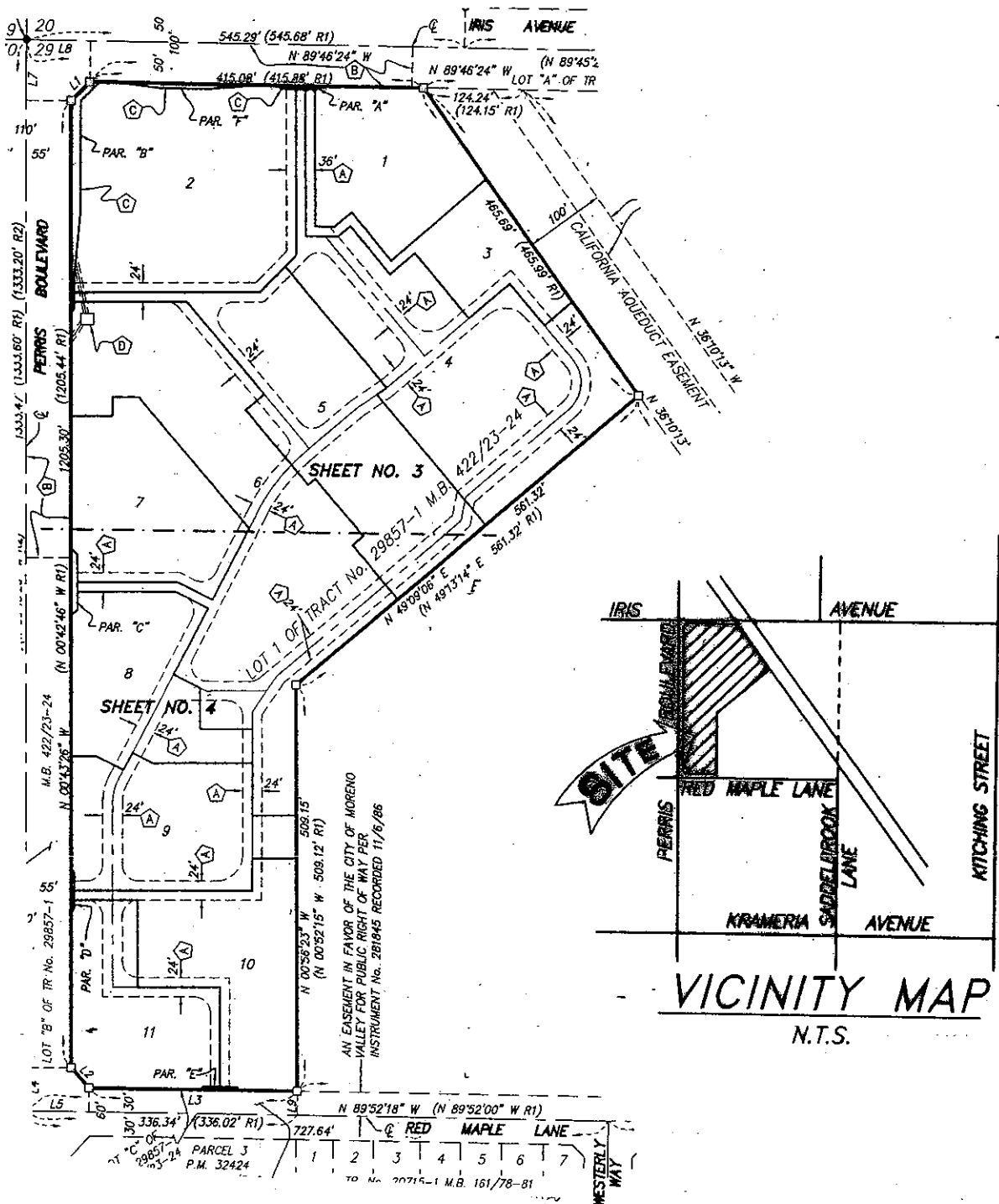
Prepared By  
Anitra N. Holt  
Management Analyst

Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred By  
Mark W. Sambito, P.E.  
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\LandDev\MANAGEMENT ASSISTANT\Staff Reports\2010\6-8-10 - PM 33726 Commercial - 90% Bond Reduction.doc



**CITY OF MORENO VALLEY  
PUBLIC WORKS - LAND DEVELOPMENT**

**PARCEL MAP 33726  
VICINITY MAP**

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RESOLUTION NO. 2010-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE WITHIN PARCEL MAP 33726 - COMMERCIAL, AND ACCEPTING THE PORTION OF IRIS AVENUE AND PERRIS BOULEVARD ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM

WHEREAS, the City Engineer has determined that the public improvements constructed by Iris Partners, LLC, a California Limited Liability Corporation on the portion of Iris Avenue and Perris Boulevard associated with the project were constructed according to the approved plans on file with the City of Moreno Valley, and

WHEREAS, the City Engineer has determined that those improvements were inspected during construction and were completed in an acceptable manner, and

WHEREAS, the City Engineer has requested that the City Council authorize the acceptance of said public improvements as complete within Parcel Map 33726 - Commercial, and accept the portion of Iris Avenue and Perris Boulevard associated with the project into the City's maintained street system, and

WHEREAS, it is in accordance with Streets and Highway Code, Section 1806, (a) and (b), for City Council to perform this action by resolution,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moreno Valley that the public improvements within Parcel Map 33726 - Commercial are complete, and the portion of Iris Avenue and Perris Boulevard associated with the project are accepted into the City's maintained street system.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

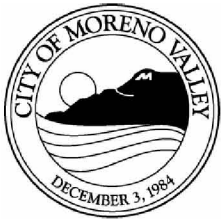
APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

EXHIBIT "B"  
RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RW</i>
CITY MANAGER	<i>WCB</i>

## Report to City Council

---

**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** PARCEL MAP 33726 - STORM DRAIN – REDUCE FAITHFUL PERFORMANCE BOND AND ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE AND ACCEPTING THE PORTION OF RED MAPLE LANE ASSOCIATED WITH THE PROJECT INTO THE CITY’S MAINTAINED STREET SYSTEM

DEVELOPER – IRIS PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY  
2005 WINSTON COURT  
UPLAND, CA 91784

---

### RECOMMENDED ACTION

Staff recommends that the City Council:

1. Adopt Resolution No. 2010-47 authorizing the acceptance of the public improvements within Parcel Map 33726 - Storm Drain as complete and accepting the portion of Red Maple Lane associated with the project into the City’s maintained street system.
2. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received.

### ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

## **BACKGROUND**

Parcel Map 33726 is a retail center located on Red Maple Lane, east of Perris Boulevard that was conditionally approved requiring installation of storm drain facilities on Red Maple Lane. Those improvements received on-going inspection during the construction process. Upon completion of the improvements, Public Works/Land Development performed an inspection, and a punch list was generated. The required corrective actions have been completed, and the improvements are now eligible for acceptance into the City's maintained street system.

## **DISCUSSION**

The completed improvements have received a final inspection, and the improvements were completed in accordance with the approved plans and the standards of the City of Moreno Valley. In accordance with the Streets and Highway Code, the method for acceptance of improvements, per Section 1806, (a), and (b), is by action of the governing body, by resolution. It is therefore appropriate to accept those improvements into the City's maintained street system and to provide a 90% reduction to the Faithful Performance Bond of \$294,000 issued by Developers Surety and Indemnity Company. Ninety days after City Council approves the Faithful Performance Bond reduction, the Material and Labor Bond will be exonerated by the City Engineer provided there are no stop notices or liens on file with the City Clerk. The remaining 10% of the bond will be held for the one-year guarantee and warranty period. At the end of the guarantee and warranty period the bond will be released by the City Engineer subject to completion of any defective work that may have appeared during this period.

## **ALTERNATIVES**

1. Adopt the proposed Resolution authorizing the acceptance of the public improvements within Parcel Map 33726 - Storm Drain as complete and accepting the portion of Red Maple Lane associated with the project into the City's maintained street system. Authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received. *The required improvements have been completed according to City of Moreno Valley Standards and therefore should be included in the City's maintained street system.*
2. Do not adopt the proposed Resolution authorizing the acceptance of the public improvements within Parcel Map 33726 - Storm Drain as complete and accepting the portion of Red Maple Lane associated with the project into the City's maintained street system. Do not authorize the City Engineer to execute the 90% reduction to the Faithful Performance Bond, exonerate the Material and



Labor Bond in 90 days if there are no stop notices or liens on file with the City Clerk, and exonerate the final 10% of the Faithful Performance Bond in one year when all clearances are received. *The required improvements have been completed according to City of Moreno Valley Standards and therefore should be included in the City's maintained street system.*

**FISCAL IMPACT**

The acceptance of these street improvements into the City's maintained street system will create an additional fiscal impact to the street maintenance program of the City (Fund 121-Gas Tax, Fund 125-Measure "A", and Fund 152-NPDES. Fund 121 is restricted to the construction and maintenance of streets and roadways. Fund 125 is restricted for transportation projects only for the purposes of construction, maintenance and operation of streets and roadways. The County Service Area (CSA) levy collected from property owners support current NPDES Permit programs and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates, as administered by the State. Funds collected from the CSA 152 annual levy are restricted for use only within the Storm Water Management program).

**CITY COUNCIL GOALS**

Not applicable

**NOTIFICATION**

Publication of agenda

**EXHIBITS**

Exhibit "A" - Vicinity Map  
Exhibit "B" - Proposed Resolution

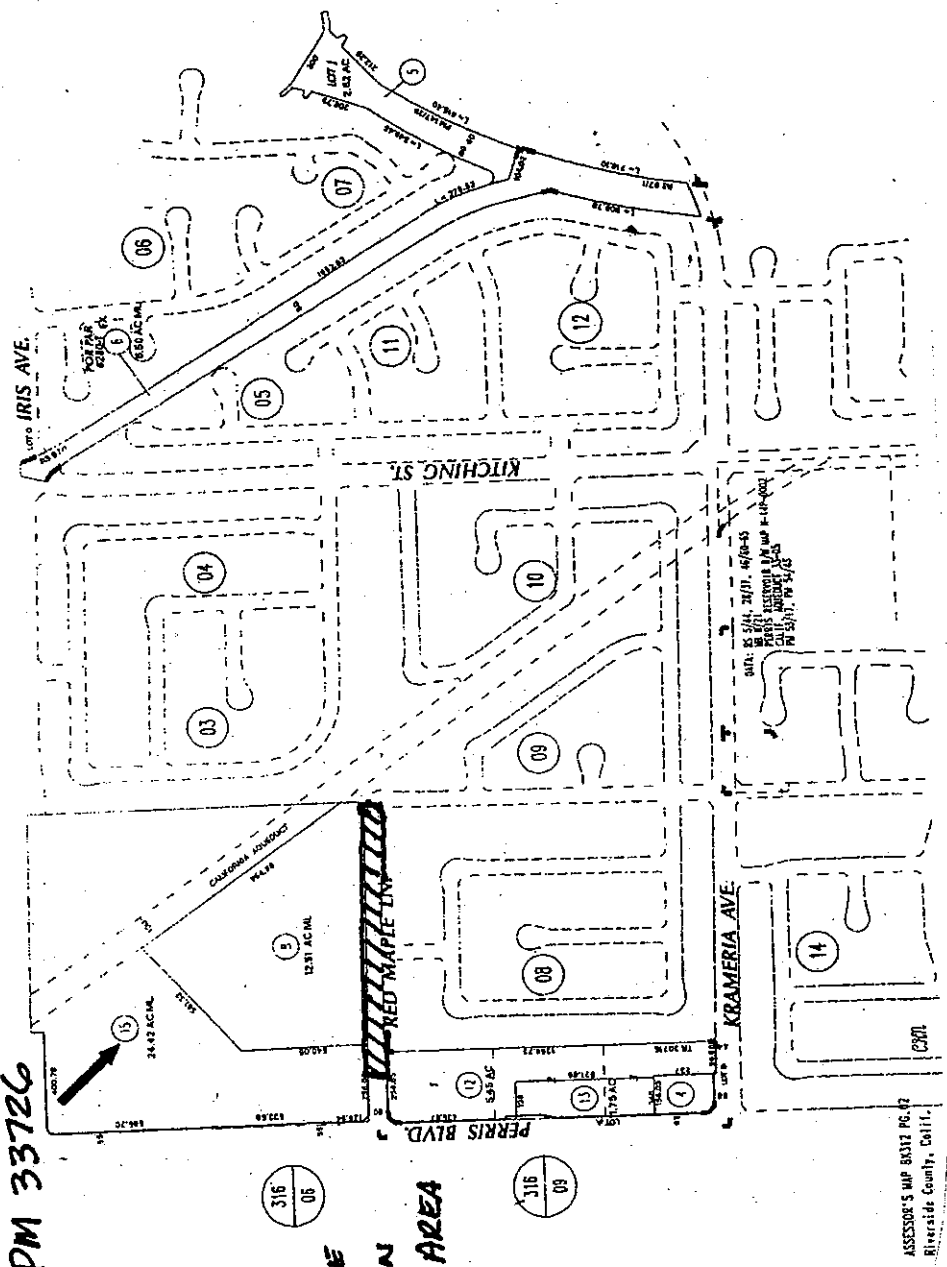
Prepared By  
Anitra N. Holt  
Management Analyst

Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred By  
Mark W. Sambito, P.E.  
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

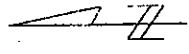
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PM 33726

316 08  
316 09

RED MAPLE LANE  
STORM DRAIN  
IMPROVEMENT AREA



ASSESSOR'S MAP 84312 PG. 42  
Riverside County, Calif.

CITY OF MORENO VALLEY  
PUBLIC WORKS - LAND DEVELOPMENT

PM 33726 STORM DRAIN  
VICINITY MAP

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RESOLUTION NO. 2010-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE ACCEPTANCE OF THE PUBLIC IMPROVEMENTS AS COMPLETE WITHIN PARCEL MAP 33726 - STORM DRAIN, AND ACCEPTING THE PORTION OF RED MAPLE LANE ASSOCIATED WITH THE PROJECT INTO THE CITY'S MAINTAINED STREET SYSTEM

WHEREAS, the City Engineer has determined that the public improvements constructed by Iris Partners, LLC, a California Limited Liability Company on the portion of Red Maple Lane associated with the project were constructed according to the approved plans on file with the City of Moreno Valley, and

WHEREAS, the City Engineer has determined that those improvements were inspected during construction and were completed in an acceptable manner, and

WHEREAS, the City Engineer has requested that the City Council authorize the acceptance of said public improvements as complete within Parcel Map 33726 - Storm Drain, and accept the portion of Red Maple Lane associated with the project into the City's maintained street system, and

WHEREAS, it is in accordance with Streets and Highway Code, Section 1806, (a) and (b), for City Council to perform this action by resolution,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Moreno Valley that the public improvements within Parcel Map 33726 - Storm Drain are complete, and the portion of Red Maple Lane associated with the project are accepted into the City's maintained street system.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

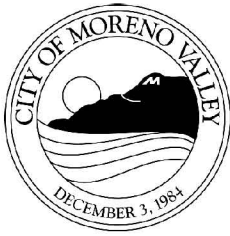
APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

EXHIBIT "B"  
RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>WVB</i>

## Report to City Council

---

**TO:** Mayor and City Council

**FROM:** Barry Foster, Economic Development Director

**AGENDA DATE:** June 8, 2010

**TITLE:** ANNUAL AGREEMENTS FOR SERVICES WITH THE CHAMBERS OF COMMERCE

---

### **RECOMMENDED ACTION**

Staff recommends that the City Council review and approve the annual Agreements for Services with two of the local chambers of commerce – the Moreno Valley Chamber of Commerce and the Moreno Valley Hispanic Chamber of Commerce.

### **BACKGROUND**

A chamber of commerce provides the important role of acting as a liaison between city government and the business community. A local chamber of commerce can help enhance a city's economic development efforts by actively working with the business community on a variety of retention and business support activities.

In Moreno Valley, there are three chambers of commerce – the Moreno Valley Chamber of Commerce (MVCC), the Moreno Valley Hispanic Chamber of Commerce (MVHCC), and the Moreno Valley Black Chamber of Commerce (MVBCC). City funding, through an annual Agreement of Services, has been provided in exchange for the chambers performing a variety of specified business outreach services and special programs that improve the overall business climate in Moreno Valley.

The MVCC started receiving annual funding of \$24,000 from the City in FY 1999/2000 (in the mid to late 1990's the MVCC worked with the City on a number of specific projects, but had not established annual funding arrangements). The MVHCC obtained \$6,000 in annual funding from the City starting in FY 2000/01. The difference in funding level between the two Chamber's was in recognition of the MVCC's larger membership and the many special programs the MVCC performed including being the liaison with March ARB, co-sponsoring the Leadership Moreno Valley program, preparing a City

Map, operating a City Visitor Information Center at the Moreno Valley Mall, and managing the Master Community Calendar of Events. In FY 2000/01, the City formalized its relationship with the MVCC and the MVHCC by entering into an annual contract – an Agreement for Services. This is a common practice for cities and chambers in California. In FY 2005/06, the City entered into an annual Agreement for Services with the MVBCC with an established funding amount of \$6,000.

## **DISCUSSION**

In FY 2009/10, the City of Moreno Valley provided the following financial contributions to the three Chambers of Commerce:

Chamber	Annual Contribution
Moreno Valley Chamber of Commerce	\$24,000 plus two complimentary 5-hour ballroom rentals.
Moreno Valley Black Chamber of Commerce	\$5,500 plus two complimentary 5-hour ballroom rentals.  (Please note the Moreno Valley Black Chamber Board of Directors voted to decline participation in the ERC program citing that their non-profit Foundation has a similar program staffed by their volunteers. They consented to deducting \$500.00 from their annual compensation.)
Moreno Valley Hispanic Chamber of Commerce	\$6,000 plus two complimentary 5-hour ballroom rentals.

Four years ago, the City increased overall funding to the three chambers by providing two complimentary uses of the Conference and Recreation Center (CRC) for programs. The use of the City facilities improves the quality of programs and enhances the marketing of the CRC.

Before moving forward with renewing contracts for FY 2010/11, the Economic Development Department staff met with executives from each of the respective Chambers to discuss their respective scopes of work and identify opportunities for the Chambers to further cooperate in working together to enhance business services and business opportunities in the community. Because of the challenging economic times, emphasis is being placed on the implementation of a “Shop Moreno Valley” program by the City, along with support by each Chamber. The proposed changes to the scopes of work for each chamber are similar (please refer to Exhibits A, B, and C for the full text of each chamber’s scope of work, including highlighted changes from FY 2009/10):

On May 27, 2010, City staff was informed that the Board of Directors of the Moreno Valley Black Chamber of Commerce (MVBCC) has decided not to pursue a renewal of its Agreement with the City for FY 2010/11. In taking this action, the MVBCC stated it will continue to help the City and the other two chambers with the Business Roundtable and Joint Mixers if it desires the MVBCC’s participation.



**ALTERNATIVES**

1. Approve the renewal of the Agreement for Services with the two chambers (MVCC and MVHCC) as proposed per the established funding levels.

Staff recommends this alternative because the renewal of the Agreements as proposed properly compensates each chamber commensurate with their respective proposed scopes of work.

2. Reject the renewal of the Agreements and direct staff to pursue changes to the Agreement for Services.

**FISCAL IMPACT**

As part of the FY 2010/11 Agreements for Services, City staff recommends adopting the following "Schedule of Compensation" for services rendered. This type of format clearly spells out the service delivery established through the contractual relationship between the City and the respective chambers of commerce. The funding source for these services will be from FY 2010/11 Budget, Account No. 010.21110.6255, Economic Development, Other Professional Services.

### Chambers of Commerce Compensation

<u>TYPE OF SERVICE</u>	<u>MVCC</u>	<u>MVHCC</u>
<input type="checkbox"/> Basic Business Support and Retention Services	\$8,000*	\$2,500
<input type="checkbox"/> Participation in 3 Mega Mixers/Business Roundtable Program	1,500	1,500
<input type="checkbox"/> Existing Expanded Program Items (March ARB liaison, Visitor Info Center, Leadership Moreno Valley, Map, and manage master Community Calendar)	12,500**	N/A
<input type="checkbox"/> Proposed Cooperative Programs (Shop Moreno Valley)	500	500
<b>Total</b>	<b>\$24,000</b>	<b>\$6,000</b>

*\*Note: MVCC's compensation is higher because of a larger membership base.*

*\*\*Note: MVCC performs a variety of other programs that benefit the business community and enhance the overall economic development efforts of the City.*

**CITY COUNCIL GOALS**

Positive Environment: Create a possible environment for the development of Moreno Valley’s future.

**SUMMARY**

The City contracts with the chambers of commerce for business support services. Through the Agreements for Services, the City shall compensate the Moreno Valley Chamber of Commerce and the Moreno Valley Hispanic Chamber of Commerce for a variety of specified services.

**ATTACHMENTS/EXHIBITS**

Exhibit A: Proposed Agreement and Scope of Services for the Moreno Valley Chamber of Commerce, including proposed FY 2009/10 to FY 2010/11 changes.

Exhibit B: Proposed Agreement and Scope of Services for the Moreno Valley Hispanic Chamber of Commerce, including proposed FY 2009/10 to FY 2010/11 changes.

Prepared By:  
Denise Bagley  
Management Analyst

Department Head Approval:  
Barry Foster  
Economic Development Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

**CITY OF MORENO VALLEY  
AGREEMENT FOR SERVICES**

This Agreement is made and entered into as of the 1st day of July ~~2009~~, 2010 by and between the CITY OF MORENO VALLEY, a municipal corporation of the State of California, hereinafter referred to as "the City", and MORENO VALLEY CHAMBER OF COMMERCE, hereinafter referred to as "the Chamber", and

WITNESSETH AS FOLLOWS:

1. RECITALS:
  - (a) The City desires to retain the Chamber on the basis set forth herein to perform the services described in Exhibit A attached hereto and hereby incorporated by reference.
  - (b) The Chamber is ready, willing, and able to supply such services; and
2. SCOPE OF SERVICES: Under the direction of the Economic Development Director, or other designee of the City Manager, the Chamber shall provide said services as more specifically described in Exhibit A attached hereto and incorporated herein by this reference. During the period of the Agreement, the City, through the Economic Development Director, may revise the scope of services by meeting and consulting with the Chamber.
3. CONDITIONS:
  - (a) Upon prior approval and request of the City Manager and his or her designee, the Chamber shall work during such hours as may be necessary to provide the approved and requested services. The Chamber may determine when such hours will be worked, and may vary such hours from time to time within the Chamber's sole discretion, provided that the goals and objectives of the City are not thereby impeded or disrupted.
  - (b) During the term of this Agreement, the Chamber shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of the Chamber's duties under this Agreement.
4. COMPENSATION: For services rendered pursuant to this Agreement, payment of grant monies shall be made quarterly in equal payments in advance of each calendar quarter to the Chamber for the services identified in Exhibit A, Scope of Services and initialed in Exhibit B, Menu of Services, not to exceed \$24,000 annually. Payment shall be made upon receipt of an invoice. Allowance shall also be provided to Chamber for the complimentary rental of the City of Moreno Valley Conference and Recreation Center Ballroom for the installation dinner and one additional event of the Chamber's choice, value not to exceed two five-hour events in FY ~~2009-10~~ 2010-11. The allowance will not eliminate Chamber's obligation to pay any deposits, cleaning fees, equipment rentals, etc. that may be required. The Chamber shall also receive a complimentary business license list each quarter.

Exhibit A

**AGREEMENT FOR SERVICES FY ~~2009-10~~ 2010/11**  
**Moreno Valley Chamber of Commerce**

- 5. TERMS OF AGREEMENT: This Agreement shall commence as of July 1, ~~2009-2010~~ and continue through June 30, ~~2010~~ 2011, unless terminated by either party as provided in Section 6 below. The term of this Agreement may be renegotiated upon mutual consent of the parties.
- 6. TERMINATION: This Agreement may be terminated at any time by either party hereto without fault on the part of the other party. Notice of termination shall be given in writing and may be delivered personally or by mail as follows:

**CITY**

**CHAMBER**

Economic Development Director  
 Economic Development Department  
 City of Moreno Valley  
 P. O. Box 88005  
 Moreno Valley, CA 92552-0805

~~Executive Director~~ President  
 Moreno Valley Chamber of Commerce  
~~22500 Town Circle, Suite 2090~~  
12625 Frederick Street, E-2  
 Moreno Valley, CA 92553

- 7. INDEPENDENT CONTRACTOR: It is understood and agreed that the Chamber and any subcontractors hired by the Chamber are, and at all times shall be, independent contractors and nothing contained herein shall be construed as making the Chamber or any individual whose compensation for services is paid by the Chamber, an agent or employee of the City, or authorizing the Chamber to create or assume any obligation or liability for or on behalf of the City.
- 8. ADMINISTRATION OF CONTRACT:
  - (a) City hereby appoints the Economic Development Department Director, or his or her designee, as the City representative in the administration of this Agreement.
  - (b) The Chamber hereby appoints the Chamber Executive Director as the Chamber's representative in the administration of this Agreement.
- 9. TIME: The Chamber shall devote such time to the performance of services pursuant to this Agreement as may be necessary for satisfactory and timely performance of the Chamber's obligations pursuant to this Agreement.
- 10. INDEMNIFICATION AND HOLD HARMLESS. The Chamber agrees to protect, defend, indemnify, and hold the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, the Moreno Valley Community Services District, and their employees, agents, officers, and volunteers free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character occurring or in any way in connection with or arising, directly

**AGREEMENT FOR SERVICES FY ~~2009-10~~ 2010/11**  
**Moreno Valley Chamber of Commerce**

or indirectly, out of this Agreement, including injury to the Chamber's employees and all claims which arise from or are connected with the negligent performance of or failure to perform the work or other obligations of this Agreement, or are caused or claim to be caused by the negligent acts of the Chamber, its agents or employees, and all expenses of investigating and defending against the same; provided, however, that this indemnification and hold harmless shall not include any claims arising from the sole negligence or willful misconduct of the City, the Community Redevelopment Agency of the City of Moreno Valley, the Moreno Valley Community Services District, their agents or employees.

11. INSURANCE:

Insurance Requirements. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

General Liability: The Chamber agrees to procure and maintain general liability insurance at its sole expense to protect against loss from liability imposed by law for damages on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Chamber or any person acting for the Chamber or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any persons caused directly or indirectly by or from acts or activities of the Chamber or any person acting for the Chamber or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence
Property Damage	\$ 500,000 per occurrence

A combined single limit for bodily injury and property damage liability of \$2,000,000 shall be considered equivalent to the above minimum limits. The amounts of such insurance shall not be deemed a limitation of the Chamber's agreement to save and hold the City harmless, and if the City becomes liable for an amount in excess of the insurance, the Chamber will save and hold the City harmless from the whole thereof. The coverage(s) provided pursuant to this Agreement shall be primary insurance and not contributory with any other insurance.

Workers' Compensation: The Chamber or any subcontractors hired by the Chamber shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Chamber and the City of

**AGREEMENT FOR SERVICES FY ~~2009-10~~ 2010/11**  
**Moreno Valley Chamber of Commerce**

Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Chamber or the Chamber's subcontractor in the course of carrying out the Agreement.

Evidence of Insurance: One or more Certificates of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City Risk Manager prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

"Solely as respect to work done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley ("RDA"), and the Moreno Valley Community Services District ("CSD"), their officers, employees, directors, agents, and volunteers are included as additional insured under this policy and the coverage(s) provided under this policy shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District, their officers, employees and agents, under any third party liability policy."

Notice to City, Insurance Coverage Change: The terms of the insurance policy or policies issued to provide the above insurance coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the said insurance is canceled, the Chamber shall, prior to the cancellation date, submit to the Risk Manager new evidence of insurance in the amounts established.

12. EQUAL EMPLOYMENT OPPORTUNITY: During the performance of this Agreement, the Chamber will not unlawfully discriminate against subcontractor, employee or applicant for employment because of race, color, age, religion, sex, national origin, or physical handicap. The Chamber will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, age, religion, sex, national origin, or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Chamber agrees to post in conspicuous

**AGREEMENT FOR SERVICES FY ~~2009-10~~ 2010/11**  
**Moreno Valley Chamber of Commerce**

places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause. The Chamber will, in all solicitations or advertisements for employees placed by or on behalf of the Chamber, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or physical handicap. The Chamber will cause the foregoing provisions to be inserted in all subcontractors for any work covered by this Agreement, provided that the foregoing provisions shall not apply to contract or subcontracts for standard commercial supplies or raw materials.

- 13. CHAMBER NOT AGENT: Except as City may specify in writing, the Chamber shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. The Chamber shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.
- 14. ASSIGNMENT PROHIBITED: No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.
- 15. ATTORNEY'S FEES: In the event that it becomes necessary for either party to this Agreement to bring a lawsuit or other litigation to enforce any of the provisions of this Agreement, a court of competent jurisdiction may determine and fix reasonable attorney's fees to be paid the prevailing party in the litigation. The venue of any such lawsuit or other litigation may, at the option of the City, be laid in Riverside County, California, and the parties waive any right to change of venue.

IN WITNESS WHEREOF, the City and the Chamber have caused this Agreement to be executed as of the day and date first above written.

CITY OF MORENO VALLEY

MORENO VALLEY  
CHAMBER OF COMMERCE

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

Attachments:

- Approved Certificate(s) of Liability Insurance with Additional Insured Endorsement for the period covered in this Agreement
- Approved Certificate of Workers' Compensation Insurance

**Exhibit A**  
**Moreno Valley Chamber of Commerce**  
**SCOPE OF SERVICES**  
**July ~~2009~~ 2010 to June ~~2010~~ 2011**

- Article 1 The Moreno Valley Chamber of Commerce (“Chamber”) will continue to sponsor and operate Wake-Up Moreno Valley.
- Article 2 The Chamber will assist the City in its relationship with March Air Reserve Base and keep the City informed of the activities of the Military Affairs Committee.
- Article 3 The Chamber will serve as an information source for businesses seeking opportunities in Moreno Valley, as well as functioning as a visitor and information center.
- Article 4 Chamber will provide a personal welcome to new businesses and offer assistance in contacting governmental agencies.
- Article 5 Chamber will assist the City Economic Development staff in business retention and small business legislative support; including active participation and coordination of the Business Roundtable, Leadership Moreno Valley, and the Economic Development Department Business Visitation Programs.
- Article 6 Chamber will create and maintain a master community calendar as part of their Special Events function and keep the City advised on a monthly basis. Included with this calendar will be the specific events and activities of the other local Chambers of Commerce.
- Article 7 The Chamber will maintain their ongoing committees and the services provided through those committees.
- Article 8 Chamber will continue to provide maps of the city, including any updating as necessary.
- ~~Article 9 Chamber will provide City a complete roster of dues paying members including names and addresses annually.~~
- ~~Article 10 Chamber will have a membership performance goal of increasing membership by 10% in one year.~~
- The City encourages the three chambers to work in a cooperative manner on a variety of programs aimed at enhancing the business climate in Moreno Valley including the following ~~new~~ activities:
- Article 11 Chamber shall cooperate with the Moreno Valley Hispanic and Moreno Valley Black Chambers of Commerce to conduct three Mega Mixers annually. The City shall fund one of the three annual Mega Mixers.



**AGREEMENT FOR SERVICES FY ~~2009-10~~ 2010/11**  
**Moreno Valley Chamber of Commerce**

- Article 12 Chamber will increase responsibility and accountability for participation in conducting the Business Roundtable program, including participating in bi-monthly meetings to strategize on invitees for Business Roundtable events.
- ~~Article 13 Chamber shall participate with the Moreno Valley Hispanic Chamber of Commerce in a cooperative annual Business Expo/Job Fair/Small Business Administration (SBA) event. The City shall coordinate the event and host it at the Conference and Recreation Center. (CRC Ballroom will be provided at no cost to the Chamber.)~~
- ~~Article 14 Chamber shall cooperate with the City in the promotion and operation of an Employment Resource Center including promotion to the community and providing volunteers to assist with facility staffing.~~
- Article 15 Chamber shall assist the City in promoting the importance of shopping local businesses to residents through a "Shop Moreno Valley Program". The Chamber may develop and tailor their specific program for implementation utilizing the art work provided by the City.
- Article 16 Chamber shall designate the City as a major sponsor and/or corporate sponsor with recognition on all sponsor literature and publications.
- Article 17 Chamber shall grant the City one position on the Board of Directors or the Corporate board. Any fees related to the designation of these positions are to be included as part of the City's financial commitment.

**AGREEMENT FOR SERVICES FY ~~2009-10~~ 2010/11**  
**Moreno Valley Chamber of Commerce**

**Exhibit B**  
**Moreno Valley Chamber of Commerce**  
**MENU OF SERVICES**  
**July ~~2009~~ 2010 to June ~~2010~~ 2011**

<u><b>TYPE OF SERVICE</b></u>	<u><b>Compensation</b></u>
<input type="checkbox"/> Basic Business Support and Retention Services	\$ 8,000
<input type="checkbox"/> Participation in 3 Mega Mixers/Business Roundtable Program	1,500
<input type="checkbox"/> Existing Expanded Program Items (March ARB liaison, Visitor Info Center, Leadership Moreno Valley, Map, and manage a Master Community Calendar)	12,500
<input checked="" type="checkbox"/> <del>Business Expo/Loan Fair</del>	1,000
<input type="checkbox"/> Proposed Cooperative Programs: Shop Moreno Valley Campaign <del>Employment Resource Center</del>	<u>2,000</u> 500
<b>Total</b>	<b>\$ 24,000</b>

PRODUCER  
 CS&S/ASSOCIATED PRODUCERS INSURANCE  
 PO BOX 946580  
 Maitland, FL 32794-6580  
 1-877-724-2669

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED  
 MORENO VALLEY CHAMBER OF COMMERCE  
 12625 Frederick Street, Ste E-3  
 Moreno Valley, CA 92553

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	American Casualty Co of Reading, PA	20427 A(S)(CA)
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	2091080061 ✓	12/22/09	12/22/10	EACH OCCURRENCE	\$ 1,000,000 ✓
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (If an occurrence)	\$ 300,000 ✓
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 10,000 ✓
		GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY	\$ 1,000,000 ✓
		<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC				GENERAL AGGREGATE	\$ 2,000,000 ✓
						PRODUCTS - COMP/OP AGG	\$ 2,000,000 ✓
		AUTOMOBILE LIABILITY	<b>RISK MANAGEMENT Approved</b> <i>m. Alom 11-23-09</i>			COMBINED SINGLE LIMIT (Ea accident)	\$
		<input type="checkbox"/> ANY AUTO		BODILY INJURY (Per person)	\$		
		<input type="checkbox"/> ALL OWNED AUTOS		BODILY INJURY (Per accident)	\$		
		<input type="checkbox"/> SCHEDULED AUTOS		PROPERTY DAMAGE (Per accident)	\$		
		<input type="checkbox"/> HIRED AUTOS				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> NON-OWNED AUTOS				OTHER THAN EA ACC AGG	\$
		GARAGE LIABILITY					\$
		<input type="checkbox"/> ANY AUTO					\$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	\$
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$
		<input type="checkbox"/> DEDUCTIBLE					\$
		RETENTION \$					\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS	OTHER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
		OTHER				WC STATUTORY LIMITS	OTHER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate Holder is named as Owner/Lessee/Contractor (A)

**CERTIFICATE HOLDER**

The City of Moreno Valley; Moreno Valley Community(See Endt)  
 14177 FREDERICK STREET  
 MORENO VALLEY, CA 92552

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*Deniz G. Gubal*

## IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

CNA Small Business Service Center  
PO Box 946580  
Maitland, FL 32794-6580

000008



The City of Moreno Valley; Moreno Valley  
Community(See Endt)  
14177 FREDERICK STREET  
MORENO VALLEY, CA 92552



00003000000000000000000111090307

SB-300120-A  
(Ed. 01/06)



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS LIABILITY COVERAGE FORM**

**SCHEDULE\***

<p><b>Name Of Person Or Organization: EFFECTIVE 12/22/2009 TO 12/22/2010 CNP 2091080061</b></p> <p><b>THE CITY OF MORENO VALLEY</b></p> <p><b>MORENO VALLEY COMMUNITY SERVICES DISTRICT</b></p> <p><b>REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY</b></p> <p><b>14177 FREDERICK STREET, MORENO VALLEY, CA 92552</b></p>
<p>* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations</p>

The following is added to Paragraph C. **Who Is An Insured:**

- 4. Any person or organization shown in the Schedule is also an insured, but only with respect to liability arising out of your ongoing operations performed for that insured.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS**

This endorsement modifies insurance provided under the following:

Effective: 12/22/08 to 12/22/09

Moreno Valley Chamber of Commerce - Pol # 2091080061 ✓

**BUSINESSOWNERS LIABILITY COVERAGE FORM**

**SCHEDULE\***

**Name Of Person Or Organization:**

City of Moreno Valley ✓  
Moreno Valley Community Services District, ✓  
Redevelopment Agency of the City of Moreno Valley ✓  
14177 Frederick St., Moreno Valley, CA 92552

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

The following is added to Paragraph C. Who Is An Insured:

- 4. Any person or organization shown in the Schedule is also an insured, but only with respect to liability arising out of your ongoing operations performed for that insured.

**STATE  
COMPENSATION  
INSURANCE  
FUND**

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

**CERTIFICATE OF WORKERS' COMPENSATION INSURANCE**

NR-5 (CA)  
ISSUE DATE: 09-01-2009

GROUP:  
POLICY NUMBER: 1344343-2009  
CERTIFICATE ID: 6  
CERTIFICATE EXPIRES: 05-01-2010  
05-01-2009/05-01-2010/

CITY OF MORENO VALLEY  
P.O. BOX 88005, 14177 FREDERICK STRE  
MORENO VALLEY CA 92552-0805

SK

This is to certify that we have issued a valid Workers' Compensation Insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 30 days advance written notice to the employer.

We will also give you 30 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.

*James Neary*  
AUTHORIZED REPRESENTATIVE

*Janet Frank*  
PRESIDENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #2066 ENTITLED CERTIFICATE HOLDERS' NOTICE EFFECTIVE 05-01-2004 IS ATTACHED TO AND FORMS A PART OF THIS POLICY.

**RISK MANAGEMENT**  
Approved

*M. Aloys* 5-5-09  
By Date

EMPLOYER

MORENO VALLEY CHAMBER OF COMMERCE, A  
NON-PROFIT CORP.  
22500 TOWN CIR STE 2080  
MORENO VALLEY CA 92553

SK

PRINTED : 04-17-2009

M0409



**CITY OF MORENO VALLEY  
AGREEMENT FOR SERVICES**

This Agreement is made and entered into as of the 1st day of July ~~2009~~ 2010, by and between the CITY OF MORENO VALLEY, a municipal corporation of the State of California, hereinafter referred to as "the City", and MORENO VALLEY HISPANIC CHAMBER OF COMMERCE, hereinafter referred to as "the Chamber", and

WITNESSETH AS FOLLOWS:

1. RECITALS:
  - (a) The City desires to retain the Chamber on the basis set forth herein to perform the services described in Exhibit A attached hereto and hereby incorporated by reference.
  - (b) The Chamber is ready, willing, and able to supply such services; and
2. SCOPE OF SERVICES: Under the direction of the Economic Development Director, or other designee of the City Manager, the Chamber shall provide said services as more specifically described in Exhibit A attached hereto and incorporated herein by this reference. During the period of the Agreement, the City, through the Economic Development Director, may revise the scope of services by meeting and consulting with the Chamber.
3. CONDITIONS:
  - (a) Upon prior approval and request of the City Manager and his or her designee, the Chamber shall work during such hours as may be necessary to provide the approved and requested services. The Chamber may determine when such hours will be worked, and may vary such hours from time to time within the Chamber's sole discretion, provided that the goals and objectives of the City are not thereby impeded or disrupted.
  - (b) During the term of this Agreement, the Chamber shall not engage in any business or transaction or maintain a financial interest which conflicts, or reasonably might be expected to conflict, with the proper discharge of the Chamber's duties under this Agreement.
4. COMPENSATION: For services rendered pursuant to this Agreement, payment of grant monies shall be made quarterly in equal payments to the Chamber for the services identified in Exhibit A, Scope of Services and initialed in Exhibit B, Menu of Services, not to exceed \$6,000 annually. Payment shall be made upon receipt of an invoice. Allowance shall also be provided to Chamber for the complimentary rental of the City of Moreno Valley Conference and Recreation Center Ballroom for the installation dinner and one additional event of the Chamber's choice, value not to exceed two five-hour events in ~~FY 2009/10~~ FY 2010/2011. The allowance will not eliminate Chamber's obligation to pay any deposits, cleaning fees, equipment rentals, etc. that may be required. The Chamber shall also receive a complimentary business license list each quarter.

Exhibit B

**AGREEMENT FOR SERVICES FY ~~09/10~~ 2010/11**  
**Moreno Valley Hispanic Chamber of Commerce**

5. TERMS OF AGREEMENT: This Agreement shall commence as of July 1, ~~2009~~ 2010 and continue through June 30, ~~2010~~ 2011, unless terminated by either party as provided in Section 6 below. The term of this Agreement may be renegotiated upon mutual consent of the parties.
6. TERMINATION: This Agreement may be terminated at any time by either party hereto without fault on the part of the other party. Notice of termination shall be given in writing and may be delivered personally or by mail as follows:

<b>CITY</b>	<b>CHAMBER</b>
Economic Development Director Economic Development Department City of Moreno Valley P. O. Box 88005 Moreno Valley, CA 92552-0805	President, Moreno Valley Hispanic Chamber of Commerce P.O. Box 246 Moreno Valley, CA 92556

7. INDEPENDENT CONTRACTOR: It is understood and agreed that the Chamber and any subcontractors hired by the Chamber are, and at all times shall be, independent contractors and nothing contained herein shall be construed as making the Chamber or any individual whose compensation for services is paid by the Chamber, an agent or employee of the City, or authorizing the Chamber to create or assume any obligation or liability for or on behalf of the City.
8. ADMINISTRATION OF CONTRACT:
- (a) City hereby appoints the Economic Development Department Director, or his or her designee, as the City representative in the administration of this Agreement.
- (b) The Chamber hereby appoints the Chamber President as the Chamber's representative in the administration of this Agreement.
9. TIME: The Chamber shall devote such time to the performance of services pursuant to this Agreement as may be necessary for satisfactory and timely performance of the Chamber's obligations pursuant to this Agreement.
10. INDEMNIFICATION AND HOLD HARMLESS. The Chamber agrees to protect, defend, indemnify, and hold the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, the Moreno Valley Community Services District, and their employees, agents, officers, and volunteers free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character occurring or in any way in connection with or arising, directly or indirectly, out of this Agreement, including injury to the Chamber's employees and all claims which arise from or are connected with the negligent performance of or failure to perform the work or other obligations of this Agreement, or are caused or claim to be caused by the negligent acts of the Chamber, its agents or employees,

**AGREEMENT FOR SERVICES FY ~~09/10~~ 2010/11**  
**Moreno Valley Hispanic Chamber of Commerce**

and all expenses of investigating and defending against the same; provided, however, that this indemnification and hold harmless shall not include any claims arising from the sole negligence or willful misconduct of the City, the Community Redevelopment Agency of the City of Moreno Valley, the Moreno Valley Community Services District, their agents or employees.

11. INSURANCE:

Insurance Requirements. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best’s Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

General Liability: The Chamber agrees to procure and maintain general liability insurance at its sole expense to protect against loss from liability imposed by law for damages on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Chamber or any person acting for the Chamber or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any persons caused directly or indirectly by or from acts or activities of the Chamber or any person acting for the Chamber or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence
Property Damage	\$ 500,000 per occurrence

A combined single limit for bodily injury and property damage liability of \$2,000,000 shall be considered equivalent to the above minimum limits. The amounts of such insurance shall not be deemed a limitation of the Chamber's agreement to save and hold the City harmless, and if the City becomes liable for an amount in excess of the insurance, the Chamber will save and hold the City harmless from the whole thereof.

The coverage(s) provided pursuant to this Agreement shall be primary insurance and not contributory with any other insurance.

Workers' Compensation: The Chamber or any subcontractors hired by the Chamber shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Chamber and the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Chamber or the Chamber's subcontractor in the course of carrying out the Agreement.

Evidence of Insurance: One or more Certificates of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage

**AGREEMENT FOR SERVICES FY ~~09/10~~ 2010/11**  
**Moreno Valley Hispanic Chamber of Commerce**

shall be submitted to the City Risk Manager prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

"Solely as respect to work done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley ("RDA"), and the Moreno Valley Community Services District ("CSD"), their officers, employees, directors, agents, and volunteers are included as additional insured under this policy and the coverage(s) provided under this policy shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District, their officers, employees and agents, under any third party liability policy."

Notice to City, Insurance Coverage Change: The terms of the insurance policy or policies issued to provide the above insurance coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the said insurance is canceled, the Chamber shall, prior to the cancellation date, submit to the Risk Manager new evidence of insurance in the amounts established.

12. EQUAL EMPLOYMENT OPPORTUNITY: During the performance of this Agreement, the Chamber will not unlawfully discriminate against subcontractor, employee or applicant for employment because of race, color, age, religion, sex, national origin, or physical handicap. The Chamber will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, age, religion, sex, national origin, or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Chamber agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause. The Chamber will, in all solicitations or advertisements for employees placed by or on behalf of the Chamber, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or physical handicap. The Chamber will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to contract or subcontracts for standard commercial supplies or raw materials.
13. CHAMBER NOT AGENT: Except as City may specify in writing, the Chamber shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. The Chamber shall have no authority, express or implied,

**AGREEMENT FOR SERVICES FY ~~09/10~~ 2010/11**  
**Moreno Valley Hispanic Chamber of Commerce**

pursuant to this Agreement to bind City to any obligation whatsoever.

- 14. ASSIGNMENT PROHIBITED: No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.
- 15. ATTORNEY'S FEES: In the event that it becomes necessary for either party to this Agreement to bring a lawsuit or other litigation to enforce any of the provisions of this Agreement, a court of competent jurisdiction may determine and fix reasonable attorney's fees to be paid the prevailing party in the litigation. The venue of any such lawsuit or other litigation may, at the option of the City, be laid in Riverside County, California, and the parties waive any right to change of venue.

IN WITNESS WHEREOF, the City and the Chamber have caused this Agreement to be executed as of the day and date first above written.

CITY OF MORENO VALLEY

MORENO VALLEY HISPANIC  
CHAMBER OF COMMERCE

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

Attachments:

Approved Certificate(s) of Liability Insurance with Additional Insured Endorsement for the period covered in this Agreement

Approved Certificate of Workers' Compensation Insurance

**Moreno Valley Hispanic Chamber of Commerce**  
**SCOPE OF SERVICES**  
**July ~~2009~~ 2010 to June ~~2010~~ 2011**

Article 1: The Moreno Valley Hispanic Chamber of Commerce ("Chamber") will provide participation / sponsorship in the following committees, services, and/or events:

1. ~~Maintain the Chamber Membership Committee.~~
2. Conduct the Cinco de Mayo Fiesta.
3. Participate in the City's Fourth of July Parade/Celebration.
4. Celebrate Hispanic Heritage Month - September.
5. Participate in and support the Sister City Program with San Juan de Los Lagos.
6. Sponsor and operate monthly Adelante! Moreno Valley events and Chamber mixers to support Moreno Valley businesses.
7. Conduct an annual Installation Dinner and Recognition of the outstanding member Business of the Year.
8. Cooperate with the Moreno Valley Chamber of Commerce in their production of a master community calendar by providing logistical information about the Moreno Valley Hispanic Chamber of Commerce's specific events and activities by the 10<sup>th</sup> day of each month.
9. Support the City of Moreno Valley through operation of the Se Habla Español program, which promotes Moreno Valley's businesses to Spanish-speaking residents.
10. Facilitate Communication between Hispanic Business Owners and the City.
11. ~~Facilitate communication between the Hispanic community and the two school districts.~~ Award an annual college scholarship to a Moreno Valley student(s).
12. ~~Partner with Small Business Administration and other governmental agencies that provide business seminars for Hispanic businesses.~~
13. Continue to operate as point of contact for businesses seeking relocation to Moreno Valley.
14. Assist the City Economic Development staff with business retention and small business legislative support; including active participation and coordination of the Business Roundtable, and the Economic Development Department's Business Visitation Program.

The City encourages the three chambers to work in a cooperative manner on a variety of programs aimed at enhancing the business climate in Moreno Valley including the following ~~new~~ activities:

Article 2 Chamber shall cooperate with the Moreno Valley and Moreno Valley Black Chambers of Commerce to conduct three Mega Mixers annually. The City shall fund one annual Mega Mixer.

Article 3 Chamber will increase responsibility and accountability for participation in conducting the Business Roundtable program, including participating in monthly meetings to strategize on invitees for Business Roundtable events.

**AGREEMENT FOR SERVICES FY ~~09/10~~ 2010/11**  
**Moreno Valley Hispanic Chamber of Commerce**

Article 4 ~~Chamber shall participate with the Moreno Valley Chamber of Commerce in a cooperative annual Business Expo/Job Fair/Small Business Administration (SBA) event. The City shall coordinate the event and host it at the Conference and Recreation Center. (CRC Ballroom will be provided at no cost to the Chamber.)~~

Article 5 ~~Chamber shall cooperate with the City in the promotion and operation of an Employment Resource Center including promotion to the community and providing volunteers to assist with facility staffing.~~

Article 6 Chamber shall assist the City in promoting the importance of shopping local businesses to residents through a "Shop Moreno Valley Program". The Chamber may develop and tailor their specific program for implementation utilizing the art work provided by the City.

Article 7 Chamber shall designate the City as a major sponsor and/or corporate sponsor with recognition on all sponsor literature and publications.

Article 8 Chamber shall grant the City one position on the Board of Directors or the Corporate board. Any fees related to the designation of these positions are to be included as part of the City's financial commitment.

**AGREEMENT FOR SERVICES FY ~~09/10~~ 2010/11**  
**Moreno Valley Hispanic Chamber of Commerce**

**Exhibit B**  
**Moreno Valley Hispanic Chamber of Commerce**  
**MENU OF SERVICES**  
**July 2009 2010 to June 2010 2011**

<u>TYPE OF SERVICE</u>	<u>Compensation</u>
<input type="checkbox"/> Basic Business Support and Retention Services	\$ 2,500
<input type="checkbox"/> Participation in 3 Mega Mixers/Business Roundtable Program	1,500
<input checked="" type="checkbox"/> <del>Business Expo/Loan Fair</del>	<del>1,000</del>
<input type="checkbox"/> Proposed Cooperative Program: Shop Moreno Valley Program	500 <u>2,000</u>
<u>Workforce Development Employment Center</u>	<u>500</u>
<b>Total</b>	<b>\$ 6,000</b>



<h2 style="margin: 0;">CERTIFICATE OF LIABILITY INSURANCE</h2>	DATE (MM/DD/YYYY) 03/15/2010												
PRODUCER MARSHALL C. SCOTT STATE FARM INSURANCE 23020 ATLANTIC CIRCLE MORENO VALLEY, CA 92553	THIS CERTIFICATE IS ISSUED AS MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED THE MORENO VALLEY HISPANIC CHAMBER OF COMMERCE P.O. BOX 246 MORENO VALLEY, CA 92556-0246	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:80%;">INSURERS AFFORDING COVERAGE</th> <th style="width:20%;">NAIC #</th> </tr> <tr> <td>INSURER A:</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A:		INSURER B:		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC #												
INSURER A:													
INSURER B:													
INSURER C:													
INSURER D:													
INSURER E:													

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADDL INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GENL AGGREGATE LIMIT APPLS PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	92-XC-2752-9	12/14/2009	12/14/2010	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMPROP AGG \$ 4,000,000	
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (EA accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$	
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$	<b>RISK MANAGEMENT Approved</b>  <i>M. Alvarez</i> By _____ Date _____				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$	
		OTHER					

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
 LOCATION OF OPERATION: 23020 ATLANTIC CIRCLE, MORENO VALLEY, CA 92553, DEDUCTIBLE: \$500  
 DESCRIPTION OF OPERATIONS: MONTHLY BOARD OF DIRECTORS MEETING AND ALL OTHER MVHCC ACTIVITIES HELD AT RIVERSIDE COUNTY REGIONAL MEDICAL CENTER  
 ADDL INSURED: THE COUNTY OF RIVERSIDE, ITS AGENCIES, DISTRICTS, SPECIAL DISTRICTS, AND DEPARTMENTS, THEIR RESPECTIVE DIRECTORS, OFFICERS, BOARD OF SUPERVISORS, EMPLOYEES, ELECTED OR APPOINTED OFFICIALS, AGENTS OR REPRESENTATIVES, 26520 CACTUS AVE., MORENO VALLEY, CA 92555

<b>CERTIFICATE HOLDER</b> ADDL INSURED: The Community Redevelopment Agency of the City of Moreno Valley Services District 14075 Frederick st Moreno Valley Ca 92553	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
---	---

FE-6494  
(5/91)

**ADDITIONAL INSURED ENDORSEMENT  
Managers or Lessors of Premises**

**Policy No.:** 92-XC-2752-9

**Named Insured:**  
THE MORENO VALLEY HISPANIC  
CHAMBER OF COMMERCE  
PO BOX 246  
MORENO VALLEY CA 92556-0246



**Name of Person or Organization:**  
CITY OF MORENO VALLEY, MORENO  
VALLEY COMMUNITY SERVICE  
DISTRICT COMM DEVELOPMENT  
AGENCY OF MORENO VALLEY  
PO BOX 88005  
MORENO VALLEY CA 92552-0805

**RISK MANAGEMENT  
Approved**

**Designation of Premises:**  
23020 ATLANTIC CIR, MORENO VALLEY CA 92553-5911

*M. Kelly* 5-10-10  
By Date

**WHO IS AN INSURED**, under SECTION II DESIGNATION OF INSURED, is amended to include as an insured the person or organization shown above, but only with respect to their liability arising out of the ownership, maintenance or use of the premises leased to you and designated above.

This insurance does not apply to:

1. any occurrence which takes place after you cease to be a tenant in that premises; or
2. structural alterations, new construction or demolition operations performed by or on behalf of the person or organization shown above.

FE-6494  
(5/91)

FE-6494  
(5/91)

**ADDITIONAL INSURED ENDORSEMENT  
Managers or Lessors of Premises**



**Policy No.:** 92-XC-2752-9

**Named Insured:**  
THE MORENO VALLEY HISPANIC  
CHAMBER OF COMMERCE  
PO BOX 246  
MORENO VALLEY CA 92556-0246

**Name of Person or Organization:**  
CITY OF MORENO VALLEY, MORENO  
VALLEY COMMUNITY SERVICE  
DISTRICT COMM REDEVELOPMENT  
AGENCY OF MORENO VALLEY  
PO BOX 88005  
MORENO VALLEY CA 92552-0805

**RISK MANAGEMENT  
Approved**

**Designation of Premises:**  
23020 ATLANTIC CIR, MORENO VALLEY CA 92553-5911

M. W. Woy 5-10-10  
By Date

**WHO IS AN INSURED,** under SECTION II DESIGNATION OF INSURED, is amended to include as an insured the person or organization shown above, but only with respect to their liability arising out of the ownership, maintenance or use of the premises leased to you and designated above.

This insurance does not apply to:

1. any occurrence which takes place after you cease to be a tenant in that premises; or
2. structural alterations, new construction or demolition operations performed by or on behalf of the person or organization shown above.

FE-6494  
(5/91)

FE-6320  
(7/88)

**ADDITIONAL INSURED ENDORSEMENT  
DESIGNATED PREMISES ONLY**



Policy No.: 92-XC-2752-9

**Named Insured:**  
THE MORENO VALLEY HISPANIC  
CHAMBER OF COMMERCE  
PO BOX 246  
MORENO VALLEY CA 92556-0246

**Name of Additional Insured:**  
THE COMMUNITY REDEVELOPMENT  
AGENCY OF THE CITY OF MORENO  
SERVICES DISTRICT  
14075 FREDERICK ST  
MORENO VALLEY CA 92553-9057

**Address of Additional Insured:**

**Interest of Additional Insured:**  
SPECIAL EVENT

**RISK MANAGEMENT  
Approved**

**Location of Premises:**

23020 ATLANTIC CIR MORENO VALLEY CA

*M. Alonzo* 5/10/10  
By Date

The word "insured", wherever used in this policy, also includes the designated person or organization named above as Additional Insured under the provisions of the policy Sections shown below as applicable by an "X" to the extent indicated.

- SECTION I. This applies only to **COVERAGE A - BUILDINGS.**
- SECTION I. This applies only to **COVERAGE B - BUSINESS PERSONAL PROPERTY.**

Description of Property

- SECTION II. This applies only to **COVERAGE L - BUSINESS LIABILITY** and **COVERAGE M - MEDICAL PAYMENTS** and then only with respect to the ownership, maintenance or use of the premises designated above and operations necessary or incidental thereto. These SECTION II coverages do not apply to:
  1. structural alterations or new construction performed by or on behalf of the designated person or organization;
  2. personal injury caused by the designated person or organization;
  3. liability the designated person or organization assumed under a contract; or
  4. ~~products-completed operations hazard~~ arising out of goods or inventory which are not sold or distributed by you or arising out of the manufacturing or packaging of such goods or inventory.

All other provisions of the policy apply.

FE-6320  
(7/88)

FE-6320  
(7/88)

**ADDITIONAL INSURED ENDORSEMENT  
DESIGNATED PREMISES ONLY**



**Policy No.:** 92-XC-2752-9

**Named Insured:**  
THE MORENO VALLEY HISPANIC  
CHAMBER OF COMMERCE  
PO BOX 246  
MORENO VALLEY CA 92556-0246

**Name of Additional Insured:**  
THE COMMUNITY REDEVELOPMENT  
AGENCY OF THE CITY OF MORENO  
SERVICES DISTRICT  
14075 FREDERICK ST  
MORENO VALLEY CA 92553-9057

**Address of Additional Insured:**

**Interest of Additional Insured:**  
SPECIAL EVENT

**RISK MANAGEMENT  
Approved**

**Location of Premises:**

23020 ATLANTIC CIR MORENO VALLEY CA

*M. Alford* 5-10-10  
By Date

The word "insured", wherever used in this policy, also includes the designated person or organization named above as Additional Insured under the provisions of the policy Sections shown below as applicable by an "X" to the extent indicated.

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- SECTION I. This applies only to **COVERAGE B - BUSINESS PERSONAL PROPERTY.**

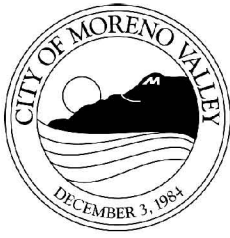
Description of Property

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  1. structural alterations or new construction performed by or on behalf of the designated person or organization;
  2. personal injury caused by the designated person or organization;
  3. liability the designated person or organization assumed under a contract; or
  4. ~~products-completed operations hazard~~ arising out of goods or inventory which are not sold or distributed by you or arising out of the manufacturing or packaging of such goods or inventory.

All other provisions of the policy apply.

FE-6320  
(7/88)

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>W/S</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E. Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVE AND ADOPT THE PROPOSED RESOLUTION TO AUTHORIZE THE EXECUTION OF PROGRAM SUPPLEMENTAL AGREEMENT NO. 025-N TO ADMINISTERING AGENCY-STATE AGREEMENT NO. 08-5441R FOR FEDERAL-AID PROJECT NO. HSIPL 5441 (046), HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP)

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### **RECOMMENDED ACTION**

Staff recommends that the City Council:

1. Approve and adopt Resolution No. 48, and authorize the execution of Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement Program (HSIP).
2. Authorize the Public Works Director/City Engineer to execute Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement Program (HSIP).

### **BACKGROUND**

In 2008, the Transportation Engineering Division successfully applied for HSIP funds to retrofit 117 signalized intersections with Emergency Vehicle Pre-emption (EVP) equipment. This equipment allows fire trucks, police vehicles, and ambulances to pre-empt traffic signals to turn green for them as they approach, allowing for faster and safer response to incidents.

On August 26, 2008, Caltrans District 8 announced the release of the HSIP (cycle 2) list of approved projects for FFY 2007/08 and 2008/2009. The list contained 173 projects totaling more than \$67 million of federal safety funds. The list was waiting to be programmed into the Federal Transportation Improvement Program (FTIP)

On February 10, 2009, the City received notification from Southern California Association of Government (SCAG) that the above HSIP (cycle 2) list of approved projects for FY 2007/08 and 2008/2009 were programmed in the FTIP.

The approved Emergency Vehicle Pre-emption (EVP) equipment project is for \$1,000,000 and requires local match funding of 10%. This includes the total estimated cost of preliminary engineering and construction.

On April 13, 2010, the City received authorization from the Department of Transportation to proceed with the preliminary engineering for the project.

## **DISCUSSION**

One aspect of the HSIP program is to assist local agencies with providing safer routes for emergency vehicles traveling through signalized intersections. Emergency vehicle pre-emption systems aid public safety by: 1) Reducing the need for emergency vehicles to run red lights when responding to emergencies; 2) Stopping traffic in conflicting directions while allowing traffic to proceed in the same direction, thereby clearing a path for the emergency vehicle; and 3) Reducing response time to incidents. Studies have shown potential reduction in response times in the range of 14% to 23%.

To receive \$18,900 in federal reimbursement for preliminary engineering, the Program Supplement Agreement must be fully executed and have an authorizing resolution that clearly identifies the project and the Official authorized to execute the agreement.

## **ALTERNATIVES**

1. Approve and adopt the proposed Resolution, and authorize the execution of Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement program (HSIP), and authorize the Public Works Director/City Engineer to execute Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement program (HSIP). *This alternative will allow the City to receive the Highway Safety Improvement Program reimbursement for the project preliminary engineering.*
2. Do not approve and adopt the proposed Resolution, and authorize the execution of Program Supplement Agreement No. 025-N to Administering Agency-State



Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement program (HSIP), and do not authorize the Public Works Director/City Engineer to execute Program Supplement Agreement No. 025-N to Administering Agency-State Agreement No. 08-5441R for Federal-Aid Projects No. HSIPL 5441 (046), Highway Safety Improvement program (HSIP). *This alternative will prohibit the City from receiving any Highway Safety Improvement Program reimbursement.*

**FISCAL IMPACT**

Program Supplement Agreement No. 025-N, to the Administering Agency-State Agreement for the preliminary engineering for Emergency Vehicle Pre-emption (EVP) equipment, will provide for reimbursement of up to \$18,900 in federal funds. The program requires local match funding of 10%. The total cost of preliminary engineering is estimated at \$21,000. Local matching funds for this grant are included in the Public Works CIP budget for FY 09/10.

The City will be required to use its own funds to complete this project and then receive progress reimbursement during each phase of the project. The City will use Development Impact Fee (DIF) Account No. 417.79129 funds for the project. This is approved funding for FY 09/10. The funding for this project is restricted for transportation projects and cannot be utilized for other activities. **There is no impact to the General Fund.**

**ANTICIPATED PROJECT SCHEDULE:**

Prepare Required Documents for Preliminary Engineering .....August 2010  
Design completion .....September 2010

**CITY COUNCIL GOALS**

**REVENUE DIVERSIFICATION AND PRESERVATION:**

Develop a variety of city revenue sources and policies to create a stable revenue base and fiscal policies to support essential city services, regardless of economic climate.

**PUBLIC SAFETY:**

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

**PUBLIC FACILITIES AND CAPITAL PROJECTS:**

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

**NOTIFICATION**

Publication of the Agenda

**ATTACHMENTS**

Attachment "A" – Proposed Resolution  
 Attachment "B" - Location Map  
 Attachment "C" - Program Supplement No. 0000

Prepared By  
 Alan Kashefi, P.E.  
 Senior Engineer

Department Head Approval  
 Chris A. Vogt, P.E.  
 Public Works Director/City Engineer

Concurred By  
 Eric Lewis, P.E., T.E.  
 City Traffic Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\TrafficEng\alank\HSIP\Cycle 2\Staff Reports and Resolutions\StaffReport - HSIP - 6-8-2010 Preliminary Engineering.doc

RESOLUTION NO. 2010-48

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING AND AUTHORIZING EXECUTION OF PROGRAM SUPPLEMENT NO. 025-N, TO ADMINISTERING AGENCY-STATE AGREEMENT NO. 08-5441R FOR FEDERAL-AID PROJECT NO. HSIP 5441 (046) BETWEEN THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE DEPARTMENT OF TRANSPORTATION, AND THE CITY OF MORENO VALLEY, FOR THE HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP)

WHEREAS, the HSIP program allows government agencies to apply for grants in an effort to retrofit existing signalized intersections with Emergency Vehicle Pre-emption (EVP) equipment to allow fire trucks, police vehicles, and ambulances to cause traffic signals to turn green for them as they approach, allowing for faster and safer response to incidents.

WHEREAS, it appears to be in the City's best interest to apply for such funding; and

WHEREAS, 117 existing signalized intersections throughout the City are eligible to receive federal grant funding, up to a maximum of \$18,900, for the preliminary engineering of Emergency Vehicle Pre-emption (EVP) equipment through the Highway Safety Improvement Program; and

WHEREAS, the City of Moreno Valley will be reimbursed up to a maximum of \$18,900 in federal funds for the preliminary engineering of Emergency Vehicle Pre-emption (EVP) equipment; and

WHEREAS, the City of Moreno Valley will contribute local match funding of 10%; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS: Program Supplement Agreement 025-N to Administering Agency-State Agreement No. 08-5441R for Federal Funded Projects between the State of California, acting by and through the Department of Transportation, and the City of Moreno Valley, provides funding for the individual project and said program Supplement Agreement No. 025-N is hereby approved. The Public Works Director/City Engineer shall execute the same on behalf of the City.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

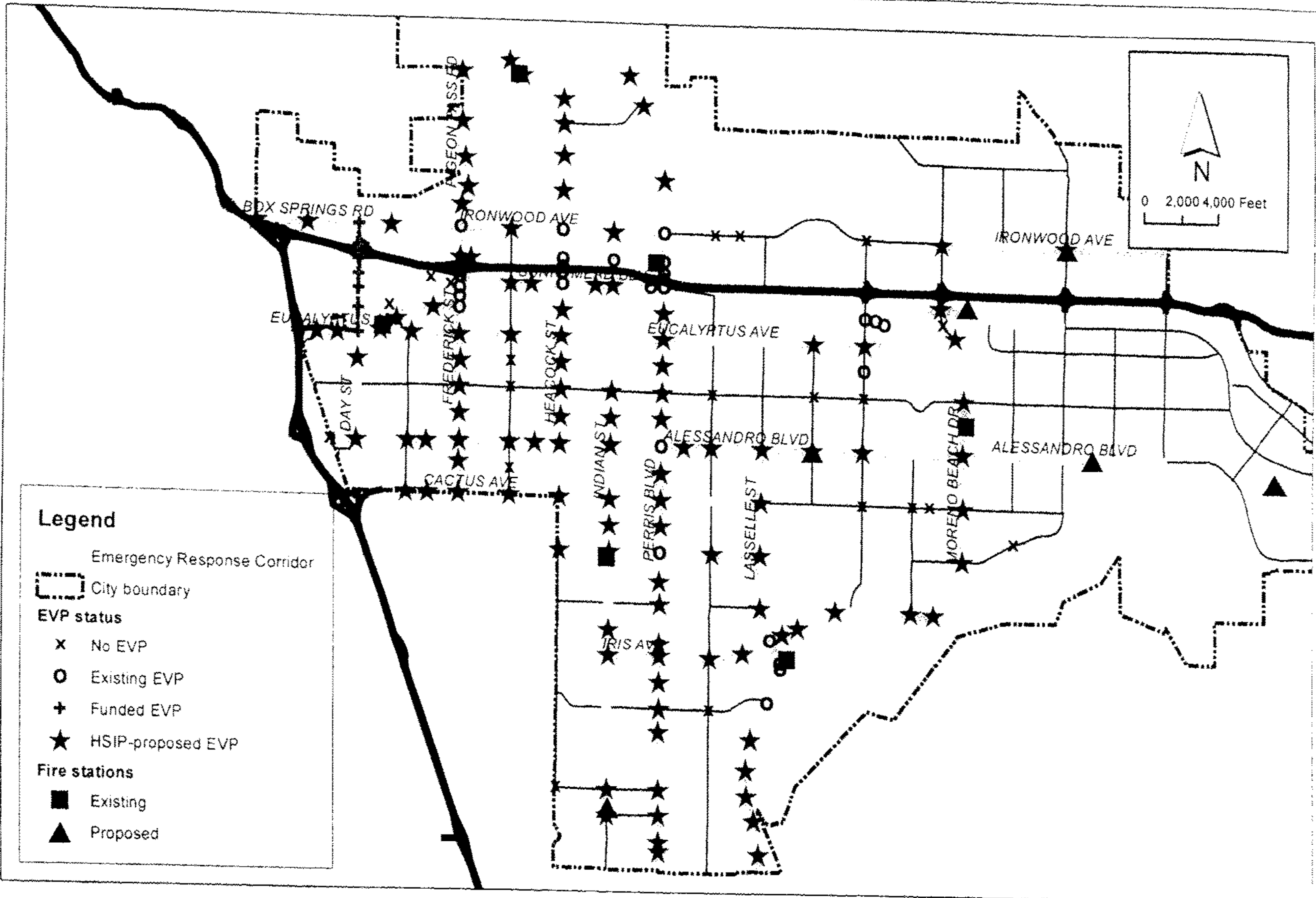
RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

W:\TrafficEng\alank\HSIP\Cycle 2\Satff Reports and Resolutions\RESOLUTION NO 2010-000- Preliminary Engineering.doc

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-183-

Item No. A.14  
**City of Moreno Valley  
 HSIP Grant Application  
 Proposed EVP Locations**

Attachment "B"

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PROGRAM SUPPLEMENT NO. N025  
 to  
 ADMINISTERING AGENCY-STATE AGREEMENT  
 FOR FEDERAL-AID PROJECTS NO. 08-5441R

Date: April 22, 2010  
 Location: 08 RIVADORA  
 Project Number: HSIP-5441(016)  
 E.A. Number: 08-925157

This Program Supplement hereby incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 05-29-07 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. \_\_\_\_\_ approved by the Administering Agency on \_\_\_\_\_ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by State of any funds derived from sources noted below obligated to this project, the Administering Agency accepts and will comply with the Special covenants or Remarks set forth on the following pages.

**PROJECT LOCATION:**

At 117 signalized intersections in Moreno Valley

**TYPE OF WORK:** Emergency vehicle pre-emption system

**LENGTH:** 0 (MILES)

Estimated Cost	Federal Funds		Matching Funds		
	LS30		LOCAL		OTHER
\$21,000.00	\$18,900.00		\$2,100.00	\$0.00	\$0.00

CITY OF MORENO VALLEY

STATE OF CALIFORNIA  
 Department of Transportation

By \_\_\_\_\_

By \_\_\_\_\_

Date \_\_\_\_\_

Chief, Office of Project Implementation  
 Division of Local Assistance

Attest \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer *Candice R.* Date 4/23/10 \$18,900.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT
1	2009	2660-102-890	2009-2010	20.30.010.550	C	262042	892-F	18,900.00

## SPECIAL COVENANTS OR REMARKS

1. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.
2. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
3. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

4. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is

## SPECIAL COVENANTS OR REMARKS

incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

5. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Excluded Parties List System (EPLS).
6. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award or with submittal of the ADMINISTERING AGENCY's first invoice for the construction contract, whichever is earlier.

Failure to do so will cause a delay in the State processing invoices for the construction phase.

Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

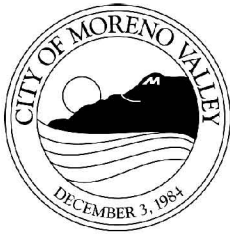
7. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to

HSIPL-54410660

## SPECIAL COVENANTS OR REMARKS

the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the DistrictLocal Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RA</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVE AND AUTHORIZE EXECUTION OF AGREEMENT REGARDING PROPOSED STREAM OR LAKE ALTERATION, AND AUTHORIZE A PURCHASE ORDER FOR THE SANTA ANA WATERSHED ASSOCIATION FOR THE INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS, AND IRONWOOD AVENUE STREET IMPROVEMENTS FROM HEACOCK STREET TO NITA DRIVE  
PROJECT NO. 09-89791726

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### RECOMMENDED ACTION

Staff recommends that the City Council:

1. Authorize the Public Works Director/City Engineer to execute the Agreement Regarding Proposed Stream or Lake Alteration, including any amendments, subject to approval of the City Attorney.
2. Authorize the issuance of a Purchase Order for the Santa Ana Watershed Association (SAWA) for \$163,350 (\$148,500 plus 10% contingency of \$14,850) for environmental mitigation associated with the construction of the Indian Detention Basin Drainage Improvements and the Ironwood Avenue Street Improvements from Heacock Street to Nita Drive.
3. Authorize the City Manager to execute the Purchase Requisition for the SAWA up to but not exceeding the Purchase Order amount of \$163,350.

### BACKGROUND

On October 23, 2007 the Community Redevelopment Agency was authorized to issue Series A tax allocation bonds (the "Series A Bonds") in an amount not to exceed \$55 million to finance projects. One of the Series A projects authorized by the City Council is the Indian Detention Basin Storm Drain Improvement and Street Improvement

Project. This bond funded project must be completed in an expeditious manner in order to meet stipulated expenditure targets within specific timeframes established by the IRS for tax-exempt financing. The Indian Detention Basin is situated on City owned land bounded by Ironwood Avenue, Davis Street and the Festival Shopping Center (see Attachment "A" – Location Map). The goal of the project is to provide the necessary infrastructure improvements to the Indian Detention Basin and installation of inlet and outlet storm drain facilities and street improvements along the south side of Ironwood Avenue between Heacock Street and Nita Drive to protect the surrounding area and neighborhoods that are currently within a Federal Emergency Management Agency (FEMA) mapped flood plain area.

On July 8, 2008 the City Council approved an Agreement for Professional Consultant Services for the Indian Detention Basin, Drainage Improvements and Ironwood Avenue Street Improvements from Heacock Street to Nita Drive, with Lim And Nascimento Engineering Corporation (LAN), to provide planning and engineering services. On July 8, 2008, City Council also approved a separate Agreement for Professional Consultant Services with LAN for Ironwood Avenue Improvements from Heacock Street to Perris Boulevard for street improvements on Ironwood Avenue easterly of the area covered by the Indian Basin project. The respective scopes of work included storm drain alignment alternatives analysis for Lines H, H-1A, and H-5 consistent with the Sunnymead Area Drainage Plan (ADP).

On March 24, 2009 the City Council adopted a Mitigated Negative Declaration (MND) for both projects, including the preferred alignment of Lines H, H-1A, and H-5 (necessary storm drain facilities along Ironwood Avenue).

On September 8, 2009 the City Council approved the Fourth Amendment to Agreement for additional design, right-of-way and environmental services with LAN. The additional services included adjustment of storm drain and lateral alignments to avoid utility conflicts as requested by utility companies, and evaluating the proposed improvements using additive alternate scenarios in order to maximize available funding and minimize potential traffic disruption during construction.

In October 2009, environmental permit applications were prepared and submitted to the United States Army Corps of Engineers, California Department of Fish and Game (CDFG), and the California Regional Water Quality Control Board. The submittal of applications initiated the permit negotiation process with the three resource agencies.

On January 12, 2010 the City Council approved the Property Conveyance Agreement with Moreno Valley Festival, Ltd. to convey a portion of right-of-way along the north side of Ironwood Avenue to allow for the preferred alignment to construct Line H and the widening of Ironwood Avenue, completing the acquisition of all necessary right-of-way for the improvements.

On May 13, 2010 CDFG issued the Agreement Regarding Proposed Stream or Lake Alteration for City signature.

The project is currently being advertised for construction bids with a scheduled bid opening date of June 15, 2010.

## **DISCUSSION**

The Indian Detention Basin Drainage Improvements and Ironwood Avenue Street Improvements on the south side only from Heacock Street to Nita Drive will construct: storm drain Line H along Ironwood Avenue from Davis Street/Ironwood Avenue intersection to Heacock Street, and associated laterals, and missing street improvements on the south side of Ironwood Avenue from Heacock Street to Nita Drive.

The improvements on Ironwood Avenue from Heacock Street to Perris Boulevard will construct: missing street improvements along both the north and south sides of Ironwood Avenue from Heacock Street to Perris Boulevard excepting the south side from Heacock Street to Nita Drive, storm drain Lines H-1A and H-5, traffic signal modifications for the intersections of Indian Street at Ironwood Avenue, and Perris Boulevard at Ironwood Avenue, street lights, right-of-way acquisition, and relocation of Southern California Edison (SCE) transmission poles.

The City is required to mitigate permanent and temporary impacts resulting from this project as part of the project MND approved by City Council on March 24, 2009. Impacts are to streambed and associated areas regulated by the U.S. Army Corps of Engineers, CDFG, and California Regional Water Quality Control Board. The City Council is requested to authorize the Public Works Director to execute the Agreement Regarding Proposed Stream or Lake Alteration, as well as any amendments, subject to approval of the City Attorney. This agreement with CDFG is required as part of the environmental mitigation for the project. As a result of negotiations with the resource agencies, the resulting CDFG agreement stipulates that the City will pay mitigation fees to SAWA to remove tamarisk and invasive plants necessary to enhance wetlands and wildlife habitats at a pre-approved CDFG location. Upon payment of the mitigation fee, the resource agencies concurrence to proceed with construction is achieved. The SAWA, a CDFG sanctioned entity, conducts an in-lieu fee program associated with environmental mitigation efforts.

SAWA has provided an estimate of \$148,500, based upon the acreage of impacts and a pre-set fee structure. A contingency of up to 10% is included in the event of adjustments. This action is necessary at this time in order to obtain final permits, keep the project on-schedule, and avoid starting construction during the rainy season.

## **ALTERNATIVES**

1. Authorize the Public Works Director/City Engineer to execute the Agreement Regarding Proposed Stream or Lake Alteration, including any amendments, subject to approval of the City Attorney, authorize the issuance of a Purchase Order for the Santa Ana Watershed Association (SAWA) for \$163,350 (\$148,500 plus 10% contingency of \$14,850) for environmental mitigation associated with the construction of the Indian Detention Basin Drainage Improvements and the

Ironwood Avenue Street Improvements from Heacock Street to Nita Drive, and authorize the City Manager to execute the Purchase Requisition for the SAWA up to but not exceeding the Purchase Order amount of \$163,350. *This alternative allows the City to complete the project on schedule.*

2. Do not authorize the Public Works Director/City Engineer to execute the Agreement Regarding Proposed Stream or Lake Alteration, including any amendments, subject to approval of the City Attorney, do not authorize the issuance of a Purchase Order for the Santa Ana Watershed Association (SAWA) for \$163,350 (\$148,500 plus 10% contingency of \$14,850) for environmental mitigation associated with the construction of the Indian Detention Basin Drainage Improvements and the Ironwood Avenue Street Improvements from Heacock Street to Nita Drive, and do not authorize the City Manager to execute the Purchase Requisition for the SAWA up to but not exceeding the Purchase Order amount of \$163,350. *This alternative will result in delaying the construction of the Indian Basin Improvements and the Ironwood Avenue Improvements.*

**FISCAL IMPACT**

The Indian Basin Project is being funded with 2007 RDA Tax Allocation Bonds (Account No. 897.91726). The project is also partially funded with 2005 Lease Revenue Bonds (Account No. 501.82625). These funds utilized for this project are designated for capital improvements only. There is no impact to the General Fund.

**AVAILABLE BUDGETED FUNDS:**

Fiscal Year 2009/2010 (Account No. 897.91726).....	\$2,795,000
Fiscal Year 2009/2010 (Account No. 501.82625).....	<u>\$1,046,000</u>
<b>Total Available Funds .....</b>	<b>\$3,841,000</b>

**ESTIMATED PROJECT COSTS:**

Total Estimated Fiscal Year 2009/2010 Design Phase Costs .....	\$64,000
Total Estimated Construction Phase Costs (Line H and Ironwood Avenue Widening) .....	\$2,800,000
SAWA In-Lieu Fees .....	<u>\$163,000</u>
<b>Total Estimated Project Costs .....</b>	<b>\$3,027,000</b>

**ANTICIPATED SCHEDULE:**

Complete Design and Permitting .....	April 2010
Advertise .....	May 2010
Start Construction.....	August 2010
Finish Construction.....	March 2011

It is critical to conform to the above listed schedule to avoid the rainy season window due to the nature of these flood control improvements, otherwise, the project may be deferred by approximately 5-6 months.



## **CITY COUNCIL GOALS**

### **PUBLIC SAFETY:**

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

### **PUBLIC FACILITIES AND CAPITAL PROJECTS:**

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

### **POSITIVE ENVIRONMENT:**

Create a positive environment for the development of Moreno Valley's future.

## **SUMMARY**

The City is required to mitigate permanent and temporary impacts resulting from this project. Impacts are to streambed and associated areas regulated by the U.S. Army Corps of Engineers, California Department of Fish and Game, and California Regional Water Quality Control Board. As a result of negotiations with the resource agencies, CDFG requires the City to provide funds to SAWA in order to mitigate for the environmental impacts at project site. Signature on the Agreement Regarding Proposed Stream or Lake Alteration and demonstration of payment of mitigation fee to SAWA will allow project construction to proceed.

## **ATTACHMENTS**

Attachment "A" – Location Map

Attachment "B" – Agreement Regarding Proposed Stream or Lake Alteration

Prepared By:  
 Margery A. Lazarus  
 Senior Engineer, P.E.

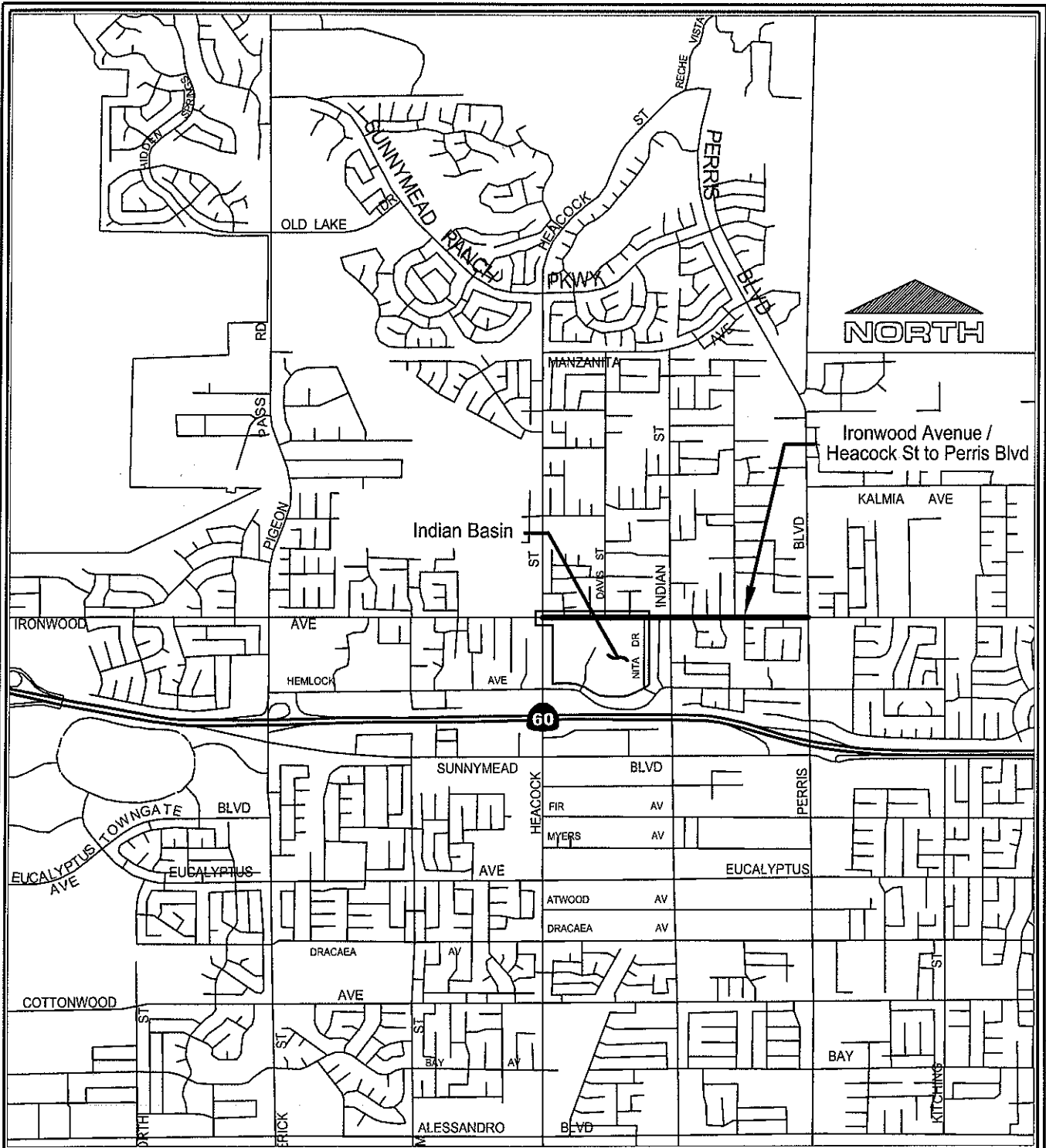
Department Head Approval:  
 Barry Foster  
 Economic Development Director

Concurred By:  
 Prem Kumar, P.E.  
 Deputy Public Works Director/Assistant City Engineer

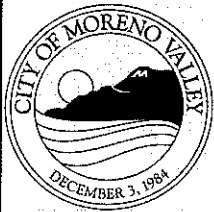
Department Head Approval:  
 Chris A. Vogt, P.E.  
 Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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# LOCATION MAP



Public Works Department  
Capital Projects Division

Scale: None

ATTACHMENT "A"

IRONWOOD AVE IMPROVEMENTS FROM HEACOCK ST TO  
PERRIS BLVD

PROJECT NUMBER 06-50182625-2

INDIAN DETENTION BASIN DRAINAGE IMPROVEMENTS AND  
IRONWOOD AVE FROM HEACOCK ST TO NITA DR (SOUTH SIDE)

PROJECT NUMBER 09-89791726

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**DEPARTMENT OF FISH AND GAME**

<http://www.dfg.ca.gov>  
Inland Deserts Region  
3602 Inland Empire Blvd., Suite C-220  
Ontario, California 91764  
Phone (909) 484-0459  
Fax (909) 481-2945



Notification No. 1600-2009-0115-R6 (Revision 2)

May 13, 2010

**AGREEMENT REGARDING PROPOSED STREAM OR LAKE ALTERATION**

THIS AGREEMENT, entered into between the State of California, Department of Fish and Game, hereafter called the **Department**, and the City of Moreno Valley, represented by Ms. Margery Lazarus, 14177 Frederick Street, City of Moreno Valley, State of California, 92552, Phone (951) 413-3133, hereafter called the **Permittee**, is as follows:

WHEREAS, pursuant to Section 1602 of the California Fish and Game Code, the Permittee, on the 27<sup>th</sup> day of October 2009, notified the Department that to develop the Ironwood Avenue and Indian Detention Basin Improvements Project, they intend to divert or obstruct the natural flow of, or change the bed, channel, or bank of, or use material from the streambed of the following waters: **Bale Creek**, an **Unnamed Creek**, and **Indian Detention Basin**, all tributaries to the Perris Valley Storm Drain and the San Jacinto River, north of Hemlock Avenue and the Festival at Moreno Valley Shopping Center, east of Heacock Street, south of Ironwood Avenue, west of Nita Drive and residential development, City of Moreno Valley, County of Riverside, Township 3 South, Range 3 West, Section 6, Sunnymead, California USGS Quadrangle.

WHEREAS, the Department (represented by Ms. Anna Milloy) has determined that such construction may substantially adversely affect those existing fish and wildlife resources within the creeks and basin, referenced above in paragraph 2 of this page, including songbirds, raptors, other birds, reptiles, mammals, amphibians, plants and all other fish and wildlife resources, including that riparian vegetation which provides habitat for such species, in the area.

THEREFORE, the Department hereby proposes measures to protect fish and wildlife resources during the **Permittee's** work. The Permittee hereby agrees to accept the following measures/conditions as part of the proposed work.

If the Permittee's work changes from that stated in the notification specified above, this Agreement is no longer valid and a new notification shall be submitted to the Department. Failure to comply with the provisions of this Agreement and with other pertinent code sections, including but not limited to Fish and Game Code Sections 1602, 5650, 5652, 5937, and 5948, may result in prosecution.

Nothing in this Agreement authorizes the Permittee to trespass on any land or property, nor does it relieve the Permittee of responsibility for compliance with applicable federal, state, or local laws or ordinances. A consummated Agreement does not constitute Department endorsement of the proposed operation, or assure the Department's concurrence with permits required from other agencies.

This Agreement becomes **effective the date of Department's signature and terminates on May 13, 2012**, for construction of the proposed project only. This Agreement shall remain in effect for that time necessary to satisfy the terms/conditions of this Agreement. Any provisions of the agreement may be amended at any time provided such amendment is agreed to in writing by both parties. Mutually approved amendments become part of the original agreement and are subject to all previously negotiated provisions. The Permittee may request one extension of the agreement period. The extension shall be requested prior to the termination date of the agreement.

**Attachment "B"**

**STREAMBED ALTERATION AGREEMENT FOR NOTIFICATION NUMBER: 1600-2009-0115-R6**  
May 13, 2010

1. The following provisions constitute the limit of activities agreed to and resolved by this Agreement. The signing of this Agreement does not imply that the Permittee is precluded from doing other activities at the site. However, activities not specifically agreed to and resolved by this Agreement shall be subject to separate notification pursuant to Fish and Game Code Sections 1600 et seq.

Project/Site Description

2. The project site is located within Bale Creek, an Unnamed Creek, and Indian Detention Basin, all tributaries to the Perris Valley Storm Drain and the San Jacinto River, north of Hemlock Avenue and the Festival at Moreno Valley Shopping Center, east of Heacock Street, south of Ironwood Avenue, west of Nita Drive and residential development, in the City of Moreno Valley, County of Riverside. For the Ironwood Avenue and Indian Detention Basin Improvements Project, the Permittee is proposing to make improvements to Ironwood Avenue on the north side from Heacock Street to Perris Boulevard, and on the south side from Heacock Street to Indian Avenue. The project will also include improvements to the local storm drain systems, Lines H and H-1A, which drain into the existing Indian Detention Basin. Lines H and H-1A will be extended to the intersection of Ironwood Avenue and Davis Street, and directed south to Indian Detention Basin over the Unnamed Creek, which will be permanently filled and used as a maintenance road for the basin. A small portion of Bale Creek will also be filled in association with the extension of Line H. Impacts to the Indian Detention Basin include the installation of a concrete and riprap outlet structure where Lines H and H-1A will enter the basin and construction of the maintenance road and an access ramp into the basin. The project will temporarily impact 0.26 acres of jurisdictional areas, consisting of 0.17 acres of riparian habitat and 0.08 acres of streambed. The project will permanently impact 0.48 acres of jurisdictional areas, consisting of 0.04 acres of wetland habitat, 0.41 acres of riparian habitat, and 0.02 acres of streambed. Total project impacts of 0.74 acres of jurisdictional areas are authorized under this Agreement.

3. The Permittee shall not impact more than 0.74 acres of Departmental jurisdictional areas. If impacts to drainages or riparian habitat exceed that authorized in Condition 2 of the Agreement, the Permittee shall mitigate at a minimum 5:1 replacement-to-impact ratio for the impacts beyond those previously authorized by this Agreement and submit a new lake or streambed alteration notification for the entire project. All mitigation shall be approved by the Department.

Mitigation, Monitoring, and Reporting

4. To mitigate for project impacts, the Applicant shall provide sufficient funds to the Santa Ana Watershed Association (SAWA) for the active removal of **no less than 1.98 acres** of Tamarisk (*Tamarix* spp.) and other nonnative plant species within the San Jacinto River. A report shall be submitted to the Department annually (by SAWA), documenting the progress of the enhancement site. Photos of the enhancement site shall be included in the annual reports. The funding provided to SAWA shall include the cost of the initial removal, and monitoring, maintenance, and reporting of the enhancement site for a minimum of five years. **Prior to the initiation of any project activities in jurisdictional areas and within 90 days of signing this Agreement**, the Applicant shall submit to the Department for review and approval written documentation certifying the contribution of funds to SAWA for the enhancement effort.

5. An annual report shall be submitted by SAWA to the Department for a minimum of five years following initial Tamarisk and nonnative plant removal. At a minimum, this report shall include the following information: (1) information regarding Tamarisk and nonnative plant removal, including: (a) the methods used for removal, (b) the amount removed and/or treated, (c) the frequency and timing of removal and treatment, (d) disposal specifics, and (e) a summary of the general successes and failures or failure of the nonnative removal plan; and (2) information regarding native plant species recruitment, including: (a) the types of native plants recruited, including species' names, and (b) the amount of native plants recruited by

**STREAMBED ALTERATION AGREEMENT FOR NOTIFICATION NUMBER: 1600-2009-0115-R6**  
May 13, 2010

species. The report shall also include wildlife species observed at the enhancement site during monitoring surveys including sensitive species and/or listed species. Photos from designated photo stations shall be included. The first annual report is due to the Department **no later than June 1, 2011.**

Site Access

6. The Department reserves the right to enter the project site at any time to ensure compliance with the terms and conditions of this Agreement. The Permittee herein grants to Department employees and/or their consultants (accompanied by a Department employee) the right to enter the project site at any time, to ensure compliance with the terms and conditions of this Agreement and/or to determine the impacts of the project on wildlife and aquatic resources and/or their habitats.

Verification of Compliance

7. The Department shall verify compliance with protective measures to ensure the accuracy of the Permittee's mitigation, monitoring, and reporting efforts. The Department may, at its sole discretion, review relevant documents maintained by the Permittee, interview the Permittee's employees and agents, inspect the work site, and take other actions to assess compliance with or the effectiveness of protective measures in this Agreement.

Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP)

8. The issuance of this Agreement does not authorize the take of any state and/or federally listed threatened, endangered, or fully protected species. Additionally, it does not infer that the project is consistent with the Western Riverside Multiple Species Habitat Conservation Plan (MSHCP) or that the project is a Biologically Equivalent or Superior Preservation Alternative. If modifications to the project are necessary to meet MSHCP requirements because the project is found during the MSHCP review process to be inconsistent with the MSHCP and/or the Western Riverside County Regional Conservation Authority (RCA) and/or Wildlife Agencies (Department and/or U.S. Fish and Wildlife Service) do not agree the project is a Biologically Equivalent or Superior Preservation Alternative, then a request for an amendment to this Agreement will be required.

Burrowing Owl Mitigation Measures

9. To avoid direct take of burrowing owls, a qualified biologist shall conduct burrowing owl preconstruction surveys of the project site following the 1993 Burrowing Owl Consortium Guidelines (BOCG). Surveys shall be conducted no later than 30 days prior to initiation of project activities. If owls are found onsite, no disturbance shall occur within 300 feet of the occupied burrow during the nesting season (March 1 through August 31). Owls may be passively relocated (following BOCG) outside the breeding season by a qualified biologist. A relocation plan shall be submitted to the Department for review and approval.

Notification to the California Natural Diversity Database

10. If any sensitive species are observed on or in proximity to the project site, or during project surveys, the Permittee shall submit California Natural Diversity Data Base (CNDDB) forms and maps to the CNDDB within five working days of the sightings, and provide the regional Department office with copies of the CNDDB forms and survey maps. The CNDDB form is available online at: [www.dfg.ca.gov/whdab/pdfs/natspec.pdf](http://www.dfg.ca.gov/whdab/pdfs/natspec.pdf). **This information shall be mailed within five days to:** California Department of Fish and Game Natural Diversity Data Base, 1807 13th Street, Suite 202, Sacramento, CA 95814, Phone (916) 324-3812. A copy of this information shall also be mailed within five days to the Department of Fish and Game Region 6, 4665 Lampson Avenue, Suite J, Los Alamitos, CA 90720, **ATTN: Streambed Team. Please reference SAA # 1600-2009-0115-R6.**

**STREAMBED ALTERATION AGREEMENT FOR NOTIFICATION NUMBER: 1600-2009-0115-R6**  
May 13, 2010

Project Construction

11. The Permittee shall not remove vegetation from the project site from March 15 to September 15 to avoid impacts to nesting birds. If project construction cannot be avoided during the period of March 15 through September 15, the Permittee shall have a qualified biologist survey all potential nesting vegetation within the project site for nesting birds, prior to commencing project activities (including construction and/or site preparation). Surveys shall be conducted once a day for five days at the appropriate time of day during the breeding season and surveys shall end no more than three days prior to vegetation removal and/or disturbance. Documentation of surveys and findings shall be submitted to the Department for review and concurrence prior to conducting project activities. If no nesting birds were observed and concurrence was received from the Department, project activities may begin. If an active bird nest is located, the nest site shall be fenced a minimum of 200 feet (500 feet for Least Bell's vireo, Southwestern willow flycatcher, and/or raptors) in all directions, and this area shall not be disturbed until after September 15 and until the nest becomes inactive. If threatened or endangered species are observed in the area, no work shall occur during the breeding season (March 15 through September 15) to avoid direct or indirect (noise) take of listed species.

12. Sections 3503, 3503.5, and 3513 of the California Fish and Game Code prohibit take of all birds and their active nests, including raptors and other migratory non-game birds (as listed under the Migratory Bird Treaty Act).

13. A qualified biologist shall be onsite to monitor all activities that result in the clearing or grading of sensitive habitat as well as grading, excavation, and/or other ground-disturbing activities in jurisdictional areas. The Permittee shall flag the limits of grading and the jurisdictional areas, perform necessary surveys, and take photographs during the construction process, as required by this Agreement. The biological monitor is required to halt construction activities if threatened or endangered species are identified and notify the appropriate agencies immediately.

Lighting Impacts

14. No lighting, except that in existence or required for public safety shall be allowed to impact jurisdictional areas, and the lighting and fencing for infrastructure adjacent to jurisdictional areas shall be designed or reviewed by a qualified biologist to allow wildlife to move within the open space and conserved areas without hindrance.

Setbacks from Jurisdictional Areas

15. The Department recommends the use of native plants to the greatest extent feasible in the landscaped areas adjacent to and/or near the mitigation/open space areas and within or adjacent to stream channels. The Permittee shall not plant, seed, or otherwise introduce invasive nonnative plant species to the landscaped areas adjacent to and/or near the mitigation/open space areas and within or adjacent to stream channels (minimum 100 foot setback from open space areas and 150 foot setback from stream channels and wetland/riparian mitigation sites). Invasive nonnative plant species not to be used include those species listed on the "California Invasive Plant Inventory, February 2006" and the "February 2007 Inventory Update", (which are updates to Lists A & B of the California Exotic Pest Plant Council's list of "Exotic Pest Plants of Greatest Ecological Concern in California as of October 1999"). This list includes: pepper trees, pampas grass, fountain grass, ice plant, myoporum, black locust, capeweed, tree of heaven, periwinkle, bush lupine, sweet alyssum, English ivy, French broom, Scotch broom, Spanish broom, and pepperweed. A copy of the complete list can be obtained by contacting the California Invasive Plant Council by phone at (510) 843-3902, at their website at [www.cal-ipc.org](http://www.cal-ipc.org), or by email at [info@cal-ipc.org](mailto:info@cal-ipc.org).



**STREAMBED ALTERATION AGREEMENT FOR NOTIFICATION NUMBER: 1600-2009-0115-R6**  
May 13, 2010

16. The Permittee shall not allow water containing mud, silt, or other pollutants from grading, aggregate washing, or other activities to enter a lake, streambed, or flowing stream or be placed in locations that may be subjected to high storm flows.

17. The Permittee shall comply with all litter and pollution laws. All contractors, subcontractors, and employees shall also obey these laws and it shall be the responsibility of the Permittee to ensure compliance.

18. Spoil sites shall not be located within a lake, streambed, or flowing stream or locations that may be subjected to high storm flows, where spoil shall be washed back into a lake, streambed, or flowing stream where it will impact streambed habitat and aquatic or riparian vegetation.

19. Raw cement/concrete or washings thereof, asphalt, paint, or other coating material, oil or other petroleum products, or any other substances which could be hazardous to fish and wildlife resources resulting from project related activities shall be prevented from contaminating the soil and/or entering the waters of the State. These materials, placed within or where they may enter a lake, streambed, or flowing stream by the Permittee or any party working under contract or with the permission of the Permittee, shall be removed immediately.

20. No broken concrete, cement, debris, soil, silt, sand, bark, slash, sawdust, rubbish, or washings thereof, oil or petroleum products, or other organic or earthen material from any construction or associated activity of whatever nature shall be allowed to enter into or be placed where it may be washed by rainfall or runoff into waters of the State. When operations are completed, any excess materials or debris shall be removed from the work area. No rubbish shall be deposited within 150 feet of the high water mark of any lake, streambed, or flowing stream.

21. No equipment maintenance shall be done within or near any lake, streambed, or flowing stream where petroleum products or other pollutants from the equipment may enter these areas under any flow.

22. The Permittee shall notify the Department, in writing, at least five (5) days prior to initiation of project activities in jurisdictional areas as noted in Condition 2 above, and at least five (5) days prior to completion of project activities in jurisdictional areas as noted in Condition 2 above. Notification shall be mailed to the Department of Fish and Game Region 6, 4665 Lampson Avenue, Suite J, Los Alamitos, CA 90720, **ATTN: Streambed Team. Please reference SAA # 1600-2009-0115-R6.**

23. The Permittee shall **provide a copy of this Agreement to all contractors, subcontractors, and project supervisors. Copies of the Agreement shall be readily available at work sites at all times during periods of active work** and must be presented to any Department personnel, or personnel from another agency upon demand.

Change of Conditions

24. The Permittee shall notify the Department of any change of conditions to the project, the jurisdictional impacts, or the mitigation efforts, if the conditions at the site of a proposed project change in a manner which increases or decreases the risk that a fish or wildlife resource may be substantially adversely affected by the proposed project. The notifying report shall be provided to the Department no later than seven (7) days after the change of conditions is identified. As used here, change of condition refers to the processes, procedures, and methods of operation of a project, the biological and physical characteristics of a project area, or the laws or regulations pertinent to the project as defined below.

**STREAMBED ALTERATION AGREEMENT FOR NOTIFICATION NUMBER: 1600-2009-0115-R6**  
May 13, 2010

A. Biological conditions: a change in biological conditions includes, but is not limited to the following: 1) the presence of a fish or wildlife resource within or adjacent to the project area, whether native or nonnative, not previously known to occur in the area; or 2) the presence of a fish or wildlife resource within or adjacent to the project area, whether native or nonnative, for which the status has changed to endangered, rare, or threatened, as defined in Section 15380 of Title 14 of the California Code of Regulations.

B. Physical conditions: a change in physical conditions includes, but is not limited to the following: 1) a change in the morphology of a river, stream, or lake, such as the lowering of a bed or scouring of a bank, or changes in stream form and configuration caused by flooding; 2) the movement of a river or stream channel to a different location; 3) a reduction of or other change in riparian vegetation on the bed, channel, or bank of a river, stream, or lake, or 4) changes to the hydrologic regime such as fluctuations in the timing or volume of water flows in a river or stream.

C. Legal conditions: a change in legal conditions includes, but is not limited to the following: a change in Regulations, Statutory Law, a Judicial or Court decision, or the listing of a species for which the status has changed to endangered, rare, or threatened, as defined in Section 15380 of Title 14 of the California Code of Regulations.

Extension of Agreement

25. The term of this Agreement shall not exceed five years in accordance with Fish and Game Code Section 1605. The Permittee may request one (1) extension of this Agreement prior to its termination for a period up to five (5) years, subject to Department approval. The extension request and fees shall be submitted to the Department's Region 6 Office at the above address. If the Permittee fails to request the extension prior to the agreement's termination then the Permittee shall submit a new notification with fees and required information to the Department. Any activities conducted under an expired agreement are a violation of Fish and Game Code Section 1600 et seq.

Suspension of Permit

26. The Department reserves the right to suspend or revoke this Agreement, after giving notice to the Permittee, if the Department determines that the Permittee has breached any of the terms or conditions of this Agreement, or for other reasons, including but not limited to the following:

- A. The Department determines that the information provided by the Permittee in support of the notification/agreement is incomplete or inaccurate;
- B. The Department obtains new information that was not known to it in preparing the terms and conditions of the agreement;
- C. The project or project activities as described in the notification/agreement have changed; or
- D. The conditions affecting fish and wildlife resources change or the Department determines that project activities will result in a substantial adverse effect on the environment.

**STREAMBED ALTERATION AGREEMENT FOR NOTIFICATION NUMBER: 1600-2009-0115-R6**  
May 13, 2010

**Concurrence (1600-2009-0115-R6)**

**In WITNESS WHEREOF, the parties below have executed this Lake or Streambed Alteration Agreement Number 1600-2009-0115-R6 (Revision 2) as indicated below:**

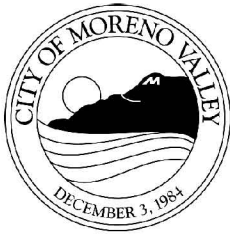
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<b>Date</b>	City of Moreno Valley Chris A. Vogt, P.E. Public Works Director/ City Engineer	City of Moreno Valley Represented by Ms. Margery Lazarus
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<b>Date</b>		Ms. Kimberly Nicol Deputy Regional Manager Department of Fish and Game Inland Deserts Region
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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>But</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES FOR MORENO VALLEY UTILITY

---

### **RECOMMENDED ACTION**

Staff recommends that the City Council:

1. Approve Resolution No. 2010-49 amending the Electric Rates for Moreno Valley Utility

### **BACKGROUND**

On July 8, 2003, the City Council approved Resolution No. 2003-58 adopting the Electric Service Rules, Fees and Charges for the City of Moreno Valley's Electric Utility, or Moreno Valley Utility (MVU). Electric Rule 12 entitled "Rates and Optional Rates" of that document states that the rates to be charged by and paid to the City's utility for electric service will be the rates legally in effect and on file with the Electric Utility Division, Department of Public Works. At its meeting on December 9, 2003, the City Council approved Ordinances 650 and 651 providing for the establishment and adjustment of electric rates by resolution.

### **DISCUSSION**

Consistent with Ordinances 650 and 651, the resolution considered in this action amends MVU's Electric Rates. A complete copy of the proposed *Electric Rates* document is available for review in the Public Works Department, Electric Utility Division office. To ensure the City's rates are just and reasonable and to ensure that the City's rates are set at a level sufficient to cover the utility's costs, it will be necessary for the City Council to approve an adjustment of the rates that MVU charge customers for service from time to time. Due to the structure of MVU's rates, the customer's usage

will ultimately determine the impact of this proposed rate adjustment on their monthly billings.

For example, the proposed rate adjustments considered in this council action will affect a residential customer who uses 600 kWh in a month differently than a customer who uses 1,000 kWh in a month. The proposed rate changes considered in the council action will result in an increase of MVU's rate schedules for both the summer season and winter season. Pursuant to MVU's rates, the summer season begins at 12:00am on the first Sunday in June and continues until 12:00am on the first Sunday in October. The winter season begins at 12:00am on the first Sunday in October, and continues until 12:00am on the first Sunday in June of the following year. Generally speaking, there are four months in the summer season, and eight months in the winter season.

If the City Council approves the proposed rate adjustments, the average MVU residential customer taking service under Schedule A who uses 600 kWh per month will experience an increase in their bill of 0.4% in summer, and an increase of 6.83% in winter. This results in an increase of \$0.32 for each summer bill, and a \$6.47 increase for each of the winter season's bills. Similarly, an MVU residential customer who uses 1,000 kWh per month will experience a decrease of 7.97% in the summer season, and an increase of 14.84% in the winter season. This results in a \$12.93 increase in the customer's monthly bill for summer, and an increase of \$27.67 per month for each month of the winter season.

If the City Council approves the proposed rate adjustments, the average MVU small commercial customer taking service under Schedule B who uses 2,978 kWh per month will experience an increase of 5.2% for each month of the summer season, and an 8.0% increase for each month of the winter season. The average MVU large commercial customer taking service under Schedule C who uses 24,531 kWh per month with a demand of 100kW will experience an increase of 4.0% in summer and a decrease of 8.99% in winter. The average MVU large commercial, time-of-use customer taking service under Schedule TOU-LGS who uses 386,896 kWh per month with a demand of 865 kW in summer, and who uses 392,333 kWh per month with a demand of 666 kW in winter, will experience an increase of 3.8% in summer and an increase of 8.8% in winter. Schedule TC-1, MVU's rates for traffic controllers, will increase by 7.6%. MVU's current street light rate schedule (Schedule SL) will increase 2.1% and 2.7% for 9,500 and 22,000 lumen lamps, respectively.

If approved by the City Council, these changes will become effective at 12:00 a.m. on June 9, 2010.

Pursuant to Section 5 of the Professional Services Agreement by and between the City of Moreno Valley and ENCO Utility Services Moreno Valley, LLC, the City is obligated to adjust its rates from time to time so that the City's electric rates remain roughly equivalent to the otherwise applicable investor owned utility rate schedules. This council action will also true up MVU's rates to comply with this obligation. If adopted, the net impact upon MVU customers will be an increase in rates.

**ALTERNATIVES**

1. Approve proposed resolution amending the Electric Rates for Moreno Valley Utility as on file in the Electric Utility Division, Public Works Department. *The amendment of the Electric Rates will allow the City’s utility to recover its costs for service, and to offer competitive rates.*
2. Do not approve proposed resolution amending the Electric Rates for Moreno Valley Utility as on file in the Electric Utility Division, Public Works Department. *This would restrict the City’s utility in its ability to recover utility costs, and also its ability to offer competitive rates.*

**FISCAL IMPACT**

As rates are adjusted, revenues will reflect the adjustments. Utility revenues will increase slightly if the proposed changes are adopted by City Council. These funds are restricted for Moreno Valley Utility purposes.

**CITY COUNCIL GOALS**

**REVENUE DIVERSIFICATION AND PRESERVATION:**

*The municipal electric utility will generate revenues to provide funding for City programs and services over time. These revenues will help achieve important financial goals of the City.*

**POSITIVE ENVIRONMENT:**

*The proposed rate adjustments ensures timely changes to the rates of the City’s utility, and helps to create a positive environment for economic development within the community. The City of Moreno Valley will offer competitive rates and will help the City create new, well paying jobs.*

**NOTIFICATION**

Posting of the Agenda.

**Attachments**

Attachment 1 – Proposed Resolution

Prepared By: George Hanson  
Electric Utility Division Manager

Department Head Approval: Chris A. Vogt, P. E  
Public Works Director/City Engineer

Concurred By: Darcy Ramirez  
Senior Financial Analyst

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\Electric Utility\Administration - Finance\Staff Reports\2010 SR's\SR - Rate and Rules Adjustments 8Jun2010.doc



RESOLUTION NO. 2010-49

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC RATES, AND ELECTRIC SERVICE RULES, FEES, AND CHARGES FOR MORENO VALLEY UTILITY

WHEREAS, the City of Moreno Valley (the "City"), a municipal corporation, is authorized pursuant to Article XI, Section 9(a) of the California Constitution to establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication; and

WHEREAS, on June 26, 2001, the City Council of the City of Moreno Valley approved Resolution No. 2001-33 and, as amended by Resolution 2002-46, authorized the formation of a municipally owned utility for the purpose of providing electrical power, storm water, telephone telecommunications, cable TV, water, natural gas, and sanitary sewer; and

WHEREAS, on July 8, 2003, the City Council approved Resolution No. 2003-58 adopting the Electric Service Rules, Fees and Charges document for Moreno Valley Utility which states, in part, that the rates to be charged by and paid to the City for electric service will be the rates legally in effect and on file with the City Council; and

WHEREAS, there are sections of the Electric Service Rules, Fees and Charges document that contain rules which define the terms and conditions under which electric service will be provided to the customer; and

WHEREAS, there are rules, fees, charges, and rates associated with providing the services identified in the document. These rules, fees, charges, and rates are deemed necessary and equitable for services rendered and are required to fund in whole or in part, all of the services required to facilitate the delivery of electric distribution pursuant to the rules; and

WHEREAS, Urgency Ordinance No. 651 was adopted by the City Council on December 9, 2003, allowing for the adoption of rates by resolution.

Attachment 1

Resolution No. 2010 - XXX  
Date Adopted: June 8, 2010

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The City Council hereby adopts the amended Moreno Valley Utility Electric Rates and Electric Service Rules, Fees, and Charges as on file in the Public Works Department and City Clerk's Office.

APPROVED AND ADOPTED this 8th day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

Attachment 1

Resolution No. 2010 - XXX  
Date Adopted: June 8, 2010

RESOLUTION JURAT

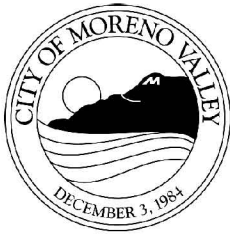
[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

Attachment 1

Resolution No. 2010 - XXX  
Date Adopted: June 8, 2010

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** AUTHORIZE A CHANGE ORDER TO INCREASE THE PURCHASE ORDER WITH ENVIRONMENTAL CONSTRUCTION, INC. FOR THE SUNNYMEAD BOULEVARD REVITALIZATION PROJECT FROM FREDERICK STREET TO PERRIS BOULEVARD  
PROJECT NO. 04-8928022-1

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### RECOMMENDED ACTION

Staff recommends that the City Council:

1. Authorize a Change Order to increase the Purchase Order with Environmental Construction, Inc. in the amount of \$195,000 for additional services for the Sunnymead Boulevard Revitalization Project from Frederick Street to Perris Boulevard (Account No. 501.82125).
2. Authorize the City Manager to execute the Purchase Order for Environmental Construction, Inc., in the form attached hereto.

### BACKGROUND

On February 26, 2008, the City Council awarded the Sunnymead Boulevard Revitalization Project (Stage 1) construction contract and authorized the issuance of a Purchase Order in the amount of \$5,286,234.80 (the bid amount plus 10% contingency) to Environmental Construction, Inc. (ECI). The ECI contract includes infrastructure improvements and aesthetic enhancements such as a gateway entry arch, decorative bus shelters, intersection parkway sign monuments, parkway landscaping, curbs/gutters, color sidewalks, driveways, intersection curb ramps and curb returns.

On November 25, 2008, the City Council awarded the Sunnymead Boulevard Beautification and Enhancement Project (Stage 2) construction contract and authorized

the issuance of a Purchase Order in the amount of \$2,702,636.90 (the bid amount plus 10% contingency) to PALP Inc. dba Excel Paving Company (Excel). The Excel contract includes raised medians, color concrete center turn-lanes, median landscaping, and concrete intersection pavement.

## **DISCUSSION**

The Stage 1 construction work with ECI started in May 2008 and is currently winding down to completion in August 2010. ECI is currently working on the gateway entry arch. Staff anticipates that by the time all work is completed, the final contract cost will exceed the Purchase Order amount issued by approximately 3% which is approximately \$165,000. Because all the work is not yet completed, staff is recommending an additional contingency amount of \$30,000 for possible unforeseen work items. The total requested Change Order increase to the Purchase Order is \$195,000. Meanwhile the City and Contractor are working together to resolve several construction claims issues.

The increase in the ECI contract is attributed to the overall value added scope of work augmentation resulting from additional bid item work quantities and the current six Contract Change Orders (CCOs) issued on this project. These CCOs include the widening of the intersection corners at the Sunnymead Boulevard and Heacock Street intersection to enhance turning movements for larger vehicles and commercial trucks while making it safer for pedestrians. This modification required a new traffic signal, poles, signal heads, and service cabinet. Altering the intersection also resulted in the need to install a handrail at the east sidewalk entrance at Bancomer Bank to meet Americans with Disabilities Act (ADA) requirements. ADA requirements also necessitated the installation of truncated domes at each of the intersection curb access ramps. In addition, storm drain improvements and catch basins were constructed near the intersection of Indian Avenue and Sunnymead Boulevard to minimize the intermittent flooding problem at that location. The former City Manager also ordered the re-design of the gateway arch and parkway monument signs resulting in a higher valued gateway arch structure and monument signs with enhanced features and improved continuity throughout the boulevard.

The added improvements enhanced the aesthetic and functional value of the Sunnymead Boulevard project. Despite the fact that the cost of the project went up, the final product provided a superior value for the investment, improved public safety, and enhanced the appearance of the Boulevard. Due to the value added improvements instituted as part of the CCOs and bid quantity increases, staff is requesting City Council approve the Change Order to increase ECI's Purchase Order.

## **ALTERNATIVES**

1. Authorize a Change Order to increase the Purchase Order with Environmental Construction, Inc. in the amount of \$195,000 for additional services for the Sunnymead Boulevard Revitalization Project from Frederick Street to Perris Boulevard (Account No. 501.82125), and authorize the City Manager to execute

the Purchase Order for Environmental Construction, Inc., in the form attached hereto. *This alternative will allow payment to the Contractor and completion of the improvements.*

2. Do not authorize a Change Order to increase the Purchase Order with Environmental Construction, Inc. in the amount of \$195,000 for additional services for the Sunnymead Boulevard Revitalization Project from Frederick Street to Perris Boulevard (Account No. 501.82125), and do not authorize the City Manager to execute the Purchase Order for Environmental Construction, Inc., in the form attached hereto. *This alternative will delay payment to the contractor, delay completion of the improvements and incur extra cost to the City.*

**FISCAL IMPACT**

The Stage 1 project by ECI was funded with Lease Revenue Bond funds (Fund 501) as budgeted for Fiscal Year 2009/2010.

Staff anticipates that by the time all work is completed, the final contract cost will exceed the Purchase Order amount issued by approximately 3% which is approximately \$165,000. Because the work is not yet completed, staff is recommending an additional contingency amount of \$30,000 for possible unforeseen work items. An increase of \$195,000 is requested to increase Purchase Order No. 35442 for ECI from the project's unencumbered budget in 501.82125 to cover the remaining contractual expenditures. The funding for this project is restricted to Sunnymead Boulevard capital improvements and cannot be used for other activities. There is no impact to the General Fund.

**OVERALL PROJECT FINANCIAL STATUS:**

Total Budget Appropriation Fiscal Year 2001/2002 to	
Fiscal Year 2009/2010 (Funds 892, 501, 125) .....	\$12,138,000
Total Estimated Design Related Costs .....	(\$1,912,000)
Total Est. Construction Related Costs for Sidewalk/Parkway (Stage 1) .....	(\$6,298,000)
Total Est. Construction Related Costs for Median/Intersection (Stage 2) .....	(\$3,499,000)

**Breakdown of Stage 1 Related Work**

Contractor (includes contingency) (501.82125) .....	\$5,286,000
<b>Requested increase in PO No. 35442 for ECI .....</b>	<b>\$195,000</b>
Consultant Construction Management/Inspection	
Services (includes contingency) .....	\$330,000
Geotechnical Services .....	\$65,000
Survey Services .....	\$70,000
Project Administration* .....	\$352,000
Total Amount for Stage 1 Construction .....	\$6,298,000

Remaining Combined Project Balance in Funds 892, 501, and 125..... \$429,000

\* Public Works staff will provide Project Administration.

**ANTICIPATED PROJECT SCHEDULE:**

Completion of Stage 1 Construction .....August 2010  
Completion of Stage 2 Construction ..... October 2010

**CITY COUNCIL GOALS**

**POSITIVE ENVIRONMENT:**

Create a positive environment for the development of Moreno Valley’s future.

**PUBLIC FACILITIES AND CAPITAL PROJECTS:**

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

**SUMMARY**

Environmental Construction, Inc. has been constructing the revitalization improvements on Sunnymead Boulevard from Frederick Street to Perris Boulevard (Stage 1). The improved infrastructure and aesthetic enhancements include a gateway entry arch, decorative bus shelters, intersection parkway sign monuments, parkway landscaping, curbs/gutters, color sidewalks, driveways, intersection curb ramps and curb returns. Due to the value added improvements instituted as part of the Contract Change Orders and bid quantity increases, staff is requesting City Council approve the Change Order to increase ECI’s Purchase Order by \$195,000 from the unencumbered project budget.

**ATTACHMENT**

Attachment “A” – Change Order Form



Prepared By:  
Christopher Wiberg  
Senior Engineer, P.E.

Concurred By:  
Barry Foster  
Economic Development Director Programs

Concurred By:  
Prem Kumar, P.E.  
Deputy Public Works Director/  
Assistant City Engineer

Department Head Approval:  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\CapProj\CapProj\PROJECTS\John - 04-89280221 Sunnymead Blvd Revitalization\Construction\04-8920221-1 Sidewalk Parkway Improv\CC Report\060810 pk Staff Rpt Change Order for ECI.doc

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# CHANGE ORDER FORM

CITY OF MORENO VALLEY, CA

TODAY'S DATE: 5/27/10

VENDOR NAME:

VENDOR NO.#  
2342928

Environmental Construction, Inc.

ORIGINAL PO NUMBER  
35442

Project Number:

DESCRIPTION OF NEEDED CHANGE

Note: If text does not fill across the row shorten the text (under 260 characters) and use two or more rows

COST  
(use negative sign to reduce amount)

Increase PO # 35442 by \$195,000 for additional improvements for the Sunnymead Boulevard project from Frederick Street to Perris Boulevard (Project No. 04-89280221-1). \$195,000.00

Notes:

Change Order Sub Total from Above: \$195,000.00  
Original P.O. and Prior Change Order Amount: \$5,286,234.80

Revised Total Spend: \$5,481,234.80

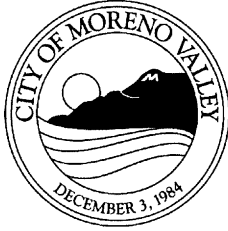
Signatures below are based on the total accumulated expenditure amount of original PO and all subsequent change orders (Revised Total Spend).  
Requested by: Chris Wiberg & Lee Ann Florez Date: 05/27/2010  
Division Manager (\$15K) Date:  
Department Head (\$30K) Date:  
Financial & Admin. Svcs. Director (\$50K) Date:  
City Manager (\$100K) Date:  
Purchasing Manager's Signature: Date:

Business Unit and Expenditure Code  
(e.g. 31510.6221.225)  
Cannot split between fund numbers

Percentage Split (to split, fill in % amounts below to equal 100%)  
100.0% 501.82125.7200 \$5,481,234.80

Split Allocated Total Spend: \$5,481,234.80

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APPROVALS	
BUDGET OFFICER	<i>[Signature]</i>
CITY ATTORNEY	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** John Ruiz, Interim Human Resources Director

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL OF AMENDMENTS TO MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF MORENO VALLEY AND THE CITY'S MANAGEMENT ASSOCIATIONS (MORENO VALLEY MANAGEMENT ASSOCIATION AND MORENO VALLEY CONFIDENTIAL MANAGEMENT EMPLOYEES)

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### RECOMMENDED ACTION

Staff recommends that the City Council approve amendments to the Fiscal Year 2009-10 Memoranda of Understanding between the City of Moreno Valley and the City's management associations (Moreno Valley Management Association and Moreno Valley Confidential Management Employees) concerning benefit levels provided to employees who voluntarily separate from City employment and then are rehired within one year.

### BACKGROUND

Memoranda of Understanding (MOU) concerning compensation and other terms and conditions of employment are currently in effect for Fiscal Year (FY) 2009-10 with the three City employee associations: Moreno Valley City Employees Association (MVCEA), Moreno Valley Management Association (MVMA), and Moreno Valley Confidential Management Employees (MVCME). Effective July 1, 2009, each of these MOUs incorporated a new two-tier benefit structure in which new employees' benefit banks would be reduced from \$13,629 to \$12,000 per year, along with the new employees paying the employee share of the retirement contribution to the California Public Employees' Retirement System (CalPERS).

## DISCUSSION

The City's workforce has been significantly reduced over the past two years in response to budgetary challenges resulting from the economic recession. In certain instances, it may be in the City's best interest to rehire an employee who had separated, either through retirement or resignation. To facilitate such rehires, it is advantageous to offer the former employees the same benefits as they were receiving prior to their separation; in essence, treating the rehire actions as "reinstatements" rather than "new hires". Employees recalled after being laid off are currently reinstated to the same salary and benefits they were receiving prior to the lay-off.

Proposed amendments to the current FY 2009-10 MOUs between the City and the two management associations (MVMA and MVCME) are attached for City Council's consideration. Exhibit "A" is the proposed amendment for the MVMA MOU; Exhibit "B" is the proposed amendment for the MVCME MOU. MVMA and MVCME have approved the amendments for their respective associations. A proposed amendment has also been provided to MVCEA and is currently under consideration by that association. It is in the City's best interest to amend the MOUs with the management associations at this time, rather than waiting for approval from MVCEA for the amendment related to their MOU. Although the proposed amendments relate to the FY 2009-10 MOUs, it is intended that they will also be incorporated in future MOUs.

Following is the text from the FY 2009-10 MOUs with MVMA and MVCME that pertain to the two-tier benefit system:

### 6. BENEFIT BANK

The benefit bank for employees hired after July 1, 2009 shall be reduced from \$13,629 per year to \$12,000 per year.

### 7. PERS EMPLOYEE CONTRIBUTIONS

Employees hired after July 1, 2009 shall pay the employee's portion of CalPERS retirement contributions (currently 8%). These contributions shall be deducted from the employee's bi-weekly pay. In addition, the City will cease paying the Employer Paid Member Contribution (EPMC) for these employees.

The text of the proposed amendments to the MVMA and MVCME MOUs (Exhibit "A" and Exhibit "B") is shown below:

Paragraph 6 (Benefit Bank) and Paragraph 7 (PERS Employee Contributions) are hereby amended as follows:

The above paragraphs relate to new employees. If an employee voluntarily separates from the City and is subsequently re-hired by the City within one calendar year of his/her separation date, the benefit bank will be \$13,629 per year and the City will pay the employee's share of CalPERS contributions in the same manner as done prior to the separation.

## **ALTERNATIVES**

The following alternatives are available to the City Council:

1. Approve the proposed amendments to the FY 2009-10 Memoranda of Understanding between the City of Moreno Valley and the City's management associations (Moreno Valley Management Association and Moreno Valley Confidential Management Employees) concerning benefit levels provided to employees who voluntarily separate from City employment and then are rehired within one year.
2. Do not approve the proposed amendments.
3. Provide staff with further direction.

Staff recommends Alternative No. 1.

## **FISCAL IMPACT**

The fiscal impact of the proposed amendments cannot be determined since it is not known how many former employees may be rehired within one year of their separation. However, it is likely to be very few employees; thus representing a minimal fiscal impact to the City. Offsetting this minimal fiscal impact is the opportunity to rehire an experienced employee who would be able to make an immediate contribution to the organization without any need for training or other orientation. No employees will be rehired unless it is in the City's best interest to do so.

## **CITY COUNCIL GOALS**

None applicable

## **SUMMARY**

The City's workforce has been significantly reduced over the past two years in response to budgetary challenges resulting from the economic recession. In certain instances, it may be in the City's best interest to rehire an employee who had separated, either through retirement or resignation. To facilitate such rehires, it is advantageous to offer the former employees the same benefits as they were receiving prior to their separation; in essence treating the rehire actions as "reinstatements" rather than "new hires". Since a new two-tier benefit system took effect July 1, 2009, it is proposed that amendments to the MOUs with the City's management associations (Moreno Valley Management Association and Moreno Valley Confidential Management Employees) be approved to provide the same benefits to former employees who are rehired within one year of separation as they were receiving prior to separation. A proposed amendment has also been provided to the Moreno Valley City Employees Association and is currently under consideration by that association.

**ATTACHMENTS/EXHIBITS**

- Exhibit "A" - Amendment to MOU with Moreno Valley Management Association
- Exhibit "B" - Amendment to MOU with Moreno Valley Confidential Management Employees

Prepared By:  
 Steve Elam  
 Interim Financial & Administrative Services Director

Department Head Approval:  
 John Ruiz  
 Interim Human Resources Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:



**Amendment to Memorandum of Understanding (MOU)  
Between the City of Moreno Valley and the  
Moreno Valley Management Association (MVMA)  
Related to Fiscal Year 2009-10**

Paragraph 6 (Benefit Bank) and Paragraph 7 (PERS Employee Contributions) are hereby amended as follows:

The above paragraphs relate to new employees. If an employee voluntarily separates from the City and is subsequently re-hired by the City within one calendar year of his/her separation date, the benefit bank will be \$13,629 per year and the City will pay the employee's share of CalPERS contributions in the same manner as done prior to the separation.

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**Amendment to Memorandum of Understanding (MOU)  
Between the City of Moreno Valley and the  
Moreno Valley Confidential Management Employees (MVCME)  
Related to Fiscal Year 2009-10**

Paragraph 6 (Benefit Bank) and Paragraph 7 (PERS Employee Contributions) are hereby amended as follows:

The above paragraphs relate to new employees. If an employee voluntarily separates from the City and is subsequently re-hired by the City within one calendar year of his/her separation date, the benefit bank will be \$13,629 per year and the City will pay the employee's share of CalPERS contributions in the same manner as done prior to the separation.

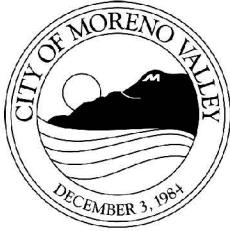
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**MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report  
of: City Clerk's Department)**

**Recommendation: Approve as submitted.**

**SEE AGENDA ITEM A.2**

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>WAB</i>

## Report to City Council

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**TO:** Mayor and City Council Acting in their Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** APPROVAL AND ADOPTION OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 1 ANNUAL SPECIAL TAX REPORT FOR FISCAL YEAR 2010/11

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### RECOMMENDED ACTION

Staff recommends that the Mayor and City Council acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”) and as the legislative body of Community Facilities District No. 1 (“CFD No. 1” or “District”) approve and adopt Resolution No. CSD 2010-07 to accept and approve the Annual Special Tax Report on file in the office of the City Treasurer and authorize the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover the annual special tax requirement of CFD No. 1.

### BACKGROUND

In 1986, CSD Zone A was established to fund park and recreational services. Over the years the cost of providing park maintenance services steadily increased, while the CSD Zone A annual charge of \$87.50 per parcel (per Dwelling Unit [“DU”] for apartments) remained fixed since fiscal year (“FY”) 1992/93. Rising program costs along with an increase of new residential developments in recent years created a need for additional funding to support the new neighborhood park areas. CSD Zone A funds cannot adequately accommodate the maintenance costs of both existing and newly constructed neighborhood park areas. In an effort to provide for the ongoing maintenance and safety of new neighborhood parks, without jeopardizing CSD Zone A funding for existing park and recreation services, the CSD formed CFD No. 1.

On July 8, 2003, the CSD Board conducted a Public Hearing for the formation of CFD No. 1, approved a resolution to provide for future territory annexation into CFD No. 1 and authorized a special tax levy. The special tax funds public services, such as

ongoing maintenance and/or repair of parks, park improvements, and all efforts by Park Rangers that are devoted to the maintenance and safety of the newly constructed neighborhood parks accepted by the City of Moreno Valley Parks and Community Services Department for maintenance after District formation in July 2003. FY 2003/04 was the first year for the special tax levy.

Proposition 218, a constitutional initiative known as the Right to Vote on Taxes Act, was approved by California voters in November 1996. Subsequent increases, not addressed in the original CFD Report, will be subject to a two-thirds approval by the property owners within CFD No. 1.

## **DISCUSSION**

The CSD Board shall have the opportunity to consider implementing the rate and method of apportionment of special tax ("RMA") required to cover the special tax requirement of CFD No. 1, as submitted in the Annual Special Tax Report ("Report") on file in the office of the City Treasurer.

Detailed within the Report is the description of the CFD proceedings, identification of participating developments, park projects maintained within the District, description of services, and amount of the special tax to be levied for 2010/11. The maximum special tax rate for FY 2010/11 is \$143 per DU; however, the FY 2010/11 CFD No. 1 levy shall be based on projected District expenses and shall not exceed the maximum special tax amount. The 2010/11 CSD Zone A levy of \$87.50 per dwelling unit will continue to be collected to support maintenance of existing parks and recreation programs. The special tax levy per residential parcel or per DU for apartments will be collected on the Riverside County property tax bill and is applied only to those parcels, or any portion thereof, annexed into CFD No. 1.

## **ALTERNATIVES**

1. **Approve and adopt the proposed resolution** to accept and approve the Annual Special Tax Report on file in the office of the City Treasurer and authorize the City Treasurer to levy the special tax in accordance with the RMA required to cover the annual special tax requirement of CFD No. 1. *This approval will allow collection of monies necessary to fund ongoing maintenance services of CFD No. 1.*
2. **Do not approve or adopt the proposed resolution** to accept and approve the Annual Special Tax Report on file in the office of the City Treasurer and authorize the City Treasurer to levy the special tax in accordance with the RMA required to cover the annual special tax requirement of CFD No. 1. *CSD Zone A funds maintenance and operations of existing park areas, recreation facilities and programs; however, these funds are inadequate to support ongoing maintenance and/or repair of parks, park improvements, and all efforts by Park Rangers that are devoted to the maintenance and safety of the newly constructed neighborhood parks as a result of added residential development. If the CFD No. 1 special tax is not*



*authorized to be levied, there will be a shortage of funds to pay for maintenance and Park Ranger costs associated with new neighborhood parks.*

**FISCAL IMPACT**

The fiscal impact will be a levy of a special tax applied to the property owner’s 2010/11 Riverside County property tax bill. **The special tax levied on properties within the boundaries of CFD No. 1 can only be used to cover the annual special tax requirement for the District. Collection of the CFD No. 1 special tax reduces the level of CSD Zone A and General Fund support necessary to maintain neighborhood parks.** Properties within CFD No. 1 are new residential developments, which create the need for new neighborhood parks. Neither existing nor new commercial/industrial properties are affected by this special tax levy.

**CITY COUNCIL GOALS**

**Revenue Diversification and Preservation**

A special tax necessary to fund CFD No. 1 is collected according to the provisions outlined within the Mello-Roos Community Facilities Act of 1982.

**SUMMARY**

The CSD Board shall have an opportunity to consider implementing the levy for CFD No. 1, per the RMA, as identified within the Report on file in the office of the City Treasurer.

**EXHIBITS**

- Exhibit A A proposed resolution to accept and approve the Report for FY 2010/11 regarding CFD No.1
- Exhibit B Boundary Map CFD No. 1

Prepared by:  
Jennifer A. Terry,  
Management Analyst

Department Head Approval:  
Chris A. Vogt, P.E.,  
Public Works Director/City Engineer

Concurred by:  
Sue Anne Maxinoski,  
Special Districts Division Manager

Concurred by:  
Mike McCarty  
Parks & Community Services Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\SpecialDist\Special Dist Administration\Community Facilities Districts CFD\CFD 1 Neighborhood Parks\Annual Report\2010-11\Staff Report 06.08.10.doc

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RESOLUTION NO. CSD 2010-07

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACCEPTING AND APPROVING THE REPORT FOR FISCAL YEAR 2010/11 REGARDING COMMUNITY FACILITIES DISTRICT NO. 1

WHEREAS, the CITY COUNCIL for the CITY OF MORENO VALLEY, CALIFORNIA, acting in their capacity as the President and Members of the Board of Directors of the Moreno Valley Community Services District ("CSD Board"), did form Community Facilities District No.1 ("CFD No. 1" or "District") pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and,

WHEREAS, following approval by the qualified electors of the District, the CSD Board, acting as the legislative body, did introduce and adopt Ordinance Nos. CSD-40 (Urgency Ordinance) and CSD-41 (an Ordinance of the Moreno Valley Community Services District of the City of Moreno Valley, California) to authorize the levy of a special tax within CFD No. 1; and,

WHEREAS, the CSD Board adopted Resolution No. CSD 2003-26 authorizing annexation of Territory in the future to CFD No. 1; and,

WHEREAS, annexations to CFD No. 1 have been conducted by the Community Services District following formation of the District; and,

WHEREAS, The City has prepared and submitted the Special Tax Report ("Report") for FY 2010/11; and a copy of said Report is on file in the office of the City Treasurer and is incorporated herein by this reference as if fully set forth.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are all true and correct.
2. That the Report for FY 2010/11, as on file in the office of the City Treasurer, is hereby approved.
3. That this legislative body hereby authorizes the City Treasurer to levy the special tax in accordance with the rate and method of apportionment required to cover

1  
EXHIBIT A

Resolution No. CSD 2010-\_\_\_\_  
Date Adopted: June 8, 2010

the annual special tax requirement of CFD No. 1 as set forth in the Report and hereby is levied during FY 2010/11 against the parcels within the District.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June, 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President  
of the Moreno Valley Community  
Services District

ATTEST:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney, Acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

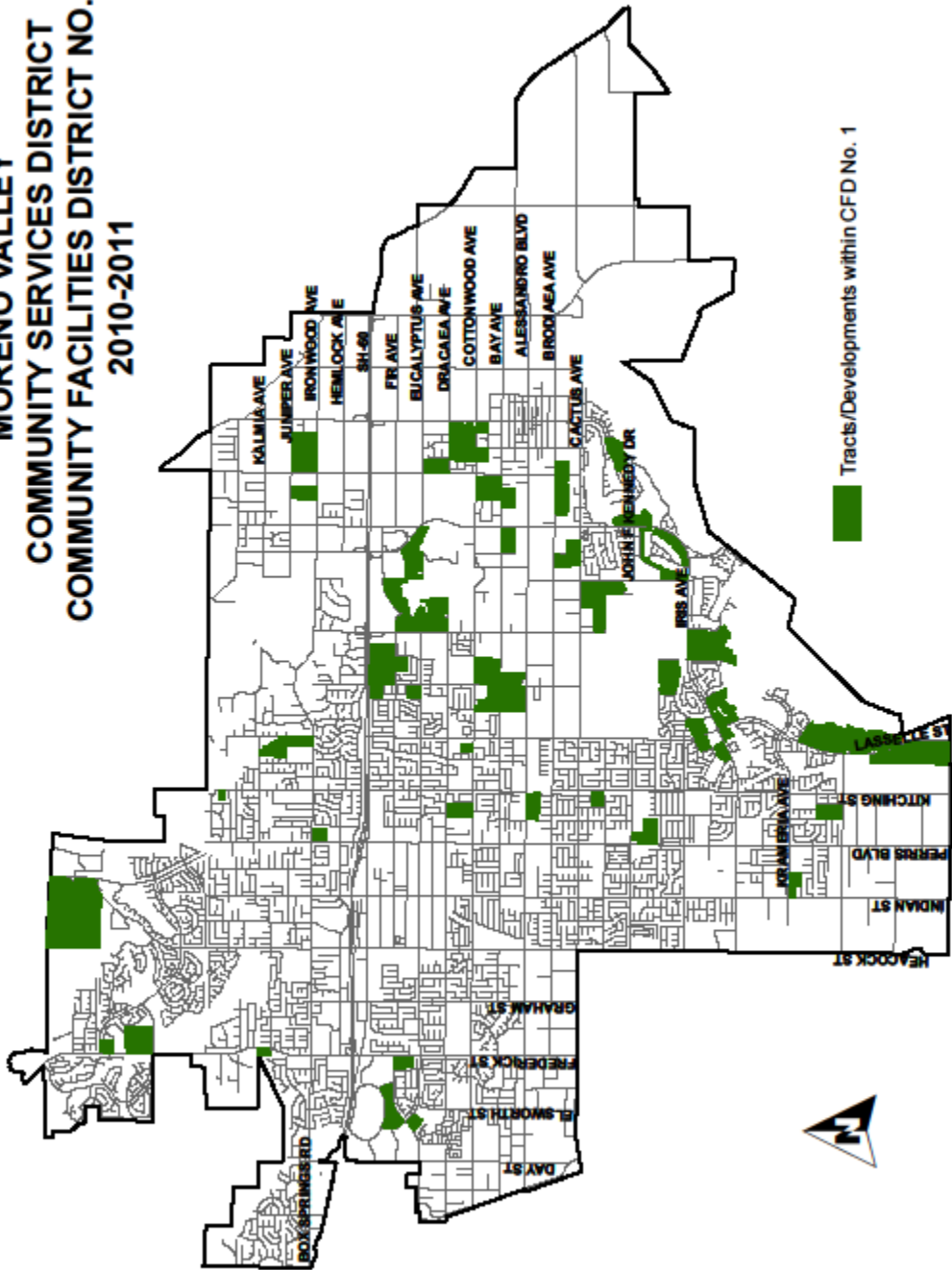
RESOLUTION JURAT

[Clerk's Office will prepare]

**[Note: Any attachments or exhibits to this resolution should follow this jurat.]**

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**MORENO VALLEY  
COMMUNITY SERVICES DISTRICT  
COMMUNITY FACILITIES DISTRICT NO. 1  
2010-2011**

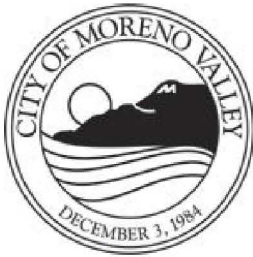


Map Not To Scale

**EXHIBIT B**

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RA</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council and the City Council Acting in their Capacity as the President and Members of the Board of Directors of the Moreno Valley Community Services District ("CSD")

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** AUTHORIZATION FOR THE MAYOR TO SIGN THE PROPOSITION 218 LETTER FOR CITY AND COMMUNITY SERVICES DISTRICT FUNDS TO BE TRANSMITTED WITH THE FIXED CHARGE SUBMITTAL, AS REQUIRED BY THE COUNTY OF RIVERSIDE

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### **RECOMMENDED ACTION**

1. Staff recommends that the Mayor and City Council approve and adopt the proposed Resolution No. 2010-42 to authorize the Mayor to sign the Proposition 218 letter to be sent to the Riverside County Auditor-Controller for Fiscal Year (FY) 2010/11.
2. Staff recommends that the City Council acting in their capacity as President and Members of the Board of Directors of the CSD ("CSD Board"), approve and adopt the proposed Resolution No. CSD 2010-08 to authorize the Mayor, acting in the capacity of the CSD President, to sign the Proposition 218 letter to be sent to the Riverside County Auditor-Controller for FY 2010/11.

### **BACKGROUND**

Each year Special Districts prepares and sends an electronic report containing the City and the CSD charges, assessments, fees, and/or special taxes ("fixed charges") to the Riverside County Auditor-Controller for placement and collection on the property tax roll. The fixed charges are placed individually on the tax roll for services applicable to each Assessor Parcel Number (APN). The County of Riverside requires that the City/CSD submit a Proposition 218 letter for the funds transmitted for placement and collection on the property tax bill. The Proposition 218 letter (as set forth in Attachments 3 and 4) addresses compliance with Proposition 218 and liability as a result of claims filed by taxpayers against any charge,

assessment, fee and/or special tax placed on the Riverside County property tax roll on behalf of the City or the CSD.

## **DISCUSSION**

Special Districts annually reviews the fixed charges in compliance with Proposition 218 and prepares the fixed charge roll to be sent to the Riverside County Auditor-Controller by August 10, 2010, for placement on the FY 2010/11 property tax roll. The fixed charge roll shall include the following funds (“fixed charge funds”):

<b><u>Fund No.</u></b>	<b><u>Description</u></b>	<b><u>Fund No.</u></b>	<b><u>Description</u></b>
68-4271	ZONE A	68-2491	CFD No 1
68-4272	ZONE B	68-2490	CFD No 3
68-4274	ZONE C	68-4292	CFD No 4M
68-4275	ZONE D	68-4293	CFD No 5
68-4276	ZONE E	68-4294	CFD No 7
68-4281	ZONE E-1A	68-2495	CFD No 87-1
68-4284	ZONE E-3A	68-2489	CFD No 87-1 IA1
68-4282	ZONE E-4A	68-2494	NUISANCE
68-4283	ZONE M	68-4290	NPDES
68-4270	ZONE S	68-4277	SOLID WASTE
68-2483	AD 96-1		

## **ALTERNATIVES**

- 1. Adopt the enclosed resolutions authorizing the Mayor/CSD President to sign the Proposition 218 letters for FY 2010/11** for each City and CSD fixed charge fund. *Authorizing the Mayor/CSD President to sign the Proposition 218 letters for each fund submitted on behalf of the City and the CSD fulfills the County of Riverside’s requirement for placement of the fixed charges on the property tax roll.*
- 2. Do not adopt the enclosed resolutions authorizing the Mayor/CSD President to sign the Proposition 218 letters for FY 2010/11** for submittal to the Riverside County Auditor-Controller. *Not authorizing the Mayor/CSD President to sign the Proposition 218 letters, may prevent submission of the fixed charges to the Riverside County Auditor-Controller for placement on the property tax roll.*

## **FISCAL IMPACT**

The revenue from the fixed charges shall offset costs incurred in providing multiple services to the property owners and shall also provide for the annual debt service payments of outstanding bonds related to assessment and community facilities districts. **Revenue collected from the funds referenced above are restricted for use within each respective fund.**

**CITY COUNCIL GOALS**

**Community Image, Neighborhood Pride, and Cleanliness**

The revenue derived from the fixed charges allows the CSD to continue supporting and improving the community image, neighborhood pride and cleanliness through services such as: maintenance of parks and recreation areas, streetlights on arterial streets and residential roadways, graffiti removal, parkway landscape maintenance, etc.

**Revenue Diversification and Preservation**

Complying with the County of Riverside’s requirement ensures that the fixed charges are applied to the property tax roll and costs of providing the needed services to the property owners may be paid through the collection of the fixed charges.

**SUMMARY**

The action before the City Council/CSD Board is to adopt two resolutions authorizing the Mayor/CSD President to sign the Proposition 218 letters to comply with the County of Riverside’s requirement for placement of the fixed charges on the property tax roll.

**ATTACHMENTS**

- Attachment 1: City Proposition 218 Letter Resolution
- Attachment 2: CSD Proposition 218 Letter Resolution
- Attachment 3: Proposition 218 Letter for City Funds
- Attachment 4: Proposition 218 Letter for CSD Funds

Prepared by:  
Jennifer A. Terry,  
Management Analyst

Department Head Approval:  
Chris A. Vogt, P.E.,  
Public Works Director/City Engineer

Concurred by:  
Candace E. Cassel,  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\SpecialDist\Special Dist Administration\Fixed Charges\County Submission\2010-11\Prop 218 Stfrpt 6.8.10.doc

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RESOLUTION NO. 2010-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE MAYOR TO SIGN THE PROPOSITION 218 LETTER TO BE SENT TO THE COUNTY OF RIVERSIDE AUDITOR-CONTROLLER'S OFFICE

WHEREAS, the City of Moreno Valley ("City") provides or will provide various services within the City through City programs and funding for such services, in part, through, charges, assessments, fees and/or special taxes; and

WHEREAS, the City Council, has determined, and hereby does determine, that it is in the best interests of the City to have said City charges, assessments, fees and/or special taxes collected on the Riverside County tax roll; and

WHEREAS, the City Council has determined and hereby does determine that in order to comply with the County of Riverside's requirements, the Mayor be given the authorization to sign the Proposition 218 letter which is submitted to the Riverside County Auditor-Controller's office along with the charges, assessments, fees, and/or special taxes to be collected on the tax roll; and

WHEREAS, the Proposition 218 letter release the County of Riverside from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any charges, assessment, fees, and/or taxes placed on the tax roll for the City by the County.

NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE AS FOLLOWS:

1. The Mayor is authorized to sign the Proposition 218 letter for fiscal year 2010/11 for the charges, assessments, fees, and/or special taxes to be levied on the tax roll, to comply with the County of Riverside's requirement.

2. The City Clerk is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Riverside County Auditor-Controller's office.

APPROVED AND ADOPTED this 8<sup>th</sup> day of June 2010.

---

Mayor

ATTEST:

APPROVED AS TO FORM:

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City Clerk

---

City Attorney

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. CSD 2010-08

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE MAYOR, ACTING AS PRESIDENT OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT, TO SIGN THE PROPOSITION 218 LETTER TO BE SENT TO THE COUNTY OF RIVERSIDE AUDITOR-CONTROLLER'S OFFICE

WHEREAS, the Moreno Valley Community Services District ("CSD") provides or will provide various services within the CSD through CSD programs and provides funding for such services, in part, through zones of the CSD and/or subzones thereof; and

WHEREAS, the Community Services District Law of the State of California, Government Code Section 61000 et seq. states that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the CSD Board of Directors ("CSD Board"), has determined, and hereby does determine, that it is in the best interests of the CSD to have said CSD charges, assessments, fees and/or special taxes collected on the Riverside County tax roll; and

WHEREAS, the CSD Board has determined and hereby does determine that in order to comply with the County of Riverside's requirements, the Mayor, acting as the President of the CSD, be given the authorization to sign the Proposition 218 letter, which is submitted to the Riverside County Auditor-Controller's office along with the charges, assessments, fees, and/or special taxes to be collected on the tax roll; and

WHEREAS, the Proposition 218 letter release the County of Riverside from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessment, fees, charges, or taxes placed on the tax roll for the CSD by the County.

NOW, THEREFORE, THE MORENO VALLEY CSD OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The Mayor, acting in the capacity of President of the CSD, is authorized to sign the Proposition 218 letter for fiscal year 2010/11 for the charges, assessments, fees, and/or special taxes to be levied on the tax roll, to comply with the County of Riverside requirement.

2. The Secretary of the CSD is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Riverside County Auditor-Controller's office.

APPROVED AND ADOPTED this 8th day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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Robert E. Byrd, CGFM  
Riverside County Auditor-Controller  
4080 Lemon Street, 11<sup>th</sup> floor  
Riverside, CA 92502

SUBJECT: Compliance with Proposition 218

Dear Mr. Byrd:

The City of Moreno Valley represent that the charges associated with the following property tax fund numbers identified on the County Tax Roll are in compliance with the articles of Proposition 218 cited below.

<b>Fund No.</b>	<b>Description</b>	<b>Fund No.</b>	<b>Description</b>
68-2483	AD 96-1	68-2489	CFD No. 87-1 IA1
68-2490	CFD No. 3	68-2494	Nuisance
68-4292	CFD No. 4-M	68-4290	NPDES
68-4293	CFD No. 5	68-4277	Solid Waste
68-2495	CFD No. 87-1		

The County Auditor-Controller/County of Riverside agrees to enter all assessments, fees, charges, or taxes for the City of Moreno Valley upon receipt of such roll on or about August 2, 2010 based upon such certification.

The City of Moreno Valley shall be solely liable and responsible, and will defend, indemnify and hold the County and this office harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessments, fees, charges, or taxes placed on the roll for the City of Moreno Valley by the County.

ARTICLE XIII C. Sec. 2 (c) *“Any general tax imposed, extended or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).”*

ARTICLE XIII D. Sec 5 *“...this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article.”*

ATTACHMENT 3

ARTICLE XIII C. Sec. 6 (d) *“Beginning July 1, 1997, all fees or charges shall comply with this section.”*

\_\_\_\_\_  
Mayor  
City of Moreno Valley

\_\_\_\_\_  
Date

Attested by:

\_\_\_\_\_  
City Clerk  
City of Moreno Valley

Robert E. Byrd, CGFM  
Riverside County Auditor-Controller  
4080 Lemon Street, 11<sup>th</sup> floor  
Riverside, CA 92502

SUBJECT: Compliance with Proposition 218

Dear Mr. Byrd:

The Moreno Valley Community Services District (CSD) represent that the charges associated with the following property tax fund numbers identified on the County Tax Roll are in compliance with the articles of Proposition 218 cited below.

<b>Fund No.</b>	<b>Description</b>	<b>Fund No.</b>	<b>Description</b>
68-4271	CSD Zone A	68-4284	CSD Zone E-3A
68-4272	CSD Zone B	68-4282	CSD Zone E-4A
68-4274	CSD Zone C	68-4283	CSD Zone M
68-4275	CSD Zone D	68-4270	CSD Zone S
68-4276	CSD Zone E	68-2491	CFD No. 1
68-4281	CSD Zone E-1A		

The County Auditor-Controller/County of Riverside agrees to enter all assessments, fees, charges, or taxes for the CSD upon receipt of such roll on or about August 2, 2010 based upon such certification.

The CSD shall be solely liable and responsible, and will defend, indemnify and hold the County and this office harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessments, fees, charges, or taxes placed on the roll for the CSD by the County.

ARTICLE XIII C. Sec. 2 (c) *“Any general tax imposed, extended or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).”*

ARTICLE XIII D. Sec 5 *“...this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article.”*

ATTACHMENT 4

ARTICLE XIII C. Sec. 6 (d) *“Beginning July 1, 1997, all fees or charges shall comply with this section.”*

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
acting in the capacity of President of the  
Moreno Valley Community Services District

\_\_\_\_\_  
Date

Attested by:

\_\_\_\_\_  
City Clerk,  
acting in the capacity of Secretary of the  
Moreno Valley Community Services District



**MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report  
of: City Clerk's Department)**

**Recommendation: Approve as submitted.**

**SEE AGENDA ITEM A.2**

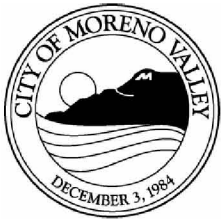
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**MINUTES - REGULAR MEETING OF MAY 25, 2010 (Report  
of: City Clerk's Department)**

**Recommendation: Approve as submitted.**

**SEE AGENDA ITEM A.2**

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>WLB</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** PUBLIC HEARING REGARDING THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) REGULATORY RATE SCHEDULE FOR NEW RESIDENTIAL AND COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE DEVELOPMENT PROPOSED FISCAL YEAR (FY) 2010/2011 ANNUAL RATES

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### RECOMMENDED ACTION

Staff recommends that the City Council:

1. Conduct a Public Hearing to consider all objections or protests of the "NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development" as provided in the Public Notice;
2. Adopt "Resolution No. 2010-50, A Resolution of the City of Moreno Valley, California, Authorizing and Approving the Levy of the National Pollutant Discharge Elimination System (NPDES) Regulatory Rate for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development on the County of Riverside Property Tax Roll."

### ADVISORY COMMITTEE RECOMMENDATION

Not Applicable

### BACKGROUND

The 1972 Federal Clean Water Act requires public agencies to obtain permits to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains and flood control channels. This Act also requires local

agencies to clean urban runoff to the maximum extent practicable (MEP), which has not been defined by the federal or state government.

On October 25, 2002, the Santa Ana Regional Water Quality Control Board (SARWQCB) adopted new requirements the City must implement to remain in compliance. The requirements include a higher-level effort to divert pollutants from entering the drainage system. The service levels require site inspection, discharge monitoring, remedial cleanup efforts, and a higher level of maintenance of the streets and storm drain system before discharging water into the larger storm water collection system.

On June 10, 2003, the City Council approved the “NPDES Regulatory Rate Schedule for New Residential Development.” The “NPDES Regulatory Rate Schedule for New Residential Development” was designed to fund NPDES administration and maintenance of water quality ponds and bioswales associated with new single-family residential subdivisions. On January 27, 2004, the City Council authorized the collection of the NPDES regulatory rates for new residential development consisting of single-family dwellings.

On January 10, 2006, the City Council approved the “NPDES Regulatory Rate Schedule for New Common Interest, Commercial, Industrial and Quasi-Public Use Development.” The “NPDES Regulatory Rate Schedule for New Common Interest, Commercial, Industrial and Quasi-Public Use Development” was designed to fund NPDES public education, administration and monitoring of site design, source control and treatment control best management practices (BMPs) associated with new common interest, commercial, industrial and quasi-public use development.

On January 29, 2010, the SARWQCB issued a new NPDES permit. The new permit continues the 2002 mandates for the higher-level effort to divert pollutants and service levels.

The City Council conducted the Public Meeting on May 26, 2010, to provide an opportunity for the public to address the City Council on the proposed FY 2010/2011 annual NPDES regulatory rates.

### **Proposition 218**

Proposition 218, approved in the November 1996 election as a constitutional amendment, specifically addresses the ability of public agencies to collect taxes, fees, charges, and/or assessments as an incidence of property ownership. The City of Moreno Valley has reviewed Proposition 218 with respect to the NPDES regulatory rate collection process. Based upon this review, it has been determined that the NPDES regulatory rate as currently collected, is in compliance with Proposition 218. Conducting the Public Hearing allows property owners an opportunity to address the City Council regarding the continuation of the “NPDES Regulatory Rate Schedule for New

Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development.”

## **DISCUSSION**

The NPDES regulatory rates are necessary to fund the costs of the storm water management services for the discharge of storm water runoff into municipally owned drainage facilities for pollution control from benefiting parcels.

### **Proposed Regulatory Rates**

The proposed rates shall be levied against each assessable benefiting parcel of real property that is required to comply with the City’s NPDES Storm Water Management Program. The Consumer Price Index (CPI) for Los Angeles, Riverside, and Orange Counties from February 2009 – February 2010 was +1.44%. Due to this small increase, staff recommends the annual rates remain at the same level as FY 2009-10.

The following tables outline the services provided by each level of service, the current annual rates and the proposed annual rates.

Table 1 reflects the annual rates for New Residential Development.

**TABLE 1**

<b>NPDES Regulatory Rate for New Residential Development</b>			
<b>Service Level</b>		<b>Current Maximum Annual Rate FY 2009/2010</b>	<b>Proposed Maximum Annual Rate FY 2010/2011</b>
LEVEL I	NPDES Administration and overhead.	\$35.00/Parcel	\$35.00/Parcel
LEVEL II	Water Quality Pond/Basin Maintenance.	\$69.00/Parcel	\$69.00/Parcel
LEVEL II-A	Sand Filter Maintenance.	\$31.00/Parcel	\$31.00/Parcel
LEVEL III	Water Quality Pond/Basin Remediation/Reconstruction.	\$60.00/Parcel	\$60.00/Parcel
LEVEL IV	Water Quality System Retrofit.	\$138.00/Parcel	\$138.00/Parcel

Table 2 reflects the annual rates for New Common Interest, Commercial, Industrial and Quasi-Public Use Development.

**TABLE 2**

<b>NPDES Regulatory Rate for New Common Interest, Commercial, Industrial and Quasi-Public Use Development</b>			
<b>Service Level</b>		<b>Current Maximum Annual Rate FY 2009/2010</b>	<b>Proposed Maximum Annual Rate FY 2010/2011</b>
LEVEL I	NPDES Administration and overhead.	\$35.00/Parcel	\$35.00/Parcel
LEVEL II	Storm water and non-storm water runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site storm water compliance site activities; review site-specific technical reports and treatment control BMP maintenance records.	\$170.00/Parcel	\$170.00/Parcel

### **ALTERNATIVES**

1. Approve that the City Council conduct a Public Hearing to consider all objections or protests of the "NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development" as provided in the Public Notice and adopt the proposed "Resolution, A Resolution of the City of Moreno Valley, California, Authorizing and Approving the Levy of the National Pollutant Discharge Elimination System (NPDES) Regulatory Rate for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development on the County of Riverside Property Tax Roll."
2. Do not approve that the City Council conduct a Public Hearing to consider all objections or protests of the "NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development" as provided in the Public Notice and adopt the pro "Resolution, A Resolution of the



City of Moreno Valley, California, Authorizing and Approving the Levy of the National Pollutant Discharge Elimination System (NPDES) Regulatory Rate for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development on the County of Riverside Property Tax Roll.” *By not conducting the Public Hearing and adopting the resolution, the County of Riverside (“County”) may challenge our ability to place the NPDES rates on the County property tax bill.*

## **FISCAL IMPACT**

Regulatory rate increases (including increases due to inflation) have been approved by the benefiting property owners through the mail ballot proceeding. The inflation factor is based on the percentage change in the Los Angeles-Riverside-Orange County CPI for the prior calendar year. For FY 2010/2011, the percentage change calculated in the area CPI is 1.44%.

For FY 2010/2011 the maximum annual regulatory rate per parcel for single-family residential development is \$273 (includes Levels I, II, II-A and IV combined from Table 1). The Level III rate is levied when a water quality pond/basin is taken out of service for remediation/reconstruction thus replaces the Level II rate. Since the Level III rate is less than the Level II rate the maximum rate for residential development cannot be greater than the summation of Levels I, II, II-A and IV. The maximum annual regulatory rate for new common interest, commercial, industrial and quasi-public use development is \$205 (includes Levels I and II combined from Table 2).

Approving annual rates less than that proposed by staff may require a decrease in both the level and quality of service from that provided and approved by benefiting property owners in the previous year. The service level provided would be adjusted according to the approved funding level.

**The NPDES Regulatory Rate levy collected from property owners supports current NPDES programs as identified herein. Funds collected from the NPDES Regulatory Rate levy are restricted for use only within the Storm Water Management Program.**

## **CITY COUNCIL GOALS**

### **Revenue Diversification and Preservation**

The proposed “NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development” provides a revenue source to fund the federally mandated requirements of the NPDES Storm Water Management Program for these types of development.

## **Public Facilities and Capital Projects**

The revenue collected from the proposed “NPDES Regulatory Rate Schedule for New Residential and Common Interest, Commercial, Industrial and Quasi-Public Use Development” will ensure that all site designs, source controls and treatment controls are properly implemented and maintained.

### **SUMMARY**

The action before City Council is to conduct the Public Hearing, and to adopt the resolution authorizing and approving the levy of the annual NPDES regulatory rates, on certain benefiting properties within the City as submitted in the NPDES Special Levy Report. While state law, after adoption of Proposition 218, does not mandate public hearings to consider charges, rates or fees already in place, such hearings were required under state statutes before adoption of Proposition 218. City policy has been to continue the past practice as a courtesy to the public.

The County collects the rates each year on the property tax bill. The County requires an annual resolution be approved to establish the authority to collect the annual NPDES rate on the tax bill. Approval of the resolution will satisfy the County requirement. The resolution also includes information on compliance with Proposition 218.

### **NOTIFICATION**

- Publication of Agenda
  
- Newspaper advertising was published on May 5, 2010, with information about the May 25, 2010, Public Meeting and the June 8, 2010, Public Hearing. Additionally, the June 8, 2010, Public Hearing notification was published on May 19, 2010, and again on May 26, 2010.

### **ATTACHMENTS/EXHIBITS**

Attachment “1” – Proposed Resolution

Prepared By  
Phuong Hunter  
Associate Environmental Engineer

Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred By  
Kent Wegelin  
Storm Water Program Manager

Concurred By  
Mark W. Sambito, P.E.  
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-50

A RESOLUTION OF THE CITY OF MORENO VALLEY,  
CALIFORNIA, AUTHORIZING AND APPROVING THE  
LEVY OF THE NATIONAL POLLUTANT DISCHARGE  
ELIMINATION SYSTEM (NPDES) REGULATORY RATE  
FOR NEW RESIDENTIAL AND COMMON INTEREST,  
COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE  
DEVELOPMENT ON THE COUNTY OF RIVERSIDE  
PROPERTY TAX ROLL

WHEREAS, as part of the 1972 Federal Clean Water Act, the federal government mandated that public agencies comply with the NPDES program to obtain Permits to discharge storm water runoff into municipally owned drainage facilities; and,

WHEREAS, on January 29, 2010, the Santa Ana Regional Water Quality Control Board issued new requirements that cities must address, regarding the water pollution contained in storm water runoff to remain in compliance with federal mandates; and,

WHEREAS, the City Council introduced Ordinance No. 708, on January 10, 2006, to repeal and reenact Chapter 3.50 of Title 3 of the City of Moreno Valley Municipal Code by relating to the establishment and collection of the NPDES regulatory rate for new residential and common interest, commercial, industrial, and quasi-public use development based on the approved NPDES regulatory rate and authorization of subsequent rate adjustments by resolution; and,

WHEREAS, Sections 5473 through 5473.8 of the California Health and Safety Code provides that such services may be funded, in whole or in part, by rates which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the City; and,

WHEREAS, the City Council, has determined, and hereby does determine, that it is in the interest of the City to have the NPDES regulatory rate on new residential, common interest, commercial, industrial, and quasi-public use development be so collected on the County of Riverside property tax roll; and,

WHEREAS, the City Council has determined that levying a regulatory rate against each assessable parcel of real property that is required to comply with the NPDES Permit program, as hereinafter established, is necessary to fund the costs of the storm water management services for the discharge of storm water runoff into municipally owned drainage facilities for pollution control from these land uses; and,

WHEREAS, the City Council heretofore caused a report to be prepared that identified each parcel of real property, which is subject to the regulatory rate, and has caused notice of said report and of the public hearing thereon to be duly given; and,

WHEREAS, the City Council held a Public Hearing on June 8, 2010, at which time all persons wishing to be heard were heard, and at which hearing the City Council heard and considered all objections and protests, if any; and,

WHEREAS, on June 8, 2010, the City Council reviewed and considered the NPDES regulatory rate for new residential and common interest, commercial, industrial, and quasi-public use development to fund the federally mandated NPDES program; and,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The City Council shall authorize collection of the NPDES regulatory rate on the County of Riverside tax bill for federally mandated NPDES requirements to address the discharge of storm water runoff into municipally owned drainage facilities.
2. The maximum rate to be collected for fiscal year (FY) 2010/2011 shall be \$273.00 per parcel for new residential development, which may be subject to an annual adjustment, if necessary, based on the percentage change calculated for the prior calendar year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index, as published by the Department of Labor's Bureau of Labor Statistics.
3. The maximum rate to be collected for FY 2010/2011 shall be \$205.00 per parcel for new common interest, commercial, industrial, and quasi-public-use development, which may be subject to an annual adjustment, if necessary, based on the percentage change calculated for the prior calendar year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index, as published by the Department of Labor's Bureau of Labor Statistics.
4. The NPDES regulatory rate, as herein confirmed, shall be collected on the tax roll at the same time and by the same persons, and in the same manner as, together with and not separately from, general taxes, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties, as provided for in Sections 5473 through 5473.8 of the California Health and Safety Code.
5. The City Council made a finding that collection of the NPDES regulatory rate is in compliance with Proposition 218.
6. The effective date of this Resolution shall be June 8, 2010.

APPROVED AND ADOPTED this 8th day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

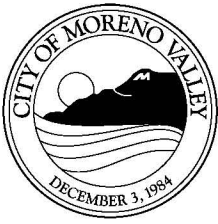
RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>WDB</i>

## Report to City Council

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**TO:** Mayor and City Council Acting in their Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** PUBLIC HEARING TO CONSIDER APPROVING THE CONTINUANCE OF CURRENT MORENO VALLEY COMMUNITY SERVICES DISTRICT ANNUAL PARCEL CHARGES PROPOSED FOR FISCAL YEAR 2010/11

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### RECOMMENDED ACTION

Staff recommends that the City Council, acting in their capacity as President and Members of the Board of Directors of the Moreno Valley CSD ("CSD Board") conduct a Public Hearing for the CSD Zones A, B, C, D, E, E-1A, E-3A, E-4A, M, and S; approve and adopt the proposed resolutions:

1. Approve and adopt the proposed Resolution No. CSD 2010-09 (Zone A);
2. Approve and adopt the proposed Resolution No. CSD 2010-10 (Zone B)
3. Approve and adopt the proposed Resolution No. CSD 2010-11 (Zone C)
4. Approve and adopt the proposed Resolution No. CSD 2010-12 (Zone D)
5. Approve and adopt the proposed Resolution No. CSD 2010-13 (Zone E)
6. Approve and adopt the proposed Resolution No. CSD 2010-14 (Zone E-1A)
7. Approve and adopt the proposed Resolution No. CSD 2010-15 (Zone E-3A)
8. Approve and adopt the proposed Resolution No. CSD 2010-16 (Zone E-4A)
9. Approve and adopt the proposed Resolution No. CSD 2010-17 (Zone M)

10. Approve and adopt the proposed Resolution No. CSD 2010-18 (Zone S)

Approval of the proposed resolutions will continue the currently approved annual parcel charges and the proposed amount for each charge in fiscal year (FY) 2010/11. Parcel charges help to fund parks and recreational services, residential street lighting, arterial street lighting, maintenance of parkway landscaping, extensive parkway landscaping, internal parkway landscaping/walls, medians, and the improvements along Sunnymead Boulevard from Frederick Street to Perris Boulevard, as described in the Preliminary Annual Levy Report on file in the office of the City Clerk.

**ADVISORY COMMITTEE RECOMMENDATION**

The Parks and Recreation Advisory Committee (PRAC) does not complete a detailed review of the budget for Zone A (Parks and Recreation) before the CSD Board's approval. They make recommendations directly to the CSD Board on major budget issues. There are no formal committee meetings on landscaping and street lighting issues; however, the Hidden Springs Residents' Committee may review charges applicable to their area.

**BACKGROUND**

The CSD was formed simultaneously with City incorporation to provide a variety of benefit services. Zones within the CSD were established to allocate costs to those parcels that receive proportional benefit from the services provided. Each of the zones represents either a different service or degree of service to particular properties within each zone.

The CSD Board conducted the Public Meeting on May 25, 2010, to provide the first opportunity for the public to address the CSD Board on the annual CSD charges.

**Proposition 218**

Proposition 218, approved in the November 1996 election as a constitutional amendment, specifically addresses the ability of public agencies to collect taxes, fees, charges, and/or assessments. The City of Moreno Valley has reviewed Proposition 218 with respect to the CSD charge collection process. Based upon this review, it has been determined that the CSD charges as currently collected are in compliance with Proposition 218. Any future charge increases, other than an inflation adjustment that has been approved during a prior mail ballot proceeding, shall require a ballot, which will be conducted as outlined in Proposition 218 and in compliance with the Policy for Conducting Mail Ballot Proceedings adopted by the City Council and the CSD Board on January 22, 2002, as amended on January 24, 2006 and March 24, 2009.

**DISCUSSION**

The following section lists the zones and summarizes the services provided by the CSD to each zone, along with the proposed and the current year annual charges. No charge increases for the following zones are proposed for FY 2010/11, unless adjusted through the mail ballot proceeding process or a previously authorized inflation adjustment implemented to achieve full-cost recovery. The adjustment for FY 2010/11 is 1.83% and is based on the

percentage change calculated for the prior calendar year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index (CPI), as published by the Department of Labor's Bureau of Labor Statistics.

**Zone A** is authorized to provide park maintenance and recreation services citywide. All properties within the City boundaries are levied this charge to aid with current programs. The proposed FY 2010/11 charge is \$87.50 per dwelling unit (residential), nonresidential units (commercial and industrial) and undeveloped parcels. (The current FY 2009/10 charge is \$87.50.) The proposed FY 2010/11 levy for Zone A is approximately \$5,020,225.00.

**Zone B** is authorized to provide residential street lighting services to specific residential subdivisions within the zone. The funds collected pay for the monthly energy and maintenance charges. The charge is \$23.00 per parcel per year for those properties which were annexed into the zone prior to 1999. Property owners of 7,326 parcels that balloted after 1999 to receive Zone B services and authorized an annual inflation adjustment, shall be charged \$24.42 per parcel per year. There are also 65 parcels located south of Ironwood, east of Nason with reduced streetlight services paying \$6.00 per parcel.

The CSD is reviewing the Zone B charges and shall be conducting a mail ballot proceeding in September 2010, for a proposed charge increase. If approved, the charge would increase from \$23.00 or \$24.42 per parcel per year, to \$39.00 per parcel per year and would allow for an annual CPI increase, if necessary, to fund the annual cost to provide residential street lighting services. (The current FY 2009/10 charges are \$6.00 for reduced streetlight service and \$23.00 or \$24.00 for standard level streetlight service.) The proposed FY 2010/11 levy for Zone B is approximately \$933,637.82, which does not include the proposed increase. If the \$39.00 parcel charge is approved, the FY 2010/11 levy is estimated to be \$1,565,226.00.

**Zone C** is authorized to provide arterial street lighting and intersection lighting on major roadways throughout the City. For FY 2010/11, the proposed charge for each parcel in the CSD is \$9.00. (The current FY 2009/10 charge is \$9.00.) The proposed FY 2010/11 levy for Zone C is approximately \$430,713.00.

**Zone D** is authorized to provide parkway landscape maintenance services to the perimeters and/or entry statements of designated residential tract developments. A listing of the current FY 2009/10 charges per parcel for each tract and the proposed charges for FY 2010/11 are included in the Zone D Resolution. A majority of affected property owners, of certain tracts, approved an inflation adjustment in prior Proposition 218 mail ballot proceedings. An increase shall only be implemented to provide for full-cost recovery. For FY 2010/11, the CPI adjustment shall be applied to 53 tracts as noted on the Zone D Resolution.

The CSD shall be conducting a mail ballot proceeding in July 2010 for an increase to the proposed charges to recover costs for the following tracts: 12773, 19210, 19937, 20404, 20579, 20718, 21113, 21333, 21597, 22889, 28882, 31257, 31269-1, and 32018. Tracts not approving the proposed increase shall receive a reduced service level of landscape maintenance in accordance with the Zone D Policy guidelines. The proposed FY 2010/11 levy for Zone D is approximately \$1,233,742.22, which does not include the Zone D

increases. If the Zone D increases are approved, the estimated parcel charges for Zone D are approximately \$1,359,287.04.

**Zone E** is authorized to provide high-service-level parkway landscape maintenance of extensively landscaped parkway areas adjacent to ten (10) major residential/commercial developments. For FY 2010/11, the CPI charge adjustment shall be applied to Zones E-1, E-2, E-3, E-7, E-14 and E-16. The proposed annual charges for the subzones of Zone E are included in the Zone E Resolution. The proposed FY 2010/11 levy for Zone E is approximately \$2,347,678.16.

**Zone E-1A** is authorized to provide internal parkway landscape/wall maintenance to the Renaissance Park development. The proposed Zone E-1A charge for FY 2010/11 is \$77.38 per parcel. (Current FY 2009/10 charge is \$76.00.) The total FY 2010/11 levy for Zone E-1A is approximately \$43,100.66.

**Zone E-3A** is authorized to provide internal parkway landscape/wall maintenance to those tracts associated with the Lasselle Powerline Parkway area. The proposed Zone E-3A charge for FY 2010/11 is \$67.20 per parcel. (Current FY 2009/10 charge is \$66.00.) Total FY 2010/11 levy for Zone E-3A is approximately \$31,584.00.

**Zone E-4A** is authorized to provide internal parkway landscape maintenance to the Daybreak development. The proposed Zone E-4A charge for FY 2010/11 is \$109.00. (Current FY 2009/10 charge is \$109.00.) The total FY 2010/11 levy for Zone E-4A is approximately \$10,791.00.

**Zone M** is authorized to provide maintenance for improved medians constructed as a condition of approval for commercial/industrial/multifamily developments. Charges for this zone are calculated by determining the proportional obligation for the total median maintenance and administrative costs attributable to the improved median area associated with the affected commercial/industrial/multifamily properties. The FY 2010/11 charge is based on median square footage at an estimated cost of no more than 16.1 cents per square foot per month, which may include an inflation factor. The current FY 2009/10 charges and the proposed FY 2010/11 annual charges for Zone M are included in the Zone M Resolution. The total FY 2010/11 levy for Zone M is approximately \$210,696.16.

**Zone S** is authorized to provide maintenance services to the improvements along Sunnymead Boulevard between Frederick Street and Perris Boulevard. Charges for this zone are calculated by determining the proportional financial obligation, based on front linear footage, of the properties adjacent to the improvements. The Zone S charge for 2010/11 is \$2.80 per front linear footage, per year, which may include an inflation factor. The total FY 2010/11 levy for Zone S is approximately \$53,295.20, which does not include the Zone S increase. (Current FY 2009/10 charge is \$2.75 per front liner footage).

## **ALTERNATIVES**

1. **Conduct a Public Hearing** to approve and adopt the proposed resolutions. *Although not required under Proposition 218, City policy has been to continue holding a Public Hearing. By conducting the Public Hearing on June 8, 2010, property owners shall be given an opportunity to address the CSD Board regarding the continuation of the CSD annual charges for the associated benefit services. Approving CSD Zones B, C, D, E, E-1A, E-3A, E-4A, M and S charges as proposed by staff shall authorize the CSD to continue providing maintenance at the applicable service levels. Approving the proposed charge for CSD Zone A will partially fund park maintenance and recreational services, along with some proposed capital improvements. The County of Riverside requires that resolutions be approved annually to authorize collecting the annual CSD parcel charges on the property tax bills. Approval of these resolutions will satisfy the County requirement.*
  
2. **Do not conduct the Public Hearing** and do not approve and adopt the resolutions. *Even though a Public Hearing is not required under Proposition 218 for the continuation of the CSD annual charges, City policy has been to continue holding a Public Hearing to allow the public to address the CSD Board. By not adopting the resolutions, the County may challenge the City CSD's ability to place the CSD charges on the County property tax bill.*

## **FISCAL IMPACT**

Property owners pay the CSD annual charges as a part of their property tax bill. Charges, including CPI adjustments, have been approved by the affected property owners through prior proceedings or are part of a current mail ballot proceeding. The annual inflation factor is based on the percentage change in the CPI for the prior calendar year. For FY 2010/11, the CPI adjustment is 1.83%.

CSD Zones B, C, D, E, E-1A, E-3A, E-4A and S annual charges are based on full-cost recovery and program operations that have no effect on the General Fund. Zones A and M charges reduce the General Fund support to provide services for these programs. **The funds collected through the CSD charges for Zones A, B, C, D, E, E-1A, E-3A, E-4A, M and S are restricted funds, which may only be used to pay for costs within each respective CSD Zone.**

Approving charges less than those proposed by staff may require a decrease to both the level and quality of service from that provided during FY 2009/10. The service levels may be adjusted according to the approved funding level.

## **CITY COUNCIL GOALS**

### COMMUNITY IMAGE, NEIGHBORHOOD PRIDE AND CLEANLINESS

CSD landscape maintenance services help enhance community image, neighborhood pride and cleanliness. Residential properties, which have landscaped parkways and/or medians,

as maintained by the CSD, help to foster a pleasant environment and neighborhood atmosphere. Proper placement of plant materials helps in the prevention of graffiti.

#### REVENUE DIVERSIFICATION AND PRESERVATION

The CSD annual charges comply with the City's goal of revenue diversification and preservation and are based upon actual costs, which include maintenance and administration. The CSD annual charges support the preservation of the current services provided by the CSD.

#### PUBLIC FACILITIES

Providing services for parks, streetlights, landscaping, and medians allows for construction and maintenance of public facilities. The CSD maintenance of these important public facilities ensures proper development and preservation of capital resources.

#### **SUMMARY**

The actions before the CSD Board are to conduct the Public Hearing, and to approve and adopt the resolutions for the continuation of the currently approved CSD parcel charges and the proposed amount of the charge on certain properties within each of the existing zones as submitted in the Preliminary Annual Levy Report. Since the adoption of Proposition 218 state legislation, public hearings to consider charges or fees already in place are not mandated; such hearings were required under state statutes before the adoption of Proposition 218. City policy has been to continue the past practice as a courtesy to the public.

The County requires resolutions be approved annually to establish the authority to collect the annual CSD parcel charges on the property tax bills. Approval of the resolutions will satisfy the County requirement. The resolutions also include information in compliance with Proposition 218.

#### **NOTIFICATION**

On April 15, 2010, the CSD mailed individual notices to property owners of 47,966 parcels.

Newspaper advertising was published on May 3, 2010, for the May 25, 2010 Public Meeting and June 8, 2010 Public Hearing. Additionally, the June 8, 2010 Public Hearing notification was published on May 18, 2010 and May 25, 2010.

#### **ATTACHMENTS**

Attachment 1	Proposed Resolution for Zone A
Attachment 2	Proposed Resolution for Zone B
Attachment 3	Proposed Resolution for Zone C
Attachment 4	Proposed Resolution for Zone D
Attachment 5	Proposed Resolution for Zone E
Attachment 6	Proposed Resolution for Zone E-1A
Attachment 7	Proposed Resolution for Zone E-3A
Attachment 8	Proposed Resolution for Zone E-4A

Attachment 9      Proposed Resolution for Zone M  
Attachment 10     Proposed Resolution for Zone S

Prepared by:  
Sharon Sharp  
Senior Management Analyst

Department Head approval:  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Concurred by:  
Sue Anne Maxinoski  
Special Districts Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. CSD 2010-09

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE A (PARKS AND COMMUNITY SERVICES) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides improvements and maintenance for parks and recreation services within the CSD and provides funding for such services, in part, through CSD Zone A; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone A (Parks and Community Services) be so collected on the Riverside County tax roll; and

WHEREAS, the CSD Board has determined that continuing the calculation and application of charge as previously approved by the property owners for each assessable parcel or unit of real property within CSD Zone A is a necessary and equitable charge to fund, in part, the furnishing of parks and recreation services by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of eighty-seven dollars and fifty cents (\$87.50) to defray in part the costs of furnishing parks and recreation services within the CSD is hereby approved and adopted.

2. The herein approved charge is hereby confirmed for each parcel of real property within CSD Zone A, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. That the CSD Board adopted CSD Resolution 97-01, finding that the existing Zone A parcel charges are exempt from the provision of Proposition 218 as long as they are not increased and are therefore not subject to voter ratification at this time.

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

3

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

4

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION NO. CSD 2010-10

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE B (RESIDENTIAL STREET LIGHTING) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides improvements and maintenance for residential street lighting services within the CSD and provides funding for such services, in part, through CSD Zone B; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. and following of the provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone B (Residential Street Lighting) services be so collected on the Riverside County tax roll; and

WHEREAS, the CSD Board has determined that continuing the calculation, including a Consumer Price Index (“CPI”) adjustment, and application of charge as previously approved by the property owners for each assessable parcel of real property within CSD Zone B is a necessary and equitable charge to fund, in part, the residential street lighting services by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The charge is hereby approved to be levied at the maximum rate of thirty-nine dollars (\$39.00), if and only if said maximum rate is approved by the majority of the property owners in the mail ballot proceeding under Proposition 218 currently scheduled to be concluded at a public hearing scheduled for September 14, 2010. In the event that said maximum rate is not approved by a majority of the property owners in said ballot proceeding, the charge is hereby approved to be levied at the existing and previously approved respective rates of twenty-three dollars (\$23.00) and twenty-four dollars (\$24.42) as applicable.

2. The herein approved charge is hereby confirmed for each parcel of real property within CSD Zone B, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that Zone B is in compliance with Proposition 218.

2

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

3

Resolution No. CSD 2010- \_\_\_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

4

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_



RESOLUTION NO. CSD 2010-11

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE C (ARTERIAL STREET LIGHTING AND INTERSECTION LIGHTING) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District ("CSD") provides improvements and maintenance for intersection and arterial street lighting services within the CSD and provides funding for such services, in part, through CSD Zone C; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD ("CSD Board"), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone C (Arterial Street Lighting and Intersection Lighting) services be so collected on the Riverside County tax roll; and

WHEREAS, the CSD Board has determined that continuing the calculation and application of charge as previously approved by the property owners for each assessable parcel of real property within CSD Zone C is a necessary and equitable charge to fund, in part, the arterial and intersection street lighting services by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared that identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

1

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

Attachment 3

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of nine dollars (\$9.00) to defray in part the costs of furnishing arterial and intersection street lighting services within the CSD is hereby approved and adopted.

2. The herein approved service charge is hereby confirmed for each parcel of real property within CSD Zone C, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. That the CSD Board adopted CSD Resolution 97-01, finding that the existing Zone C parcel charges are exempt from the provision of Proposition 218 as long as they are not increased and therefore are not subject to voter ratification at this time.

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

RESOLUTION NO. CSD 2010-12

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE D (PARKWAY LANDSCAPE MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides or will provide parkway landscape improvement and maintenance services within the CSD and provides funding for such services, in part, through CSD Zone D; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone D (Parkway Landscape Maintenance) be so collected on the Riverside County tax roll; and

WHEREAS, the CSD Board has determined that continuing the calculation, including a Consumer Price Adjustment (“CPI”) adjustment (if applicable), and application of charge as previously approved by the property owners for each assessable parcel or unit of real property within CSD Zone D is a necessary and equitable charge to fund, in part, the parkway landscape services by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

1                      Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

Attachment 4

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the maximum calculated rates set forth below, which includes previously approved CPI adjustments, to defray in part the costs of furnishing parkway landscape services to the following tracts within the CSD is hereby approved and adopted as follows:

**Zone D (Parkway Landscape Maintenance)  
FY 2010/11 Proposed Charges**

Tract Number	FY 2010/11 Proposed Parcel Charges Prior to Results of Mail Ballot Proceedings	Ballot Proceeding Public Hearing July 13, 2010
10191/18468*	\$70.26	
11848*	\$85.52	
12305	\$57.00	
12608	\$0.00	
12773*	\$81.46	\$121.00
12902*	\$73.30	
13576/19080/19081*	\$32.58	
13585	\$57.00	
14387/12268	\$57.00	
15387	\$57.00	
15433*	\$91.64	
16768*	\$65.16	
16769*	\$62.10	
16770	\$57.00	
17033*	\$176.26	
17176	\$57.00	
17334	\$345.00	
17387	\$57.00	
17457*	\$80.44	
17867	\$57.00	
18283	\$57.00	
18512/21322	\$82.00	
18784/20906	\$177.00	
18930*	\$78.40	
19032	\$130.00	
19141*	\$76.36	

**Zone D (Parkway Landscape Maintenance)  
FY 2010/11 Proposed Charges**

Tract Number	FY 2010/11 Proposed Parcel Charges Prior to Results of Mail Ballot Proceedings	Ballot Proceeding Public Hearing July 13, 2010
19142	\$57.00	
19143	\$57.00	
19208	\$74.00	
19210*	\$69.24	\$112.00
19233	\$57.00	
19363	\$57.00	
19434	\$57.00	
19474	\$57.00	
19496*	\$65.16	
19500*	\$74.32	
19509	\$57.00	
19518/18372	\$57.00	
19529*	\$71.28	
19533	\$57.00	
19541*	\$94.70	
19551	\$96.00	
19675*	\$81.46	
19685*	\$71.28	
19799	\$272.20	
19852	\$69.00	
19862*	\$150.80	
19912*	\$84.50	
19937*	\$109.04	\$157.00
19957	\$69.00	
20030*	\$101.92	
20032	\$57.00	
20072	\$89.00	
20120*	\$95.72	
20197	\$57.00	
20272	\$120.10	
20301	\$57.00	
20404*	\$98.76	\$178.00
20525	\$57.00	
20552	\$57.00	
20579*	\$57.00/\$108.40/\$160.98	\$144.00
20660*	\$107.02	
20715	\$94.00	
20718*	\$141.64	\$234.00
20859	\$66.00	

**Zone D (Parkway Landscape Maintenance)  
FY 2010/11 Proposed Charges**

Tract Number	FY 2010/11 Proposed Parcel Charges Prior to Results of Mail Ballot Proceedings	Ballot Proceeding Public Hearing July 13, 2010
20869	\$57.00	
20941*	\$104.98	
21113	\$57.00	\$89.00
21332*	\$97.74	
21333*	\$212.00	\$345.00
21345*	\$116.18	
21597*	\$300.60	\$473.00
21616*	\$377.78	
21737*	\$214.04	
21806*	\$70.26	
22093	\$138.00	
22180	\$247.00	
22276	\$196.62	
22277*	\$269.02	
22371*	\$291.42	
22889*	\$189.40	\$313.00
22999	\$67.00	
23046	\$183.00	
24721	\$57.00	
27251-1	\$465.00	
27526*	\$163.02	
28882*	\$104.98	\$179.00
29038*	\$61.08	
30027	\$201.00	
30967*	\$467.38	
31129*	\$82.48	
31257*	\$1,069.20	\$1,414.00
31268*	\$184.40	
31269*	\$218.92	
31269-1*	\$300.60	\$355.00
31284	\$127.10	
31305	\$496.00	
31424*	\$218.92	
31591*	\$462.70	
31618	\$364.00	
32005	\$112.00	
32018*	\$69.24	\$160.00



**Zone D (Parkway Landscape Maintenance)  
FY 2010/11 Proposed Charges**

Tract Number	FY 2010/11 Proposed Parcel Charges Prior to Results of Mail Ballot Proceedings	Ballot Proceeding Public Hearing July 13, 2010
32625	\$1,000.00	
32715	\$401.00	
33436	\$42.00	
33637	\$297.00	
33962	\$494.00	
4-Custom Home	\$567.00	

Note: \*Proposed parcel charges for FY 2010/11 include a CPI adjustment.

In the event that Tracts: 12773, 19210, 19937, 20404, 20579, 20718, 21113, 21333, 21597, 22889, 28882, 31257, 31269-1, or 32018 do not individually approve the maximum balloted charge by the majority of the property owners in the separate mail ballot proceedings under Proposition 218 currently scheduled to be concluded at the public hearing on July 13, 2010, the charges hereby approved will be the FY 2010/11 Proposed Parcel Charges Prior to Results of Mail Ballot Proceedings, as identified above.

2. The herein approved charge is hereby confirmed for each parcel of real property within CSD Zone D, as set forth in the report on said charge filed with the Secretary of the District, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any service charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that CSD Zone D is in compliance with Proposition 218.

5                      Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. CSD 2010-13

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE E (HIGH-SERVICE-LEVEL PARKWAY LANDSCAPE IMPROVEMENT AND MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District ("CSD") provides or will provide high-service-level parkway landscape improvement and maintenance services within the CSD and provides funding for such services, in part, through CSD Zone E and the various subzones thereof; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD ("CSD Board"), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone E (High-service-level Parkway Landscape Maintenance) be so collected on the Riverside County tax roll; and

WHEREAS, the CSD Board, has determined that continuing the calculation, including Consumer Price Index ("CPI") adjustments, and application of charge as previously approved by the property owners for each assessable parcel of real property within the various subzones of Zone E of the CSD is a necessary and equitable charge to fund, in part, the high-service-level parkway landscape improvement and maintenance services by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the maximum calculated rates set forth below, which includes previously approved CPI adjustments, to defray in part the costs of furnishing high-service-level parkway landscape improvement and maintenance services within the CSD is hereby approved and adopted as follows:

**Zone E (High-Service-Level Landscape Maintenance)  
FY 2010/11 Proposed Charges**

Zone E	Specific Plan or Major Development	Charge Category	FY 2010/11 Proposed Charges
E-1	TownGate	Per parcel	\$126.36
		Per acre for nonresidential/undeveloped parcels	\$505.44
		Per condo unit: Tract 34299	\$57.02
E-2	Hidden Springs	Per parcel or equivalent dwelling unit	\$398.46
E-3	Moreno Valley Ranch - West	Per parcel	\$126.36
		Per acre for nonresidential/undeveloped parcels	\$505.44
		Per condo unit: Tract 32142	\$56.00
		Tract 32143	\$53.96
		Tract 32144	\$53.96
		Tract 32145 Tract 32146	\$31.56 \$30.54
E-4	Moreno Valley Ranch - East	Per parcel	\$110.00
		Per acre for nonresidential/undeveloped parcels	\$440.00
E-7	Centerpointe	Per acre	\$679.80
E-8	Promontory Park	Per condo unit:	\$188.00
		Per parcel	\$531.00
E-12	Stoneridge Ranch	Per parcel	\$397.00
E-14	Mahogany Fields	Per parcel	\$277.98
E-15	Celebration	Per parcel	\$333.00
E-16	Shadow Mountain	Per parcel	\$293.26

2. The herein approved charges are hereby confirmed for each parcel of real property within the various subzones of CSD Zone E, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the service charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that CSD Zone E is in compliance with Proposition 218.

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District



RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

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RESOLUTION NO. CSD 2010-14

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE E-1A (RENAISSANCE PARK – WALLS/INTERNAL PARKWAY LANDSCAPE MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides or will provide Renaissance Park walls/internal parkway landscape maintenance services within the CSD and provides funding for such services, in part, through CSD Zone E-1A; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 and following of the provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone E-1A (Renaissance Park Walls/internal Parkway Landscape Maintenance) so collected on the tax roll; and

WHEREAS, the CSD Board has determined that continuing the calculation, including a Consumer Price Index (“CPI”) adjustment, and application of charge as previously approved by the property owner for each assessable parcel of real property, within CSD Zone E-1A is a necessary and equitable charge to fund, in part, the walls/internal parkway landscape maintenance services for Renaissance Park by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

1

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

Attachment 6

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of seventy-seven dollars and thirty eight cents (\$77.38), which includes previously approved CPI adjustments, to defray in part the costs of furnishing Renaissance Park walls/internal parkway landscape improvement and maintenance services within the CSD, is hereby approved and adopted.

2. The herein approved charge is hereby confirmed for each parcel of real property within CSD Zone E-1A, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that CSD Zone E-1A is in compliance with Proposition 218.

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

RESOLUTION JURAT

[Clerk's office will prepare]

[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]

RESOLUTION NO. CSD 2010-15

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE E-3A (LASSELLE POWERLINE PARKWAY – WALLS/INTERNAL PARKWAY LANDSCAPE MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides or will provide Lasselle Powerline Parkway walls/internal parkway landscape maintenance services within the CSD and provides funding for such services, in part, through CSD Zone E-3A; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone E-3A (Lasselle Powerline Parkway – Walls/Internal Parkway Landscape Maintenance) be so collected on the tax roll; and

WHEREAS, the CSD Board, has determined that continuing the calculation, including a Consumer Price Index (“CPI”) adjustment, and application of charge as previously approved by the property owner for each assessable parcel of real property within CSD Zone E-3A is a necessary and equitable charge to fund, in part, walls/internal parkway landscape maintenance services for the Lasselle Powerline Parkway by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property that is subject to the charge and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of the public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

1

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

Attachment 7

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of sixty-seven dollars and twenty cents (\$67.20), which includes previously approved CPI adjustments for CSD Zone E-3A (Lasselle Powerline Parkway) to defray in part the costs of furnishing walls/internal parkway landscape maintenance services within the CSD is hereby approved and adopted.
2. The herein approved charge is hereby confirmed for each parcel of real property within CSD Zone E-3A, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.
3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.
4. The CSD Board made a finding that Zone E-3A is in compliance with Proposition 218.
5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.
6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.



APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

3

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

4

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION NO. CSD 2010-16

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE E-4A (DAYBREAK DEVELOPMENT – INTERNAL PARKWAY LANDSCAPE MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides or will provide internal parkway landscape maintenance services within the CSD and provides funding for such services, in part, through CSD Zone E-4A; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors of the CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone E-4A (Daybreak Development - Internal Parkway Landscape Maintenance) be so collected on the Riverside County tax roll; and

WHEREAS, the CSD Board, has determined that continuing the calculation, including Consumer Price Index (“CPI”) adjustments, and application of charge as previously approved by the property owners for each assessable parcel of real property within CSD Zone E-4A is a necessary and equitable charge to fund, in part, internal parkway landscape maintenance services for the Daybreak Development by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of one hundred nine dollars (\$109.00), which includes previously approved CPI adjustments for Zone E-4A (Daybreak Development) to defray in part the costs of internal parkway landscape maintenance services within the CSD hereby approved and adopted.

2. The herein approved charge is hereby confirmed for each parcel of real property within CSD Zone E-4A, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any service charge that cannot be collected on the County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that CSD Zone E-4A is in compliance with Proposition 218.

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

3

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

4

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

RESOLUTION NO. CSD 2010-17

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE M (COMMERCIAL/ INDUSTRIAL/MULTIFAMILY IMPROVED MEDIAN MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District (“CSD”) provides or will provide commercial/industrial/multifamily improved median maintenance services within the CSD and provides funding for such services, in part, through CSD Zone M; and

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors CSD (“CSD Board”), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for CSD Zone M (Commercial/industrial/multifamily improved median maintenance) be so collected on the tax roll; and

WHEREAS, the CSD Board, has determined that continuing the calculation, including Consumer Price Index (“CPI”) adjustments, and application of charge as previously approved by the property owners for each assessable commercial/industrial/multifamily property within CSD Zone M is a necessary and equitable charge to fund, in part, the improved median maintenance services by the CSD for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held said hearing, at which all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of not more than 16.1 cents per median square foot per month, which includes previously approved CPI adjustments, to defray in part the costs of furnishing commercial/industrial/multifamily improved median maintenance services within the CSD, is hereby approved and adopted as follows:

**ZONE M**  
**(Commercial/Industrial/Multifamily Median Maintenance)**  
**FY 2010/11 Proposed Charges**

Commercial, Industrial, and Multifamily Development	Parcel Map/ Project No.	Assessor Parcel Number (APN)	Proposed FY 2010/11 Charge
March Commerce Center	27732	297-130-046	\$2,047.80
Cactus Commerce Center	24364	297-130-039	\$798.00
		297-130-041	\$1,957.00
		297-130-042	\$1,610.00
Home Depot	21504	485-220-030	\$2,018.24
Havadjia Holdings Inc. - Farmer Boys	21504	485-220-031	\$302.72
Perris Blvd. Storage	PA02-0117	312-020-017	\$1,592.16
		312-020-018	\$1,517.74
		312-020-020	\$592.22
Ross Distribution Center/Industrial Develop. Int'l.	24128	312-250-046	\$3,689.92
Mira Mesa Shopping Center	31034	312-270-036	\$2,642.06
CVS Pharmacy	25995-1	485-081-035	\$315.98
Alessandro/Kitching Apts.	PA03-0020	484-020-023	\$5,958.92
		484-020-024	\$7,283.02
Moreno Valley Health, LLC	33930	297-140-049	\$1,151.82
		297-140-050	\$1,184.44
		297-140-051	\$1,317.96
		297-140-052	\$1,041.74



**ZONE M**  
**(Commercial/Industrial/Multifamily Median Maintenance)**  
**FY 2010/11 Proposed Charges**

Commercial, Industrial, and Multifamily Development	Parcel Map/ Project No.	Assessor Parcel Number (APN)	Proposed FY 2010/11 Charge
OPT Moreno Valley, LLC	27008	482-700-001	\$388.34
		482-700-005	\$388.34
CCI Sunnymead MV	P04-168	482-540-030	\$403.64
Auto Detail Shop		291-191-024	\$342.48
Ridge Property Trust	PA04-0065	297-170-067	\$14,629.24
		297-170-069	\$10,852.68
		297-170-071	\$4,912.08
Panorama Development	PA05-0085	312-360-001	\$1,419.96
		312-360-002	\$668.26
		312-360-003	\$457.52
		312-360-004	\$1,603.64
		312-360-005	\$1,245.28
		312-360-006	\$2,016.12
		312-360-007	\$787.72
		312-360-008	\$742.64
		312-360-009	\$824.92
		312-360-010	\$833.92
		312-360-011	\$669.40
Commercial Project	TPM 32961	316-210-074	\$1,884.70
Bravo Burgers	PA05-0027	263-111-046	\$2,324.04
Oakwood Apts	PA04-0010	486-070-004	\$2,981.50
		486-070-011	\$2,981.50
Moreno Marketplace	PA05-0169	486-250-021	\$8,149.44
		486-250-024	\$7,867.58
		486-250-025	\$281.84
Stoneridge Commercial Centre	34411	488-090-031 to -033	\$10,595.40
		488-090-037 to -040	
		488-090-043	
		488-090-047 to -057	
		488-090-064	
		488-090-071	
		488-090-073 to -074	
		488-090-076	
488-090-082 to -085			

**ZONE M**  
**(Commercial/Industrial/Multifamily Median Maintenance)**  
**FY 2010/11 Proposed Charges**

Commercial, Industrial, and Multifamily Development	Parcel Map/ Project No.	Assessor Parcel Number (APN)	Proposed FY 2010/11 Charge
Condominium Complex	32756	484-030-020	\$619.72
		484-030-022	\$619.72
OMP Development	34572	297-150-055	\$6,008.86
Perris Senior Apartments	P07-001	479-070-050	\$1,614.58
Retail Center Self-Serve Carwash	PA05-0163	297-130-064	\$843.98
March Graham Partners	34022	297-170-004	\$3,638.96
Palm Desert Dev. Apts	PA08-0013	486-070-007	\$517.80
Shepherd of the Valley Church	P08-030	474-120-037	\$3,180.26
MV Properties	33152	297-120-002	\$981.60
		297-120-003	\$710.44
		297-120-016	\$5,195.44
D. Ashton Guinn	33152	297-100-007	\$1,149.78
		297-120-011	\$1,482.08
		297-120-012	\$1,482.08
Rite Aid Pharmacy	PA06-0162	478-070-029	\$7,554.16
Two-Bldg Commercial Center	PA07-0139	484-020-026	\$2,814.32
Highland Fairview	TPM 35629	488-360-008	\$4,152.22
		488-360-009	\$3,467.92
		488-360-010	\$3,467.92
		488-360-011	\$6,935.84
		488-360-012	\$6,620.56
		488-350-002	\$17,601.72
California Drug Consultant		486-280-041	\$9,775.68
Delphinium Apartments	PA04-0028	484-242-020	\$2,986.60

2. The herein approved charge calculation is hereby confirmed for each parcel of real property within CSD Zone M, as set forth in the report on said charge filed with the CSD Secretary, as such report may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale

and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that CSD Zone M is in compliance with Proposition 218.

5. The CSD Secretary is hereby ordered to certify to the passage of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charges to the Auditor of the County of Riverside, together with the certified copy of this Resolution as hereinabove provided.

APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

RESOLUTION JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

7

Resolution No. CSD 2010- \_\_  
Date Adopted: \_\_\_\_\_

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RESOLUTION NO. CSD 2010-18

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CALCULATION OF THE PARCEL CHARGE FOR PROVIDING ZONE S (SUNNYMEAD BOULEVARD MAINTENANCE) SERVICES DURING FISCAL YEAR 2010/2011

WHEREAS, the Moreno Valley Community Services District ("CSD") shall provide maintenance for improvements under construction along Sunnymead Boulevard from Frederick Street to Perris Boulevard; and,

WHEREAS, the Community Services District Law of the State of California, California Government Code Section 61000 et seq. provides that such services may be funded, in whole or in part, by charges which may be collected on the tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from, the general taxes of the CSD; and,

WHEREAS, the City Council, acting in their capacity as President and Members of the Board of Directors CSD ("CSD Board"), has determined, and hereby does determine, that it is in the best interests of the CSD to have its charges for Zone S (Sunnymead Boulevard Maintenance) along from Frederick Street to Perris Boulevard be so collected on the tax roll; and

WHEREAS, the CSD Board, has determined that continuing the calculation, including Consumer Price Index ("CPI"), and application of charge as previously approved by the property owners for each assessable parcel of real property within CSD Zone S is a necessary and equitable charge to fund, in part, the furnishing of ongoing maintenance for improvements along Sunnymead Boulevard from Frederick Street to Perris Boulevard for Fiscal Year 2010/2011; and

WHEREAS, the CSD Board has heretofore caused a report to be prepared which identifies each parcel of real property which is subject to the charge, and specifies the charge which is to be levied against each such parcel, and has caused notice of said report and of a public hearing thereon to be duly given; and

WHEREAS, the CSD Board has held a said hearing, at which time all persons wishing to be heard were heard, and at which hearing the CSD Board heard and considered all objections and protests, if any; and,

WHEREAS, the CSD Board has reviewed Proposition 218.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The application of the charge at the calculated rate of two dollars and eighty cents (\$2.80), per front linear square footage, which may include previously approved CPI, to defray in part the costs of ongoing maintenance for improvements along Sunnymead Boulevard from Frederick Street to Perris Boulevard within the CSD is hereby approved and adopted.

2. The herein approved parcel charges calculated is hereby confirmed for each said parcel of real property within CSD Zone S, as set forth in the report on said charge filed with the CSD Secretary, as such may have been modified pursuant to order of the CSD Board duly given.

3. The charges set forth in said report, as herein confirmed, shall be collected on the Riverside County tax roll at the same time and in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes; provided, however, the CSD may utilize a direct billing procedure for any charge that cannot be collected on the Riverside County tax roll or may, by resolution, elect to collect the charges at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the charge will attach at 5:00 pm on the date the charge becomes delinquent and interest at 1.5% per month of the delinquent charge will attach on July 1st after the delinquency date and the first of each month thereafter until such charge is paid.

4. The CSD Board made a finding that Zone S is in compliance with Proposition 218.

5. The CSD Secretary is hereby ordered to certify to the passages of this Resolution and to forward a copy hereof, so certified, to the Auditor of the County of Riverside and to the Tax Collector of said County.

6. The CSD Secretary is hereby further ordered to forward a certified copy of the herein confirmed report of charge calculation to the Auditor of the County of Riverside and to the Tax Collector of said County, together with the certified copy of this Resolution as hereinabove provided.



APPROVED AND ADOPTED this \_\_\_\_\_ day of June 2010.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

RESOLUTION JURAT

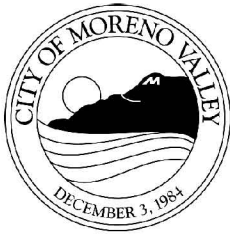
[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this resolution should follow this jurat.]**

## **CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES**

- a) Council Member Richard A. Stewart report on  
March Joint Powers Commission (MJPC)**

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Bob</i>
CITY MANAGER	<i>WLB</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Jane Halstead, City Clerk  
Bob Hansen, City Attorney

**AGENDA DATE:** June 8, 2010

**TITLE:** GENERAL MUNICIPAL ELECTION – NOVEMBER 2, 2010  
RESOLUTIONS CALLING AND GIVING NOTICE; REQUESTING  
CONSOLIDATION WITH STATEWIDE GENERAL ELECTION;  
AND ADOPTING REGULATIONS PERTAINING TO  
CANDIDATES' STATEMENTS; ORDERING THE SUBMISSION  
TO THE QUALIFIED ELECTORS OF TWO ADVISORY BALLOT  
MEASURES RELATING TO CHANGING FROM AN APPOINTED  
TO AN ELECTED MAYOR; DIRECTING THE CITY ATTORNEY  
TO PREPARE AN IMPARTIAL ANALYSIS; AND PROVIDING FOR  
THE FILING OF REBUTTAL ARGUMENTS FOR BALLOT  
MEASURES

---

### RECOMMENDED ACTION

Staff recommends that the City Council adopt the following resolutions:

1. Resolution No. 2010-51, calling and giving notice of the holding of a general municipal election on Tuesday, November 2, 2010 of certain officers as required by the provisions of the laws of the State of California relating to general law cities; and
2. Resolution No. 2010-52, requesting the Board of Supervisors of the County of Riverside to consolidate a general municipal election with the statewide general election to be held on Tuesday, November 2, 2010, pursuant to §10403 of the California Elections Code; and

3. Resolution No. 2010-53, adopting regulations for candidates for elective office pertaining to candidates' statements submitted to the voters at an election to be held on Tuesday, November 2, 2010; and
4. Resolution No. 2010-54, ordering the submission to the qualified electors of the City of Moreno Valley at the general municipal election to be held on Tuesday, November 2, 2010 of two advisory ballot measures relating to changing from an appointed to an elected mayor; and
5. Resolution No. 2010-55, directing the City Attorney to prepare an impartial analysis regarding the advisory ballot measures relating to changing from an appointed to an elected mayor for the general municipal election to be held on November 2, 2010; and
6. Resolution No. 2010-56, providing for the filing of rebuttal arguments for ballot measures submitted at municipal elections.
7. Approve the attached Municipal Information Form and authorize the City Clerk to submit the completed form and the resolutions to the Registrar of Voters.

**ADVISORY BOARD/COMMISSION RECOMMENDATION**

Not applicable.

**SUMMARY**

Submitted for adoption are six resolutions necessary for calling and giving notice of a general municipal election on November 2, 2010; requesting the Board of Supervisors to consolidate said general municipal election with the statewide general election; and adopting regulations for candidates for elective office pertaining to candidates' statements submitted to the voters; ordering the submission to the qualified electors of two advisory ballot measures relating to changing from an appointed to an elected mayor; directing the City Attorney to prepare an impartial analysis; and providing for the filing of rebuttal arguments for ballot measures submitted at municipal elections.

**BACKGROUND/DISCUSSION**

A general municipal election will be held in the City of Moreno Valley on November 2, 2010 for the purpose of electing, by district, two members of the City Council for one four (4) year term each in Council Districts 2 & 4. In addition, the City Council previously directed that the staff prepare resolutions for the submission to the voters of two advisory ballot measures relating to changing from an appointed to an elected mayor. Originally, the Council had directed that one ballot measure asking two questions be submitted to the voter. The City Clerk's office has been advised by the County Registrar of Voters that the County's election system cannot accommodate multiple questions for one ballot measure and the two questions must be presented as two separate ballot measures. Accordingly, the attached resolutions have been redrafted from those previously presented to the Council to reflect this change. The text of the ballot measures remains the same, except that the information is repeated for each measure and one sentence has been added to clarify the reasons for the two measures as well as address the Council's expressed concern that the public might not

understand that a future election would be required to enact the Directly Elected Mayor system. That sentence reads:

To actually change the system to an elected Mayor, the voters would have to approve a change at a future binding election.

It appears as a separate paragraph towards the end of the measure text just prior to the actual ballot questions.

**ALTERNATIVES**

Not applicable.

**FISCAL IMPACT**

An early estimate from the Registrar’s office for the cost of the election is \$45,000 – \$50,000. The cost may increase due to the Registrar’s direction that the two questions comprising the advisory ballot measures must be submitted as separate ballot measures rather than one. The cost of the extra ballot measure is estimated to be \$10,000 – 25,000. \$70,500 is included in the 2010-11 City Clerk base budget for these activities.

**NOTIFICATION**

Publication of the agenda.

**EXHIBITS**

- A. Resolution calling and giving notice of the holding of a general municipal election
- B. Resolution requesting consolidation with statewide general election
- C. Resolution adopting regulations for candidates
- D. Resolution ordering the submission to the qualified electors
- E. Resolution directing the city attorney to prepare an impartial analysis
- F. Resolution providing for the filing of rebuttal arguments
- G. Municipal Information Form
- H. City Boundary Map

Prepared By  
Jane Halstead, City Clerk  
Bob Herrick, Special Counsel

Department Head Approval  
Jane Halstead, City Clerk  
Bob Hansen, City Attorney

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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RESOLUTION NO. 2010-51

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 2, 2010, OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES.

WHEREAS, under the provisions of the laws relating to general law cities in the State of California, a General Municipal Election shall be held on Tuesday, November 2, 2010 for the election of Municipal Officers; and

WHEREAS, the Nomination Period for said Election will be July 12, 2010 through August 5, 2010, during regular office hours as posted;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, there is called and ordered to be held in the City of Moreno Valley, California, on Tuesday, November 2, 2010, a General Municipal Election for the purpose of electing two (2) Members of the City Council for the full term of four years.

SECTION 2. That the election called and so ordered hereby shall be held for the purpose of electing City Council members from Council District Two (2) and Council District Four (4), as such districts have heretofore been established and designated by the City Council.

SECTION 3. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 4. That the polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, except as provided in Section 14212 of the Elections Code of the State of California.

SECTION 5. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is hereby given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

APPROVED and ADOPTED this 8th day of June, 2010.

---

Mayor

ATTEST:

---

City Clerk

(SEAL)

APPROVED AS TO FORM:

---

City Attorney

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RESOLUTION NO. 2010-52

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 2, 2010, PURSUANT TO SECTION 10403 OF THE CALIFORNIA ELECTIONS CODE

WHEREAS, the City Council of the City of Moreno Valley, California, called a General Municipal Election to be held on Tuesday, November 2, 2010, for the purpose of the election of two (2) members of the City Council.

WHEREAS, it is desirable that such general municipal election be consolidated with the Statewide General Election to be held on the same date, and that within the City, the precincts, polling places and election officers of the two elections be the same, and that the Registrar of Voters of the County of Riverside canvass the returns of said municipal election, and that the elections be held in all respects as if there were only one election;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of Section 10403 of the California Elections Code, the Board of Supervisors of the County of Riverside is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 2, 2010, for the purpose of the election of two (2) members of the City Council of the City of Moreno Valley.

SECTION 2. That, except for those services routinely conducted by the City Clerk, delegation is hereby made to the Registrar of Voters of the powers and duties of the elections officer for the City of Moreno Valley to conduct said election in accordance with all applicable laws and procedures. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.

SECTION 3. That the Board of Supervisors is hereby requested to issue instructions to the Registrar of Voters to take any and all steps necessary for the holding of the consolidated election.

SECTION 4. That the City of Moreno Valley, California, recognizes that additional costs will be incurred by the County by reason of this consolidation and

agrees to reimburse the County for such additional costs.

SECTION 5. That the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors, the Registrar of Voters of the County of Riverside, and with the County Clerk.

SECTION 6. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 8th day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

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2  
Exhibit B

Resolution No. 2010-  
Date Adopted: June 8, 2010

RESOLUTION NO. 2010-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS FOR THE ELECTION TO BE HELD ON TUESDAY, NOVEMBER 2, 2010

WHEREAS, Section 13307 of the California Elections Code permits the governing body of any local agency to adopt regulations pertaining to charges for handling, packaging, and mailing the candidates' statements in relation to elections for nonpartisan elective offices;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. GENERAL PROVISIONS. That pursuant to §13307 of the California Elections Code, each candidate for elective office to be voted for at an election to be held in the City of Moreno Valley, California, on Tuesday, November 2, 2010, may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than two hundred (200) words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include the party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement cannot reference other candidates, their character, qualifications or activities. The statement shall be filed in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers, July 12, 2010 through August 5, 2010, during regular office hours as posted, and until 5:00 p.m. of the next working day after the close of the nomination period.

Pursuant to § 13107 of the California Elections Code, each candidate has to fill out a ballot designation worksheet that supports the use of his/her ballot designation in compliance with the provisions of California Elections Code 13106 and 13107.

SECTION 2. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 3. PAYMENT. A candidate filing a candidates' statement for inclusion in the sample ballot shall pay in advance his or her pro rata share for printing, handling and mailing, as a condition of having his or her statement included in the voter's pamphlet. A deposit of: \$450 for Council District Two (2), and \$375 for Council District

Four (4), must be paid at the time each candidate's statement is filed. Payment of the deposit shall be by cash or by check payable to the City of Moreno Valley. The City Clerk shall bill each candidate for any cost in excess of the deposit or, if the actual cost is found to be less than the deposit, shall prorate the excess amount among the candidates and refund the excess amount paid within thirty (30) days of the election.

SECTION 4. COPY TO CANDIDATE. The City Clerk shall provide each candidate or the candidate's representative a copy of this resolution at the time nominating papers are issued.

SECTION 5. REPEAL OF PRIOR RESOLUTIONS. All previous resolutions establishing council policy on payment for candidates' statements are repealed.

SECTION 6. LIMITED APPLICABILITY. This resolution shall apply only to the election to be held on Tuesday, November 2, 2010 and shall then be repealed.

SECTION 7. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 8th day of June, 2010.

---

Mayor

ATTEST:

---

City Clerk

(SEAL)

APPROVED AS TO FORM:

---

City Attorney

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RESOLUTION NO. 2010-54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF MORENO VALLEY AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 2, 2010 OF TWO ADVISORY BALLOT MEASURES RELATING TO CHANGING FROM AN APPOINTED TO AN ELECTED MAYOR.

WHEREAS, a General Municipal Election will be held on Tuesday, November 2, 2010; and

WHEREAS, the City Council also desires to submit to the voters at the election two advisory ballot measures relating to changing from an appointed to an elected mayor:

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the Riverside County Registrar of Voters is directed to add the advisory measure to the ballot for the City of Moreno Valley to the General Municipal Election to be held on Tuesday, November 2, 2010, relating to changing from an appointed to an elected mayor.

SECTION 2. That the City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following measures in the following form:

**Measure 1:**

**Advisory Ballot Measure re Elected Mayor**

**This measure is advisory only. The results of the vote will not be legally binding.**

The City of Moreno Valley is a general law city. The City Manager directs the daily operations of the City. The City Council sets policy for the Manager to follow. The office of Mayor is mostly ceremonial. The Mayor has the same vote as any other Council member.

Currently, the City Council appoints one of its members as Mayor each year. Each Council member represents a district of the City. By tradition, the office of Mayor is rotated among the Council districts. With few exceptions, each District's representative serves as Mayor once every five years.

Under state law, the Mayor could be elected by the voters. Under an elected Mayor system:

- The voters of all Council districts would elect the Mayor “at large”.
- The elected Mayor would have no more power than the Mayor now has. The Mayor would still have one vote as a member of the City Council.
- The number of Council districts would change to four, six or eight. Six is most likely.
- The Mayor would serve either a two- or a four-year term. The voters would decide the term.
- The Mayor could be paid more than the other Council members. The voters could set the Mayor’s salary. If not, the City Council would set the salary.

To actually change the system to an elected Mayor, the voters would have to approve a change at a future binding election.

The City Council seeks the advice of the voters on the following questions:

1. Do you support changing to an elected Mayor rather than one appointed by the City Council?	YES <hr/>
	NO <hr/>

**Measure 2:**

**Advisory Ballot Measure re Binding Election on Elected Mayor**

**This measure is advisory only. The results of the vote will not be legally binding.**

The City of Moreno Valley is a general law city. The City Manager directs the daily operations of the City. The City Council sets policy for the Manager to follow. The office of Mayor is mostly ceremonial. The Mayor has the same vote as any other Council member.

Currently, the City Council appoints one of its members as Mayor each year. Each Council member represents a district of the City. By tradition, the office of Mayor is rotated among the Council districts. With few exceptions, each District’s representative serves as Mayor once every five years.

Under state law, the Mayor could be elected by the voters.

Under an elected Mayor system:

- The voters of all Council districts would elect the Mayor “at large”.



- The elected Mayor would have no more power than the Mayor now has. The Mayor would still have one vote as a member of the City Council.
- The number of Council districts would change to four, six or eight. Six is most likely.
- The Mayor would serve either a two- or a four-year term. The voters would decide the term.
- The Mayor could be paid more than the other Council members. The voters could set the Mayor's salary. If not, the City Council would set the salary.

To actually change the system to an elected Mayor, the voters would have to approve a change at a future binding election.

The City Council seeks the advice of the voters on the following question:

Whether or not you support changing to an elected Mayor, should the City Council call a binding election for voters to decide the issue?	YES
	NO

SECTION 3. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 4. That the election on the proposed measures shall be consolidated with the November 2, 2010 General Election through the County Registrar of Voters and the polls for the election shall be open at 7:00 a.m. of the day of the election and shall remain open continuously from that time until 8:00 p.m. of the same day when the polls shall be closed, except as provided in §14401 of the Election Code of the State of California

SECTION 5. That the City Clerk shall keep one or more copies of the proposed measures available for public inspection at the office of the City Clerk.

SECTION 6. (a) Notice is hereby given that written arguments, not to exceed three hundred (300) words in length, shall be filed at the office of the City Clerk, 14177 Frederick Street, Post Office Box 88005, Moreno Valley, California, 92552-0805, not later than 5:00 p.m on August 16, 2010..

(b) Each argument submitted for or against the foregoing measures shall be accompanied by the statement set forth in §9600 of the California Elections Code, must be completed and signed by the author of such argument, and shall comply with the provisions of §§9280 through 9287 of the California Elections Code.

SECTION 7. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections consolidated through the County Registrar of Voters.

SECTION 8. Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 9. That, except for those services routinely conducted by the City Clerk, delegation is hereby made to the County Elections Department of the powers and duties of the elections officer for the City of Moreno Valley to conduct said election in accordance with all applicable laws and procedures, and the Board of Supervisors of the County of Riverside is hereby requested to authorize said Elections Department to furnish such services; and that the Board of Supervisors is hereby requested to issue instructions to the County Elections Department to take any and all steps necessary for the holding of the election.

SECTION 10. The City Clerk is hereby ordered to certify to the adoption of this resolution and proclamation, and to file copies hereof, with the Clerk of the Board of Supervisors of the County of Riverside and with the Registrar of Voters of the County of Riverside, and to enter it into the book of original Resolutions.

APPROVED AND ADOPTED this \_\_\_\_ day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

T:\TMDocs\Directly Elected Mayor\ORD&\Reso calling election on elected mayor advisory ballot080520.doc

RESOLUTION NO. 2010-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS REGARDING THE ADVISORY BALLOT MEASURE RELATING TO CHANGING FROM AN APPOINTED TO AN ELECTED MAYOR FOR THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 2, 2010.

WHEREAS, a General Municipal Election is to be held in the City of Moreno Valley, California, on November 2, 2010 at which there will be submitted to the voters the following advisory ballot measures:

**Measure 1:**

**Advisory Ballot Measure re Elected Mayor**

**This measure is advisory only. The results of the vote will not be legally binding.**

The City of Moreno Valley is a general law city. The City Manager directs the daily operations of the City. The City Council sets policy for the Manager to follow. The office of Mayor is mostly ceremonial. The Mayor has the same vote as any other Council member.

Currently, the City Council appoints one of its members as Mayor each year. Each Council member represents a district of the City. By tradition, the office of Mayor is rotated among the Council districts. With few exceptions, each District's representative serves as Mayor once every five years.

Under state law, the Mayor could be elected by the voters. Under an elected Mayor system:

- The voters of all Council districts would elect the Mayor "at large".
- The elected Mayor would have no more power than the Mayor now has. The Mayor would still have one vote as a member of the City Council.
- The number of Council districts would change to four, six or eight. Six is most likely.
- The Mayor would serve either a two- or a four-year term. The voters would decide the term.
- The Mayor could be paid more than the other Council members. The voters could set the Mayor's salary. If not, the City Council would set the salary.

To actually change the system to an elected Mayor, the voters would have to approve a change at a future binding election.

The City Council seeks the advice of the voters on the following question:

Do you support changing to an elected Mayor rather than one appointed by the City Council?	YES
	NO

**Measure 2:**

**Advisory Ballot Measure re Binding Election on Elected Mayor**

**This measure is advisory only. The results of the vote will not be legally binding.**

The City of Moreno Valley is a general law city. The City Manager directs the daily operations of the City. The City Council sets policy for the Manager to follow. The office of Mayor is mostly ceremonial. The Mayor has the same vote as any other Council member.

Currently, the City Council appoints one of its members as Mayor each year. Each Council member represents a district of the City. By tradition, the office of Mayor is rotated among the Council districts. With few exceptions, each District's representative serves as Mayor once every five years.

Under state law, the Mayor could be elected by the voters.

Under an elected Mayor system:

- The voters of all Council districts would elect the Mayor "at large".
- The elected Mayor would have no more power than the Mayor now has. The Mayor would still have one vote as a member of the City Council.
- The number of Council districts would change to four, six or eight. Six is most likely.
- The Mayor would serve either a two- or a four-year term. The voters would decide the term.
- The Mayor could be paid more than the other Council members. The voters could set the Mayor's salary. If not, the City Council would set the salary.

To actually change the system to an elected Mayor, the voters would have to approve a change at a future binding election.

The City Council seeks the advice of the voters on the following question:

Whether or not you support changing to an elected Mayor, should the City Council call a binding election for voters to decide the issue?	YES
	NO

NOW THEREFORE, the City Council of the City of Moreno Valley, California, does resolve, declare, determine and order as follows:

SECTION 8. That the City Council directs the City Clerk to transmit a copy of the measures to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure. The impartial analysis shall be filed by the date set by the Elections Official for the filing of primary arguments.

SECTION 2. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED this \_\_\_\_ day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

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RESOLUTION NO. 2010-56

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR BALLOT MEASURES SUBMITTED AT THE NOVEMBER 2, 2010 MUNICIPAL ELECTION

WHEREAS, Election Code §9285 authorizes the City Council, by majority vote, to adopt provisions to provide for the filing of rebuttal arguments for City measures submitted at municipal elections;

NOW THEREFORE, the City Council of the City of Moreno Valley, California, does hereby resolve, determine and order as follows:

SECTION 1. That pursuant to Elections Code §9285, when the City Clerk has selected the arguments for and against each measure which will be printed and distributed to the voters, the City Clerk shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The authors may prepare and submit rebuttal arguments not exceeding 250 words. The rebuttal arguments shall be filed with the City Clerk not later than 5:00 p.m. on August 26, 2010. Each rebuttal argument shall immediately follow the direct argument, which it seeks to rebut.

SECTION 2. That all previous resolutions providing for the filing of rebuttal arguments for city measures are repealed.

SECTION 3. That the provisions of Section 1 shall apply only to the general election to be held on November 2, 2010, and shall then be repealed.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

ADOPTED this 8th day of June, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

Exhibit F

Resolution No. 2010-56  
Date Adopted: June 8, 2010

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# Municipal Information Form

City of Moreno Valley  
City

November 2, 2010  
Date of Election

**OFFICES TO BE VOTED ON:** (Check offices to be voted on)

  2   For City Council (# to elect)

**NAMES OF INCUMBENTS / FULL TERM OR SHORT TERM**

DISTRICT NO. 2 - RICHARD A. STEWART/FULL TERM  
DISTRICT NO. 4 - BONNIE FLICKINGER/FULL TERM

       For Mayor  
       For City Clerk  
       For City Treasurer

Will there be any measures on the ballot?      YES       NO

**CANDIDATE'S STATEMENT:**

- **TYPESETTING:** Statements will not be edited by the Registrar of Voters.
- **COST:** Estimated deposit is based on number of voters in jurisdiction.  
**Candidate's Statement will be paid by:**  
Candidate       City

**SERVICES REQUESTED OF REGISTRAR OF VOTERS:**

- Nomination Forms. The forms will be provided on C.D. accompanied by one original paper set.
  - In Consolidated Elections, Registrar of Voters will publish the Polling Places in the Press Enterprise pursuant to E.C. 10417.  
Is additional publication required in your local newspaper?      YES       NO   
If yes, a copy will be provided to City for local publication.
  - Registrar of Voters will automatically provide one copy of the alphabetical listing of registered voters in the city.  
Please indicate which Format you would prefer:       C.D. OR       Paper
- Would you like a Street Index in addition to alphabetical list? YES       NO

**MAP OR BOUNDARY DESCRIPTION IS ENCLOSED:** YES       NO

There are no boundary changes       See boundary changes

Date:   May 20, 2010  

Signed: *Jane Halstead*  
Jane Halstead, City Clerk

Phone Number:   (951) 413-3001  

Fax Number:   (951) 413-3009  

  P.O. BOX 88005, MORENO VALLEY, CA. 92552-0805    
Mailing Address

E-mail address:   janeh@moval.org  

Exhibit G

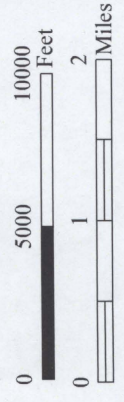
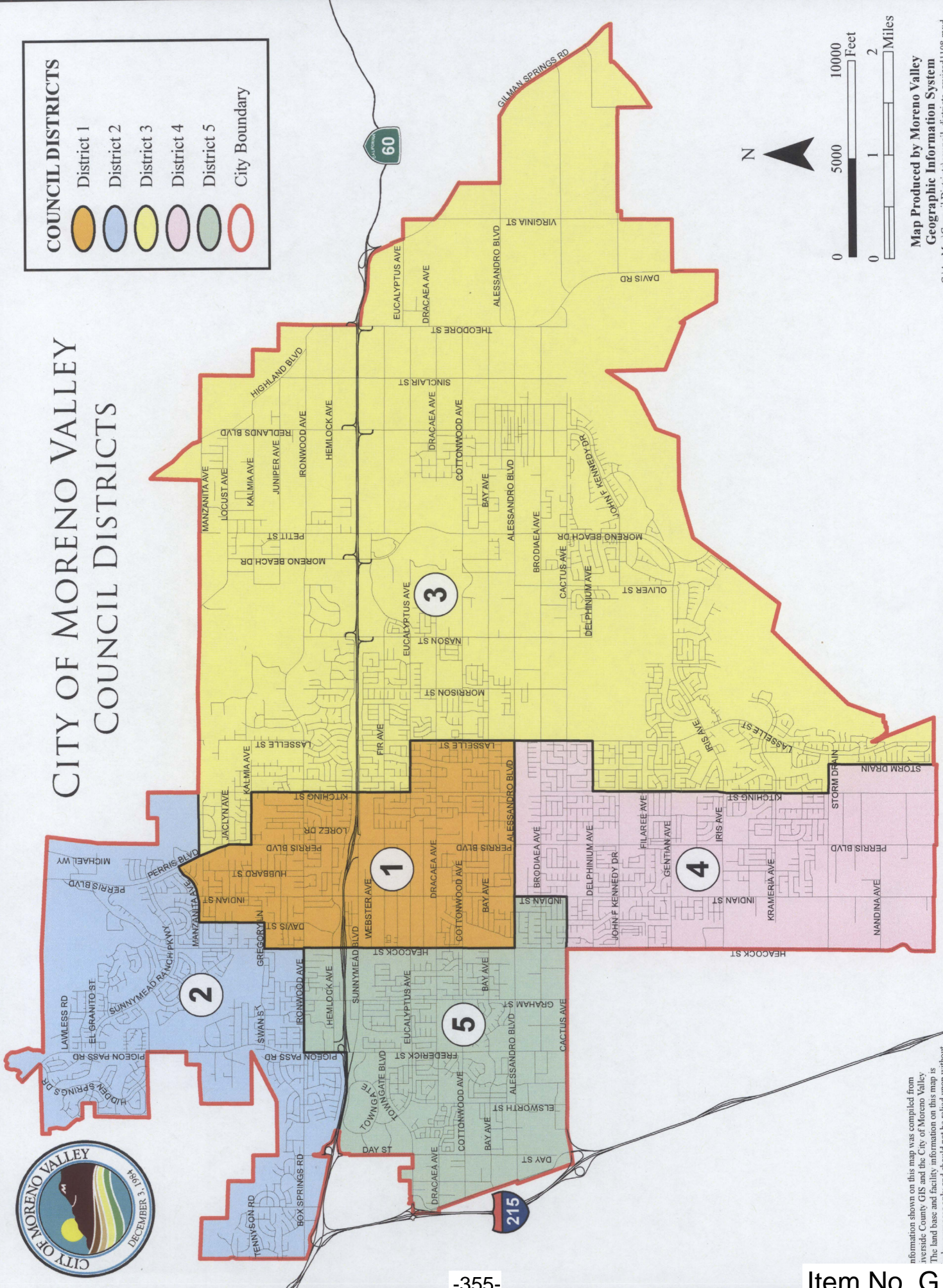
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# CITY OF MORENO VALLEY COUNCIL DISTRICTS

**COUNCIL DISTRICTS**

- District 1
- District 2
- District 3
- District 4
- District 5
- City Boundary

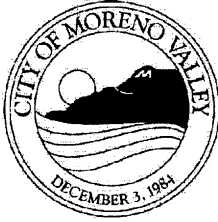


Map Produced by Moreno Valley  
Geographic Information System  
Adopted by Resolution No. 2007-85 on 07/10/2007  
Print Date: 05/26/2010

ATTACHMENT H

Information shown on this map was compiled from Riverside County GIS and the City of Moreno Valley. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Riverside County and Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map.

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Riba</i>
CITY MANAGER	<i>WBS</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Barry Foster, Economic Development Director

**AGENDA DATE:** June 8, 2010

**TITLE:** SHOP MOVAL PROGRAM

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### RECOMMENDED ACTION

Staff recommends that the City Council provide feedback and/or input as to the proposed components of the expanding SHOP MOVAL program.

### BACKGROUND

As part of a community effort to promote the benefits of shopping locally and pursuing economic recovery by supporting local business, and in turn, support general fund programs and services, Economic Development staff has partnered with the three Chambers of Commerce to create a SHOP MOVAL awareness for both the business community and residents. This effort began at the onset of FY 2009/2010 by providing graphic standards such as logo development and collateral design elements (See Exhibit A). Promotion of the SHOP MOVAL message was also included as performance measures in their respective FY 2009/2010 contracts. The idea was to have each Chamber of Commerce create a SHOP MOVAL program tailored to the specific needs of its membership with the City providing the overall SHOP MOVAL logo.

### DISCUSSION

Most leading economists indicate that the recession is slowing as declines in sales tax revenue settle into single digits, up from three years of double-digit declines. Clearly, this is a positive change. However, the City of Moreno Valley along with other jurisdictions in the Inland Region continues to face the reality of what will be a slow recovery. The need to keep consumer spending here in Moreno Valley will be important to helping the local economy recover.

To build upon the momentum created by the Chambers and their members, and demonstrate increased leadership by the City, Economic Development staff has drafted

a SHOP MOVAL program. Maximizing a moderate, yet cost-effective budget, the proposed program (See Exhibit B) is designed to utilize multiple communication vehicles, along with providing additional tools to the Chambers of Commerce. Establishing a multi-faceted SHOP MOVAL program will increase public awareness of the benefits of shopping local and increasing sales tax revenue for the City to use in funding General Funds services and activities.

The major components recommended for the SHOP MOVAL program include:

- Advertising including banners, Mall kiosk, print media ads, and promotional items.
- Public Relations including web pages, a new targeted automotive purchase incentive program, local business discount programs, MVTV-3 (PSA's and programming), and social media usage.

With a limited budget, staff recommends pursuing a variety of partnerships (Chambers of Commerce, local businesses, major shopping center owners, and auto dealerships) to undertake some of the SHOP MOVAL programs. Forging strategic partnerships with the local businesses community will not only make the SHOP MOVAL program more cost-effective, but also it will also strengthen the "buy-in" of local businesses.

### **ALTERNATIVES**

1. Accept the SHOP MOVAL Program as proposed.
2. Direct staff to make changes to the SHOP MOVAL Program per City Council's input.
3. Reject the use of a SHOP MOVAL Program.

### **FISCAL IMPACT**

The City of Moreno Valley will increasingly benefit from growing sales tax revenue generated as the region recovers from the economic downturn. Additionally, helping local businesses create new employment opportunities and retaining local businesses increases consumer spending. The FY 2009-2010 Budget for Economic Development includes a budget allocation for SHOP MOVAL in the amount of \$40,000. The preliminary FY 2010-2011 Budget includes a budget allocation for SHOP MOVAL in the amount of \$20,000.

### **CITY COUNCIL GOALS**

Revenue Diversification and Preservation: Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Public Facilities and Capital Projects: Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Community Image, Neighborhood Pride and Cleanliness: Promote a sense of community pride and foster an excellent image about our City by developing and executing programs, which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

**ATTACHMENTS/EXHIBITS**

EXHIBIT A: SHOP MOVAL Graphic Design Samples

EXHIBIT B: SHOP MOVAL Program

Prepared By:  
Shanna Palau  
Management Analyst

Department Head Approval:  
Barry Foster  
Economic Development Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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Shop MOVAL Graphic Design Samples

Logo



Banner design



Ad design



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## Shop MOVAL Program

### Program Summary

Shop MOVAL is an awareness campaign designed to educate residents/businesses of the benefits of shopping in Moreno Valley and increase community pride. The campaign could include the following components:

- Public/private partnerships
- Sponsorships (monetary and in-kind)
- Marketing

What does shopping local do for the community?

- Increases general fund supporting safety, parks, libraries
  - 1% of each dollar spent in Moreno Valley stays in Moreno Valley
- Strengthens new and existing businesses
- Creates jobs
- Increases Community Pride

### Messages

- Money spent in Moreno Valley stays in Moreno Valley
- Improve quality of life
- Invest in your community
- If you shop, they will come
- Making a good thing better
- Enjoy life in Moreno Valley
- Support your Library, Parks, Police , Fire, Youth Programs

<u>City Program Budget</u>	<u>\$60,000</u>
FY 2009/2010: \$40,000	
FY 2010/2011: \$20,000	
<u>Program Components</u>	<u>Estimated Cost</u>
<b>Marketing Plan</b>	
<u>Advertising</u>	
Banners	\$10,500
<ul style="list-style-type: none"> <li>• 70: Key retail areas (Supplement 10 existing TownGate areas and MV Mall); Stoneridge Towne Centre; MV Plaza, and Auto Mall.</li> </ul>	
Mall Kiosk	\$3,600
<ul style="list-style-type: none"> <li>• 12 months</li> </ul>	
Print/Web	
<ul style="list-style-type: none"> <li>• <i>Your Villa</i>- 6x (full-page; inside front cover)</li> <li>• <i>Press Enterprise</i> (Flier Inserts: 12 X)</li> <li>• PE.com (4 X 750,000 impressions)</li> <li>• <i>La Prensa</i> (Flier Inserts: 6 X)</li> <li>• <i>Citylink</i></li> </ul>	\$10,050 \$6,600 \$3,000 \$4,000 \$0

## Shop MOVAL Program

Promotional Items	
• Magnets (Quantity: 20,000)	\$2,175
<u>Public Relations</u>	
• Webpage(s) Webpages to include: key messages; new-vehicle incentive program; links to chambers of commerce, other sponsors and online Yellow Pages bookmarked for Moreno Valley; hot button for Facebook; petition page to show support for desired new business; and opt-in sign-up for potential electronic newsletter and updates/alerts.	\$0
• Local Business Discount Program Encourage Chambers of Commerce to pursue a discount program within their respective memberships. City staff would assist by providing a graphic for a downloadable discount card and posters for their members that are participating by providing a discount or added-value.	\$0
• New Vehicle Incentive Program Staff will work with Auto Dealer's Association to develop incentive co-op program encouraging the purchase of new vehicles.	\$20,000
• MVTV-3	\$0
○ News Center: PSA; Interviews with Barry Foster along with presentation of human interest story coming from library, parks or public safety highlighting benefits of public services.	
○ Bulletin	
○ On hold message	
• Social Media Create Fan page on Facebook	\$0
• Outdoor Advertising Request scheduled use of Moreno Valley Mall and Auto Mall reader boards.	\$0
In-person Promotion	\$0
• Chamber Events	
• Service groups	
• City Events	

## Shop MOVAL Program

### **Sponsorships/Partnerships**

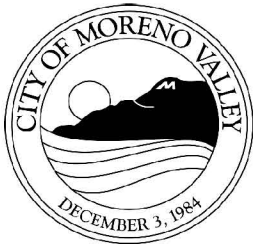
#### Existing Sponsorship (Monetary/In-kind)

- City of Moreno Valley  
\$60,000 (FY 2009-2010 and FY2010-11) plus staff
  
- Chambers' of Commerce
  - Moreno Valley Chamber of Commerce: \$1,000 (decals); \$ 775.00 in-kind advertising in *Your Villa*
  
- Fritz Duda  
\$2,400: Existing banner program in TownGate
  
- *Your Villa*  
\$850 Value for Logo placement to date

#### Future Sponsorship (Monetary/In-kind)

- MV Auto Mall  
New Vehicle Purchase Incentive Program- Value TBD and use of new message board
  
- MV Mall  
Use of message board

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Res</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Robert Hansen, City Attorney

**AGENDA DATE:** May 11, 2010

**TITLE:** ORDINANCE NO. 811, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING CHAPTER 11.04 OF THE MORENO VALLEY MUNICIPAL CODE RELATING TO DRINKING IN PUBLIC AND TRESPASSING OFFENSES AND AMENDING SECTION 6.04.080 RELATING TO NOTICE OF NUISANCE VIOLATIONS

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### **RECOMMENDED ACTION**

Staff recommends that the City Council:

Introduce Ordinance No. 811, an ordinance amending Chapter 11.04 to add new sections relating to drinking in public and trespassing offenses and amending Section 6.04.080 relating to notice of nuisance violations.

### **BACKGROUND**

Staff has reported an increase over the past two years of incidents related to trespassing and drinking in public. Trespass is currently regulated by Section 602 of the California Penal Code. However, the various sections of the penal code do not provide a comprehensive approach to general trespass on private property. As a result of the fact specific nuances of state trespassing laws, very few instances of what is commonly thought to be trespassing actually is enforceable under state law.

Likewise, state law deals with intoxication in public but requires a very specific set of facts in order to convict for public intoxication. Moreno Valley currently does not have

any laws to prevent or restrict the consumption of alcohol in public, even when such consumption does not rise to the level of public intoxication.

Reports of increased public nuisance activity related to trespass and drinking have increased. These reports include trespassing and holding parties in vacant, abandoned or foreclosed properties, skateboarding in business parking lots, loitering and drinking at liquor stores, especially those associated with an attached or nearby recycling center.

## **DISCUSSION**

In order to combat some of these nuisance conditions, the City Attorney's Office was asked to create new ordinance addressing trespassing and drinking in public. The proposed ordinance is laid out in three sections. The first section prohibits the drinking of an alcoholic beverage on or within public places, including streets and sidewalks. The penalties for drinking in public can range from a \$100 Administrative Citation up to a misdemeanor violation for repeat offenders with maximum penalties of a \$1,000.00 fine and up to six months in jail. The act of possessing an open container of alcohol (without drinking) constitutes a lesser charge with a maximum penalty of \$500 and no jail time.

The second proposed section addresses trespassing on private property. A violation of this section constitutes a misdemeanor as well and may be enforced through Administrative Citations or a criminal complaint. Trespassing is prohibited on properly posted property or upon property where the owner, or the owner's agent, has asked an individual to remove himself therefrom and that person refuses to leave. A property owner can provide a written authorization to the police department to act as their agent to remove trespassers from their property. This could be used by banks to allow officers to remove and/or arrest individuals trespassing in vacant homes as well as by business entities that have recurring problems with unauthorized persons using their facilities or parking lots.

The third section relates to trespassing on publicly owned property. It allows for the "banning" of certain individuals who violate the law, rule or policy of a public park or facility for up to one year. The failure of a banned individual to remove himself from the property or his subsequent return would constitute a trespass violation. Both trespass sections provide exceptions for statutorily or constitutionally protected activity such as labor picketing or anti-discrimination provisions.

Additionally, it has been discovered that current code provisions relating to providing notice of code violations require service of the notice personally or by mailing and posting the subject property where the nuisance is occurring. The proposed ordinance changes this language to provide that notice may be service personally, mailed to the property owner, or posted on the subject property. This provides a more economical approach and ensures that affected property owners will receive the proper notice.



These new tools will provide the police department the ability to quickly and easily enforce these local crimes without the burdens imposed by the state law. Furthermore, these violations will be prosecuted and tracked by the City Attorney’s Office. This allows the City to track repeat violators and ensure that proper penalties, restitution, stay away orders and other terms of probation are in effect against repeat offenders.

**ALTERNATIVES**

The City Council may consider the following alternatives:

1. Introduce the new ordinance for adoption. The ordinance would take effect thirty-one (31) days after adoption.
2. Direct staff to make changes to the ordinance and return to City Council on a later date with a revised Ordinance.
3. Take no action.

**FISCAL IMPACT**

No significant fiscal impacts are projected although some additional revenue will be realized through fine collection.

**STAFF RECOMMENDATION**

Staff recommends that the City Council:

1. Introduce Ordinance No. 811, an ordinance amending Chapter 11.04 to add new sections relating to trespass and drinking in public.

**ATTACHMENTS/EXHIBITS**

1. Ordinance No. 811, an ordinance amending Chapter 11.04 to add new sections relating to trespass and drinking in public.

Prepared by: Paul J. Early, Deputy City Attorney III

Department Head Approval, Robert L. Hansen,  
City Attorney

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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ORDINANCE NO. 811

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING CHAPTER 11.04 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE, RELATING TO DRINKING IN PUBLIC AND TRESPASSING OFFENSES AND AMENDING SECTION 6.04.080 RELATING TO NOTICE OF NUISANCE VIOLATIONS

The City Council of the City of Moreno Valley does ordain as follows:

SECTION 1. MUNICIPAL CODE AMENDED:

1.1 Chapter 11.04 of the Moreno Valley Municipal code is hereby amended by adding new Section 11.04.065 to read as follows:

“Section 11.04.062 – Drinking in Public.

A. No person shall drink any beverage containing an alcoholic content in excess of one percent by volume upon any public street, sidewalk, alley, park, playground, recreation area or other public place within the City where such premises have not been licensed by the Alcohol, Beverage and Control Department of the State of California, for sale of alcoholic beverages to be consumed on the premises; or upon any private property which is open to the public view without the consent of the owner or person in lawful possession or control of said property.

B. Pursuant to California Business and Professions Code Section 25620, no person shall be in possession of any bottle, can or other receptacle containing an alcoholic beverage which has been opened, or a seal broken, or the contents of which have been partially removed upon any public street, sidewalk, alley, park, playground, recreation area or other public place within the City where such premises have not been licensed by the Alcohol, Beverage and Control Department of the State of California, for sale of alcoholic beverages to be consumed on the premises; or upon any private property which is open to the public view without the consent of the owner or person in lawful possession or control of said property. A violation of this section shall be an infraction.

C. Pursuant to California Penal Code Section 647e, no person shall be in possession of any bottle, can or other receptacle containing an alcoholic beverage

which has been opened, or a seal broken, or the contents of which have been partially removed upon the posted premises of, including the posted parking lot immediately adjacent to, any retail package off-sale alcoholic beverage licensee licensed pursuant to Division 9 of the California Business and Professions Code, or upon any public sidewalk immediately adjacent to the licensed and posted premises. A violation of this section shall be an infraction.

D. A violation of this section may be enforced by the filing of a criminal misdemeanor or infraction citation, or through the issuance of civil citations pursuant to Chapter 1.10 of this Code.”

## SECTION 2. MUNICIPAL CODE AMENDED:

2.1 Chapter 11.04 of the Moreno Valley Municipal code is hereby amended by adding new Section 11.04.090 to read as follows:

“Section 11.04.090 – Trespass Upon Private Property.

### A. Definitions.

1. As used in this Section, “Posted Property” means any property at each corner of which, and at each identifiable road, trail or driveway entering the property, and at intervals of not less than three per mile, a sign of not less than 1 square foot in size is posted and visible containing in legible print not less than two inches in height, the words “PRIVATE PROPERTY – NO TRESPASSING” or words of similar meaning or effect.

2. As used in this Section, “Owner” shall mean the owner of record, the owner’s agent, or a lessee or tenant in lawful possession.

B. No person shall remain upon any private property or business premises, after being notified by the owner or by a peace officer acting at the request of the owner to remove therefrom. The owner may make a written request for peace officer assistance in the enforcement of this Section. Such a request shall cover a period of not more than one year and shall specify specific dates, times and locations for which enforcement is requested. Furthermore, the request shall identify any individuals authorized by Owner to be on the premises. During such times and dates, a peace officer may act to remove a trespasser without the necessity of the Owner making a separate request on each occasion when peace officer assistance in dealing with a trespasser is requested.

C. No person, without permission, expressed or implied, from the Owner, shall enter upon private property or business premises after having been notified by the Owner to keep off or keep away therefrom.

D. No person shall enter or remain upon posted property without the permission, expressed or implied, of the Owner of such posted property or premises.

E. This Section shall not apply in any of the following circumstances:

1. Where its application results in or is coupled with any acts prohibited by the Unruh Civil Rights Act or any other provision of law relating to prohibited discrimination against any person on account of color, race, religion, sexual orientation, creed, ancestry or national origin;

2. Where its application results in, or is coupled with, any act prohibited by Section 356 of the California Penal Code or any other provision of law relating to duties of innkeepers and common carriers;

3. Where its application would result in an interference with or inhibition of peaceful labor picketing or other lawful labor activities;

4. Where its application would result in an interference with or inhibition of any other exercise of a constitutionally protected right of freedom of speech; or,

5. Where the person who is upon another's private property or business premises is there under claim or color of legal right."

SECTION 3. MUNICIPAL CODE AMENDED:

2.1 Chapter 11.04 of the Moreno Valley Municipal code is hereby amended by adding new Section 11.04.100 to read as follows:

"Section 11.04.100 – Trespass Upon Public Property.

A. As used in this Section, "City" shall mean the City of Moreno Valley, the Moreno Valley Redevelopment Agency, Community Service Districts and any other public agency formed and/or by the City of Moreno Valley.

B. No person shall remain upon any public park, playground, recreation facility, open space, library, or any other property owned, operated or maintained by the City, after having been found to have violated any City ordinance, resolution, policy, rule or regulation, where that person has been given a warning by authorized City personnel or a peace officer to cease the violation, and where that person continues the violation and has been asked to leave the premises.

B. Any person who has been found by authorized City personnel or a peace officer to have violated any ordinance, resolution, rule or regulation of the City may be banned by said personnel, or a peace officer provided that the violation relates to the facility from which the person has been banned. The violator must be personally served with a letter advising of the ban. The letter shall contain notice of the rule or regulation that was broken and state a specific location from which the individual shall be banned and state a time period, not exceeding one year that the ban will be in effect.

C. No person shall enter or remain upon any City owned or controlled public park, playground, recreation facility, open space, library, or any other property owned, operated or maintained by the City after having been banned therefrom.

D. This Section shall not apply in the following circumstances:

1. Where its application results in or is coupled with any acts prohibited by the Unruh Civil Rights Act or any other provision of law relating to prohibited discrimination against any person on account of color, race, religion, sexual orientation, creed, ancestry or national origin;

2. Where its application would result in an interference with or inhibition of peaceful labor picketing or other lawful labor activities;

3. Where its application would result in an interference with or inhibition of any other exercise of a statutory or constitutional right' or,

4. Where it is necessary for the person to enter City owned or controlled property from which that person has been banned in order to conduct City business but only for as long as necessary to conduct said City business.”

SECTION 4. MUNICIPAL CODE AMENDED:

4.1 Chapter 6.04 of the Moreno Valley Municipal code is hereby amended by amending Section 6.04.080 to read as follows:

“Section 6.04.080 - Notification of nuisance.

A. When the city manager or authorized representative thereof determines that any condition on property within the city constitutes a nuisance as declared in Section 6.04.040, such person shall give written notice to abate to responsible person(s), as identified on public records or tax rolls, ordering the abatement of said nuisance.

B. The notice to abate shall contain the following information:

1. The name of the record owner of the property;
2. The date of the inspection;
3. The date of the violation(s);
4. The street address, assessor’s parcel number or other definite description of the location where the violation(s) exist;
5. The code sections violated;
6. A description of the condition of the property creating the nuisance;
7. A list of necessary corrections to bring the property into compliance;
8. A reasonable time limit for correction based upon the nature of the nuisance;
9. A reference to the potential consequences for failure to abate the nuisance by the specified time period;
10. An order prohibiting the continuation or repeated occurrence of the nuisance;
11. The name and signature of the enforcement officer; and,
12. Notice of the right to appeal.

C. Notice required by this chapter may be served in any of the following manners:

1. Personal service on the responsible person;

2. Regular mail addressed to the responsible person, at the address shown on the last available assessment roll, or as otherwise known or posting in a conspicuous place on the premises or abutting the right-of-way;

3. Insertion of a legal advertisement at least once a week for a period of two weeks in a newspaper of general circulation in the city. The newspaper advertisement shall be a general notice that property in the city has been posted and contain a general statement of the effect of such postings.

D. Failure of any person to receive a copy of any notice issued pursuant to this chapter shall not affect the validity of any proceedings or actions taken under this chapter.

E. Nothing in this chapter shall be construed or interpreted to require the issuance of a notice to abate as a prerequisite to the issuance of an administrative citation or the filing of any civil action or criminal complaint.”

SECTION 5. EFFECT OF ENACTMENT:

5.1 Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the City Council which addresses the same subject addressed herein.

SECTION 6. NOTICE OF ADOPTION:

6.1 Within fifteen days after the date of adoption hereof, the City Clerk shall certify to the adoption of this ordinance and cause it to be publicly posted in three places within the city.

SECTION 7. EFFECTIVE DATE:

7.1 This ordinance shall take effect thirty days after the date of its adoption.

APPROVED AND ADOPTED this    day of, 2010.

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Mayor



ATTEST:

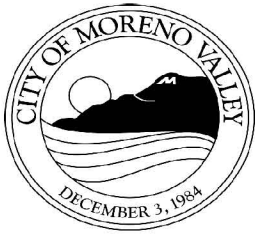
\_\_\_\_\_  
City Clerk  
APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

ORDINANCE JURAT

[Clerk's office will prepare]

**[NOTE: Any attachments or exhibits to this ordinance should follow this jurat.]**



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RH</i>
CITY MANAGER	<i>WLB</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** William Bopf, Interim City Manager

**AGENDA DATE:** June 8, 2010 (continued from the meeting of May 25, 2010)

**TITLE:** A PROPOSED AMENDMENT TO CHAPTER 12.14, POLICE AND CITY OF MORENO VALLEY ROTATIONAL TOW SERVICE OF THE MORENO VALLEY MUNICIPAL CODE AND REQUEST FOR PROPOSALS FOR THE IMPLEMENTATION OF A CITYWIDE ROTATIONAL TOW SERVICE PROGRAM.

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### **RECOMMENDED ACTION**

Staff recommends the City Council take the following action:

1. Introduce Ordinance No. 812 amending Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service of Title 12 of the Moreno Valley Municipal Code, and
2. Approve the Request for Proposals (RFP) to solicit proposal to participate in the City's Rotational Tow Service Program and authorize City Staff to circulate the RFP to qualified tow operators and businesses.

### **ADVISORY BOARD/COMMISSION RECOMMENDATION**

The Public Safety Subcommittee of Mayor Flickinger and Council Member Batey reviewed the draft Rotational Tow Service Program documents at their meetings of February 8, March 8, and April 12. At the conclusion of the April 12<sup>th</sup> meeting, the Subcommittee was satisfied with the draft documents and instructed Staff to present the documents to the full City Council at a future meeting.

### **BACKGROUND**

At the September 2009 City Council Study Session, the City Council discussed the needs of implementing a local Rotational Tow Service (RTS) Program. At the same

meeting a number of tow operators and their attorney presented a letter outlining specific terms and conditions to be included in a new RTS Program. The City Council subsequently instructed Staff to develop a RTS Program for City Council consideration in the future. Staff has completed its drafting of RTS Program and is prepared to have the City Council review and approve the documents. The RTS Program documents consist of: 1) an updated and amended RTS Program ordinance (Chapter 12.14); and 2) a draft Request for Proposals and agreement.

## **DISCUSSION**

### *RTS Program Documents*

At the request of the City Council, staff developed basic regulations for the operation of an official RTS Program in police emergency situations, removal of illegally parked vehicles, vehicles that are being operated contrary to law, and/or in the removal of vehicles which are apparently abandoned, or involved in an accident, or which constitute an obstruction to traffic because of mechanical failure. The RTS Program also establishes regulations and procedures for the abatement of abandoned, inoperative and dismantled vehicles as set forth in the Moreno Valley Municipal Code.

The purpose in creating such a RTS Program is to provide a fair and impartial means of distributing requests for towing services among qualified firms, and to ensure that such service is prompt and reasonably priced, and in the best interests of the public as well as the interest of efficient policing operations for the removal of such vehicles from public streets.

The proposed official RTS Program will require a towing business to file an application in response to a City Request for Proposals. Those towing businesses submitting an application for consideration by the City Council will pay an application fee to cover staff's time in evaluating its proposal.

If a contract is approved by the City Council permitting a towing business to participate in the City's official RTS Program, it will be for five years. During the contract period, Staff will be responsible to: 1) monitor the contracts, 2) perform site visits/inspections, 3) review monthly reports, 4) investigate complaints, 5) conducted annual meetings, and 6) coordinate special programs and scheduled checkpoints. The Code & Neighborhood Services Division of the Community Development Department will be charged with the responsibility of Program's management and oversight.

Staff of the Police Department, Code Compliance, Financial & Administrative Services Department, Risk Management, City Attorney's Office, and City Manager's Office analyzed the City's existing towing service program and regulations codified in Chapter 12.14 of the Moreno Valley Municipal Code and made a number of edits to insure a tow operator or business conducts his/her business in a manner acceptable to the City.

Attached for the City Council's review and discussion, are the following draft Rotational Tow Service Program documents:

- Draft Ordinance. Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service has been rewritten to have consistent and complete rules and procedures for all to follow (Exhibit “A”).
- Draft Request for Proposals. The draft Request for Proposals establishes a process of review of proposals submitted by tow operators or businesses that are interested in providing the service to the City. Attached to the RFP is the sample Agreement to be used for contracting such services with City Council approved tow operators and businesses (Exhibit “B”).

#### *Meeting With Existing Tow Operators*

On Thursday, March 18, 2010, Staff of the City Manager’s Office, City Attorney’s Office, Police Department, and Community Development Department (Code Compliance and Planning Divisions) met with seven tow operators to review the draft ordinance and other related documents. The meeting was productive and provided constructive dialogue between the operators and City Staff. Generally, the tow operators are supportive of the City’s RTS Program. The tow operators have been invited to this City Council meeting and to participate in the discussion.

#### **ALTERNATIVES**

1. Introduce the proposed amendment to Chapter 12.14 of the Moreno Valley Municipal Code and approve the Request for Proposal, implementing a Rotational Tow Service Program citywide (**Staff recommended action**).
2. Direct Staff to explore other options to the RTS Program.
3. Take no action. This alternative would continue the current RTS Program as is.

#### **FISCAL IMPACT**

Staff is anticipating full cost recovery from tow operators wanting to participate in the RTS Program. Cost recovery will be accomplished in three ways. First, the RTS Program would establish a RTS Application Fee to recover the cost of the City Manager’s and City Attorney’s Offices and of the Community Development, Human Resources, Police, and Financial & Administrative Services Departments in evaluating an RTS Program Application. The estimated time Staff would spend to review an application was multiplied by a fully-burdened blended hourly rate to establish an application fee of \$2,828.

The second cost recovery fee would require a tow operator being awarded a contract to provide towing services to deposit \$5,000 to cover the City’s cost in administering the contract during the term of the contract of five years. Staff of the six departments will charge their actual fully-burdened rate to the deposit for full cost recovery. If the balance of the deposit falls below \$500, Staff will require, per City Council agreement, the tow operator to replenish the fund and failure to make the deposit whole would be grounds for suspension or removal from the RTS Program.

Finally, the City/Code Compliance Division has not charge a vehicle release fee as does the Police Department (current fee of \$120). It is estimated that the cost of staff's time to release a vehicle would be \$74 per vehicle. The fee was established on the basis of a fully burdened blended rate of staff and time to release the vehicle. A fee of \$74 will be imposed to those owners of a vehicle or his/her authorized agent wanting the vehicle returned.

The RTS Program application fee, deposit and vehicle release fee were included in the City Council 2010 Fee Schedule which was approved on May 25, 2010.

### **CITY COUNCIL GOALS**

*Advocacy.* Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

The Proposed RTS Program will establish standard for all to operate by and therefore, create a strong advocacy relations with City of Moreno Valley towing businesses.

*Revenue Diversification and Preservation.* Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Included in the RTS Program is a means by which the City can recover its costs of managing such a RTS Program.

### **SUMMARY**

As directed by the City Council, Staff has prepared an amendment to Chapter 12.14 of the Moreno Valley Municipal Code setting forth appropriate and fair regulations to operate a Rotational Tow Service Program. The Program will establish response times, vehicle storage criteria, monthly reporting, suspension/revocation procedures, and other operational standards for the City and tow operators to follow. The Request for Proposals and sample agreement will provide a process to fairly evaluate the tow business and insure compliance with the amended ordinance.

### **NOTIFICATION**

Staff has notified local tow operators interested in the RTS Program of the City Council meeting and pending action.

### **ATTACHMENTS/EXHIBITS**

Exhibit "A" – Draft amended Chapter 12.14 of the MVMC  
Exhibit "B" – Draft Request for Proposals with agreement

**Prepared By:**  
Rick C. Hartmann  
Interim Assistant City Manager

**Approved By:**  
William L. Bopf  
Interim City Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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**Exhibit "A"**

ORDINANCE No. 812

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA AMENDING TITLE 12 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE BY REPEALING CHAPTER 12.14 RELATING TO ROTATIONAL TOWING SERVICES FOR THE CITY OF MORENO VALLEY AND ADDING THERETO A NEW CHAPTER 12.14 ENTITLED POLICE AND CITY OF MORENO VALLEY ROTATIONAL TOW SERVICE

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

**SECTION 1: REPEAL OF CHAPTER 12.14, POLICE AND CITY OF MORENO VALLEY ROTATIONAL TOW SERVICE**

Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service of Title 12, Vehicles and Traffic of the Moreno Valley Municipal Code is hereby repealed. The repeal will only to be effective upon the effective date following the adoption of the reenactment of said Chapter 12.14 as set for in Section 2 of this Ordinance.

**SECTION 2: ADDING CHAPTER 12.14, POLICE AND CITY OF MORENO VALLEY ROTATIONAL TOW SERVICE**

Title 12, Vehicles and Traffic of the Moreno Valley Municipal Code is hereby amended by adding thereto Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service to read as follows:

**Chapter 12.14  
POLICE AND CITY OF MORENO VALLEY  
ROTATIONAL TOW SERVICE**

Section:

- 12.14.010 Intent and purpose.**
- 12.14.020 Definitions.**
- 12.14.030 City business license and permits required.**
- 12.14.040 Selection of towing services.**
- 12.14.050 Rotation tow lists.**
- 12.14.060 Official police department and city tow operator's permit.**
- 12.14.070 Tow truck driver's permit.**
- 12.14.080 Tow truck classifications.**
- 12.14.090 Liability insurance.**

- 12.14.100 Storage facility.**
- 12.14.110 Standard rules of operation.**
- 12.14.120 Additional services to be provided.**
- 12.14.130 Response to calls.**
- 12.14.140 Rates.**
- 12.14.150 Suspension and revocation.**
- 12.14.160 Summary suspension of permit pending opportunity for hearing.**
- 12.14.170 Hearing and procedure.**
- 12.14.180 Hearing officer.**
- 12.14.190 Hearing officer—Power and duties.**
- 12.14.200 Findings and determination by the hearing officer.**
- 12.14.210 Notice and surrender.**
- 12.14.220 Surrender of permit.**
- 12.14.230 Appeal to city council.**
- 12.14.240 Permits in effect at the time of adoption.**

**12.14.010 Intent and purpose.**

A. It is the intent of this chapter to prescribe the basic regulations for the operation of an official Rotational Tow Service Program in police emergency situations, removal of illegally parked, vehicles that are being operated contrary to law, and/or in the removal of vehicles which are apparently abandoned, or involved in an accident, or which constitute an obstruction to traffic because of mechanical failure.

B. The intent of this chapter is to also establish regulations and procedures for the abatement of abandoned, inoperative and dismantled vehicles as set forth in chapter 11.24 of this code.

C. It is the purpose of the City Council in enacting the ordinance codified in this chapter to provide a fair and impartial means of distributing requests for towing services among qualified firms, and to ensure that such service is prompt and reasonably priced, and in the best interests of the public as well as the interest of efficient policing operations for the removal of such vehicles from public streets.

**12.14.020 Definitions.**

Unless the context in which used requires otherwise, the following words and variant thereof, shall have the following meanings:

“Appeal” means the final level of review for written reprimands, suspensions, terminations, or review of a decision regarding disciplinary action.

“Area” means the corporate boundary of the City of Moreno Valley.

“Attendant” means individual responsible for staffing the storage yard facility.

“Base Services” means any service or Tow which is performed when the vehicle Operator or agent is present and the vehicle is not stored at the direction of an officer.

“City” means the City of Moreno Valley.

“Financial & Administrative Services Director” means the position in the Financial & Administrative Services Department in charge of the administration of the financial affairs of the City.

“Driver” means a trained and/or qualified licensed individual who operates/drives a Tow car or Tow Truck.

“Driver’s Permit” means the driver’s Permit issued to a driver that has completed an application and complied with the requirements outlined in Section 12.14.070.

“Enrollment Period” means the period of time when a Tow Operator or Business may submit an application for inclusion on the City’s rotation Tow list.

“Garage or Storage Facility” means the area where a Tow Operator or Business stores or impounds vehicles in connection with the City’s Rotational Tow Service Program and complied with the requirements outlined in Section 12.14.100.

“License Division” means the City Business license division of the Financial & Administrative Services Department.

“Load Salvage Operations” means any Operator or Business involving the recovery of a load which has been spilled, or the off-loading and reloading of a load from an overturned vehicle performed in order to upright the vehicle. This will be limited to operations involving Class B, C, and D Tow Trucks.

“Notice” means any notices shall be in writing and delivered to the other party in person, via facsimile, and/or by first-class U.S. Mail from a duly authorized representative of the City or Operator.

“Official Police and City of Moreno Valley Tow Service” or “Operator” means a Towing Operator or Business that has a valid agreement with the City and is selected to be used, on call, and on an alternate basis, where a Tow Truck is required.

“Permit” means the Operator’s Permit issued to a Tow Operator or Business that has complied with all sections of this chapter to the satisfaction of the City Council.

“Personal Property” means items which are not permanently affixed to the vehicle.

“Rate” means the rate charged by the Tow Operator or Business to a vehicle’s owner or his/her agent as approved by the City Council.

“Response Time” means the period of time between when an Operator is notified by the City or Police Department of a call to the arrival of the Tow Truck at the location requested.

“Rotational Tow Service Program” means the City’s official program of selecting Tow Operators to assist the Police Department and City in removing vehicles from the public right-of-way and private property as set forth in this chapter.

“Suspension” means the removal of an Operator from the City’s Tow rotation list for a specified period of time regardless of any contract period or time.

“Termination” means the permanent removal of a Tow Operator from the City’s Rotation Tow List for the remainder of the term of the Tow Service Agreement and disqualification from any further participation in the City’s Rotation Tow Service Program.

“Tow Car” or “Tow Truck” is a motor vehicle which has been altered or designed and equipped for and exclusively used in the business of towing vehicles by means of a crane, towbar, towline or dolly or is otherwise exclusively used to render assistance to other vehicles and in compliance with section 615 of the California Vehicle Code. Also includes slide-back carriers and wheel-lift vehicles.

“Tow Operator” or “Business” means a company approved by the City to remove, impound and store vehicles in association with the City’s Rotational Tow Service Program.

“Tow Service Agreement” means a document which sets forth the terms and conditions of an agreement between the City and Operator on the tow rotation list.

“Vehicle Recovery Operation” means an operation involving the process of uprighting an overturned vehicle or returning a vehicle to a normal position on the roadway which requires the use of auxiliary equipment due to the size or location of the vehicle. This will normally be limited to operations requiring a Class B, C, or D Tow Truck(s).

**12.14.030 City business license and permits required.**

A. No firm may participate in the assignment of service calls on a rotational basis by the Police Department or the City unless it has a valid City business license to do business as a Tow Operator in the City as set forth in this code.

B. No person shall operate a Tow Truck as part of the City’s Rotational Tow Service in the City unless he or she holds a valid Tow Truck Driver’s Permit issued by the City.

C. Only those Tow Operators or Businesses approved by the City and possessing a valid Tow Operator's Permit and Tow Service Agreement shall be permitted to remove, tow, impound and/or store a vehicle as part the City's Rotational Tow Service Program.

#### **12.14.040 Selection of towing services.**

A. The City Manager or his/her designee shall solicit proposals from Tow Operators to participate in the City's Rotational Tow Service Program. The proposals shall be accompanied by the fee as established by resolution of the City Council. The fee is not refundable.

B. Proposals submitted by Tow Operators shall be evaluated by City staff and presented to the City Council for approval

C. The term of a Tow Service Agreement shall not exceed five (5) years. Tow Operators not participating in the process will not be eligible to participate in the City's Rotational Tow Service until the City establishes an open enrollment period. The enrollment period shall be open for at least 30 days.

D. Only those Tow Operators who enter into a contractual agreement with the City shall be permitted and be required to affix a decal or other permanent marking "Official Police and City of Moreno Valley Rotational Tow Service" to permitted Tow Trucks. Tow truck and/or other vehicles owned and operated by the Tow Operators that have not been inspected and approved by the City to participate in the City's Rotational Tow Service Program shall not, in any way, maintain a decal or other markings or advertisement that the vehicle or vehicles are part of the Program.

E. Tow Operators applying for the City's Rotational Tow Service shall have a minimum of three (3) verifiable years of for-hire towing experience, as an owner or principal, prior to the final filing date of an enrollment period in order to qualify for the program. The City shall verify that a Tow Operator meets the minimum three (3) years of experience.

F. A Tow Operator or Business not having a valid Tow Operator Permit or Tow Services Agreement shall be prohibited from participating in the City's Rotational Tow Service Program. Any tow person violating this chapter shall be guilty of a misdemeanor and shall be prosecuted either criminally or civilly pursuant to Chapter 1.10, Civil Citations, of the Moreno Valley Municipal Code.

G. Tow Operators who enter into a contractual agreement with the City shall deposit with the City the fee established by resolution of the City Council to cover its costs to administer the terms and conditions of the Tow Service Agreement the regulations of this chapter. A Tow Operator that fails to deposit with the City the required funds as set forth in the resolution of the City Council shall be in violation of this chapter and shall be prosecuted accordingly.

#### **12.14.050 Rotation Tow lists.**

A. For operational reasons, the Police Department and City shall maintain the same rotation tow lists where practical and establish policies and procedures as to fairly distribute calls to the Tow Operators or Businesses approved by the City to participate in the Rotational Tow Service Program. Each list will include the same Tow Operators as approved by the City Council and have a valid Tow Service Agreement.

B. Nothing shall prohibit a Class B, Class C or Class D operator from maintaining a place on a lighter class rotation list. (See Section 12.14.080 for description of classifications.)

Regardless of the class of Tow Truck used in response to a call from the City, charges to the vehicle's registered owner or his/her authorized agent shall not be more than the class of vehicle towed or serviced, except when recovery operations require a larger class of truck.

C. If two or more Tow Operators are called to the same incident, distribution of the vehicles shall be at the discretion of the Police Department or City.

The Police Department may direct a Tow Operator to move vehicles to help clear a roadway or for lifesaving operations. Tow Operators shall provide the requested assistance at no cost to the City.

D. At the direct request from an owner of a vehicle or his/her authorized agent, a police officer may contact any Tow Business for services unless said request would be in violation of local, state or federal law or regulation or cause a delay in protecting the public's general health and safety. If an owner of a vehicle or his/her authorized agent request a tow service of their choosing, they assume full responsibility for any fees for service the owner's tow service may impose.

E. After any type of major collision, the Police Department shall have the authority to order any Tow Operator to tow vehicles to any location necessary for investigative purposes.

#### **12.14.060 Official police department and city tow operator's permit.**

A. In addition to having a valid City Business license to conduct Business in the City, the Tow Operator participating in the City's Rotation Tow Services Program shall also apply for and receive a Tow Operator's Permit. A Tow Operator's Permit application shall be filed with the Financial & Administrative Services Director or his/her designee, shall be verified under penalty of perjury, and shall be accompanied by the fee as established by resolution of the City Council. The fee shall not be refundable. It shall contain or be accompanied by the information and documentation specified in this section. Applications for Permits to conduct the Tow Business shall be filed with the City on a form approved by the Financial & Administrative Services Director or his/her

designee. Such application shall demonstrate that the applicant possesses a business license pursuant to Chapter 5.02 of this code. In addition, such application shall provide the following information:

1. Name/Description. Name and description of applicant.
2. Address. Permanent home address and full business address of applicant if an individual; of each partner if a partnership; and of each officer if a corporation.
3. Garage or Storage Facility. The place where the vehicles towed are to be stored or impounded.
4. Fingerprints and Photographs. Applicant shall be fingerprinted and photographed by the Police Department upon referral of the Financial & Administrative Services Director or his/her designee, and a record check made. The cost of the foregoing shall be established by resolution of the City Council and be borne by the applicant. The photographs taken by the Police Department will be used throughout the permit process, whenever photographs are required to be made part of the record.
5. Criminal Record. A statement as to whether or not the applicant, or any officer or partner of the applicant has been convicted of a felony within the immediately preceding ten (10) years, and the nature of each such offense and the punishment or penalty assessed, thereof.
6. Vehicle Data. The number of Tow Trucks to be operated or controlled by the applicant in the conduct of the Tow Business, and the make, body style, year, vehicle identification number, state license plate number, and the name of legal and registered owner of each vehicle.
7. Vehicle Description. A description of the proposed color scheme, insignia, trade-style and any other distinctive characteristic or design to be used to identify such vehicles.
8. Previous Licensing. A statement of whether or not the applicant has ever had any permit or franchise for a Tow Business issued to him/her that has been suspended or revoked, and, if so, the circumstances of each such suspension or revocation, whether in the City or elsewhere.
9. Insurance. A certification or policy of insurance in the manner and form required by Section 12.14.090.
10. Corporation Data. If the applicant is a corporation, a copy of the current Articles of Incorporation, certified as to being true and correct by the California Secretary of State, within sixty (60) days prior to the date of application, the most

current corporate bylaws and any applications, permits or notifications for the issuance of shares filed with or issued by the commissioner of corporations.

11. Business Office and Telephone Maintenance. A statement that the applicant will maintain at the principal place of business located in the City of Moreno Valley, and in operating order at all times, at least one telephone line. At all times there will be an attendant in charge of said telephone or telephones to dispatch Tow Trucks in response to requests therefor. After-hour answering services fulfill this requirement.

A. Prior to the issuance of a Tow Service Agreement by the City Council, the Tow Operator shall provide evidence that:

1. The application conforms in all respects to the provisions of this chapter.

2. The applicant's garage or storage facility is located within City limits.

3. The applicant is financially responsible and otherwise able to provide the service.

4. The applicant, and all officers or partners are likely to provide Tow services in a responsible and satisfactory manner. In making such determination, the Financial & Administrative Services Director or his/her designee shall consider whether the applicant or any officer or partner of the applicant;

a. Has previously provided responsible and satisfactory tow services,

b. Has not previously violated the terms of this chapter or of any similar enactment of the City or of any other jurisdiction.

B. A Tow Operator shall not have a financial interest in any other tow business participating in the City's Rotational Tow Service Program. Any violation of this section shall cause the immediate revocation of a Tow Operator's Permit for the balance of the contract period.

C. A Tow Operator's Permit is valid for one year. The failure of a Tow Operator or Business to apply for and receive approval of a subsequent permit by the City shall suspend the Tow Operator from participating in the City's Rotational Tow Service Program. At such time the Tow Operator or Business is issued a valid permit, the Tow Operator or Business shall be permitted to participate in the City's Rotational Tow Service Program.



#### **12.14.070 Tow truck driver's permit.**

A. The Tow Operator shall ensure that only qualified and competent Tow drivers respond to calls initiated by the Police Department or City. All Tow Truck Drivers must obtain a permit from the City's Financial & Administrative Services Director or his/her designee. Each applicant shall be required to be photographed and fingerprinted. Each Tow Truck Driver's Permit application, including renewal, replacement and duplicate applications, shall include the following information:

1. The name of the applicant, including all other names if any, by which the applicant has been known.

2. The applicant's race, color of eyes and hair.

3. Whether the applicant has been convicted or pled guilty or nolo contendere to any felony within the prior ten (10) years, and if so, the date, nature of the offense, the punishment or penalty assessed therefor, and the court in which such conviction was obtained or plea of guilty or nolo contendere was entered.

4. The class and number of the applicant's California Driver's License and restrictions thereon, if any, and whether any license of applicant to drive has ever been suspended or refused or revoked, and if so, details of the reasons therefor and the disposition of the matter, including the dates of any such suspension or revocation.

5. A statement showing each address at which the applicant has resided during the preceding year.

6. A statement of the applicant's physical condition, including a statement of whether the applicant has ever had epilepsy, blackout periods, fainting spells, or been addicted to the use of alcohol, narcotics or other dangerous drugs.

7. A current California Driver's License record listing driving violations, if any, issued by the California Department of Motor Vehicles within thirty (30) days prior to the date of application. This California Driver's License shall be valid for the class of Tow Trucks to be driven by the driver.

B. Record Check. Applicant shall be finger printed and photographed by the Police Department upon referral of the Financial & Administrative Services Director or his/her designee, and a record check made. The fee for the foregoing shall be as set by resolution of the City Council and the fee shall be paid by the applicant at the time the application is submitted. The photographs taken by the Police Department will be used in all cases where photographs are required for implementation of this chapter.

C. Employment of Qualified Drivers. Every holder of City Tow Operator Permit to do business as a Tow Operator in the City shall employ as drivers only persons who are physically and mentally fit and able to perform such duties. It shall be

the responsibility of the Tow Operator Permit holder to select and employ drivers who are familiar with the streets and addresses in the City. No Tow Operator Permit holder shall employ or retain in employment any person as a driver who violates laws governing morals, motor vehicle operations, or any provision of this chapter.

D. Nontransferable. Tow Truck Driver's Permits are not transferable, except that the holder of such a Permit may use the same Permit if he or she changes employment from one Tow Operator to another.

E. Termination. Within ten (10) days of terminating any driver, the Tow Operator shall serve notice to the Police Department and the City.

F. Tow Operators shall comply with the United States Department of Transportation regulations implementing the Federal Omnibus Transportation Employee Testing Act of 1991 and subsequent revisions.

G. Tow Operators shall be enrolled in the Employer Pull Notice program as set forth in California Vehicle Code Section 1808.1. The Tow Operator shall include mandated and non-mandated employees that are required to drive as part of his/her duties for the Tow Business.

H. A Tow Truck driver's Permit is valid for one year. The failure of a Tow Truck driver to apply for and receive approval of a subsequent Permit by the City shall suspend the driver from participating in the City's Rotational Tow Service Program. At such time the Tow Truck Driver is issued a valid Permit and is employed by a Tow Operator licensed pursuant to this chapter, he/she shall be permitted to participate in the City's Rotational Tow Service Program.

#### **12.14.080 Tow truck classifications.**

A. An Operator shall equip and maintain Tow Trucks in accordance with the provisions set forth in the California Vehicle Code (CVC), Title 13 of the California Code of Regulations and the specifications contained in this chapter, and consistent with industry standards and practices by the City.

Any and all Tow Trucks used by a Tow Operator or Business in connection with the City's Rotational Tow Service Program shall be inspected annually by the California Highway Patrol and be issued a commercial vehicle safety alliance (CVSA) decal prior to permitting a tow truck to participate in the City's Rotational Tow Service Program. A Tow Operator shall produce current California Highway Patrol forms CHP 407F, Safetynet Driver/Vehicle Inspection Report, and CHP 234B; Tow Truck Inspection Guide, at the time a Tow Operator applies for a Tow Truck Permit. If the Tow Operator or Business fails to have the Tow Truck or Trucks inspected, such Tow Truck or Trucks shall not be permitted to participate in the City's Rotational Tow Service Program. Once the City has inspected the Tow Truck or Trucks and has determined it meets the provisions of the California Vehicle Code and this Chapter, the Tow Truck or Trucks will

be permitted to tow vehicles in connection with the City's Rotational Tow Service Program.

B. Notwithstanding Section 615 CVC, all Tow Trucks shall have recovery capabilities, wheel lift capabilities, and a boom meeting the specifications contained in this chapter. For the purpose of this chapter, "a trailer for hire that is being used to transport a vehicle" shall not qualify as a primary Tow Truck for Tow rotation lists.

A violation of the Gross Vehicle Weight Rating (GVWR) and safe loading requirements of a Tow Truck shall be cause for immediate suspension as defined and outlined in this chapter. This includes exceeding the Tow Truck's GVWR, front axle weight rating, rear axle weight rating, maximum tire weight ratings, or not maintaining fifty (50) percent of the Tow Truck's unladen weight on the front axle when lifting/carrying a load.

C. There will be four classes of Tow Trucks covered under this chapter. If the weigh rating of the class of Tow Truck changes, said weigh ratings of the class of Tow Truck or Trucks shall replace those weigh ratings described below.

1. Class A—Light Duty. A Tow Truck with a manufacturer's gross vehicle weight rating (GVWR) of at least 14,000 pounds with wheel-lift capability, and may have a car carrier.

a. A Tow Truck company that has a car carrier may be exempted from the wheel-lift capability requirements. However, the car carrier must be an additional unit.

b. A "trailer for hire" shall not be approved for listing as a Class A Tow Truck.

2. Class B—Medium Duty. A Tow Truck with a manufacturer's gross vehicle weight rating (GVWR) of at least 26,000 pounds. The Truck shall be capable of providing air to the towed vehicle's brakes.

a. A Tow Truck company may also have a car carrier. However, the car carrier must be an additional unit.

3. Class C—Heavy Duty. A Tow Truck with a manufacturer's gross vehicle weight rating (GVWR) of at least 48,000 pounds. The Truck shall be equipped with air brakes and must be capable of providing air to the towed vehicle's brakes.

4. Class D—Super Heavy Duty. A Tow Truck with a manufacturer's gross vehicle weight rating of at least 52,000 pounds. The Truck shall be equipped with air brakes and must be capable of providing air to the towed vehicle's brakes.

D. To properly and safely tow and service the wide variety of vehicles being operated on the highway, a Tow Operator shall equip all Tow Trucks participating in the City Rotational Tow Service Program with the appropriate equipment as required by the California Vehicle Code and other regulations governing Tow Trucks.

#### **12.14.090 Liability insurance.**

A. Insurance — Motor Vehicle Liability Policy Required. Before any Permit may be issued for a Tow company, the owner or Tow Operator shall file with the City's Risk Manager a motor vehicle liability insurance policy, or a certification of the coverage required by this section, covering each Tow Truck used in the permitted business and a California admitted corporation shall issue the liability insurance in the state of California, which policy shall conform in all respects to the requirements of this chapter.

B. Liability Amounts. The required motor vehicle liability policy shall insure the owner, the City and its officers, agents and employees as additional insured, and any other person using or responsible for the use of any such vehicle with the consent, expressed or implied of such owner, against loss from the liability imposed upon such owner or person by law for injury to, or death of any person, or damage to property growing out of the maintenance, operation or ownership of any Tow Truck, in the minimum amount set forth by the City's Risk Manager for public liability and for property damage.

C. Compliance. All motor vehicle liability policies shall be subject to the approval of the City's Risk Manager. At any time a motor vehicle liability policy is found to be insufficient for any cause, the City Manager or his/her designee will remove the affected Tow service Business from the Rotational Tow Service Program. If the owner fails to replace the motor vehicle policy or policies within ten (10) days after the City Manager gives notice of such insufficiency with good and sufficient policies approved by the Risk Manager, then the Tow Operator's Tow Service Agreement issued hereunder shall be automatically suspended until such time as a sufficient policy has been furnished. Upon direction of the City Manager, the Police Department shall enforce such suspension.

D. Policy Endorsement. Every policy and every certificate of motor vehicle liability insurance coverage filed pursuant to the provisions of this chapter shall contain the following endorsements:

1. It is hereby understood and agreed that, notwithstanding expressions or provisions consistent with or contrary thereto in this policy contained, the policy is expressly issued to cover a motor vehicle regulated by the provisions of Chapter 12.14 of the Moreno Valley Municipal Code. This policy shall inure to, and be for the benefit and protection of, each person who shall sustain any damages or injury, or to the heirs, personal representatives, administrators, executors or assigns of any such person who may be so damaged or injured or suffer death by reason of the operation of a motor vehicle covered by this policy or from the defective condition

thereof. Liability under this policy shall be in no manner abrogated or abated by the death of the tort-feasor or the insured.

2. This is a continuing liability for claims incurred up to the full amount hereof, notwithstanding any action or recovery thereon.

3. No cancellation or reduction in coverage of this policy for any reason whatsoever shall become effective until the expiration of thirty (30) days after written notice of such cancellation or reduction in coverage shall have been given in writing to the City Manager or his/her designee. The thirty (30) day period shall commence upon the date the notice is actually received by the City Manager if personally delivered, or, if by registered United States mail with return receipt requested, on the second business day after the notice is deposited in the United States Mail, postage prepaid or on the date of receipt shown on the return receipt, whichever is later.

#### **12.14.100 Storage facility.**

A. Storage Facility Standards. The Tow Operator shall provide for the City's Tow rotation program, storage space for a minimum of one-hundred (100) vehicles of outside storage and five (5) vehicles of indoor storage. Said outdoor and indoor spaces shall be dedicated to the City's Rotational Tow Service program. The following standards of performance must be maintained:

1. Storage Facilities must be located within the City and clearly marked. Any and all signage for the facilities must be in conformance with the City's municipal code.

2. All vehicles are to be stored at a Storage Facility properly zoned for this use within the City. However, vehicles that have been approved by the Department of Motor Vehicles for lien sale can be towed outside of City limits.

3. Each impounded or stored vehicle shall be a minimum of two and one-half feet from any other vehicle, structure or object.

4. All stored vehicles shall be reasonably accessible to the vehicle's owner or vehicle owner's agent and the Police Department or City for retrieval, inspection and/or identification.

5. Owners shall be able to retrieve a stored vehicle 24 hours a day, seven days a week including holidays, within one hour upon notification by the Police Department or City that the vehicle can be released to its owner or authorized agent.

6. Storage facilities shall be monitored by an electronic monitoring or security system. Said system shall be subject to review and approval by the Police

Department before the Tow Business is permitted to tow and store or impound vehicles as part of the City's Rotational Tow Service Program to said lot.

7. Storage Facilities shall be properly lighted and secured by a six (6) foot high fence as set forth in Title 9 of this code. The fence shall be installed in compliance with any applicable provision of this code and approved by the Police Department and City before the Tow Business is permitted to tow vehicles as part of the City's Rotational Tow Service Program.

8. Storage Facilities owned by a Tow Operator shall not be shared with another Tow Operator. However, a Tow Operator or Business may be permitted on the same lot as long as there is a clear separation between Tow Operators. Each Tow Operator shall fully comply with the provisions of this code.

B. Personal property may be removed from the vehicle and shall be released to the owner of a vehicle at the request of the vehicle owner or his/her agent. When a vehicle has been impounded for evidence or investigation, the Operator shall notify the Police Department or City depending on the agency directing the storage of the vehicle, prior to the removal of property from a stored vehicle and will provide a receipt, with a copy placed in the stored vehicle.

C. Vehicles ordered towed by the Police Department or City will only be released by the Tow Operator under the regulations of the Vehicle Code and the City of Moreno Valley. The City will provide Tow Operators with appropriate regulations including updates to these regulations as they occur.

D. Prior to the utilization of new storage facilities that were not listed on the Tow Operator's Permit application for the Rotation Tow Service Program, the Tow Operator shall obtain the approval of the City to ensure that the new Garage or Storage Facility meets all applicable regulations.

E. The Operator shall maintain, at a minimum, business hours at the primary place of business of the Tow Operator of Monday through Friday, eight a.m. to five p.m. except for the following recognized holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day and the day after Thanksgiving Day, and Christmas Day.

F. Annual storage facility inspections. Tow Operators shall have its Storage Facility inspected annually. The failure of a Tow Operator or Business to have its Storage Facility inspected annually by the City shall have its Tow Permit suspend and shall not participate in the City's Rotational Tow Service Program. At such time the Storage Facility is inspected by the City and found to be in compliance with this Chapter, the Tow Operator or Business shall be permitted to participate in the City's Rotational Tow Service Program.

#### **12.14.110 Standard rules of operation.**

A. Any requests for the removal of traffic hazards shall be made through the Police Department.

B. When it becomes evident that there will be a delay in responding to a Police Department or City request for towing service, the responding Towing Operator shall advise the agency requesting the tow services if the delay will exceed the maximum response time in Section 12.14.130(A).

C. The Tow Operator or Business shall be capable of responding to Police or City requests for towing of vehicles and release a vehicle to an owner of a vehicle or his/her authorized agent twenty-four (24) hours a day, seven days a week. An answering service fulfills this requirement.

D. Removing Hazards. After being dispatched by the Police Department or City to the scene, the Tow Truck Driver shall cooperate with the police officer(s) or City official in removing hazards and illegally parked vehicles as requested. It is the duty of the police officers or City to determine when such a vehicle should be impounded or moved, and the driver shall abide by their decisions.

E. Each Towing Operator or Business shall comply with Section 27907 of the Vehicle Code of the state of California regarding signs on Tow Trucks. Only Tow Trucks bearing the name of the Tow Operator called shall be dispatched to the scene of need.

F. All Tow Operators shall conduct their business in an orderly, ethical, businesslike manner and use reasonable means to obtain and keep the confidence of the motoring public.

G. Towing Operators participating in City's Rotational Tow Service Program shall be responsible for the acts of their employees (office and field personnel) while on duty. A Tow Operator shall be responsible for damage to vehicles while in their possession.

H. A Tow Operator's records, equipment and Storage Facilities shall be subject to periodic checks by Police Department investigators and/or the City during regular Business hours. Failure to permit the periodic checks will be considered a breach of the Rotational Tow Service Agreement and shall cause the immediate suspension of the Tow Operator from the City's Rotational Tow Service Program.

I. All vehicles stored or impounded as a result of a tow ordered by the Police Department or City shall be made available to the owner of the vehicle or his representatives, an authorized insurance agent, insurance adjustor, or body shop or car dealer, for the purpose of estimating or appraising damages, with the exception of

vehicles with a “police hold.” The Tow Operator shall keep a written record of every vehicle stored for a period longer than twelve (12) hours pursuant to section 1065(a) of the California Vehicle Code.

J. The permitted Tow Business shall record their time in and their time out on every City requested tow truck assignment. Such records shall be available and open to examination by the Police Department and/or City.

K. All permitted Tow Businesses shall submit a monthly Rotational Tow Service Program report to the Police Department and City within ten (10) Business days of the last day of each month. The report shall include the following:

1. Total Police and City impounds;
2. Number of times dispatched by Police Department or City;
3. Number of these calls resulting in impounds;
4. Number of vehicles sold on lien sale under authority of Section 3072, Civil Code, and reporting said lien sales as per authority of Section 851.2 CVC;
5. Number of vehicles sold under low value vehicles as defined by California Vehicle Code Section 22851.3;
6. Number of calls which required more than one hour’s time.

L. All Tow Trucks used shall have two-way communication with the Tow Operator’s communication center.

M. A Tow Operator shall not proceed with any repair work on a vehicle or place any charges against a vehicle other than those occasioned by removal from the street and storage unless authorized by the vehicle owner or his designated agent.

N. A Tow Operator, when disposing or dismantling of unclaimed vehicles, shall abide by all Civil and Vehicle Code Sections pertaining thereto.

O. All vehicles stored or impounded as a result of a tow ordered by the Police Department or City shall be towed directly to a Tow Operator’s approved Storage Facility unless the Police Department, City or other person legally in charge of the vehicle requests that it be taken to some other location.

P. A Tow Operator shall not begin the lien-sale process for a minimum of five (5) days after the Tow Operator took possession of a vehicle under the City’s Rotational Tow Service Program.



Q. The City shall conduct, at a minimum, one (1) annual meeting to discuss with the Tow Operators or his/her designee, the City's Rotational Tow Service Program. Attendance at the meeting is mandatory. The City shall give a 30-day written notice of the meeting.

If a Tow Operator fails to attend the meeting, said Tow Operator shall be suspended until such time that the Tow Operator can attend an alternate annual meeting with the Police Department and City to discuss the Rotational Tow Service Program. Said meeting is mandatory and will be held within sixty (60) days from the date the meeting was originally to be held.

Failure to attend a second, rescheduled mandatory meeting will lead to the termination of the Tow Rotation Service Agreement with the City for the duration of the contract period.

#### **12.14.120 Additional services to be provided.**

Any Tow Operator selected to be part of the Rotational Tow Service Program shall provide to the City, at no charge, emergency response to aid and service all City owned and Police Department vehicles within a reasonable radius of the City.

#### **12.14.130 Response to calls.**

A. The Tow Operator shall respond to Police Department or City calls twenty-four (24) hours a day, seven days a week, within the maximum response time of twenty (20) minutes. The Tow Operator will advise the Police Department dispatch or City, at the time of notification, if they are either unable to respond or unable to meet the maximum response time. If, after accepting the call, the Tow Operator is unable to respond or will be delayed in responding, the Tow Operator shall immediately notify central dispatch or the City. The Tow Operator shall not assign calls to other Tow Operators and/or Tow Truck Drivers not employed by said tow Operator.

1. A call to a Tow Operator shall constitute one turn on the list and the Tow Operator shall be moved to the bottom of the list. This includes when the Tow Operator fails to answer the phone, is unable to respond, is unable to perform the required service, refuses to respond or provide service, or is canceled due to excessive response time. The City and Police Department shall keep separate Tow rotation lists.

2. Repeated failure to respond and/or failure(s) to respond within the maximum response time requirements, on a continuous basis, shall constitute failure to comply with the terms and conditions of this chapter and the City Council Tow service agreement.

B. A Tow Operator shall not respond to a Police Department or City call assigned to another Tow Operator unless requested to do so by the Police Department or City.

1. There may be times when a driver, who was not called to a scene, comes upon a collision scene where a vehicle or vehicles are blocking a roadway and a Police officer requests his/her assistance in clearing the roadway. In such a case, the driver may be requested to move the vehicle to a safe location, as directed by the officer, and leave it. There shall be no charge for this assistance, and the assistance provided shall not change the Tow Operator's place in the rotation.

#### **12.14.140 Rates.**

A. All fees and storage rates shall be charged to a vehicle's owner or authorized agent. Said fees and storage rates charged for response calls originating from the Police Department or City shall be reviewed by the City Council and shall be reasonable and not in excess of those rates charged for similar services provided in response to request initiated by any other public agency or private person. The reasonableness of the fees charged will be determined in the following manner:

1. The rate for Towing shall be from portal to portal and may be charged at a one-hour minimum. Charges in excess of one hour may be charged in fifteen (15) minute increments. There shall be no additional charges for mileage, labor, etc. Secondary towing requested by the customer may be negotiated by the Tow Operator in accordance with his/her private business practices.

B. Rates for service calls (out of gas, lock outs, etc.) shall be from portal to the end of the service, and may be at the hourly rate with a thirty (30) minute minimum. Charges in excess of thirty (30) minutes may be charged in fifteen (15) minute increments.

C. The fees added for after business hours release of a vehicle shall be no more than one-half the hourly rate, and shall only be allowed if there is no person available at the Storage Facility for release and a call back is required.

D. Storage fees shall be charged by calendar day except that vehicles stored eight hours or less shall be charged no more than one day storage.

E. The schedule of rates shall be posted in the lobby of the Tow Business. These rates shall be displayed on an eleven (11) inch by seventeen (17) inch minimum sign in one-inch lettering. Additionally, rates shall be made available upon demand to person(s) for whom the tow services were provided or his/her agent.

#### **12.14.150 Suspension and revocation.**

A. Tow Operator and Tow Truck Driver Permits may be suspended or revoked by the City after notice and hearing with respect thereto, on the following grounds:

1. That the Tow Operator or Truck Driver has failed to operate in accordance with the provisions of this chapter and the Tow Service Agreement approved by the City Council.

2. That the Tow Operator has failed to maintain or secure insurance on any Tow Truck.

3. That the Tow Operator has failed to provide reasonable services to the City or the Police Department.

4. That the public safety or convenience and necessity would be best served by such revocation or suspension of the Tow Permit for any Tow Operator or Business.

5. That the Tow Permit in question was obtained on the basis of misrepresentation made or induced by or on behalf of the holder of the Tow Permit.

6. That the Tow Operator has engaged in conduct which would have constituted grounds for denial of an application for such a Tow Permit.

7. That the Tow Operator Permits a Tow Truck Driver to respond to a call by the Police Department and/or City in violation of this chapter.

8. That a Tow Operator or Business intentionally overcharges or demonstrates a pattern of overcharging customers.

9. That a Tow Operator or Business fails to maintain a Tow Truck's safety equipment, safe overloading requirements of a Tow Truck, and/or a Tow Truck's gross vehicle weight rating while towing a vehicle.

10. That a Tow Operator fails to permit the Police Department and/or City to inspect its Storage Facilities.

B. The City Council shall establish the manner in which disciplinary action will be considered and the terms for suspension and even termination of a Tow Operator from the City's Rotational Tow Service Program.

C. Nothing shall preclude the City from taking the appropriate enforcement or administrative action for any violation of law.

D. Violations of the terms and conditions of the Tow Service Agreement or this chapter may be cause for disciplinary action in the following manner:

1. First violation within a twelve (12) month period – letter of written reprimand.

2. Second violation within a twelve (12) month period – 1 to 30-day suspension.
3. Third violation within a twelve (12) month period – 60 to 90-day suspension.
4. Fourth violation within a twelve (12) month period – termination of the Tow service agreement for the current contract period.

E. A Tow Operator or Business participating in the City's Rotational Tow Service Program found guilty of a felony is prohibited from participating in the City's Rotational Tow Services program for the current contract period.

#### **12.14.160 Summary suspension of permit pending opportunity for hearing.**

Notwithstanding section 12.14.170, any police officer duly acting as such within the City has the authority to temporarily suspend a Tow Truck Driver's Permit immediately if the driver thereof is arrested for conduct which jeopardizes the public health or safety.

#### **12.14.170 Hearing and procedure.**

Prior to any suspension or revocation of a Tow Permit the City Manager or his/her designee shall give the permit holder notice of intent to suspend or revoke the permit and state the proposed grounds for the suspension and revocation. A hearing shall be held within twenty (20) days on whether a Tow Permit should be suspended or revoked. Notice of hearing shall be mailed at least ten (10) days before the hearing by certified mail, with a five-day return requested, to the permittee. If any of the foregoing notices are returned undeliverable by the United States Post Office, the hearing shall be continued to a date not less than ten (10) days from the date of the return and may then be conducted on the date to which continued whether or not the party is present.

#### **12.14.180 Hearing officer.**

All hearings under this chapter shall be held before a hearing officer. The City Manager, or his/her designee, shall be the hearing officer of the City.

#### **12.14.190 Hearing officer—Power and duties.**

The hearing officer shall hear all facts and testimony which he or she deems pertinent. The hearing officer shall not be limited by the technical rules of evidence, but may consider any evidence upon which a prudent person might rely in arranging his or her own affairs. The permittee may appear in person at the hearing or present a written statement in time for consideration at the hearing.

**12.14.200 Findings and determination by the hearing officer.**

The hearing officer may impose such conditions and take such other action as he or she deems appropriate under the circumstances to carry out the purpose of this chapter. If an interested party makes a written presentation to the hearing officer but does not appear, he or she shall be notified in writing of the decision. The hearing officer shall have thirty (30) days in which to render a decision.

**12.14.210 Notice and surrender.**

No temporary suspension shall be for a period of more than twenty (20) calendar days. Notice of suspension or revocation shall be given by either personal service on the permittee or by certified mail, return receipt requested and addressed to the address of record on his or her application and, where appropriate, to the address of his or her employer.

**12.14.220 Surrender of permit.**

A Tow Operator’s Permit issued pursuant to this chapter which have been suspended or revoked must be surrendered to the Financial & Administrative Services Director or his/her designee within ten (10) days of the giving of notice to the holder that the Permit has been suspended or revoked. The operation of any Tow Business or driver authorized by any such Permit shall cease upon receipt by the holder of the notice of suspension or revocation. Such notice shall be deemed to have been received by the holder of the Permit when personally delivered to such person or, if given by certified United States mail with return receipt requested, on the second City business day after the notice has been deposited in the United States mail.

**12.14.230 Appeal to city council.**

Any interested party may appeal the decision of the hearing officer pursuant to the hearing and appeal procedure set forth in Sections 2.04.100 through 2.04.130.

**12.14.240 Permits in effect at the time of adoption.**

Any Tow Operator Permit in effective at the time this ordinance is adopted shall be null and void unless said Tow Operator is offered a Tow Service Agreement to participate in the City’s Rotational Tow Service Program. Said Permit would expire on the date noted on the Tow Operator Permit. A new Tow Operator Permit may be granted at that time if all of the terms and conditions of the City and all regulations of this code are complied with.

SECTION 3: EFFECTIVE DATE

This ordinance shall become effective thirty days after the date of its adoption.

SECTION 4: SEVERABILITY

If any provision of the ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications, and the provisions of this ordinance are declared to be severable.

SECTION 5: NOTICE OF ADOPTION

The City Clerk shall certify to the adoption of this ordinance and cause it to be posted in at least three places within the City designated for such posting by the City Council.

Approved and adopted this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Bonnie Flickinger, Mayor

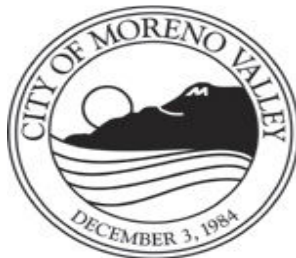
ATTEST:

\_\_\_\_\_  
Jane Halstead, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Robert Hansen, City Attorney

## Exhibit "B"



# **REQUEST FOR PROPOSALS**

## ***MORENO VALLEY POLICE DEPARTMENT AND CITY ROTATIONAL TOW SERVICE PROGRAM \_\_\_\_\_, 2010***

The City of Moreno Valley is inviting proposals from qualified tow operators who wish to enter into an agreement with the City for the Rotational Tow Service Program (the "RTS Program") for the removal of vehicles from the public right-of-way (i.e. "Off-Site Vehicle Removal") and for the removal of inoperative vehicles from private property (i.e. "Vehicle Abatement Services"). More specifically, the requested services include, but are not limited to: towing and storing of vehicles involved in accidents or disabled for other causes (when alternate towing is either not appropriate or is not requested by the owner or operator of the vehicle), towing and/or storing of vehicles which for other reasons are within the jurisdiction of the Moreno Valley Police Department, including towing of improperly parked vehicles, vehicles that obstruct or impede the flow of traffic, emergency lanes or walkways, and/or handicapped parking spaces, impounded/forfeited vehicles, and/or vehicles seized for evidence. In addition, the tow operators will service the City's Code Compliance Division of the Community Development Department in the towing and storage of inoperative, abandoned, and dismantled vehicles from private property as set forth in the Chapter 11.24, "Vehicle Abatement", of the City's Municipal Code.

### **BACKGROUND**

An ordinance and agreement for the RTS Program has been developed which will include rules and regulations and performance standards. These will include, but not be limited to; rules governing response time, towing, storage, equipment, storage facilities, fees, customer relations, and disciplinary actions deemed necessary for the Police Department and City to effectively manage the RTS Program. Each participating Tow Operator must agree to abide by the terms and conditions of the agreement. Copies of the ordinance and sample agreement to be executed by the Tow Operator and City are attached as Attachment 1 and Attachment 2, respectively.

Approximately 510 vehicles were towed in 2009 by the Moreno Valley Police Department. Of this amount, approximately 280 vehicles or 56 percent of the vehicles were "30-day impound" vehicles and 230 vehicles or 44 percent were

towed and stored for a variety of reasons. Most of the vehicles towed by the Moreno Valley Police Department are associated with its safe driver checkpoint program. Frequency of these checkpoint programs may vary, however the City currently conducts such events periodically on an as-needed-basis to reduce public safety concerns.

In addition to the Police Department activity, the City's Code Compliance Division anticipates towing approximately 100 vehicles each year from private property and public right-of-ways. Many of the vehicles towed under the City's Vehicle Abatement Program are abandoned, inoperative and/or disabled.

Tow Operators selected to participate in the City's RTS Program shall agree to pay the City for actual and reasonable costs incurred in connection with administration of the RTS Program. Tow Operators will be required to pay a \$2,828 Rotational Tow Service Application Fee at the time an application is filed to with the City Clerk. This fee is non-fundable. If a Tow Operator is approved by the City Council to participate on the City's RTS Program and an agreement is executed by both parties, the Tow Operator must deposit \$5,000 with the City to cover the expenses of the Police Department and City in the administration of the RTS Program during the contract period prior to beginning service. The Police Department and City will drawdown the deposit to covers its cost for the general administration of the RTS Program and terms and conditions of the RTS agreement. At any time a Tow Operator's deposit balance is less than \$500, the Tow Operator shall be required to replenish its account within the 30-day notice by the City. Failure to replenish the account will be cause for suspension and/or revocation of a Tow Operator's Permit.

Proposals from Tow Operators to participate in the City's RTS Program will be evaluated by a qualified evaluation committee comprised of representatives of the City Manager's Office, City Attorney's Office, Police Department, Community Development Department, Human Resources Department, and Financial & Administrative Services Department. The evaluation committee will submit the proposals and its recommendations to the City Council for review and approval of an agreement to participate on the City's RTS Program.

Included in this Request for Proposals (the "RFP") is a summary of Chapter 12.14, "Police and City of Moreno Valley Rotational Tow Service", of the Moreno Valley Municipal Code. Each Tow Operator shall be solely responsible for examining the attached Chapter 12.14 and sample agreement (Attachments 1 and 2) including any Addenda issued during the RFP period, and for informing itself with respect to any and all conditions, which may in any way affect the amount and nature of the Tow Operator's response, or the performance of the services in the event the Tow Operator is selected and an agreement between the two parties is entered into.



It is the responsibility of each Tow Operator to inquire to the City of Moreno Valley, prior to submission of its proposal, any aspect of this RFP which needs clarification or interpretation. If it is determined by the City that the response to the clarification or interpretation is material, a written response will be prepared and distributed as Addenda to all Tow Operators and/or individuals that have received a RFP.

### **GENERAL REQUIREMENTS**

1. A Tow Operator submitting a proposal to participate in the City's RTS Program must have a valid City of Moreno Valley business license to conduct business in the City as a tow operator or business at the time the proposal is submitted for consideration by the City.
2. A tow business/operator submitting an application for the City of Moreno Valley RTS Program shall not have a financial interest in any other tow company and/or applicant within the City of Moreno Valley. Financial interest includes: business license, insurance, tow truck and equipment ownership, employees, and/or storage facility, or real estate.
3. The tow operator, storage yard/office must be located within the City limits and have an active City business license to be considered for the RTS Program. If a Tow Operator's business license becomes inactive, the tow business or operator shall be removed from the RTS Program as set forth in the sample agreement. If a tow operator has more than one storage facility, each location or locations will be reviewed on an individual basis and be approved by the City Council of the City of Moreno Valley before the location is part of the RTS Program.
4. The performance period of the Agreement will be for five (5) years, beginning \_\_\_\_\_. Tow businesses and/or operators not participating in the Request for Proposals (RFP) process will not be eligible to participate in this City's RTS Program until the City establishes a subsequent open enrollment period.
5. All responses shall be prepared by and at the expenses of the Tow Operator.
6. Each response shall be executed by the Tow Operator's authorized representative or officer.

### **EVALUATION OF QUALIFICATIONS AND INFORMATION**

Responses to the RFP will be evaluated on the basis of various factors, including, but not limited to, the following:

1. Demonstrated financial strength including, but not limited to, the Tow Operator's:
  - a. Current facilities, equipment and personnel,

- b. Capability of securing financing for facilities, equipment, personnel (payroll), upgrades, replacement of vehicles, or other resources, and
  - c. Credit worthiness.
2. Quality of Tow Operator’s existing or proposed facilities, equipment and personnel.
3. Demonstrated and successful completion of services of similar scope and size, including, but not limited to:
  - a. Years of experience as an official police tow service provider or municipal service provider,
  - b. Timeliness of performance, and
  - c. Customer testimonials (i.e., satisfaction/complaints) and references.
4. Other cities’ and clients’ evaluations of the Tow Operator’s prior or current services and any actions taken by such cities or clients regarding the Tow Operator.
5. Demonstrated safety record for the Tow Operator’s tow vehicles and employees.
6. Degree to which the proposer ascertained and addressed the City of Moreno Valley’s needs and priorities.

**PROPOSAL SUBMITTAL REQUIREMENTS**

Respondents to this RFP should, at a minimum, provide the information requested below. Interested Tow Operators are encouraged to provide additional information not specifically identified below that would help demonstrate their qualifications to provide tow services to the Police Department and City. Tow Operators should not assume their past or current experience with the City demonstrates knowledge of the City’s current needs or that the City representatives that will review the responses possess knowledge of this experience. The evaluation of each response will be based upon the evaluation criteria applied to the proposals submitted.

Each response shall be formatted to provide the following information in sequence.

1. Organizational Information
  - a. Provide your company’s legal or official name and any DBA’s used by the company and documentation to these individuals or officers authorized to commit to its proposal on behalf of the company.
  - b. Provide the company’s organizational structure (e.g., corporation, partnership, LLC, etc.), jurisdiction in which your company is organized and the date of such organization.
  - c. Provide the company’s Federal Tax Identification number.

- d. Provide the name, address, telephone, fax number and e-mail address of the person who will serve as the contact to the Police Department and City with regards to the RFP response, with authorization to make representations on behalf of and bind your company.
- e. Provide proof that your company is currently in good standing in the State of California and has the necessary permits, licenses, etc., to perform the tow services as requested.
- f. Provide a statement that your company accepts all conditions and requirements contained in this RFP, Chapter 12.14 of the Moreno Valley Municipal Code, and sample agreement or a description of any exceptions thereto.

2. Facilities, Equipment and Personnel

- a. Facilities. Provide the address of your towing business' administrative office(s) and vehicle storage facility(ies). A fully dimensioned Site Plan of the tow operator's administrative office/storage yard shall be submitted with the application package. Plans shall be drawn to an engineer scale not to exceed 1" = 50' or less than 1" = 20', with a north arrow oriented to top of the Plan. The Plan shall be prepared as follows:
  - I. Name, address and phone number of the applicant/tow operator,
  - II. Property lines and lot dimensions,
  - III. Dimensions of all access points to the site (pedestrian and vehicular), off-street parking areas, loading areas, and parking spaces for customers and employees,
  - IV. Location of all building structures and the distances between buildings and the property lines,
  - V. Location of all driveways and landscape planters or areas,
  - VI. Location of all building security lights and parking lot lights (refer to Chapter 12.14 for security requirements),
  - VII. Location and type of perimeter fencing, and
  - VIII. Evidence that indicates the lot will accommodate the minimum number of cars required in Chapter 12.14 and comply with the required parking standards outlined in Chapter 9.11 of the Moreno Valley Municipal Code.
- b. A Deed of Trust or other legal document identifying ownership of the property to be used for a towing business shall be submitted with a towing operator's proposal. If the towing business leases the property for a towing business, provide copies of the lease or other documentation that the property owner has agreed to the use of the property for a towing business.
- c. Please list any secondary facilities and provide the same information as requested in the previous paragraph (2,a).
- d. Equipment. Identify in detail each vehicle and related equipment towing business would utilize in the City's RTS program (Class A, B, C, and D tow trucks). Include the make, model, year and equipment of each

- vehicle. The Tow Operator must provide a copy of current California Highway Patrol Forms CHP407F, Safetynet Driver/Vehicle Inspection Report and CHP 234B, Tow Truck Inspection Guide for each Tow Truck participating in the RTS Program. Please describe and/or include a copy of the company's vehicle replacement policy.
- e. Personnel. Identify all personnel that will provide services under the City's RTS Program. Include all drivers, supervisory and office personnel. The Tow Operator may use the appropriate CHP Form for a rotational tow agreement as long as said forms are current. Identify the towing business' recruitment, training and customer service practices.
3. Financial/Organizational Information
- a. Provide a brief history of the towing business and its towing services experience. Include the experience of the company's key management personnel.
- b. Provide a description of the ongoing program(s) the company has in place to identify substance abuse and to ensure maintenance of an alcohol and drug free work place.
- c. Identify how your towing business will provide the required monthly reports to include tracking of stored/impounded vehicles, release of vehicles, and other information you feel is pertinent to the RTS Program and as requested in Chapter 12.14 of the Moreno Valley Municipal Code.
- d. Provide certificate of insurance evidencing the insurance coverage carried by your company meets the City's minimum coverage limits listed in the agreement attached as Attachment 2.
- e. Identify the years of experience that you have as an official police/city tow service provider.
- f. List any contracts your towing business currently has or has had in the recent past (last five years), similar to the City's requirements. Give the name and contact information for each reference.
- g. State any complaints the towing business has received from cities it has contracted with within the past two years. Include equipment violations, inspection citations, etc.
- h. Indicate whether or not your towing business has been suspended or terminated from a towing program operated by another governmental agency. State the reasons for the suspension and/or termination.
- i. Describe the towing business' safety policies and all safety training provided to your employees. If the towing business has been cited, suspended or terminated for safety violations, please supply the date and description the violation and/or incident.
- j. Provide your towing business collection procedure(s) and policy(ies).
- k. Provide information about how the towing business would move a large number of vehicles in a short period of time (i.e., 10 vehicles in an hour).

4. Rates for Service

- a. Fees charged to a vehicle’s owner or authorized agent for response calls originating from the Police Department or the City, shall be reasonable and not in excess of those rates charged for similar services provided in response to requests initiated by any other public agency or private person. The reasonableness of the fees charged will be determined in the following manner (California Highway Patrol Form CHP 234A may be used to list rates for services):
  - I. The towing operator shall submit his/her proposed hourly rate to the city as part of this RFP. The City Council shall determine the validity and reasonableness of the submitted rate.
  - II. Validity will be based upon telephone quotes, posted rates, charges to retail customers, etc. Any submitted rate in excess of a towing business’ retail rate will be considered invalid and will not be accepted. A towing business who submits an invalid rate shall not be allowed to resubmit a new rate and will be disqualified from City’s RTS Program until the next enrollment period.
  - III. Reasonableness shall be determined as compared to other rates. A Tow Operator who submits a rate that is determined to be excessive shall be allowed to resubmit his/her rates only once during this contract period.
  - IV. Provide your storage and any other fee your towing business charges an owner of a vehicle or his/her authorized agent.
  - V. The Tow Operator shall submit a mark-up rate (percentage of the cost to the Tow Operator) for retail equipment and specialized labor not otherwise listed on the application.

**RFP SUBMISSION AND DEADLINE**

Tow businesses and operators interested in participating in the City of Moreno Valley RTS Program shall submit the requested information, completed forms, and any other pertinent information and an RTS Application Fee of \$2,828 made payable to the “City of Moreno Valley” to:

Jane Halstead, City Clerk  
City Clerk’s Office  
City of Moreno Valley  
14177 Frederick Street  
Moreno Valley, CA 92552

All proposals shall be sealed within one envelop and clearly marked “**REQUEST FOR PROPOSALS – MORENO VALLEY POLICE DEPARTMENT AND CITY ROTATIONAL TOW SERVICE PROGRAM.**”

Proposals are due to the City of Moreno Valley City Clerk’s Office before 4:30 p.m. on \_\_\_\_\_, 2010. An applicant shall submit five (5) copies of the proposal

and one (1), unbound 8½” x 11” black and white copy that is reproducible and a complete (i.e., text, forms, plans, etc.) electronic copy in a Adobe, PDF format.

Failure to comply with the instruction set forth in the RFP will be considered as non-responsive and will not be accepted. If you cannot meet one or more of the terms and conditions of this RFP and/or the regulations set forth in Chapter 12.14 of the Moreno Valley Municipal Code, you must list separately those items and provide an explanation why such terms and conditions and regulations cannot be met. Furthermore, the City Council reserves the right to reject any and all bids at any time during this process and waive any discrepancies and/or irregularities in submitted proposals as it deems appropriate.

The city assumes no responsibility for delays caused by any package or mail delivery service. Postmarking, faxed or e-mail proposals by the due date **WILL NOT** substitute for receipt of a submittal. Additional time will not be granted to any single proposer; however, additional time may be granted to all proposers when the City determines that circumstances require it.

Any questions regarding this RFP should be directed to Rick Hartmann, Interim Assistant City Manager at Moreno Valley City Hall by telephone at (951) 413-3030 or via e-mail at [rickh@moval.org](mailto:rickh@moval.org).

Attachments:           1; Chapter 12.14 of the Moreno Valley Municipal Code  
                                  2; City Agreement

Attachement 1

Chapter 12.14 Police and City of Moreno Valley Rotational Tow Service  
(To be attached)

Attachment 2

CITY of Moreno Valley  
**INDEPENDENT CONTRACTOR AGREEMENT**  
**Rotational Tow Services Program**

This Agreement is made by and between the CITY of Moreno Valley, California, a municipal corporation, hereinafter referred to as the “CITY”, and the following named independent contractor, hereinafter referred to as the “TOW OPERATOR,” based upon CITY policies and the following legal citations:

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as an independent contractor; and
- B. The public interest, convenience, necessity and general welfare will be served by this Agreement.

This Agreement is made and entered into effective the date the CITY signs this Agreement.

**1. TOW OPERATOR INFORMATION**

Tow Operator’s Business/Company Name: \_\_\_\_\_  
 Authorized Representative: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 CITY: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Business Phone: (\_\_\_\_) \_\_\_\_\_ Fax No. ( ) \_\_\_\_\_  
 E-mail address/Web site: \_\_\_\_\_  
 Other Contact Number: \_\_\_\_\_  
 Social Security Number: \_\_\_\_\_  
 Business License Number: \_\_\_\_\_  
 Federal Tax I.D. Number: \_\_\_\_\_

**2. TOW OPERATOR SERVICES, FEES, AND RELEVANT DATES**

W I T N E S S E T H

WHEREAS, the CITY seeks to engage the services of the TOW OPERATOR to participate in CITY Rotational Tow Services Program for towing services throughout the City of Moreno Valley for the removal of vehicles from the public right-of-way (i.e., “Off-site Vehicle Removal”) and the removal of inoperable vehicles from private property (i.e., “Vehicle Abatement Services”) at no cost or charge to the CITY, or its contract services with the Riverside County Sheriff’s Department and the Riverside County Fire Department and its service provider, Cal Fire, and



WHEREAS, the CITY agrees to utilize, on a rotational basis, for Off-Site Vehicle Removal and Vehicle Abatement Services, only those TOW OPERATOR(s) located in the City of Moreno Valley, as defined herein and as set forth in Chapter 12.14, Police and City of Moreno Valley Rotational Tow Service of the Moreno Valley Municipal Code and attached hereto as Exhibit “A” and made a part hereof, who have signed an Agreement with the CITY, and

WHEREAS, the TOW OPERATOR who is a signatory to this Agreement, has completed and submitted the necessary information and other documents required by the CITY (hereinafter call “Request for Proposal or RFP”) attached hereto as Exhibit “B” and made a part hereof, to provide Rotational Towing Services within its corporate boundaries, and

WHEREAS, the TOW OPERATOR represents that it has the necessary expertise, licenses, equipment, storage facilities, personnel, and insurance and has been issued a CITY Tow Operator’s Permit and Tow Truck Permit(s) in accordance with Chapter 5.02, Business License and Chapter 12.14 of the Moreno Valley Municipal Code to meet all requirements of the CITY to provide towing services within the City of Moreno Valley, and

WHEREAS, the CITY has relied upon TOW OPERATOR’s representations in entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

- A. The TOW OPERATOR’s Proposal. The TOW OPERATOR’s proposal is described in Exhibit “C” attached hereto and incorporated herein by this reference.
- B. Contract Period. The TOW OPERATOR Starting Date is \_\_\_\_\_ and the TOW OPERATOR Ending Date is \_\_\_\_\_. The TOW OPERATOR shall not be responsible for delays caused by others or delays beyond the TOW OPERATOR’s reasonable control (excluding delays caused by non-performance or unjustified delay by TOW OPERATOR, or his/her/its employees).
- C. General Responsibilities of TOW OPERATOR.
  - I. TOW OPERATOR shall provide towing services at the request and direction of the Riverside County Sheriff’s Department (herein after referred to as “Moreno Valley Police Department”) and CITY’S Code & Neighborhood Services Division for all tows necessary from public right-of-way and from private property. Calls for towing services shall be initiated by the MORENO

VALLEY POLICE DEPARTMENT and/or by the CITY'S Code & Neighborhood Services Division under the CITY'S Vehicle Abatement Program.

- II. The OPERATOR shall be responsible for reasonable cleanup of debris left at the scene of a collision or at the direction of the MORENO VALLEY POLICE DEPARTMENT.
- III. There shall be no charge or fee to the CITY, or MORENO VALLEY POLICE DEPARTMENT or the CITY'S Code & Neighborhood Services Division for any towing services by the OPERATOR to include vehicles towed at the request of the CITY/MORENO VALLEY POLICE DEPARTMENT in which the vehicle is used in the commission of a crime or other matters in which the vehicle must be impounded for investigation and/or further analysis. All charges or fees shall be applied only to the legal owner or registered owner of the vehicle or to the property owner as appropriate. All reference to charges or fees in this Agreement thereto shall refer to charges against the vehicle owner and not to the CITY, MORENO VALLEY POLICE DEPARTMENT or CITY'S Code & Neighborhood Services Division.
- IV. The TOW OPERATOR shall maintain records of tow services furnished including a description of vehicles, nature of service and time and location of calls. Such records may be inspected at any time by the MORENO VALLEY POLICE DEPARTMENT and CITY. The OPERATOR shall mark the windshield of each vehicle towed as part of the CITY Rotational Tow Services Program to read: "MOVAL" and either "I" for "impounded" or "S" for "stored".
- V. The TOW OPERATOR and its tow truck drivers shall maintain, during the entire contract period, proper licenses, in accordance with California Vehicle Code Section 12804 and the CITY as set forth in Chapter 12.14 of the Moreno Valley Municipal Code.
- VI. Towing vehicles will be maintained in compliance with the provisions of Sections 24605, 25253, 25300, 27700, and 27907 of California Vehicle Code and Section 9701 of the Revenue and Taxation Code and the CITY as set forth in Chapter 12.14 of the Moreno Valley Municipal Code.

D. Fees for Special Operations

- I. For special operations involving Class B, C, and D tow trucks, the TOW OPERATOR shall submit his/her proposed fees for vehicle recovery operations and load salvage operations to the CITY. Fees shall be reasonable and consistent with industry standards for similar operations. Charges in excess of the one hour minimum charge outlined in this section may be charged in fifteen-minute increments.

- a. Hourly rates shall be established for the following:
    - 1) Auxiliary Equipment, e.g., airbags, converter gear/dolly, additional trailers, etc.
    - 2) Contracted Equipment, e.g., airbags, converter gear/dolly, additional trailers, forklifts, scoop loaders, etc.
    - 3) Contract labor.
  - b. The CITY shall determine the reasonableness of the fees for these types of operations, based upon the average of the proposed fees submitted and a comparison to industry standards for similar operations.
  - II. If the TOW OPERATOR performs a service for which a required rate was not submitted to, and/or approved by the CITY, the TOW OPERATOR shall only be entitled to charge for the actual cost of that service. Example: contract labor rate not submitted, the TOW OPERATOR may only charge for the actual rate paid for the labor.
- E. Release of Stored or Impounded Vehicle. No vehicle shall be released to a vehicle's owner or authorized representative or agent without prior written approval from the CITY to release the vehicle from the OPERATOR's possession.

### 3. STANDARD TERMS AND CONDITIONS

- A. Control of Work. TOW OPERATOR is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The CITY will not provide any training to TOW OPERATOR or his/her/its employees.
- B. Intent of Parties. TOW OPERATOR is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the TOW OPERATOR or any individual whose compensation for services is paid by the TOW OPERATOR, an agent or employee of the CITY, or authorizing the TOW OPERATOR to create or assume any obligation or liability for or on behalf of the CITY, or entitling the TOW OPERATOR to any right, benefit, or privilege applicable to any officer or employee of the CITY.
- C. Responsibilities of the CITY. The MORENO VALLEY POLICE DEPARTMENT and CITY'S Code Compliance Division will maintain rotational lists composed solely of the TOW OPERATOR who is signatories to the Agreement unless as otherwise provided for by MORENO VALLEY POLICE DEPARTMENT or CITY procedure. To the greatest extent feasible, the MORENO VALLEY POLICE

DEPARTMENT and CITY'S Code Compliance Division shall use the same rotational list.

- D. Legal Considerations. The TOW OPERATOR shall comply with applicable federal, state, and local laws in the performance of this Agreement.
- E. TOW OPERATOR Indemnification. TOW OPERATOR shall indemnify, defend and hold the CITY, the Community Redevelopment Agency of the City of Moreno Valley (RDA), and the Moreno Valley Community Services District (CSD), their officers, agents and employees harmless from any and all claims, damages, losses, causes of action and demands, including reasonable attorney's fees and costs, incurred in connection with or in any manner arising out of TOW OPERATOR's performance of the work contemplated by this Agreement. Acceptance of this Agreement signifies that the TOW OPERATOR is not covered under the CITY's general liability insurance, employee benefits, or worker's compensation. It further establishes that the TOW OPERATOR shall be fully responsible for such coverage.
- F. CITY Indemnification. The CITY agrees to indemnify, defend and save the TOW OPERATOR and its officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the CITY's, RDA's and CSD's employees and all claims which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the CITY under this Agreement, or are caused or claim to be caused by the negligent acts of the CITY, RDA and CSD, their officers, agents or employees, or its contractor(s) or any person acting for the CITY or under its control or direction; provided, however, that this indemnification and hold harmless shall not include any claims arising from the negligence or willful misconduct of the TOW OPERATOR, its officers, agent, or employees.
- G. Insurance Requirements. Where determined applicable by the CITY, TOW OPERATOR will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:
  - I. General Liability Insurance: To protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the TOW OPERATOR, sub-

TOW OPERATOR, or any person acting for the TOW OPERATOR or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

- a. Bodily Injury \$1,000,000 per occurrence/ \$2,000,000 aggregate
- b. Property Damage \$500,000 per occurrence/ \$500,000 aggregate

II. Minimum Limits of Insurance: Commercial Business Automobile Liability: \$500,000 per accident for bodily injury and property damage with a combined single limit for Class A tow trucks. The combined single limits for Class B, C, and D shall be not less than \$1,000,000. These minimum standards are to include non-owned and hired auto coverage.

III. On-Hook Coverage: Insuring the vehicle in tow with limits based on the size of the tow truck.

- a. Class A Tow Truck: \$ 25,000
- b. Class B Tow Truck: \$ 50,000
- c. Class C Tow Truck: \$100,000
- d. Class D Tow Truck: \$100,000

III. Garage Liability: Includes premises and operations. Coverage for bodily injury and property damage with a combined single limit of not less than \$50,000.

a. Garage Keepers Liability: Shall be the same minimum as on-hook coverage for vehicles in the care, custody, and control of the TOW OPERATOR in the storage yard.

b. Uninsured Motorist: Legal minimum combined single limit. In no case shall the required insurance coverage have a deductible greater than \$1,000.

c. Deductibles and Self-Insured Retention: Any deductible of self-insured retention must be declared to and approved by the CITY. At the option of the CITY, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respect to the City, its officers, officials, employees and volunteers; or the OPERATOR shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration and defense expenses.

- d. Worker's Compensation Insurance: In such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the TOW OPERATOR and the CITY, RDA, and CSD against any loss, claim or damage arising from any injuries or occupational diseases happening to any worker employed by the TOW OPERATOR in the course of carrying out the Agreement. This coverage may be waived if the TOW OPERATOR is determined to be functioning as a sole proprietor and the CITY provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement.

Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on CITY/CSD/RDA premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the CITY's Risk Manager prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy.

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the CITY, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the TOW OPERATOR shall, prior to the cancellation date, submit to the Risk Manager new evidence of insurance in the amounts established.

- H. Intellectual Property. Any system or documents developed, produced or provided under this Agreement, including any intellectual property discovered or developed by TOW OPERATOR in the course of performing or otherwise as a result of its work, shall become the sole property of the CITY unless explicitly stated otherwise in this Agreement. The TOW OPERATOR may retain copies of any and all material, including drawings, documents, and specifications, produced by the TOW OPERATOR in performance of this Agreement. The CITY and the TOW OPERATOR agree that to the extent permitted by law, until final approval by the CITY, all data shall be treated as confidential and will not be released to third parties without the prior written consent of both parties.
  
- I. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current Proposal as attached (Exhibit “C”). This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
  
- J. Suspension, Revocation and Termination. The CITY may suspend or revoke a TOW OPERATOR’s permit as set forth in Chapter 12.14 of the Moreno Valley Municipal Code. In the event the CITY revokes the TOW OPERATOR’s permit, this agreement with the TOW OPERATOR shall be terminated by giving at least ten (10) days written notice to the TOW OPERATOR. The written notice shall specify the date of termination. In the event the CITY terminates this Agreement for cause, the TOW OPERATOR shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
  
- K. Recovery of City Administrative Fees and Costs. In accordance with California Vehicle Coded Section 12110(b) and in consideration of the CITY’s granting of the right to tow, impound and store vehicles at the direction of the CITY pursuant to this agreement, each TOW OPERATOR shall pay the CITY for its actual and reasonable costs incurred in administering the agreement and operating a RTS Program. The administrative costs of operating a RTS Program to be recovered are, but not limited to, the following: developing a RFP and Agreement, issuance of permits, annual meeting, site inspections, DUI checkpoint coordination, correspondence with TOW OPERATOR, review of monthly reports, and enforcement of terms and conditions of the RFP, TOW OPERATOR’s Proposal, and Chapter 12.14 of the Moreno Valley Municipal Code.

Prior to the beginning of service, the TOW OPERATOR shall deposit with the CITY \$5,000 to cover the City of Moreno Valley's reasonably borne administrative costs (i.e., salary plus direct and indirect costs) of MORENO VALLEY POLICE DEPARTMENT and CITY personnel involved in operating the RTS Program. At such time the balance of the deposit is less than \$500, the CITY shall notify the TOW OPERATOR in writing to replenish said deposit. If the TOW OPERATOR fails to replenish the deposit within thirty (30) calendar days from the date of the written notice, the CITY shall suspend the TOW OPERATOR from the RTS Program until the funds are received by the CITY. If the TOW OPERATOR fails to replenish the deposit amount within sixty (60) days, this agreement with the TOW OPERATOR shall be terminated and removed from the RTS Program for the remainder of the contract period. Any outstanding CITY administrative fees are immediately due and payable.

- L. Restrictions on CITY Employees. The TOW OPERATOR shall not employ any CITY employee or official in the work performed pursuant to this Agreement. No officer or employee of the CITY shall have any financial interest in this Agreement in violation of federal, state, or local law.
  
- M. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.

**SIGNATURE PAGE TO FOLLOW**



IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

CITY OF MORENO VALLEY

TOW OPERATOR

BY: \_\_\_\_\_  
Bonnie Flickinger, Mayor

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(President/Vice President/Other)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(Corporate Secretary/Other)

\_\_\_\_\_  
Date

**INTERNAL USE ONLY**

ATTEST:

\_\_\_\_\_  
City Clerk  
*(only needed if Mayor signs)*

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
City Attorney

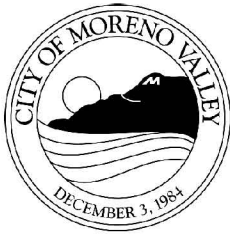
\_\_\_\_\_  
Date

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
Department Head  
*(if contract exceeds 15,000)*

\_\_\_\_\_  
Date

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>Ret</i>
CITY MANAGER	<i>WBS</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Steve Elam, Interim Financial & Administrative Services Director

**AGENDA DATE:** June 8, 2010

**TITLE:** CONTINUED DISCUSSION OF FISCAL YEAR 2010-11  
OPERATING BUDGET AND DEFICIT REDUCTION PLAN

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### RECOMMENDED ACTION

Staff recommends that the City Council:

1. Continue discussion of the Fiscal Year 2010-11 Operating Budget and Deficit Reduction Plan; and
2. Consider the Interim City Manager's proposed budget balancing plan.

### BACKGROUND

An overview of the Fiscal Year (FY) 2010-11 Preliminary Base Operating Budget and Deficit Reduction Plan was provided to the City Council on May 18, 2010 (continued from May 11, 2010) to begin the deliberation process that will lead to budget adoption. During the May 18<sup>th</sup> Study Session, each Department Head also provided an overview of their department's Deficit Reduction Options and responded to questions from the City Council.

On May 25, 2010, the City Council provided direction to staff regarding a number of Deficit Reduction Options to be implemented in an effort to balance the FY 2010-11 Operating Budget. These Deficit Reduction Options have been incorporated in a proposed budget balancing plan, which has the support of all Department Heads and is hereby submitted by the Interim City Manager for the City Council's consideration.

## **DISCUSSION**

The City's Preliminary Base Operating Budget for FY 2010-11 reflects expenditures of \$185.5 million, representing all funds and special districts. The General Fund portion of the budget is \$85.6 million. However, General Fund operating revenues to support this budget are estimated at \$67.8 million; leaving an operating deficit of over \$17.8 million.

### ***Budgetary Adjustments to Reduce Deficit***

Through the use of anticipated current year savings and a number of one-time transfers from other funds (representing a return of previous General Fund subsidies or other funding), the \$17.8 million deficit can be reduced to approximately \$11 million, after allowing for three recommended budget additions (Budget Issues), as reflected in the following table:

Projected FY 2010-11 General Fund Operating Deficit		(\$17,876,300)
Budgetary Adjustments:		
- Current year savings to be carried over to FY 2010-11	\$1,520,800	
- Transfers to return previous General Fund subsidies	\$1,639,100	
- Other transfers	\$3,979,100	
- Total Budgetary Adjustments		\$7,139,000
Budget Issues:		
- Re-establish funding for Budget Officer	(\$98,700)	
- Supplement Emergency Operations Grant	(\$43,100)	
- Increase in NPDES Regulatory Fee	(\$76,000)	
- Total Budget Issues		(\$217,800)
Net Budgetary Deficit		(\$10,955,100)

### ***Updated FY 2009-10 Year-End Projections***

Concurrent with the City Council's budget deliberations that have taken place over the past several weeks, staff has been thoroughly reviewing the FY 2009-10 year-end projections to ensure their accuracy. Based on the revenues received through May, staff believes that the FY 2009-10 Development Services revenue projections are likely to fall short of the projected amount by \$500,000. Therefore, the projected FY 2009-10 savings of \$1,520,800, as shown in the above table, will be reduced to \$1,020,800.

### ***Proceeds from Settlement of ENCO Litigation***

On May 25, 2010, the City Council authorized approval of a Settlement Agreement between the City and ENCO Utility Services, which will result in payment to the City of \$1.25 million. Staff is recommending that the settlement proceeds be allocated as follows:

▪ Repayment of Moreno Valley Utility (MVU) start-up loan from the General Fund:	\$747,041
▪ Reimbursement of General Fund legal expenses incurred In the ENCO litigation:	<u>\$225,192</u>
General Fund proceeds:	\$972,233
▪ Balance retained by MVU as reimbursement for litigation expenses incurred in ENCO litigation (\$813,113); could also be used to repay a portion of MVU start-up loan from Special Districts in the amount of \$580,657:	<u>\$277,767</u>
Total proceeds from Settlement Agreement:	<u>\$1,250,000</u>

### ***Deficit Reduction Options Approved by City Council***

On May 25, 2010, the City Council reviewed the Deficit Reduction Options (DROs) included in the Deficit Reduction Plan and provided direction to staff regarding a number of DROs to be implemented in an effort to balance the FY 2010-11 General Fund Operating Budget. These DROs will offset the projected General Fund deficit by \$3.2 million. Each of these Council-approved DROs is highlighted in yellow in the Deficit Reduction Plan which is attached as Exhibit "A".

### ***Additional Proposed DROs without Requiring Use of Reserves***

In addition to the DROs approved for implementation by the City Council on May 25, 2010, a comprehensive review of other DROs was conducted by the Budget Review Committee in an effort to balance the FY 2010-11 Operating Budget. Additional General Fund DROs totaling \$2.3 million, which would not require the use of reserves, are recommended for implementation, as well as non General Fund DROs totaling \$5.2 million, which are needed to offset projected operating deficits in the respective funds. These DROs, which are highlighted in green in Exhibit "A", have the support of all Department Heads and are recommended for implementation by the Interim City Manager.

### ***Proposed Use of Reserves***

If the proposed allocation of proceeds from the ENCO litigation is authorized by the City Council, combined with the Council-approved DROs of \$3.2 million and additional staff-recommended DROs of \$2.3 million, there will be a remaining General Fund deficit in the FY 2010-11 Operating Budget of approximately \$5 million. To offset this deficit, staff is recommending use of \$5 million in reserves as summarized below:

▪ Reduction in MVU Line of Credit (from \$4.6 million to \$2.6 million)	\$2,000,000
▪ Reduction in General Contingency Reserves (from \$10.1 million to \$9.6 million; maintaining 12% Reserve Policy)	\$500,000
▪ Reduction in Capital Expenditures Reserve (from \$4.2 million to \$1.7 million)	<u>\$2,500,000</u>
▪ Total Use of Reserves to Balance Budget	<u>\$5,000,000</u>

The proposed use of \$5 million in General Fund reserves is depicted in Exhibit "B". With respect to the Emergencies/Contingencies Reserve, if the Council-approved and additional staff-recommended DROs are implemented, the General Fund Operating Budget will be reduced from \$85.6 million to \$80.1 million. Maintaining the current 12% contingency reserve policy will free up \$500,000 to be used for FY 2010-11 operations. With respect to the MVU Line of Credit (LOC), this LOC has not been needed since inception of MVU. Allowing for future contingencies, this reserve can be reduced to \$2.6 million; freeing up \$2 million to be used for FY 2010-11 General Fund operations.

Although there has been discussion about potentially redeeming a portion of the Redevelopment Agency's 2007 Series B Tax Allocation Bonds to free up reserves, the proposed use of reserves as summarized on the preceding page would not require redemption of these bonds. Since there are legal fees associated with bond redemption (estimated at between \$5,000 and \$10,000), it would be advantageous to delay bond redemption until it is necessary.

### ***Interim City Manager's Proposed Budget Balancing Plan***

The following table summarizes the Interim City Manager's proposed plan for balancing the FY 2010-11 General Fund Operating Budget:

Description	Item Total	Category Total	Remaining (Deficit) Surplus
FY 2010-11 General Fund Net Operating Deficit		(\$10,955,100)	(\$10,955,100)
Adjustment to projected FY 2009-10 savings (\$1.0 million vs. \$1.5 million due to reduction in Development Services revenues)		(\$500,000)	(\$11,455,100)
Proceeds from settlement of ENCO litigation:			
- Repayment of MVU start-up loan from General Fund	\$747,041		(\$10,708,059)
- Reimbursement of General Fund legal expenses	\$225,192	\$972,233	(\$10,482,867)
DROs approved by City Council on May 25, 2010		\$3,160,445	(\$7,322,422)
Additional staff-proposed DROs without use of reserves		\$2,343,740	(\$4,978,682)
Proposed use of reserves		\$5,000,000	\$21,318
<b>Net Operating Surplus</b>			<b>\$21,318</b>

Despite the challenges that have been faced in balancing the FY 2010-11 General Fund Operating Budget, the Interim City Manager's proposed budget balancing plan addresses these challenges in a positive manner as summarized below:

- Preserves public safety, with only minimal budgetary reductions (Police budget still increasing due to contract rate increase);
- Maintains essential City services;
- Maintains City staffing, with no lay-offs;

- Addresses the General Fund structural deficit by reducing expenditures by \$5.5 million;
- Provides a balance between General Fund expenditure reductions (\$5.5 million) and use of reserves (\$5 million);
- Maintains General Fund contingency reserve policy at 12% of budgeted expenditures;
- Addresses operating deficits in non General Funds by implementing \$5.2 million in budgetary reductions in the respective funds;
- Eliminates need to redeem RDA Bonds at the present time.

### **ALTERNATIVES**

The following alternatives are available to the City Council:

1. Continue discussion of the Fiscal Year 2010-11 Operating Budget and Deficit Reduction Plan.
2. Consider the Interim City Manager's proposed budget balancing plan.
3. Provide staff with further direction.

Staff recommends Alternative Nos. 1 and 2.

### **FISCAL IMPACT**

The fiscal impacts of the FY 2010-11 Preliminary Base Operating Budget and Deficit Reduction Plan are contained within the respective documents; the most significant impacts being the proposed solutions for balancing the projected General Fund operating deficit (net of adjustments) of approximately \$11 million, which are detailed in the Deficit Reduction Plan. Approval of the Interim City Manager's proposed budget balancing plan will enable adoption of the FY 2010-11 Operating Budget with a General Fund surplus of \$21,318.

### **CITY COUNCIL GOALS**

***Revenue Diversification and Preservation.*** Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

### **SUMMARY**

The City's Preliminary Base Operating Budget for FY 2010-11 reflects expenditures of \$185.5 million, representing all funds and special districts. The General Fund portion of the budget is \$85.6 million. However, General Fund operating revenues to support this budget are estimated at \$67.8 million; leaving an operating deficit of \$17.8 million.

Through the use of anticipated current year savings and a number of one-time transfers from other funds (representing a return of previous General Fund subsidies or other funding), the \$17.8 million General Fund deficit can be reduced to approximately \$11 million, after allowing for three recommended budget additions (Budget Issues). The Deficit Reduction Plan provides \$20.1 million in options for offsetting this net operating deficit so that a balanced budget can be adopted.

On May 25, 2010, the City Council provided direction to staff regarding a number of Deficit Reduction Options to be implemented in an effort to balance the FY 2010-11 Operating Budget. These Deficit Reduction Options, along with others recommended by staff, have been incorporated in a proposed budget balancing plan, which has the support of all Department Heads and is recommended by the Interim City Manager. This proposed budget balancing plan preserves critical funding for public safety; maintains essential public services; maintains City staffing with no lay-offs; addresses the General Fund structural deficit by reducing expenditures by \$5.5 million; provides a balance between expenditure reductions (\$5.5 million) and use of reserves (\$5 million); maintains the General Fund contingency reserve policy at 12% of budgeted expenditures; addresses operating deficits in non General Funds by implementing \$5.2 million in budgetary reductions in the respective funds; and eliminates the need to redeem RDA bonds at the present time. The Interim City Manager's proposed budget balancing plan is hereby submitted for the City Council's consideration.

**NOTIFICATION**

Publication of the agenda

**ATTACHMENTS/EXHIBITS**

Exhibit "A" – Deficit Reduction Options Proposed for Implementation

Exhibit "B" – General Fund Reserves Summary

Prepared by:  
 Steve Elam  
 Interim Financial & Administrative Services Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:



# Deficit Reduction Options (DROs) Proposed for Implementation to Balance FY 2010-11 Operating Budget

DROs Highlighted in Yellow = Approved by City Council on May 25, 2010

DROs Highlighted in Beige = Additional Savings resulting from DRO Revision;  
Approved by City Council on May 25, 2010

DROs Highlighted in Green = Additional Staff Recommendations

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT				BUDGETARY SAVINGS					
			Internal Service			Public Service			City No.	Contract No.	Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund			
			Min./None	High	Mod	Min./None	High											
1	City Clerk	Defund Assistant City Clerk Position.		X			X				1		FTC	Vacant			90,201	90,201
2	Council	Defund Administrative Assistant Position.		X			X				1		FTC	Vacant			58,500	58,500
3	City Clerk	Defund Senior Office Assistant Position (Temporary).						X			1		Temp	Filled	Lay-off		39,700	39,700
4	City Clerk	Defund Senior Office Assistant Position (Part-time).						X			1		P/T	Filled	Lay-off		38,513	38,513
<b>City Council/City Clerk Total</b>							<b>4</b>				<b>\$226,914</b>		<b>\$226,914</b>					

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction \$1,416,140**

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)		
Filled - Lay-off	0	0
Filled - Transfer to other funding sources	0	0
Vacant	<u>2</u>	<u>2</u>
Total FTC	2	2
Part-time (P/T)		
Filled - Lay-off	1	0
Temporary (Temp)		
Filled - Lay-off	1	
<b>Total City Council/City Clerk</b>	<u><u>4</u></u>	<u><u>2</u></u>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS				
				Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/ Vacant	Transfer or Lay-off	Total	General Fund		
				Min./None	High	Mod	High	Min./None	Mod										High	
1	City Atty	City Atty	Defund Assistant City Attorney Position.		X				X			1			FTC	Vacant			206,376	206,376
2	City Atty	City Atty	Deputy City Attorney III		X				X			1			FTC	Filled	Lay-off		94,698	94,698
3	City Atty	City Atty	Deputy City Attorney III		X				X			1			FTC	Filled	Lay-off		89,877	89,877
<b>City Attorney Total</b>												<b>3</b>						<b>\$390,951</b>	<b>\$390,951</b>	

**\$1,252,546**

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)		
Filled - Lay-off	2	
Filled - Transfer to other funding sources	0	
Vacant	<u>1</u>	<u>1</u>
Total FTC	3	1
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total City Attorney</b>	<u><u>3</u></u>	<u><u>1</u></u>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS				
			Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund			
			Min./None	High	Mod	Min./None	High											
1	City Mgr Media & Comm.	Reduce PR/advertising budget by 40%.	X												42,000	42,000		
2	City Mgr Non-Dept	Reduce City Manager's contingency to \$140,000.		X											110,000	110,000		
3	City Mgr City Mgr	Eliminate state lobbyist contract.			X										37,800	37,800		
4	City Mgr City Mgr	Defund vacant Assistant City Manager position.		X				1		FTC	Vacant				226,364	226,364		
5	City Mgr City Mgr	Defund vacant Executive Assistant to the City Manager position.		X				1		FTC	Vacant				70,641	70,641		
6	City Mgr City Mgr	Replace Deputy City Manager position with a Sr. Management Analyst position.		X				1		FTC	Vacant				37,268	37,268		
6a	City Mgr City Mgr	Additional savings from defunding Deputy CM position rather than reclassifying position to Sr. Management Analyst as originally proposed.		X											58,995	58,995		
<b>City Manager Total</b>												<b>3</b>					<b>\$583,068</b>	<b>\$583,068</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

DRO Position Summary Listing	<u>ORIGINAL</u>	<u>PROPOSED</u>
FTC (Full-time Career)	0	
Filled - Lay-off	0	
Filled - Transfer to other funding sources	3	2
Vacant		
Total FTC	3	2
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total City Manager</b>	<u><u>3</u></u>	<u><u>2</u></u>

**\$1,996,200**

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS			
				Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/	Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod.	High	Min./None	Mod	High										
1	Community Dev	Code/Building & Safety	Revenue Enhancement - Hire 2 temp Parking Control officers to work on career employee furlough days; other miscellaneous revenue increases & reductions.	X				X									180,800	180,800	
2	Community Dev	Code	Terminate HALT Camera Program. Service can still be provided through MYPD's implementation of the tripwire camera system.	X				X									900	900	
3	Community Dev	Code	Terminate 5 Neighborhood Cleanups. The clean-up events in district 1,4 and 5 can be funded by CDBG while district 2 and 3 could be funded from an alternate source.	X				X									800	800	
4	Community Dev	Dev Svcs Admin Support	Replace Deputy City Manager position with a Sr. Management Analyst position.	X				X									119,289	119,289	
4a	Community Dev	Dev Svcs Admin Support	Additional savings from defunding Deputy CM position rather than reclassifying position to Sr. Management Analyst as originally proposed.														37,772	37,772	
5	Community Dev	Graffiti Restitution/Code	Defund Code Compliance Field Supervisor (vacant) 25% in Graffiti; 75% in Code. Adjust split for Senior Code Compliance Officer to 20% in Graffiti; 80% in Code.	X				X			1				FTC Vacant		81,519	81,519	
6	Community Dev	Admin/ Code	Fund Department Head (vacant-70% in Admin; 30% in Code) for 6-months City temporary and 6-months as City career employee. This would allow new City Manager ample time to recruit/appoint a new CD Director.	X				X									15,231	15,231	
7	Community Dev	Building & Safety	Fund Building Official (vacant-100%) for 6-months City temporary and 6-months as City career employee. This would allow ample time to recruit/appoint a full-time Building Official.	X				X									22,539	22,539	
8	Community Dev	Code	Terminate Shopping Cart Retrieval Program. The City's Shopping Cart Retrieval Program was developed to address citizen concerns regarding the proliferation of abandoned shopping carts . The elimination of this program may result increased numbers of abandoned carts citywide.						X								48,000	48,000	

**City of Moreno Valley**  
**FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	Temp	P/T	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./ None	Mod. High	None Mod High	Min./ None	Mod High	High									
9	Community Dev	Building & Safety	Eliminate Nuisance Abatement funding. The elimination of these funds would impact the ability of the Building & Safety Division to enforce the CA Health and Safety Codes, Section 17910 (State Housing Laws), which requires local agencies to abate nuisances that affect habitability. The elimination of this abatement service will oblige the Building Division to order vacation of residential premises on a more frequent basis. All abatement costs are recoverable through special assessments or payment by the property owner, lender, or institutions. If all recovered funds were placed in a REVOLVING housing/building abatement account instead of being deposited to the General Fund, a reliable source of funding for this service would exist.	X													60,000	60,000
<b>Community Development Department Total</b>									1								\$566,850	\$566,850

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction \***  
\* Note: Savings of \$818k also realized in 2010-11 Preliminary Base budget

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	0	
Vacant	1	1
Total FTC	1	1
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Community Development</b>	<u><u>1</u></u>	<u><u>1</u></u>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	Temp	P/T	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod. High	None	Min./None	Mod. High									
1	Economic Dev	Economic Development	.6235 - Public Relations: Reduce advertising, broker events, regional event sponsorships, Shop Moreno Valley campaign.  CONSOLIDATING SEVERAL OBJECT CODES .6252 - Dues and Subscriptions: reduced IEEP membership for City .6255 - Other Professional Services .6221 - Training and Travel .6215 - Communications .6231 - Advertising .6256 - Legal Services .6310 - Copier Charges .6311 - Office Supplies .6321 - Postage and Mail .6391 - Other Materials	X												159,919	159,919
2	Economic Dev	Economic Development				X										66,160	66,160
3	Economic Dev	Economic Development	Salaries/Benefits: Reimbursing ED Admin salaries by 50% of Management Analyst's salary, which is charged to the CDBG for the ERC. Reallocating 10% of the Senior Office Assistant's salary to HOME funds to more accurately reflect current workload.	X												18,499	18,499
<b>Economic Development Department Total</b>																<b>\$244,578</b>	<b>\$244,578</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

**\$685,451**

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)	0	0
Filled - Lay-off	0	0
Filled - Transfer to other funding sources	0	0
Vacant	0	0
Total FTC	0	0
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Economic Development</b>	<b>0</b>	<b>0</b>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS			
				Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/	Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod.	High	Min./None	Mod	High										
1	Financial & Adm Svcs	Facilities CIP	Defund City Hall Annex 1 capital improvement project since the facility is not currently needed for staff expansion.	X				X									1,589,800	874,400	
2	Financial & Adm Svcs	Facilities	Implement various Facilities Maintenance budget reductions that will minimally impact City operations.	X				X									237,000	0	
3	Financial & Adm Svcs	Facilities	Defer CRC emergency generator project in anticipation of obtaining Homeland Security grant funding.	X				X									132,000	0	
4	Financial & Adm Svcs	Facilities	Postpone replacement of City Hall HVAC system, or obtain alternate funding source to supplement EECBG funding.		X			X									275,000	0	
5	Financial & Adm Svcs	Facilities	Cancel or postpone FY 2009-10 budgeted facilities maintenance items that do not have a significant impact on staff or the public.		X			X									778,200	0	
6	Financial & Adm Svcs	Facilities	Cancel or postpone facilities maintenance items in the FY 2010-11 budget that do not have a significant impact on staff or the public.		X			X									249,000	0	
7	Financial & Adm Svcs	Tech Svcs	Cancel or postpone FY 2009-10 budgeted technology projects that are not mandated by law, ordinance, or contractual obligation.						X								1,044,200	0	
8	Financial & Adm Svcs	Tech Svcs	Reduce expenditures in Technology Services that will not eliminate essential services but may impair staff's ability to complete tasks efficiently.						X								674,800	0	
9	Financial & Adm Svcs	Treasury Ops	Revenue Enhancement - Amend Municipal Code to repeal the practice of not collecting Business License gross receipts taxes of less than \$100.	X													72,400	72,400	
10	Financial & Adm Svcs	Purchasing	Defund the Senior Administrative Assistant position.					X									63,500	63,500	
11	Financial & Adm Svcs	Admin	Defund the Executive Assistant I position.					X									63,900	63,900	
12	Financial & Adm Svcs	Animal Svcs	Suspend non-mandated animal control programs; reduce service levels in field and kennel operations, (which includes the following positions: Animal Services License Inspector Animal Control Officer Animal Control Officer Animal Care Technician Office Aide		X			X									56,800	56,800	
12-a	Financial & Adm Svcs	Animal Svcs	PROPOSED DRO OFFSET requesting to fill one (1) Temporary Animal Control Officer should the filled FTC Animal Control Officer be defunded (detail on page 22).														47,100	47,100	
13	Financial & Adm Svcs	Financial Ops	Defund the Principal Accountant position; as a result, reduce various activities in the Accounting Section significantly impacting budgeting and financial reporting capabilities.		X			X									58,600	58,600	
																	12,000	12,000	
																	50,900	50,900	
																	17,800	17,800	
																	(17,900)	(17,900)	
																	88,400	88,400	



**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS													
			Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/	Vacant	Lay-off	Transfer or	BUDGETARY SAVINGS										
			None	Mod.	High	Min./	None	Mod										High	Total	General	Fund							
14	Financial & Adm Svcs	Treasury Ops Reduce the Career staffing level in the Treasury Operations Division (currently at 50%) by 3 additional positions, significantly impacting the Division's ability to perform essential services which includes:		X														261,500	261,500									
		Accounting Technician		X				1					1															
		Accounting Assistant		X				1					1															
		Accounting Assistant		X				1					1															
15	Financial & Adm Svcs	Financial Ops Reduce the Career staffing level in the Financial Operations Division (currently at 60%) by 4 additional positions, significantly impacting the Division's ability to perform essential services which includes:		X														12,745	12,745									
		Senior Payroll Technician		X				1					1															
		Senior Administrative Assistant		X				1					1															
		Accounting Technician		X				1					1															
		Accounting Assistant		X				1					1															
<b>Financial &amp; Administrative Services Department Total</b>															<b>15</b>											<b>\$5,997,800</b>	<b>\$1,892,200</b>	<b>\$14,737,325</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

	ORIGINAL	PROPOSED
DRO Position Summary Listing		
FTC (Full-time Career)	11	
Filled - Lay-off	0	
Filled - Transfer to other funding sources	2	
Vacant		
Total FTC	<u>13</u>	0
Part-time (P/T)		
Filled - Lay-off		0
Temporary (Temp)		
Filled - Lay-off		2
<b>Total Financial &amp; Administrative Services</b>	<u><u>15</u></u>	<u><u>0</u></u>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS			
			Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
			None	Mod.	High	Min./None	Mod	High										
1	Fire Prev	Suspend Funding for Permit Plus Changes.	X				X										5,000	5,000
2	Fire Ops	Defund Paramedic Captain Position.		X			X			1	FTC	Filled	Transfer				198,700	198,700
* 3A	Fire Ops	Reduce Truck Company to a Fire Engine - 3 Positions:		X			X										435,940	435,940
		Fire Apparatus Engineer		X			X			1	FTC	Filled	Transfer					
		Fire Fighter II		X			X			2	FTC	Filled	Transfer					
* 3B	Fire Ops	Defund Truck Company Completely - an additional 7 positions to 3A - Incremental difference shown in the cost savings:		X			X										1,122,847	1,122,847
		Fire Captain		X			X			2	FTC	Filled	Transfer					
		Fire Apparatus Engineer		X			X			2	FTC	Filled	Transfer					
		Fire Fighter-Paramedic		X			X			3	FTC	Filled	Transfer					
1	Emerg Ops	Increase CPR fees from \$35 to \$60 per class.	X				X										35,200	35,200
2	Emerg Ops	Defund Part Time Emerg Ops & Vol Svcs Program Specialist.		X			X			1	P/T	Filled	Lay-off				22,285	22,285
		* Note: DRO 3A proposes to reduce one (1) Truck Company to a Fire Engine which includes the defunding of three (3) positions; DRO 3B proposes to defund the whole Truck Company which includes the 3 positions listed in DRO 3A plus an additional seven (7) positions to total ten (10) positions. Therefore, the total costs for defunding the whole Truck Company would include both DROs 3A & 3B.																
<b>Fire Department Total</b>										<b>1</b>	<b>11</b>					<b>\$1,819,972</b>	<b>\$1,819,972</b>	

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction** **\$16,724,410**

	ORIGINAL	PROPOSED
DRO Position Summary Listing		
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	11	1
Vacant	0	
Total FTC	11	1
Part-time (P/T)		
Filled - Lay-off	1	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Fire</b>	<b>12</b>	<b>1</b>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	High	Mod	Min./None	High									
1	Human Resources	Workers' Comp	Reduce workers' compensation reserves (Original fund balance of \$4.5m less DRO of \$1.3 will leave a new balance of \$3.2 which is approximately 85% confidence level per actuarial review).	X												1,297,500	713,625
2	Human Resources	General Liability	Reduce liability reserves (Original fund balance of \$2.0m less DRO of \$80k will leave a new balance of \$1.9 which is approximately 85% confidence level per actuarial review).	X												80,000	44,000
<b>Human Resources Department Total</b>																<b>\$1,377,500</b>	<b>\$757,625</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

**\$3,292,900**

DRO Position Summary Listing

FTC (Full-time Career)

Filled - Lay-off 0

Filled - Transfer to other funding sources 0

Vacant 0

Total FTC

0

Part-time (P/T)

Filled - Lay-off

0

Temporary (Temp)

Filled - Lay-off

0

**Total Human Resources**

**0**

**0**

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS							
				Internal Service			Public Service			City No.	Contract No.	FTC P/T	Filled/ Vacant	Transfer or Lay-off	Total	General Fund							
				Min./None	High	Mod	Min./None	High															
1	Library	Library Svcs	Reduce miscellaneous small line items.	X			X									2,820	0						
2	Library	Library Svcs	Reduce object code 6351 - Books, records, films, videos.	X				X								120,559	0						
3	Library	Library Svcs	Defund one (1) full-time career librarian position.		X			X			1		FTC Vacant			88,621	0						
3-a	Library	Library Svcs	PROPOSED DRO OFFSET requesting to fill one (1) Temporary Librarian positions should the vacant FTC Librarian position be defunded (detail on page 23).				X									(21,840)	(21,840)						
<b>Library Total</b>													<b>1</b>									<b>\$190,160</b>	<b>(\$21,840)</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

**\$2,161,300**

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	0	
Vacant	1	1
Total FTC	1	1
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Library</b>	<b>1</b>	<b>1</b>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS							
			Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/ Vacant	Transfer or Lay-off	Total	General Fund					
			Min./None	High	Mod	Min./None	High															
1	Parks STARS	Defund Sr. Human Resources Analyst (.7 FTC).	X			X					1			FTC	Vacant			66,000	0			
2	Parks Golf Course	Defund Golf Course Maint Worker (transfer to CFD #1).		X			X			1			FTC	Filled	Transfer			43,900	0			
3	Parks Community Events	Suspension of 4th of July celebration in FY 2011-12 (parade & festival).			X													118,300	0			
<b>Parks &amp; Community Services Department Total</b>													<b>2</b>							<b>\$228,200</b>		<b>\$0</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction** **\$8,446,400**

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)	0	
Filled - Lay-off	1	1
Filled - Transfer to other funding sources	1	1
Vacant	1	1
<b>Total FTC</b>	<b>2</b>	<b>2</b>
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Transfer to other funding sources	0	0
<b>Total Parks &amp; Community Services</b>	<b>2</b>	<b>2</b>

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT				BUDGETARY SAVINGS			
				Internal Service			Public Service			City No.	Contract No.	Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	High	Mod	Min./None	High									
1	Police	Towngate Mall	275 hours of program overtime during the Holiday Season.	X		X									15,714	15,714	
2	Police	POP	250 hours of program overtime for off-road vehicle enforcement.	X		X									14,285	14,285	
3	Police	Traffic	Provide for traffic safety through enforcement and conduct accident investigations which include: Motorcycle Officer		X										31,580	31,580	
			Motorcycle Officer	X		X									468,124	468,124	
			Accident Investigation Officer	X		X									230,208	230,208	
4	Police	POP	Provides for zone policing concept, crime free multi-housing program, and other POP programs which include: POP (Problem Oriented Policing) Officer	X		X									921,190	921,190	
5	Police	SET	Provides for investigation of illegal drug activity, gang activity, and career criminal apprehension which include: SET (Special Enforcement Team) Officer	X		X									921,190	921,190	
6	Police	Patrol	Respond to calls for service from citizens in the community and conducts pro-active enforcement which include: Patrol Officer	X		X									920,830	920,830	
<b>Police Department Total</b>										<b>17</b>				<b>\$3,991,245</b>			

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

	<u>ORIGINAL</u>	<u>PROPOSED</u>
DRO Position Summary Listing		
FTC (Full-time Career)	0	
Filled - Lay-off	15	
Filled - Transfer to other funding sources	2	2
Vacant		
Total FTC	17	2
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Police</b>	<u><u>17</u></u>	<u><u>2</u></u>

**\$41,960,324**

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS			
				Internal Service			Public Service			City No.	Contract No.	Temp	P/T	FTC	Filled/	Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod.	High	Min./None	Mod	High										
1	Public Works	Street Sweeping	Eliminate contract sweeping and create additional Equipment Operator position in lieu of existing Maintenance Worker II position via an existing eligibility list from a recent internal recruitment to replace contract sweeping function.	X				X									33,100	33,100	
2	Public Works	PW Admin/Solid Waste	Defund vacant Public Works Program Manager position.	X					X								68,700	68,700	
3	Public Works	Catch Basin Maintenance	Defund vacant Maintenance Worker II position on the Catch Basin Maintenance crew.		X				X								71,319	71,319	
3-a	Public Works	Catch Basin Maintenance	PROPOSED DRO OFFSET requesting funding for two (2) Temporary, P/T Laborers should the vacant Maintenance Worker II position be defunded (detail on page 24).		X				X								(32,417)	(32,417)	
4	Public Works	Land Development	Reduce professional services for consultant plan check and utilize consultant services only for final map reviews requiring the signature of a Licensed Land Surveyor.		X				X								105,300	105,300	
5	Public Works	Land Dev - Insp. Svcs.	Reduce professional services for construction inspection by 100%.		X				X								12,400	12,400	
6	Public Works	Trans Dev. Svcs./Trans Eng	Defund vacant Senior Administrative Assistant position (associated with Development Services and General Fund) and partially transfer Executive Assistant I position to Transportation Engineering Division. Additionally, transfer 5% of PW Director/City Engineer personnel costs to Special Districts Administration.														34,200	34,200	
7	Public Works	Land Dev. - Insp Svcs.	Increase Land Development inspection request period from two (2) working days to three (3) working days due to a 33% decrease in Land Development inspection staffing via the reassignment of one (1) Construction Inspector to Capital Projects Division. In the event of a workload increase or request to expedite inspection response, consultant services will be required as an addition to the approved budget. <b>DRO No. 7 will change from a transfer to a lay-off if the number of proposed projects within the Proposed Capital Improvement Plan is significantly decreased.</b>														103,761	103,761	
8	Public Works	Land Dev. - Insp Svcs.	Increase customer service time for inspection scheduling and responding to contractor questions/requests due to a decrease of 100% of administrative support staff for the Land Development Inspection Section via the transfer of one (1) Senior Office Assistant to the Capital Projects Division.														59,588	59,588	
9	Public Works	Street Sweeping	Subsidize Street Sweeping Program with additional Air Quality Grant Funds, resulting in 96% of the annual grant revenue being designated for street sweeping program subsidization and eliminating the ability to fund the U Pass Program or other air quality related capital projects/programs with AQMD grant funds.	X													110,000	110,000	

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS				
				Internal Service			Public Service			City No.	Contract No.	Temp	FTC	Filled/	Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	Mod.	High	Min./None	Mod	High										
* 10	Public Works	Concrete Maintenance	Fund City-Wide Concrete Program with Measure A funds, resulting in 16% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects.	X													360,300	360,300	
			Lead Maintenance Worker	X					1										
			Maintenance Worker II	X					2										
* 11	Public Works	Sign/Striping	Fund City-Wide Traffic Sign/Striping Program with Measure A funds, resulting in a cumulative 52% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects.	X													811,500	811,500	
			Traffic Operations Supervisor	X					1										
			Lead Traffic Signing/Marking Tech	X					2										
			Traffic Signing/Marking Tech I	X					1										
			Traffic Signing/Marking Tech II	X					2										
12	Public Works	Land Development / LD - Insp Svcs.	Double the wait time for customer service requests for permits and other assistance required from Land Development due to a decrease of 50% of permit staff via the defunding of one (1) filled, full-time Permit Technician position.														62,102	62,102	
13	Public Works	Land Dev. - Insp Svcs.	Increase inspection request period from (2) two working days to (6) six working days due to a cumulative 66% decrease in Land Development inspection staffing via the defunding of one (1) filled, full-time Construction Inspector position. In the event of a workload increase or request to expedite inspection response, consultant services will be required as an addition to the approved budget.														73,920	73,920	
14	Public Works	Land Development / LD - Insp Svcs.	Increase plan check turn-around time from 20-working day turn-around to 30-working day turn-around due to a 33% decrease in Land Development plan check staff via the defunding of one (1) filled, full-time Associate Engineer position. In the event of a workload increase or request to expedite plan check turn-around, consultant services will be required as an addition to the approved budget.														102,097	102,097	
15	Public Works	Land Development / LD - Insp Svcs.	Triple the wait time for customer service requests for permits and other assistance required from Land Development due to a cumulative decrease of 100% of permit staff via the defunding of one (1) additional, filled, full-time Permit Technician position.														66,813	66,813	



**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT				BUDGETARY SAVINGS				
				Internal Service			Public Service			City No.	Contract No.	Temp	FTC	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				None	Mod.	High	Min./	None	Mod									High
16	Public Works	Land Development / LD - Insp Svcs.	Increase plan check turn-around time from 20-working day turn-around to 45-working day turn-around due to a cumulative 66% decrease in Land Development plan check staff via the defunding of one (1) additional filled, full-time Associate Engineer position, thereby leaving one (1) Associate Engineer, one (1) Senior Engineer and the Engineering Division Manager as the only remaining technical staff in Land Development. In the event of a workload increase or request to expedite plan check turn-around, consultant services will be required as an addition to the approved budget.			X						1					86,546	86,546
17	Public Works	Transp. Dev. Svcs.	Increase transportation related plan check review and development inquiries turn-around such that a new 45-day turn-around time-line is regularly exceeded due to a decrease of 100% of professional engineering staff for the Transportation Development Section via the transfer of one (1) Senior Engineer to the Capital Projects Division. <b>DRO No. 17 will change from a transfer to a position defunding if DRO No. 19 is implemented.</b>			X						1		Transfer			168,117	168,117
18	Public Works	Land Development / LD - Insp Svcs.	Increase plan check turn-around such that the new 45-day turn-around time-line is regularly exceeded due to a cumulative 100% decrease in Land Development plan check staff via the lay-off of one (1) additional, filled, full-time Associate Engineer position, thereby leaving one (1) Senior Engineer and the Engineering Division Manager as the only remaining technical staff in Land Development. In the event of a workload increase or request to expedite plan check turn-around, consultant services will be required as an addition to the approved budget.			X						1		Lay-off			112,103	112,103
19	Public Works	Land Development / LD - Insp Svcs.	Increase turn-around time for Land Development entitlement review due to a decrease of 100% of senior level professional engineering staff via the transfer of one (1) Senior Engineer to the Capital Projects Division, thereby leaving only the Engineering Division Manager as the sole remaining technical staff member in Land Development.			X						1		Transfer			179,989	179,989
20	Public Works	Graffiti Removal	Reduce Graffiti Abatement Program to exclude private property (including block walls), operate 5-days/week (currently 7-day/week operation), increase turn-around time to 72 hours, (current 48 hour turn-around) and defund (4) vacant, temporary part-time Laborer positions.			X						4					86,400	86,400
21	Public Works	Graffiti Removal	Entirely eliminate Graffiti Abatement Program including defunding of (3) filled, temporary part-time Laborer positions and (1) filled, part-time Maintenance Worker I position.			X											116,400	116,400
			Maintenance Worker I			X						1		P/T	Filled			
			Laborer			X						3		Temp	Filled			

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT				BUDGETARY SAVINGS			
				Internal Service			Public Service			City No.	Contract No.	Temp	FTC	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod. High	Min./None	Mod High										
* 22	Public Works	Transp. Engineering	Create new business unit (Transportation Operations) comprised of elements of the existing Transportation Engineering business unit and fund City-Wide Transportation Operations Program with Measure A funds, resulting in a cumulative 64% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects. Implementation of this DRO will result in the City being out of compliance with its Traffic Congestion Relief Funds (TCRF) Maintenance of Effort (MOE) requirement, which will result in a loss of approximately \$1.7M TCRF revenue for FY 2011-12 and every year thereafter that the City remains out of compliance with the MOE requirement.	X												292,100	292,100
			Senior Traffic Engineer	X					1		FTC	Filled	Transfer				
			Senior Engineering Technician	X					1		FTC	Filled	Transfer				
* 23	Public Works	Traffic Signal Maint.	Fund City-Wide Traffic Signal Maintenance Program with Measure A funds, resulting in a cumulative 95% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects. Implementation of this DRO will result in the City being out of compliance with its Traffic Congestion Relief Funds (TCRF) Maintenance of Effort (MOE) requirement, which will result in a loss of approximately \$1.7M TCRF revenue for FY 2011-12 and every year thereafter that the City remains out of compliance with the MOE requirement.	X												695,000	695,000
			Senior Traffic Signal Technician						1		FTC	Filled	Transfer				
			Traffic Signal Technician						2		FTC	Filled	Transfer				

**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT						BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	High	Mod	Min./None	High									
			<p>* <b>MOE NOTE:</b> DRO No.'s 10, 11, 22 and 23 impact the City's Measure A and Traffic Congestion Relief Fund (TCRF) Maintenance of Effort (MOE) compliance. Both Measure A and TCRF have separate MOE requirements establishing a certain amount of General Fund expenditures dedicated to street maintenance that the City must maintain in order to continue to remain eligible to receive annual Measure A and TCRF revenues of approximately \$2.3M and \$1.7M respectively. Although DRO No.'s 10 and 11 may be implemented for FY 2010-11, it is uncertain if this implementation can remain for FY 2011-12 without risking placing the City in a state of non-compliance and resulting in a loss of \$2.3M of Measure A revenue for FY 2012-13 and every year thereafter that the City remains in a state of non-compliance. (The Riverside County Transportation Commission is currently studying the MOE issue and it is anticipated that the MOE requirement for FY 2010-11 and future years will be determined in Summer 2010). The implementation of DRO No.'s 22 and 23 will result in the City being out of compliance with its TCRF MOE requirement, which will result in a loss of approximately \$1.7m TCRF revenue for FY 2011-12 and every year thereafter that the City remains out of compliance with the MOE effort.</p>														
<b>Public Works Department Total</b>				<b>35</b>						<b>\$3,779,338</b>		<b>\$3,779,338</b>					

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction** **\$10,228,052**

DRO Position Summary Listing	ORIGINAL	PROPOSED
FTC (Full-time Career)		
Filled - Lay-off	6	
Filled - Transfer to other funding sources	18	11
Vacant	3	3
Total FTC	27	14
Part-time (P/T)		
Filled - Lay-off	1	0
Temporary (Temp)		
Filled - Lay-off	3	
Filled - Transfer to other funding sources	0	
Vacant	4	
Total Temporary	7	0
<b>Total Public Works</b>	<b>35</b>	<b>14</b>



**City of Moreno Valley  
FY 2010-11 Deficit Reduction Options**

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT				BUDGETARY SAVINGS					
				Internal Service Min./None	Mod.	High	None	Mod	High	City No.	Contract No.	P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund			
			<b>2010-11 Deficit (Net of Adjustments &amp; Budget Issues)</b>																
			Adjustment to FY 2009-10 savings																<b>(10,955,100)</b>
			Loan Repayment of Moreno Valley Utility (MVU) of start-up costs to the General Fund																<b>(500,000)</b>
			Reimbursement of General Fund legal costs related to ENCO litigation																747,041
			<b>Net</b>																<b>225,192</b>
			Council Approved DROs																4,398,953
			Additional DRO Savings (defunding of Deputy CM position rather than reclassifying position to Sr. Management Analyst as originally proposed)																3,063,678
			Revised Total - Council Approved DROs																96,767
			<b>Interim City Manager Proposed DROs (without Use of Reserves)</b>																4,495,720
			<b>Total Proposed DROs</b>																<b>3,160,445</b>
			<b>Proposed Use of Reserves</b>																<b>6,174,140</b>
			<b>Proposed Use of Reserves</b>																<b>5,000,000</b>
			<b>Net Operating Surplus</b>																<b>21,318</b>

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**City of Moreno Valley  
General Fund Reserves**

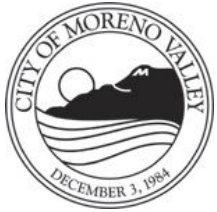
<u>Reserve Designation:</u>	<b>Budgeted 2009-10 Reserves</b>	<b>Adopted Uses in 2009-10</b>	<b>Projected Balance 2009-10</b>	<b>Pledged for RDA Bonds</b>	<b>Proposed Use of Reserves 2010-11</b>	<b>Projected Balance 2010-11</b>	<u>Comments</u>
- Encumbrances	254,440	(254,440)	0			0	
- Prepaid and Other Assets	34,019	(34,019)	0			0	
- Continuing Appropriations	526,020	(526,020)	0			0	
- Emergencies/Contingencies	10,100,000	0	10,100,000	(10,100,000)	500,000	9,600,000	Council Policy is 12% of GF Expenditure Budget (\$80.1m x 12% = \$9.6m)
- Development Services	2,300,000	(2,300,000)	0			0	
- Capital Expenditures & Emergency Equipment	12,632,732	(8,444,365) *	4,188,367		2,500,000	1,688,367	Designated for priority capital projects without other funding source.
- Advances Receivable	18,799,289		18,799,289	(12,400,000)		18,799,289	Funds are loaned/pledged and not available.
- Future Debt Service	1,000,000		1,000,000		0	1,000,000	Reserved for future debt service.
- Moreno Valley Utility Line of Credit (LOC)	4,600,000		4,600,000		2,000,000	2,600,000	LOC has not been needed since inception of MVU. \$2m reservation can be removed.
- Post-Employment Medical Benefit	120,000	(120,000)	0			0	
<b>Total</b>	<b>50,366,500</b>	<b>(11,678,844)</b>	<b>38,687,656</b>	<b>(22,500,000)</b>	<b>5,000,000</b>	<b>33,687,656</b>	

**\* Notes**

Contingency Reserves	4,308,465
FY 2008-09 Savings	3,652,900
Other Operating Designations	483,000
<b>Total</b>	<b><u>8,444,365</u></b>

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**City of Moreno Valley**

**FY 2010-11  
Operating Budget**

**Proposed Budget Balancing Plan**

**June 8, 2010**

# Projected General Fund Deficit

<b>Projected FY 2010-11 General Fund Operating Deficit</b>		<b>(\$17,876,300)</b>
Budgetary Adjustments:		
- Current year savings	\$1,520,800	
- Transfers to return GF Subsidies	\$1,639,100	
- Other Transfers	\$3,979,100	
- Total Adjustments		\$7,139,000
Budget Issues:		
- Re-establish funding for Budget Officer	(\$98,700)	
- Supplement Emergency Operations Grant	(\$43,100)	
- Increase in NPDES Regulatory Fee	(\$76,000)	
- Total Budget Issues		(\$217,800)
<b>Net Budgetary Deficit (Deficit Reduction Plan)</b>		<b>(\$10,955,100)</b>

# Proposed Budget Balancing Plan

Description	Item Total	Category Total	Remaining (Deficit) Surplus
FY 2010-11 Projected General Fund Net Operating Deficit		(\$10,955,100)	(\$10,955,100)
Adjustment to projected FY 2009-10 savings (\$1.0 million vs. \$1.5 million)		(\$500,000)	(\$11,455,100)
Proceeds from settlement of ENCO litigation (\$1.25 million):			
- Repayment of MVU start-up loan from General Fund	\$747,041		(\$10,708,059)
- Reimbursement of General Fund legal expenses	\$225,192	\$972,233	(\$10,482,867)
DROs approved by City Council on May 25, 2010		\$3,160,445	(\$7,322,422)
Additional staff-proposed DROs without use of reserves		\$2,343,740	(\$4,978,682)
Proposed use of reserves:		\$5,000,000	\$21,318
<b>Net Operating Surplus</b>			<b>\$21,318</b>

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# Proposed Use of Reserves

<b>Reserve Designation</b>	<b>Amount</b>
Reduction in MVU Line of Credit (from \$4.6 million to \$2.6 million)	\$2,000,000
Reduction in General Contingency Reserves (from \$10.1 million to \$9.6 million; maintaining 12% Reserve Policy)	\$500,000
Reduction in Capital Expenditures Reserve (from \$4.2 million to \$1.7 million)	\$2,500,000
<b>Total Use of Reserves to Balance Budget</b>	<b>\$5,000,000</b>

# Proposed Budget Balancing Plan

- Preserves public safety, with only minimal reductions (Police budget still increasing);
- Maintains essential City services;
- Maintains City staffing, with no lay-offs;
- Addresses the General Fund structural deficit by reducing expenditures by \$5.5 million;
- Provides a balance between General Fund expenditure reductions (\$5.5 million) and use of reserves (\$5 million);

# Proposed Budget Balancing Plan

- Maintains General Fund contingency reserve policy at 12% of budgeted expenditures;
- Addresses operating deficits in non General Funds by implementing \$5.2 million in budgetary reductions in the respective funds;
- Eliminates need to redeem RDA Bonds at the present time.

# Proposed Budget Balancing Plan

## Deficit Reduction Options Proposed for Implementation to Balance FY 2010-11 Operating Budget

Legend: Yellow: Council Approved on May 25, 2010  
Beige: Additional Savings from DRO Revision;  
Council Approved on May 25, 2010  
Green: Additional Staff Recommendations

# City Council / City Clerk

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./ None	Mod.	High	Min./ None	Mod.	High							
1	Council/ Clerk	City Clerk	Defund Assistant City Clerk Position.		X			X		1		FTC	Vacant		90,201	90,201
2	Council/ Clerk	Council	Defund Administrative Assistant Position.		X			X		1		FTC	Vacant		58,500	58,500
3	Council/ Clerk	City Clerk	Defund Senior Office Assistant Position (Temporary).			X			X	1		Temp	Filled	Lay-off	39,700	39,700
4	Council/ Clerk	City Clerk	Defund Senior Office Assistant Position (Part-time).			X			X	1		P/T	Filled	Lay-off	38,513	38,513
<b>City Council/City Clerk Total</b>										<b>4</b>					<b>\$226,914</b>	<b>\$226,914</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

**\$1,416,140**

DRO Position Summary Listing

FTC (Full-time Career)

	<u>ORIGINAL</u>	<u>PROPOSED</u>
Filled - Lay-off	0	0
Filled - Transfer to other funding sources	0	0
Vacant	<u>2</u>	<u>2</u>
Total FTC	2	2

Part-time (P/T)

Filled - Lay-off	1	0
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Temporary (Temp)

Filled - Lay-off	1	
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**Total City Council/City Clerk**

<b>4</b>	<b>2</b>
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# City Attorney

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./ None	Mod.	High	Min./ None	Mod.	High							
1	City Atty	City Atty	Defund Assistant City Attorney Position.			X			X	1		FTC	Vacant		206,376	206,376
2	City Atty	City Atty	Deputy City Attorney III			X			X	1		FTC	Filled	Lay-off	94,698	94,698
3	City Atty	City Atty	Deputy City Attorney III			X			X	1		FTC	Filled	Lay-off	89,877	89,877
<b>City Attorney Total</b>										<b>3</b>					<b>\$390,951</b>	<b>\$390,951</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$1,252,546

DRO Position Summary Listing

FTC (Full-time Career)

Filled - Lay-off

Filled - Transfer to other funding sources

Vacant

Total FTC

Part-time (P/T)

Filled - Lay-off

Temporary (Temp)

Filled - Lay-off

**Total City Attorney**

ORIGINAL

PROPOSED

2

0

1

1

3

0

0

3

1

1

1

1

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Item No. G.6

# City Manager

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./ None	Mod.	High	Min./ None	Mod.	High							
1	City Mgr	Media & Comm.	Reduce PR/advertising budget by 40%.	X				X							42,000	42,000
2	City Mgr	Non-Dept	Reduce City Manager's contingency to \$140,000.		X			X							110,000	110,000
3	City Mgr	City Mgr	Eliminate state lobbyist contract.			X			X						37,800	37,800
4	City Mgr	City Mgr	Defund vacant Assistant City Manager position.			X			X	1		FTC	Vacant		226,364	226,364
5	City Mgr	City Mgr	Defund vacant Executive Assistant to the City Manager position.			X			X	1		FTC	Vacant		70,641	70,641
6	City Mgr	City Mgr	Replace Deputy City Manager position with a Sr. Management Analyst position.			X			X	1		FTC	Vacant		37,268	37,268
6a	City Mgr	City Mgr	Additional savings from defunding Deputy CM position rather than reclassifying position to Sr. Management Analyst as originally proposed.			X			X						58,995	58,995
<b>City Manager Total</b>										<b>3</b>					<b>\$583,068</b>	<b>\$583,068</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$1,996,200

DRO Position Summary Listing

FTC (Full-time Career)

Filled - Lay-off

Filled - Transfer to other funding sources

Vacant

Total FTC

Part-time (P/T)

Filled - Lay-off

Temporary (Temp)

Filled - Lay-off

**Total City Manager**

ORIGINAL

PROPOSED

0

0

3

3

0

0

3

2

2

0

0

2

# Community Development

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./ None	Mod.	High	Min./ None	Mod.	High							
1	Community Dev	Code/Building & Safety	Revenue Enhancement - Hire 2 temp Parking Control officers to work on career employee furlough days; other miscellaneous revenue increases & reductions.	X			X								180,800	180,800
2	Community Dev	Code	Terminate HALT Camera Program. Service can still be provided through MVPD's implementation of the tripwire camera system.	X			X								900	900
3	Community Dev	Code	Terminate 5 Neighborhood Cleanups. The clean-up events in district 1, 4 and 5 can be funded by CDBG while district 2 and 3 could be funded from an alternate source.	X			X								800	800
4	Community Dev	Dev Svcs Admin Support	Replace Deputy City Manager position with a Sr. Management Analyst position.	X			X								119,289	119,289
4a	Community Dev	Dev Svcs Admin Support	Additional savings from defunding Deputy CM position rather than reclassifying position to Sr. Management Analyst as originally proposed.												37,772	37,772
5	Community Dev	Graffiti Restitution/ Code	Defund Code Compliance Field Supervisor (vacant) 25% in Graffiti; 75% in Code. Adjust split for Senior Code Compliance Officer to 20% in Graffiti; 80% in Code.	X			X			1		FTC	Vacant		81,519	81,519
6	Community Dev	Admin/ Code	Fund Department Head (vacant-70% in Admin; 30% in Code) for 6-months City temporary and 6-months as City career employee. This would allow new City Manager ample time to recruit/appoint a new CD Director.	X			X								15,231	15,231
7	Community Dev	Building & Safety	Fund Building Official (vacant-100%) for 6-months City temporary and 6-months as City career employee. This would allow ample time to recruit/appoint a full-time Building Official.	X			X								22,539	22,539
8	Community Dev	Code	Terminate Shopping Cart Retrieval Program. The City's Shopping Cart Retrieval Program was developed to address citizen concerns regarding the proliferation of abandoned shopping carts. The elimination of this program may result increased numbers of abandoned carts citywide.		X			X							48,000	48,000

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Item No. G.6

# Community Development (page 2)

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./ None		High	Min./ None		High							
g	Community Dev	Building & Safety	Eliminate Nuisance Abatement funding. The elimination of these funds would impact the ability of the Building & Safety Division to enforce the CA Health and Safety Codes, Section 17910 (State Housing Laws), which requires local agencies to abate nuisances that affect habitability. The elimination of this abatement service will oblige the Building Division to order vacation of residential premises on a more frequent basis. All abatement costs are recoverable through special assessments or payment by the property owner, lender, or institutions. If all recovered funds were placed in a REVOLVING housing/building abatement account instead of being deposited to the General Fund, a reliable source of funding for this service would exist.	X											60,000	60,000
<b>Community Development Department Total</b>									1						<b>\$566,850</b>	<b>\$566,850</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction \*

\$5,019,000

\* Note: Savings of \$818k also realized in 2010-11 Preliminary Base budget

DRO Position Summary Listing	ORIGINAL	PROPOSED
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	0	
Vacant	1	1
Total FTC	1	1
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Community Development</b>	<b>1</b>	<b>1</b>

# Economic Development

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod.	High	Min./None	Mod.	High							
1	Economic Dev	Economic Development	.6235 - Public Relations: Reduce advertising, broker events, regional event sponsorships, Shop Moreno Valley campaign.	X			X								159,919	159,919
2	Economic Dev	Economic Development	CONSOLIDATING SEVERAL OBJECT CODES .6252 - Dues and Subscriptions: reduced IEEP membership for City .6255 - Other Professional Services .6221 - Training and Travel .6215 - Communications .6231 - Advertising .6256 - Legal Services .6310 - Copier Charges .6311 - Office Supplies .6321 - Postage and Mail .6391 - Other Materials	X			X								66,160	66,160
3	Economic Dev	Economic Development	Salaries/Benefits: Reimbursing ED Admin salaries by 50% of Management Analyst's salary, which is charged to the CDBG for the ERC. Reallocating 10% of the Senior Office Assistant's salary to HOME funds to more accurately reflect current workload.	X			X								18,499	18,499
<b>Economic Development Department Total</b>													<b>\$244,578</b>	<b>\$244,578</b>		

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$685,451

DRO Position Summary Listing	ORIGINAL	PROPOSED
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	0	
Vacant	0	
Total FTC	<u>0</u>	0
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Economic Development</b>	<u><u>0</u></u>	<u><u>0</u></u>

# Financial & Administrative Services

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod.	High	Min./None	Mod.	High							
1	Financial & Adm Svcs	Facilities CIP	Defund City Hall Annex 1 capital improvement project since the facility is not currently needed for staff expansion.	X			X								1,589,800	874,400
2	Financial & Adm Svcs	Facilities	Implement various Facilities Maintenance budget reductions that will minimally impact City operations.	X			X								237,000	0
3	Financial & Adm Svcs	Facilities	Defer CRC emergency generator project in anticipation of obtaining Homeland Security grant funding.	X			X								132,000	0
4	Financial & Adm Svcs	Facilities	Postpone replacement of City Hall HVAC system, or obtain alternate funding source to supplement EECBG funding.		X		X								275,000	0
5	Financial & Adm Svcs	Facilities	Cancel or postpone FY 2009-10 budgeted facilities maintenance items that do not have a significant impact on staff or the public.		X		X								778,200	0
6	Financial & Adm Svcs	Facilities	Cancel or postpone facilities maintenance items in the FY 2010-11 budget that do not have a significant impact on staff or the public.		X		X								249,000	0
7	Financial & Adm Svcs	Tech Svcs	Cancel or postpone FY 2009-10 budgeted technology projects that are not mandated by law, ordinance, or contractual obligation.			X	X								1,044,200	0
8	Financial & Adm Svcs	Tech Svcs	Reduce expenditures in Technology Services that will not eliminate essential services but may impair staff's ability to complete tasks efficiently.			X	X								674,800	0
9	Financial & Adm Svcs	Treasury Ops	Revenue Enhancement - Amend Municipal Code to repeal the practice of not collecting Business License gross receipts taxes of less than \$100.	X				X							72,400	72,400
10	Financial & Adm Svcs	Purchasing	Defund the Senior Administrative Assistant position.			X	X		1		FTC	Filled	Lay-off		63,500	63,500
11	Financial & Adm Svcs	Admin	Defund the Executive Assistant I position.			X		X	1		FTC	Filled	Lay-off		63,900	63,900
12	Financial & Adm Svcs	Animal Svcs	Suspend non-mandated animal control programs; reduce service levels in field and kennel operations, (which includes the following positions:			X		X							56,800	56,800
			Animal Services License Inspector			X		X	1		FTC	Filled	Lay-off		47,100	47,100
			Animal Control Officer			X		X	1		FTC	Filled	Lay-off		58,600	58,600
			Animal Control Officer			X		X	1		Temp	Filled	Lay-off		12,000	12,000
			Animal Care Technician			X		X	1		FTC	Vacant			50,900	50,900
			Office Aide			X		X	1		Temp	Filled	Lay-off		17,800	17,800
12-a	Financial & Adm Svcs	Animal Svcs	PROPOSED DRO OFFSET requesting to fill one (1) Temporary Animal Control Officer should the filled FTC Animal Control Officer be defunded (detail on page 22).			X		X							(17,900)	(17,900)
13	Financial & Adm Svcs	Financial Ops	Defund the Principal Accountant position; as a result, reduce various activities in the Accounting Section significantly impacting budgeting and financial reporting capabilities.			X		X	1		FTC	Vacant			88,400	88,400

# Financial & Admin. Services (page 2)

Dept	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City	Contract	FTC	Filled/	Transfer or	Total	General Fund	
				Min./			Min./										No.
Rank				None	Mod.	High	None	Mod	High	No.	No.						
14	Financial & Adm Svcs	Treasury Ops	Reduce the Career staffing level in the Treasury Operations Division (currently at 50%) by 3 additional positions, significantly impacting the Division's ability to perform essential services which includes:			X			X							261,500	261,500
			Accounting Technician			X			X	1		FTC	Filled	Lay-off			
			Accounting Assistant			X			X	1		FTC	Filled	Lay-off			
			Accounting Assistant			X			X	1		FTC	Filled	Lay-off			
15	Financial & Adm Svcs	Financial Ops	Reduce the Career staffing level in the Financial Operations Division (currently at 60%) by 4 additional positions, significantly impacting the Division's ability to perform essential services which includes:			X			X							12,745	12,745
			Senior Payroll Technician			X			X	1		FTC	Filled	Lay-off		55,137	55,137
			Senior Administrative Assistant			X			X	1		FTC	Filled	Lay-off		53,297	53,297
			Accounting Technician			X			X	1		FTC	Filled	Lay-off		67,344	67,344
			Accounting Assistant			X			X	1		FTC	Filled	Lay-off		54,277	54,277
<b>Financial &amp; Administrative Services Department Total</b>										<b>15</b>						<b>\$5,997,800</b>	<b>\$1,892,200</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$14,737,325

DRO Position Summary Listing

FTC (Full-time Career)

Filled - Lay-off

Filled - Transfer to other funding sources

Vacant

Total FTC

Part-time (P/T)

Filled - Lay-off

Temporary (Temp)

Filled - Lay-off

Total Financial & Administrative Services

ORIGINAL

PROPOSED

11

0

2

13

0

0

2

0

15

0

0

0

0

0

0

# Fire

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	Mod.	High	Min./None	Mod.	High								
1	Fire	Fire Prev	Suspend Funding for Permit Plus Changes.	X			X								5,000	5,000	
2	Fire	Fire Ops	Defund Paramedic Captain Position.			X			X		1	FTC	Filled	Transfer	198,700	198,700	
* 3A	Fire	Fire Ops	Reduce Truck Company to a Fire Engine - 3 Positions:			X			X						435,940	435,940	
			Fire Apparatus Engineer			X			X		1	FTC	Filled	Transfer			
			Fire Fighter II			X			X		2	FTC	Filled	Transfer			
* 3B	Fire	Fire Ops	Defund Truck Company Completely - an additional 7 positions to 3A - Incremental difference shown in the cost savings:			X			X						1,122,847	1,122,847	
			Fire Captain			X			X		2	FTC	Filled	Transfer			
			Fire Apparatus Engineer			X			X		2	FTC	Filled	Transfer			
			Fire Fighter-Paramedic			X			X		3	FTC	Filled	Transfer			
1	Fire	Emerg Ops	Increase CPR fees from \$35 to \$60 per class.	X					X						35,200	35,200	
2	Fire	Emerg Ops	Defund Part Time Emerg Ops & Vol Svcs Program Specialist.			X			X	1		P/T	Filled	Lay-off	22,285	22,285	
			* Note: DRO 3A proposes to reduce one (1) Truck Company to a Fire Engine which includes the defunding of three (3) positions; DRO 3B proposes to defund the whole Truck Company which includes the 3 positions listed in DRO 3A plus an additional seven (7) positions to total ten (10) positions. Therefore, the total costs for defunding the whole Truck Company would include both DROs 3A & 3B.														
<b>Fire Department Total</b>											<b>1</b>	<b>11</b>				<b>\$1,819,972</b>	<b>\$1,819,972</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$16,724,410

DRO Position Summary Listing	ORIGINAL	PROPOSED
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	11	1
Vacant	0	
<b>Total FTC</b>	<b>11</b>	<b>1</b>
Part-time (P/T)		
Filled - Lay-off	1	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Fire</b>	<b>12</b>	<b>1</b>



# Human Resources

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	Mod.	High	Min./None	Mod.	High								
1	Human Resources	Workers' Comp	Reduce workers' compensation reserves (Original fund balance of \$4.5m less DRO of \$1.3 will leave a new balance of \$3.2 which is approximately 85% confidence level per actuarial review).	X				X								1,297,500	713,625
2	Human Resources	General Liability	Reduce liability reserves (Original fund balance of \$2.0m less DRO of \$80k will leave a new balance of \$1.9 which is approximately 85% confidence level per actuarial review).	X				X								80,000	44,000
<b>Human Resources Department Total</b>														<b>\$1,377,500</b>	<b>\$757,625</b>		

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$3,292,900

DRO Position Summary Listing	<u>ORIGINAL</u>	<u>PROPOSED</u>
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	0	
Vacant	0	
Total FTC	<u>0</u>	0
Part-time (P/T)		
Filled - Lay-off		0
Temporary (Temp)		
Filled - Lay-off		0
<b>Total Human Resources</b>	<u><b>0</b></u>	<u><b>0</b></u>

# Library

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	Mod.	High	Min./None	Mod.	High								
1	Library	Library Svcs	Reduce miscellaneous small line items.		X			X								2,820	0
2	Library	Library Svcs	Reduce object code 6351 - Books, records, films, videos.		X											120,559	0
3	Library	Library Svcs	Defund one (1) full-time career librarian position.				X			X	1		FTC	Vacant		88,621	0
3-a	Library	Library Svcs	PROPOSED DRO OFFSET requesting to fill one (1) Temporary Librarian positions should the vacant FTC Librarian position be defunded (detail on page 23).				X			X						(21,840)	(21,840)
<b>Library Total</b>											<b>1</b>					<b>\$190,160</b>	<b>(\$21,840)</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$2,161,300

DRO Position Summary Listing

	ORIGINAL	PROPOSED
FTC (Full-time Career)		
Filled - Lay-off	0	
Filled - Transfer to other funding sources	0	
Vacant	<u>1</u>	<u>1</u>
Total FTC	1	1
Part-time (P/T)		
Filled - Lay-off	0	0
Temporary (Temp)		
Filled - Lay-off	0	0
<b>Total Library</b>	<b><u>1</u></b>	<b><u>1</u></b>

# Parks & Community Services

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./ None	Mod.	High	Min./ None	Mod.	High							
1	Parks	STARS	Defund Sr. Human Resources Analyst (.7 FTC).	X			X			1		FTC	Vacant		66,000	0
2	Parks	Golf Course	Defund Golf Course Maint Worker (transfer to CFD #1).		X			X		1		FTC	Filled	Transfer	43,900	0
3	Parks	Community Events	Suspension of 4th of July celebration in FY 2011-12 (parade & festival).			X			X						118,300	0
<b>Parks &amp; Community Services Department Total</b>										<b>2</b>					<b>\$228,200</b>	<b>\$0</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

**\$8,446,400**

DRO Position Summary Listing

FTC (Full-time Career)

	<u>ORIGINAL</u>	<u>PROPOSED</u>
Filled - Lay-off	0	
Filled - Transfer to other funding sources	1	1
Vacant	1	1
<b>Total FTC</b>	<b>2</b>	<b>2</b>

Part-time (P/T)

Filled - Lay-off	0	0
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Temporary (Temp)

Filled - Transfer to other funding sources	0	0
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**Total Parks & Community Services**

<b>2</b>	<b>2</b>
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# Police

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund
				Min./None	Mod.	High	Min./None	Mod.	High							
1	Police	Towngate Mall	275 hours of program overtime during the Holiday Season.		X			X							15,714	15,714
2	Police	POP	250 hours of program overtime for off-road vehicle enforcement.		X			X							14,285	14,285
3	Police	Traffic	Provide for traffic safety through enforcement and conduct accident investigations which include:			X			X						31,580	31,580
			Motorcycle Officer			X			X		2	FTC	Filled	Transfer	468,124	468,124
			Motorcycle Officer			X			X		2	FTC	Vacant		468,124	468,124
			Accident Investigation Officer			X			X		1	FTC	Filled	Transfer	230,208	230,208
4	Police	POP	Provides for zone policing concept, crime free multi-housing program, and other POP programs which include:			X			X							
			POP (Problem Oriented Policing) Officer			X			X		4	FTC	Filled	Transfer	921,190	921,190
5	Police	SET	Provides for investigation of illegal drug activity, gang activity, and career criminal apprehension which include:			X			X							
			SET (Special Enforcement Team) Officer			X			X		4	FTC	Filled	Transfer	921,190	921,190
6	Police	Patrol	Respond to calls for service from citizens in the community and conducts pro-active enforcement which include:			X			X							
			Patrol Officer			X			X		4	FTC	Filled	Transfer	920,830	920,830
<b>Police Department Total</b>										<b>17</b>					<b>\$3,991,245</b>	<b>\$3,991,245</b>

**Departmental Preliminary Base Operating Budget subject to Deficit Reduction**

**\$41,960,324**

DRO Position Summary Listing

FTC (Full-time Career)

Filled - Lay-off  
 Filled - Transfer to other funding sources  
 Vacant

ORIGINAL

PROPOSED

0	
15	
<u>2</u>	<u>2</u>

Total FTC 17 2

Part-time (P/T)

Filled - Lay-off 0 0

Temporary (Temp)

Filled - Lay-off 0 0

**Total Police**

<u><u>17</u></u>	<u><u>2</u></u>
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# Public Works

Dept	Business	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS	
			Internal Service			Public Service			City	Contract	FTC	Filled/ or	Transfer Lay-off	Total	General
			Min./			Min./									
Rank	Dept	Unit	None	Mod.	High	None	Mod	High	No.	No.	Temp	Vacant	Lay-off	Total	Fund
1	Public Works	Street Sweeping	Eliminate contract sweeping and create additional Equipment Operator position in lieu of existing Maintenance Worker II position via an existing eligibility list from a recent internal recruitment to replace contract sweeping function.	X			X							33,100	33,100
2	Public Works	PW Admin/Solid Waste	Defund vacant Public Works Program Manager position.	X					1		FTC	Vacant		68,700	68,700
3	Public Works	Catch Basin Maintenance	Defund vacant Maintenance Worker II position on the Catch Basin Maintenance crew.		X		X		1		FTC	Vacant		71,319	71,319
3-a	Public Works	Catch Basin Maintenance	PROPOSED DRO OFFSET requesting funding for two (2) Temporary, P/T Laborers should the vacant Maintenance Worker II position be defunded (detail on page 24).		X		X							(32,417)	(32,417)
4	Public Works	Land Development	Reduce professional services for consultant plan check and utilize consultant services only for final map reviews requiring the signature of a Licensed Land Surveyor.		X		X							105,300	105,300
5	Public Works	Land Dev - Insp. Svcs.	Reduce professional services for construction inspection by 100%.		X		X							12,400	12,400
6	Public Works	Trans Dev. Svcs./Trans Eng	Defund vacant Senior Administrative Assistant position (associated with Development Services and General Fund) and partially transfer Executive Assistant I position to Transportation Engineering Division. Additionally, transfer 5% of PW Director/City Engineer personnel costs to Special Districts Administration.			X		X	1		FTC	Vacant		34,200	34,200
7	Public Works	Land Dev. - Insp Svcs.	Increase Land Development inspection request period from two (2) working days to three (3) working days due to a 33% decrease in Land Development inspection staffing via the reassignment of one (1) Construction Inspector to Capital Projects Division. In the event of a workload increase or request to expedite inspection response, consultant services will be required as an addition to the approved budget. <b><u>DRO No. 7 will change from a transfer to a lay-off if the number of proposed projects within the Proposed Capital Improvement Plan is significantly decreased.</u></b>			X		X	1		FTC	Filled	Transfer	103,761	103,761
8	Public Works	Land Dev. - Insp Svcs.	Increase customer service time for inspection scheduling and responding to contractor questions/requests due to a decrease of 100% of administrative support staff for the Land Development Inspection Section via the transfer of one (1) Senior Office Assistant to the Capital Projects Division.			X		X	1		FTC	Filled	Transfer	59,588	59,588
9	Public Works	Street Sweeping	Subsidize Street Sweeping Program with additional Air Quality Grant Funds, resulting in 96% of the annual grant revenue being designated for street sweeping program subsidization and eliminating the ability to fund the U Pass Program or other air quality related capital projects/programs with AQMD grant funds.	X				X						110,000	110,000

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Item No. G.6

# Public Works (page 2)

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./ None	Mod.	High	Min./ None	Mod.	High								
* 10	Public Works	Concrete Maintenance	Fund City-Wide Concrete Program with Measure A funds, resulting in 16% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects.	X						X						360,300	360,300
			Lead Maintenance Worker	X						X	1		FTC	Filled	Transfer		
			Maintenance Worker II	X						X	2		FTC	Filled	Transfer		
* 11	Public Works	Sign/Striping	Fund City-Wide Traffic Sign/Striping Program with Measure A funds, resulting in a cumulative 52% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects.	X						X						811,500	811,500
			Traffic Operations Supervisor	X						X	1		FTC	Filled	Transfer		
			Lead Traffic Signing/Marking Tech	X						X	2		FTC	Filled	Transfer		
			Traffic Signing/Marking Tech I	X						X	1		FTC	Filled	Transfer		
			Traffic Signing/Marking Tech II	X						X	2		FTC	Filled	Transfer		
12	Public Works	Land Development / LD - Insp Svcs.	Double the wait time for customer service requests for permits and other assistance required from Land Development due to a decrease of 50% of permit staff via the defunding of one (1) filled, full-time Permit Technician position.				X			X	1		FTC	Filled	Lay-off	62,102	62,102
13	Public Works	Land Dev. - Insp Svcs.	Increase inspection request period from (2) two working days to (6) six working days due to a cumulative 66% decrease in Land Development inspection staffing via the defunding of one (1) filled, full-time Construction Inspector position. In the event of a workload increase or request to expedite inspection response, consultant services will be required as an addition to the approved budget.				X			X	1		FTC	Filled	Lay-off	73,920	73,920
14	Public Works	Land Development / LD - Insp Svcs.	Increase plan check turn-around time from 20-working day turn-around to 30-working day turn-around due to a 33% decrease in Land Development plan check staff via the defunding of one (1) filled, full-time Associate Engineer position. In the event of a workload increase or request to expedite plan check turn-around, consultant services will be required as an addition to the approved budget.				X			X	1		FTC	Filled	Lay-off	102,097	102,097
15	Public Works	Land Development / LD - Insp Svcs.	Triple the wait time for customer service requests for permits and other assistance required from Land Development due to a cumulative decrease of 100% of permit staff via the defunding of one (1) additional, filled, full-time Permit Technician position.				X			X	1		FTC	Filled	Lay-off	66,813	66,813

# Public Works (page 3)

Dept	Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS									
					Internal Service			Public Service			City	Contract	FTC	Filled/ or	Transfer or	Total	General Fund								
					Min./ None	Mod.	High	Min./ None	Mod.	High								No.	No.	P/T Temp	Filled/ Vacant	Lay-off			
	16	Public Works	Land Development / LD - Insp Svcs.	Increase plan check turn-around time from 20-working day turn-around to 45-working day turn-around due to a cumulative 66% decrease in Land Development plan check staff via the defunding of one (1) additional filled, full-time Associate Engineer position, thereby leaving one (1) Associate Engineer, one (1) Senior Engineer and the Engineering Division Manager as the only remaining technical staff in Land Development. In the event of a workload increase or request to expedite plan check turn-around, consultant services will be required as an addition to the approved budget.														1		FTC	Filled	Lay-off	86,546	86,546	
	17	Public Works	Transp. Dev. Svcs.	Increase transportation related plan check review and development inquiries turn-around such that a new 45-day turn-around time-line is regularly exceeded due to a decrease of 100% of professional engineering staff for the Transportation Development Section via the transfer of one (1) Senior Engineer to the Capital Projects Division. <b><u>DRO No. 17 will change from a transfer to a position defunding if DRO No. 19 is implemented.</u></b>															1		FTC	Filled	Transfer	168,117	168,117
	18	Public Works	Land Development / LD - Insp Svcs.	Increase plan check turn-around such that the new 45-day turn-around time-line is regularly exceeded due to a cumulative 100% decrease in Land Development plan check staff via the lay-off of one (1) additional, filled, full-time Associate Engineer position, thereby leaving one (1) Senior Engineer and the Engineering Division Manager as the only remaining technical staff in Land Development. In the event of a workload increase or request to expedite plan check turn-around, consultant services will be required as an addition to the approved budget.															1		FTC	Filled	Lay-off	112,103	112,103
	19	Public Works	Land Development / LD - Insp Svcs.	Increase turn-around time for Land Development entitlement review due to a decrease of 100% of senior level professional engineering staff via the transfer of one (1) Senior Engineer to the Capital Projects Division, thereby leaving only the Engineering Division Manager as the sole remaining technical staff member in Land Development.															1		FTC	Filled	Transfer	179,989	179,989
	20	Public Works	Graffiti Removal	Reduce Graffiti Abatement Program to exclude private property (including block walls), operate 5-days/week (currently 7-day/week operation), increase turn-around time to 72 hours, (current 48 hour turn-around) and defund (4) vacant, temporary part-time Laborer positions.															4		Temp	Vacant		86,400	86,400
	21	Public Works	Graffiti Removal	Entirely eliminate Graffiti Abatement Program including defunding of (3) filled, temporary part-time Laborer positions and (1) filled, part-time Maintenance Worker I position.																				116,400	116,400
				Maintenance Worker I															1		P/T	Filled	Lay-off		
				Laborer															3		Temp	Filled	Lay-off		

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Item No. G.6

# Public Works (page 4)

Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	FTC P/T	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./None	Mod.	High	Min./None	Mod.	High								
* 22	Public Works	Transp. Engineering	Create new business unit (Transportation Operations) comprised of elements of the existing Transportation Engineering business unit and fund City-Wide Transportation Operations Program with Measure A funds, resulting in a cumulative 64% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects. Implementation of this DRO will result in the City being out of compliance with its Traffic Congestion Relief Funds (TCRF) Maintenance of Effort (MOE) requirement, which will result in a loss of approximately \$1.7M TCRF revenue for FY 2011-12 and every year thereafter that the City remains out of compliance with the MOE requirement.	X						X						292,100	292,100
			Senior Traffic Engineer	X						X	1		FTC	Filled	Transfer		
			Senior Engineering Technician	X						X	1		FTC	Filled	Transfer		
* 23	Public Works	Traffic Signal Maint.	Fund City-Wide Traffic Signal Maintenance Program with Measure A funds, resulting in a cumulative 95% of annual Measure A funds being designated for street maintenance operations and decreasing the funding available for annual pavement overlay and slurry seal capital projects. Implementation of this DRO will result in the City being out of compliance with its Traffic Congestion Relief Funds (TCRF) Maintenance of Effort (MOE) requirement, which will result in a loss of approximately \$1.7M TCRF revenue for FY 2011-12 and every year thereafter that the City remains out of compliance with the MOE requirement.	X						X						695,000	695,000
			Senior Traffic Signal Technician								1		FTC	Filled	Transfer		
			Traffic Signal Technician								2		FTC	Filled	Transfer		



# Public Works (page 5)

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS			
				Internal Service			Public Service			City No.	Contract No.	FTC P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund		
				Min./ None	Mod.	High	Min./ None	Mod.	High									
			<p>* <b>MOE NOTE:</b> DRO No.'s 10, 11, 22 and 23 impact the City's Measure A and Traffic Congestion Relief Fund (TCRF) Maintenance of Effort (MOE) compliance. Both Measure A and TCRF have separate MOE requirements establishing a certain amount of General Fund expenditures dedicated to street maintenance that the City must maintain in order to continue to remain eligible to receive annual Measure A and TCRF revenues of approximately \$2.3M and \$1.7M respectively. Although DRO No.'s 10 and 11 may be implemented for FY 2010-11, it is uncertain if this implementation can remain for FY 2011-12 without risking placing the City in a state of non-compliance and resulting in a loss of \$2.3M of Measure A revenue for FY 2012-13 and every year thereafter that the City remains in a state of non-compliance. (The Riverside County Transportation Commission is currently studying the MOE issue and it is anticipated that the MOE requirement for FY 2010-11 and future years will be determined in Summer 2010). The implementation of DRO No.'s 22 and 23 will result in the City being out of compliance with its TCRF MOE requirement, which will result in a loss of approximately \$1.7m TCRF revenue for FY 2011-12 and every year thereafter that the City remains out of compliance with the MOE effort.</p>															
<b>Public Works Department Total</b>															<b>35</b>		<b>\$3,779,338</b>	<b>\$3,779,338</b>

Departmental Preliminary Base Operating Budget subject to Deficit Reduction

\$10,228,052

DRO Position Summary Listing	ORIGINAL	PROPOSED
FTC (Full-time Career)		
Filled - Lay-off	6	
Filled - Transfer to other funding sources	18	11
Vacant	3	3
Total FTC	27	14
Part-time (P/T)		
Filled - Lay-off		1
Total Part-time		1
Temporary (Temp)		
Filled - Lay-off	3	
Filled - Transfer to other funding sources	0	
Vacant	4	
Total Temporary	7	0
<b>Total Public Works</b>	<b>35</b>	<b>14</b>

# Non-Departmental

Dept Rank	Dept	Business Unit	Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
				Internal Service			Public Service			City No.	Contract No.	P/T Temp	Filled/ Vacant	Transfer or Lay-off	Total	General Fund	
				Min./ None	Mod.	High	Min./ None	Mod	High								
1	Non-Dept	Non-Dept	Redeem up to \$6 million of the 2007 Series B Tax Allocation Bonds, enabling these funds to be used for General Fund operations.	X				X								6,000,000	6,000,000
<b>Non-Department Total</b>															<b>\$6,000,000</b>	<b>\$6,000,000</b>	

<b>GRAND TOTAL CITY-WIDE</b>											<b>65</b>	<b>28</b>	<b>\$25,396,576</b>	<b>\$20,230,901</b>
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	<u>ORIGINAL</u>	<u>PROPOSED</u>
<b>City - DRO Position Summary Listing</b>		
FTC (Full-time Career)		
Filled - Lay-off	19	0
Filled - Transfer to other funding sources	19	12
Vacant	<u>14</u>	<u>11</u>
Total FTC	52	23
Part-time (P/T)		
Filled - Lay-off	3	0
Temporary (Temp)		
Filled - Lay-off	6	
Filled - Transfer to other funding sources		
Vacant	<u>4</u>	
Total Temporary	10	0
<b>TOTAL CITY</b>	<b><u>65</u></b>	<b><u>23</u></b>
<b>Contract (Police &amp; Fire) - DRO Position Summary Listing</b>		
FTC (Full-time Career)		
Fire - Filled - Transfer to other funding sources	11	1
Police - Filled - Transfer to other funding sources	15	
Police - Vacant	<u>2</u>	<u>2</u>
Total FTC	28	3
<b>TOTAL CONTRACT (Police &amp; Fire)</b>	<b><u>28</u></b>	<b><u>3</u></b>

# City-wide Summary

Description of Program/Function or Activity	SERVICE LEVEL IMPACT						STAFFING IMPACT					BUDGETARY SAVINGS		
	Internal Service			Public Service			City	Contract	FTC		Transfer		Total	General Fund
	Min./			Min./					P/T	Filled/	or			
	None	Mod.	High	None	Mod	High	No.	No.	Temp	Vacant	Lay-off			
<b>2010-11 Deficit (Net of Adjustments &amp; Budget Issues)</b>													<b>(10,955,100)</b>	
Adjustment to FY 2009-10 savings													(500,000)	
Loan Repayment of Moreno Valley Utility (MVU) of start-up costs to the General Fund													747,041	
Reimbursement of General Fund legal costs related to ENCO litigation													225,192	
<b>Net</b>													<b><u>(10,482,867)</u></b>	
Council Approved DROs												4,398,953	3,063,678	
Additional DRO Savings (defunding of Deputy CM position rather than reclassifying position to Sr. Management Analyst as originally proposed)												96,767	96,767	
Revised Total - Council Approved DROs												<u>4,495,720</u>	<u>3,160,445</u>	
<b>Interim City Manager Proposed DROs (without Use of Reserves)</b>												<b>6,174,140</b>	<b>2,343,740</b>	
<b>Total Proposed DROs</b>												<b>10,669,860</b>	<b>5,504,185</b>	
<b>Proposed Use of Reserves</b>													<b>5,000,000</b>	
<b>Net Operating Surplus</b>													<b>21,318</b>	

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Item No. G.6

# General Fund Reserves

<u>Reserve Designation:</u>	<u>Budgeted 2009-10 Reserves</u>	<u>Adopted Uses in 2009-10</u>	<u>Projected Balance 2009-10</u>	<u>Pledged for RDA Bonds</u>	<u>Proposed Use of Reserves 2010-11</u>	<u>Projected Balance 2010-11</u>	<u>Comments</u>
- Encumbrances	254,440	(254,440)	0			0	
- Prepaid and Other Assets	34,019	(34,019)	0			0	
- Continuing Appropriations	526,020	(526,020)	0			0	
- Emergencies/Contingencies	10,100,000	0	10,100,000	(10,100,000)	500,000	9,600,000	Council Policy is 12% of GF Expenditure Budget (\$80.1m x 12% = \$9.6m)
- Development Services	2,300,000	(2,300,000)	0			0	
- Capital Expenditures & Emergency Equipment	12,632,732	(8,444,365) *	4,188,367		2,500,000	1,688,367	Designated for priority capital projects without other funding source.
- Advances Receivable	18,799,289		18,799,289	(12,400,000)		18,799,289	Funds are loaned/pledged and not available.
- Future Debt Service	1,000,000		1,000,000		0	1,000,000	Reserved for future debt service.
- Moreno Valley Utility Line of Credit (LOC)	4,600,000		4,600,000		2,000,000	2,600,000	LOC has not been needed since inception of MVU. \$2m reservation can be removed.
- Post-Employment Medical Benefit	120,000	(120,000)	0			0	
<b>Total</b>	<b>50,366,500</b>	<b>(11,678,844)</b>	<b>38,687,656</b>	<b>(22,500,000)</b>	<b>5,000,000</b>	<b>33,687,656</b>	

**\* Notes**

Contingency Reserves

4,308,465

FY 2008-09 Savings

3,652,900

Other Operating Designations

483,000

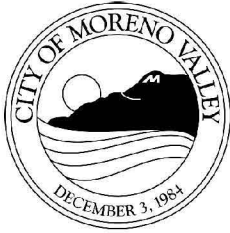
**Total**

**8,444,365**

# Wrap-Up

- Questions
- Council direction

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RAH</i>
CITY MANAGER	<i>WDB</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, Public Works Director/City Engineer

**AGENDA DATE:** May 25, 2010 (continued from May 11, 2010)

**TITLE:** FY 2010-11 PROPOSED CAPITAL IMPROVEMENT PLAN REVIEW

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### **RECOMMENDED ACTION**

Staff recommends that the City Council:

1. Review and discuss the FY 2010-11 Proposed Capital Improvement Plan (CIP) and provide concurrence with the proposed priorities or direction for new priorities for implementation of capital projects.

### **BACKGROUND**

The purpose of the CIP is to identify needed improvements and establish long-term funding priorities. The CIP is presented to the City Council each year for review and discussion in order to affirm or provide direction for reprioritizing planned improvements for the benefit of the community.

City staff has completed a full review of all project needs through “build-out” of the City. The priorities, as proposed, are based on status and funding of existing projects, and anticipated development trends within the City.

### **DISCUSSION**

The CIP is a tool used to track the accumulation and use of resources for designing, acquiring, constructing, and rehabilitating City infrastructure, such as buildings and roads. The CIP also provides a framework for funding capital projects and helps the City forecast and coordinate long-term needs. Capital planning ensures the timely repair and replacement of aging infrastructure and the implementation of community priorities to meet the demands of a growing and changing population. The CIP provides expenditure and funding source detail for the following types of capital projects budgeted and funded for FY 2010-11, as well as projects anticipated through build-out of the City:

<b><u>Category</u></b>	<b><u>Proposed Budget for FY 2010-11 Funding</u></b>
• Street Improvements	\$36,498,000
• Bridges	\$20,208,000
• Buildings	\$15,081,000
• Drainage, Sewers, and Waterlines	\$5,728,000
• Electric Utility	\$3,855,000
• Landscaping	\$0
• Parks	\$4,100,000
• Traffic Signals	\$1,916,000
• Underground Utilities	\$201,000

Projects proposed for FY 2010-11 total \$87,587,000. The cost estimate for all identified projects through build-out total is approximately \$1.69 billion, which includes funded, partially funded, and unfunded projects.

With regard to revenue, Measure “A” (Fund 125) is a major funding source for transportation infrastructure improvements. Because Measure “A” funds are used to provide required City matching funds for federal, state, and county transportation grant awards, the reimbursement from these grants is deposited into the Measure “A” fund balance. The Measure “A” fund accounts for approximately 46 percent of new capital spending requests for FY 2010-11.

Development Impact Fee for Arterial Streets and Traffic Signals (DIF – Funds 416 and 417) savings realized by completed projects for FY 2009-10 are being reappropriated for FY 2010-11 CIP projects. No new DIF revenues for FY 2010-11 are programmed for CIP projects.

Gas Tax (Fund 121) is not programmed for CIP projects, and therefore any state-imposed Gas Tax reduction would not directly impact the CIP. It is important to recognize, however, that the Gas Tax does contribute to funding the operating budgets of various Public Works Department Divisions.

The Financial & Administrative Services Department is in the process of implementing an indirect cost rate (ICR) that would be applied to projects in order to minimize Gas Tax operating budget cost impacts by distributing overhead costs to CIP projects.

This report offers an opportunity for the City Council to review the CIP and to provide commentary and concurrence or new direction on projects planned for the next fiscal year, as well as subsequent years. Should the City Council make changes in the prioritization of projects, other projects may be deferred.

Staff will bring the CIP back to the City Council for review each year to add, delete, and change priorities as needed.



## **ALTERNATIVES**

1. Review and discuss the FY 2010-11 Proposed Capital Improvement Plan (CIP) and provide concurrence with the proposed priorities or direction for new priorities for implementation of capital projects. *This alternative will allow needed improvements.*
2. Do not review and discuss the FY 2010-11 Proposed Capital Improvement Plan (CIP) and do not provide concurrence with the proposed priorities or direction for new priorities for implementation of capital projects. *This alternative will result in the delaying of needed improvements.*

## **FISCAL IMPACT**

The CIP budget strives to meet the City's growing infrastructure needs, not only for new projects, but for maintenance of existing infrastructure as well. This year, perhaps even more so than last, the reality of shrinking revenues from all revenue sources, such as Measure "A", DIF, Transportation Uniform Mitigation Fee (TUMF), and Gas Tax, make this effort even more challenging. The fiscal impact is dependent on the outcome of the budget process, which takes place over the next two months.

## **CITY COUNCIL GOALS**

### **PUBLIC SAFETY:**

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

### **PUBLIC FACILITIES AND CAPITAL PROJECTS:**

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

### **POSITIVE ENVIRONMENT:**

Create a positive environment for the development of Moreno Valley's future.

### **COMMUNITY IMAGE, NEIGHBORHOOD PRIDE AND CLEANLINESS:**

Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts (including home rehabilitation) and neighborhood restoration.

## **ATTACHMENT**

Attachment "A" – FY 2010-2011 Proposed Capital Improvement Plan PowerPoint Presentation (PG 609-652)

Prepared By:  
 Larry Gonzales  
 Senior Engineer, P.E.

Department Head Approval:  
 Chris A. Vogt, P.E.  
 Public Works Director/City Engineer

Concurred By:  
 Prem Kumar, P.E.  
 Deputy Public Works Director/Assistant City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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# **FY 2010-2011 Proposed Capital Improvement Plan**



**City of Moreno Valley  
May 11, 2010**

Attachment "A"

# FY 2010-2011 Proposed Capital Improvement Plan Objectives

- City Council to Review, Comment, and Provide Concurrence or Provide New Priorities
- Recognize That Reprioritization of Projects May Defer Some Projects to a Later Time
- Bring Back to City Council Each Year to Add, Delete, and Change Priorities as Needed

# Completed Projects FY 2009-2010

## Street Improvements

1. Sunnymead Boulevard from Frederick Street to Perris Boulevard
2. Lasselle Street from John F. Kennedy Drive to Alessandro Boulevard
3. Citywide Annual Pavement Resurfacing Program (Phase I)
  - Eucalyptus Avenue from Towngate Boulevard to Heacock Street
  - Heritage Way from Town Circle to Towngate Boulevard
  - Indian Street from Saint Thomas Avenue to Katrina Avenue
  - Towngate Circle from Heritage Way to Centerpoint Drive
4. Citywide Annual Pavement Resurfacing Program (Phase II)
  - Bay Avenue from Indian Street to Perris Boulevard
  - Delphinium Avenue from Indian Street to Perris Boulevard
  - Dracaea Avenue from Frederick Street to Graham Street
  - Heacock Street from Gregory Lane to 500 Ft ± South of Gregory Lane
  - Krameria Avenue from Perris Boulevard to Lasselle Street
5. Iris Avenue from Indian Street to Perris Boulevard
6. Surface Recycling Program
7. Pavement Rehabilitation Program (formerly Slurry Seal Program) (Crack Seal)
8. Residential Traffic Management Program (Speed Hump Program)
  - Apple Blossom Lane Speed Hump
  - Superior Avenue Speed Hump
9. Bicycle Lane

# Completed Projects FY 2009-2010

## Street Improvements

- 10. Developer Street and Storm Drain Improvements
  - Alessandro Boulevard and Morrison Street (Northwest Corner)
  - Cottonwood Avenue from 275 Ft West of Darwin Drive to 225 Ft East of Collie Court
  - Cottonwood Avenue from 550 Ft West of Prancer Lane to 200 Ft East of Prancer Lane
  - Eucalyptus Avenue from 400 Ft West of Essen Lane to 270 Ft East of Essen Lane
  - Lasselle Street from 500 Ft South to 1,125 Ft South of Iris Avenue
  - Lasselle Street from South City Limits to 109 Ft North
  - Moreno Beach Drive / Cactus Avenue Intersection (Northwest Corner)
  - Morrison Street / Cottonwood Avenue Intersection (Southeast Corner)
    - Cottonwood Avenue from Morrison Street to 1,260 Ft East of Morrison Street
    - Morrison Street from Bay Avenue to Cottonwood Avenue
    - Bay Avenue from Morrison Street to 1,320 Ft East of Morrison Street
  - South side of Nandina Avenue West of Indian Street

# Completed Projects FY 2009-2010

## Street Improvements

10. Developer Street and Storm Drain Improvements (Cont.)
  - Nason Street / Fir Avenue
    - Nason Street from Fir Avenue to Dracaea Avenue
    - Fir Avenue from Nason Street to Eucalyptus Avenue
    - Eucalyptus Avenue from Nason Street to 3,550 Ft East of Nason Street
  - Perris Boulevard 350 Ft South of Alessandro Boulevard
  - Perris Boulevard / Eucalyptus Avenue
    - Eucalyptus Avenue from Perris Boulevard to 520 Ft West of Bridal Trail Road
    - Perris Boulevard from 200 Ft South of Myers Avenue to Eucalyptus Avenue
  - Redlands Boulevard / Cottonwood Avenue (Southeast Corner)
  - San Michele Road from 650 Ft East of Indian Street to 1,325 East of Indian Street

**Cost = \$ 38,910,159**

# Completed Projects FY 2009-2010

## Underground Utilities

11. City Hall to Animal Shelter Fiber Extension

Cost = \$ 179,000

## Bridges

12. Bridge Repair Maintenance Program

Cost = \$ 258,000

## Traffic Signals

13. Lasselle Street / Cottonwood Avenue Traffic Signal
14. Lasselle Street / Bay Avenue Traffic Signal
15. SR-60 Eastbound Ramps / Redlands Boulevard Traffic Signal
16. Cottonwood Avenue / Pattilynn Drive School Crossing Traffic Signal
17. Developer Traffic Signal Improvements
  - Traffic Signal Modification at Old 215 / Alessandro Boulevard

Cost = \$ 1,575,032



# Completed Projects FY 2009-2010

## Parks

- 18. Patriot Park (formerly Sheila Street Park)
- 19. Parks and Recreation Master Plan
- 20. Bay Avenue / Frederick Street Corner Improvements
- 21. Developer Park Improvements
  - Cold Creek Trail Head
  - Rockridge Park (formerly Stoneridge Park)

**Cost = \$ 3,518,015**

## Electric Utility

- 22. MVU-0004 Indian / San Michele / Grove View BB (11)
- 23. MVU-0006 Alessandro 12KV Feeder, Phase I
- 24. MVU-0007 Goldcrest / Elsworth – 12 KV Line Extension
- 25. MVU-0009 Perris 12KV Feeder, Phase I

**Cost = \$ 2,446,746**

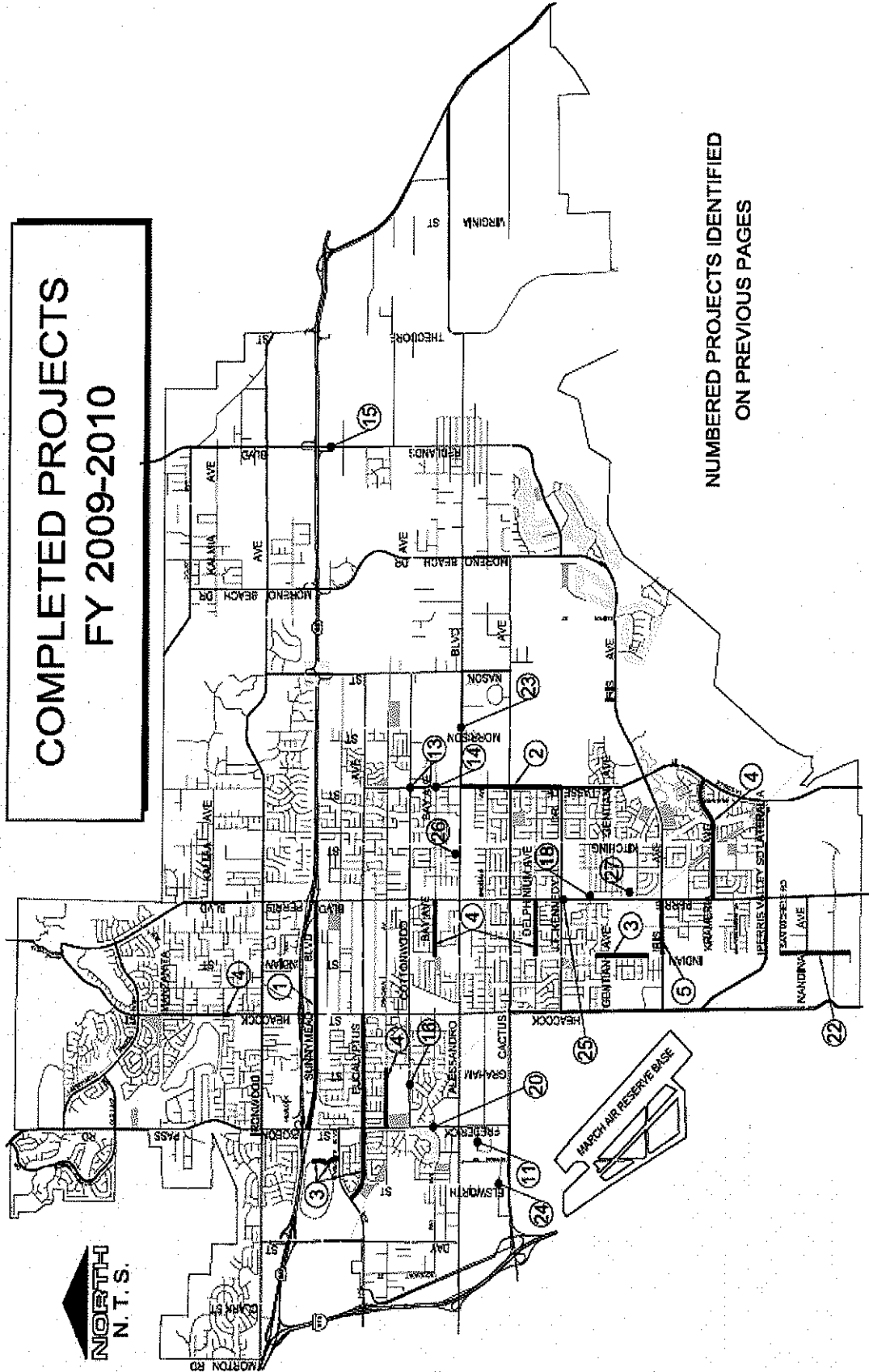
## Buildings

- 26. Slurry Seal Library Parking Lot
- 27. City Maintenance Yard Improvements / Renovation

**Cost = \$ 232,138**

**Completed Projects Total = \$ 47,119,090**

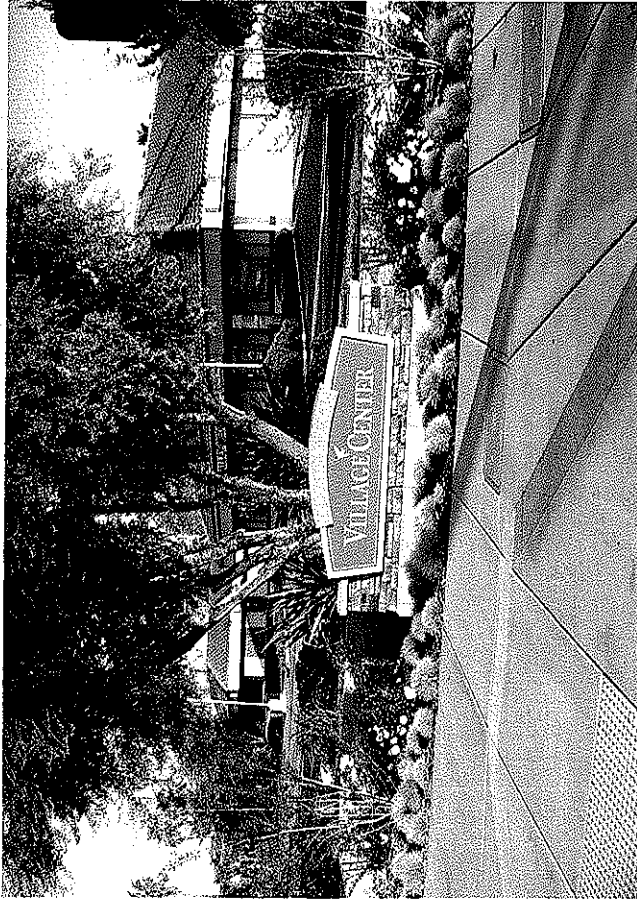
**COMPLETED PROJECTS  
FY 2009-2010**



**NUMBERED PROJECTS IDENTIFIED  
ON PREVIOUS PAGES**

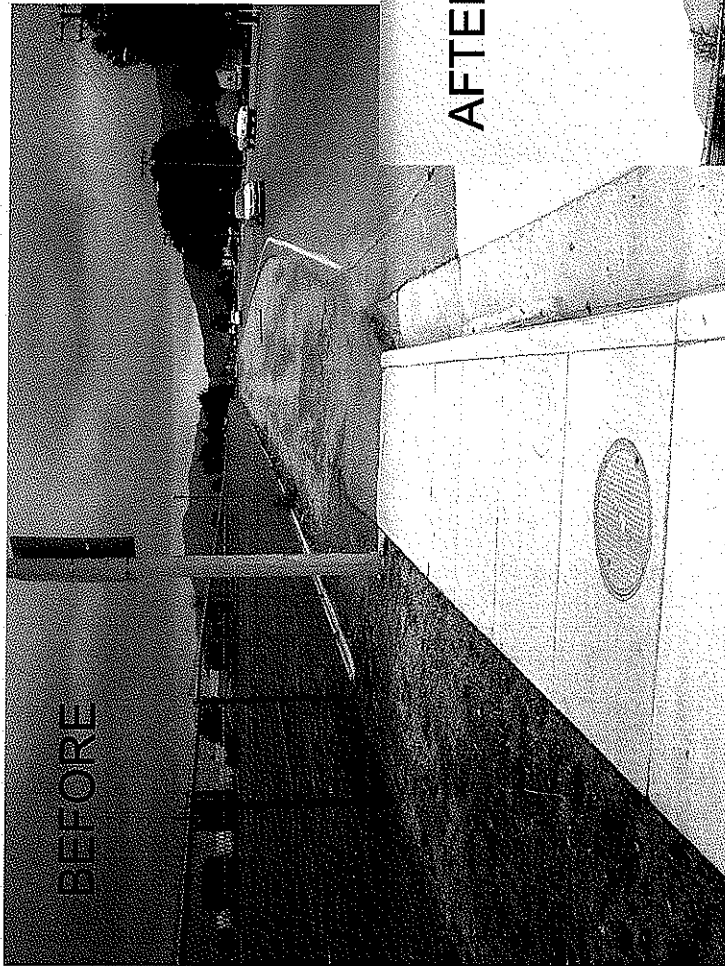
**NORTH  
N.T.S.**

Completed Projects FY 2009-2010



Sunnymead Boulevard from Frederick Street to Perris Boulevard

# Completed Projects FY 2009-2010



AFTER



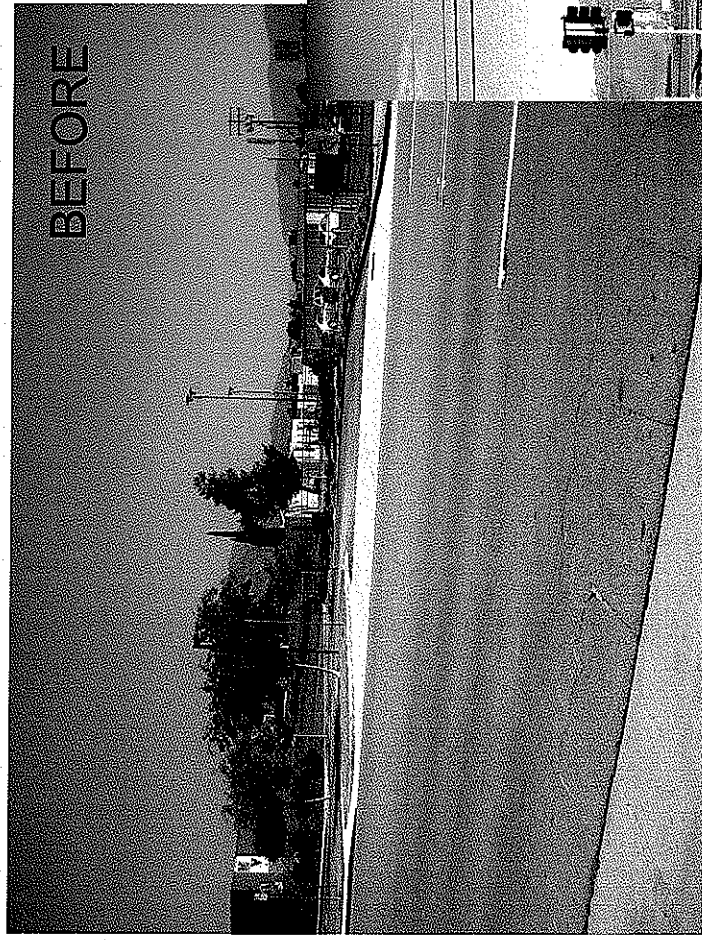
Iris Avenue from Indian Street to Perris Boulevard

# Completed Projects FY 2009-2010

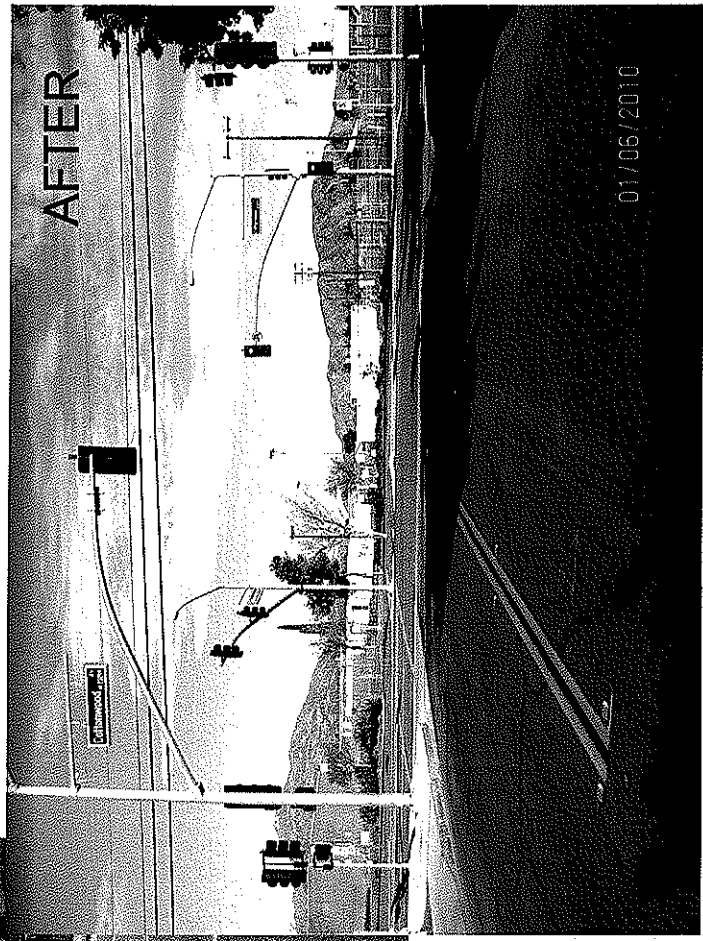


Lasselle Street from John F. Kennedy Drive to Alessandro Boulevard

# Completed Projects FY 2009-2010



BEFORE

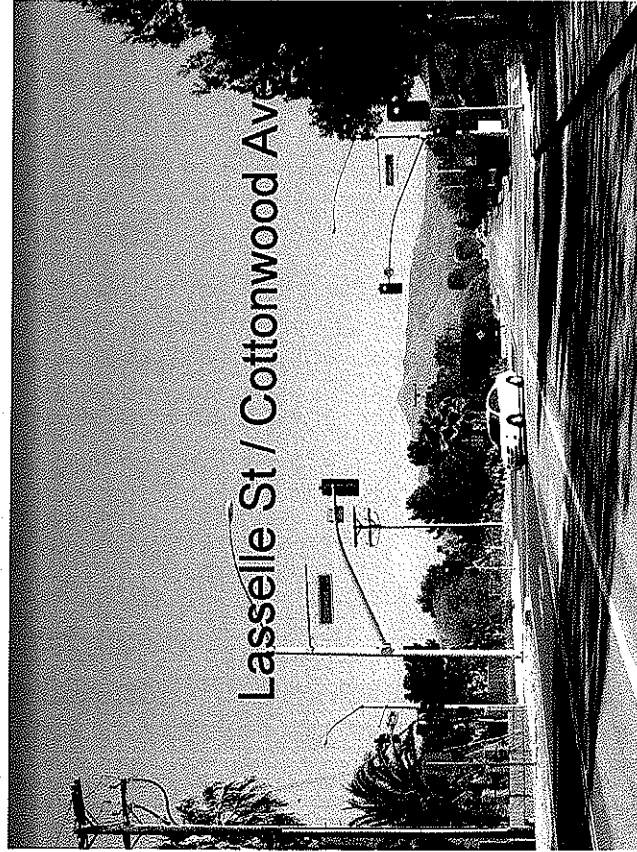
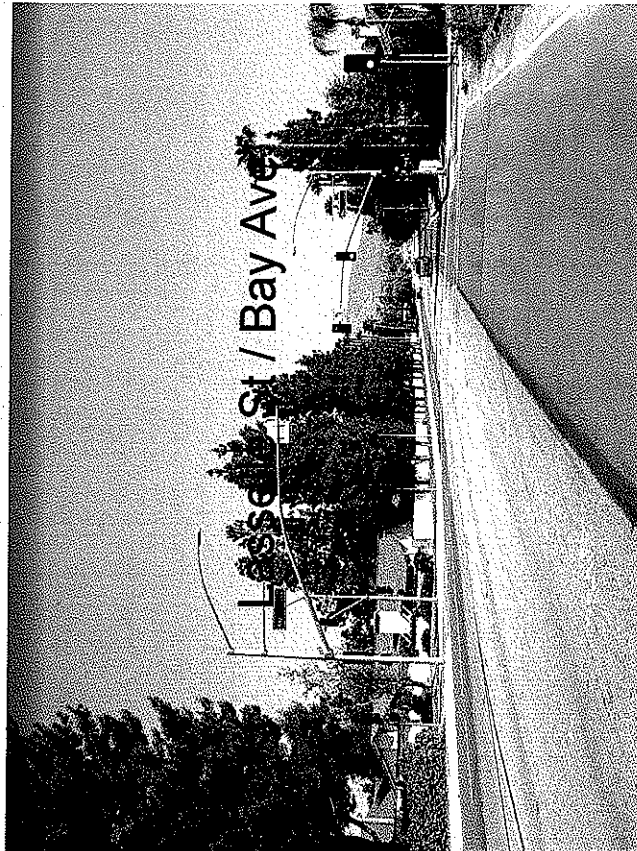


AFTER

01/06/2010

Cottonwood Avenue / Pattilynn Drive School Crossing Traffic Signal

# Completed Projects FY 2009-2010



Lasselle Street / Cottonwood Avenue and  
Lasselle Street / Bay Avenue Traffic Signals

# Completed Projects FY 2009-2010



SR-60 Eastbound Ramps / Redlands Boulevard Traffic Signal



# Active Projects FY 2010-2011

## Street Improvements

1. Auto Mall Street Upgrades (Construction)
2. Boeing Street and McDonnell Street Sidewalks from Bay Avenue to Vought Street (Construction)
3. Day Street Improvements from Alessandro Boulevard to Cottonwood Avenue (Construction)
4. Dracaea Avenue Sidewalk from Morrison Street to Mascot Lane (Design & Construction)
5. Heacock Street Improvements from Hemlock Avenue to Ironwood Avenue (Right of Way & Construction)
6. Indian Street / Alessandro Boulevard Sidewalk Improvements (Construction)
7. Ironwood Avenue Improvements from Day Street to Barclay Drive (Construction)
8. SR-60 / Nason Street Interchange (Construction)
9. Temco Street Sidewalk from Boeing Street to Pan Am Boulevard (Construction)
10. Vought Street Sidewalk from Boeing Street to Pan Am Boulevard and Boeing Street Sidewalk from Vought Street to Temco Street (Construction)
11. Annual ADA Compliant Curb Ramp Upgrades (Design & Construction)
12. Cactus Avenue Eastbound 3<sup>rd</sup> Lane Improvements from I-215 to Veterans Way (Right of Way)
13. Cactus Avenue Eastbound 3<sup>rd</sup> Lane Improvements from Veterans Way to Heacock Street (Right of Way)
14. Citywide Annual Pavement Resurfacing Program (Design & Construction)
  - Kitching Street from Fir Avenue to Cottonwood Avenue
  - Manzanita Avenue from Heacock Street to Perris Boulevard
  - Cactus Avenue from Commerce Center Drive to Elsworth Street
  - Indian Street from Ironwood Avenue to Sunnymead Boulevard
  - Fir Avenue from Perris Boulevard to Lasselle Street

# Active Projects FY 2010-2011

## Street Improvements

15. Heacock Street from Perris Valley Storm Drain Lateral "A" to Cactus Avenue (Right of Way)
16. Heacock Street from San Michele Road to Perris Valley Storm Drain Lateral "A" (Right of Way)
17. Heacock Street South Extension (Alignment Study)
18. Ironwood Avenue from Heacock Street to Perris Boulevard (Utility Relocation & Storm Drain Construction)
19. Ironwood Avenue from Perris Boulevard to Nason Street (Preliminary Design)
20. Kitching Street from Alessandro Boulevard to Gentian Avenue (Construction)
21. Moreno Beach Drive Widening from Cactus Avenue to Auto Mall Drive (Preliminary Alignment Study & Preliminary Study Report)
22. Pavement Rehabilitation Program (formerly Slurry Seal Program) (Crack Seal)
23. Perris Boulevard Southbound Lane to SR-60 Westbound On-Ramp (Right of Way & Construction)
24. Perris Boulevard Widening from Ironwood Avenue to Manzanita Avenue (Right of Way)
25. Perris Boulevard Widening from Perris Valley Storm Drain Lateral "B" to Cactus Avenue (Design & Right of Way)
26. Reche Vista Drive Realignment / Perris Boulevard from Heacock Street to North City Limits (Design & Right of Way)
27. Redlands Boulevard / SR-60 Interchange; Theodore Street / SR-60 Interchange; Gilman Springs Road / SR-60 Interchange (Preliminary Design)

## Active Projects FY 2010-2011

- 28. Residential Traffic Management Program (Speed Hump Program) (Design & Construction)
- 29. SR-60 / Moreno Beach Drive Interchange (Design, Environmental, & Right of Way)
- 30. Street Improvement Program (SIP) (Design & Construction)
- 31. Surface Recycling (Construction)

**Cost = \$ 36,091,000**

### Bridges

- 32. Bridge Repair Maintenance Program (Design & Construction)
- 33. Heacock Street Bridge / Perris Valley Strom Drain Lateral "A" (Design & Construction)
- 34. SR-60 / Nason Street Overcrossing Bridge (Design & Utility Relocation)

**Cost = \$ 20,208,000**

### Buildings

- 35. 800 MHz Radio Repeater System Centralization (Construction)
- 36. Box Springs Communications Site (Construction)
- 37. Emergency Operations Center (EOC) (Construction)
- 38. Morrison Park Fire Station (formerly Fire Station #107) (Design)
- 39. Renovation of City Hall Annex Building #1 (Construction)
- 40. Roof Replacement at Gateway and Westbluff Parks (Construction)
- 41. Civic Center Site Improvements (Exterior) (Design)
- 42. Corporate Yard Facility (Design & Construction)

## Active Projects FY 2010-2011

- 43. Fire Station #65 (formerly Fire Station #65 Replacement) (Land Acquisition)
- 44. Public Safety Building Conversion (Construction)

**Cost = \$ 13,616,000**

### Drainage, Sewers, and Waterlines

- 45. Edgemont Water System Phase I (Design)
- 46. Heacock Street and Cactus Avenue Channel Improvements (Design)
- 47. Indian Basin, Appurtenant Storm Drain and Miscellaneous Street Improvements (Construction)

**Cost = \$ 5,728,000**

### Electric Utility

- 48. LRB Funded Utility Projects (Construction)
- 49. MVU-0003 Cottonwood / Moreno Beach / Quincy BB (6) (Design & Construction)
- 50. MVU-0004 Indian / San Michele / Grove View BB (11) (Design & Construction)
- 51. MVU-0005 Circuit #5 Substation / Nason / Iris (Design & Construction)
- 52. MVU-0008 Globe Channel Crossing (12) (Design & Construction)
- 53. MVU-0010 Heacock 12KV Feeder, Phase 1 (Design & Construction)
- 54. MVU-0011 Alessandro 12KV Feeder, Phase 2 (Design & Construction)
- 55. MVU-0012 Heacock 12KV Feeder, Phase 2 (Design & Construction)
- 56. MVU-0014 Perris 12KV Feeder, Phase 2 – Krameria / Cardinal ( Design & Construction)

**Cost = \$ 3,855,000**

## Active Projects FY 2010-2011

### Parks

57. Celebration Park Splash Pad Surfacing (Design & Construction)
58. Install Access Gate at March Middle School Field (Construction)
59. Install Musco Control Link Automated Lighting Systems (Construction)
60. Shadow Mountain Park Ball Field Lighting (Design)
61. College Park Phase II Amphitheater (Design / Environmental)
62. Future Park Site Land Acquisition (Land Acquisition)
63. March Field Park Master Plan (Preliminary Design)
64. Replacement Playground Equipment (Design & Construction)

**Cost = \$ 3,649,000**

## Active Projects FY 2010-2011

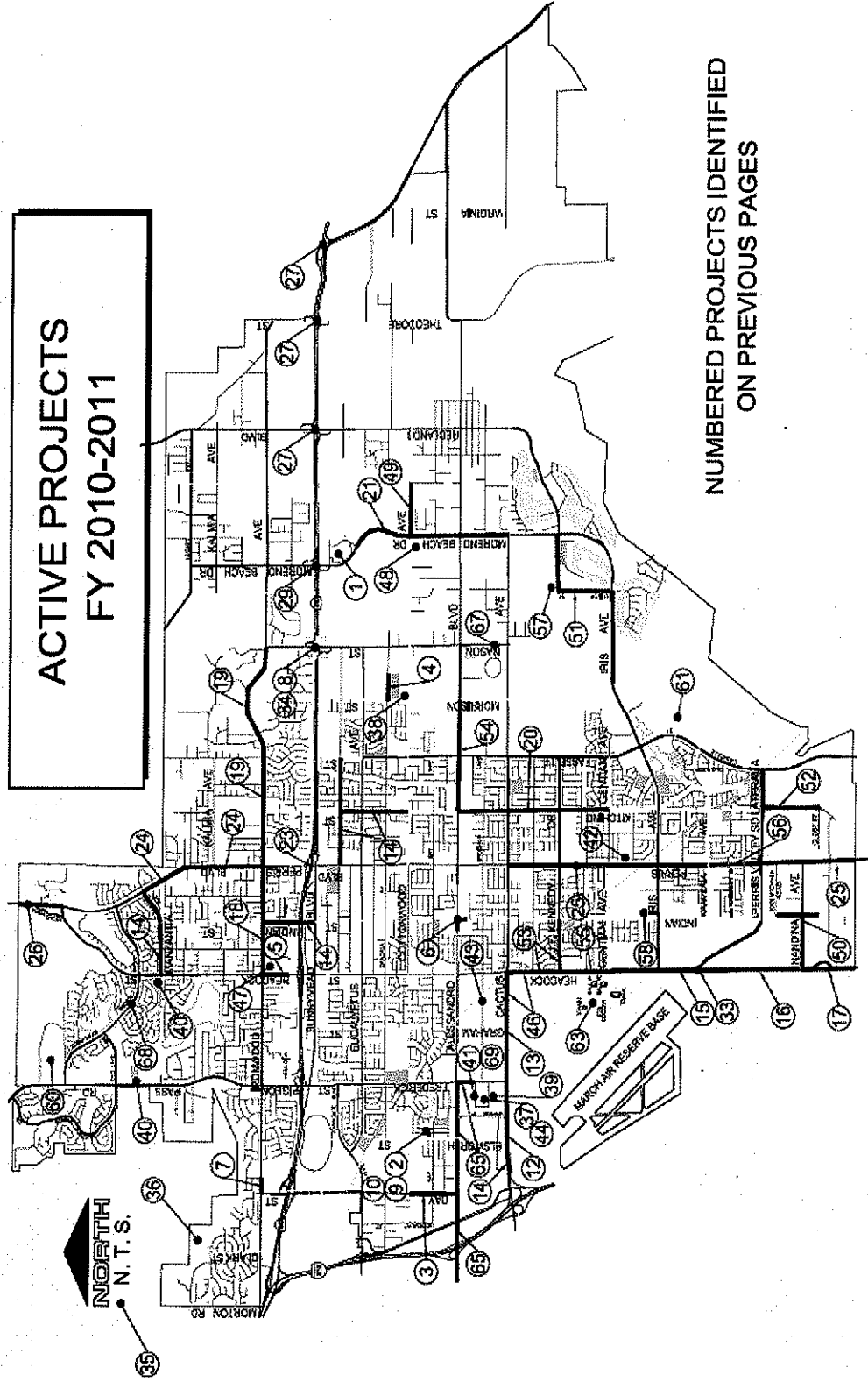
### Traffic Signals

- 65. City of Moreno Valley / City of Riverside Intertie (Design & Construction)
- 66. Emergency Vehicle Pre-emption at 117 Traffic Signals (Design & Construction)
- 67. Nason Street / Riverside County Regional Medical Center Main Driveway Traffic Signal (Design, Right of Way, & Construction)
- 68. Sunnymead Ranch Parkway / Village Road East Traffic Signal (Construction)
- 69. Transportation Management Center (Design & Construction)
- 70. Traffic Signal Coordination Program (Ongoing)

Cost = \$ 1,881,000

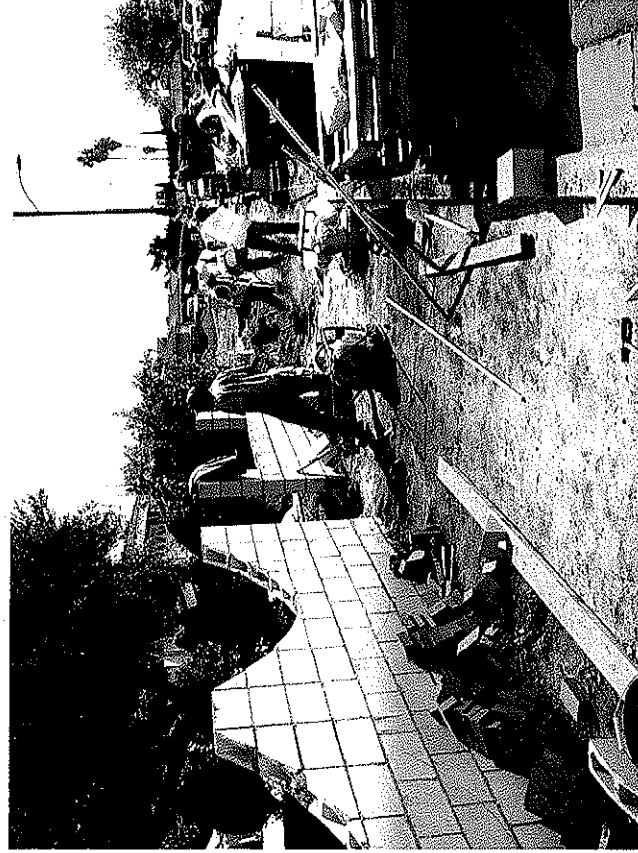
**Active Projects Total Cost = \$ 85,028,000**

**ACTIVE PROJECTS  
FY 2010-2011**



**NUMBERED PROJECTS IDENTIFIED  
ON PREVIOUS PAGES**

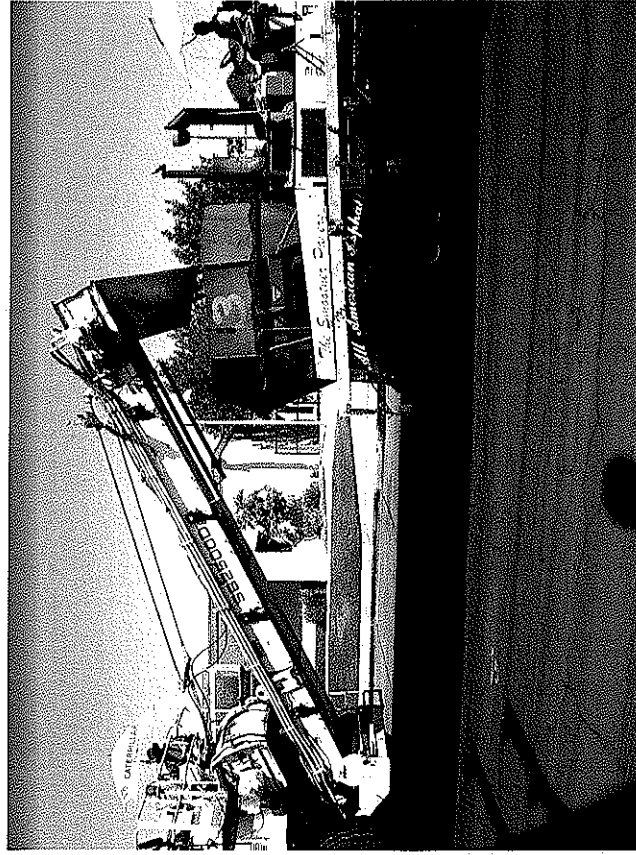
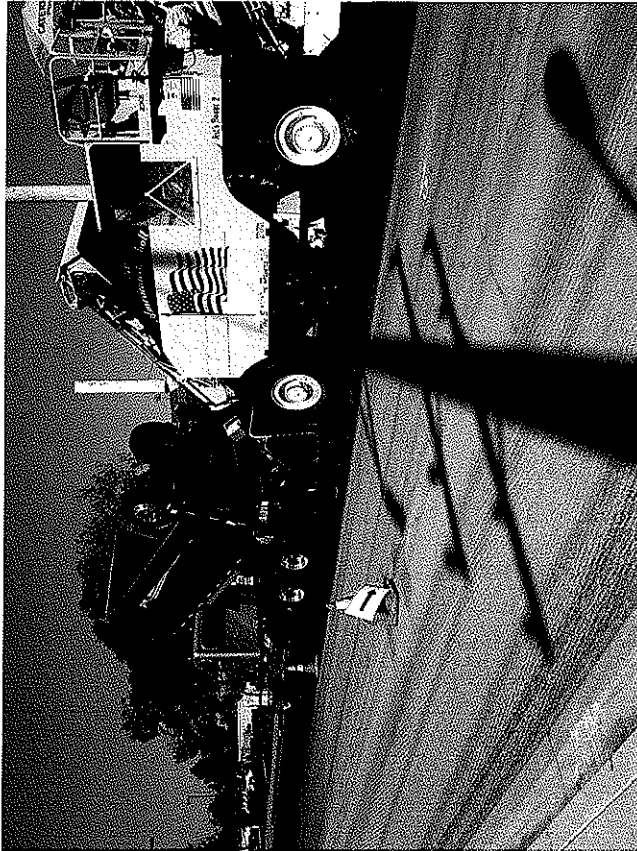
# Active Projects FY 2010-2011



Temco Street, Boeing Street, and Vought Street Sidewalk Improvements



# Active Projects FY 2010-2011



Citywide Annual Pavement Resurfacing Program

Active Projects FY 2010-2011



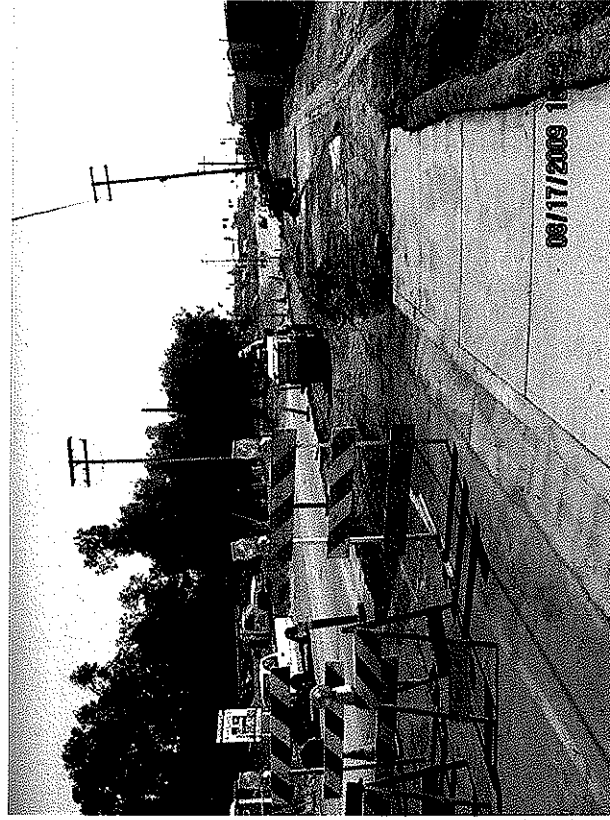
SR-60 / Moreno Beach Drive Interchange

Active Projects FY 2010-2011



SR-60 / Nason Street Interchange

# Active Projects FY 2010-2011



SR-60 / Nason Street Interchange Utility Relocation Construction

# Assumptions Used to Prioritize New Proposed Projects

- Availability of Matching Federal or State Grant Funds
- Allocation of Dedicated Transportation Uniform Mitigation Fee (TUMF) Funding
- Funding Criteria and Deadlines (Bonds, Grants, and Outside Agency Agreements)
- No Anticipated New Development Impact Fee (DIF) Revenues
- Potential Reduced New Gas Tax Revenue (Impacts Public Works Staff Operating Budget)
- Logical Sequential Order to Previous City Council Approved Funding for Projects
- Street Improvement Program (SIP) Program – Approved City Council List
- Pavement Rehabilitation Program (formerly Slurry Seal Program) (Crack Seal)
- Citywide Annual Pavement Resurfacing Program – Based on Pavement Management System
- Developer / Development Driven
- Warrant Requirement (e.g., Traffic Signals)

# New Proposed Projects FY 2010-2011

## Street Improvements

1. Day Street Widening from Eucalyptus Avenue to 660 Feet North (Design)

Cost = \$ 350,000

## Buildings

2. Highland Fire Station (Land Acquisition)
3. Industrial Fire Station (Land Acquisition)

Cost = \$ 1,460,000

## Parks

4. Park Monument Signs (Design & Construction)
5. Shadow Mountain Park Restrooms (Design & Construction)

Cost = \$ 310,000

## New Proposed Projects FY 2010-2011

- Traffic Signals  
6. Lasselle Street / Margaret Avenue Traffic Signal (Design)

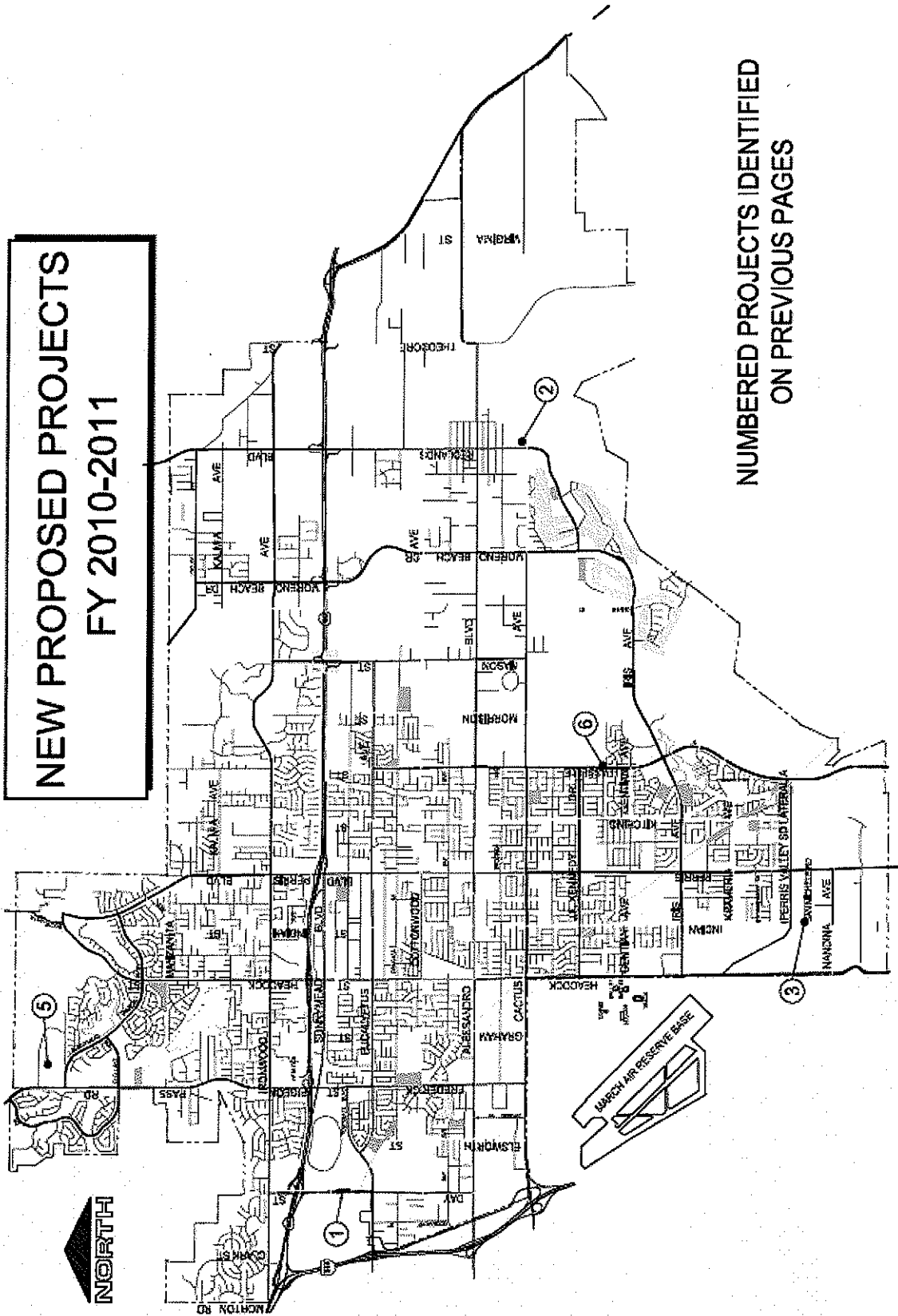
Cost = \$ 20,000

- Underground Utilities  
7. Citywide Fiber Optic Communications Expansion (Design & Construction)

Cost = \$ 199,000

**New Proposed Projects Total Cost = \$ 2,339,000**

# NEW PROPOSED PROJECTS FY 2010-2011



NUMBERED PROJECTS IDENTIFIED  
ON PREVIOUS PAGES



# FY 2010-2011 PROJECT COSTS BY

## CATEGORY

(Amount in \$1,000's)

• STREET IMPROVEMENTS	\$	36,498
• BRIDGES	\$	20,208
• BUILDINGS	\$	15,081
• DRAINAGE, SEWERS, AND WATERLINES	\$	5,728
• ELECTRIC UTILITY	\$	3,855
• LANDSCAPING	\$	0
• PARKS	\$	4,100
• TRAFFIC SIGNALS	\$	1,916
• UNDERGROUND UTILITIES	\$	201
ESTIMATED TOTAL	\$	87,587

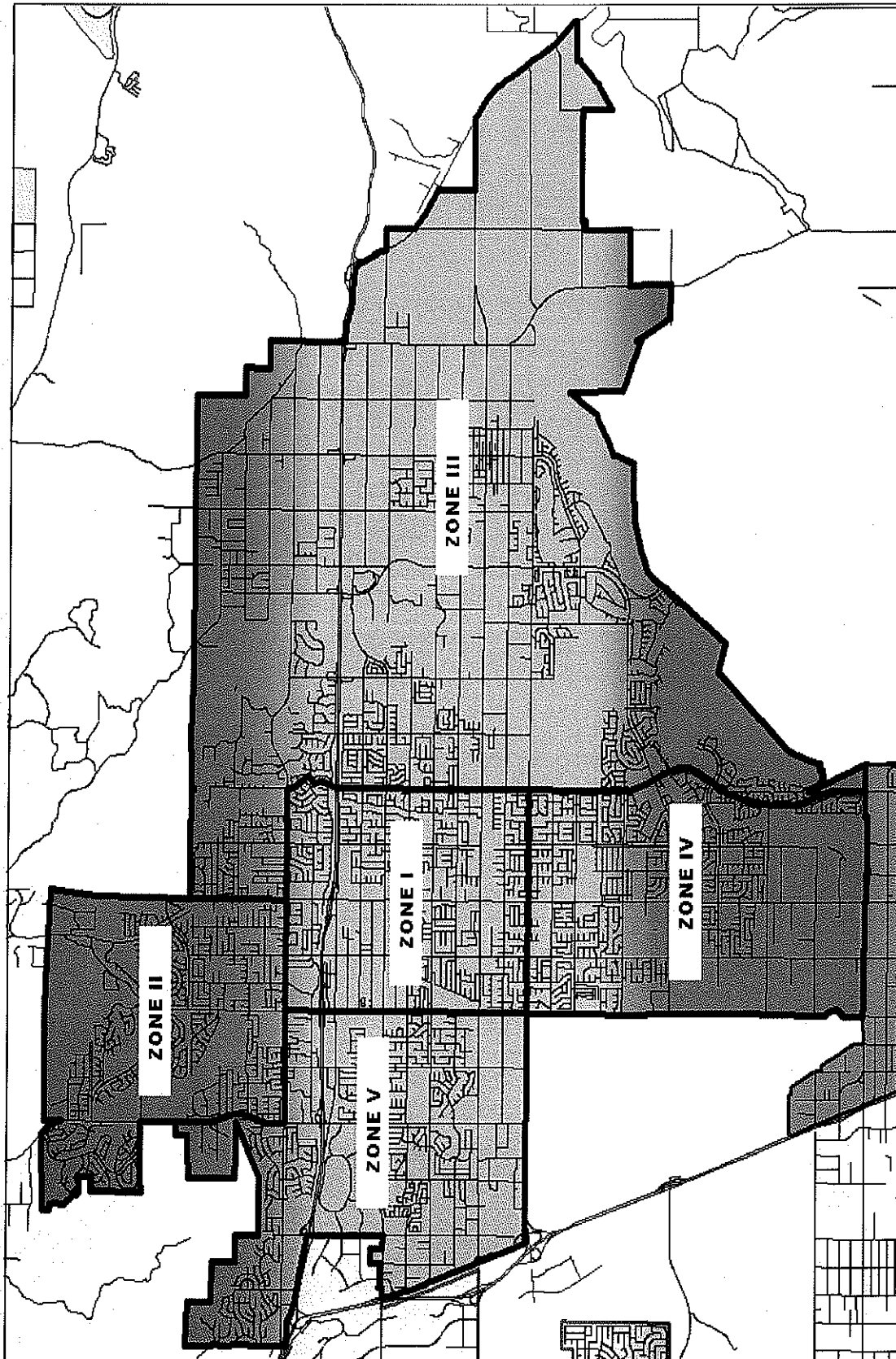
# STREET IMPROVEMENTS

## Cost By Fiscal Year

(Amount in \$1,000's)

	FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
	\$25,083	\$11,415	\$52,102	\$57,000	\$69,039	\$662,770	\$877,409

Zones for Pavement Rehabilitation Program (formerly Slurry Seal Program)



# BRIDGES

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$17,388	\$2,820	\$0	\$0	\$0	\$100,244	\$120,452

# BUILDINGS

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$13,051	\$2,030	\$1,621	\$3,655	\$5,147	\$229,388	\$254,892

# DRAINAGE, SEWERS, AND WATERLINES

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$5,728	\$0	\$0	\$230	\$1,833	\$36,011	\$43,802

# ELECTRIC UTILITY

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$3,855	\$0	\$0	\$2,000	\$5,507	\$4,388	\$15,750

# LANDSCAPING

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$0	\$0	\$120	\$120	\$120	\$120	\$480



# PARKS

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$3,550	\$550	\$3,406	\$1,417	\$552	\$321,003	\$330,478

# TRAFFIC SIGNALS

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$1,659	\$257	\$1,268	\$30	\$302	\$43,546	\$47,062

# UNDERGROUND UTILITIES

## Cost By Fiscal Year

(Amount in \$1,000's)

FY 09/10 Carryover to FY 10/11	New Request FY 10/11	Plan 11/12	Plan 12/13	Plan 13/14	Plan 14/15 & Beyond	Grand Total
\$2	\$199	\$0	\$0	\$155	\$2,801	\$3,157

# SUMMARY COSTS BY CATEGORY

## Total Build-Out

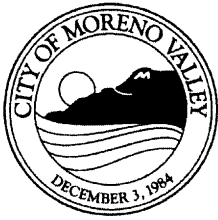
(Amount in \$1,000's)

• STREET IMPROVEMENTS	\$	877,409
• BRIDGES	\$	120,452
• BUILDINGS	\$	254,892
• DRAINAGE, SEWERS, AND WATERLINES	\$	43,802
• ELECTRIC UTILITY	\$	15,750
• LANDSCAPING	\$	480
• PARKS	\$	330,478
• TRAFFIC SIGNALS	\$	47,062
• UNDERGROUND UTILITIES	\$	3,157
TOTAL	\$	1,693,482

# FY 2010-2011 Proposed Capital Improvement Plan Summary

- The projects recommended for FY 2010-2011 are based on development, funding availabilities, and individual project status
- City Council to review, comment, and provide concurrence or provide new priorities
- Recognize that reprioritization of projects may defer some projects to a later time
- Bring back to City Council each year to add, delete, and change priorities as needed

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APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>am</i>
CITY MANAGER	<i>WDB</i>

## **Report to City Council**

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**TO:** Mayor and City Council

**FROM:** Chris A. Vogt, P.E., Public Works Director/City Engineer

**AGENDA DATE:** June 8, 2010

**TITLE:** PA07-0090 – ACCEPT THE AGREEMENT FOR LINE 'F' STORM DRAIN SECURITY ASSOCIATED WITH THE HIGHLAND FAIRVIEW LOGISTICS CORPORATE PARK

BETWEEN STATE ROUTE 60 AND EUCALYPTUS AVENUE,  
AND REDLANDS BOULEVARD AND THEODORE STREET

**DEVELOPER:** HF LOGISTICS – SKX T1, LLC  
14425 CORPORATE WAY  
MORENO VALLEY, CA 92553

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### **RECOMMENDED ACTION**

Staff recommends that the City Council:

1. Accept the Agreement for Line 'F' Storm Drain Security.
2. Authorize the Mayor to execute the Agreement in the form attached hereto contingent upon the cash security being placed into the two (2) escrow accounts.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extensions amendments to the agreement, subject to City Attorney approval, if the required storm drain improvements are not completed within said timeframe.

## **ADVISORY BOARD/COMMISSION RECOMMENDATION**

Not applicable.

## **BACKGROUND**

On January 15, 2009, the Planning Commission of the City of Moreno Valley denied Tentative Parcel Map 35629.

On February 10, 2009, the City Council of the City of Moreno Valley approved Master Plot Plan No. PA07-0090 and Tentative Parcel Map 35629 and accepted phase-specific Conditions of Approval. The tentative parcel map is a proposal to subdivide the 158-acre site into four parcels, one for establishment of a logistics warehouse development and three for future development. The master plot plan provides for establishment of a business park development consisting of four buildings, internal circulation, parking and various site amenities. Tract Map 35629 was conditionally approved requiring construction of the Line 'F' storm drain improvements in order to provide flood protection and drainage for the Developer's planned development. The improvements included but are not limited to inlet structures, headwalls, wingwalls, catch basins, laterals, and main storm drain lines to be maintained by the City of Moreno Valley and Riverside County Flood Control and Water Conservation District (RCFC & WCD).

## **DISCUSSION**

The Conditions of Approval for this project require that the developer provide surety for the required storm drain.

The developer has completed and submitted an Agreement for Line 'F' Storm Drain Security and provided City staff with the escrow instructions and agrees to perform and complete all of the required storm drain improvements within twenty-four (24) months of the date the agreement is executed. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required storm drain facilities are not completed within said timeframe. The limits of the storm drain improvements are from the culverts along the south side of State Route 60, to a point approximately 1,150 feet south of Eucalyptus, and within Eucalyptus Avenue generally from Redlands Boulevard to Theodore Street.

Accompanying the agreement is a Faithful Performance cash security in the amount of \$6,813,595 and a Material and Labor Performance cash security in the amount of \$3,406,797 (per the approved Engineer's Estimate for the storm drain). The City will hold the Faithful Performance and Material and Labor securities for both the District's Drainage Facilities and the City's Drainage Facilities. The cash securities shall be placed in escrow accounts that allow for disbursement of funds in accordance with the details in the Agreement for Line 'F' Storm Drain improvements. Given the present economy, the cash security and the use of an escrow account seem appropriate and



are consistent with the conditions of approval for the project. This agreement will be executed prior to any issuance of permits for construction of said facilities. Upon completion of the Storm Drain Improvements and after the City Council and RCFC & WD accept the project; the City will only then release the securities.

The Cooperative Agreement is the District's mechanism by which the District, the City, and the Developer coordinate the construction and maintenance of Master Storm Drain facilities. Typically, the developer would enter into a Cooperative Agreement with the City and the District prior to the start of construction of the storm drain. In this case, the District has agreed to issue a Right of Entry letter in the interim to allow the District inspectors to enter the property and permit the storm drain construction to begin while the Cooperative Agreement is processed through the two agencies.

**ALTERNATIVES**

Not applicable.

**FISCAL IMPACT**

No fiscal impact is anticipated.

**CITY COUNCIL GOALS**

**PUBLIC FACILITIES AND CAPITAL PROJECTS:**

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

**NOTIFICATION**

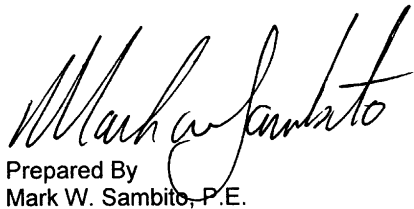
Publication of agenda.

**EXHIBITS**

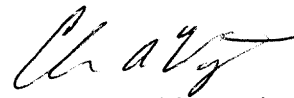
Exhibit "A" - Vicinity Map

Exhibit "B" - Agreement for Line 'F' Storm Drain Security

Exhibit "C" - Escrow Instructions



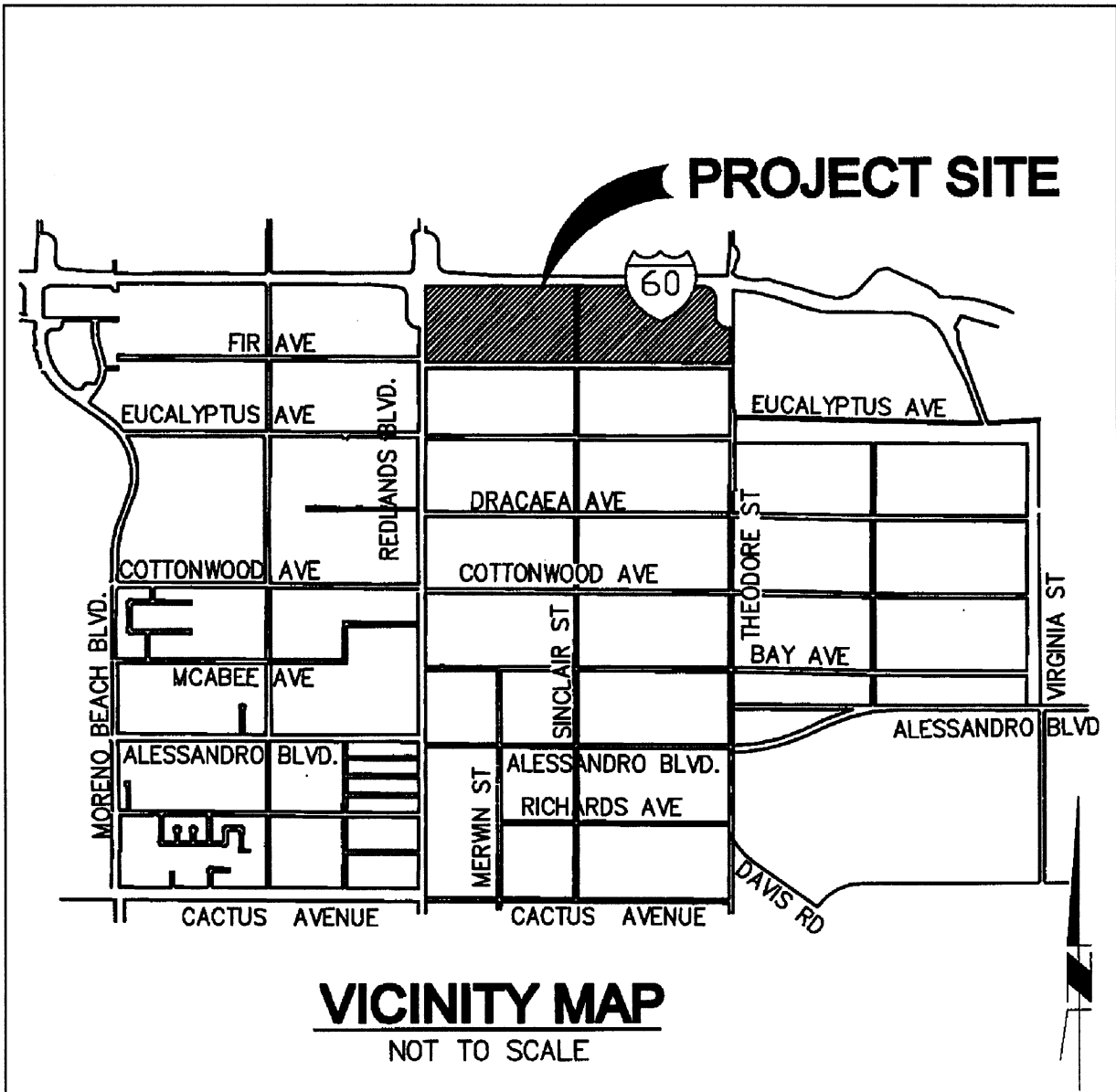
Prepared By  
Mark W. Sambito, P.E.  
Engineering Division Manager



Department Head Approval  
Chris A. Vogt, P.E.  
Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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**CITY OF MORENO VALLEY**  
**PUBLIC WORKS - LAND DEVELOPMENT**  
 Exhibit "A"

**PA07-0090**  
**LOCATION MAP**

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RECORDING REQUESTED BY:  
City of Moreno Valley

WHEN RECORDED, RETURN TO:

CITY OF MORENO VALLEY  
City Clerk  
P. O. Box 88005  
Moreno Valley, CA 92552-0805

No recording fee per Government Code, Section 6103

This space for Recorder's use only.

**AGREEMENT FOR PUBLIC IMPROVEMENTS  
FOR LINE F STORM DRAIN IMPROVEMENTS AND ESCROW INSTRUCTIONS  
PROJECT NO. PA07-0090 (TENTATIVE PARCEL MAP 35629)**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and HF LOGISTICS-SKX T1, LLC, hereinafter called Developer, on the date the City signs this agreement.

**WITNESSETH:**

**FIRST:** Developer, for and in consideration of the approval by the City of the final map of that certain land division, known as PA07-0090 (Tentative Parcel Map 35629) agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within TWENTY-FOUR (24) months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for the Line F Storm Drain Improvements which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code. The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto and made part of this Agreement by this reference, is the sum of SIX MILLION EIGHT HUNDRED THIRTEEN THOUSAND FIVE HUNDRED NINETY FIVE AND NO/100 Dollars (\*\*\*\$6,813,595.00\*\*\*).

**SECOND:** Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any security guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

**THIRD:** City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this Agreement prior to the completion and approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developer, his agents or employees, in the performance of the work, and all of said liabilities are assumed by Developer. Developer agrees to protect, defend and hold harmless City and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Developer, his agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement.

EXHIBIT B

**FOURTH:** The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

**FIFTH:** Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the escrow accounts securing performance of this Agreement.

**SIXTH:** The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

**SEVENTH:** Developer agrees, prior to the date this Agreement is executed, to deposit into two separate escrow accounts United States currency for 1) the estimated cost of the work and improvements, totaling \$6,813,595.00, for the faithful performance of the terms and conditions of this Agreement (First American Title Insurance Company Escrow Number: NCS-442058-SD), and 2) the estimated cost of labor and materials, in the amount of \$3,406,797.50, for payment of labor and materials (First American Title Insurance Company Escrow Number: NCS-442818-SD) as prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. The escrow accounts shall be established at First American Title Insurance Company, 4380 La Jolla Village Drive, Suite 200, San Diego, Ca 92122, Attn: Verna Gregory-Senior Commercial Escrow Officer. The escrow account (First American Title Insurance Company Escrow Number: NCS-442818-SD) securing the estimated cost of labor and materials shall be released to Developer no sooner than 90 days after acceptance of the improvements by the City. After acceptance of the improvements by the City, a total of ten percent of the original escrow deposit for the faithful performance (First American Title Insurance Company Escrow Number: NCS-442058-SD) shall be retained in the escrow account until expiration of the twelve (12) month warranty period pursuant to Government Code section 66499 to secure required warranty work. Amounts held in the escrow accounts shall only be reduced when the escrow officer is instructed in writing by the City Engineer to release an amount held in an escrow account. Developer shall be responsible for paying all costs of the escrow accounts. Developer agrees to maintain said escrow accounts with good and sufficient funds or increase the amounts of said escrow accounts, or both, within ten (10) days after being notified by the City Engineer that the amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of the escrow account(s). Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and the City Attorney.

**EIGHTH:** If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute any of the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate any and all rights of the Developer because of such default whereupon the City Engineer shall instruct the escrow officer to release the necessary funds from the escrow account(s) to cure the default(s). The escrow officer shall be instructed in writing by the City Engineer to release the necessary funds to the City without any consent from Developer. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

**NINTH:** It is further agreed by and between the parties hereto, including the escrow company securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the security or securities, Developer further agrees to maintain the aforesaid securities in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

**TENTH:** It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

**ELEVENTH:** Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

**City:**  
City Engineer  
P.O. Box 88005  
14177 Frederick  
Moreno Valley, CA 92552-0805

**Developer:**  
HF LOGISTICS-SKX T1, LLC,  
14225 Corporate Way  
Moreno Valley, California 92553

**Escrow:**  
First American Title Insurance Company  
4380 La Jolla Village Drive, Suite 200  
San Diego, Ca 92122  
Attn: Verna Gregory-Senior Commercial Escrow Officer

**IN WITNESS WHEREOF** Developer has affixed his name, address and seal.

Date approved by the City: \_\_\_\_\_

**HF LOGISTICS-SKX T1, LLC:**  
Developer

BY: \_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Print/Type Name  
  
\_\_\_\_\_  
Title

BY: \_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Print/Type Name  
  
\_\_\_\_\_  
Title

**ATTEST:**  
CITY CLERK  
OF THE CITY OF MORENO VALLEY

By: \_\_\_\_\_  
City Clerk

**CITY OF MORENO VALLEY**

By: \_\_\_\_\_  
Mayor

(SEAL)

**APPROVED AS TO FORM:**  
CITY ATTORNEY

Date: \_\_\_\_\_

By: \_\_\_\_\_  
City Attorney

**NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.**

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*First American*  
*Title Insurance Company*

NATIONAL COMMERCIAL SERVICES

4380 La Jolla Village Drive, Suite 200  
San Diego, CA 92122

## SUPPLEMENTAL ESCROW INSTRUCTIONS

ESCROW NO.: NCS-442818-SD / NCS-442058-SD

DATE: 06 / 08 / 2010

First American Title Insurance Company is hereby handed by the undersigned parties, that certain "original" document entitled Agreement for Line 'F' Storm Drain plans. Security Project No. PA07-0090 (Tentative Parcel Map 35629) dated June 8, 2010 executed by and between City of Moreno Valley, ("City") and HF Logistics -SKX T1, LLC, ("Developer").

First American Title Insurance Company is hereby requested to accept the "Agreement for Line 'F' Storm Drain Plans" Security Project No. PA07-0090 (Tentative Parcel Map 35629)" as its escrow instructions and to act as escrow agent for the parties in accordance with the terms and conditions contained in said document.

Each of the parties to this escrow specifically acknowledges that the consummation of this escrow is contingent upon compliance with some or all of the executory terms and provisions of this "Agreement", and that the parties to this "Agreement" are and shall be the sole persons entitled to and authorized to determine whether all of said executory terms and provisions due to be performed prior to the close of escrow have been met or complied with prior to such close. Accordingly, the parties hereby agree that prior to the scheduled close of escrow they shall each deposit with Escrow Holder a **written** instruction or acknowledgement specifying that all the executory terms and provisions of this "Agreement", insofar as the same pertain to each said party respectively and any obligation of escrow holder relative thereto, have been fully met or complied with, or are waived.

Further, each said party shall specifically release Escrow Holder from all liability, if any, which it may have in connection with this escrow because of any party's failure to meet or comply with any such executory term or provision of this "Agreement", prior to close of escrow. Deposit of written instruction or acknowledgement with Escrow Holder shall constitute each said party's specific authorization to close this escrow.

General provisions of First American Title Insurance Company, attached hereto and made a part hereof, are hereby incorporated in said "Agreement". To the extent that the agreement contains any provisions inconsistent with or contrary to the provisions of the General Provisions attached hereto, such "Agreement" shall remain as the agreement of the parties thereto but First American Title Insurance shall be guided by the terms of their General Provisions.

City of Moreno Valley

HF Logistics-SKX T1, LLC, a California limited liability company

By: \_\_\_\_\_

By: Iddo Benzeevi, President and CEO

EXHIBIT C

## Escrow General Provisions

The parties understand and acknowledge:

### 1. SPECIAL DISCLOSURES:

#### A. DEPOSIT OF FUNDS & DISBURSEMENTS

Unless directed in writing to establish a separate, interest-bearing account together with all necessary taxpayer reporting information, all funds shall be deposited in general escrow accounts in a federally insured financial institution including those affiliated with Escrow Holder ("depositories"). All disbursements shall be made by Escrow Holder's check or by wire transfer unless otherwise instructed in writing. The Good Funds Law (California Insurance Code 12413.1) mandates that Escrow Holder may not disburse funds until the funds are, in fact, available in Escrow Holder's account. Wire transfers are immediately disburseable upon confirmation of receipt. Funds deposited by a cashier's or certified check are generally available on the next banking day following deposit. Funds deposited by a personal check and other types of instruments may not be available until confirmation from Escrow Holder's bank which can vary from 2 to 10 days.

#### B. DISCLOSURE OF POSSIBLE BENEFITS TO ESCROW HOLDER

As a result of Escrow Holder maintaining its general escrow accounts with the depositories, Escrow Holder may receive certain financial benefits such as an array of bank services, accommodations, loans or other business transactions from the depositories ("collateral benefits"). All collateral benefits shall accrue to the sole benefit of Escrow Holder and Escrow Holder shall have no obligation to account to the parties to this escrow for the value of any such collateral benefits.

#### C. MISCELLANEOUS FEES

Escrow Holder may incur certain additional costs on behalf of the parties for services performed, or fees charged, by third parties. The fees charged by Escrow Holder for services including, but not limited to, wire transfers, overnight delivery/courier services, recording fees, notary fees, etc. may include a mark up over the direct cost of such services to reflect the averaging of direct, administrative and overhead charges of Escrow Holder for such services which shall, in no event, exceed \$10 for each markup.

#### D. METHOD TO DELIVER PAYOFF TO LENDERS/LIENHOLDERS

To minimize the amount of interest due on any existing loan or lien, Escrow Holder will deliver the payoff funds to the lender/lienholder in an expeditious manner as demanded by the lender/lienholder using (a) personal delivery, (b) wire transfer, or (c) overnight delivery service, unless otherwise directed in writing by the affected party.

### 2. PRORATIONS & ADJUSTMENTS

The term "close of escrow" means the date on which documents are recorded. All prorations and/or adjustments shall be made to the close of escrow based on the number of actual days, unless otherwise instructed in writing.

### 3. CONTINGENCY PERIODS

Escrow Holder shall not be responsible for monitoring contingency time periods between the parties. The parties shall execute such documents as may be requested by Escrow Holder to confirm the status of any such periods.

### 4. REPORTS

As an accommodation, Escrow Holder may agree to transmit orders for inspection, termite, disclosure and other reports if requested, in writing or orally, by the parties or their agents. Escrow Holder shall deliver copies of any such reports as directed. Escrow Holder is not responsible for reviewing such reports or advising the parties of the content of same.

### 5. INFORMATION FROM AFFILIATED COMPANIES

Escrow Holder may provide the parties' information to and from its affiliates in connection with the offering of products and services from these affiliates.

### 6. RECORDATION OF DOCUMENTS

Escrow Holder is authorized to record documents delivered through escrow which are necessary or proper for the issuance of the requested title insurance policy(ies). Buyer will provide a completed Preliminary Change of Ownership Report form ("PCOR"). If Buyer fails to provide the PCOR, Escrow Holder shall close escrow and charge Buyer any additional fee incurred for recording the documents without the PCOR. Escrow Holder is released from any liability in connection with same.

### 7. PERSONAL PROPERTY TAXES

No examination, UCC search, insurance as to personal property and/or the payment of personal property taxes is required unless otherwise instructed in writing.

### 8. REAL PROPERTY TAXES

Real property taxes are prorated based on the most current available tax statement from the tax collector's office. Supplemental taxes may be assessed as a result of a change in ownership or completion of construction. Adjustments due either party based on the actual new tax bill issued after close of escrow or a supplemental tax bill will be made by the parties outside of escrow and Escrow Holder is released of any liability in connection with such adjustments. The first installment of California real property taxes is due November 1<sup>st</sup> (delinquent December 10<sup>th</sup>) and the second installment is due February 1<sup>st</sup> (delinquent April 10<sup>th</sup>). If a tax bill is not received from the County at least 30 days prior to the due date, buyer should contact the County Tax Collector's office and request one. Escrow Holder is not responsible for same.

### 9. CANCELLATION OF ESCROW

(a) Any party desiring to cancel this escrow shall deliver written notice of cancellation to Escrow Holder. Within a reasonable time after receipt of such notice, Escrow Holder shall send by regular mail to the address on the escrow instructions, one copy of said notice to the other party(ies). Unless written objection to cancellation is delivered to Escrow Holder by a party within 10 days after date of mailing, Escrow Holder is authorized, at its option, to comply with the notice and terminate the escrow. If a written objection is received by Escrow Holder, Escrow Holder is authorized, at its option, to hold all funds and documents in escrow (subject to the funds held fee) and to take no other action until otherwise directed by either the parties' mutual written instructions or a final order of a court of competent jurisdiction. If no action is taken on this escrow within 6 months after the closing date specified in the escrow instructions, Escrow Holder's obligations shall, at its option, terminate. Upon termination of this escrow, the parties shall pay all fees, charges and reimbursements due to Escrow Holder and all documents and remaining funds held in escrow shall be returned to the parties depositing same.

(b) Notwithstanding the foregoing paragraph, Escrow Holder shall have the right to unilaterally terminate any escrow which is subject to the provisions of the Equity Purchaser Law (CA Civil Code Section 1695 et seq.) and may return all documents and funds without any consent by or notice to the buyer.

### 10. CONFLICTING INSTRUCTIONS & DISPUTES

If Escrow Holder becomes aware of any conflicting demands or claims concerning this escrow, Escrow Holder shall have the right to discontinue all further acts on Escrow Holder's part until the conflict is resolved to Escrow Holder's satisfaction. Escrow Holder has the right at its option to file an action in Interpleader requiring the parties to litigate their claims/rights. If such an action is filed, the parties jointly and severally agree (a) to pay Escrow Holder's cancellation charges, costs (including the funds held fees) and reasonable attorneys' fees, and (b) that Escrow Holder is fully released and discharged from all further obligations under the escrow. If an action is brought involving this escrow and/or Escrow Holder, the party(ies) involved in the action agree to indemnify and hold the Escrow Holder harmless against liabilities, damages and costs incurred by Escrow Holder (including reasonable attorneys' fees and costs) except to the extent that such liabilities, damages and costs were caused by the negligence or willful misconduct of Escrow Holder.

THIS COMPANY CONDUCTS ESCROW BUSINESS UNDER CERTIFICATE OF AUTHORITY  
ISSUED BY THE STATE OF CALIFORNIA DEPARTMENT OF INSURANCE.

## Escrow General Provisions

### 11. USURY

Escrow Holder is not to be concerned with usury as to any loans or encumbrances in this escrow and is hereby released of any responsibility and/or liability therefore.

### 12. AMENDMENTS TO ESCROW INSTRUCTIONS

Any amendment to the escrow instructions must be in writing, executed by all parties and accepted by Escrow Holder. Escrow Holder may, at its sole option, elect to accept and act upon oral instructions from the parties. If requested by Escrow Holder the parties agree to confirm said instructions in writing as soon as practicable. The escrow instructions as amended shall constitute the entire escrow agreement between the Escrow Holder and the parties hereto with respect to the subject matter of the escrow.

### 13. INSURANCE POLICIES

In all matters relating to insurance, Escrow Holder may assume that each policy is in force and that the necessary premium has been paid. Escrow Holder is not responsible for obtaining fire, hazard or liability insurance, unless Escrow Holder has received specific written instructions to obtain such insurance prior to close of escrow from the parties or their respective lenders.

### 14. COPIES OF DOCUMENTS; AUTHORIZATION TO RELEASE

Escrow Holder is authorized to rely upon copies of documents, which include facsimile, electronic, NCR, or photocopies as if they were an originally executed document. If requested by Escrow Holder, the originals of such documents shall be delivered to Escrow Holder. Escrow Holder may withhold documents and/or funds due to the party until such originals are delivered. Documents to be recorded **MUST** contain original signatures. Escrow Holder may furnish copies of any and all documents to the lender(s), real estate broker(s), attorney(s) and/or accountant(s) involved in this transaction upon their request. Delivery of documents by escrow to a real estate broker or agent who is so designated in the purchase agreement shall be deemed delivery to the principal.

### 15. EXECUTION IN COUNTERPART

The escrow instructions and any amendments may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute the same instruction.

### 16. TAX REPORTING, WITHHOLDING & DISCLOSURE

The parties are advised to seek independent advice concerning the tax consequences of this transaction, including but not limited to, their withholding, reporting and disclosure obligations. Escrow Holder does not provide tax or legal advice and the parties agree to hold Escrow Holder harmless from any loss or damage that the parties may incur as a result of their failure to comply with federal and/or state tax laws. **WITHHOLDING OBLIGATIONS ARE THE EXCLUSIVE OBLIGATIONS OF THE PARTIES. ESCROW HOLDER IS NOT RESPONSIBLE TO PERFORM THESE OBLIGATIONS UNLESS ESCROW HOLDER AGREES IN WRITING.**

#### A. TAXPAYER IDENTIFICATION NUMBER REPORTING

Federal law requires Escrow Holder to report seller's social security number or tax identification number (both numbers are hereafter referred to as the "TIN"), forwarding address, and the gross sales price to the Internal Revenue Service ("IRS"). To comply with the USA PATRIOT Act, certain taxpayer identification information (including, but not limited to, the TIN) may be required by Escrow Holder from certain persons or entities involved (directly or indirectly) in the transaction prior to closing.

Escrow cannot be closed nor any documents recorded until the information is provided and certified as to its accuracy to Escrow Holder. The parties agree to promptly obtain and provide such information as requested by Escrow Holder.

#### B. State Withholding & Reporting

Under California law (Rev & Tax Code §18662), a buyer may be required to withhold and deliver to the Franchise Tax Board (FTB) an amount equal to 3.33% of the sales price in the case of disposition of California real property interest ("Real Property") by either: 1) a seller who is an individual, trust or estate or when the disbursement instructions authorize the proceeds to be sent to a financial intermediary of seller; OR 2) a corporate seller that has no permanent place of business in California immediately after the transfer of title to the Real Property. Buyer may be subject to a penalty (equal to the greater of 10% of the amount required to be withheld or \$500) for failing to withhold and transmit the funds to FTB in the time required by law. Buyer is not required to withhold any amount and will not be subject to penalty for failure to withhold if: a) the sales price of the Real Property does not exceed \$100,000; b) the seller executes a written certificate under penalty of perjury certifying that the seller is a corporation with a permanent place of business in California; OR c) the seller, who is an individual, trust, estate or a corporation without a permanent place of business in California, executes a written certificate under penalty of perjury certifying one of the following: (i) the Real Property was the seller's or decedent's principal residence (as defined in IRC §121); (ii) Real Property being conveyed was last used by the seller as seller's principal residence within the meaning of IRC §121 (even if the seller did not meet the two out of the last five years requirement or one of the special circumstances in IRC §121); (iii) the Real Property is or will be exchanged for property of like-kind (as defined in IRC §1031) and that the seller intends to acquire property similar or related in service or use so as to be eligible for nonrecognition of gain for California income tax purposes under IRC §1031; (iv) the Real Property has been compulsorily or involuntarily converted (as defined in IRC §1033) and the seller intends to acquire property similar or related in service or use so as to be eligible for nonrecognition of gain for California income tax purposes under IRC §1033; or (v) the Real Property sale will result in a loss (or net gain not required to be recognized) for California income tax purposes. Seller is subject to penalties for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding laws.

**Contact FTB:** For additional information regarding California withholding, contact the Franchise Tax Board at (toll free) 888-792-4900, by e-mail [nrws@ftb.ca.gov](mailto:nrws@ftb.ca.gov); or visit their website at [www.ftb.ca.gov](http://www.ftb.ca.gov).

#### C. FEDERAL WITHHOLDING & REPORTING

Certain federal reporting and withholding requirements exist for real estate transactions where the seller (transferor) is a non-resident alien, a non-domestic corporation, partnership, or limited liability company; or a domestic corporation, partnership or limited liability company controlled by non-residents; or non-resident corporations, partnerships or limited liability companies.

#### D. TAXPAYER IDENTIFICATION DISCLOSURE

Federal and state laws require that certain forms include a party's TIN and that such forms or copies of the forms be provided to the other party and to the applicable governmental authorities. Parties to a real estate transaction involving seller-provided financing are required to furnish, disclose, and include the other party's TIN in their tax returns. Escrow Holder is authorized to release a party's TINs and copies of statutory forms to the other party and to the applicable governmental authorities in the foregoing circumstances. The parties agree to hold Escrow Holder harmless against any fees, costs, or judgments incurred and/or awarded because of the release of their TIN as authorized herein.

THIS COMPANY CONDUCTS ESCROW BUSINESS UNDER CERTIFICATE OF AUTHORITY  
ISSUED BY THE STATE OF CALIFORNIA DEPARTMENT OF INSURANCE.

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(7/5/2006)

Page 2 of 2 Pages

Form 1610



**The First American Corporation**  
First American Title Company

**Privacy Policy**

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information – particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

# CITY MANAGER'S REPORT

**(Informational Oral Presentation only –  
not for Council action)**

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